

COMMITTEE ON CONTRACTS

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CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONTRACTS

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Thursday, February 17, 2022

Start: 1:00 P. M.

Recess: 3:25 P. M.

HELD AT: REMOTE HEARING (VIRTUAL ROOM 2)

B E F O R E: Hon. Julie Won, Chair

COUNCIL MEMBERS:

Joann Ariola
James F. Gennaro
Robert F. Holden
Linda Lee
Sandy Nurse
Lincoln Restler

OTHER COUNCIL MEMBERS ATTENDING:

Shekar Krishnan
Gale Brewer

COMMITTEE ON CONTRACTS

A P P E A R A N C E S (CONTINUED)

Lisa M. Flores,
Director of The Mayor's Office of Contract Services

Ryan Murray,
First Deputy Director at The Mayor's Office of
Contract Services.

Brandon Chiazza,
Chief Technology Officer at The Mayor's Office of
Contract Services.

Charlotte Hamamgian,
Deputy Comptroller of the Bureau of Contracts and
Procurement

Michelle Jackson,
Executive Director of the Human Services Council of
New York

Taylor Palmer,
Government Relations Associate at the American
Council of Engineering Companies of New York (ACEC
of New York)

Richard Bertin,
Manager of Administrative Services at
Catholic Charities Community Services, Archdiocese
of New York

Chai Jindasurat,
Vice President of Policy at Nonprofit New York

COMMITTEE ON CONTRACTS

A P P E A R A N C E S (CONTINUED)

Michael Solana,
Vice President of Financing at Volunteers of
America, Greater New York

Juan Pinzon,
Director of Health Campaigns and Government
Engagement at The Community Service Society of New
York.

Donna Russo,
Contracts Manager for Sunnyside Community Service

Carlos Cano,
Chief Operating Officer at Urban Outbound

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SERGEANT BRADLEY: Pc recording is up.

SERGEANT MARTINEZ: Good morning, and welcome to today's remote New York City Council hearing of The Committee on Contracts.

At this time, would all panelist please turn on their video?

To minimize disruption, please silence your electronic devices. And, if you wish to submit testimony, you may do so at the following address:

testimony@council.nyc.gov, once again that is testimony@council.nyc.gov .

Thank you for your cooperation.

Chair we are ready to begin.

CHAIRPERSON WON: [GAVELING IN] [GAVEL SOUND]

Thank you for joining the virtual hearing today. I would like to acknowledge that we've been joined by our colleagues, uhm, I see Council Member Holden, Council Member Lee, Council Member Brewer, and I think that's it for now.

Good afternoon, and welcome to the virtual hearing of Contracts Committee of the New York City Council. Today is Thursday February 17, 2022. My name is Julie Won, Council Member of the 26th

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2 District, and I have the privilege of chairing The
3 Contracts Committee.

4 I would like to extend my thanks to the members
5 of the committee as well as the Comptroller's Office,
6 for joining us and holding this virtual hearing. I
7 would like to thank The Mayor's Office of Contract
8 Services, also known as MOCS, for doing its part in
9 engaging with the Council and Comptroller Landers
10 Office so quickly to the new term.

11 This hearing will provide the committee with its
12 first opportunity of the new council session to hear
13 publicly from The Mayor's Office of Contract Services
14 regarding the Procurement and Sourcing Solutions
15 Portal, also known as PASSPort.

16 PASSPort has been MOCS flagship initiative since
17 inception several years ago. It was conceived as an
18 online Procurement Portal designed to create
19 visibility in to City contracting, improve
20 collaboration between agencies and vendors, and
21 facilitate the timely registration of awarded
22 contracts.

23 In the years since PASSPort's provider experience
24 has informed three major releases to the PASSPort
25 system, which we hope to discuss today.

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2 PASSPort's digital interface was designed to
3 allow vendors to track the progress of their
4 contracts, offer agencies insight in to the
5 capabilities of civic vendors, and allow those
6 agencies to expedite the process of determining
7 vendor responsibility -- a critical component for
8 contractors working with our City.

9 The first phase of PASSPort was launched back in
10 the summer of 2017, and gave vendors and The Council
11 a taste of what we would expect for this new online
12 Procurement Portal.

13 PASSPort's Release One permitted contractors to
14 file their vender questionnaires electronically,
15 identify areas of expertise, and allowed vendors to
16 review their performance evaluations on prior
17 contracts.

18 The goal was to encourage vendors to improve
19 their deliverables in the expectation of being
20 awarded future city contracts.

21 PASSPort's Release Two was launched in April 2019
22 and built upon Release One by allowing electronic
23 vender invoicing and the creation of an online
24 catalog of vender goods that vendors could update in
25 real time. Agencies were then able to shop vender

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2 catalogs directly with up to date access to vendor
3 inventory.

4 Release Three was launched in late 2020, and lets
5 City contractors signed contract paperwork
6 electronically via digital signatures, and most
7 importantly let them track contract progress online
8 directly through a Milestone Tracker.

9 The Milestone Tracker outlines the steps required
10 to have an award completed. Vendors can log in to
11 PASSPort and see where their contracts lie within the
12 contracting process and what remains to be done to
13 complete their contract awards.

14 Vendors can also search through PASSPort for all
15 of the City's active solicitations and see which ones
16 they might be able to offer a bid.

17 While these updates were well received by the
18 vendors' community, there are still many outstanding
19 vender concerns that were outlined in The Mayor and
20 Comptroller's, uh, Taskforce Report.

21 Some of these suggestions include expanding the
22 information available in the Milestone Tracker to
23 include more relevant information about the contract,
24 offering regular training for agency contracting
25 officers to create the standard processes across

1
2 agencies eliminating reliance on older agency legacy
3 systems to prevent duplicate of work, and
4 intergrading non-mayoral agencies on to the PASSPort
5 platform.

6 While PASSPort offers a modern type of City
7 Procurement that is a far cry from fax machines and
8 paper filings, we can always strive to do better.

9 We look forward to hearing from MOCS, the
10 Comptroller, and the vendor community today as we
11 publicly address these challenges together.

12 Before we move to testimony, I would like to
13 thank my committee staff, Committee Counsel Alex
14 Paulenoff, Policy Analyst Leah Skrzypiec, and Finance
15 Unit Head John Russell for all their hard work
16 putting this hearing together.

17 With that said, I will turn the floor over to our
18 moderator, Committee Counsel, Alex Paulenoff to go
19 over some procedural items.

20 Thank you.

21 COMMITTEE COUNSEL: Thank you, Chair Won.

22 Uh, as The Chair mentioned, I am Alex Paulenoff
23 counsel to the Contracts Committee of the New York
24 City Council.

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2 Before we begin testimony, I want to remind
3 everyone that you will be on mute until you are
4 called upon to testify, at which point you will be
5 unmute by the host.

6 I will be calling on panelists to testify in
7 order, so please listen for your name to be called.

8 The first panelist to give testimony today will
9 be The Director of The Mayor's Office of Contract
10 Services, Lisa Flores; both First Deputy Director
11 Ryan Murray, and Chief Technology Officer Brandon
12 Chiazza from The Mayor's Office of Contract Services
13 will also be available today for questioning.

14 I will call on each of you shortly when it is
15 time to begin your testimony.

16 During the hearing, if council members would like
17 to ask a question of the administration or of a
18 specific panelist, please use the Zoom Raise Hand
19 Function, and I will call on you in the order you
20 raised your hand.

21 We will be limiting council member questions to
22 three minutes, which includes the time it takes to
23 answer those questions. Please note that for the
24 ease of this virtual hearing, we will not be allowing
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2 a second round of questions for each panelist outside
3 of the Committee Chair.

4 All hearing participants should submit their
5 written testimony to testimony@council.nyc.gov no
6 later than 72 hours after the conclusion of the
7 hearing.

8 Before we begin testimony, I will administer the
9 oath. To all members of the administration who will
10 be offering testimony today or will be available for
11 questions, please raise your right hands now. I will
12 call on each of you individually for a response.

13 Do you affirm to tell the truth, the whole truth,
14 and nothing by the truth, before this committee, and
15 to respond honestly to council member questions?

16 Director Flores?

17 LISA FLORES: I do.

18 COMMITTEE COUNSEL: First Deputy Director Murry?

19 RYAN MURRY: I will.

20 COMMITTEE COUNSEL: I'm sorry, you broke up there.

21 RYAN MURRY: I said I will, Committee Counsel.

22 COMMITTEE COUNSEL: Thank you. Thank you.

23 Uh, Chief Technology Officer Chiazza?

24 BRANDON CHIAZZA: I do.

25 COMMITTEE COUNSEL: Thank you.

1
2 Uh, Director Flores, you may begin your testimony
3 now.

4 LISA FLORES: Thank you.

5 Good afternoon Chair Won and members of the
6 Contracts Committee, and congratulations to those of
7 you who were recently sworn into office. My name is
8 Lisa Flores, and I am the Director of the Mayor's
9 Office of Contract Services (MOCS). I am honored to
10 be here with all of you who are part of a historic
11 women majority led City Council.

12 As you know, MOCS is an oversight agency charged
13 with facilitating and monitoring the City's \$30
14 billion annual procurement ecosystem. Central to this
15 mission over the past four years has been the
16 implementation of digital tools and practices to
17 bring greater transparency, accountability, and
18 standardization to the procurement process. The
19 Procurement and Sourcing Solutions Portal or
20 PASSPort, is a cloud-based software-as-a-service
21 application MOCS has put in place through technical
22 design, widespread change management, and iterative
23 system releases to serve as the City's central hub
24 for doing business. I am happy to share that as the
25 new administration takes over, PASSPort is now firmly

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2 established as the City's digital contracting
3 system.

4 But, before we dig into the details around
5 PASSPort, I want to step back and share my personal
6 story to put this project into proper context.

7 I served as a Deputy Director at MOCS
8 for seven years, and then served as the Deputy
9 Controller for Contracts for the past eight
10 years.

11 When I left MOCS, the procurement process was
12 still mostly conducted through paper, with manual
13 data entry of forms into the City's VENDEX system by
14 our small staff and piles of paper being carted
15 between agencies and to the Comptroller's Office for
16 registration. To say the least, it was not a
17 hospitable environment for doing business with the
18 City.

19 As I will cover more later in the testimony,
20 PASSPort is in many ways a prerequisite to solving
21 some of our problems in procurement, because it gives
22 us the complete visibility into the process that we
23 have lacked for so long. As I return to MOCS, and a
24 formerly paper process has been fully digitally
25

1 transformed, I am excited to keep going forward with
2 procurement reform.

3
4 To give a brief history of the PASSPort rollout,
5 we've modeled this system off similar successes we
6 have seen in the human services space with
7 Accelerator. PASSPort was implemented in successive
8 phases to build familiarity with the system and
9 expand the network of users.

10 The first two Releases replaced the old VENDEX
11 system and introduced goods catalogues, which brought
12 process efficiencies in several vendor-related tasks.

13 The next and largest phase, Release 3, digitized
14 the full procurement process from sourcing to
15 contract registration for agencies and vendors,
16 allowing procurement staff to release solicitations,
17 evaluate proposals, make award determinations, and
18 author contracts before submitting to registration in
19 one integrated platform.

20 Vendors, likewise, can now find opportunities to
21 do business with the City in one single portal,
22 submit proposals, and if selected, complete all tasks
23 necessary to move a contract to registration in this
24 platform. This was a game-changer for New York City
25 which brought enhanced transparency, process

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2 efficiencies, and an array of new tools for agency
3 procurement staff.

4 MOCS put an emphasis on making sure M/WBEs and
5 small nonprofits were prioritized for support in the
6 early phases of Release 3, in keeping with the goal
7 of eliminating barriers to entry and leveling the
8 playing field for all groups who want to do business
9 with the City.

10 Our current focus in Release 4 is bringing
11 financials into the system, with agencies
12 transitioning existing financial activities into
13 PASSPort as we speak.

14 PASSPort has now delivered on our mission to
15 provide an end-to-end digital platform for
16 procurement with some key achievements thus far:

- 17 • Over 30,000 vendors in the system.
 - 18 • Over 21,000 have filed the necessary paperwork
19 to be ready to compete for contracts.
 - 20 • The timelines for completing vendor disclosure
21 forms have decreased from weeks and months in the
22 paper process of VENDEX days into just a matter of
23 days now in PASSPort.
 - 24 • Over 4,000 solicitations released.
- 25

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2 • Over 6,700 contracts and continuations
3 registered with the Comptroller that were procured
4 through PASSPort

5 • Nearly 1.7 million workflow tasks completed
6 since Release 3 go-live.

7 We also have a roadmap on updates to the PASSPort
8 system which I have shared with your office in
9 anticipation of this hearing. Some of the key
10 features in the next phases include:

11 • Functionality to enable vendors to manage their
12 contract budget in system.

13 • Bringing capital project management into
14 PASSPort.

15 • Enhancing the ability to oversee and report on
16 subcontractor work.

17 • Routine platform upgrades.

18 Taken together, these upgrades will continue to
19 further consolidate and centralize procurement-
20 related activities into one system, making it easier
21 for vendors to do business through a single digital
22 portal, and implement tweaks and fixes requested by
23 specific agencies to better align the system to their
24 contracting workflows.

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2 Given the complex and constantly evolving nature
3 of procurement in New York City, we expect that
4 future releases will be needed to maintain the
5 system, and we will be sure to keep the Committee
6 apprised as these developments as they continue.

7 Our team has learned valuable lessons from the
8 progress we've made so far that continue to guide us
9 in the reforms that lie ahead. The most important
10 part of any major process transformation is the
11 people, culture, and change management.

12 We have completed hundreds of trainings, posted
13 thousands of pages of materials, and responded to
14 thousands of help desk tickets to make sure that our
15 users have the knowledge and tools they need to
16 complete their work. This feedback in turn helps our
17 technical team to prioritize fixes and enhancements
18 that improve the system.

19 Similarly, our experience with PASSPort and
20 procurement oversight in general, has highlighted the
21 importance of the simple but necessary step of
22 planning procurements in advance and starting early.

23 Procurement is sometimes considered as an
24 afterthought when designing initiatives, but we have
25 put the tools and awareness in place for leaders

1
2 cross the City to put procurement at the forefront of
3 strategic planning decisions.

4 For the next phase of procurement in the City,
5 re-orienting our organizational processes and taking
6 a close look at the procurement regulatory structure
7 will be even more important than the next set of
8 technical updates ahead of us. The end goal of
9 digitizing the procurement system was never just that
10 - it was a starting place for managing performance,
11 making sure all relevant parties see and understand
12 the procurement process, and building a more
13 strategic orientation to New York City procurement.

14 Now, as we take stock of the new administration's
15 priority initiatives, we can see how procurement data
16 plugs in to support citywide decision making, such as
17 using data to drive efficiency and performance
18 management, partnering with the Comptroller to reduce
19 burdens on nonprofits, and assessing areas for
20 improvement in the capital and technology procurement
21 verticals.

22 Indeed, we have seen improvements from some of
23 these initiatives playing out already. The Joint
24 Taskforce on Nonprofits that was established between
25 the incoming Adams Administration and Comptroller

1 Lander, has developed a set of specific
2 recommendations that will speed up contract
3 registration and payment for nonprofits, standardize
4 practice across agencies, and organize and staff the
5 newly established Office of Nonprofits.
6

7 The Taskforce also calls on the administration,
8 Comptroller, and City Council to collaborate in
9 identifying ways to alleviate the burdens on small
10 nonprofits in the Council discretionary contracting
11 process, and we look forward to working with you to
12 improve this process.

13 Another immediate output of our dialogue with the
14 Taskforce will be the publication of dashboards to
15 show vendors, nonprofits, elected officials, and the
16 public where contracts stand in the registration
17 process and how an agency's portfolio is progressing
18 toward registration. We believe this will be another
19 game-changer for New York City procurement, because
20 it will give all parties a clear and accurate picture
21 into where contract portfolios stand, allow us to
22 benchmark performance, and create new opportunities
23 to evaluate procurement practices and build reforms.

24 We look forward to sharing further information on
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2 this initiative with the Committee as we get closer
3 to launch.

4 Similarly, PASSPort now places us in an
5 advantageous position to re-evaluate the City's M/WBE
6 program and find ways to continue expanding on the
7 gains we have seen thus far.

8 Local Law 1 M/WBE utilization for Fiscal Year
9 2021, saw a slight dip from the previous year's peak,
10 going from 27.9% to 25.3% during this period. And,
11 while this represents a welcome improvement from as
12 recently as five years ago, there is still much more
13 work to be done. The disparity within the disparity
14 still persists - for example, Black women-owned firms
15 have a disparately low utilization rate.

16 Meanwhile, delays in contract registration and
17 payment timelines make it difficult for M/WBEs to
18 float the capital necessary to compete on City
19 contracts when they are not being paid in a timely
20 manner. We are aware of these challenges and look
21 forward to working with our partners and the City
22 Council on devising solutions.

23 In closing, I would like to thank you for
24 inviting us to testify today on this key initiative
25 as we kick off this new term together. And, I want

1
2 you to know that our office prides itself on
3 transparency, so if any members of this Committee
4 have questions you can always reach out to me or my
5 team.

6 And, similarly, if there are any vendors or
7 nonprofits listening in on today's hearing, and you
8 are having problems with a contracting issue, please
9 reach out to us; we are always available to help.

10 I am joined by First Deputy Director Ryan Murray
11 and Chief Technology Officer Brandon Chiazza, and
12 we'd be happy to take any questions you might have.

13 Thank you.

14 COMMITTEE COUNSEL: Thank you, Director Flores.

15 Uh, I will not turn it over to questions for The
16 Chair.

17 Panelist from The Administration, please stay
18 unmuted if possible during this question and answer
19 period. And, a reminder to Chair Won that you will be
20 in control of muting and unmuting yourself during
21 this period.

22 Uh, Chair Won, you may begin.

23 CHAIRPERSON WON: Thank you.

24 Before I begin questions, I just want to
25 acknowledge that Council Member Nurse, and Ariola, as

1 well as Council Member Gennaro have also joined.

2 Thank you so much for joining.

3
4 So, to begin questioning, the first question I
5 have is, what measures are you taking to ensure you
6 integrate feedback and evaluation from all of your
7 PASSPort users?

8 LISA FLORES: Thank you for that question, Chair.

9 Uhm, so we have a continuous, uh, conversations
10 and, open dialogue with our agencies and sector
11 partners. Uhm, so, that's an ongoing process, which
12 as I mentioned in my testimony is partly where the
13 office has received ideas and feedback that have been
14 imputed to releases and changes, uhm, based on the
15 request it may have received. But, in this
16 transition period and new administration, uhm, and
17 with the Nonprofit Taskforce findings and
18 recommendations, it definitely offers us an
19 opportunity to sort of double down and refocus on
20 making sure that, uh, we're offering different modes
21 of communication with our partners. So, for example,
22 uh, right now some of the leaders from my team are
23 having their monthly meeting with the agency Chief
24 Contracting Officers where we're beginning to engage
25 with them around our, uhm, our goals, and our values,

1
2 and mission for what we want to achieve as it relates
3 to equity and procurement and other goals. But,
4 also, uhm, in the coming weeks we're going to kick
5 off some timed sessions with agencies, uh, around
6 sort of [INAUDIBLE 00:19:15] industry to get their
7 feedback, uh, that will inform processes going
8 forward. And, uhm, and I'm really excited as I ,you
9 know, mentioned, uh, earlier this week in the
10 announcement for the Nonprofit Taskforce, that this
11 structure of us working with The Controller and
12 constantly having feedback from partners both and
13 City Hall and from the not-for-profit sector, will be
14 an ongoing conversation that will inform, uh, not
15 just changes to potentially PASSPort, but more
16 importantly, uhm, and equally important is
17 potentially reforming procurement rules and
18 processes, which is ,you know, the PASSPort tool; it
19 sort of works towards achieving, uh, the steps that
20 are required in the rules.

21 And, we look forward to hearing any ideas as work
22 with you on... Uh, if you believe that there's an
23 area that we necessarily haven't touched, uhm, this
24 is definitely the perfect opportunity for us to begin
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1
2 engaging... Uh, engaging and have those open lines
3 of communication.

4 CHAIRPERSON WON: Thank you, Lisa. I know that
5 we, uhm, it's been great since the last report was
6 released from the taskforce for the nonprofits --
7 especially Human Services, but I know that it's a
8 small subset of the many nonprofits that make up our
9 city as well as the vendors and other participants
10 that use PASSPort. So, for everyday users, is there
11 a way that they can provide feedback? Is there a
12 formal process? Is there a survey? Is there, uh, a
13 net promotor score that's been collected? [INAUDIBLE
14 00:20:47]... (Cross-Talk)

15 LISA FLORES: So, I... Well, thank you for that
16 question, Chair. And, I... And, so, I'll start, and
17 then maybe pass off to Ryan. Uhm, so we do have an
18 infrastructure where we have a service desk so that
19 we're constantly actually getting questions -- and,
20 it might be, uhm, "I'm stuck on this screen. I need
21 help." Or, it might be other sorts of questions that
22 come up that, you know, relate... relate to
23 procurement and not necessarily the system itself.
24 And, so, we have a system of tracking those questions
25 to not only respond quickly, but then look at those

1 questions to inform -- are we seeing a pattern; are
2 we seeing the same types of questions that maybe we
3 weren't aware, or issues that we need to address?

4 Uhm, but right now we're actually going through the
5 process internally of kind of looking at our avenues
6 of communication and seeing where we need to
7 potentially expand to make sure we're touching more
8 grassroots BiPOC organizations that, you know, don't
9 necessarily... are not necessarily a part of an
10 umbrella group or not necessarily funded with the
11 lobbyists, uhm, but who engage obviously with
12 procurement. So, uhm, again, I think this is a
13 perfect opportunity for us to add on to many of the
14 tools that we already have in place. But, I...

15 If... If I may, uh, allow Ryan to add to anything
16 that I may have missed of that sort of consistent
17 engagement that we have.

18
19 RYAN MURRY: Thank you, Director Flores, and thank
20 you for the question, Chair Won.

21 Uh, The Director covered most of it. I think the
22 one thing I would add here is that we do actually
23 have a survey, uh, that we have in place for folks
24 who, uh, interact with us on any given day. Uh, The
25 Director shared that we have interactions, uh,

1
2 service desk tickets. People who need help on any
3 given day are interacting with our staff. At the end
4 of that, uh, there is an opportunity for folks to
5 give us direct feedback via survey. And, the kinds
6 of questions that keep popping up, is also a place
7 where, uh, we are able to then think about do we
8 upgrade the materials that we have available to guide
9 folks, or is there an opportunity here for putting
10 enhancements in place for this system? So, we do
11 have a score that happens, uhm, wherein we've been
12 consistently in the 80's, uh, in terms of our net
13 promoter --if you will. There's nuance to this as you
14 know, Chair, in terms of net promotor scores. Uhm,
15 but we get that feedback every time there's an
16 interaction and someone feels compelled to complete
17 the survey. You know, you get either folks who are
18 extremely happy or folks that have very specific
19 things that need to change. But, as The Director
20 said, this is an opportunity now for us to do another
21 push, because not everyone who has an interaction
22 with us -- or not everyone who uses the system
23 actually needs help. Uhm, and there... There's...
24 There might be folks in the community who are only
25 using PASSPort -- are only interacting with

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2 procurement minimally. We want to hear those voices,
3 too. The folks who are used to, whether they're
4 sophisticated in terms of have a department that's
5 about grants management, or it's that on executive
6 director, uh, folks probably routinely have multiple
7 contracts. We want to hear from folks who not used
8 to working with The City, or who have still not
9 interacted with us, and that's where the grassroots
10 effort is going to be in the next few months. And,
11 we look forward to partnering with Council to really
12 get some more robust feedback from the unusual
13 suspects as they say.

14 CHAIRPERSON WON: Got it.

15 I would love to see in the future a direct way to
16 give feedback or an evaluation directly on the
17 PASSPort platform itself as well as a way for users
18 to provide feedback whether it's through our chat bot
19 or whatever it may be, so that you can do it directly
20 without calling in... (Cross-Talk)

21 RYAN MURRY: [INAUDIBLE 00:24:26]

22 CHAIRPERSON WON: [INAUDIBLE 00:24:27]

23 accessibility issues.

24 RYAN MURRY: Yeah, absolutely... (Cross-Talk)

25 LISA FLORES: I think I... (Cross-Talk)

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RYAN MURRY: Absolutely.

LISA FLORES: Yeah, I think absolutely chair, uhm, as we, I think, mentioned, uh, just a moment when we met yesterday, you know, we are working on soon releasing sort of a beta version of dashboard and information publicly, which we specifically are going to allow and encourage for whether it's council members or, you know, taxpaying, you know, folks from the public, people engaged with The City, to provide feedback to us, uhm, on what other data they think is useful to hold The City accountable. So, I think some of the ideas that you just mentioned, we can definitely incorporate as it relates to their experience and ideas with PASSPort the system itself.

CHAIRPERSON WON: Yeah, because I think the...

Uh, thank you so much, Lisa and Ryan, because that... The first question that I just asked was more about... Would probably pertain more to the procurement process itself, as you were saying, when you get feedback.

LISA FLORES: Yeah.

CHAIRPERSON WON: My second question is, what is the process for improving the actual user experience of the in terms of user interface itself, and how is

1
2 that experience integrating the design... the
3 feedback that you're getting from improving user
4 experience being integrated in to design and
5 development process? So, are you guys using Agile
6 Development or are you using something else --
7 Waterfall?

8 LISA FLORES: So, if I may, Chair, start and then
9 definitely, uh, tag in either Ryan or our Chief
10 Technology Officer, uhm, one of the really important
11 parts of the -- and sort of infrastructure of MOCS,
12 uhm, now that is very different from what MOCS looked
13 like eight years ago when I was here, is that with
14 PASSPort and the team that's been built here at MOCS,
15 there is a really cross-functional work that happens
16 on a daily basis, because PASSPort is somewhat
17 equivalent in to The City's Financial Management
18 System, it's a system of record for procurement for
19 mayoral agencies. And, so, it's really important
20 that not just looking at changes or input for a
21 technical perspective, but how did that relate to the
22 actual business process and the user experience? So,
23 that's sort of how we're formulated here in a very
24 integrated way. But, I... To your direct question
25

1
2 about Agile and Waterfall, if I may, ask Brandon
3 Chiazza to chime in?

4 BRANDON CHIAZZA: Uh, sure, and thank you, Chair,
5 for the question. So, as Director Flores mentioned,
6 we do have a large cross-functional team at MOCS that
7 is, you know, people first, everybody welcome
8 approach. And, we want to be able to collect, you
9 know, both enhancements, any issue identification,
10 through their engagements with agencies, vendors,
11 and, you know, potentially with the public.

12 And, so, through that mechanism, we internally
13 have IT Steering Committee, uhm, that basically is
14 the planning process for our Agile-type approach to
15 releases on our maintain path. So, when we have --
16 when we talk about PASSPort, we have two channels for
17 releases. It's really a maintenance path. And, then
18 we have a project path.

19 And, so, on our maintenance path, we're releasing
20 three releases a week, and you can't do that without
21 careful planning, without direct business and cross-
22 functional teams. And, so we achieve a pretty rapid
23 throughput that is really akin to an Agile type of
24 approach.

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2 Uhm, on our project path, we do use more, uh, a
3 bit of a Waterfall methodology, because those
4 releases tend to be larger, require, uhm, ,you know,
5 large scale security accreditation, and performance
6 testing sign-offs from our technology partner at
7 Office of Technology and Invitation, uhm, in order to
8 proceed. So, there are clear sort of exits and
9 phases to sort of achieve them.

10 CHAIRPERSON WON: Got it. Thank you.

11 BRANDON CHIAZZA: Mm-hmm

12 CHAIRPERSON WON: What are the top five collective
13 pinpoints from the vendors that you're constantly
14 hearing in your feedback, and how are they being
15 addressed?

16 LISA FLORES: Top five? Uhm, I'll start, and
17 then, uhm, I'll obviously, I don't know if we have
18 enumerated the top five, but I will say from, I think
19 what I have heard, uhm, specifically I think most
20 recent in my mind, again, I think the work of a non-
21 for-profit taskforce that was very deliberate, uhm,
22 and very comprehensive I think sometimes is
23 attributed -- or barriers or difficulties --
24 attributed to PASSPort, uhm, because that's the
25 system that they're working in to complete

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2 procurement actions. But, some of the findings of,
3 for example, in that not-for-profit taskforce were
4 not limited to the system itself. For example, you
5 know, you may have seen in the report that, uh,
6 vendors, uh, said that they went with one agency, and
7 there were a set of processes or document, and then
8 they have contract with another agency, and they're
9 seems to be a separate or very different set of
10 document required or processes. And, that's not, uh,
11 attribute to PASSPort, that's attributed whether or
12 not we have done enough thus far in standardizing the
13 processes that exist within an agency that area
14 layered on top of the procurement rules.

15 So, I think some of them sort of are presented as
16 if they're PASSPort issues, but there's usually sort
17 of an intertwine of frustration of dealing with
18 agency processes or the rules and having to go in to
19 the system and get complaints of the issue at some
20 point.

21 But, I'm not sure if, Ryan or Brandon, if we have
22 sort of top five?

23 RYAN MURRY: Uh, great question. I'll add, I
24 think that as The Director shared, it's hard to
25 navigate. Folks still; although, we might layout

1 exactly what's next in the process, there's nuance to
2 that. And, if... by agency, by contract type, uhm,
3 based on the kinds of actions that folks specifically
4 in place for an amendment to a certain contract,
5 folks are frustrated when the requirements -- not
6 necessarily just the process -- aren't as clear as
7 they can be or they vary. Uhm, and, there's
8 sometimes good reasons why there's variability in
9 what's needed in a contract. It's a contract, and
10 might be specific to a program. But, there's an
11 opportunity as The Nonprofit Taskforce has said, uh,
12 for standardizations. So, in response, one of the
13 things that we've done already, because, "I don't
14 know what's next." "I don't know where things are,"
15 we've made the milestones, and we went over it with
16 you, uh, Chair Won, and happy to provide a demo to
17 the entire committee at some point, individually, or
18 as a group, there's certain milestones, not all are
19 sequential, some can be done in parallel, folks
20 wanting to know, "Well, not just what are they?"
21 But, frankly, and logically, "Well, when did they
22 start?" "How long has it moving an open?" I'm
23 looking at a few people who are on here, like, uhm,
24 Michelle Jackson and some folks from ACEC, right?
25

1 This has been a complaint for years and years. So,
2 now you know when it starts, so that's solves one
3 problem, but now the requirements underneath that
4 area challenging for folks to navigate. The other
5 major thing I think that continues to be an issue
6 for, uhm, our colleagues in various sectors is the
7 timing of procurements, right? Uh, we often hear
8 feedback that, you know, we need more collaboration
9 in the design of procurements -- RFP's typically for
10 the Human Services, uh, space. That, while you might
11 release an RFP, and there is a concept paper, and
12 there is an opportunities at a pre-proposal
13 conference to give feedback, not enough, because
14 there's already a particular program designed that it
15 is place. So, the collaboration, the process to get
16 to, uhm, what is implemented on the ground, uhm,
17 outside of negotiating with scope and budget, is
18 another really big area. That's as, uh, Director
19 Flores shared, that's independent of PASSPort and the
20 system, it's about approach and timing. So, I think
21 there is a... There's a reset opportunity across the
22 board for how initiatives are implemented, uhm, and
23 the technology can be facilitated in that, but there
24 needs to be a different practice in terms of how you
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2 get to the RFP, so that it feels more timely, feels
3 more collaborative, uhm, that is a big issue.

4 CHAIRPERSON WON: Okay, so, I'm hearing that
5 there's a lot of transfer of trans, uh, transfer or
6 frustrations on the process itself then PASSPort the
7 platform itself?

8 LISA FLORES: Absolutely, I mean, listen, there
9 are always opportunities for improvement. So, I
10 definitely don't want to suggest that we're saying
11 everything is perfect every single day. I think
12 there is a general frustration with the overall
13 procurement process -- not knowing where your
14 contract is, uhm, you know, getting, uh, new scope
15 added to your contract or an amendment that then gets
16 delayed; uhm, not having a sense of how long each
17 step in the process takes; uhm, your contracts
18 getting registered late, and then you don't get paid
19 on time, right? So, there's varied, longstanding
20 pressure points in the procurement process. Uhm,
21 and, again, using this system, uh, I think, uh, folks
22 definitely feel like the system should be the panacea
23 to fix all things for procurement. But, it's a
24 system. It's a tool. It's not the rules and
25 regulations. And, that's why I think right now we're

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2 sort of at a really important place, an exciting
3 place that we've never really been before, and that
4 we have data from the system that helps inform sort
5 of where there are issues in the procurement process,
6 uhm, and we have the will -- we have the will from
7 The Controller's Office and from The Mayor's Office
8 in collaboration, uh, to really tackle the endemic
9 under, uh, underlying problems of procurement that
10 really has to do with processes, regulations, and
11 rules.

12 CHAIRPERSON WON: Got it.

13 What are the languages available on PASSPort? On
14 the user interface?

15 LISA FLORES: Great question. Brandon or Ryan?

16 I think Brandon can... Unmute yourself? Go
17 ahead?

18 UNKNOWN: [INAUDIBLE 00:35:31]

19 BRANDON CHIAZZA: Thank you, yeah, so, uh, so
20 the... The product as we mentioned was a cloud-based
21 SAS product. It has the capabilities of more
22 languages should we want to implement, but right now
23 the language that is, uh, is there is English.

24 CHAIRPERSON WON: Are there plans in the future
25 releases for other languages to be enabled?

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2 LISA FLORES: Well, so right now, uh, Chair, we
3 don't have it in the already scoped releases. But,
4 uhm, I'm hearing that's something that in discussion
5 with you and other committee members, that, uh, we
6 should definitely figure out if we should be looking
7 at that or turning on, uhm, a functionality that may
8 exist; it's not turned on in future releases that are
9 not scoped yet.

10 CHAIRPERSON WON: Okay, and then for PASSPort
11 training itself, that you all are conducting, what
12 languages are available for the trainings?

13 LISA FLORES: So, I... My understanding is that
14 the trainings would be in English, but obviously
15 there are... There's access to other languages. I'm
16 not sure that it's been requested before, uhm, maybe
17 Brandon or Ryan would know if it's been requested
18 before. Uhm, and if it hasn't been requested before,
19 and there's a particular need, especially as we focus
20 not just the vender community and partners that we
21 normally interact with, but very small grassroots,
22 uh, organizations --whether they're businesses or
23 not-for-profits -- we really are hoping that in
24 partnering not only with The Council, but also
25 potentially partnering with our other sister agencies

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2 such as SBS who have Workforce1 Centers, there are
3 small business centers, uhm, and other agencies that
4 have, uh, spaces out in the boroughs, that we could
5 potentially start to do things at a smaller square
6 that's very targeted. And, if that, uhm, that
7 approach that's very targeted requires us to have a
8 specific language for that particular smaller
9 setting, and I think we definitely, you know, we want
10 to make sure that we're doing that in an appropriate
11 way and very targeted to reach folks that maybe have
12 not normally engaged with our office.

13 CHAIRPERSON WON: Okay. So, to confirm, both the
14 product itself and the trainings are currently only
15 in English.

16 Uh, the next question I have is, PASSPort now
17 contains a Milestone Tracker, which I think is great,
18 where vendors can follow the progress of their
19 contracts. Uhm, if there is a holdup, who can
20 vendors contact to address their issue?

21 LISA FLORES: So, there's multiple, uh, you know,
22 communication channels. Uhm, as I mentioned earlier,
23 you know, we do have the service desk, so we do get,
24 through the service desk, uh, some of those types of
25 questions. Uhm, we also obviously -- vendors

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2 interact with their specific agencies, so there are
3 contracting managers at each agency. Uhm, I think
4 also what's going to be pretty exciting, especially,
5 uhm, in the near future, as we talk about not-for-
6 profits in particular, uhm, as you know, that the,
7 uh, administration will, as a result of Council
8 legislation from the last administration, The Not-
9 For-Profit Office in the next ,you know, few weeks
10 and months will... will, uh, be forming, and they
11 will have the ability, in addition to the work that
12 we do here and agencies, uh, to engage directly with
13 vendors as another resource. Uhm, and obviously The
14 Office [INAUDIBLE 00:39:06] and other offices within
15 the City received questions, uhm, that... that then
16 get, uh, provided to us or that we interact with an
17 agency.

18 But, I think something that we also want to, uhm,
19 explore with our sister agencies is somewhat of a
20 one-platform, one voice vendor roadmap. You know if
21 you... If you're doing business with The City, you
22 may not know to go to MOCS' website to find some it's
23 not for. You might go, you know, go to SBS's
24 website, you may got to ACS, because you're...
25 website, because you're thinking you're going to

1 contract with ACS, uhm, but you're not necessarily
2 getting the full picture of the full procurement
3 process from end to end and consistent information
4 across every website that you may go to. So,
5 something that we have in our sort of our sites for
6 the near future is working with our sister agencies
7 and sort of creating sort of a one-voice vender
8 roadmap, uh, and that's get updated, uh, in tandem
9 with one another if there's updates to particular
10 points in the process. So, anywhere you go, wherever
11 your point of entry may be that you're getting the
12 same information -- consistent and, uhm, accurate
13 information. And that's also a place that we should
14 definitely, uh, make sure that we have access of
15 different languages as well.

17 CHAIRPERSON WON: Yeah, thank you.

18 I know for the, uhm, some agencies are not
19 fully... Have... They have not fully adopted
20 passport. So, when you're a vender interacting with
21 specific agencies, and you're calling a specific
22 contracting manager in that agency, do those
23 contracting managers all have admin access to
24 PASSPort where they can see where the problem may be
25 within the system for that?

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2 LISA FLORES: So, the... I definitely, in terms
3 of access, I'll let, uhm, Brandon or Ryan jump in a
4 minute, but so right now all of mayoral agencies are
5 using PASSPort to some most of their contracts if not
6 all of their contracts. Their... As you may or may
7 not know for example DOE was not part of the original
8 scope of PASSPort, so that have some of their
9 contracts going the system now, and ,you know,
10 perhaps in the future, and during discussions of
11 implementation from the Not-For-Profit Taskforce,
12 they'll be an opportunity to have, uhm, more DOE
13 contracts in the system. Uhm, there are [INAUDIBLE
14 00:41:26] obviously who are not in the system for a
15 number of reasons, but may be a future state. Uhm,
16 you know, NYCHA for example or H+H, they do not, uh,
17 follow The City's procurement rules, and they're also
18 not mayoral agencies. Right? So, they might be an
19 authority, they might be sort of a quasi state, uh,
20 city, uh, agency. And, so they have specific rules
21 and regulations that they must follow. Uh, so, the
22 original scope, uh, did not include non-mayoral
23 agency procurement processes. However, those include
24 non-mayoral agencies do go in to PASSPort, uhm, their
25 vendors go in to PASSPort to do their required vendor

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2 filings. So, they're able to... Those agencies are
3 able to see the vender information in PASSPort.

4 I'll let Ryan or Brandon jump in on anything that
5 I missed.

6 BRANDON CHIAZZA: Uh, no, thank you, Director
7 Flores, I mean, that was, uh, you know, pretty
8 encompassing of what the scope of PASSPort is and the
9 potential for new agencies to be incorporated.

10 Uhm, just adding to the... the second question
11 that you had asked, which was about ,you know, an
12 agency being able to have visibility in to what's
13 going on and address issues, uhm, I think that's
14 exactly it. Transparency around PASSPort and the
15 data and the process was one of the key principles
16 behind its, uh, development. And, for the first
17 time, uh, both vendors can see who is working on
18 it... on a contract, uhm, and come to a digital
19 portal and see that, uh, as well and address and
20 contact their agency representative, uh, directly.
21 Uhm, but also agencies can now see across the many
22 contracts that they might be working on, uh, at a
23 given time, uhm, and see who's owning a particular
24 task, identify if there's a bottle neck and address
25 it, uhm, directly.

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2 CHAIRPERSON WON: Thank you.

3 And, to build on that, it appears PASSPort was
4 designed to support the mayoral agencies like Lisa
5 had listed and described. How much time and
6 resources are needed to enhance the system to allow
7 for broader use by non-mayoral agencies like the ones
8 that you just used, uhm, as examples for Council,
9 DOE, H+H, and NYCHA?

10 LISA FLORES: So, I think, uhm, you know, and I'll
11 start... being not the CTO... and then, uh, hand
12 it off to CTO or Ryan first if they have anything
13 they ask me to add. But, so, I think, you know, to
14 be responsible and prudent, uh, in doing that type of
15 work, uhm, I don't want to draw a price tag out of my
16 head, uhm, as you know definitely better than I do,
17 sort of the design and the scoping process is really
18 important to, you know, having a system that actually
19 fits the business needs of the organization. I think
20 we, you know, we may be able to sort of come up with
21 some thought, an estimate, and a future date about
22 DOE since we start putting some of DOE contracts in
23 to the system. As it relates to the non-mayorals,
24 though, uhm, you know, as we've said, you know, every
25 phase and every release, we've taken a lot of input

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2 from agency uses, and from vendor uses, and from
3 oversights, uhm, and they're all operating in the
4 same ecosystem as it relates to the foundation of the
5 rules. Right? And, even though DOE, uhm, is not
6 under the charter, it's covered under New York City
7 Education law, their procurement rules, while they do
8 diverge from the city mayoral agencies rules, they
9 don't diverge drastically. There are some
10 commonalities, uhm, in those rules.

11 When it comes to NYCHA and to H+H, that's not the
12 case. Uhm, it also is that... that NYCHA for
13 example, only a small percentage of their overall
14 contracting budget is City money. Uhm, so, there's a
15 lot of factors there. For example, they do not do
16 their non-city fund contracting actions in the City's
17 Financial Management System. Right? So, we don't
18 really have the same window, uh, in to, uhm, into
19 their portfolio that transactions.

20 So, that's a long answer to say, I don't think so
21 we have enough information to say how much that would
22 cost. Uhm, and we want to make sure that we would
23 build something that doesn't necessarily impact
24 negativity the mayoral agencies and try to change
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2 their processes to fit a non-mayoral that has a
3 completely different set of rules and structure.

4 CHAIRPERSON WON: So, Lisa, would you... would...
5 Is the plan or the vision in the future to see non-
6 mayoral agencies utilize passport, or you're unsure
7 at this time?

8 LISA FLORES: I'm sorry, Chair, can you repeat the
9 first part of the question? I apologize.

10 CHAIRPERSON WON: So, is it part of the vision for
11 PASSPort to integrate non-mayoral agencies to use
12 PASSPort in the future for NYCHA, DOE, EDC, etcetera,
13 or, uhm, is that unclear?

14 LISA FLORES: Uhm, well, as I said, I... Right
15 now, the mayoral agencies... The non-mayoral
16 agencies can and do use PASSPort for the purposes of
17 vendor filings. So, in the past, uh, even before we
18 had PASSPort, it was VENDEX, and NYCHA had their
19 vendors completed VENDEX, they were using The City's
20 VENDEX system even though they were not using the
21 same rules for the procurement portion of the system.

22 So, the same happens now, in that non-mayoral
23 agencies do have their vendors fill out their filings
24 through the PASSPort. So, for that functionality,
25 everyone's... Everyone's using PASSPort. As it

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2 relates to their procurement processes, uhm, you
3 know, as you saw by the recommendations in the
4 Taskforce, uh, Report, uhm, and that just covers
5 Human Services, we, you know, it doesn't cover the
6 other portion of capital, uh, for example in
7 construction, there's a lot to be done in the near
8 future to address, uh, sort of everyone's concerns
9 and, uh, desires there. Uh, so, I don't think so
10 it's off the table, but it's not on our immediate
11 sort of path, uh, at this moment.

12 CHAIRPERSON WON: Is The Comptroller's office also
13 using PASSPort?

14 LISA FLORES: At this time, they are not using
15 PASSPort. Uhm, when an agency completes their
16 process in PASSPort, the registration documents are
17 sent over to the Comptroller through an interface
18 from PASSPort to their document workflow system.
19 It's just called Oasis; however, it's very exciting
20 that, as you saw in the recommendations from the
21 taskforce, that that is one of the main
22 recommendations for the Comptroller's Office. And, I
23 know that Comptroller Lander is very excited, uhm,
24 even before being sworn in, to being part of
25 PASSPort. So, that is something that we will....

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2 We're working very closely, uh, to scope out that
3 work, and for them to be on the PASSPort system as
4 well.

5 CHAIRPERSON WON: Great.

6 Then, just one last question, going back to the
7 Milestone Tracker, uh, is there any information not
8 contained in the Milestone Tracker that vendors have
9 expressed interest in including?

10 LISA FLORES: That's a good question, Chair. I...
11 I... To my knowledge, at this point, not that I know
12 of. Uhm, but we have recently sort of put out some
13 of the functionality that you saw, and we have put
14 out notifications to users of passport. Last month,
15 we also showed the agency contracting officers, and
16 CFO's, and agencies what this, uh, functionality
17 looks like. So, they would also know what their
18 vendors were able to see now. Uhm, but, I do think
19 that over time, that if we receive input, you know,
20 it's definitely something we would consider, uhm,
21 adding information if it's necessary and something
22 that's really helpful for the vendor community. And,
23 if... Obviously if you and your staff, uhm, and
24 members of the committee are hearing specific
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2 information about that tracker, uh, we'd love to take
3 that feedback.

4 CHAIRPERSON WON: Great. And, then you had
5 touched upon it a little bit earlier about the beta
6 PASSPort public mobile launch for data transparency,
7 when is the actual release date for that?

8 LISA FLORES: Uhm, we don't have a specific date
9 yet, but our goal is in March. Uh, you know, we are
10 go... And, Brandon will jump in right after I finish
11 sort of framing, uh, with more specifics. Uhm, but
12 we have only sort of scoped out from our end, uh,
13 what data we want to put up there as the first sort
14 of phase -- what it would look like, uhm, making sure
15 that it's secure. And, uhm, Brandon and his team are
16 already interacting with, uh, OT the... what was
17 formally DoiT, on all of the normal processes of
18 security accreditation. Uh, so, I think its s
19 happening, you know, we're very close, but I'll let
20 Brandon, if you don't mind, Chair, to jump in.

21 BRANDON CHIAZZA: Uh, sure, thanks, uh, Director
22 Flores, so yeah, that is, uh, pretty much it. We're
23 working with... Uhm, with any major release,
24 especially a public facing application, we want to
25 make sure that the data is secure, and that the

1 application is secure. Uh, and, so, we're going
2 through a security accreditation process with our
3 cyber security representatives at OT, uh, as Director
4 Flores mentioned, in addition to performance testing
5 that application, uh, to make sure that it can
6 withstand ,you know, the highest levels of traffic.
7 And, so, we, uh we're really excited about this beta
8 launch, and the data that we're going to include, uh,
9 has aggregate metrics, uhm, that we haven't really
10 been able to publish in the past, because we haven't
11 had the data that we've had, uh, in PASSPort, uhm,
12 being collected in the past. And, so, we're excited
13 about that. So, you'll see a bunch of graphs and
14 charts, uhm, and metrics that we care about and think
15 are important, uh, based on conversation we've heard.
16 Plus, you'll have direct access to in-progress and
17 registered contracts that are going through PASSPort,
18 vendors who have filed in PASSPort, uhm, and their
19 MWBE certification status, as well as what's already
20 public now, which is a business opportunities -- the
21 RFP's, uh, that we actually showed you yesterday.

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23 CHAIRPERSON WON: Great. Uh, Lisa, I know that we
24 were talking about, especially from the Joint
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2 Comptrollers/Mayor Taskforce Report, about contracts
3 data as one of the recommendations.

4 LISA FLORES: Yes.

5 CHAIRPERSON WON: To track the performance of the
6 agencies? To me it sounds like the beta PASSPort
7 public mobile launch is very similar an idea. Is
8 that the same concept that you're trying to
9 recommend, or are these two different platforms that
10 you are recommending?

11 LISA FLORES: So, we, day one, as, uh, Brandon and
12 Ryan can tell you, when I walked in the door, was
13 ,you know, uh, sort of a number of big picture
14 things, uh, of where we have to go, and where our
15 posture has to be daily. Right? Our posture has to
16 be daily, uhm, enhancing equity and diversity, it
17 also has to be about transparency and accountability
18 and access. And, so, day one, we said, we have all
19 this data, we have to put data out there. Uhm, and
20 it's part of our building our relationship of trust
21 with the public, uhm, of putting information out
22 there and being held accountable. So, uh, the beta
23 is sort of the, uh, information thus far that we
24 believe will be important as a starting point, but
25 not, uhm, separate or apart from The Comptroller and

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2 The Mayor's Office Joint Taskforce output. So, as we
3 worked with The Controller's Office on identifying
4 KPIs, we intend to then build that in to this, uh,
5 online visual... data visualization, uh, that we're
6 now calling PASSPort, you know, a beta version. But,
7 we're going to continue to iterate, and that's what
8 we're really excited about. It's not going to be
9 static, and we're going to learn through this process
10 not only with, uh, the taskforce, but with other, uh,
11 sort of activities related to procurement reform that
12 will inform, uh, iterating on that tool.

13 CHAIRPERSON WON: Okay, got it. And, then, uh, do
14 have any additional features that you have scheduled
15 to be added to PASSPort that hasn't been already
16 scoped for the major release that is public, uhm,
17 that you have shared?

18 LISA FLORES: Not to my knowledge. But, Brandon,
19 uh, you know, if there is something I have missed,
20 please, by all means, jump in.

21 BRANDON CHIAZZA: I mean, what... In terms of
22 major enhancements that, uh, that's pretty much
23 what's on our roadmap for the next year, uhm, from
24 now until March 2023. And, we're really... We have
25

1 releases along the way that will, uhm, encompass what
2 you saw in that functionality.
3

4 CHAIRPERSON WON: Brandon or Lisa, since not
5 everyone on this hearing has seen the document with
6 the next release, do you mind listing the major
7 enhancements or features for everyone?

8 LISA FLORES: Absolutely, Chair. Brandon, do you
9 mind?

10 BRANDON CHIAZZA: Yes, sure, no problem, uh, Chair
11 Won.

12 So, uhm, so, we have a number of features
13 primarily, uhm, the vendor contract, budget is a big
14 functionality that's vendor facing we're exciting
15 about, which will allow vendors to import the
16 contract fee schedule and manage the budget in
17 conjunction with the agency. So, that's one huge
18 one.

19 We're also looking at, uhm, improving, uh,
20 visibility for sub-contractors and on time payments,
21 so this is, again, something we've heard directly
22 from our vendor community, uh, in particular NWBEs,
23 is, uh, trying to have the citywide application
24 support addressing any late payment issues. And, so,
25 one thing we do is, uh, one thing we want to do is to

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2 be able capture sub-contractor payments, uh, in the
3 system, at an individual level, by the prime vendor,
4 and, uh, also notify sub-contractors when they...
5 when the prime vendor's getting, uh, paid. Uhm, and
6 in addition to that, we have some internal sort of,
7 uh, well agency facing upgrades that include
8 onboarding rotational task orders, uhm, making some
9 of our integrations reach-time so our ordering
10 process is, uhm, is quicker, and improving our, uh,
11 ordering functionality to, uhm, allow for spot
12 pricing with fuel purchasing.

13 LISA FLORES: And, I think... Uhm, thank you,
14 Brandon.

15 And, I think I would just add, if I may, Chair,
16 that, uhm, what I think is really important is that,
17 you know, some of the... the... some of the, uh,
18 information that Brandon, uh, sort of summarized,
19 that's a result of all of the input and feedback that
20 we've received -- right? -- from vendors and, uh, and
21 from agencies. And, in terms of, uhm, scoping
22 working beyond that, uhm, where we are right now of
23 really wanting to sort of blowup the procurement
24 rules, make sure that we have standardization, make
25 sure that, uh, that we're thinking about, uh,

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2 construction and a capitol reform, reform and
3 technology procurement, and the output of the joint
4 taskforce, is that it's prudent for some of those
5 activities to get further along in the processes,
6 because it will inform that there might be a lot of
7 changes in the rules that would, uhm, potentially
8 allow us to scope out new releases. Uh, so, I think
9 that important hard work needs to be done over the
10 next few months before, uh, scoping out new releases.
11 But, I suspect that will be, uh, new releases that
12 get scoped, uh, that are necessary and exciting after
13 that sort of hard sort of dirty procurement work gets
14 done over the next few months.

15 CHAIRPERSON WON: Great.

16 Does PASSPort currently allow for the submission
17 of multiple amendments to the same contract at the
18 same time?

19 LISA FLORES: Excellent question, Chair.

20 So, when you asked earlier if that's something
21 like the pressure points, you know, it's, uh,
22 amendments, uhm, I definitely think is one of them.
23 Uhm, and, it's from all sides. Right? I mean,
24 agencies are often tasked with, you know, they're
25 already so far along in their procurement, and then

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2 there are add-ons to a particular program, and they
3 have to do an amendment before they even got the last
4 amended registered. Uhm, and a lot of that, uhm,
5 really has to do with, uh, sort of the processes that
6 hasn't been in place and, uh, with The City's
7 Financial Management System that's sort of been the
8 practice for many, many, many decades of not being
9 able to do multiple amendments at the same time. You
10 have to finish one, register one, and then, uh, start
11 the next one. However, I will say that there is
12 functionality in PASSPort to shoot off multiple
13 amendments at the same time. It's not turned on
14 right now, because we don't have the equivalent, uh,
15 sort of in the rest of the process to be able to do
16 that through registration. But, this is something
17 that I know Deputy Comptroller, uhm, at The Bureau of
18 Contract Administration, uh, [INAUDIBLE 00:58:36] is
19 also really excited about, uh, looking in to, uhm,
20 we've already begun sort of having conversations
21 about whether or not there is an opportunity from a
22 technical perspective to change that. Uhm, so, we're
23 at the beginning stages of those conversations. Uhm,
24 but that's something that would be a game changer for
25 citywide, not just with the not-for-profit sector,

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2 but all expense contracts. And, it would be
3 something that I think, uh, both the Comptroller's
4 Office and The Mayor's Office would be really proud
5 of if we can achieve that. Because, that has been
6 the bane of, uh, City's existence for many, many,
7 many years.

8 CHAIRPERSON WON: Okay, so, this isn't current,
9 even though the functionality is there, it's not
10 turned on, and... So, do we expect that for Release
11 Five or Six, or not yet?

12 LISA FLORES: Yeah, so, it's... It's not really
13 about what scoped in PASSPort. It's really about
14 what does The City's procurement system -- can it
15 handle, right? And, how do... Do we need to make
16 any changes to FMS or is it just policy changes?
17 And, a lot of that, you know, really hasn't been, uh,
18 talked through in the past ever. Uhm, so, I, you
19 know, I want to be cautiously excited that, uh, the
20 fact that we're having this conversation with The
21 Comptroller's Office and, uh, FISA, is like a huge
22 first step. So, I don't want to over promise. But,
23 uhm, it's not something that's currently scope,
24 because we already have the functionality. The much,
25 much harder work is doing all the work with The

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2 Comptroller's Office and city agencies and FMS to see
3 if can even be done.

4 CHAIRPERSON WON: Got it.

5 Does PASSPort currently support all PPB
6 procurement methods on items that require
7 registration? And, if not, why, and by when are they
8 expected to be included?

9 LISA FLORES: So, to... My... I'll let Brandon
10 and Ryan, uhm, jump in. I'll just say, you know,
11 there's definitely, uhm, non PPB registration actions
12 that are not in PASSPort yet. And, part of that
13 decision, you know, I think when you're doing any
14 system it's sort of bang for buck. And, you know, in
15 terms of The City's procurement portfolio versus some
16 of non-procurement actions that do get registered,
17 uh, the focus, it... My understanding at the time
18 that the project was originally scoped, was to be
19 inclusive of sort of the major dollar value, which
20 was the procurement methods. Uhm, but since I... If
21 Ryan or Brandon have anything to add, please do.

22 BRANDON CHIAZZA: Yeah, that's... That's right.
23 We, you know, we have all the methods subject to the
24 PPB rules that would be considered procurement
25 transactions. Uhm, there are a small number of types

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2 of transactions that wouldn't... they would be
3 categorized as non-procurement transactions such as a
4 grant, uh, so there's are not in PASSPort.

5 CHAIRPERSON WON: Okay, is MOCS able to compare
6 the cycle time of procurement solicited via PASSPort
7 with those procured prior to system implementation?
8 We've heard from agencies that it takes longer to
9 release the solicitation in a proposal evaluated in
10 PASSPort as compared to prior system implementation.

11 LISA FLORES: So, I would say that, you know, a
12 system... A procurement system, and I say "system"
13 in quotations, that was done on paper, uhm, or in a
14 document workflow system, not an end to end
15 procurement system, uhm, is not really a one for one
16 if you're looking at, uh, sort of cycle time or other
17 data points. And, I'll just give you an example,
18 because it's a pressure point that the, you know,
19 city, uh, vendors have struggled with, and definitely
20 struggled with, uhm, before HHS Accelerator and
21 PASSPort, uhm, when it comes to payment. For, you
22 know, prior to PASSPort and prior to Accelerator,
23 ,you know, the rules required that you get paid 30
24 days ,you know, within 30 days less after you submit
25 an invoice to The City. Uhm, and, it's that 30 days

1 is based on something that's called an, uh, Invoice
2 Received Date or IVR date. What used to happen the
3 past is, if I was a vendor and I submitted my invoice
4 to you in an envelope, it went through your, uhm,
5 through all of your process and then you got it in
6 your mailroom, and then you put it on your desk,
7 right? And, so you could have left it on your desk,
8 went on vacation, came back two weeks later, you open
9 it and then you stamp it. That's when the date
10 started. Right? So, it's not really a one for one
11 when you're looking at, uh, at time frames. Uhm,
12 when it comes to sort of, uh, how long it takes to,
13 uh, to release solicitations, uhm, ,you know, I think
14 I would just say that, uhm, there's always areas for
15 improvement. Uhm, and I think now is actually the
16 time in processes that we'll probably be making some
17 sort of policy type of improvements that the system
18 already supports. But, much of the bulk of the
19 functionality of PASSPort was released at the height
20 of the pandemic in June 2020. And, ,you know, while
21 everyone has been working ,you know, day and night on
22 both at MOCS and the agencies to acclimate to the
23 system, I think we just have to acknowledge that
24 you're acclimating to a system during a pandemic.
25

1
2 So, regular change management takes a while, and
3 change management, during pandemic, and with all of
4 the other responsibilities that folks have, I think
5 it's been a little slower than it would have been
6 otherwise. But, I don't know that we have one for
7 one data specific to your question, Chair.

8 And, Ryan or Brandon, do we?

9 RYAN MURRY: Yeah, your... you covered all the
10 nuance there. uhm... (Cross-Talk)

11 LISA FLORES: Okay, thank you.

12 RYAN MURRY: We could provide you with all sorts
13 of data, Chair Won, but there is nuance to when it
14 was in paper, and the planning process that went in
15 to getting to release an RFP. If you're looking at a
16 baseline in 2020 during the pandemic, when there was
17 a pause on certain actions at a certain point or
18 speeding up actions to get contracts registered, it's
19 not an easy one to one. But, I do think what I am
20 excited about, what the sector in particular is
21 excited about, uhm, is being able to have those data
22 publically available, uhm, in as real-time as
23 possible, so that you can look at, uhm, phase to
24 phase, right? Like, from the planning process to the
25 award process and see... looking at how long stuff

1 takes when it's in PASSPort in particular. So, uhm,
2 the baseline I think is really happening now that
3 we've matured past the first year or so of being
4 live. Uhm, and those data should be available for us
5 to continue doing the work. So, we're excited by
6 that.
7

8 CHAIRPERSON WON: Great.

9 I just I have a few more questions, but I want to
10 acknowledge that Council Member Krishnan and Council
11 Member Restler have also joined. Thank you.

12 Uhm, has MOCS surveyed agencies and vendors to
13 solicit feedback on the success of the system and
14 assessed the need for further enhancements directly
15 from the agencies? I know that you were saying that
16 you have surveyed... You have an optional survey
17 at... once you call the help desk, but has there
18 been a separate survey that has gone out directly to
19 the agencies and all of the vendors?

20 LISA FLORES: So, I say for agencies, there, uh,
21 there was a process, uhm, I believe in at the end of
22 the last administration, uh, to sort of regroup, uhm,
23 with some of the agencies, in particularly, uhm, I
24 think on the capitol side of getting their input,
25 uhm, to inform some of the, uh, releases that are

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2 upcoming. Uhm, and I... As I said earlier, you
3 know, in the transition in the new administration,
4 uhm, I've charged the staff with sort of reopening
5 that process with our agencies. So, uh, it's... The
6 announcement's probably being made -- as we speak --
7 to the agency procurement leaders, uh, that's being
8 held right now on a monthly basis, that, uhm, in the
9 next few weeks we're going to be, uh, we're going to
10 be starting... having those meetings again with
11 agencies around the same industry of getting their
12 feedback on sort of their experience and sort of, uh,
13 issues that they've had, and sort of updates or
14 changes that they would like. And, the reason why in
15 the same really important to do that, in my opinion,
16 in sort of clusters and agencies with the same
17 industry portfolio, is that there are lot of
18 processes that still exist at agencies that are very
19 specific to their agency. In some cases it may be
20 that they have a very specific portfolio or their
21 funding structure, uhm, that requires them or they
22 believe it requires that they have a wholly separate,
23 you know, system that they run for certain, uh,
24 tracking processes for example. In other cases,
25 there are agencies, they built a system internally

1
2 ten plus years ago, and they really like it, and it
3 feels safe, and it feels comfortable. And, they want
4 PASSPort to do every single thing that their legacy
5 system does. And, we all know that there is sort of
6 a middle ground there. Right? Uhm, you know, in
7 moving forward in technology, it's not necessarily
8 having a one for one for every single thing your
9 legacy system has, if especially, it doesn't
10 necessarily have utility for the rest of the city as
11 it relates to completing transactions required by the
12 PPB rules. So, we're actually really excited to
13 engage with agencies in the upcoming weeks, and we
14 expect robust feedback.

15 But, again, I think we are very open as it
16 relates to the vendors, uhm, of having other
17 opportunities to engage. And, you know, you
18 obviously have ideas -- and others on the committee -
19 - and I think right now is a perfect time for us to
20 do that, because we want to be in the gathering stage
21 right now.

22 CHAIRPERSON WON: Okay, yeah, we'd love to see a
23 general survey go out, because you have the contact
24 information of all the email addresses as well --

1
2 like, even a digital survey, uhm, to collect
3 feedback.

4 And, then, for my next question, could you share
5 the complete cost breakdown of PASSPort for fiscal
6 year from Release One to Release Four? So, that's
7 from August 17th to June 2021?

8 LISA FLORES: Yes, we can provide, too. And, I
9 know I think we received that question yesterday. I
10 can rattle off some of the numbers to you, but we
11 have something prepared that we can send to you right
12 after the hearing.

13 CHAIRPERSON WON: Okay, and then also the
14 estimated expected costs for the future releases as
15 well.

16 LISA FLORES: Absolutely. Absolutely, we'll have
17 that prepared... We have that prepared and will send
18 it to you after the hearing today.

19 CHAIRPERSON WON: Perfect.

20 And, then also, how much were the cost savings
21 that were recovered from sun setting the older
22 systems --VENDEX, dcast order, APT, HHS Accelerator
23 including the RFP and prequalification? Do you have
24 that ready as well to share with us?

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2 LISA FLORES: I don't have that in front of me.
3 And, so if I may, Chair, uhm, I think that's a really
4 excellent question. It's not familiar with whether
5 or not in the past administration that analysis was
6 done. So, if would afford me the opportunity to get
7 back to you later today to let you know if that exist
8 or not? I apologize, I don't know the answer to that
9 question.

10 CHAIRPERSON WON: Okay, no problem.

11 And, then, uh, what can we... I know for release
12 Five and Six, it was posted, or it was listed at...
13 there's an Ivalua platform upgrade coming. Can you
14 share what is part of that upgrade for the platform?

15 LISA FLORES: Sure, uhm, I'll start, and then hand
16 it off to Brandon.

17 You know, some of it is as you know, every
18 software has normal sort of upgrades. And, uh, we
19 were in the midst of releasing so much functionality
20 over the last, you know, few months and years that
21 part of it is just catching up to some of those
22 normal software updates, uh, that we sort of paused
23 so that we could push out a lot of functionality
24 especially the sourcing Release Three that was a
25 huge, heavy lift, uhm, and not sort of conflate or

1
2 have conflict with those two happening at the same
3 time.

4 But, I definitely would, uh, Brandon can explain
5 it in more detail.

6 BRANDON CHIAZZA: Yeah, sure, so, thanks, Director
7 Flores.

8 So, uhm, a lot of the functionality is module
9 based in the platform application. I had mentioned
10 the product is Ivalua that's sort of behind PASSPort.
11 And, they do these large scale releases, uh,
12 sometimes twice a year or sometimes quarterly, uh,
13 that we get and it's an update to an incident. So,
14 some of the features... Some of the things that
15 actually echo some of the questions that had or
16 answers some of the questions that you had, too, you
17 know they're constantly doing, you know, usability
18 testing and accessibility heuristics, and so some of
19 it in these latest releases is going to around
20 Semantic UI. So, we'll be able to see, uh, you know,
21 sort of a refreshed UI - UX, uhm, type of experience.
22 Uhm, there is opportunities to accept, and features
23 that are in these platform releases or not, because
24 it's what they call a single tenant software
25 instance, which allows us to review each of these

1 features and decide how to either adopt it or not
2 include it. Uhm, so, some of that will be on the
3 sourcing module. There are opportunities to use AI
4 around automating contract clauses from our lexicon.
5 I'm not sure, you know, that's something we want to
6 pursue as I mentioned, but it is something that will
7 be offered and available.
8

9 In addition, there is a ton of security updates
10 that go along with improving the base code.

11 CHAIRPERSON WON: Got it. That sounds great. I
12 look forward to it.

13 I don't have any further questions, but I will
14 follow up for cost savings as well as the complete
15 cost breakdown.

16 And, then I know that in the briefing that you
17 shared with me, you shared some of the outputs and
18 achievements for June 2022. And, I would love to see
19 ... Oh, June 2020. And, I would love to see all of
20 the increase in solicitation contract amendments as
21 well if you have that data. Because, I think that
22 would be a huge victory for PASSPort.

23 LISA FLORES: Sure, we could provide updated data
24 absolutely.
25

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2 CHAIRPERSON WON: Thank you. Great. And, I will
3 turn it back to Alex to moderate for additional
4 questions from council members.

5 COMMITTEE COUNSEL: Thank you, Chair.

6 I will now call on council members in the order
7 that they have used the Zoom Raise Hand Function.

8 Council members who are present, if would like to
9 ask a question, and you have not used the Zoom Raise
10 Hand Function, please do so now.

11 Council members, you will have a total of three
12 minutes to ask your questions and to receive an
13 answer from the panelist. Uh, the Sergeant At Arms
14 will keep a timer, and will let you know when your
15 time is up. Once I have called on you, please wait
16 until The Sergeant has announced that you may begin
17 before asking your questions.

18 Seeing no council members with their hands
19 raised... Oh, there we go. Council Member Lee?

20 SERGEANT AT ARMS: Your time will begin...

21 (Cross-Talk)

22 COMMITTEE COUNSEL: [INAUDIBLE] and the Sergeants
23 call time.

24 COUNCIL MEMBER LEE: Okay, hi, thank you...

25 (Cross-Talk)

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SERGEANT AT ARMS: Your time will begin.

COUNCIL MEMBER LEE: Thank you, uh, Chair Won, as well as folks from MOCS.

I was very involved in the Nonprofit Resiliency Committee as well as the reiteration. I remember being in the room when you guys first rolled out PASSPort to us. And, so, I was there when Mike Oh was first starting to talk about this whole transition. Uhm, I feel like Michelle Jackson could just tell us everything about the history. But, uhm, I just wanted to reiterate some of the points that Chair Won had brought up, because as being a former nonprofit social service provider myself, uhm, having contracts with DYCD, DFTA, DOHMC, uh, you know, you name it, it was very frustrating for us, and I agree with the sentiment that I think it has less to do about the system itself and more about the procurement process, which has a lot of the hold ups. Uhm, and, so, I just wanted to first, thank you for all the efforts, because I know that this is years in the making, and from the... from the contractor side, for us as providers, it has been easier in terms of having everything in one place. Uhm, but that being said, I think my question is sort of a

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2 multi-part question, which, uhm, I know if probably
3 not going to get answered in three minutes, but it's
4 really around how do we standardize? Which has been
5 brought up, because for example, even the percentage
6 of indirect costs across different agencies, then
7 contracts vary. Right? Uhm, and then the
8 requirements are very cumbersome, especially for
9 smaller nonprofits. And, so I had a question around
10 whether, uh, whether MOCS would... Or, what efforts
11 have been made so far to potentially differentiate
12 between dollar amount contracts. So, the
13 requirements that are for \$5,000 contracts versus a
14 hundred thousand dollars, uh, can we lessen the
15 burden? And, to be honest, I think that would help
16 in getting more MWBE vendors in the system. And, so,
17 is there a way to do that?

18 And, then, also, uhm, ,you know, uh, is there a
19 way to change the procurement system so that we can
20 add points for vendors, uh, city agencies that are
21 providing contracts for minority groups and
22 marginalized communities that serve specific or
23 culturally specific, uh, organizations and
24 communities?

25

1
2 Uhm, and, I'm glad to hear that you mentioned
3 about the sub-contractors. We were often the sub-
4 contractors. So, it was hard for us to get clarity
5 on where that process was, because we had no clue.
6 So, I'm glad to hear that.

7 And, I think my big main question is, can we use
8 PASSPort as a way to also hold agencies accountant,
9 and what's the process to go back to that? Because,
10 I gotta' say, we were required to use PASSPort, and
11 then, when we asked our city agencies, they were
12 still not up to date with the PASSPort system. And,
13 so, there's a big disconnect happening. And, I feel
14 like there has to be a way to also hold vendors... I
15 mean, I'm sorry, uh, city agencies accountable as
16 well. Because, right now, for example, I gotta' say
17 the fact that a lot of the senior centers don't have
18 any contracts in place. Like, who's responsible for
19 that, and how is that being held accountable? Like,
20 that to me is a travesty. I can't believe that there
21 are agencies and nonprofits that don't have contracts
22 in place, but are being asked to provide services.

23 So, uhm, I will leave it at that for now. And,
24 my three minutes is up.

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2 LISA FLORES: Well, thank you Council Member, and
3 congratulations, uhm, really excited to work with
4 you.

5 And, all great observations, experienced, and
6 feedback, and questions.

7 Uhm, so, I will try to do my best to get through
8 as many as I can.

9 In terms of burden on vendors, absolutely, there
10 are still too many burdens to... and, barriers to,
11 uh, doing business with The City. And, whether
12 you're a small not-for-profit, grassroots not-for-
13 profit, a small business, MWBE, it's too difficult.
14 And, in some cases, especially when it comes to
15 MWBEs, they decide not even to get certified, because
16 it's too much... they feel like it's too much work
17 for little output on the end.

18 So, while we haven't talked about yet, but
19 something that, you know, in the next few months that
20 our office is going to be working on, is, uh, and
21 this administration I think made it very clear, and
22 not just my appointment, but the appointment and
23 creation of a new Office of Risk Management and
24 Compliance, uhm, and that we will be working very
25 closely together. And, how do we... And, part of

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2 what we plan on working on together, in addition to
3 other city partners, uhm, how do we look at -- now
4 that we have so much data -- how do we identify what
5 really are the flags or the factors that cause risk
6 in procurement? And, risk, I say that in multiple
7 ways, whether it's, we ask for all of this
8 documentation related to vendor integrity, there
9 should be a way for us to more laser focused and
10 precision focused when it comes to, uh, do we need to
11 cast wide net, or can we cast a smaller net and let
12 the other ones go through with minimal documentation?

13 Uhm, there's also sort of a risk factor as it
14 relates to the type of projects that may go over
15 budget or overtime. So, that's really detailed work
16 that my office, uh, The Office of Risk Management and
17 Compliance, probably the CTEO, and how do we mine the
18 data looking at other municipalities, uhm, invest
19 practices? Uhm, and sort of have a risk framework
20 that passes muster with DOI, The Law Department, and
21 that's going to be a slow going process, but
22 something that I think is really important for the
23 sustainability of New York City procurement long
24 term, and really would have lasting impact on
25 multiple sectors and the prosperity of The City.

1
2 Uh, when it comes to sort of accountability, I
3 could not agree with you more. In my past seat,
4 some, you know, may know that, uh, I was all about
5 sort of issuing data about performance, uh, to hold
6 The City accountable. And, that has not changed as I
7 sit in this seat. Uhm, part of putting information
8 out there and being transparent, uhm, again, is to
9 hold us accountable. Right? And, I say, us, uh, The
10 City.

11 So, I think, you know, there's... You're going
12 to see more and more sort of data that comes out from
13 our office that, uh, aims to achieve that in part.
14 And, also in the work that we're going to be doing
15 with The Comptroller and the taskforce, in
16 identifying a sort of agreed upon again KPIs that
17 will, uhm... and, also, you may have seen in the
18 report, uh, developed, uh, structure around time
19 frames and timelines as well, uh, that really, in the
20 next few months and ongoing, is going to start to
21 really shape procurement in the city very differently
22 than it has been thus far.

23 And, lastly, on that point, you know, our office
24 does work closely with agencies on their timeliness.
25 And, we are, you know, stepping that up. Uhm, you

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2 know, day one, since January, uh, so for example,
3 contracts that are Human Service contracts that
4 are... that need to continue for the next fiscal
5 year, uh, starting 07/01, uh, we've already met with
6 the [INAUDIBLE 01:21:23] last month, gave them sort
7 of a journey map of expectations of when they should
8 achieve certain parts of the process. Uhm, and, we
9 run data, some of that weekly, and we've just started
10 to send it to the Deputy Mayor's as well, so that
11 everyone is accountable and seeing the progress or
12 lack of progress so that we can all work towards
13 achieving timeliness.

14 So, and there were... Among of other things, I
15 think in your comments that I would love to, you
16 know, at a separate time, perhaps set up a time to
17 meet with you and talk about it in more detail, I'd
18 love to have more of your feedback with additional
19 time to talk through it and see where you have ideas
20 that we have... may have not mentioned thus far.

21 COMMITTEE COUNSEL: Thank you, Council Member Lee.

22 I will now turn it to Council Member Brewer for
23 questions.

24 SERGEANT AT ARMS: Your time will begin.

25

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2 COUNCIL MEMBER BREWER: Thank you very much, and
3 what a great discussion.

4 As somebody who just came from the DOI
5 Commissioner's hearing, and somebody who is going to
6 be focused a little bit on this issue, what is the
7 trigger? Because, obviously it's public money. Part
8 of the reason why we have so much paperwork. We
9 don't want anybody to do something that's illegal...

10 (Cross-Talk)

11 LISA FLORES: Yes...

12 COUNCIL MEMBER BREWER: but you always worry. So,
13 what is the trigger? Because, obviously more
14 paperwork means hopefully less corruption, but on the
15 other hand, we want it to be streamlined. So, it's a
16 hard fine line. And, I...

17 LISA FLORES: Yeah... (Cross-Talk)

18 COUNCIL MEMBER BREWER: And, I just want to... In
19 your experience, how do we do that line? Or, are
20 there ways that we can look at it differently?

21 LISA FLORES: Uhm, thank you, Council Member, uh,
22 really look forward to working with you, uhm, and all
23 of your amazing experience and background.

24 Uhm, so, I mean, first I will say that, uh, part
25 of the hard work that we anticipate, uh, working on

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2 with our agency partners and in an extent to the
3 Comptrollers as well, is, uhm, identifying, uh, what
4 are those triggers that everyone believes are the
5 correct triggers, the correct flags, because, uh, we
6 want to mitigate risk without slowing down the
7 process. Right?

8 COUNCIL MEMBER BREWER: Right.

9 LISA FLORES: Nothing we do can have the impact of
10 slowing the process down any further than it has been
11 thus far, right? Uhm, so, that we can't have. But,
12 you know, and as you mentioned something that I think
13 is a frustration for all of us, in that in some cases
14 we have been asking for a lot of paperwork. And, you
15 still have some that's sort of quote/unquote "slipped
16 through", right? That there are issues, right?

17 So, I think with, uhm, you know, putting more
18 resources, for example, in to the post audit
19 activity. Uhm, those are required, but it's not
20 necessarily resourced and part of an agency in The
21 City's consistent processes. Uhm, you know, whether
22 that's, uh, in, uhm, auditing around invoicing;
23 auditing around, uh, programs, uhm, in a way that,
24 again, is manageable and not onerous to city agencies
25 or to vendors.

1
2 And, if you're catching issues in that process
3 that you can address, and in some cases address in a
4 way that the vender that maintain being a vendor with
5 The City, because you're providing the appropriate
6 resources and capacity building, and not just to
7 knick someone, uh, I think that's an area that an
8 area that we're really excited to focus on and dig in
9 to, uhm, and I think also, now that PASSPort has been
10 , uh, you know functional as it relates to
11 procurement actions for almost two years, and with
12 The City's and The Mayor's, uh, vision of sort of how
13 do we use data in a more mature way than we have in
14 the past where the CTO is? There are other sources
15 of data that can inform our strategic sourcing
16 decisions that we don't currently use. So, it's not
17 just about adding more, it's about using what's out
18 there more effectively.

19 So, again, I think, you know, we want to work
20 closely with those who are experts in all of these
21 fields to come up with, uh... And, soon, we'll
22 probably start some of our working groups, uh, that
23 we've identified. Uhm, but we want this... (Cross-
24 Talk)

25 SERGEANT AT ARMS: Time is expired.

1
2 LISA FLORES: to be an informed process. If it's
3 not, I think, again, we don't want unintended
4 consequences.

5 COUNCIL MEMBER BREWER: Thank you.

6 COMMITTEE COUNSEL: Thank you Council Member
7 Brewer.

8 Uhm, if any other council members have questions,
9 please use the Zoom Raise Hand Function now. If not,
10 uh, we can turn it back to Chair Won for some
11 additional questions.

12 CHAIRPERSON WON: Lucky me. Uh, we had a few more
13 questions. Now that the system is up and running for
14 the last several years, have you been able to utilize
15 PASSPort to identify where logjams are occurring?

16 LISA FLORES: Yeah, I mean, I think we... Uhm,
17 great question.

18 Uhm, yeah, we have a sense with the data that we
19 have thus far of some of the areas, uhm, where there
20 are logjams, uhm, in the sort of phases of
21 procurement. Uhm, and, you know, over the next few
22 weeks and months, again, I think, uh, collaboratively
23 with our partners and with The Comptroller's Office,
24 sort of dig down in to sort of subcategories, uh, to
25 identify solutions, uh, for those logjams.

1
2 But, I also want to say, and I'll give you an
3 example, because I think this is why, uh, a
4 collaborative, uhm, effort is very important in an
5 informed process. That, uhm, sometimes it may take
6 longer, for example, in the planning stage of
7 procurement. And, on its face, absent any other
8 information, the data may suggest that that phase
9 takes a long time. We want to make sure that as
10 we're identifying solutions to the longer periods of
11 the phase of the procurement process, we're thinking
12 of the appropriateness of the industry, uh, the
13 contract and the procurement, and, uh, the agency
14 portfolio, because if you're doing a brand-new, uh,
15 client services program in the community, uhm, you
16 may want to take more time in the planning stage of
17 that procurement in order to have ,you know,
18 grassroots engagement with the community, allow time
19 for input for the community that's not just
20 perfunctory, but you're actually listening and
21 potentially making changes to the program model.
22 And, so, it may actually be, uhm, appropriate to take
23 more time at certain phases of the procurement. Uhm,
24 but, now that we have the data, uhm, I think the next
25 step again with our partners is going to be digging

1
2 down and identifying sort of appropriate ranges and
3 appropriate solutions.

4 CHAIRPERSON WON: Okay, great.

5 Then, uh, a question that I have when I was
6 reviewing yesterday on the demo, how does the vendor
7 tell the difference between when you have a gray
8 circle on the Milestone, uh, whether they've failed
9 to initiate a necessary step, or they're just not
10 applicable for that step? How do you tell the
11 difference? (Cross-Talk)

12 LISA FLORES: That's a great question. And, I'm
13 definitely gonna punch it directly over to Brandon.

14 BRANDON CHIAZZA: Thank you.

15 Yeah, uhm, yeah, so, there is a... We didn't
16 click on it yesterday, but there is a tooltip that
17 explains how the award Milestones, uh, works, and
18 also it links to our external user, uh, guidance and
19 documentation. Uhm, but, yeah, "not applicable"
20 would be gray, uh, "pending" would be orange, and
21 green is, uh, you know, obviously "completed".

22 CHAIRPERSON WON: Right, but in the description
23 itself, when it's gray, it says that the help logs?
24 It actually says you have either... The gray is,
25 "You have failed to initiate a necessary step..."

1
2 BRANDON CHIAZZA: Mm-hmm, not started...

3 CHAIRPERSON WON: [INAUDIBLE 01:2:35] before then.

4 So, how do you tell the difference between the two?

5 Because, maybe you failed or it... it's not

6 applicable to you at all. How do you tell the

7 difference?

8 BRANDON CHIAZZA: Yeah, so, uh, good question. We

9 definitely want to direct users and people to our,

10 uh, agency guidance. Uhm, but I think we could work,

11 uh, with you or others to try to make that more clear

12 if there's an option to do that?

13 CHAIRPERSON WON: Mm-hmm.

14 LISA FLORES: Now, and, Chair, I think, you know,

15 uhm, I really appreciate you raising that, and as I

16 mentioned, uh, sort of alluded to before, you know,

17 we're... We're doing, uh, beginning to do that and

18 we'll continue to do that, uhm, really in earnest

19 over the next few weeks with engaging with agencies

20 of looking at processes, uhm, not just the

21 procurement process, but sort of the engagement and

22 interaction in PASSPort and where there's

23 opportunities for us to sort re-up either trainings

24 for agencies or vendors and/or, uhm, modules or

25

1
2 tools, uh, that inform that, you know, of the
3 procurement process or next steps.

4 Uhm, so, I think that we've had so many
5 procurements go through PASSPort, it's actually a
6 good opportunity for us, not just for the vendors,
7 but the agencies as well, to ensure that we're
8 providing at the point they are in the phase, uh,
9 more information that is a easy to use tool, uh, so
10 they can decipher, uh, what they need to do, what
11 they've done, and what comes next.

12 CHAIRPERSON WON: Okay.

13 Uh, Brandon, are you conducting user testing at
14 all?

15 BRANDON CHIAZZA: Yeah, uh, definitely, thanks
16 for the question, Chair Won.

17 Uhm, so, with each of our major releases and with
18 our, uhm, with our interim smaller maintenance
19 releases, we conduct a series of user testing that
20 will typically involve agency personnel, and, uhm,
21 depending on the functionality, vender, uh, personnel
22 as well.

23 CHAIRPERSON WON: Mm-hmm.

24 I don't have any other questions.
25

1
2 COMMITTEE COUNSEL: Okay, Chair, well, if... If
3 you're done with, uh, questions for the
4 administration, we can move on to public testimony
5 provided no additional members have questions.

6 And, I see CM Restler, Council Member Restler has
7 raised his hand. You can turn it to him.

8 SERGEANT AT ARMS: Your time will begin.

9 COUNCIL MEMBER RESTLER: Could you unmute me? Oh,
10 good, sorry about that. Sorry, uh, just one of the
11 days in transit. Uh, the L train isn't running,
12 because somebody got stabbed. So, we're here in a
13 taxi on our way to City Hall. But, hopefully that
14 person is all right.

15 The, uhm, thank you, Director of MOCS, and Ryan,
16 the team for joining us, uh, and thank you Chairwoman
17 Won. It's great to be at first hearing. Very
18 exciting. Uhm, and great work.

19 The, uhm, the question I had, and I know that,
20 that, uhm, Chair Won pushed on this, but if you could
21 just help synthesize for me, what will it take for us
22 to get all agencies kind of fully up to speed,
23 including DOE? Uhm, and when do you think that will
24 happen by? And, should we be, you know, releasing
25 information on their progress to kind of do some

1
2 gentle shaming on kind of how they are doing in fully
3 adopting PASSPort?

4 I know firsthand it can be hard to get, uhm, our
5 procurement teams at our agencies to move from the
6 status quo, but... but, we've got to make it happen.
7 And, we would welcome your input or guidance or what
8 kind of, uh, on the timelines to expect and what we
9 can do to expedite them?

10 LISA FLORES: Well, thank you very much, uh,
11 Council Member for your question. Uhm, and, uh, very
12 sorry, terrible news that you just mentioned.
13 Hopefully the person in the incident is safe.

14 So, I... You asked a great question. Uhm, and
15 that's sort of part of ,you know, the challenge of
16 both making sure that we're providing the appropriate
17 functionality for agencies and also for agencies to
18 be moving at the correct pace and sort of change
19 management and adoption, uh, to being on PASSPort.
20 Uhm, and that is why you see in the, uh, not-for-
21 profit taskforce recommendation that that is
22 specifically one of the recommendations. So, uhm,
23 while I definitely appreciate your, what might have
24 been in jest sort of, is it shaming? Uhm, I do think
25 there's an opportunity for us to work with, not in

1
2 jest, uhm, I do think there's an opportunity for us
3 as we're collaborating with The Comptroller's Office
4 in implementation of these recommendations, to have a
5 feedback loop with The Council -- Uhm, some of, you
6 know, where we are and how we're doing both, uh,
7 where we are on achieving those implementation tasks,
8 but, also, uh, to the extent that we provide
9 information about, uh, agency adoption, uhm, and, uh,
10 the needs of the system. I think it's going to be
11 partly, at least in the near future, a constant
12 dialogue.

13 And, there really, I mean, again, I am not
14 suggesting that, uh, again, that a system or a tool
15 is the panacea to solve all procurement problems, but
16 we definitely have a little ways to go when it comes
17 to some agencies of fully adopting and using the
18 system, uh, to the extent that's available.

19 COUNCIL MEMBER RESTLER: I hear you. And, I, you
20 know, I think our procurement between us... (Cross-
21 Talk)

22 SERGEANT AT ARMS: Your time is expired.

23 COUNCIL MEMBER RESTLER: it... we... Oh, I'll
24 just say the inefficiency of our procurement system
25 is deeply frustrating to all of us. But, I think we

1
2 have something that works in PASSPort, and we should
3 be more aggressive about setting benchmarks and
4 milestones for agencies to fully adopt. And, if we
5 need to be releasing information on their progress
6 publicly to put some pressure on them, I think it
7 would be helpful. Thank you.

8 LISA FLORES: I appreciate that. And, I
9 definitely, I know the time is up, but I
10 definitely... we will follow up with your office.
11 And, again, I think we're at the time now where we're
12 doing KPIs and we're having this thinking happening
13 right now, and I'd love to continue the conversation
14 after the hearing and get your thoughts.

15 COMMITTEE COUNSEL: Thank you Council Member
16 Restler.

17 We will now move to Council Member Krishnan for
18 questions.

19 COUNCIL MEMBER KRISHNAN: Well, uh, to you so
20 much. Uh... (Cross-Talk)

21 SERGEANT AT ARMS: Your time starts now.

22 COUNCIL MEMBER KRISHNAN: Director Flores, too,
23 and, uh, I appreciate the testimony today and the
24 hearing as well.

1
2 Uhm, I, as someone who has... who has used
3 PASSPort before, uhm, and seen it evolve over time,
4 too, I'm glad to be having this conversation and
5 really thinking through ways to make it better. So,
6 I want to thank Chair, uh, Council Member Won in
7 particular, uhm, for having this hearing today, too -
8 - And, to all of my colleagues who are on as well.

9 Uhm, my question, uh, in particular is, uhm, you
10 know, I think that, uh, it's... Having PASSPort is
11 important, improvements to it, too, uhm, are critical
12 to make sure the more... the less onerous and
13 bureaucratic it is on nonprofits, the much easier, as
14 you know, will be to ensure reimbursements are made.

15 Uhm, on that vein, one of the issues that comes
16 up in particular, and we know it, too, about the
17 delays in contract registration, that I wanted to
18 raise is: As I understand it, or have from experience
19 seen, uhm, on some contracts, but not all, but on
20 some at least, MOCS advances 25% of the, uhm, grants
21 for organizations to use. But, uh, 25% when...
22 especially when the contract registration delays can
23 be so long, too. But 25%, uhm, for many
24 organizations, will cover, at a maximum, one-quarter
25 of payroll if even that, uhm, and especially if it's

1
2 a large organization, it doesn't cover that. And,
3 then, that's kind of all you can do and all you can
4 tap in to as an organization.

5 And, I'd ask to see if MOCS has given any thought
6 to reevaluating the contract advances to make sure
7 that, especially given the way things are right now,
8 uhm that more money is advanced to organizations, and
9 they can tap in to it earlier, too, to actually make
10 payroll? So, they don't... Often what happens is
11 organizations have to borrow... (Cross-Talk)

12 LISA FLORES: Yeah...

13 COUNCIL MEMBER KRISHNAN: from other foundations
14 and interest rates to make pay.

15 LISA FLORES: Yep, yep, thank you very much for
16 your question, Council Member.

17 Uhm, and, so, I think... I will say, just as a
18 way of background and context that, uhm, the advance
19 opportunity is not administered by MOCS, uhm, but
20 more importantly, that, uhm, it came to fruition
21 after many, many, many years of advocacy and it
22 continues to sort of iterate, right?

23 So, in so in the Bloomberg Administration,
24 there, uh, there was an effort, uh, not-for-profit
25 sector, uh, to work with The Administration on

1
2 certain issues. Uhm, and the output of that was a
3 standard Human Services Contract -- which did not
4 exist before -- that included the opportunity to
5 receive an advance.

6 And, as you may know, uhm, in the past, you
7 actually had to, uh, the process to receive advances
8 was not on automatic after registration. And,
9 through the work of the Nonprofit Resiliency
10 Committee, that... And, uh, you know, during COVID,
11 some of that was changed to sort of automatic
12 advances.

13 So, having said that, I think ,you know, it's
14 something that we heard through not-for-profit
15 taskforce, uhm, and I think something ,you know, if,
16 uh, all parties sort of wanted to reopen that
17 discussion, uhm, it's something that The City
18 definitely could consider.

19 Uhm, but I think... (Cross-Talk)

20 SERGEANT AT ARMS: Time is expired.

21 LISA FLORES: What's more important, uhm, and that
22 we really have to focus on, is what... What's
23 causing the need for the advance? And, what's
24 causing the need for the advance is late
25 registrations.

1
2 So, I want to make sure that, uhm, ,you know, in
3 the near future, and in our collaboration with The
4 Comptroller's Office and all stakeholders, that goal
5 number one is to get your contract registered on
6 time. And, if we solve that problem, and we make big
7 progress on that, uh, on that issue, uhm, then the
8 normal 25%, uh, advance, uh, automatic will flow
9 normally and you won't have the same pressures that
10 you have, uh, experienced and that not-for-profits
11 have experienced for many years.

12 COUNCIL MEMBER KRISHNAN: Thank you. I look
13 forward to working on that with you. And, I hope we
14 can also look at, in the meantime, reevaluating how
15 much gets advanced as well to make it easier for
16 nonprofits, too.

17 LISA FLORES: Thank you Council Member.

18 COMMITTEE COUNSEL: Thank you Council Member
19 Krishnan.

20 Seeing no additional council member hands raised,
21 uh, we will now move to the public portion of the
22 testimony.

23 I'd just like to thank the team from MOCS for
24 coming on and, uh, offering their testimony today,
25 and thank you for being here.

1 Uh, I'd like to remind... (Cross-Talk)

2 LISA FLORES: Thank you so much.

3 COMMITTEE COUNSEL: Thank you.

4 I'd like to remind everyone that, unlike in our
5 typical Council hearings, we will be calling
6 individuals one by one to testify. Due to the large
7 number of witnesses who have signed up to testify
8 today, we will be limiting each panelist's speaking
9 time to three minutes. Uh, please begin once the
10 Sergeants have started the timer.

11 Council members who have questions for a
12 particular panelist, should use the Zoom Raise Hand
13 Function, and we will call on you after the panelist
14 has completed their testimony.

15 For panelists, once your name is called, a member
16 of our staff will unmute you, and the Sergeant At
17 Arms will set the timer and give you the go-ahead to
18 begin. Please wait for the Sergeants to announce
19 that you may begin before delivering your testimony.

20 At this time, I would like to welcome Charlotte
21 Hamamgian to testify, followed by Michelle Jackson,
22 and then Taylor Palmer.

23 Uh, Miss Hamamgian, you may begin when the
24 Sergeants call the time.
25

1 SERGEANT AT ARMS: Your time will begin now.

2 CHARLOTTE HAMAMGIAN: Good afternoon, and thank
3 you to Chair Won and the entire Contracts Committee
4 and committee members for the opportunity to submit
5 testimony on behalf of New York City's Comptroller
6 Lander on PASSPort, the City's technology tool for
7 sourcing and contracting for goods and services.
8

9 My name is Charlotte Hamamgian, and I am the
10 Deputy Comptroller for the Bureau of Contracts and
11 Procurement.

12 For some context, the Comptroller's Office
13 registered 15,000 contract actions in Fiscal Year
14 2021, representing over \$31 billion in contract value
15 for the City's mayoral agencies, affiliated agencies,
16 elected officials, and Council.

17 As the "last step" in the procurement process, we
18 often bear witness to the consequences of earlier
19 inefficiencies. Delays and cumbersome steps in the
20 process wreak havoc on cash-strapped vendors,
21 particularly nonprofits, MWBEs, and small businesses
22 who are providing critical goods and services in
23 support of our communities.

24 As a former ACCO at multiple agencies, and
25 someone whose entire professional career has been

1
2 working in New York City procurement, I can
3 personally attest to the gains made by digitizing
4 parts of the procurement process that were
5 archaically still in paper until only too recent.

6 In 2017, the first release of PASSPort, known as
7 Vendor Management, transformed how vendors submit
8 information as part of a system previously referred
9 to as VENDEX; it is used by agencies to ensure that
10 they contract with vendors that have the requisite
11 business integrity to be awarded public dollars. This
12 made it easier for vendors, but also more efficient
13 and quicker for The City by eliminating a backlog at
14 MOCS fueled by the submission of sometimes hundreds
15 of pages in hard copy by just a single vendor. It
16 also allowed for agencies and vendors to more
17 efficiently and transparently manage the evaluation
18 process, which is key to City agencies' tracking
19 performance.

20 As a participant in a 2014 City task force aimed
21 at improving the capital procurement process, it was
22 also fantastic to see the implementation of some of
23 those recommendations into PASSPort which reduced
24 redundancies across agencies and further reduced
25 cycle times.

1
2 Since that time, more sourcing functions have
3 launched in PASSPort that address the lack of an end-
4 to-end system that capturing all phases of the
5 procurement from inception to Comptroller
6 registration.

7 As conceived, PASSPort has the intention of
8 streamlining and making more efficient.

9 We released earlier this week, an action memo
10 jointly with The Mayor's administration, "A Better
11 Contract for New York: A Joint Task Force to Get
12 Nonprofits Paid on Time". While it aimed at the
13 significant challenges that our nonprofit partners
14 face, these recommendations formed the basis of
15 procurement reform applicable to all vendors.

16 The Bureau of Contract Administration welcomes
17 these recommendations, and we look forward to working
18 with our agency partners, particularly MOCS, to
19 streamline the registration process for vendors while
20 ensuring accountability and oversight.

21 And, while PASSPort has yielded some significant
22 improvements, there's more work to be done, and we're
23 happy to be at the table to do so.

24 Thank you.

25 COMMITTEE COUNSEL: Thank you, Miss Hamamgian.

1
2 Uhm, if any council members have questions,
3 please use the Zoom Raise Hand Function now.

4 Seeing no questions from the Council, we will now
5 move on to our next panelist

6 The next panelist will be Michelle Jackson,
7 followed by Taylor Palmer, followed by J.T. Falcone.

8 Uh, Miss Jackson, you may begin when the
9 Sergeants call the time.

10 SERGEANT AT ARMS: Your time will begin now.

11 MICHELLE JACKSON: Thanks so much, and thank you
12 to Chair Won. And, welcome to some new, unfamiliar
13 faces on the New York City Council, uh, and to the
14 most exciting committee in all of City Council, The
15 Committee on Contracts, welcome fellow procurement
16 nerds. I'm so happy to see... to be joined by so
17 many friends, uhm, in this area.

18 So, I'm Michelle Jackson, I am the Executive
19 Director of the Human Services Council. We represent
20 about a 170 human service organizations in New York
21 City that do everything from Senior Services to
22 Mental Health Services, to Homeless Services, and
23 everything in between. We really focus on the
24 relationship between government and human service
25 providers. Our members are overwhelming funded city

1
2 contracts, and so everything we've already talked
3 about today, uh, are the other groups that are most
4 impacted by the contracting process and the PASSPort
5 system.

6 So, uhm, I have submitted my... will submit my
7 written testimony. So, I'll just give you a couple
8 of highlights, and then I'm happy to answer
9 questions.

10 I think first, we are really thrilled to have,
11 uhm, a robust Committee on Contracts with the City
12 Council, and really appreciate, Chair Won, the
13 conversation you've already started and the attention
14 to detail that you're paying -- and also to see so
15 many city council members who have experience on the
16 nonprofit side of, like, actually using the system.

17 And, then I'm also really delighted to have our
18 Director of MOCS be Lisa Flores who has been on both
19 sides of the contracting process, uhm, she has been a
20 great champion of the nonprofit sector, both in her
21 role at MOCS, and then at The Comptroller's Office,
22 and then back at MOCS. So, we're really thrilled,
23 uhm, to see her in this role, uh, along with Ryan
24 Murry who has really... I spent summers with building
25

1
2 the HSC Accelerator system, so uhm, they really know
3 what they're doing.

4 So, really, uhm, highlights of my testimony, uh,
5 our really... HSC and our members were thrilled at
6 the announcement of the joint taskforce between The
7 Comptroller and The Mayor; it's really historic and
8 I'm very impressed with the recommendations, not just
9 as recommendations, but there's a lot of
10 accountability there to identify the kind of systemic
11 problems that the procurement process has had.

12 We fully support recommendations around
13 timeframes in contracting, and we'll be pushing that.
14 You'll hear a lot from us around that and the fact
15 that PASSPort needs to be end to end. It needs to
16 do... encompass, uhm, The Comptroller's Office as
17 well, and providers need to be... Providers and the
18 public need to have visibility throughout the
19 process.

20 We're also supportive of the idea of coming up
21 with key performance indicators and timeframes. But,
22 I will say we cannot wait for those. So, it can be
23 years while we design and figure out what those are;
24 it really needs to be months, uhm, so that providers
25 are not left waiting.

1
2 Uhm, there are other changes, uhm, to PASSPort,
3 which I think, uh, Director Flores really outlined,
4 uhm, so, I won't go through those except to say we
5 fully support better agency training and things like
6 that.

7 We also think MOCS really needs to be resourced
8 and able to do this work, uhm, so that they have the
9 right team, uhm, and ability to do it.

10 And, the last thing, I'll just say is that we're
11 really worried, uhm, Accelerator was built and fixed
12 the system; the Nonprofit Resiliency Committee made
13 headway in fixing the system, and then the system
14 broke... (Cross-Talk)

15 SERGEANT AT ARMS: Time is expired.

16 MICHELLE JACKSON: -- probably worse than it's
17 ever broken -- during the pandemic. So, I would just
18 highlight the conversation around training agency
19 staff, uhm, and making sure that there's
20 accountability -- that the Deputy Mayors, that you
21 all as the committee, uh, that there's a lot of
22 accountability and holding of feet to the fire to
23 make sure... The system is only as good as the
24 people who use it and push the buttons, and we
25 learned that during the pandemic.

1
2 And, our providers still have procurements from
3 three years ago that they are waiting to get
4 registered -- not even paid on. Uhm, and now you can
5 see it all on PASSPort, and it's been a real failure
6 of the system, and we appreciate the efforts that are
7 being made, and we think we're on the right track.

8 Uhm, but I just wanted to highlight, like, kind
9 of the crisis that we've all inherited here, uhm,
10 that needs to be addressed and that we can't wait
11 years for those solutions.

12 So, I'm happy to answer any questions, uhm, of
13 the committee.

14 COMMITTEE COUNSEL: Thank you, Miss Jackson.

15 Uh, if anybody has a question from the council
16 members, please use the Zoom Raise Hand Function now.

17 Seeing no questions, we will now move on to our
18 next panelist, and...

19 MICHELLE JACKSON: Thank you!

20 COMMITTEE COUNSEL: Thank you.

21 Next we will hear from Taylor Palmer, followed by
22 J.T. Falcone, and then Richard Bertin.

23 Uh, Miss Palmer, you may begin when the Sergeants
24 call time.

25 SERGEANT AT ARMS: Your time will begin now.

1
2 TAYLOR PALMER: Good afternoon Chair Won and
3 members of the Committee. Thank you for holding
4 today's hearing on this very important topic.

5 My name is Taylor Palmer, and I work for The
6 American Council of Engineering Companies of New York
7 also known as ACEC New York.

8 We're the voice of New York's consulting
9 engineering community and represent nearly 300 firms
10 that employ 30,000 professionals in New York. By the
11 way, Chair Won, four of our member firms are actually
12 located in District 26.

13 Our members provide professional design services
14 to public agencies, so we design the City's
15 infrastructure. Firms work with New York City DEP,
16 DOT, DDC, SCA, NYCHA and many others. Our members
17 work on schools, housing, roads, and bridges, coastal
18 protection systems to deliver a sustainable resilient
19 and equitable future.

20 It is no secret, though, that inefficient
21 procurement processes have plagued the City for too
22 long. Unacceptable delays in contract and change
23 order registration and delays in payment are common
24 place and fall disproportionately on our smaller
25 member firms and on emerging MWBE companies.

1
2 These firms are effectively making interest free
3 loans to the City and they can't afford it. The City
4 cannot afford to shrink the number of engineers
5 willing to provide services to the City at a time
6 when the infrastructure needs are so great.

7 New York is on the verge of receiving a once-in-
8 a-lifetime investment of federal funds from the
9 Infrastructure Bill, and we need The Mayor and The
10 City Council to act now to ensure that these projects
11 can go forward.

12 We recommend the following:

13 On PASSPort: To Publish and use PASSPort data to
14 increase transparency and share the status the
15 procurement process with engineering professionals
16 and hold agencies accountable for their performance.

17 Second, to allow engineers flexibility to submit
18 graphics on RFP proposals. For design professionals,
19 texts submitted through PASSPort can only do so much,
20 in other words, a picture speaks a thousand words
21 when it comes to designing a bridge or another piece
22 of infrastructure.

23 On Contract and Change Order Registration,
24 contract registration should be completed within 60
25 days and change order registrations in 30 days.

1
2 COVID showed us that The City can act in a timely
3 manner when needed, and we need this mentality for
4 all contracts all of the time, not just during
5 emergencies. In contrast to The City, the federal
6 government prohibits continuing work on projects
7 until change orders are properly registered.
8 However, The City routinely expects its engineering
9 professionals to continue work without having any
10 idea of when they could submit an invoice and get
11 paid.

12 For payment processing, agencies should adopt
13 electronic invoicing ASAP and achieve payment within
14 30 days. This is crucial for our MWBEs and small and
15 medium firms, and it's very harmful for them.

16 Lastly, Design-Build, which is a procurement
17 method in the designing contractor community. City
18 agencies can improve this method by using Progressive
19 Design-Build, a specific form of design procurement
20 used around the country as a best practice which can
21 be found in our testimony.

22 ACEC New York would welcome the opportunity to
23 work with you on these efforts. Our member firms...

24 SERGEANT AT ARMS: Time has expired.
25

1
2 TAYLOR PALMER: are poised to roll up their
3 sleeves, share their expertise, and work with you to
4 craft solutions.

5 Thank you so much for letting me testify. And,
6 I'll take any questions.

7 COMMITTEE COUNSEL: Thank you, Miss Palmer.

8 Uh, we will now turn to council member questions.

9 As a reminder to the members, if you have a
10 question, please use the Zoom Raise Hand Function.

11 Seeing no questions, we'll move to the next
12 panelist.

13 The next panelist will be J.T. Falcone, followed
14 by Richard Bertin, and then Chai Jindasurat.

15 Uh, Mr. Falcone, you may begin when the Sergeants
16 call the time.

17 J.T. FALCONE: Thank you. My name is J.T.
18 Falcone. I use the [INAUDIBLE 01:53:21]... (Cross-
19 Talk)

20 SERGEANT AT ARMS: Time will begin.

21 J.T. FALCONE: pronouns, and I work with United
22 Neighborhood Houses of New York, a policy and social
23 change organization representing 40 neighborhood
24 settlement houses in New York City, five more across
25 the state, for a total membership of 45.

1
2 Uh, thank you, Chair Won, for kicking it off with
3 this really important hearing. It's exciting to have
4 an opportunity to testify before so many people who
5 already know all of the things that I'm about to
6 recommend, and on top of that, I always love
7 testifying after Michelle Jackson, because I can do a
8 hardy "That's what she said" we're good with that.

9 For UNH, the thing that I would like to drill
10 down on the most here, uh, is the importance of that
11 agency training, uh, and benchmarks to make sure the
12 agency has fully integrated PASSPort across the
13 system.

14 Time and again, it's the fact that nonprofit
15 contractors have to report across multiple systems
16 that's causing the biggest challenge here. And, the
17 more that we get full adoption across city agencies,
18 and also as the taskforce recommended, uhm, in The
19 Comptroller's Office, the better off we will be and
20 the more that we can work directly on this system.

21 Uh, on the backend, nonprofits and agency staff,
22 frankly, have to do multiple reports on the same
23 items, uploading in the same document over and over
24 across, uh, PASSPort and legacy systems for the
25 agencies that haven't fully adopted, uh, PASSPort at

1
2 this point. And, that's causing a lot of frustration
3 and challenges that ultimately we don't need to deal
4 with.

5 Uh, and also, I... Going back to the idea of
6 training agency staff, which is been brought up a few
7 times here, uh, that could go a really long way,
8 because ultimately agency staff are people, and part
9 of the reason that people are resistant to new
10 technology, because they're not a 100% sure how to
11 use it.

12 So, in terms of the technological glitches that
13 we've run in to throughout the rollout, I just want
14 to say that MOCS has been extremely responsive.
15 We've been able to connect with them. And, it's good
16 to hear the ways and strategies that they're using to
17 ensure that they're also talking to organizations
18 that aren't represented by umbrella groups like HSC
19 or UNH, because while we have firm lines of
20 communication, it's important for them to be talking
21 across to all of the contractors. But, really the
22 number one thing that we should be thinking about
23 here is ensuring that city agencies across the board
24 adopt this system, use it fully, and abandon the
25 legacy systems, so that we can all be on the same

1
2 page. I know that we have a lot work to go in terms
3 of benchmarking what we're reporting and how we're
4 applying across contracts, and that's something that
5 I'm sure I'll be back here often to talk to you all
6 about. But, in the meantime, getting us all on the
7 same system is a really achievable step one, uh, that
8 can go a whole long way to making people's lives
9 easier as they make other people's lives easier
10 through the social services that they render.

11 Uhm, so, I will submit written testimony, which
12 is much more formal and well-organized than the
13 thoughts that I just threw out there. But, I never
14 like to spend my two minutes reading.

15 So, thank you very much for the opportunity to
16 testify, and I'm looking forward to working with you
17 often.

18 COMMITTEE COUNSEL: Thank you, Mr. Falcone.

19 We will now move on the next panelists. Uh, the
20 next panelist will be Richard Bertin followed by Chai
21 Jindasurat, and then Michael Solana.

22 Mr. Bertin, you may begin with the Sergeants call
23 the time.

24 SERGEANT AT ARMS: Your time will begin.

25

1
2 RICHARD BERTIN: Good afternoon to Chair Won and
3 members of the NYC Council Committee for Contracts.
4 I am Richard Bertin, Manager of Administrative
5 Services for Catholic Charities Community Services.
6 Thank you for the opportunities to testify on the
7 accomplishments of PASSPort and suggest improvements
8 that would further increase efficiency.

9 Uh, for over 70 years, Catholic Charities
10 Community Services has provided comprehensive
11 professional human services to vulnerable low-income
12 New Yorkers. And, through this program CCS services
13 thousands of individuals each year without regard to
14 race, ethnicity, gender, or religion.

15 The City's adoption of PASSPort has represented
16 an important step toward the modernizing the
17 contracting process and embracing technology to
18 increase efficiencies. As one of the individuals who
19 collaborated with MOCS to preview and provide
20 feedback on PASSPort during its development back in
21 2016, I am pleased with how The City has implemented
22 our feedback.

23 The digitalization of forms removed the need to
24 send hand-signed documents in the mail, thereby
25 reducing wait times and eliminating the possibility

1
2 of lost documents. Being able to upload forms, and
3 having certainty as to what documents are received or
4 pending, has expedited contract preparation and
5 submission process, uhm, and has removed the
6 wondering that came of whether our document were
7 received.

8 The acceptance of electronic signatures was
9 especially helpful during the pandemic, which allowed
10 workers to prioritize safety and still fulfill City
11 contracting needs.

12 As we recognize these positive improvements, we
13 would like to highlight three issues that we have
14 experienced that interfere with PASSPort reaching its
15 full potential:

16 The first is the inability to obtain a fully
17 executed contract after documents have been
18 submitted. At present, when we sign a contract
19 electronically, we receive a single-page PDF file,
20 uh, which requires us to go in to the system, print
21 documents and rescan them, which becomes cumbersome
22 and is not efficient.

23 Implementing a one-click solution that allows
24 nonprofits to download contracts in their entirety,
25 uh, amendments, uh, riders, attachments, and all

1
2 would expedite recordkeeping and auditing procedures,
3 and would actually provide a value to smaller
4 nonprofits that do not have the money to handle
5 modern contract and management platform.

6 Secondly, PASSPort document upload requests do
7 not always line up with City agency contracting
8 manager.

9 We have received "Task Requests" for documents
10 that don't come from us such as work scopes and
11 contract attachments. And, sometimes it seems like
12 PASSPort might be getting ahead of the actual City
13 Contracting Manager. One example of this is requests
14 for "Budget Detail" forms, which right now come from
15 HHS Accelerator.

16 So, ensuring that contracts and budgets are sent
17 to us before we are given a request to complete would
18 be very helpful.

19 Uh, thirdly, uh, discrepancies in contract naming
20 protocols complicate contract identification and
21 tracking efforts.

22 Some agencies have used specific "Contract IDs"
23 for multiple years that we are accustomed to, but in
24 PASSPort we see these e-Pins that do not really mean

1
2 a lot to us. We don't have the same familiarity with
3 them, and it causes a lot of confusion on our end.

4 Allowing City contracting managers to add a
5 Contract ID or description somewhere in the Header
6 section is a fix that... (Cross-Talk)

7 SERGEANT AT ARMS: Time is expired.

8 RICHARD BERTIN: would make contract tracking
9 faster and easier.

10 Uhm, thank you for the opportunity to testify
11 today and provide feedback for PASSPort.

12 Uh, please don't hesitate to contact me for any
13 additional details.

14 COMMITTEE COUNSEL: Thank you, Mr. Bertin.

15 We will now move to the next panelists.

16 Next up we have Chai Jindasurat followed by
17 Michael Solana, and then Juan Pinzon.

18 Mr. Jindasurat, you may begin when the Sergeants
19 call the time.

20 SERGEANT AT ARMS: The time will begin.

21 CHAI JINDASURAT: Hi, good afternoon everyone,
22 uhm, my name is Chai Jindasurat; my pronouns are
23 he/him, uhm, and I am the Vice President of Policy at
24 Nonprofit New York.

1
2 So, good afternoon, Chair Won and members of the
3 City Council Committee on Contracts.

4 Similarly to J. T., uh, I co-sign of what my
5 fellow panelist have shared already. Uhm, so, I will
6 be submitting much more formal written testimony, and
7 for the sake of time, I'll try and reinforce what
8 people have said and then highlight some things that
9 are specific that we're trying to focus on at
10 Nonprofit New York.

11 And, just by way of background, uh, we are a
12 membership based organization with around a 1,000
13 nonprofit members in New York City. We're sector
14 wide, so our members range from Arts and Cultures, to
15 Parks, to Health and Human Services, Faith, uhm,
16 Economic Development, you name it. And, so, you
17 know, similarly, our CEO, Meg Barnette, participated
18 on the joint taskforce. Uh, we were very excited
19 about that and endorse all of the recommendations
20 coming from The Mayor's Office and The Comptroller's
21 Office.

22 Uh, I think, uh, one thing I'll just reiterate is
23 that PASSPort... In 2021, we did a series of, uhm,
24 listening sessions with our members about the
25 contracting process, and we learned that PASSPort has

1 brought some transparency to the contracting process,
2 but The City still really has very few deadlines
3 within their internal processes, which is making it
4 very hard for organizations. Uhm, even though they
5 might be able to now see where their contract is, it
6 doesn't mean that their contract is necessarily going
7 to move forward.
8

9 So, like my fellow panelists, we would support
10 and encourage The City to expand the use of
11 timelines, such as the 30-day timeline that, uhm...
12 currently under the City Charter, only The
13 Comptroller's Office is required to process a
14 contract within 30 days once it's delivered.

15 Uhm, also by way of background, I formally used
16 to work at OMB, and I worked on the Indirect Cost
17 Rate Policy, so I definitely understand the
18 challenges with standardizing policy across all
19 agencies, but we continue to hear that City agencies
20 are not implementing PASSPort uniformly, uhm, and
21 that comes with a significant administrative burden
22 on the nonprofit organizations who may have contracts
23 with multiple City agencies.

24 So, agencies will maintain different timelines,
25 reporting requirements, negotiating protocols, and

1
2 notarization requirements, uhm, that may not be in
3 line with PASSPort. So, we would recommend The City
4 further streamline and standardize application
5 processes, documentation systems, contract
6 management, and invoicing across all agencies, uhm,
7 and invest in training for the workforce.

8 Uh, what I really want to focus on today is the
9 data piece. So, data disaggregation, contracting,
10 and also racial equity, we know that the process
11 challenges that everybody has talked about...

12 SERGEANT AT ARMS: Time has expired.

13 CHAI JINDASURAT: Oh, okay, uh, please see my
14 written, uh, testimony for more on that. And, I'm
15 happy to answer any questions.

16 COMMITTEE COUNSEL: Thank you, Mr. Jindasurat.

17 Uh, next we will hear from Michael Solana,
18 followed by Juan Pinzon, and then Donna Russo.

19 Mr. Solana, you begin when the Sergeants call the
20 time.

21 SERGEANT AT ARMS: Your time will begin.

22 MICHAEL SOLANA: Good afternoon, my name is
23 Michael Solana; I am a Vice President of Financing at
24 Volunteers of America, Greater New York (VOA-GNY).

1
2 We are the local affiliate of The National
3 Organization Volunteers of America.

4 I would like to thank Chair Won and the members
5 of this committee for the opportunity to submit the
6 following testimony.

7 VOA-GNY is an anti-poverty organization that aims
8 to end homelessness in Greater New York by 2050
9 through housing help and wealth building services. We
10 are one of the region's largest human service
11 providers, impacting more than 11,000 adults and
12 children annually through 66 programs in New York
13 City, Northern New Jersey, and Westchester County.

14 We are also an active nonprofit developer of
15 supportive and affordable housing with a robust
16 portfolio of award winning, uh, permanent supportive
17 housing, affordable, and Senior housing properties
18 with more in the pipeline.

19 First, we at VOA-GNY would like to thank Chair
20 Won and this committee for holding this hearing about
21 such a critically important topic.

22 Over the past several months, our President and
23 CEO, Myung Lee, has participated in the taskforce,
24 which this week released its report, "A Better
25 Contract for New York", a joint taskforce to get

1
2 nonprofits paid on time. We are hopeful that this
3 report, the change in executive leadership citywide,
4 and The Council's commitment to prioritizing this
5 issue, as evidenced by this hearing, will finally
6 mean long awaited progress in these areas.

7 The report outlines many issues related to
8 PASSPort in the entire process including:
9 Transparency on where a contract sits and the source
10 of delays -- the date stamps have been helpful, and
11 we thank you for this recent addition to PASSPort --
12 over reliance on contract amendments, even for the
13 costs -- which are predictable -- such as cost of
14 living adjustments and indirect cost rate changes;
15 the overall complexity of the process leading to
16 significant administrative burden, payment delays
17 putting stress on cash flow and operating needs.

18 In addition, a big concern is the implementation,
19 without formalized live training for any users
20 including the self-admitted New York City agencies
21 not receiving training, or being familiar with the
22 system, and further explaining this will cause delays
23 in the processing of contracts. I believe recurring
24 live trainings of the entire process would be
25 beneficial for all parties to avoid delays.

1
2 The issues create significant problems for our
3 organizations. VOA-GNY relies heavily on government
4 funding to provide housing for over 4,000 vulnerable
5 New Yorkers every night, and delivers services to
6 thousands more. The procurement services, including
7 issuance of payment owed to our organization is far
8 more inefficient and delayed in New York City than in
9 our other jurisdiction of Westchester County and New
10 Jersey or with our federal contracts.

11 As just one example, The City asked VOA-GNY to
12 open a new COVID-related shelter in May 2020, but we
13 were not able to bill for \$3 million for services
14 rendered until the contract was registered seven
15 months later.

16 Nonprofit and Human Service Organizations like...

17 SERGEANT AT ARMS: Time has expired.

18 MICHAEL SOLANA: VOA...

19 Thank you for your time.

20 COMMITTEE COUNSEL: Thank you, Mr. Solana.

21 COMMITTEE COUNSEL: Uh, next we will move to Juan
22 Pinzon, followed by Donna Russo, and then Carlos
23 Cano.

24 Uh, Mr. Pinzon, your time will begin when the
25 Sergeants call the time.

1
2 SERGEANT AT ARMS: Your time will begin now.

3 JUAN PINZON: Thank you, Chair Won, for this
4 opportunity to testify.

5 My name is Juan Pinzon, I'm the Director of
6 Health Campaigns and Government Engagement at the
7 Community Service Society of New York.

8 CSS health programs help New Yorkers enroll into
9 health insurance coverage, find the healthcare that
10 they need, and we also help them use their coverage
11 and access the healthcare system. We do this through
12 our through a live answer helpline and through a
13 partnership with 50 community based organizations
14 throughout New York State.

15 Uhm, with this testimony, CSS urges The City
16 Council to address the longstanding structural
17 problems in the execution of contracts and payments
18 by city agencies that have affected nonprofit
19 organizations for so many years, including
20 improvements to the PASSPort system.

21 CSS has contracted with The Department of Health
22 and Mental Hygiene for more than 20 years to provide
23 health insurance enrollment and post-enrollment
24 assistance to New York City residents through
25 initiatives like the Harlem Health Advocacy Partners,

1
2 The Managed Care Consumers Assistance Program, and
3 Access Health NYC.

4 Uh, we value the opportunity to contract and
5 partner with UHMH to deliver these services, but our
6 ability to deliver these services has been hindered
7 by recurring contract execution and payment delays
8 that put a major strain on the finances of CSS and
9 our partners.

10 We have and continue to experience major delays
11 in getting our contracts executed and receiving
12 payments on time. Just to give you an example, for
13 two of our current contracts with UHMH, we still have
14 not received any payments for Fiscal Year 2021.
15 Those contracts were actually only executed this past
16 December, and we are still waiting for our Fiscal
17 Year 2022 contracts to be executed. And, I know
18 that, uhm, our partners in these programs have
19 experienced similar delays.

20 Uh, I would also say that a delay in contract
21 execution and payments is a major barrier to the
22 delivery quality services and has an adverse effect
23 on program sustainability.

24 Like many organizations that contract with City
25 agencies, CSS also has great difficulty working with

1 the PASSPort system; it's difficult to navigate and
2 sends multiple and unrelated emails to every staff
3 member registered with the website -- often several
4 times a day. CSS is required to upload the same
5 documents multiple times, and it's very difficult to
6 communicate with the contracting City agencies about
7 problems with PASSPort.
8

9 Organizations are required to assign roles and
10 contract teams to our staff to authorize and to
11 perform any task in PASSPort. That process is
12 extremely complicated requiring multiple stages
13 including our request to MOCS. Definition of these
14 roles remains unclear, and the staff across the
15 agency continue to get notifications for contracts
16 that are unrelated to their roles.

17 Another problem with the PASSPort system that we
18 urge The Committee and MOCS to investigate is the
19 accurateness of the performance evaluation that
20 organizations receive after each grant period. In
21 each grant period, the performance evaluation doesn't
22 include information about how the score is
23 calculated. Uh, even though CSS has received 100% of
24 scores on each individual item in their evaluation,
25 the evaluation is incorrectly in scores overall, and

1
2 we received a total score of 80%. Each year we have
3 to appeal the score and get it corrected.

4 We are very encouraged by the steps taken...
5 taken...

6 SERGEANT AT ARMS: Time is expired.

7 JUAN PINZON: by Mayor Adams, Comptroller Lander,
8 and the New York City Council to finally address all
9 of these problems -- especially the creation of the
10 taskforce. And, I believe that it's time for all New
11 York City nonprofits to be able to focus on providing
12 the services that residents rely on to get their
13 healthcare, food housing, and other social services
14 without having to worry about getting paid.

15 Thank you for the opportunity to submit this
16 testimony today, and I am happy to answer any
17 questions.

18 COMMITTEE COUNSEL: Thank you, Mr. Pinzon.

19 Uh, next we will hear from Donna Russo and then
20 Carlos Cano.

21 As a reminder, if there are any panelists whose
22 names have not been called who have registered to
23 testify, please use the Zoom Raise Hand Function and
24 we will have you added to the end of the panelists
25 list.

1
2 Miss Russo, you may begin when the Sergeants call
3 the time.

4 SERGEANT AT ARMS: Your time will begin.

5 DONNA RUSSO: Hello, my name is Donna Russo and I
6 am the Contracts Manager for Sunnyside Community
7 Services, a community-based nonprofit located in
8 Sunnyside Queens. SCS serves a diverse community of
9 over 16,000 people throughout Queens with programs
10 that range from pre-K to college and career
11 readiness, home care and home health aide training,
12 Beacon and Cornerstone community centers for children
13 and families, a vibrant older adult center and full
14 range of services for at-risk older adults including
15 social adult day care for individuals with
16 Alzheimer's.

17 We process over 40 contracts a year, and from a
18 contracting perspective, the move to a paperless,
19 digital contracting process through the PASSPort was
20 a significant process improvement. It eliminated the
21 need to sift through hundreds of pages of paper
22 documents, streamlined the signature process with
23 digital signatures through DocuSign, and it
24 eliminated the need to mail paper contracts back and
25 forth.

1
2 However, with any new process there are
3 challenges. The largest challenge we have
4 experienced is the significant delay in contract
5 creation, which is the start of the contracting
6 process in PASSPort. This is the case specifically
7 with Discretionary contracts. In FY 21, we had
8 several discretionary contracts that were not
9 initiated in PASSPort until four to six months after
10 the beginning of contract year. This year, we are in
11 the same situation. Several Discretionary contracts
12 were initiated by the funding agency just in
13 December. We have a handful of others that are just
14 beginning now, and some haven't even started yet.

15 Sadly, last year, in the face a global pandemic,
16 when our community was relying on services more than
17 ever, we couldn't spend \$70,000.00 designated to us
18 via a discretionary contract for Case Management
19 Services because of a lack of certainty about if and
20 when the contract would go through.

21 In FY 20 we didn't get initial notice until
22 November. This year we received notice in September.
23 Every year it's been the same situation: We receive
24 notice in the fall for programming that could have
25 started in July in continuation from the previous

1
2 year. Staff are terminated, because when the
3 discretionary is announced by June 30th, no notice is
4 provided for case management.

5 Vulnerable seniors have to be moved around to
6 different social workers. This year, there was
7 discretionary funding for \$2 million for case
8 management programs across New York City -- with
9 notice going out in September.

10 A discretionary process that provides continuous
11 support to the community members it is designed to
12 serve is what is needed so that nobody experiences a
13 gap in service.

14 We urge the committee to connect with the
15 Council's Fiscal Office and The Department of the
16 Aging so that every dollar supports older adults in
17 their time of need.

18 We appreciate the opportunity to share our
19 experience with PASSPort and The City's contracting
20 process. And, we look forward to the efforts by The
21 City Council and Chair Won to improve the timeliness
22 of the discretionary contracting process.

23 Thank you.

24 COMMITTEE COUNSEL: Thank you, Miss Russo.

1
2 We will now move to the final panelist, Carlos
3 Cano. Uh, Mr. Cano, you may begin when the Sergeants
4 call the time.

5 SERGEANT AT ARMS: Your time will begin.

6 CARLOS CANO: Good afternoon, and thank you.

7 I'm Carlos Cano, I'm the Chief Operating Officer
8 at Urban Outbound. I appreciate the opportunity to
9 present testimony for this committee. Uh, Urban
10 Outbound appreciates also the trust of The City as we
11 work to deliver essential services to our community
12 and break cycles of poverty.

13 The contract with The City, whether discretionary
14 funding or baseline services, allows us to provide
15 key services like career and college access,
16 financial counseling, tax preparation, and worker
17 cooperative development.

18 However, the contrary [INAUDIBLE 02:15:20]
19 process poses challenges for our agency. And, I am
20 going to echo a lot of the sentiments that, uh, my
21 colleagues have mentioned before me.

22 Uhm, some of the pinpoints, uh, is lack of
23 consistency, and I believe we heard that earlier
24 today. Uh, there are different formats and different
25 rules that govern the documents, uh, such as

1 [INAUDIBLE 02:15:42] award and budgets that slow the
2 process for us. Uh, the [INAUDIBLE 02:15:45] process
3 itself is different from agency to agency. As the
4 processes slow us down, which results in payment
5 delays for us, uhm, this causes us to have issues
6 with our cash flow. Uhm, also, we're finding some
7 agencies that accounting procurement staff is aligned
8 with the program staff -- sometimes we hear different
9 messages from both sides. And, that can be mean
10 dozens of emails back and forth before we can start
11 submitting our documents through PASSPort.
12

13 Uh, and the ideas I would like to propose is, uh,
14 including direct communication application in
15 PASSPort, that way we can communicate with our
16 procurement counterparts directly, and maybe turn
17 PASSPort a little more into a collaboration tool
18 rather than what looks more like a Dropbox style
19 website or platform.

20 Also, I would like to propose the idea of certain
21 documents that are common to a lot of contracts like
22 insurance certifications, uh, that would be good if
23 this could be throughout all of our contracts. You
24 know, we contract with multiple agencies, and we find
25 ourselves spending a lot of time uploading those same

1 documents over and over again, with maybe some tiny
2 little differences. It may not seem like a lot, but
3 when you're working on multiple contracts time is of
4 the essence -- time that we should be dedicating to
5 providing the services on the ground.
6

7 Really any process that can streamline the
8 contract decision timeline will have tremendous
9 impact on nonprofit vendors like ourselves.

10 And, that's about it for me. I think I have a
11 few more seconds, but I'd like to end there, and just
12 thank you again for the time too, uh, and for your
13 commitment.

14 COMMITTEE COUNSEL: Thank you, Mr. Cano.

15 Uh, we will now turn to Council Member Holden for
16 questions.

17 COUNCIL MEMBER HOLDEN: Uh, thank you. Thank you,
18 Carlos, and... and thank you Donna. Uh... (Cross-
19 Talk)

20 SERGEANT AT ARMS: Time begins now.

21 COUNCIL MEMBER HOLDEN: I have a, uhm, a question,
22 I don't know if you want to divulge this, but what
23 are the agencies that are the slowest paying, uhm,
24 that you have the biggest problems with? Because,
25 that's what we really need to focus on -- the ones

1 that are so slow and take so long, that it
2 jeopardizes your employees and obviously the
3 services? That's Carlos or Donna are you still here?
4 Yeah, hi, Donna. You... Can you unmute? If you
5 have... Do you have... Do you want to answer that,
6 or?
7

8 DONNA RUSSO: Well, I... (Cross-Talk)

9 CARLOS CANO: Uh, go... Go ahead, please.

10 DONNA RUSSO: Well, I mean, I... I... We can't
11 get paid until we execute the contract.

12 COUNCIL MEMBER HOLDEN: Right.

13 DONNA RUSSO: So, that's the big issue. So, as an
14 example, we are in... halfway through the year --
15 more than halfway through the year -- and we still
16 have contracts that aren't even... they're not even
17 through the process. And, I have... And, there's
18 contracts that we haven't even started yet. So,
19 like, I can tell you as in another example, we didn't
20 get a contract executed in... This is discretionary.
21 Discretionary seems to take much longer. For Fiscal
22 Year 21, for one discretionary contract, I think it
23 just got executed in December of 21. That's like how
24 many? Four months? Five months? After the end of
25 the Fiscal Year. So, but, I don't know why. I don't

1 know why. I don't know... Like, a lot of issues
2 were brought up, and I don't know if it's training on
3 the agency side. I don't... I don't know... I
4 don't know that part of it. But, it... It just
5 seems like it should be much quicker. And, I know
6 that when I get a request, my documents are uploaded
7 immediately. And, then I re... I talk -- reach out,
8 but I don't know what's going on on the other side.

9 UNKNOWN: [INAUDIBLE 02:19:41]

10 COUNCIL MEMBER HOLDEN: Since I support
11 Sunnyside, and they're great -- You guys are great, I
12 would like, if you can call my office and tell me
13 who's giving you the most trouble, what's going. I
14 have to know this... that my money is being spent or
15 that my money is doing the most good for, you know,
16 our tax payers' money. Uhm, so, Donna, if you could
17 let... let my office know. And, please, when you...
18 When there is a delay, we should know -- The Council
19 should know.

20 CARLOS CANO: Mm-hmm and... (Cross-Talk)

21 COUNCIL MEMBER HOLDEN: And, Carlos, yeah, go
22 ahead, I'm sorry.

23 CARLOS CANO: No, No, No, I'm sorry, uh, just
24 going to add, uh, starting last year, you know,
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2 contracts were bundled. So, we've had different
3 allocations that go to the same... That actually
4 hasn't slowed the process. We appreciate that there
5 may be less paperwork, but at the end... Yeah, there
6 was an allocation that came in with transparent
7 resolution a couple of months later. We could have
8 started that process with the first allocation much
9 earlier. So, right now, we have not, I think,
10 registered any single contract so far for
11 discretionary funding for this current Fiscal Year
12 yet... (Cross-Talk)

13 COUNCIL MEMBER HOLDEN: And...

14 CARLOS CANO: We were close, but we started pretty
15 late compared to previous years.

16 COUNCIL MEMBER HOLDEN: So, but... Any
17 communications with these agencies, do you get any
18 reason why they're doing this, uh, either Donna or
19 Carlos or anybody else? Do we... Do we get an
20 explanation? Do they blame the pandemic? What are
21 the... What's the explanation for that? Or, are
22 there no answers?

23 CARLOS CANO: Honestly, the first communication
24 comes pretty late. And, you know, we look at the
25

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2 schedule C when it comes out, and we keep an eye
3 [INAUDIBLE 02:21:13]... (Cross-Talk)

4 SERGEANT AT ARMS: Time is expired.

5 CARLOS CANO: resolutions. But, uh, it usually
6 takes I would say a couple of months before we hear
7 from the agencies themselves, uh, confirming that
8 there's that there's [INAUDIBLE 02:21:22] and, we
9 reach ahead of time. They usually ask us to wait
10 until there's an award letter... an official award
11 letter to come from them. And, I haven't seen that
12 happen within the first two months after the Schedule
13 C is published. So, that already starts the process
14 late. And, then, there was an agency, I cannot
15 remember which what it was, but they asked us to
16 wait, because there was a new, uhm, allocation coming
17 to [INAUDIBLE 02:21:44] resolution. So, we had to
18 wait for a new award letter before we could start the
19 process on PASSPort. And, by then, I think we were
20 already in November.

21 COUNCIL MEMBER HOLDEN: Chair, I think we have...
22 Does somebody else have their hands up? I see a
23 raised hand.

24 UNKNOWN: [INAUDIBLE 02:22:03] we'll unmute him.
25 There he is.

1
2 CHAI JINDASURAT: Sorry, okay, thank you. Uhm,
3 yeah, I'll just add a couple of other perspectives.
4 I think it's a great question. Uhm, I'm really
5 hopeful that PASSPort's, uh, transparency will allow,
6 like, over time, all of us to see where the logs are,
7 like, where the contract is getting held up.
8 Because, I do think that from what we've heard from
9 organizations, it's kind of unique to the agency.
10 DFTA sticks out from some of the interviews we did
11 last year. Uhm, but I will... I will share, just as
12 somebody who worked for City government on contracts,
13 that when I was at OMB, we had no incentive to move
14 contracts forward. And, it was always somebody
15 else's fault. Uhm, because we'd always blame it on
16 not having enough information from... I worked a lot
17 with ACS; we never had enough information from the
18 agency, uh, we didn't... We'd hear that The
19 Comptroller's Office had issues with details about
20 the contract. But, the fact that at OMB, when we
21 were trying to move contracts along, we would just
22 get an email that would say, you know, these
23 contracts are 45 days old, please do something about
24 them. But, there was no was no incentive. There was
25 no, uh, penalty for us as staff. And, I think that

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2 opacity will hopefully be at least, uhm, will have
3 some sunlight on that with the new transparency from
4 PASSPort.

5 COUNCIL MEMBER HOLDEN: Right. Thank you for
6 that. Thank you so much.

7 Okay, thank you, Chair.

8 COMMITTEE COUNSEL: Thank you, Council Member
9 Holden.

10 Seeing no additional Council Member hands raised,
11 and nobody else, uh, signed up to testify, we will
12 now move to Chair for closing remarks.

13 CHAIRPERSON WON: Thank you so much everyone for
14 attending. I want to give special thanks to our
15 team, and especially Alex Paulenoff, as well as Leah,
16 and everyone else on The Contracts Committee for all
17 of your help... and, John Russell. And, I want to
18 thank The Administration that has come on to answer
19 our questions from The Director of The Mayor's Office
20 of Contract Services, Lisa Flores, as well as The
21 Deputy Director, Ryan Murry, and The General Counsel,
22 uh, Andy Meredith, and The Comptroller's team, as
23 well as all of the nonprofits, and all of the council
24 members from the committee for attending today.

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Thank you so much for all of the information. My team will be following up, and then we will share that information with the rest of the committee as well, and for anybody else that is interested.

So, we look forward to seeing you in our next hearing.

Thank you so much, everyone, have a good day.

[GAVELING OUT] [GAVEL SOUND]

UNKNOWN: Thank you, Chair.

C E R T I F I C A T E

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



Date March 9, 2022