



Department of
Youth & Community
Development

TESTIMONY

BEFORE THE NEW YORK CITY COUNCIL

**COMMITTEE ON YOUTH SERVICES
OVERSIGHT HEARING ON**

NON-PROFIT CONTRACTING

PRESENTED BY

ASSOCIATE COMMISSIONER DARRYL RATTRAY

NOVEMBER 17, 2021

Good afternoon Chair Rose and Members of the Youth Services Committee. I am Associate Commissioner Darryl Rattray. I am joined by our Agency Chief Contracting Officer Dana Cantelmi and Ryan Murray, First Deputy Director of the Mayor's Office of Contract Services (MOCS). On behalf of Commissioner Bill Chong thank you for this opportunity to discuss non-profit contracting.

Contracting is often an overlooked, yet essential part of how the city serves New Yorkers. This is particularly important in human services, where millions of New Yorkers rely on the essential programs offered by thousands of dedicated non-profit organizations. Over the past eight years DYCD has practically transformed across program areas and grown from \$400 million to \$1.02 billion representing 63,000 contracts and amendments.

As you will recall, this began with the launch of universal SONYC middle school programs. Within nine months of this Administration, over 271 new after school programs were launched through HHS Accelerator. As of today, there are nearly 900 COMPASS programs operating citywide.

Our procurement systems helped manage the growth of our portfolio of Mayor Dinkins' signature Beacon program, from 80 to soon to be 92 sites and a budget of \$59.5 million.

We expanded programming for residents of public housing through the Cornerstone Community Center program. We began at 25 locations in 2009 and now offer services at 99 developments and a budget of \$57.4 million.

We have more than tripled the number of residential beds, increased the age for residential services to 24, and opened new drop-in centers. There are currently eight DYCD-funded centers to with at least one 24/7 center operating in all of the five boroughs.

During this time, the Council's investments in Discretionary funded programs grew from \$29.6 million to \$87.67. million in Fiscal 2021 and \$119.6. million and counting in Fiscal 2022.

COVID-19 amplified the importance of our work, with new programs and services rolling out quickly to respond to the unprecedented health crisis and shifting needs, and made it clearer than ever the need to digitize procurement through PASSPort. In the past year and half, we launched three major initiatives to help city recover: SYEP Summer Bridge, Learning Labs and Summer Rising.

SYEP Summer Bridge which offered engaging virtual program that offered young people opportunities to learn new skills, explore potential careers and earn money.

During the height of the pandemic, our staff worked tirelessly with DOE, DDC and MOCS to launch Learning Bridges which provided free child-care options for children from 3-K through 8th grade.

Finally, this past summer, we launched Summer Rising, a comprehensive summer program during the most critical summer for New York City students. Summer Rising provided enriched comprehensive summer camp style programs and services to children throughout NYC. Summer Rising also ensured that students assigned to summer school, as well as all that participated,

received enhanced academic services that were vital in helping to bridge the learning gap as we turned the corner from the pandemic. The program operated five days a week for seven weeks across 799 programs.

We are incredibly proud of DYCD staff, our providers, young people, and families during these challenging times. Since the PAUSE order was enacted in March 2020, DYCD staff quickly adapted to working from home from supporting, reimbursing, and communicating with funded programs so they can best serve their communities. This was possible because the IT staff has developed systems and reports to help with the COVID-19 response and kept systems up and running to allow Finance and contracting staff to support nonprofits during the crisis. Our community-based organizations have gone above and beyond in helping the City meet one of its top priorities during the COVID-19 emergency: keeping New Yorkers safe.

We are pleased that our offices are open, and staff are working in-person, while in September our afterschool programs welcomed back young people.

We appreciate our partnership with MOCS as we move over to PASSport. Our Fiscal Unit has been working diligently to enter contract actions as well as to provide cash flow. Since the start of the pandemic in March 2020, we processed over 4,500 contracts with 4,452 registered and 125 currently at the Comptroller.

We are also pleased to report that DYCD continues to have one of the fastest invoice and payment processing time.

Thank you once again for this opportunity to testify today. We are happy to answer any questions you may have.



Testimony of Daryl Hornick-Becker
Policy & Advocacy Associate
Citizens' Committee for Children of New York

Presented to the New York City Council
Oversight Hearing – Non-Profit Contracting

Committee on Youth Services

November 18, 2021

Good afternoon. My name is Daryl Hornick-Becker and I am a Policy and Advocacy Associate at Citizens' Committee for Children of New York, Inc. CCC is a 76-year-old independent, multi-issue child advocacy organization dedicated to ensuring that every New York child is healthy, housed, educated, and safe. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce. We document the facts, engage, and mobilize New Yorkers, and advocate for New York City's children.

I would like to thank Chair Rose and all the members of the Youth Services committee for holding today's oversight hearing on non-profit contracting.

Throughout the pandemic, youth serving community-based organizations across the city stepped up to bridge the digital divide during remote learning, help connect working families to a wide range of food and cash aid, as well as address children's emotional trauma and behavioral health needs triggered by illness, loss of loved ones, social isolation, and disruption in education. Providers have played a significant role in addressing youth and family needs and keeping our schools, communities and economy running during the pandemic, and they will be vital to an equitable and lasting recovery.

Despite these herculean efforts, the youth services sector has long experienced inadequate and inconsistent funding in their contracts, and despite their vital role during the pandemic, youth programs are once again facing late payments, bureaucratic obstacles, and an uncertain future for the youth and families they serve. CCC urges the council and next administration to make the necessary reforms and investments in youth services contracts to stabilize, support, and expand access to programs that serve children and youth throughout the city.

For further recommendations on what the youth services sector needs from the next administration, visit the Campaign for Children's [policy platform](#) as well as our [first year priorities](#).

Universal year-round youth service programs start with a new RFP for providers.

Along with our partners in the Campaign for Children, CCC recommends that New York City youth and families need universal access to year-round youth service programming.

Sadly, a year-round youth service system remains out of reach as long as these programs remain underfunded, understaffed, and hampered by contracts that only cover part of the year. Initial steps towards the goal of universal year-round access must include elementary school expansion, and baselined summer programming for middle school students. Furthermore, the City must rebid the youth service system to ensure staffing, rates of reimbursement, year-round service delivery and a universal reach is made possible.

COMPASS and SONYC providers have not had new contracts since 2014, and a new Request for Proposals (RFP) was put on hold in 2018, leaving providers with stagnant rates even as direct and indirect costs of programs continued to rise, and all before the COVID-19 pandemic upended the City's economy and the sector as a result.

We are well past time for a new RFP for these providers. The Department of Youth and Community Development and the new administration must issue a new RFP and make awards as soon as possible. But new contracts for youth services providers must include several new components to ensure the stability of the sector and high quality of programs.

New contracts building towards universal afterschool and summer programs should follow a budgeting model that includes cost escalators to address rising indirect costs, consistent cost of living adjustments (COLAs) for staff, COVID-19 related expenses, and a base per participant rate that ensures quality standards are met and wages are competitive. Always an issue, hiring and retaining qualified people has been a heightened obstacle for the sector this year, amidst a labor shortage, vaccine mandates, and competitors such as the Department of Education offering significantly higher wages.

A new RFP must also equalize the per participant rates for all afterschool elementary slots, as several elementary school slots are still funded at lower rates due to older contracts carried over from the Bloomberg administration. In addition, universal afterschool should start with adding more elementary after-school slots at existing schools with high utilization and expanding the list of eligible elementary schools with new slots. Prioritizing these expenses and expansion of services will further support and sustain the efforts to address the COVID-19 learning loss and closing the opportunity gap.

Lastly, afterschool contracts should be for 12 months of the year, not only to fund summer programs, but to allow providers to retain staff through the summer, onboard earlier for the fall, and support the months spent developing and planning high-quality afterschool programs.

The Summer Rising program would require major reforms before continuing, and providers still need to be paid.

The Summer Rising program was a valiant initiative and provided nearly 200,000 students with programming this past summer after a tumultuous and difficult school year. However, the program's roll out also presented providers with significant obstacles to its execution, including a lack of coordination between city agencies, confusing communication to families about enrollment, and insufficient CBO-engagement during initiative development. Despite these challenges providers were able to step up to ensure children and youth enjoyed the programs.

And yet, Summer Rising providers still have not been paid for their efforts. Before any consideration can be made to continuing the program in future summers, DYCD, DOE and the current administration must immediately pay all Summer Rising providers in full for their crucial services this past summer.

Mayor-elect Eric Adams has publicly discussed the benefits of year-round educational opportunities, and if Summer Rising is to be considered for next summer or as a multiple-year program moving forward, we have several recommendations, based on feedback collected by *United Neighborhood Houses* from Summer Rising providers.

1. **Fund programs early and adequately** - Any funding for summer programming must be included in the Preliminary Budget; any time later than that is too late to adequately plan. Furthermore, current summer programs are underfunded, and need resources, especially more funding to pay better wages to staff.
2. **Have a coordinated office to manage regulatory issues** - There are many agencies involved in a successful summer program - DYCD funds and supports CBOs to carry out high quality programming, DOE sites those programs and, in the case of Summer Rising, offers academic enrichment, and DOHMH licenses programs and conducts staff background checks. It is crucial that these three agencies coordinate timelines and workloads in the winter and spring so that the contracting, siting, licensing, staffing, and background check process is coordinated and less chaotic.
3. **Pair schools and CBOs in a thoughtful and intentional way** - School matches with CBOs must take place as early as possible and with coordinated communication between both DYCD and DOE. Before siting summer programs, the City should analyze neighborhoods to understand local demand and expand CBO capacity accordingly. Finally, the City should strive to match school and CBO partners that already have an existing relationship. If it is a new partnership, that pairing should be made by the winter to give both parties time to plan and prepare.
4. **Set realistic enrollment targets and improve the enrollment process** - When Mayor de Blasio encouraged parents to sign up in early July, program infrastructure was already maxed out well before the enrollment cut-off date. Many providers were pleading to stop new enrollments as they were at capacity. Going forward the City needs better infrastructure to meet demand and direct families towards sites that can give them service. This includes the following:
 - a. The enrollment process must be clear and simple for families. Several providers reported having to walk families through the discoverDYCD application process and provide office hours to assist families. There also must be paper application forms for those who need it, and all materials should be translated into multiple languages.
 - b. There should be a registration deadline for families before the program starts, so that CBOs can prepare for the number of youths they are serving. Additionally, if a site is at capacity prior to program start, there should be processes in place for CBOs to refer families to programs that still have seats available, to ensure that every family is served.
 - c. Both school and CBO partners should be working off one coordinated enrollment list.
 - d. CBO staff must be compensated for time spent enrolling families in summer programs.

5. **Ensure safe staffing** - The recruitment and onboarding process can be time consuming for CBOs hiring staff to work in summer programs. If summer program planning begins in the winter months, programs can also take the time to staff their programs well and train their staff to deliver high quality services, thereby decreasing the need to rely on paraprofessional substitute teachers. Wages must also be competitive for staff working in CBO programs.
6. **Support children with Individualized Education Plans (IEPs)** - One-on-one paraprofessionals must be made available to any child with an IEP. CBOs also should be notified when a child in their program has an IEP, rather than putting the burden on the family to share that information with the CBO. In addition, one-on-one paraprofessional staff must be treated as paraprofessionals, not group leaders/adults that count towards staffing ratios.
7. **Pay on time** – It is crucial that the City register contracts and reimburse providers in a timely fashion for them to operate summer programs. At the time of writing, providers have yet to be reimbursed for their work in Summer Rising.

Improve the fingerprinting and staff clearances process.

Since the implementation of the Comprehensive Background Check process in 2019, background check turnaround times for CBO staff working in youth-serving programs has lagged, leading to staffing challenges in programs since before the pandemic. Funding cuts during the pandemic and labor shortages since have further exacerbated these challenges. The problem was so apparent during Summer Rising that the city had to solely utilize the DOE's PETS system to clear staff working in programs in schools. Early planning for programs, combined with increased capacity within City agencies to process these clearances, can alleviate this issue. The administration, DYCD, and DOHMH must collaborate effectively on the clearance process and allow providers to onboard new staff in a timely manner.

Conclusion

Children and youth have but one childhood, and their experiences during the past year and a half has and will inform their growth and development, social-emotional health, and their academic achievement for months and years to come. To support resiliency and recovery and promote positive outcomes, the current and administration and City Council as well as the Mayor-elect and incoming Council must prioritize investments youth. Thank you for the opportunity to testify.



**Submitted Testimony of Lena Bilik, Policy Analyst at Children's Aid
New York City Council Committee on Youth Services
Oversight Hearing on Non Profit Contracting
November 18, 2021**

On behalf of Children's Aid, I would like to thank Chair Debi Rose and the members of the Youth Services committee for the opportunity to submit testimony on the city's contracting with nonprofit partners in youth services. Additionally, I would like to thank the New York City Council for your leadership on issues that deeply impact human service organizations in New York City.

For nearly 168 years, Children's Aid has been committed to ensuring that there are no boundaries to the aspirations of young people, and no limits to their potential. We are leading a comprehensive counterattack on the obstacles that threaten kids' achievements in school and in life. We have constructed a continuum of services, positioned every step of the way throughout childhood that builds well-being and prepares young people to succeed at every level of education and every milestone of life. Today our nearly 2,000 full and part time staff members empower nearly 40,000 children, youth and their families through our citywide child welfare and family services and our network of 40 locations, including early childhood education centers, public schools, community centers and community health clinics in four New York City neighborhoods – Harlem, Washington Heights, the South Bronx, and the north shore of Staten Island. Children's Aid is a member of the Campaign for Children, the New York State Network for Youth Success, the New York State Community Schools Network, and the New York City Coalition for Community School Excellence, and as a member of these networks and alliances we are in support of their policy agendas. Together, we are on a mission to connect children with what they need to learn, grow, and lead successful, independent lives.

In FY21, government grants and contracts represented nearly 70% of our annual budget, and City contracts specifically are almost one-half of our total budget. We are a member of the Human Services Council and the statewide Stronger Nonprofits Together coalition. Phoebe Boyer, our President and CEO, is a member of the Mayor's Non-Profit Resiliency Committee (NRC) and co-chaired the Service and Program Design group, one of the three committee focus areas. She also served on the Indirect Cost Rate Provider Working Group (ICR Working Group), which was an outgrowth of the advocacy work done by the Human Services Council and priorities of the NRC.

The City and its young people benefit greatly from the existence of a dedicated department of youth and community development, especially one that operates the way DYCD is able to, without the same restrictions that some other entities fall under and in a way that can focus more broadly and holistically on communities. We have laid out recommendations below that can improve contracting with youth services nonprofits and DYCD, to make DYCD more robust and help them more efficiently get money out the door to the nonprofits it partners with.

Clear the fingerprinting and staff clearances backlog

The city must clear the current Department of Health & Mental Hygiene (DOHMH) clearance backlog for child care and youth service providers and their staff, by targeting resources and additional staff focused solely on the clearance process. On top of the difficult labor market, the vaccine mandate challenges, and the continued low wages in our city contracts, the delay and backlog in background checks has been impacting our staffing shortages greatly. The policy provided last year, in which those provisionally cleared can start work if they are accompanied by a fully cleared staff member is no longer sufficient. The backlog is so severe that we are struggling to have enough fully cleared staff to supervise provisionally cleared staff.

As of the date of this testimony, we currently have 257 staff actively seeking Full SACC Clearance across our Youth Division. 145 of those 257 staff members have been provisionally cleared (but are still not fully cleared and still cannot work with youth on their own). 112 are not cleared at all. Of the staff not fully cleared, 4 of those staff's clearances were submitted in December 2019, 80 were submitted in 2020, and 156 were submitted in 2021 with an average of 92 days delayed. The backlog is directly interfering with our ability to serve youth and families, forcing us to put some enrolled families on a waitlist for afterschool programs. It is imperative to the continued success of the youth services field for DOHMH to be fully resourced and supported in whatever way is needed in order to clear the backlog as soon as possible. Additionally, steps should be taken to see if the system of summer 2021, which allowed PETS clearances for youth services staff, can be extended as a workaround to the dire situation with the backlog.

Prioritize retention of youth services staff

Youth services workers have been providing crucial support to children and families during the last challenging 18 months and well before that, yet many of them make poverty wages themselves. A multi-year cost of living adjustment (COLA) on the personnel services line of all human services contracts would help with this issue. [Human services workers are overwhelmingly female \(66%\), over two-thirds are full-time workers of color \(68%\), and nearly half \(46%\) are women of color.](#) Investing in this workforce would address racial and gender wage gaps and uplift thousands of New Yorkers close to the poverty line. Government contracts either directly set low salary levels, or do so indirectly by establishing low rates for services along with required staffing levels on a contract. The City must have a COLA minimally at 3% for City-contracted human services workers in order for these individuals to receive fair wages under City contracts.

Cost escalators must also be included in multi-year contracts. Known cost increases during initial contract negotiation mitigates risk for both the nonprofit provider and the City. Cost escalators over the life of the contract would alleviate the burden of providers having to scramble to cover predictable cost increases, such as rent, utilities, and health insurance. COLA

increases are essential for staff recruitment and retention, but without addressing COLAs for non-personnel costs, the sector will not have the funds to properly train and develop its workforce because of the inevitable cost increases in areas such as rent, utilities, health benefits, supplies, and insurance. Contract COLAs must be broader than just wages and salaries.

We are losing staff – including social workers, teachers, and other education and mental health professionals – to City government agencies that pay more. The current contracts do not compensate youth workers enough to effectively counteract this. Additionally, DYCD should invest time and resources into strategies for staff retention in this space, through retention bonuses or other kinds of strategies; otherwise, we will not be able to compete in this difficult labor market, and youth and families could end up going unserved due to staffing shortages in the field.

Contracts and procurement must be on time

Human services providers continue to face late contracting issues, which have a detrimental effect on both the organizations themselves and the communities that we serve. NYC delayed an average of more than \$8 million in payments to human services providers on the frontlines of COVID-19, forcing providers to take out costly interest-bearing loans, with an average annual cost of \$223,000. Additionally, providers are paid once the contracts are registered, creating a risky situation where we have to start the work without a registered contract and payment, or delay in starting the contract, which affects the communities dependent on the services of providers. Delays on the City's end cost nonprofits money and jeopardize the quality of services by diverting funds away from programs to pay interest on lines of credit.

The City needs to do more, both in investing in contracts and in fixing systemic issues that increase late registration. Nonprofits are forced to compensate for delays by taking out loans, laying off staff, and scaling back or closing programs. Additionally, delays in registration or in processing contract amendments can mean that we are unable to spend down all the money on a contract. For example, if we delay in starting a contract until it is registered, the program starts late so we do not spend a full year's worth of program funds, or if an amendment is processed late, we cannot move money around to spend it where we really need it. These delays cost our organizations money and also impact the communities we serve. It is crucial that the City register contracts and reimburse providers in a timely fashion especially in order for them to operate summer programs. At the time of writing this testimony, for example, providers in the field report being yet to be reimbursed for their work in 2021's Summer Rising program.

The City should tackle the issues in contract delays because it not only affects the stability of the youth and human services sector, but also the assurance that providers can deliver vital



services for the benefit of all New Yorkers. We look forward to working with the City to improve the procurement process.

Contracts need flexibility

The need for contract flexibility and reimbursement of full costs of contracts was brought dramatically to light during the pandemic, which put nonprofit providers in an ever-changing environment where they had to be nimble and innovative to both meet the increased demand for services and meet safety and public health guidelines. Going forward, the City should reimburse nonprofit providers for full costs of contracts and allow flexibility so providers can offer innovative and quality services, and target specific community needs that may not have been a part of our original work plans, like addressing food insecurity. Programs can only be as effective as children's basic needs are being addressed.

The field also needs flexibility to deal with our staffing challenges. Currently, Children's Aid has a waiting list of enrolled families we cannot serve because of the aforementioned staffing shortages, a situation made much worse by the background clearance backlog. We have been given the option by DYCD to serve these young people on our waitlists remotely in the meantime, but these will not be counted towards our enrollment numbers. Flexibility that was granted during the height of the pandemic, which helped us better serve families, is still needed to get the field and our communities through this period of challenges and instability we are currently in.

Release next COMPASS/SONYC Request for Proposals (RFP)

DYCD and the City should stress the importance of issuing the next COMPASS/SONYC RFP in the early parts of the next mayor's administration's first year. When there was a process for a new RFP that was later rescinded, Campaign for Children flagged for the agency that there were serious issues with their budget model. We shared budget models with the agency with a higher, more realistic per-participant rate. DYCD decided to pull the RFP but still engage with providers on how we can come to the ideal per-participant rate, but partially due to the pandemic, that conversation has stalled. We were in a holding pattern in late 2019, and we still feel that the budget model submitted to DYCD and MOCS at that time should be the starting off point for rates. It will need to be re-examined, however, to include additional expenses that have occurred since COVID, including support for nonprofits to meet public safety measures, and respond to the higher needs of communities. We look forward to working with the City to come to the right rates.

Clarifying Implementation of Int. 2252-A/Local Law 87

Through the Non Profit Resiliency Committee, the city had taken a concerted effort to address some longstanding challenges with and improve the contracting process (procurement manual, ICR and RFP templates, etc.). In August, the City passed legislation that would, moving forward, require human services organizations to enter into labor peace agreements (LPAs) in order for these entities to renew or receive new contracts from the city. This new process went into



effect on Tuesday, November 16, with many outstanding questions remaining about how this major change to the city's procurement process will impact service delivery in communities. The city has since released a contract rider and plans to also disseminate a FAQ document to answer the concerns raised by the human services sector about how this new process will be operationalized.

To ensure communities are not adversely affected and to mitigate potential gaps in service delivery, the city should hold off on implementation of Int. 2252-A/Local Law 87, until the regulations are finalized in consultation with human services providers.

Conclusion

To recover collectively from this challenging time, nonprofits need to be seen as partners with the City, as entities to be worked alongside in full transparency and with full respect. The nonprofit sector is an invaluable part of the city's social safety net. Communication, guidance, regulations, and budget flexibility must be clear, timely, and realistic in order for the sector to effectively keep doing what they do best, meeting the needs of the thousands of New Yorkers who rely upon their services. The nonprofit sector is critical to the health and wellbeing of the city.

Children's Aid sincerely thanks the New York City Council for their vigorous support of children, youth, and their families in New York City. We look forward to continuing working with the City Council and the Administration to support the recovery and revitalization of the city and the communities we love.

Thank you for the opportunity to submit this testimony for the record. If you have any questions about this testimony, please feel free to contact lbilik@childrensaidnyc.org.



FOR YOUTH DEVELOPMENT®
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**New York City Council
Committee on Youth Service, Honorable Deborah Rose, Chair**

**Testimony of YMCA of Greater New York
Presented by Michael Rivadeneyra, Senior Director of Government Relations**

**Oversight Hearing – Non-Profit Contracting
November 18, 2021**

Thank you, Chair Rose, for the opportunity to testify on the challenges youth service providers are having with City contracts. My name is Michael Rivadeneyra, I'm the Senior Director of Government Relations for the YMCA of Greater New York.

The YMCA of Greater New York is committed to empowering youth, improving health, and strengthening community. With 23 YMCA branches (soon to be 24 branches) and more than 100 community sites across the city, the Y is among the city's largest providers of human services spanning from infancy to older adult — and an important anchor, convener, and catalyst for transformational change in underserved communities. One of the primary ways the Y reaches the community is through our youth programs, which help put kids on the path to success by developing skills for life, community, and leadership. Across all of our youth programs, the Y helps young people build the social and emotional skills necessary for success. Prior to the COVID-19 pandemic, the Y After School program empowered nearly 10,000 children and teens each day (as the City recovers we are slowly building back to those numbers served) to develop a ferocious love of learning and an excitement to try new things, and to access information, resources and people that will amplify their potential.

In any given year, doing business with the City as a nonprofit has a set of assumed risks — underfunded contracts, delays in contract registration, delays in payments for services rendered. In the YMCA's case these are risks that we have managed to navigate. However, due to the pandemic, the Y has been under extraordinary financial stress for the past 19 months. As many of my colleagues will attest, the pandemic-induced financial stress combined with our assumed contracting risks is unsustainable and undermines our ability to deliver contracted services.

As a COMPASS, SONYC, Beacon and Cornerstone contract provider, we can attest that these contracts have been designed in a manner to save the City money at the expense of the

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nonprofit provider. To highlight, the majority of today's COMPASS and SONYC contracts are operating under contract rates set in 2013. In 2018 DYCD issued a new COMPASS/SONYC RFP, only to have it canceled months later by the Administration because of concerns raised by advocates. The RFP failed to create rate parity among all existing COMPASS contracts, it lacked adequate funding for indirect rate cost (IRC) and cost of living adjustment (COLA) escalators. The Campaign for Children coalition, in which the Y is a steering committee member, provided the Administration with a budget model for COMPASS/SONYC when they signaled a willingness to engage providers. Unfortunately, those talks did not materialize and then the pandemic occurred, further stalling conversations. The delay of a new COMPASS/SONYC RFP has frustrated our ability to keep up with rising cost of delivering services, such as supplies and equipment, and the ability to offer competitive wages. The unforeseen pandemic-related expenses and current workforce shortage further justifies our call for increased rates to stabilize the youth development sector.

The FY22 adopted budget did increase funding for ICR, however it failed to fund COLAs. ICR funding has assisted us with complying with minimum wage increases and sourcing personal protective equipment (PPE) during the pandemic. Though ICR alone falls short of offering us the ability to adequately compensate our staff for their hard work during the pandemic, which is why we call on the City to establish and fund annual automatic COLAs. Especially since the City categorically designated our youth development staff essential workers throughout the pandemic.

Next, a sustainable workforce is essential to satisfying our contracts. Unfortunately, underfunded contracts lacking in COLAs with low ICR have frustrated our ability to competitively recruit and retain a youth development workforce. The youth development workforce shortage is not new, but the pandemic exacerbated it and the City's direct recruiting campaign from the nonprofit workforce further shrinks the pool of available talent. Two clear problems arise from this behavior: 1) it disrupts our ability to enroll participants, and 2) it creates waste of resources. First, enrollment numbers are linked to staffing due to classroom ratios, which are both a sector best practice and statutory requirement. We design our programs based on targeted enrollment numbers and set staffing numbers to meet participants-to-counselor ratios. If we do not have enough staff, we are limited on enrolling participants, which puts us at risk of not complying with our contracts. Second, there is a monetary cost to the Y to recruit, train, and file for background checks and clearances for a new hire. It becomes a waste of resources when DOE actively and successfully recruits a new hire of ours, such as by emailing staff with job opportunities. We do not fault individuals for seeking reliable employment or higher wages but see DOE's practice of actively recruiting staff from providers to be counterproductive to the implementation of contracts and wasteful of human resources expenditures. Another City behavior that creates waste of resources has been its inability to conduct background checks in a diligent and timely manner. Delays in this process create a sense of employment insecurity among new hires, which leads many to seek more reliable employment. To stabilize and grow the youth development workforce and alleviate waste of resources, the City must increase contract rates, increase ICR, fund COLAs and a develop a diligent and timely background check system, such as one that utilizes a digital

platform/portal to submit applications and track the status of applications. By taking these steps the City would create a mutually beneficial nonprofit-to-DOE workforce pipeline.

Last, the City's management of Summer Rising highlights the other contracting challenges nonprofits face doing business with the City. The intent of Summer Rising is laudable, however there were many programmatic and procurement shortcomings. First and foremost, the quick ramp up to Summer Rising caused a lot of confusion for schools, providers, and parents. Guidance from DOE and DYCD were inconsistent, which led to enrollment problems, with parents dropping off children at school expecting automatic enrollment and host schools' principals hording slot for their students. This created barriers to a truly collaborative school-provider partnership and diminished trust in the community. The inconsistent guidance contributed to challenges in: hiring sufficient staff to meet ratio; applying for staff background checks; obtaining the right type of licenses to operate programs; and reconciling contract deliverables with the demands of principals. Ultimately the Y, like many other providers, moved forward and did our best to execute Summer Rising. Unfortunately, the Y, along with many other Summer Rising providers, has yet to receive payments for services rendered six months ago. It's unacceptable and irresponsible of this Administration to have launched something as ambitious as Summer Rising without consistent program guidance and a mechanism to expedite the contract amendment/acquisition and registration processes in order to reimburse providers for services in a timely manner.

We appreciate your support, leadership, and partnership in helping deliver quality youth services, and helping more youth learn, grow, and thrive. Thank you so much for fighting for children and families across New York City. We look forward to working with you and the committee in addressing these contracting issues.

If you have any questions, please contact Michael Rivadeneyra, Senior Director of Government Relations, at mrivadeneyra@ymcanyc.org or 212-630-9717.



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**Testimony of United Neighborhood Houses
Before the New York City Council Committees on Youth Services
Council Member Deborah Rose, Chair**

**Panel for the Committee of Youth Services
Submitted by Dante Bravo, Youth Policy Analyst
November 18th, 2021**

Thank you, Chair Rose and members of the New York City Council, for the opportunity to testify. My name is Dante Bravo, and I am the Youth Policy Analyst at United Neighborhood Houses (UNH). UNH is a policy and social change organization representing 45 neighborhood settlement houses, 40 in New York City, that reach 765,000 New Yorkers from all walks of life.

A progressive leader for more than 100 years, UNH is stewarding a new era for New York's settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers. UNH leads advocacy and partners with our members on a broad range of issues including civic and community engagement, neighborhood affordability, healthy aging, early childhood education, adult literacy, and youth development. We also provide customized professional development and peer learning to build the skills and leadership capabilities of settlement house staff at all levels.

The COVID-19 pandemic has ravaged New York City's economy and safety net and has underscored the significant racial and economic disparities that have impacted New York City's neighborhoods for decades. Just as they did through other crises our City has faced, settlement houses have been on the frontlines of the COVID-19 emergency response by continuing to deliver essential services to New Yorkers, providing emergency food, counseling, shelter, youth and family supports, and more.

Throughout the COVID-19 pandemic, young people have been uniquely impacted. Sudden school closures and reopenings, massive changes—and budget cuts—to the community-based programs on which they rely, and the loss of parents, guardians, and community members have all weighed on them during key periods of development. The mental health toll of this pandemic will be with this generation for years to come, and

the disparate impacts on young people of color and low-income young people threaten to widen already existing racial and economic gaps.

This testimony highlights the past work settlement houses have done in relation to the state of youth services programming in NYC as well as several key contract recommendations.

In order to provide young people with high quality services and to ensure the stability of the youth services field in a post-pandemic recovery, UNH recommends that the City do the following:

- Pay overdue contracts immediately as well as commit to a faster contract payment process;
- Clear the backlog of comprehensive background checks as well as create a faster process for background clearances in general;
- Increase rates across COMPASS, SONYC, and Beacon contracts in the new Request for Proposals process (RFP) as well as move towards a 12 month contract model that includes summer programming, with planning for Summer 2022 beginning no later than January 2022;.
- Ensure that non-profit sector employees under contract with New York City are paid fair wages for their labor; and
- Commit to consulting with CBOs and their coalitions to better inform the contract conditions that allow CBOs to do the work that they do.

Current State of Youth Services Programming in NYC

In the pre-pandemic times, community-based organizations (CBOs) were an indispensable part of the City's child care and education system. For parents who need full daycare for infants, toddlers or preschool aged children or who need after-school services for school-age children, community-based organizations have traditionally been the only affordable option.

With COVID-19, community-based youth services programs dramatically changed and increased their services to meet the new child care needs of families including New York City's essential workers. CBOs acted swiftly and innovatively, often without receiving complete guidance from government, to launch services including:

- Remote Programming: In March 2020, early childhood education, youth employment and after-school programs rapidly transitioned to virtual programming which kept children connected to their peers and to adults focused on their support and educational enrichment. This continued in various forms from March 2020 through June 2021.
- Regional Enrichment Centers (RECs): CBO staff played key roles in operating the school-age RECs that were located in public school buildings to provide in-person child care and education to children of essential workers. CBO staff brought their

expertise in Youth Development to design socially distant activities that were engaging and supportive for participants.

- Learning Bridges/Labs: CBOs provided Learning Bridges programs for children enrolled in hybrid learning at 3-K, Pre-K and elementary and middle schools from September 2020-June 2021 so that these students would have five days per week of care.
- Summer Rising sites: CBOs collaborated with the Department of Education (DOE) in Summer 2021 to serve more than 200,000 youth at Summer Rising sites as well as youth in other summer camp programming, allowing students a chance to re-engage with the DOE before the 2021-2022 school year began in September.

Despite having served communities all throughout the extraordinary circumstances of the pandemic, CBOs still deal with a litany of contracting challenges that ultimately limit their capacity to serve communities. In order to ensure a thriving youth services field and to support its workforce, UNH recommends that the City do the following:

Register and Pay Pending Contracts

Once a CBO is offered a contract, they often begin their work right away to ensure community members have access to quality services. The City however is not as expedient in subsequent registration and payment for these contracts. A survey of United Neighborhood Houses' 40 New York City members shows that the City of New York owes settlement houses more than \$100 million for providing essential services. This is on top of roughly \$20 million in indirect-cost funding owed to settlement houses that has not been paid. This problem is particularly acute for providers who ran Summer Rising programs this summer. To date, *none of the settlement houses who ran Summer Rising programs have been paid.* This is nearly three months after programs have ended.

These late payments end up costing CBOs much higher than the initial \$100 million estimate, as delays often force organizations to take out interest-bearing loans to cover payroll costs. It also leads to a great deal of organizational anxiety because of cash flow challenges, staff turnover from job insecurity, and burnout after a year of fighting a pandemic. Not only does the city need to pay pending contracts immediately, but must also invest in a new infrastructure to ensure that contract payment delays are a thing of the past.

Late payments to these organizations are also an issue of racial, gender, and class justice: a majority of the human services workforce are women of color who come from the communities most impacted by the economic consequences of the COVID-19 pandemic. Economic recovery from the COVID-19 crisis will only be possible if settlement houses and other human services organizations can continue serving their neighborhoods. DYCD and the Mayor's Office of Contracting Services must expedite the contract registration and payment process for all contracts, but especially for Summer Rising programming. It is crucial that this process be made as simple as possible, given the amount of time that has passed since the program ended.

Clear the Comprehensive Background Checks Backlog

Since September 25th, 2019, New York State Office of Children and Family Services (OCFS) has required the New York City Department of Health and Mental Hygiene (NYC DOHMH) to perform new extensive background checks for staff and volunteers in after-school and early childhood education that are listed below:

- A NYS criminal history record check with the Division of Criminal Justice Services;
- A national criminal record check with the Federal Bureau of Investigation;
- A search of the NYS sex offender registry;
- A database check of the NYS Statewide Central Register of Child Abuse and Maltreatment (SCR) in accordance with 424-1 of the Social Services Law;
- A search of the national sex offender registry using the National Crime and Information Center

If the individual being cleared has lived outside of New York State in the last five years, they will also have to undergo background checks in every other State where they have lived. This includes:

- Each state(s) criminal history repository
- Each state's sex offender registry or repository
- Each state's child abuse or neglect registry

Providers and advocates strongly support rigorous background checks for all staff and volunteers, and we rely on our partners in government to process background checks quickly and efficiently so that programs can operate.

DOHMH has not been able to complete the background checks in a timely manner and many prospective staff members in after-school and early childhood education programs are unable to work due to pending clearances. In February 2020, the backlog led OCFS to provide some relief through a temporary rule change that allows staff members to work provisionally if they have been cleared through the State Central Register of Child Abuse and Maltreatment (SCR) and if they are supervised for 100% of the time that they are in contact with children by a staff member who has been cleared.

While this measure has helped tremendously it is not adequate to address the new needs that have resulted from the COVID-19 crisis. All youth services programming must have provisionally cleared staff who can provide the supervision and direction these programs need. It has become significantly harder to get staff cleared due to staff turnover, and it is sometimes a challenge for providers to have even enough provisionally cleared staff to operate programs safely in ratio. Furthermore, providers have reported losing prospective staff due to the turnaround time on the CBC process; if a prospective staffer has to wait weeks to start working, it is not surprising that they are finding other jobs where they can start working right away. The City must clear the backlog of staff

awaiting clearances and commit to a faster turnaround time to quickly clear prospective staff members.

Issue and Increase Rates in the next COMPASS/SONYC RFP

When DYCD issued the last COMPASS and SONYC RFP in 2018, the proposed rate structure inadvertently did not maintain the commitments that the City had made to support the human services sector, specifically the Cost of Living adjustments and higher indirect rates. The RFP was then rescinded in fall 2018, but DYCD never reissued a new RFP, meaning that programs are still operating on outdated rates. UNH urges the incoming Adams Administration to issue a new RFP, and calls for an increase in rates across COMPASS, SONYC, and Beacon contracts. The next RFP also must issue 12 month contracts rather than the current model of 9 month school year contracts and 3 month summer programming contracts. This new contract model would lessen the bureaucratic burden on CBOs, given that they only would navigate with a single contract.

The increase in rates would help providers deliver quality services to communities across New York City and stabilize the system before any expansion of slots to make these services accessible for all families who need them. Likewise it would also reflect the financial realities of maintaining youth services programming in the current economy as current contracts operate on rates from the last RFP in 2015.

The baselining of a subsequent increase in both funding and slots would alleviate serious programmatic concerns and would help meet the growing demand for after-school programming across the city. It would also build an incredible foundation for a universal year-round youth-serving system. Therefore, UNH calls on the city and its new administration to immediately baseline funding for summer middle school programs and expand year-round programs for elementary school students.

Raise Wages for Youth Services Staff

Current New York City and State contracts have resulted in the essential human services workforce being some of the lowest paid workers in New York's economy. Youth services are not immune to this trend, with many staff making minimum wage despite the fact that they are performing skilled work taking care of our city's youth. Therefore, UNH joins our partners on the #JustPay campaign in calling for an end to poverty-level wages driven by low contract reimbursement rates. Specifically, the City must:

- Establish, fund, and enforce an automatic annual cost-of-living adjustment (COLA) on all human services contracts.
- Set a living wage floor of no less than \$21 an hour for all City and State funded human services workers.
- Create, fund, and incorporate a comprehensive wage and benefit schedule for government contracted human services workers comparable to the salaries made by City and State employees in the same field.

It is especially important to ensure pay parity between human service workers and their City counterparts, as CBOs cannot provide wages to compete with agencies like the DOE, which incentivizes frontline staff to leave for these jobs after CBOs have already trained, cleared, and developed these workers. Settlement house staff have described feeling as though they are merely a pipeline for city agencies like the DOE to hire competent staff on short notice. Recently, settlement houses have reported that their staff have directly received recruiting emails from the DOE encouraging them to apply for substitute teacher positions. This indicates that on some level, the City recognizes the need for these workers as well as the quality of their work. If the City can recognize that, then it is unconscionable for the City to continue the practice of low contract reimbursement rates. CBOs cannot compete with the DOE for staff when the City also sets reimbursement levels for afterschool and other youth services programs. Without higher wages, CBO programs can't be competitive.

Conclusion

Without these interventions, CBOs across the city will face delayed roll out of funding which make it nearly impossible to run quality programming. CBOs will not be able to run existing sites or expand to new sites because of the workforce shortage the sector is currently experiencing, which means that our city's young people will pay the highest price despite having survived a pandemic for the past year and a half.

If there is a commitment to a full recovery for New York City post-pandemic, then there must be a substantial increase to the city's financial commitment to the human services workforce - especially our youth-facing professionals. Without these actions, the City risks unnecessary harm to youth and their communities in a time when their priority should be recovery from the harrowing consequences of the COVID-19 pandemic.

Thank you for your time and the opportunity to testify today. For more information, or to answer any additional questions, you can reach me at dbravo@unhny.org.

*Testimony of Christine James-McKenzie, Associate, Communications, Learning & Policy,
JobsFirstNYC before the
11/18 Committee on Youth Services Council Hearing on Non-Profit Contracting*

Good morning to the distinguished members of the Committee on Youth Services. My name is Christine James-McKenzie and I'm the Associate of Communications, Learning, and Policy at JobsFirstNYC, a non-profit intermediary that creates and advances solutions that break down barriers and transform the systems supporting young adults and their communities in the pursuit of economic opportunities.

New York City needs to act swiftly to reduce the number of 18- to 24-year-olds who are out of school and out-of-work; to connect these young adults to training, education, and work opportunities; and to advance them along educational and career pathways. To this end, I would like to share the following recommendations for the city that were informed by a diverse coalition of young adult workforce development and education stakeholders and 18- to 24-year-olds.

Reconsider procurement requirements and design to encourage collaboration. By allowing and rewarding collaborative applications, funders can both incentivize partnerships and create access to city funding for smaller organizations that lack the capacity to provide a range of services on their own.

Reduce or eliminate administrative barriers to participant data sharing and encouraging data transparency. When youth-serving agencies share relevant data on individual clients, they serve clients more rapidly and effectively.

Partner with young people in meaningful ways at all stages of designing, implementing, and evaluating initiatives and projects. The direct input of young adults can help surface needs and opportunities that might not be obvious to other stakeholders, highlight innovative approaches for participant recruitment and service delivery, and provide unvarnished feedback on program effectiveness.

Allow flexibility for organizations to design programs that meet local needs. Individual cohorts of out-of-school, out-of-work youth with shared experiences may benefit from customized service delivery models.

Thank you for your time and consideration. We appreciate the opportunity to testify and look forward to working with each of you to enact these recommendations and ensure that all New York young adults are able to connect to economic opportunity.

equity; eq·ui·ty; noun - The quality of being fair and impartial

inclusion; in·clu·sion; noun - The practice or policy of providing equal access to opportunities and resources for people who might otherwise be excluded or marginalized.

November 16, 2021

Dear Council Committee Members,

We know that equity and inclusion are not just words in a dictionary for you, but are core values at the heart of your efforts as the New York City Council. We share those values. We are a group of educators who collectively educate thousands of students in a network of charter transfer high schools for Overage/Under-credited (OA/UC) students with campuses in Brooklyn, the Bronx, Manhattan and Queens. Achieving positive outcomes for OA/UC students requires a combination of academic and non-academic services that meet the needs of the whole child. NYC's *Learn To Work* (LTW) grant program funds Community Based Organizations so they can contract with transfer schools and provide students with these important non-academic services. LTW grants pay for attendance intervention counselors, workforce training, paid internships, college counseling, social/emotional services and other supports.

Those of us who work with OA/UC students know these services are critical because it is not always poor academics that cause them to fall behind. The DOE's own research has shown how effective and necessary LTW is for transfer school students yet when the list of schools eligible for a Learn to Work contract comes out each grant cycle, our schools are left off - **because we are charter schools**. Each of our schools has a CBO partner experienced in public grants and contracts, ready to partner with us to help our students.

Our students are being discriminated against and denied equity, inclusion and critical educational services every day simply because they attend public charter schools and not public district schools.

Urban Dove, New Dawn and John V. Lindsay Wildcat serve some of the most high risk public school students in the system - high schoolers who, due to lack of credits, are off-track to graduate. Many of our students are not eligible for DOE transfer schools because they are too young and have too few credits. Ours are the *most vulnerable* students that we have heard so much about during this past year of remote schooling. Ours are the students who suffer most from a lack of equity and inclusion. Ours are the students for whom all elected officials want to *level the playing field*.

We operate high quality schools, well regarded by our students, families, communities and authorizers. We enroll higher than average numbers of students who are low income, of color, have disabilities, are court involved and homeless and/or in foster care. We have created unique and innovative models to help our students build the academic and social/emotional skills they need and we need these CBO/LTW partnerships to sustain our work. In a city that has repeatedly stressed the need for **equity in education, especially for our most vulnerable students**, denying our students these LTW resources is simply unfair.

The COVID-19 pandemic has negatively impacted all students, but it has been particularly difficult for students who are already struggling in school. Lack of technology, social/emotional support, individualized academic help and access to specialized learning have disproportionately impacted transfer school students – many have fallen even further behind or become more disengaged.

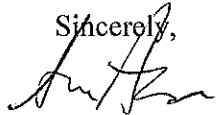
We must make every effort to energize, educate and empower them before they leave the system forever. We must also prepare for the reality that tens of thousands of students who were not behind before are going to fall behind now. Too many students were unable to fully engage in remote learning and could not master the skills they will need to matriculate to higher grades. There will be a reckoning for these students when

we return to normal school and they will fall behind. There will be an increase in the number of OA/UC students and our schools will be needed to help them – but we will need LTW contracts to be available to CBO programs to help us do it.

We submit this testimony today and ask that the City Council work with the incoming Mayor to include our schools in the Learn to Work program as soon as possible. Our students can't afford any more delays.

If understanding our schools, students or organizations would help, we invite you to join us on a visit to one of our schools and to meet the amazing students who are taking advantage of their second chance to get back on track to graduation. Thank you for your time and attention to this important issue.

Sincerely,



Sara Asmussen
New Dawn
Charter Schools



Jai Nanda
Urban Dove Team
Charter Schools



Ron Tabano
John V. Lindsay Wildcat Academy
Charter Schools