

Testimony of Yexenia Markland, First Deputy Director, Mayor's Office of Contract Services
Before the New York City Council Committee on Contracts
October 23, 2025

Good afternoon, Chair Won, members of the Committee on Contracts, and other Councilmembers. My name is Yexenia Markland, and I serve as the First Deputy Director at the Mayor's Office of Contract Services (MOCS). I am joined by our colleagues from the Department of Homeless Services (DHS), the Mayor's Office of Criminal Justice (MOCJ), and the Mayor's Office of Nonprofit Services (MONS). Thank you for inviting us today to discuss the bills on today's agenda.

At MOCS, our top priority remains clear: strengthening the City's role as a reliable, responsive partner, particularly to the nonprofit providers that deliver essential services and uphold the very fabric of our communities.

Informed by the Joint Task Force to Get Nonprofits Paid On Time, our work has been focused on modernizing procurement, addressing historic pain points, and implementing reforms that deliver meaningful, measurable results. While we regularly update our partners on this progress, I would like to highlight a few key achievements that reflect our commitment:

- Earlier this year, MOCS concluded its Spring Contract Backlog Initiative, unlocking over \$700 million in retroactive, backlogged contracts for nonprofit organizations.
- In a major step forward, the Administration doubled advance payments for most nonprofit contracts in Fiscal Year 2026—from 25% to 50% of the base contract value delivering more upfront cash to providers than ever before.

- The newly launched Payment Taskforce, fully operational since July, is driving real-time progress on the City's 30-day payment mandate. The Taskforce applies data analytics to pinpoint bottlenecks, provides direct support to vendors, and holds regular office hours. In just the past month, over 60 providers received individualized assistance with budget and invoice issues and we look forward to providing this hands-on support to even more providers in the coming months.
- Through our "Timely Registration Initiative," MOCS is reducing delays and improving transparency across the contract lifecycle. This effort has led to a dramatic increase in on-time submissions—88% of human service contracts for FY26 were submitted to the Comptrollers on time, nearly doubling last year's performance.
- As Executive Director Sedillo mentioned, in partnership with Council, the Administration recently announced the Discretionary Grant Pilot—a groundbreaking initiative to accelerate funding for the City's smallest community-based organizations. Led by MOCS and the City Council, in collaboration with DYCD, NYC Aging, DVS, SBS, and MONS, the pilot streamlines the traditional discretionary award process, reducing bureaucratic hurdles and delivering payments months faster. Launching this fall, the pilot will allow eligible nonprofits to receive funding by January 2026—just weeks after awards are finalized—rather than waiting over a year under current processes. This effort fulfills a key recommendation of the Joint Task Force to Get Nonprofits Paid On Time and represents a major step toward greater equity and efficiency in City funding.

These outcomes demonstrate a shared commitment across City agencies to reform the procurement process from the inside out. While we are proud of this progress, we remain focused on the road ahead—working in close partnership with agencies, providers, and Council to create a more efficient, equitable procurement system. We're happy to share more information with your staff on these ongoing efforts.

Intro 1392

As our ongoing reforms make clear, we fully support the underlying goal of Intro 1392, ensuring timely and stable payments to the City's nonprofit partners. However, we have significant operational concerns with the bill in its current form and would need further conversations with the Council to ensure its goals are met effectively.

We are open to exploring new payment models that support stability for providers. However, such changes must be developed with an understanding of the broader reforms already underway, and with sufficient time to engage all stakeholders—especially those directly impacted.

The proposed January 2026 start date for quarterly advances is not feasible for DHS and MOCJ. Implementing this shift mid-fiscal year would require new processes, updated systems, fiscal manual changes, and additional resources—while also creating confusion for providers who will already be receiving a second advance payment in January under existing FY26 policies.

It's also important to underscore the scale of change proposed. Transitioning to a quarterly advance model marks a fundamental departure from the City's reimbursement-based payment model. This means that providers must submit invoices to demonstrate how City taxpayer dollars were spent. While the City has used advance payments as a

tool to quickly get funds to nonprofit providers to support their cashflow, the City must also be able to substantiate how advance funds were used. The City does this for advance funding through what we call “recoupment,” which is when agencies withhold a portion of each invoice to be applied toward repaying what had previously been advanced. The City needs providers to submit invoices regularly throughout the fiscal year both so that they can get paid and so that we can account for what had been advanced, which has important implications for the City’s cash flow.

For context, in FY25, the City issued \$3.2 billion in advances—of which, approximately \$796 million has yet to be recouped. Any shift to quarterly advances must consider this financial reality, including how invoices and audits are managed to ensure fiscal accountability.

Additionally, the system is currently designed to ensure that advances are being recouped, and there is a limit on how much money can be advanced on a budget without sufficient recoupment. Substantially altering our financial systems to accommodate a new advance model cannot be achieved within the proposed timeframe and would require significant investment.

That said, we are open to having conversations with Council about establishing a pilot program to develop a thoughtful quarterly advance model—one that is informed by lessons learned, builds on current initiatives and provides time to align systems, resources and stakeholder support.

Intro 1401

Intro 1401 would allow agencies to request voluntary disclosures from bidders regarding their labor and human rights practices during the responsibility determination stage. We share the Council's intent to advance ethical standards in City contracting. However, we are concerned that the bill will cause confusion and unfair competition among vendors, while adding administrative burden and cost to the procurement process.

The scope of disclosure envisioned may require vendors to conduct extensive internal reviews of not only their operations but those of subcontractors and suppliers, which could disproportionately impact smaller businesses. It's also important to note that mandatory disclosures already exist within PASSPort, the City's digital procurement platform. Implementing this bill would require additional system development and resources to accommodate and manage the new voluntary disclosures.

Intro 1012

With regard to Intro 1012, MOCS generally supports the heart of this proposal to codify and strengthen the City's digital procurement infrastructure. We already maintain a centralized, digital procurement and contract management system—PASSPort—which performs many of the functions detailed in the bill. MOCS is constantly working to improve the functionality of PASSPort as a citywide resource for contract and procurement data, and to make PASSPort more accessible and user-friendly.

However, we have concerns with the bill's requirement that the City Chief Procurement Officer procure a third-party quality assurance vendor distinct from any platform developers to provide regular testing of system functionality and performance

monitoring. While we understand the desire for oversight, in practice this would duplicate existing monitoring, introduce inefficiencies, and risk contradictory recommendations. We look forward to continued dialogue to support our joint goal of supporting in the City's procurement system, while harmonizing any legislation with current industry and City practices.

Intro 1298

Finally, regarding Intro 1298, we appreciate Council's focus on reducing barriers to doing business with the City while protecting fiscal interests. However, MOCS cautions against setting standardized insurance guidelines for broad categories of contracts. The complexity and diversity of City procurements require flexibility, not uniformity.

Developing insurance guidelines with eyes toward a one-size-fits-all manner of application ignores the reality that contracts with varying scopes and intricacies demand a more flexible and project-specific approach to insurance requirements. Furthermore, identifying categories of contracts with enough specificity to properly develop insurance requirements in scope with those needs would require the reallocation of agency resources and would likely produce such a wide variety of contract categories that they would undermine the intended clarity. Maintaining these guidelines as dictated by the bill would also impose additional administrative burdens on the City's contracting and procurement processes. We will need to closely engage our partners at the Law Department on this legislation and any efforts to standardize insurance requirements.

Once again, we appreciate this opportunity to appear before the Council and share our perspective on these very important issues. We are committed to continued

collaboration with Council and all our partners as we work to modernize and improve the City's procurement system for providers and the New Yorkers they serve.

**Testimony of Michael Sedillo, Executive Director
Mayor's Office of Nonprofit Services (MONS)**

**City Council Hearing on Intros 1392 , 1012, 1298
October 23, 2025**

Good afternoon, Speaker Adams, Deputy Speaker Ayala, Chair Won, members of the Contracts Committee, and all other Council Members who have joined us today.

Thank you for convening this important hearing and for allowing me to testify.

My name is Michael Sedillo, and I am proud to serve as the Executive Director of the Mayor's Office of Nonprofit Services, also known as MONS.

I'm joined today by Yexenia Markland, First Deputy Director of the Mayor's Office of Contract Services, Robert Fiato, Chief Financial Officer of the Mayor's Office of Criminal Justice, Rosine Ferdinand, Department of Social Services Executive Deputy Commissioner of Finance, and Christine Fellini, Department of Homeless Services First Deputy Commissioner.

At MONS, our goal is simple: to help providers focus on delivering vital services, not on navigating unpredictable payment cycles or complex invoicing systems.

But we don't do this work alone.

Our success also depends on the thousands of dedicated public servants, who work tirelessly behind the scenes to move contracts through a complex contracting system.

Their efforts are critical to ensuring that providers get paid and services reach the people who need them most.

And while our office serves both nonprofits and public servants, we always remember that our ultimate customers are New Yorkers.

Every policy, every reform, and every investment must first consider what's best for those who rely on these essential services.

At our last hearing, we heard your feedback and the providers who testified loud and clear.

You were candid about finding ways to reform payment delays, the contract registration backlog, lack of transparency, and long-standing systemic challenges that make it harder for nonprofits to serve New Yorkers.

We're aligned with the City Council and the sector in recognizing these systemic challenges and we're committed to finding solutions.

While this work is far from finished, I'm proud to share some of the progress we've made since we last spoke:

In April before the last hearing, Mayor Adams announced an unprecedented level of advance payments for fiscal year 2026.

For many contracts, we doubled the standard 25% advance payments.

We don't believe exorbitant advances are sound policy and while these advances don't solve every challenge, we felt compelled to meet the moment and provide meaningful relief for nonprofits.

With respect to concerns around the city's contract backlog, 88% of human service contracts for FY 2026 were submitted to the Comptroller by July 1st—the highest rate in five years.

This was made possible thanks to the success of MOCS' Timely Registration Initiative under the leadership of their Chief Nonprofit Officer, Ilke Denizli, and the tireless work of dedicated public servants at contracting agencies.

We also needed to reform the discretionary process to meaningfully reduce the contract backlog. For context, a contract is considered retroactive when the start date occurs before the contract is registered by the Comptroller.

This creates problems because the City can't pay organizations until the contract is registered, which makes it harder for nonprofits to keep services running.

Nowhere is the problem of backlogged contracts more pronounced than discretionary contracts, which are inherently retroactive as city agencies can't start the registration process until after a new fiscal year starts.

By then, the nonprofit's work has already begun, but the contract hasn't been registered — leading to a backlog of contracts.

Right now, 64% of the City's backlog of human services contracts are discretionary contracts.

We received 31 inquiries from Council Members, and a vast amount of those inquiries were related to discretionary contracts.

We agree, it's a broken process!

That's why in partnership with the City Council and MOCS, we launched the Discretionary Grant Pilot, a new process designed to streamline the contracting process to make it more equitable for providers.

We should treat Council designated contracts as grants — rather than subjecting providers to a burdensome registration process.

Under this pilot, nonprofits with small discretionary contracts below \$25,000 at select agencies will now be processed as grants, cutting out 13 steps from the traditional contracting process.

This Fall, within weeks of receiving a grant agreement, Discretionary contract providers will receive 100% of their funding.

Reform like this thrives on collaboration, and this initiative is a powerful example of what's possible when we work together.

You asked for more visibility in the contracting process, and beginning January 2026, for the first time ever, MONS and agencies are planning for the Preliminary Mayor's Management Report to include key metrics related to human service contracting.

This is a major step forward in offering greater visibility, accountability, and ongoing tracking across agencies.

We remember your comments about accountability and we're taking it seriously. That's why we've relaunched ContractStat—our internal performance management system that tracks contract cycle times and identifies bottlenecks.

We'll be convening with city leadership next month to review the data and align on improvements.

In addition, we conduct quarterly provider sentiment surveys with nonprofits to gather insights into their experiences with their contracting agencies.

Their feedback is then integrated into ContractStat to help us pinpoint areas for improvement.

Culture change is just as important as policy reform, and we know it doesn't happen overnight.

That's why in August, we hosted the City's first-ever Excellence in Human Service Delivery Awards, a celebration of the nonprofits and public servants who go above and beyond for New Yorkers.

To continue this celebration, we declared August 19–22 as NYC Nonprofit Week.

During NYC Nonprofit Week, City leadership visited providers to observe service delivery in-person and present proclamations to show their appreciation.

Next week, I'm leading Customer Service Training for city agency employees as part of our capacity building efforts.

And thank you to Council Members Stevens for your willingness to speak during Nonprofit Essentials, our 10-week training series for nonprofits who are looking to contract with the city. I know you're inviting other Council Members and we look forward to partnering together.

We've been actively engaging with Council Members across the boroughs to support nonprofits and strengthen community partnerships:

- It was a pleasure visiting the Bronx with Council Member Stevens and meeting with Council Member Lee to strategize solutions for nonprofit organizations. Council Member Stevens, we're excited to join your nonprofit roundtable in December.
- We partnered with Council Member Rita Joseph for two roundtables and recently provided one-on-one support to providers. We're looking forward to our next roundtable together in November.
- We've also been in ongoing discussions with Council Member Brewer, Council Member Won and Council Member Sanchez to address constituent inquiries flagged by your offices.

We're grateful for your partnership and encourage any Council Member to reach out to us.

Thank you for calling this hearing today, we are currently reviewing Introduction 1392 and look forward to further discussion.

While it will require significant changes to work effectively, we want to work in partnership with you to get nonprofits paid and make it easier for New Yorkers to access the services they need.

At the same time, we believe it's important to have guardrails in place to ensure accountability and sustainability.

Thank you again for the opportunity to testify. I look forward to your questions. I'll now turn it over to Yexenia Markland, First Deputy Director of the Mayor's Office of Contract Services.



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Homeless Services United's Testimony for the New York City Council Contracts Committee Hearing October 23, 2025

My name is Kristin Miller, and I am the Executive Director at Homeless Services United. Homeless Services United (HSU) is a coalition representing over 55 mission-driven, homeless service providers in New York City. HSU advocates for the expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Homeless Services United promotes effective solutions to end the crisis of homelessness in New York City. We are grateful for this incredible attention to our members' payment issues.

We appreciate the recent temporary cash flow our organization has received with DHS's FY26 advances. However, providers still have months of catch-up in pending budget, budget updates, and invoice approvals that are prohibiting them from being reimbursed for the services they have already performed. To illustrate this point, HSU sampled its DHS-contracted members to assess the outstanding budget actions. **These members have over \$189,000,000 in outstanding budget actions from FY20 to FY25.** Some providers have stopped bidding on new DHS contracts because the risk of doing further business with the City is simply too high. This comes at a time when the demand for shelter in NYC doubled in just two years, and vulnerability to homelessness is increasing due to federal cuts.

The lack of normalcy when it comes to payments puts organizations at risk. It makes it difficult to pay staff, vendors, and run programs for clients. Organizations are often forced to take out lines of credit just to relieve cash flow issues, only to then have to pay interest.

Nonprofits typically make requests to add money to their total contract amount due to new expenses they must incur throughout a contract year to operate their programs or shelters. Often these are for increased Indirect Cost Rates (ICRs) - which includes the non-line-item costs associated with running an organization such as payroll fees, and for WEIs, COLAs, insurance costs and prevailing wages. Once DHS and then OMB approve these additional costs for the total contract, the expenses must be added to the individual contract line items in order to invoice against these expenses. This is the FCCR process, which leads to a POOCR. *Only when the POOCR has been approved* can an organization invoice for these expenses. Until then, these City-approved additions to a contract sit in limbo even though the nonprofit has expended these costs.

In our jargon, the overall approved budget items are "below the line" and the detailed line-item additions are "above the line". The FCCR is the mechanism to move approved expenses from below line to above line and thus make them invoiceable. For example, one of our members has 15 contracts with DHS, each having below-line items they want to move for a total of \$9 million. They worked for 4 months to get just 3 FCCR's approved. This is an extremely long process for our members who cannot afford to have \$9m expended but not invoiceable as it sits in limbo.

Int. 1392 – Quarterly Advance Payments for DHS Shelter Contracts

Codifying a predictable and regular payment schedule is essential to protecting nonprofit shelter providers. By shifting to a quarterly payment schedule on shelter contracts, DHS would help protect the financial health of our member organizations rather than weaken it.

While we are excited about the program, the success of this pilot program truly depends on the details that will be decided during the implementation and guidance process. Items like a recoupment schedule, agency and provider organization submission and approval timelines, and phasing out Care Days payments for Families with Children shelters, can risk the effectiveness of the new payment schedule. We would also like to see this go into effect at the start of the next fiscal year (FY27), and not January 2026. We hope the City Council remains a strong advocate on behalf of nonprofit organizations, so a final program that is fair and meaningfully affects the intentions of the City Council.

Liked passage of Intro 1427 that provides 50% advance to our sister nonprofits. As you know, DHS and MOCJ contracted providers were excluded from this bill for technical reasons. Int 1392 addresses our cash flow issues and looks forward to its passage.

Additional Recommendations

Although we appreciate these new bills, we urge the Council to go further to ensure timely payments. We suggest that alongside these changes an enforcement mechanism is established to incentivize agencies to evaluate how they can better pay providers and effectuate those changes. We remain supportive of Intro 0514-2024, introduced by CM Brannan and previously heard by this committee, which would require interest to be paid on late payments. We hope that the Council continues to consider this and other alternatives to enforcement mechanisms to hold agencies accountable.

Thank you again for your time and your commitment to addressing the critical issue affecting nonprofits. If you have any additional questions, please contact me at kmiller@hsunited.org.



**Testimony on behalf of Volunteers of America-Greater New York
The New York City Council Committee on Contracts
held on October 23, 2025**

Introduction and Thanks

My name is Catherine Trapani, Assistant Vice President of Public Policy for Volunteers of America-Greater New York (VOA-GNY). We are the local affiliate of the national organization, Volunteers of America, Inc. (VOA). I would like to thank Chair Won and members of the Committee for the opportunity to testify today.

About Us

VOA-GNY is an anti-poverty organization that aims to end homelessness in Greater New York through housing, health and wealth building services. We are one of the region's largest human service providers, impacting more than 12,000 adults and children annually through 70+ programs in New York City, Northern New Jersey, and Westchester. Our programs include DHS and HRA DV emergency shelters and transitional housing, and we are also an active nonprofit developer of supportive and affordable housing, with a robust portfolio permanent supportive housing, affordable and senior housing properties—with more in the pipeline. VOA-GNY is a member of the Human Services Council (HSC), Homeless Services United (HSU), The Supportive Housing Network of New York, and the Family Homelessness Coalition (FHC).

Thank you, Speaker Adams and Chair Won for your unwavering leadership and commitment to getting city-contracted non-profit human services organizations, like VOA-GNY, paid on time so that we can continue to provide critical shelter and human services to vulnerable New Yorkers. **We are here today to testify in strong support for Speaker Adams' bill, Int 1392-2025, to establish quarterly 25% advances for Department of Homeless Services contracts.** As uncertainty continues to grow at the federal level, New York City must do everything within its ability to shore up our human services safety net and restore the fiscal health of city-contracted non-profit organizations. By strengthening local non-profits and ensuring the New York City agencies are well-staffed and working collaboratively with providers, the city can help ease disruptions caused by cuts and changes at the Federal level.

As of June 30th, 2025, **Volunteers of America-Greater New York was owed approximately \$40 million for services rendered through our city contracts as far back as Fiscal Year 20, with the lion's share owed by DHS (\$18.7 million) and HRA (\$10 million).** As a result, VOA-GNY has been forced to rely on our private line of credit and incurred non-reimbursable interest costs to bridge the gap created by City reimbursement delays. **VOA-GNY spent \$1.08 million for FY25, and budgeted \$1.14 million for FY26,** money we could use to do a lot of good, if not for the City's fiscal delays.

While the net amount owed to VOA-GNY today is lower than we were owed six months ago, it is due in large part to the recent influx of advances for our FY26 DHS contracts. Due to chronic delays in invoicing and payments, many of our contracts are not in a place where we can draw down funds with any predictable cadence. That means that once those advances are exhausted, we will be plunged back into



a cash flow crisis as expenses continue to be incurred if the agency fails to catch up on all outstanding budget actions.

Given DSS' and DHS' finite capacity, agency staff prioritize approving new fiscal year budgets to enable providers to begin invoicing, which means backburnering outstanding contract actions for prior fiscal years which preclude our ability to seek reimbursements for those years. Already within the second quarter, we will soon exhaust our advances while programs continue to incur additional costs for services, and we are still owed tens of millions for services from prior fiscal years. Thus, the cycle of late payment is destined to continue unless the system is wholly reformed.

Int 1392 is critical to regulating cashflow for non-profit shelter providers like VOA-GNY. The quarterly 25% advances established by this bill will help non-profit service providers avoid interruptions in cashflow while also building in a regular schedule of touchpoints with the contracting agency to adjust as appropriate and ensure provider accountability. We suggest that the agency work in partnership with providers in the rule making process that will follow the passage of this bill to ensure that we maximize the opportunity afforded to us by this legislation. For example, it will be important to build in mechanisms to have quarterly check ins with providers to help all parties remain accountable to invoicing schedules and approving any necessary budget modifications to make reconciling advanced payments against expenses can be seamless at close.

With this new model, because providers will no longer run out of cash by the second quarter, DSS and DHS fiscal staff will be able to move away from constantly managing crisis and give them the capacity to fully address the backlog of prior years' budget actions and we can finally end the cycle of retroactivity. As a result, our organization will be able to reduce our reliance on costly private loans to keep our staff and vendors paid while also improving agency oversight.

Volunteers of America- Greater New York greatly appreciates Speaker Adams and Chair Won and the entire Council for your unwavering leadership and support of non-profit homeless services providers. Our city has faced one unexpected crisis after another during these past four years, but the Council and the non-profit community has continued to rise to the challenge to support and protect the lives of all New Yorkers. Even though we cannot predict what changes lie in store from the Federal government, New York City can continue to lead as a shining example of how government can work in partnership with non-profit mission driven organizations to continue to serve the people.

Testimony respectfully submitted by Catherine Trapani. If you have any questions, please contact me at CTrapani@voa-gny.org



Breaking the Cycle of Homelessness
for Women and their Children

Testimony of Win before the New York City Council Committee on Contracts October 23, 2025

Good afternoon, my name is Henry Love, and I am the Vice President of Policy and Planning at Win (Women in Need). Thank you, Chair Won, and members of the Contracts Committee, for the opportunity to testify today on behalf of Win, the largest provider of shelter and supportive housing for families with children in New York City—and the nation. Each night, nearly 7,000 New Yorkers, including 3,800 children, call Win “home.” We operate 16 family shelters and nearly 500 supportive housing units across the five boroughs. The majority of our contracts are with the Department of Homeless Services (DHS).

We appreciate the recent advances provided by DHS in FY26, which have offered some temporary cash flow relief. However, the City still has months of delays in processing budgets, approving invoices, and registering contracts. These persistent backlogs prevent us from being fully reimbursed for services we have already performed, services that the City depends on to meet its legal and moral obligation to families experiencing homelessness.

The lack of predictability in payments puts organizations like Win at risk. It undermines our ability to pay staff, contractors, and landlords on time, and forces us to operate housing and service programs on credit. Demand for family shelter has doubled in just two years, yet we continue to front the full cost of operating programs that the City itself mandates.

For context: it takes, on average, six months for Win’s City contracts to be registered. During that time, we are expected to open shelters, move in families, and provide services—all without reimbursement. The result is delayed repairs, cash flow crises, and serious challenges to retaining and recruiting qualified staff. We have even lost contractors due to late payments from the City—contractors who handle essential repairs like plumbing and elevator maintenance, directly affecting the quality of life for the families we serve.

Int. 1392 – Quarterly Advance Payments for DHS Shelter Contracts

Win strongly supports Intro 1392, which would establish a predictable quarterly advance payment schedule for DHS shelter contracts. Codifying regular advance payments is a common-sense reform that would help stabilize nonprofit shelter providers and protect the City’s homeless services system from financial strain.

A quarterly payment schedule would help Win plan responsibly, meet payroll and vendor obligations, and continue to deliver high-quality care to families without the constant uncertainty of when—or if—payments will arrive. Predictability in cash flow is not a luxury; it is a prerequisite for sustainability in a system that operates on thin margins.

However, as the rulemaking process moves forward, the details will matter greatly. Items like a recoupment schedule, agency and provider organization timelines, and phasing out Care Days



Breaking the Cycle of Homelessness
for Women and their Children

payments, can risk the effectiveness of the new payment schedule. We also would want to see the program go into effect at the start of the next fiscal year rather than January. We urge the Council to remain deeply engaged to ensure that the final rules truly reflect the intent of this legislation—to create a fair, timely, and reliable payment structure for nonprofit shelter providers.

Additional Recommendations

Win commends the Council for its steadfast leadership in supporting New York City's nonprofit human service providers and calls for continued action to address chronic late payments. We also urge the Council to advance Intro 514-2024, introduced by Council Member Brannan, which would require interest to be paid on late payments. Requiring agencies to bear the financial consequences of their delays would create real accountability and align City practices with basic standards of contract compliance.

Ultimately, late payments to nonprofits do more than destabilize budgets—they endanger families. Every delayed reimbursement means fewer repairs, fewer services, and less stability for the children and parents striving to rebuild their lives.

Thank you again for your time and for your ongoing commitment to strengthening the City's partnership with its human service providers. If you have any additional questions, please contact me at HLove@winnyc.org.

Thank you!

win

at a glance

Win is the largest provider of shelter in New York City—and the country—for families with children experiencing homelessness. For over 40 years, Win has provided safe housing, trauma-informed services, and innovative programs to help families rebuild their lives. In the past year, we served over **12,400** people – including over **5,600** children.

Breaking the cycle of homelessness in an intergenerational manner.



*Five boroughs.
16 transitional housing facilities.
Over 450 units of supportive housing.*



6,500 people are housed by Win each night.



9 in 10 of Win's families are led by women.



Win shelters **17%** of all children experiencing homelessness in New York City.



750:

the total number of STEAM activities that Win kids participated in at Camp Win 2024.

50

young adult residents of Win's shelters were accepted to college last year.

235

adults found employment last year while living at Win.

93%

of Win families remain stably housed one year after leaving shelter.

967

Win families were placed into permanent housing last year.





Good afternoon, I am Dan Lehman, President & CEO of HELP USA. Thank you, Chair Won and members of the Contracts Committee, for the opportunity to testify today.

For 40 years, HELP USA has provided transitional shelter and other services to fight homelessness and housing insecurity, including homelessness prevention; supportive housing; programs for survivors of domestic and intimate-partner violence; and through its affiliate HELP Development Corporation, builds and operates permanent affordable housing. HELP USA contracts with the City departments of Homeless Services, Health & Mental Hygiene, and Housing Preservation & Development; the Human Resources Administration; and the Mayor's Office of Criminal Justice; serving over 30,000 people each year across New York City and in other jurisdictions.

We appreciate the prompt advances received for our contracts with DHS for FY26. However, we still have many contract budgets that are out of date with respect to key items like mandated salary adjustments, insurance, utilities and other occupancy costs, and maintenance and repair; which prevents us from being fully reimbursed in a timely manner for costs incurred to provide the services required by our contracts.

This places even large organizations like HELP under financial duress, impacting our ability to pay required staff wage adjustments and critical suppliers on a timely basis - even as we expand to meet the ever-growing demand for contracted shelter services in New York City. We are forced to spend hundreds of thousands of dollars on interest for working capital line of credit loans to bridge these cash flow delays – a cost that is not reimbursable under City contracts and drains our resources even further.

Int. 1392 – Quarterly Advance Payments for DHS Shelter Contracts

A quarterly payment schedule on shelter contracts is essential to protecting the financial health of the nonprofit organizations the City depends on for this mandated service. This change will establish a critical buffer for the delays in reimbursement that regularly result from prolonged contract budget negotiations and modification approvals.

That said, the success of the proposed pilot program depends on the procedural details to be established by DHS, the Mayor’s Office of Contract Services, the Office of Management & Budget and perhaps the City Comptroller. Aspects such as the schedule for reconciling and recouping advances versus actual expenses; “truing up” long-standing contracts for current-day costs; addressing the “care days” payment structure for family shelters that places providers at risk if client referrals fall below contract budget assumptions; and preventing OMB from “short funding” DHS-contracted shelter services by hundreds of millions of dollars each year – are essential to realizing the full benefits of the proposed new payment schedule and must be addressed as well.

Additional Recommendations

We commend the Council for supporting the City’s nonprofit service providers, and we urge the Council to go further to ensure prompt payment. We support Intro 0514-2024, introduced by CM Brannan, which requires interest to be paid on late payments. We encourage the Council to take the steps necessary to ensure that wages and salaries for nonprofit staff are fair and equitable relative to their City government counterparts; and that all contracts recognize the true and complete costs of service delivery – including reasonable administrative overhead and indirect costs, without requiring drawn-out contract budget negotiations that benefit no one. We hope that the Council continues to consider these and other mechanisms to ensure the financial health of the nonprofit service providers the City depends on.

Thank you again for the opportunity to testify today. Please feel free contact me at dlehman@helpusa.org if you have any additional questions.



**TESTIMONY OF
THE FORTUNE SOCIETY**

**THE NEW YORK CITY COUNCIL
COMMITTEE ON CONTRACTS**

250 Broadway
New York, NY

Thursday, October 23, 2025

SUBJECT: Payments to city contracted non-profits.

PURPOSE: To support Int. 1392-2025.

Presented by

Lily Shapiro,
Policy Counsel
David Rothenberg Center for Public Policy

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<http://www.fortunesociety.com>

Thank you, Chair Won and members of the Committee on Contracts for the opportunity to provide testimony. My name is Lily Shapiro and I am Policy Counsel of The Fortune Society's David Rothenberg Center for Public Policy.

The Fortune Society is a 58-year-old organization that supports successful reentry from incarceration and promotes alternatives to incarceration, thus strengthening the fabric of our communities. We do this by believing in the power of people to change; building lives through service programs shaped by the experiences of our participants; and changing minds through education and advocacy. In FY 2025, we served over 18,000 people across our many programs; this includes housing over 1,000 people. We now have well over 500 employees working across four boroughs. We are proud to say that we hire our mission as nearly half of our staff have been impacted by the criminal legal system, including having been incarcerated, and/or are in recovery. Many of my colleagues began their journey with us as participants.

The breadth and depth of our growing impact is contingent upon our government funding. Well over half of Fortune's funding comes from the city. In these increasingly challenging times of precarious federal funding, we are particularly grateful for the steps that this City Council and Administration have taken to recognize the importance of the non-profit field and workforce over the past few years: providing a long overdue cost of living adjustment to the human services¹; issuing advance payments;² passing and enacting a suite of bills that strive to promote transparency³; and taking action to reduce the number of late-executed contracts, resulting in a record high percentage of human services contracts⁴ for FY 26. For far too long, our city non-profits have struggled to keep themselves afloat and retain staff in the face of unpredictable contract payment timelines, even though we provide services to our city's most vulnerable populations who require high levels of care and support. Therefore we are especially grateful that the Members of this Council, under the leadership of Speaker Adams, have been such tremendous champions in bringing attention to the significant role that non-profits play in

¹ <https://www.nyc.gov/mayors-office/news/2024/03/mayor-adams-boosts-pay-80-000-human-services-workers-741-million-cost-of-living-adjustment>.

² <https://council.nyc.gov/press/2025/08/21/2942/>.

³ See, e.g., Local Law 169 of 2023, <https://intro.nyc/local-laws/2023-169>; Local Law 105 of 2024, <https://intro.nyc/local-laws/2024-105>; <https://council.nyc.gov/press/2025/10/09/2987/>.

⁴ Kim, P. (2025, August 21). "Nonprofits may finally see faster payments in NYC." *City & State*. <https://www.cityandstateny.com/nyn-media/2025/08/nonprofits-may-finally-see-faster-payments-nyc/407589/>.

the well-being of our city, and the burdens placed on us⁵ by the historic lack of robust oversight and enforcement of timely contract execution, registration, and payment.⁶

We also appreciate the steps that our largest source of city funding, the Mayor's Office of Criminal Justice (MOCJ), has taken to ensure that providers like us are not operating programs with no certainty as to when we would recoup our costs; unfortunately, this was standard practice for years, leaving us owed millions of dollars for services rendered for which we could not even submit invoices, because our contracts were not executed. When I last provided testimony to this committee, in August of 2024, we were owed approximately \$20 million dollars by MOCJ. We are grateful that contracts are now registered in a timely fashion, and that MOCJ now regularly issues advances. The Department of Homeless Services does the same. We applaud the Administration for this much-needed change in practice.

To be truly sustainable, however, contracted non-profits require consistency, and accountability, regarding when and how much they will be paid. We cannot depend on the good intentions of a particular Administration at a particular point in time. One simple way to achieve this necessary consistency is to pass legislation that will govern the behavior of relevant entities regardless of administration and political moment. We therefore thank Speaker Adrienne Adams for her leadership on Intro. 1392, and we thank Chair Won, and the other Council Members, including Council Member Althea Stevens on this committee, for their co-sponsorship. Knowing that we will receive quarterly payments of at least 25% of the contract value provides the kind of much-needed stability that allows for planning around hiring and retention, as well as exploring innovation based on trends in participant needs.

In addition to supporting codification of advance payments on a clear timeline, we appreciate the enhancement of accountability through transparency, via the inclusion of reporting requirements for the Mayor's Office of Contract Service. We specifically applaud the requirement that such reporting include "(a) summary of contractor feedback on the effectiveness

⁶ See, e.g., Adams, A. and J. Brannan (2025, May 5). "Op-ed: NYC's nonprofits can't survive on promises – they need reliable payments now." *AMNY*. <https://www.amny.com/oped/op-ed-nyc-nonprofits-reliable-payments/>; Brannan, J. and A. Stevens (2024, Nov. 14). "Opinion: Nonprofits keep New York running, but the city's pushing them off a cliff." *City & State*. <https://www.cityandstateny.com/opinion/2024/11/opinion-nonprofits-keep-new-york-running-citys-pushing-them-cliff/401025/>.

of quarterly advances on payment timelines.” Outside of City Council hearings, contractors like Fortune are rarely given the chance to provide direct, let alone publicly reported, feedback regarding the effectiveness of city payment methods.

Thank you, Chair Won and members of the Committee, for the opportunity to testify today. The Fortune Society stands ready as always to partner with the Council and the Administration in finding ways to work better together to most effectively serve our participants and support our staff, thereby enhancing the overall safety and well-being of our city.



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Courtney Bryan, Chief Executive Officer

innovatingjustice.org

**Center for Justice Innovation
New York City Council
Committee on Contracts
October 23, 2025**

Good afternoon Chair Won and esteemed members of the Committee on Contracts. My name is Hailey Nolasco, and I serve as the Senior Director of Government Relations for the Center for Justice Innovation (the Center). Thank you for the opportunity to testify in support of Intro 1392-2025.

The Center for Justice Innovation is a nonprofit organization dedicated to creating safer, healthier, and more equitable communities. For nearly three decades, we have partnered with local residents, courts, and city agencies to develop practical solutions that address the root causes of crime and instability. From youth leadership programs to alternatives to incarceration, our initiatives connect people to the support and opportunities they need to thrive.

Nonprofits like ours form the backbone of New York City's social safety net. Every day, thousands of organizations provide essential services, from housing and food assistance to health care, education, and violence prevention. Collectively, we all generate tens of billions in economic activity and employ hundreds of thousands of New Yorkers, most of whom are women and people of color. These organizations are not only service providers but also community anchors and engines of economic mobility.

Yet despite their vital role, too many nonprofits are forced to operate on unstable financial footing due to chronic delays in city contract payments. When payments arrive late, organizations must take on debt, cut programming, delay payroll, or lay off essential staff which undermine their ability to meet community needs. A survey by the Human Services Council found that dozens of nonprofits owed hundreds of millions of dollars were compelled to take out private loans just to stay afloat, paying millions in interest that could have gone directly to services..

At the Center, we have witnessed firsthand the impact of delayed payments. We have sometimes served as a fiscal conduit for smaller nonprofit partners, helping to mitigate reimbursement delays and support the strengthening of their capacity and infrastructure; yet in these efforts, we have experienced significant challenges due to the persistent inefficiencies and timing of the City's procurement process resulting in delayed payments and loan interest charges.

Further, for our own direct programming, we currently are still owed millions in reimbursements for work already completed that has been invested in local businesses,

supportive services, and opportunities for young people across the city. While we have been fortunate to have the infrastructure to weather these delays, smaller community-based organizations often cannot—many operate month to month and lack reserves to withstand even short-term disruptions.

Predictable quarterly advance payments will provide reliable, scheduled cash infusions so nonprofits can operate on a workable schedule without being forced to front public dollars. Advance payments reduce the need for high-cost borrowing, protect jobs, and keep programs running while the City and its vendors complete administrative requirements

Intro 1392-2025 would not only help stabilize nonprofit finances, it would strengthen the city's social safety net itself. Many of the programs funded by the Department of Homeless Services and the Mayor's Office of Criminal Justice provide services to some of our most vulnerable neighbors. Advancing funds for programming directly funded by these two agencies is imperative to maintaining community safety, stability and vibrancy.

When nonprofits can rely on timely, consistent funding, they can devote more energy and creativity to serving vulnerable New Yorkers effectively. A stronger nonprofit sector means safer communities, more resilient families, and a more responsive city.

We appreciate Speaker Adams and the City Council for their leadership in recognizing the need for systemic reform in the city's contracting process and the swift passage and implementation of Intro 1392-2025 to ensure that New York City's nonprofit partners can continue to deliver the essential services that make this city thrive.

Thank you for the opportunity to testify.



TESTIMONY

New York City Council Committees on Contracts

October 23, 2025

Submitted by:
Michelle Jackson
Executive Director
Human Services Council of NY

Introduction

Good morning, Chairs Won and members of the Council Committee on Contracts. My name is Michelle Jackson, and I am the Executive Director at the Human Services Council (HSC), a membership organization representing 180 human services providers in New York. HSC serves our membership as a coordinating body, advocate, and intermediary between the human services sector and government. We take on this work so that our members can focus on running their organizations and providing critical direct support to New Yorkers. These are the nonprofits that support our city's children, seniors, those experiencing homelessness, people with disabilities, individuals who are incarcerated or otherwise involved in the justice system, immigrants, and individuals coping with substance abuse and other mental health and behavioral challenges. We strive to help our members better serve their clients by addressing matters such as government procurement practices, disaster preparedness and recovery, government funding, and public policies that impact the sector.

The government has transferred most legally mandated human services for New Yorkers to the nonprofit sector to save on costs. Nonprofits are not just more cost-effective but also deliver higher quality services than government can alone, by combining government and private resources and being more agile and able to adapt to community needs. By being ingrained in communities, they are trusted messengers, can address emerging needs more quickly than government, and enhance basic services for better outcomes. But as the sector has stretched to meet community needs, providers are met with chronic delays in payment, underfunding, and a lack of sincere collaboration to create meaningful and lasting interventions, which strips away limited resources. City and State agencies have forced nonprofit human services providers into financial and programmatic precarity that threatens the availability of high-quality services for New Yorkers, especially when they need them most.

Procurement Issues

Although the City has made great strides in alleviating the various procurement issues human services contractors encounter, much more needs to be done as the human services sector continues to face significant delays in payment and providers are stretched to a breaking point. According to the Comptroller's report [Nonprofit Nonpayment: An Analysis of Payment Delays for the City's Human Service Contractors](#), an April snapshot of PASSPort showed \$861 million in unpaid invoices. Nonprofits continue to incur substantial costs for service delivery before they

have a legal right to be paid and are often forced to borrow to meet payroll. This means providers take enormous fiscal and legal risks by signing leases, hiring staff, and starting programs without a contract, or continuing to operate services on the verbal agreement that things will get sorted out. Retroactivity also creates cash flow issues for providers, who must put off paying vendors, take out lines of credit that they must pay interest on or utilize the loan fund, because providers cannot get paid until the contract is registered.

Support for Int. 1392

We thank the Council for passing Int. 1247, which requires the advance payment of 50% upon registration by the Comptroller. This could ease the financial burden suffered by nonprofits and allow the sector to provide critical resources to better serve our communities. However, this bill excludes specific contracts by the Department of Homeless Services, the Office of Criminal Justice, residential foster care, and emergency services for victims of domestic violence. According to the Comptroller's report, it took DHS nearly 40 days to process a submitted invoice, which results in significant payment delays. Thus, we support Int. 1392 to provide quarterly advances for DHS, MOCJ, and pilot contracts so that steps are taken to mitigate the persistent procurement delays and massive cash flow challenges that providers are experiencing.

It is also imperative that this bill passes, so that all human services providers are covered by an advance policy.

Conclusion

Although the City has taken on reform efforts to address the procurement challenges that nonprofits face, there are still compounding delays in the contracting process that force providers to undertake costly borrowing to make payroll and rents, often accruing interest not covered by government contracts. Over the years the sector has also seen real progress in contracting only for it to unravel in future years. We thank the City Council for their commitment to procurement reform and understanding the chronically delayed procurement process considering the circumstances that all New Yorkers have been facing, including the ever-changing federal landscape. We do think that this bill is needed because progress seems to be fleeting, and we need systemic reforms. It is fundamental to support procurement legislation that tackles delays in the procurement process and ensures that providers are paid on time as they are a lifeline to countless New Yorkers.

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

Michelle Jackson
Human Services Council of NY
jacksonm@humanservicescouncil.org



Testimony for the New York City Council Contracts Committee October 23, 2025

Good afternoon, Chair Won and members of the Contracts Committee. Thank you for the opportunity to testify today. My name is Valerie Barton-Richardson, and I serve as the President and CEO of CAMBA, Inc. and CAMBA Housing Ventures, Inc.

CAMBA, Inc. is proud to serve nearly 80,000 individuals and families across New York City each year—offering over 180 programs at more than 100 locations throughout the five boroughs, delivering comprehensive, client-centered services to help New Yorkers achieve stability and self-sufficiency. Our ability to deliver these life-changing services is closely tied to receiving timely and reliable City contract payments.

CAMBA is solution-focused and offers this testimony in support of working with government partners to improve processes and advance effective implementation.

We recognize and appreciate the efforts of most city agencies to ensure timely distribution of 50% FY26 advances and 30% advances on the Department of Homeless Services' (DHS) contracts. However, we still have uneven experiences with city agencies' abilities to work across outstanding fiscal years and are concerned about the extensive back log of actions required for past fiscal years for budget modifications and invoice reviews. These delays are not just administrative burdens—they are existential threats to our ability to operate. The unpredictability in payments jeopardizes our ability to pay staff, compensate vendors, and run essential programs that thousands of vulnerable New Yorkers depend upon.

Support for Int. 1392 – Quarterly Advance Payments for DHS Shelter Contracts

CAMBA strongly supports Intro 1392, which would codify quarterly advance payments for DHS shelter contracts. This legislation is a vital step toward ensuring the financial stability of nonprofit shelter providers like CAMBA, Inc. through regular, predictable payments.

However, the success of this initiative hinges on the implementation details—particularly during the rulemaking process. Factors such as:

- A fair and transparent recoupment schedule
- Clear timelines for both agencies and providers
- The thoughtful phasing out of the Care Days payment model

...will be critical to achieving the Council's stated goals.

We urge the Council to remain vigilant and to continue advocating for a final rule that upholds the spirit of Intro 1392—one that brings lasting change and financial consistency to the nonprofit shelter sector.

Additional Recommendations

We commend the Council for your continued leadership in supporting the nonprofit sector. We also strongly support Intro 0514-2024, introduced by Council Member Brannan, which would require interest

payments on late contracts. This common-sense accountability measure would provide a meaningful incentive for city agencies to meet their contractual obligations.

We encourage the Council to consider all available enforcement mechanisms that promote timeliness, transparency, and fairness in the city's contracting process.

Conclusion

At CAMBA, Inc., our mission is to connect people with opportunities to enhance their quality of life.. We can only do that if we are aligned with our partners to support solutions result in the sector being paid on time. Thank you again for your time, your leadership, and your commitment to solving the contracting crisis that so deeply affects New York City's nonprofit organizations.

If you have any further questions, please contact Drew Gabriel, Vice President of Intergovernmental Affairs, at Drew.Gabriel@camba.org



Testimony of:

The Legal Aid Society, The Bronx Defenders, Brooklyn Defender Services, Neighborhood Defender Service of Harlem, and New York County Defender Services

Submitted to:

The New York City Council Committee on Contracts

Hearing on Int. 1392 - 2025

October 23, 2025

Introduction

As New York City's public defenders, we serve hundreds of thousands of low-income people, overwhelmingly Black and brown New Yorkers, each year. We employ thousands of dedicated lawyers, social workers, investigators, paralegals, advocates, organizers, and administrative professionals who provide essential services to support our communities. We are a lifeline for low-income New Yorkers in need.

The services we provide are supported by City initiatives and funding. The City funds we receive are essential for us to continue to deliver these vital services for vulnerable New Yorkers. Without timely access to these contracted funds, we are not able to hire and retain the attorneys, paralegals, investigators, social workers, and other staff critical to meeting that commitment. Chronic underfunding and mounting contract and payment delays jeopardize our ability to provide essential services for the New Yorkers who need us most, hire and retain staff, and respond to the ever-increasing need in the community.

Non-profits like us already start at an extraordinary disadvantage. Not only are our staff's salaries lower than those of our government counterparts, especially in experienced positions, but just as critically, our staff do not benefit from a government pension.

City agencies start the year with their funding and routinely receive additional allocations for new collective bargaining agreements, healthcare cost increases, and utility and space cost increases. Non-profits like us do not. We are constantly waiting for our funding to be confirmed or for payment for work that has been completed. And we are often left to self-fund rising costs out of contract budgets that do not receive automatic increases at the same level as City agencies. And perhaps most egregiously, when we then cannot spend all of the money in our contract because it was never confirmed for us in the first place, or we did not receive it in time, the City takes it back, effectively cutting our funding. Taken together, these issues mean that we cannot access the funding in our contracts, threatening the ability for non-profits like us to operate and implement critical city initiatives that support the New Yorkers who need us most.

Late and uncertain payments exacerbate these fundamental issues and wreak havoc on nonprofits and the communities we serve. We are grateful for the City Council's focus on this issue along with the legislation in Int. 1392-2025 introduced by Speaker Adams and Council Members Ayala, Won, Brannan, Stevens, Farias, Brewer and Schulman to require quarterly advances on contracts from the Mayor's Office of Criminal Justice (MOCJ).

Additional Advances are Required Due to Payment Delays

Legal services providers continue to face significant challenges related to timely payments for our contracts. Late payment on contracts creates cash flow issues that affect our ability to make payroll, to pay rent, and to continue to provide the services so urgently needed by our communities. Late payments effectively cut our grants, as we incur costs related to loans and banking fees in order to stay afloat.

We know this Committee has heard extensively about the various delays that can occur in the City's payment process. Even after contract registration, unnecessarily cumbersome and changing processes can delay payment for work that has already been completed at multiple stages, including delays in budget approval, late funding confirmation, and delays in approval of invoices and budget modifications.

Due to these delays in payment, it is critical to increase advances beyond the standard one-time, 25% advance. Council bill Int. 1247B increased initial advances for human services contracts to 50%; however, contracts through MOCJ are not covered by that bill. For the past 2 years, MOCJ has increased initial advances to 30%, which has been a good first step. But additional advances, as outlined in Int. 1392, are essential to ensure timely payments for providers. And even with additional advances, it is still essential that City agencies complete timely budget approvals, funding confirmations, and invoice and budget modifications reviews.

When non-profit legal services organizations take on City contracts (often in the millions of dollars), we are committing to providing high-quality services on a large scale, supporting marginalized individuals and communities. The greater the size of the contract, the more staff salaries and expenses we must cover while waiting for payment for work completed. We need additional action now to ensure timely payments for the work we do on behalf of the communities we serve.

We thank you for today's hearing, which puts a spotlight on the enormous challenges that late payments create for non-profits.



Testimony

New York City Council

New York City Council Contracts Committee

October 23, 2025

Good afternoon, my name is Kandra Clark, and I am the Director of Policy at Urban Pathways. I would like to thank the Chair Won and members of the Contracts Committee for the opportunity to provide written testify.

Urban Pathways is a nonprofit homeless services and supportive housing provider serving single adults. Last year, we served over 2,500 unique individuals through a full continuum of services including street outreach, drop-in services, safe havens and stabilization beds, extended-stay residences, and permanent supportive housing in Manhattan, Brooklyn, Queens, and the Bronx. We also offer a wide range of additional programming to meet the needs of the people we serve, including our Total Wellness and Advocacy programs. We hold City contracts with DHS, DOHMH, and HRA.

The lack of normalcy when it comes to payments puts organizations like ours at risk. It makes it difficult to pay staff, vendors, and run programs for clients. Yet, demand for shelter in NYC doubled in just two years. Codifying a predictable and regular payment schedule is essential to protecting nonprofit housing and shelter providers. By shifting to a quarterly payment schedule on shelter contracts, DHS would help protect the financial health of our organization rather than weaken it.

While we are excited about the program, the success of this pilot program truly depends on the details that will be decided during the rulemaking process. Items like a recoupment schedule, agency and provider organization timelines, and phasing out Care Days payments, can risk the effectiveness of the new payment schedule. We hope the City Council remains a strong advocate on behalf of nonprofit organizations so that a final rule that is fair and meaningfully affects the intentions of the City Council.

Additional Recommendation

Urban Pathways commends the Council for its consistent efforts to support the City's nonprofit service providers, and we urge the Council to go further to ensure timely payments. We remain supportive of Intro 0514-2024, introduced by CM Brannan, which would require interest to be

paid on late payments. We hope that the Council continues to consider this and other alternatives to enforcement mechanisms to hold agencies accountable.

Thank you again for your time and your commitment to addressing the critical issue affecting nonprofits. If you have any additional questions, please contact me at kclark@urbanpathways.org.

Kandra Clark, Director of Policy
212-736-7385 ext. 233

From: [Alexa Miller](#)
To: [Testimony](#)
Cc: [Marian Guerra](#); [Natalie Bashner](#)
Subject: [EXTERNAL] Testimony Submission: Committee on Contracts - Thursday 10/23, 1:30 PM
Date: Friday, October 31, 2025 5:29:36 PM

[REDACTED]

Hello,

Please see below as testimony submission on behalf of Eric Rosenbaum at Project Renewal during the Committee on Contracts - Thursday 10/23, 1:30 PM.

Thank you! Please let me know if you need anything else from me.

Best,
Alexa

~~~~~

My name is Eric Rosenbaum, and I represent Project Renewal Inc, one of the City's largest and most respected human services nonprofits. Thank to Speaker Adrienne Adams and Contracts Chair Julie Won for your advocacy on behalf of nonprofit payment reform.

We shelter about five percent of all single adults each night in seven City-funded shelters (with nearly 500 added beds in three new shelters opening in the next year). Many of our clients also suffer from mental illness and substance use disorders. We operate over 1200 transitional and permanent supported housing apartments. We are a federally funded health care provider, delivering primary care, psychiatry, substance use treatment and dental care. And we have award-winning employment programs that bring our clients into living wage careers.

I strongly support Int. 1392 requiring quarterly advance payments under certain city contracts, a long-overdue solution to a crisis that has burdened the human services sector for years. This legislation will not solve the City's inability to pay non-profits like mine, but it will ensure regular cash flow so that we are not at existential risk while waiting for payment. Let me put this into numbers:

As of June 30, 2025, Project Renewal was owed **\$23.6 million** by the Department of Homeless Services alone, which was only offset by **\$6.7 million** of unrecouped advances and loans. That meant that we were essentially loaning the City **\$16.9 million**. Almost **\$4 million** has been owed us for over four years.

DHS made critical improvements at the beginning of FY 26: our budgets were approved on-time and included all approved amendments, especially our current

approved indirect cost rate. This allowed us to receive **\$25 million** for the 50% advance for all our shelters in July, dramatically improving our cash flow. And we are able to submit current-year invoices on time and receive reimbursement. However, these advances are intended to be used for current year expenses, not to cover prior years.

Many people are working very hard, both inside and outside of City government, to fix the broken payment system. We see progress but this will not be resolved soon. What this legislation does, so effectively, is make sure we have the cash – reliably, each and every quarter - to operate while all of this gets resolved – even if it takes years. Frankly, this bill will give the City time and space to fix the problem for real, without putting the essential non-profits like mine at unnecessary risk.

Alexa Miller

Associate | Nonprofits

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c: [REDACTED]

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Christopher Leon Johnson

Brooklyn NY 11213

To the contracts committee 10/23/2025

Hello chair won and the city council committee on contracts. My name is Christopher Leon Johnson and I'm here to show support to all the bills in the city council I was not able to attend the hearing today and testify virtually because I was on the train and I had to go do some babysitting. I want to show my support for all the bills and resolutions in this committee including the one held by the chair. My opinion is that when it comes to city contracts in New York City there needs to be real transparency on how these contracts get issued out. And what we need to do in the city is to with any any city contract gets over a certain amount of money let's say \$250,000. Then they are they must go through a public hearing like in the city council through the rules privileges and elections committee to where that the public have the right to say they're against the contract or their Florida contract. They're for the allocation of discretionary funding and the allocation of the contract or they are against it. I know there was a one there was a hearing about the same issue of in June the day before the primary but the reason it was shortly attended was because everybody was preparing for the primary day for the general for the for the election for the Democratic primary to where that a certain elected official lost. I believe that this time around I believe that the city council when it comes to the committee or contracts. Contracts should be able to have a hearing in the morning time so knowing that people will easily attend the hearing. I appreciate that they have this here in the afternoon because like myself I had to go babysit today so I was able to hear a virtually or person I was on the train. We are all busy in the city and we have things to do. It's a busy city and I'm busy like everybody else is busy. I believe that when it comes to labor rights at human Rights reporting when it comes to these contracts is longly overdue. Thank you to council member Yusuf salaam for introducing that bill in the city council when it comes to labor and these contracts we need more transparency when it comes to these bills and wait at the contracts are issued. Nobody is here to give out accusations of any non-profit or any person she could a contract without solid proof but this is my feeling that there are certain non-profits and people that get these contracts in the city of the city of New York via the mayor's office through the agencies or through the city council that are known for committing labor rights violations and not only labor rights violations they're known for being racist and discriminatory. There's one non-profit that I will name and I think the reason why that there now have featured more West Africans or / Africans into their picture is because I called it out and that non-profit is called the worker justice project working under city compliantly as third sector New England Incorporated. I was the person that called out the worker justice project many times on Twitter now called x and very associated platforms including the city council to where that non-profit the work of justice project which is just ran by Ligia Gualpa were purposely finding their way to only highlight the Latino members of the work of Justice project in their marketing materials while excluding the African members of the work of justice project including the Asians including the Asians. I believe that since I am well known

in the city politics including the insiders and they sold that I was saying stuff about them and it was creating a lot of controversy internally they had to rectify that by really highlighting those Africans in their marketing materials. I believe that the city council including the chair of the committee of contracts need to start calling out these non-profits that purposely exclude certain races such as minorities persons of color or POC from their marketed materials. Why do certain nonprofits only highlight the Caucasian / white members of their organization in a market materials while leaving out the POC members of the nonprofits while those same non-profits say that there they are not racist or they don't discriminate against POCs. I am calling out the city council to really start looking at cracking down on all these organizations and contractors that purposely exclude disabled people and purposely leave out the minorities out of the picture but they only exploit them for their causes or exploit them to justify getting the contract within the city council. I support all the bills intro 1012 intro 1392 intro 1401 intro 1298. When it comes to insurance and making sure that these rivers get paid when it comes to insurance that's a real tricky topic because myself I used to sell insurance and insurance could get real controversial because the problem is that when you want to make it where that organization's have insurance it can get real dicey because as a former insurance agent myself I could attest to you that there are many times that companies refuse to pay out even if they are at fault or they are at fault the insurance company refused to pay out The only way the insurance company will only pay out is when they get litigated when a client gets litigated when a client gets litigated and they quit to settle the insurance company will take money out of that out of that policy to pay the damaged party but even if you make clients pay make pay for insurance or put certain bonds or insurances to be eligible for a contract which will cut into the non-profit payments because let's say if you mandate a client to a prospective client a prospective a contract or to buy a certain amount of money insurance it's even if they pay the premium upfront they going to take they going to use that money from the premium from the the money you get from the contract to supplement that that premium so so let's say you might want a \$5 million conch or \$5 million insurance policy don't get a \$10 million a \$5 million dollar contract so it might be it might run a quart it might run \$2,025,000 The non-profit or the contract or the contract team will find a way to find a way to take that money out of the money that you gave to them and put that money back into the account so it's going to be a big big loss to that person that seeking that contract through the city of New York or the city council. so the end it here I support all these bills in City council hope these bills go through and like I said the city council need to start cracking down on all the non-profits that get discretionary funding and the organizations that get contracts through the city and through need to start or calling these non-profits out for excluding POC from the market being materials they should make it where that if you want a government contract you have to include persons of color into the market of materials wow getting their while getting forms to men to make sure that they they get that picture was taken with their permission because it's many times people take pictures of people and they post it in their pictures and be a lot of contracts behind the scenes because that picture was not supposed to be posted in the market materials but because of the fact that it's America and is New York's and it's a public it depends on a public street people could do what they want so but that need to stop so thank you so much and enjoy your day. Christopher Leon Johnson and enjoy a day take care.

Sincerely

Christopher Leon Johnson

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1392-205 Res. No. \_\_\_\_\_

☒ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Hailey Nolasco

Address: 520 8<sup>th</sup> Avenue

I represent: Center for Justice Innovation

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Dr. Henry Lore

Address: 1 State Street NY, NY

I represent: Win Inc.

Address: 1 State Street NY, NY

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Yexenia Markland

Address: \_\_\_\_\_

I represent: Mayor's Office of Contract Services

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/25

(PLEASE PRINT)

Name: Christine Fallon

Address: \_\_\_\_\_

I represent: NYC DHS

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1392 Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/25

(PLEASE PRINT)

Name: Robert Fiato

Address: 1 Centre St. NY NY

I represent: MOCJ

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1392 Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/25

(PLEASE PRINT)

Name: Michael Sedillo

Address: 253 Broadway NY

I represent: Mayor's Office of Nonprofit Services

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Rosine ferdinand

Address: \_\_\_\_\_

I represent: DSS Executive Deputy Commissioner,

Address: finance

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Christine Fellini

Address: \_\_\_\_\_

I represent: DHS First Deputy Commissioner

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/25

(PLEASE PRINT)

Name: Christine Fellini

Address: \_\_\_\_\_

I represent: NYC Dept of Homeless Svcs

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/2025

(PLEASE PRINT)

Name: ROSINE A. FERDINAND

Address: 150 GREENWICH ST NYC

I represent: DSS/DHS

Address: SAME AS ABOVE

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10/23/2025

(PLEASE PRINT)

Name: Terry Troia

Address: 100 Park Ave

I represent: Homeless Services United

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1392 Res. No. \_\_\_\_\_

☒ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Dan Lehman

Address: 115 East 13th St NY NY 10003

I represent: HELP USA

Address: 115 East 13th St NY NY 10003

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1392<sup>0514-2024</sup> Res. No. \_\_\_\_\_  
☒ in favor ☐ in opposition

Date: \_\_\_\_\_

**(PLEASE PRINT)**

Name: Brandon Lloyd

Address: \_\_\_\_\_ NY 10605

I represent: Urban Resource Institute

Address: 205 East 42nd Street, NY

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1392 Res. No. \_\_\_\_\_  
☒ in favor ☐ in opposition

Date: 10/23/25

**(PLEASE PRINT)**

Name: Lily Shapiro

Address: 129-76 Northern Blvd. LIC

I represent: The Fortune Society

Address: \_\_\_\_\_

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1392 Res. No. \_\_\_\_\_  
☒ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Catherine Traub

Address: \_\_\_\_\_

I represent: Volunteers of America - Greater New York

Address: \_\_\_\_\_

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1329 Res. No. \_\_\_\_\_  
☒ in favor ☐ in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Kristin Miller

Address: 5 Hanover Square, NY, NY 10004

I represent: Homeless Services United

Address: "

◆ Please complete this card and return to the Sergeant-at-Arms ◆