

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONTRACTS

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February 27, 2018

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HELD AT: Committee Room - City Hall

B E F O R E: JUSTIN L. BRANNAN
Chairperson

COUNCIL MEMBERS: Inez D. Barron
Bill Perkins
Helen K. Rosenthal
Kalman Yeger

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

Dan Symon, Acting Director
Mayor's Office of Contract Services, MOCS
City Chief Procurement Officer

Ryan Murray, First Deputy Director
Mayor's Office of Contract Services, MOCS

Victor Olds, General Counsel
Mayor's Office of Contract Services, MOCS

2 [sound check, pause]

3 CHAIRPERSON BRANNAN: Good afternoon

4 procurement fans. Welcome to the Contracts Committee
5 of the New York City Council. Today is February 27,
6 2018. My name is Justin Brannan. I have the
7 privilege of chairing this committee and I'm joined
8 today by Council Members Barron, Rosenthal, Yeger and
9 Perkins. Today's hearing will provide this committee
10 with an opportunity to evaluate the city's Returnable
11 Grant Fund. As I like to call it, the notorious RGF,
12 a program administered by the Mayor's Office o for
13 Contract Services, and the fund for the City of New
14 York that offers interest free bridge loans to non-
15 profits on track to do business with city. The
16 Returnable Grant Fund was created in 1992 in order to
17 support small not-for-profit businesses who could not
18 afford to pay basic operating expenses while awaiting
19 payments on their city contracts. In many cases,
20 these small firm still rely almost entirely on city
21 contracts for their livelihoods with often 80% or
22 more of their business coming from city procurement.
23 While the Returnable Grant Fund was likely created as
24 a stop gap measure to keep businesses afloat, it
25 seems the situation has not improved at all over the

2 last quarter century as we continue to receive
3 complaints from city contractors about payment
4 delays, long reimbursement schedules and overall
5 contractor dissatisfaction with the amount of time it
6 takes to get paid. Let me be clear, this hearing is
7 by no means intended to criticize the hard work done
8 by many of the non-profits and other small businesses
9 that do very critical work for our city. Rather, the
10 purpose here is to call into question the reasons
11 behind these payment delays that make the Returnable
12 Grant Fund necessary in the first place. We as a
13 committee understand that the procurement process
14 involved several layers of review not just by the
15 Mayor's Office of Contract Services, but also by the
16 Department of Investigation, the Office of Management
17 and Budget, the Comptroller and others. However,
18 this fund has ballooned over the years with little
19 oversight or even reporting on its most basic terms.
20 For instance, we know that in FY16, the fund issued
21 912 loans at a value of \$148.8 million. This was
22 more than double the amount in loans from FY15. That
23 data came from a small section in the 2016 Annual
24 Agency Procurement Report. I say 2016 because the
25 2017 report omitted the data on the fund entirely.

2 Our concern is that a fund that was likely intended
3 to be a small remedial measure has transitioned into
4 a matter of standard procedure with little oversight
5 and that rather than addressing the underlying
6 problem of payment delays, the Mayor's Office is
7 institutionalizing a bridge loan program as a regular
8 course of business. Since we do not know the current
9 amount of money in the fund or the number of loans
10 that are being issued, it's difficult for us to
11 evaluate the Returnable Grant Fund program at all or
12 to determine whether it is trying—it is tying up
13 resources that might be better allocated in other
14 ways. Again, we don't want to criticize the non-
15 profits, and small firms that rely on these funds
16 just to cover rent or keep the power on while they
17 await payment from the city. We just want to make
18 sure that the fund program is being run as smoothly
19 and as efficiently as possible, and that it's not
20 being used a crutch to delay repairing the city's
21 broken contractor payment regime. With that being
22 said, I would like to acknowledge that the committee
23 is being joined today by the Mayor's Office of
24 Contract Services, and we look forward to hearing
25 their testimony, and answering some of our questions

2 regarding the RGF. Before I turn the floor over to
3 the Mayor's Office of Contract Services, I'd like to
4 thank my committee staff, my Legislative Counsel Alex
5 Paulenoff; Policy Analyst Casey Addison; Financial
6 Analyst—Financial Analyst Andrew Wilber; Finance
7 Unit Head John Russell as well as my advisor Jonathan
8 Yedin for all their hard work in putting this hearing
9 together. With that said, I will now turn the floor
10 over to the Administration for their testimony. If
11 you would please raise your right hands so Alex could
12 swear—can swear you in.

13 LEGAL COUNSEL PAULENOFF: Okay, I have to
14 have all of you raising your hand. Thank you. Do
15 you affirm or affirm to tell the truth, the whole
16 truth, and nothing but the truth in your testimony
17 before the committee today, and to respond honestly
18 to Council Member questions?

19 PANEL MEMBERS: I do.

20 LEGAL COUNSEL PAULENOFF: Thank you.

21 DAN SYMON: Good afternoon Chair Brannan
22 and members of the City Council Committee on
23 Contracts. I'm honored to be invited to your first
24 hearing as Chair, and we would also like to welcome
25 new members to the committee. My name is Dan Symon,

2 and I'm the Acting Director of the Mayor's Office of
3 Contract Services and City Chief Procurement Officer.

4 Thank you for the opportunity to discuss the
5 Returnable Grant Fund, and share information about
6 MOCS' role in supporting the non-profit sector. I
7 will also discuss relevant efforts to transform
8 procurement. Human Services accounted for nearly a
9 third of the city's \$21 billion in procurement for
10 Fiscal Year 2017, and we have a duty to maintain the
11 continuity of services for our diverse communities.
12 Agencies and providers ensure vital services are
13 available to New Yorkers year round. For example,
14 providers help young people to build the experience
15 and the skills necessary to be competitive in today's
16 workforce. They also ensure that older adults have
17 access to nutritious meals and give families the
18 opportunity to enroll children in stimulating
19 educational programs at an early age. As an
20 oversight and service organization, MOCS helps
21 agencies and provider navigate procurement rules and
22 build tools to increase efficiency. The Procurement
23 Policy Board is authorized to promote and put into
24 effect rules government the procurement of goods,
25 services and construction by the city of New York

2 under Chapter—Chapter 13 of the Charter of the City
3 of New York. The business processes stemming from
4 these rules have historically been designed primarily
5 to ensure compliance to maintain the public's trust.
6 While measures to deter—to deter fraud and corruption
7 are implemented, they can also slow procurement and
8 financial processes. It is—it is within this context
9 that we have maintained programs like the Returnable
10 Grant Fund and launched new initiatives to introduce
11 innovation and streamline contract administration.
12 The RGF was launched in 1992 to ensure programs can
13 start on time even if contract review and
14 registration steps are still in progress. Contract
15 registration, a function with the City Comptroller's
16 Office allows the city to issue payments to providers
17 based on acceptable delivery of services. The RGF is
18 a collaboration among MOCS, OMB and the Fund for the
19 City of New York to provide short-term interest free
20 loans to providers. To be eligible for a loan, a
21 provider must have a contract pending. A needs based
22 application process is required to access loans to
23 cover critical operating expenses such as payroll,
24 utilities and rent. Agencies review and approve
25 applications and preform responsibility

2 determinations to advance the review process. MOCS
3 examines the applications for completeness, and their
4 approval is based on need and availability of funds.
5 Following approval, the fund for the City of New York
6 executes a loan agreement with a provider, and is
7 authorized to issue the loan. Funds are generally
8 available to the applicant within 24 to 48 hours of
9 the funds receipt of the approval from MOCS. In
10 Fiscal Year 2017, MOCS processed 700—in 2017, excuse
11 me—MOCS processed 751 loan, which in aggregate
12 totaled \$149.9 million, a value comparable to the
13 prior fiscal year. This program serves as a safety
14 net for providers and the fund has grown over the
15 years in response to the sector's needs, and
16 increased investment in human services programs by
17 the administration. However, fixes are also needed
18 to speed up procurement. MOCS continues work to
19 overhaul procurement by advancing technology,
20 reforming dated policies and eliminating burdensome
21 administrative contracting practices. For Human
22 Services we streamlined and move the request for
23 proposals and financial management processes online
24 through the HHS Accelerator system. We continue to
25 introduce system improvements and launch new features

2 to relieve providers and city agencies of
3 transactional hardship. Accelerator's implementation
4 refined and shaped our approach to digitizing in the
5 event of disclosure process formerly known as Vindex.
6 For well over a decade there have been calls to move
7 Vindex online and simplify this arduous and
8 cumbersome process for vendors. We've now done it.
9 This past summer we launched the first phase of the
10 Procurement and Sourcing Solutions port-Portal or
11 PASSport. Vendors can now create accounts, file their
12 required disclosures and upload associated
13 documentation in one shared digital space. As
14 changes to keep personnel or other information take
15 place, providers can easily make and certify update
16 online. A paper driven and labor intensive process
17 that in the past would take upwards of a month is now
18 being completed within a day for most vendors. MOCS
19 worked closely with agencies and coalitions to phase
20 in the use of new-of the new disclosure process over
21 the past few months. Today more than 8,500 vendors
22 have already created accounts with over 5,700
23 successfully filing. Accelerator and PASSport
24 represent innovation efforts, which leverage tech-
25 leverage technology to standardized process, remove

2 paper based burdens and increase access to support
3 and information, leveling the playing field for small
4 providers and those new to doing business with the
5 city. While these transformation projects continue,
6 we also look for every near term opportunity to
7 introduce improvements and have created spaces for
8 providers to guide our efforts. Through the Non-
9 Profit Resiliency Committee, the Administration
10 collaborates with nearly 100 providers to further
11 streamline the procurement and contracting process.
12 Since launching in September 2016, the NRC has
13 realized over 20 accomplishments that enhance cash
14 flow, further decrease administrative burdens, expand
15 organizational capacity and create greater
16 accessibility and transparency. Two relevant policy
17 shifts will result—will result in better cash flow
18 for our providers. Starting in Fiscal Year 2018,
19 providers were—were issued a 25% advance, which put
20 cash in the hands of non-profit providers earlier and
21 those payments are recouped later in the budget
22 cycle. In Fiscal Year 2019, we will implement the
23 streamlined budget modification process that offers
24 providers greater flexibility. In addition, NRC
25 initiatives clarified contract terms, increased

2 provider participation in program design and improved
3 audit coordination. We have made considerable
4 progress and will build on these successes in the
5 coming years focused on near and long-term
6 objectives. We look forward to continuing our
7 partnership with the non-profit sector to address
8 emerging and persistent needs. MOCS will also
9 continue promote integrity, nurture efficiency and
10 ensure transparency and fairness. Thank you again
11 for the opportunity to testify. I look forward to
12 building a productive relationship with you, and the
13 Contract Committee. I'm joined by Ryan Murray, First
14 Deputy Director at MOCS, and Victor Olds our General
15 Counsel. We're happy to take any questions you might
16 have.

17 CHAIRPERSON BRANNAN: Thank you. One
18 thing I caught just in—in your testimony, the FY17
19 loans. So, was that the first time I'm seeing that
20 number anywhere because it wasn't in the report.

21 DAN SYMON: That's potentially yes. So,
22 one—one thing that we did last year is we tried to
23 streamline the—the Annual Procurement Indicators
24 Report. It was sort of—it was lengthy, and there
25 were many appendices that have the data in them. We

2 can look back the data contained for the loan funds,
3 and make sure that that's provided to you, and we can
4 look at that for the next year's annual report for
5 sure.

6 CHAIRPERSON BRANNAN: Okay. I guess to
7 start--

8 DAN SYMON: [interposing] There was there
9 was no intent behind not putting it in the annual
10 indicator--

11 CHAIRPERSON BRANNAN: [interposing] Okay.

12 DAN SYMON: --other than streamlining the
13 report itself.

14 CHAIRPERSON BRANNAN: What criteria--I
15 mean aside from one of the things that you brought up
16 is one of the questions I had, which was to be
17 eligible for a loan the provider must have a contract
18 pending. Is that the only criteria?

19 DAN SYMON: Well, to be eligible for a
20 loan, right, you--you need to have a contract pending,
21 but there are other facets to the application
22 process. So, what a vendor is going--a provider is
23 going to do is submit their application to the city
24 agency that is holding that potential contract.
25 They're going to throw out a small budget that

2 details the critical expenses that they need the loan
3 for typically utilities, PS and, you know, payroll
4 and rent and then the city agency does what's called
5 the responsibility determination, which essentially
6 is a background check on the vendor to ensure there
7 are no integrity issues that would prevent us from
8 ultimately registering the contract. And so, the
9 eligibility is really around giving the city some
10 assuredness that the contract will ultimately be
11 registered, and once that application process, you
12 know, provides for that, and once that's done then
13 there's—the loan can be issued.

14 CHAIRPERSON BRANNAN: Do we have a dollar
15 amount of how much money has been lent I the current
16 fiscal year?

17 DAN SYMON: In the current fiscal year I
18 can—we can—I can get back to you with that detail.
19 It's a number that fluctuates every single day. What
20 I can tell you is that there are \$68.7 million in the
21 fund itself, and on a—on a rolling basis, and
22 currently again as of yesterday, there's \$11 million
23 available to lend, and—but so as, you know, as
24 contracts get registered, the fund gets replenished.

2 As applications come in, money goes out. So, it's a-
3 it's a moving target that number.

4 CHAIRPERSON BRANNAN: And where does that
5 6—the \$68.7 million where does that come from?

6 DAN SYMON: It is essentially roughly
7 speaking half provided by the city, and half raised
8 by the Fund for the City of New York from a private
9 source.

10 CHAIRPERSON BRANNAN: Okay. Is—do you
11 have an idea—the last fiscal year do you know how
12 much was lent out?

13 DAN SYMON: In Fiscal Year '17 it was the
14 751 loans for \$149.9.

15 CHAIRPERSON BRANNAN: \$149.9. Okay.
16 What—what about the—the default rate on the loans?

17 DAN SYMON: By the--

18 CHAIRPERSON BRANNAN: [interposing] Is
19 there a rate? Is that a rate that seems to be
20 consistent year to year?

21 DAN SYMON: Do you mean loans that are
22 then—are—are not paid back? Is that what you mean by
23 default?

24 CHAIRPERSON BRANNAN: Yes, yes.

2 DAN SYMON: So, there are, you know,
3 there are obvious challenges in the procurement
4 process, and there are delays in registration that
5 are unanticipated. When we issue a loan, we expect
6 generally speaking that that contract will be
7 registered within something like 90 days. There are
8 things that arise in the contract development process
9 that delay that contract from being registered. So,
10 default is not a word I would use because we—we just
11 have loans that have taken much longer than we
12 anticipated and we are then—we still anticipate
13 registering the vast majority of those contracts.
14 And so there's just a delay. I wouldn't necessarily
15 call it a default.

16 CHAIRPERSON BRANNAN: But what happens
17 if—what happens if something falls through and—and
18 then the—the, you know, they don't get the contract,
19 but they've gotten a loan? What happens?

20 DAN SYMON: So, I would say first of all
21 that by and large virtually all of the loans that we
22 issue, the contracts are registered and the amount,
23 and the fund is replenished with those funds. Maybe
24 one or two out of multiple thousands of loans—
25 thousands of loans--

2 CHAIRPERSON BRANNAN: [interposing] You
3 think just one or two?

4 DAN SYMON: --are--are in that scenario,
5 right we--

6 CHAIRPERSON BRANNAN: [interposing] One
7 or two per year?

8 DAN SYMON: One. That's too much. I
9 would say one or two ever.

10 CHAIRPERSON BRANNAN: Okay.

11 DAN SYMON: So, generally speaking, it's
12 close enough to registration where you are--the city
13 agency and MOCS is aware of anything that would
14 potentially prevent this contract from being
15 registered, and so we're--you're pretty--you're pretty
16 close. It is a--it's, you know, sometimes it's called
17 the bridge loan because it's the bridge to
18 registration, but, you know, in--in a rare case where
19 integrity issues, you know, come up after a
20 responsible determination is completed, then there
21 might be, you know, some hurdles that we just can't
22 get over, but again in an extremely rare case.

23 CHAIRPERSON BRANNAN: Is there ever a
24 situation where even if an entity is--is in line to

2 get a contract that you would reject extending that
3 loan?

4 DAN SYMON: So, the only reason I would
5 reject—I mean so I can't recall a rejection of any
6 application for a loan. If the need is there, then,
7 you know, the loan is issued. If sometime—you know,
8 if—if I can imagine a scenario where the contractor
9 is at the Comptroller's office and registration is so
10 close that a loan really wouldn't be useful, then
11 potentially, you know, we wouldn't sort of approve
12 the application. That's a hypothetical, but, you
13 know, rejecting the loan after the need is
14 established and the eligibility is established is not
15 something that we would really--

16 CHAIRPERSON BRANNAN: So, I guess to zoom
17 out, I mean I—I, you know, I think is this—is the RGF
18 something that we would like to eventually not have
19 in a perfect—like a procurement was working so
20 efficiently, wouldn't the idea be that we wouldn't
21 need our Returnable Grant Fund?

22 DAN SYMON: In a—in a perfect world yes.
23 In a perfect world this fund would not be necessary.

24 CHAIRPERSON BRANNAN: But over the years
25 it's only gotten bigger and bigger.

2 DAN SYMON: Over the years it has gotten
3 bigger and bigger. As the—as the—as the investment
4 in the human services sector has gotten bigger and
5 bigger it is roughly one-third of all city
6 procurement is—is human services. While it is
7 getting larger, I would \$68 million as safety net for
8 \$4 to \$6 billion in spend is, you know, I wouldn't
9 necessarily call it a crux, but it is a safety net to
10 allow for delays in the contract process. [pause]

11 CHAIRPERSON BRANNAN: Good. I will turn
12 it over to Councilwoman Barron.

13 COUNCIL MEMBER BARRON: Thank you, Mr.
14 Chair. I'm pleased to be on this committee. This is
15 the first time I'm on Contracts and look forward to
16 working with the Chair and the members going forward.
17 Thank you the panel for coming. I have a few
18 questions. So, you said there's \$11 million
19 presently available.

20 DAN SYMON: That's correct.

21 COUNCIL MEMBER BARRON: What's the
22 average size of a loan? I know there's a range and
23 what's the average size of the loans that you give?

24 DAN SYMON: I don't have that particular
25 math in front of my, but we can certainly get right

2 back to you. What I--what I would say is it--it
3 generally fluctuates based on the contract type so--

4 COUNCIL MEMBER BARRON: What's the
5 largest that you've given?

6 DAN SYMON: I--I can get back to you on
7 what the largest number--the largest loan we've done.

8 COUNCIL MEMBER BARRON: And then what are
9 terms? When is this money expected to be repaid?
10 How much time do people have?

11 DAN SYMON: So, the--Fund for the City of
12 New York executes a loan agreement with the provider,
13 and essentially what happens is upon registration
14 instead of the agency issuing the payment to the
15 vendor, it issues that payment to the fund that
16 repays the loan.

17 COUNCIL MEMBER BARRON: And there hasn't
18 been any--any instances where a person, where you've
19 given a loan and you haven't--it hasn't been
20 satisfied?

21 DAN SYMON: Again, out of the--the
22 multiple thousand loans that we've issued, one or
23 two. A very, very rare case.

24 COUNCIL MEMBER BARRON: Well, how long
25 does the application process take? I saw in your

2 testimony you said that it—the money could be granted
3 with 24 to 48 hours after it's approved. From the
4 time that an application is submitted how long could
5 a person—could an organization expect it would take
6 before they would get approval?

7 DAN SYMON: So, again the application
8 process begins with the agency, and so it's this—
9 between the city agency and the—and the provider.
10 Then once that application process is complete there,
11 it comes to MOCS, and then typically there are—there
12 are very quick turnarounds. Between between—within
13 24 to 48 hours they would have a—they would have a
14 check in hand once MOCS approves the loan, but so
15 depending on the application process, and the
16 vendor's ability to submit the application, you know,
17 it could take—it's—it's taken within a day. I can—I
18 can say, you know, if there was a real critical
19 issue, and cash flow was needed, we've done it within
20 a day if necessary, but typically I would say it
21 takes, you know, days to a week.

22 COUNCIL MEMBER BARRON: So, a lot of
23 these organizations are small community-based
24 organizations and they apply for grants, and they get
25 funded perhaps through a Council member's officer.

2 How—who informs them of the fact that this system
3 exists so that they can apply? Because most of them
4 the smaller ones don't have cash on hand, and they've
5 got a—I know that they get reimbursed as they spend
6 the money. Who informs these organizations of the
7 fact that you exist and that your function is to give
8 them a loan until such time as they're able to get
9 access to funds.

10 DAN SYMON: So, availability of the loan
11 application is available online, accessible by
12 everyone.

13 COUNCIL MEMBER BARRON: [interposing]
14 Right, but who—how do they know that it's there?

15 DAN SYMON: Sure. So, we—we, you know,
16 we're—we're not shy about marketing this loan
17 program, and neither are city agencies. City
18 agencies rely on it as well. Typically, it'll—it'll
19 happen while contract negotiations or contract
20 development is going on in between the city agency,
21 and the provider. But we also talk about it at—at
22 City Council trainings that MOCS does. Ryan, do you
23 want to talk about that a little bit?

24 RYAN MURRAY: Hi, Council Member. So,
25 um—

2 COUNCIL MEMBER BARRON: Give us your
3 name.

4 DAN SYMON: Ryan Murray, First Deputy at
5 the Mayor's Office of Contract Services. We, as you
6 know, at MOCS shares responsibility for training
7 folks on capacity building, awareness of the
8 discretionary process, and how to go through that.
9 So, as a part of that training, if there's an
10 organization that's going through that process with-
11 after they're-they're designated on your side, they
12 are made aware of the Loan Fund. So, that's a
13 trading that offered now three times a year by our
14 office in partnership with your team. So, it's
15 usually it's your, the team in your Council's Office,
16 and that training is offered as- Again, three times
17 a year, folks are made aware that the fund is
18 available. Folks are at the agencies again as Dan
19 said aren't also shy about letting folks know about
20 this. So, there are two channels.

21 COUNCIL MEMBER BARRON: Thank you.

22 RYAN MURRAY: You're welcome.

23 COUNCIL MEMBER BARRON: Is there ever
24 money left over, and what happens to the money that
25 has not been awarded through a loan?

2 DAN SYMON: So, the money is not used to
3 award. This is--this is a loan that is expected to be
4 paid back. So, it's a revolving--it's a revolving
5 fund, and so the money that goes out comes right
6 back. So, it's--it's loaned out to the--to the
7 provider. When the contract is registered, the loan
8 is paid back with essentially--typically the first--
9 first--

10 COUNCIL MEMBER BARRON: [interposing] So,
11 the \$11 million that you have do you expect that all
12 of that-- Do you always use all of the money that you
13 have in your budget for loans, and if not, what
14 happened to what money might remain?

15 DAN SYMON: So, depending on, you know,
16 procurement is very cyclical and so at time when
17 contract registration is--there's heavy activity
18 there, they you'll see that the--the use of the loan,
19 fund goes up, and then, you know, when there's--when--
20 when that activity goes down then there's--there's
21 more available, but the money does not leave the--the
22 loan fund itself. It is loaned out and replenished
23 constantly, and while we have \$11 million available
24 today, if a contract for a million dollars with--with

2 a loan for a million dollars gets registered
3 tomorrow, then we'll have \$12 million available.

4 COUNCIL MEMBER BARRON: So, it's loaned
5 out and replenished. So, what is the highest amount
6 that you've ever had in—in your—in your budget?
7 What's the highest?

8 DAN SYMON: I, we—we—we could go back and
9 do a-

10 COUNCIL MEMBER BARRON: [interposing]
11 Okay.

12 DAN SYMON: --trend report that will show
13 you what's available over time.

14 COUNCIL MEMBER BARRON: Right.

15 DAN SYMON: But ultimate—ultimately, it's
16 \$68 million at—at the moment although a large portion
17 of that-

18 COUNCIL MEMBER BARRON: [interposing] Six
19 years then. So, it's generally \$68 million each
20 year?

21 DAN SYMON: Well, \$68 million is the
22 entire fund.

23 COUNCIL MEMBER BARRON: The entire fund.

24 DAN SYMON: \$56 is loaned out, \$11 is
25 available.

2 COUNCIL MEMBER BARRON: Is it ever more
3 that \$68 million?

4 DAN SYMON: No.

5 COUNCIL MEMBER BARRON: No. Okay. Thank
6 you. Thank you, Mr. Chair.

7 CHAIRPERSON BRANNAN: The answer to that
8 is not yet. [laughter] Council Member Rosenthal.

9 COUNCIL MEMBER ROSENTHAL: [pause] for
10 that and congratulations, Chair Brannan for handling
11 the gavel much better than I ever did, [laughter] and
12 thank you for having this hearing. This is actually
13 the topic of my first hearing as well. It's
14 important that I think the Council understands the
15 work of the Returnable Grant Fund. So, we really you
16 guys coming here to explain it, and I'll be honest,
17 every time I hear about it, I learn something new.
18 It's not—it's not an obvious thing, and I think at
19 the heart of what we're all trying to get at is
20 making sure that the non-profits we want to do the
21 work has enough money to do the work and, you know,
22 how do you do that given that a contract might not be
23 registered yet with the—with the Comptroller or with
24 the city. So, I think that it does—it is worrisome
25 that you would consider taking out of the Procurement

2 Report Returnable Grant Fund Information. I
3 understand that it's snapshot. So, it's not as
4 valuable, but I actually would go in the opposite
5 direction, and I think what would be amazing is I
6 mean I'm going to put it out there, but if you could
7 see—pick a day over the course of a month and maybe
8 the last day of the month, and in the procurement
9 report, report on the last day of January here's how
10 much money was given out, and here's where we—you
11 know and this equals this number of grants, and in
12 February, at the end of February this is how much
13 money is out equaling this number of grants. So that
14 we could or the public could capture the seasonality
15 of the grants. You know, I mean, you know me, I
16 would actually love every day to see what's in there,
17 which grants and which grants take a long time to get
18 registered or whatever. I mean my biggest concern
19 would be that there—today there might be \$11 million,
20 but it might be the case today that, you know, the
21 Comptroller is not registering a really big grants
22 say for homeless services. Those are ginormous
23 grants, and to the extent that the social service
24 providers are not getting their funds to do their
25 work because the contract is not being registered for

2 whatever reason, you know, it could be that that
3 contractor needs \$5 million. At what juncture does
4 MOCS, you know, who's weighing all of this, say, you
5 know we really can't give out 5 because we know we're
6 going to get a request for 6 next week, and this
7 isn't going to be replenished. You know, it's a real
8 judgment call I think all time, and one thing that I
9 had hoped would happen was that the amount in the
10 Returnable Grant Fund went up to \$100 million. We
11 know that service providers are not getting their
12 money right away, and we know that it's a little bit
13 complicated because maybe they haven't even gotten
14 through the registration process yet. But, I
15 wouldn't, you know, my two cents unsolicited is not
16 to walk away from this at all, but to go in the
17 opposite direction. I think more places than we know
18 need the money. I also am wondering, you know, in
19 terms of timeliness—timeliness. I was interested to
20 hear that you're issuing a 25% advance to push cash
21 in the hands of non-profit providers earlier.
22 That's, of course, great news, and, of course, we
23 know that it all be replenished to the city or
24 whatever. That the city won't be drawing down those
25 funds. The provider wouldn't draw down those funds

2 if they already got the advance. That's not part of
3 the Returnable Grant Fund. I get it, but where the
4 hesitation is are those—I'm guess those are contracts
5 that have been registered with the—with the
6 Comptroller.

7 DAN SYMON: That's right.

8 COUNCIL MEMBER ROSENTHAL: So, that's a
9 problem, right? That's—in many, you know, respects
10 that's—that means that they would have been—they're
11 getting their money at least two months would be my
12 guess earlier than they would have gotten it. So,
13 that's important, and that's great, but, you know, I
14 had always hoped it would even before it registers
15 with the—with the Comptroller, which I know is
16 illegal, and you can't do that because you have to
17 know that you're getting into contract—giving them a
18 contract, and you need that assurity. But, isn't—you
19 know, I would ask again isn't there some place in
20 that process earlier than it getting registered to
21 the Comptroller where you could contemplate giving
22 that 25%. I mean once it gets registered, you know
23 that you've got the contract and you can start
24 drawing down the money.

2 DAN SYMON: Well, what I will say is that
3 it—it is not just one clarifying detail. Is that
4 it's not just 25% when the contract is registered.
5 It's a policy that stands for every fiscal year. And
6 so, if I'm in a multi-year contract, every July 1st
7 providers would get a 25% advance of cash, right, and
8 so with all of their city contracts, they would be
9 eligible for 25% to have cash on hand on July 1st or,
10 you know, very soon after July 1st. And so, that
11 allows them to have at least positive cash flow for
12 those programs for the first three months of that
13 registered contract, yes, but it wouldn't just be a
14 one-time advance. It would be every single fiscal
15 year they would be issued 25% and so, and then we
16 would—we've also agreed to not recoup those advances—
17 -

18 COUNCIL MEMBER ROSENTHAL: [interposing]
19 Yeah.

20 DAN SYMON: --until the second part of
21 the fiscal year to allow the cash flow to sort of
22 remain, you know--

23 COUNCIL MEMBER ROSENTHAL: [interposing]
24 Why would you ever recoup? If you're advancing it,
25

2 it's advancing for services that they're going to
3 invoice before--

4 DAN SYMON: [interposing] Sure. So, with
5 an--yeah, and advance is an advance without an invoice
6 essentially.

7 COUNCIL MEMBER ROSENTHAL: Yeah.

8 DAN SYMON: Right, and so I'm--I'm giving
9 you the cash upfront, and then depending on the
10 contract terms, your--the provider is then telling us
11 the expenses that they incurred, and the we recoup
12 that advance through an invoice.

13 COUNCIL MEMBER ROSENTHAL: And then pay
14 them via--?

15 DAN SYMON: So, essentially, we're--we're
16 issuing the--the advance without an invoice. So,
17 they're not telling us that they've incurred
18 expenses. We're giving them the hypothetical \$100
19 contract. We're issuing them \$25 up front.

20 COUNCIL MEMBER ROSENTHAL: [interposing]
21 Right. So then they--

22 DAN SYMON: [interposing] Over the course
23 of--over the course of the year they're going to tell
24 us that they expended \$100. I'm only going to pay
25 them \$75 more

2 COUNCIL MEMBER ROSENTHAL: Of course.

3 DAN SYMON: Right and so that's--that's
4 all you--

5 COUNCIL MEMBER ROSENTHAL: [interposing]
6 But you're not asking them to give back the \$25
7 before you even get--

8 DAN SYMON: [interposing] Cool, not at
9 all, but-

10 COUNCIL MEMBER ROSENTHAL: [interposing]
11 Oh, okay, just--

12 DAN SYMON: --we recoup--we coup the
13 advance in the second half of the year. That was a--
14 there was an issue for providers that would, you
15 know, upon an advance it's immediately--

16 COUNCIL MEMBER ROSENTHAL: [interposing]
17 Of course.

18 DAN SYMON: --in September it would start
19 being recouped and we've moved that to the second
20 half of the year.

21 COUNCIL MEMBER ROSENTHAL: Of course.
22 Okay, good. Okay.

23 DAN SYMON: Just in an effort to, you
24 know, support non-profits and that type of thing.

2 COUNCIL MEMBER ROSENTHAL: [interposing]

3 So, that's helpful to the multi-year contracts. That
4 makes a lot of sense. It makes a lot of sense for
5 providers who are the big guys. You know, it does—I
6 don't—I'm not sure how it helps the City Council
7 discretionary, if it does all. Would it—I mean maybe
8 it would be interesting. Would you be able to cull
9 out of the Returnable Grant Fund those that are for
10 Council discretionary projects?

11 DAN SYMON: We could certainly. Yeah, we
12 can come back to you with that.

13 COUNCIL MEMBER ROSENTHAL: That would be
14 an interesting annual number to add to the
15 Procurement Report given that the Council is most
16 worried--

17 DAN SYMON: Yep.

18 COUNCIL MEMBER ROSENTHAL: --of course,
19 about our own providers.

20 DAN SYMON: Yeah, I mean the trouble with
21 the discretionary process as you well know is that
22 these contracts are retroactive almost by definition
23 because they're—the vendors are identified as the
24 budget is adopted, and the contract start date is

2 July 1. And so, you're—you're late by definition in
3 the discretionary process.

4 COUNCIL MEMBER ROSENTHAL: Right, but
5 hypothetically is there a way for those organizations
6 to get a 25% cash advance given that they've already
7 gone through a number of clearances by MOCS and by
8 the City Council before they even get into the
9 Schedule C Adopted Budget.

10 DAN SYMON: So, not the advanced because
11 the advanced would be on a registered contract--

12 COUNCIL MEMBER ROSENTHAL: Uh-hm.

13 DAN SYMON: -but if the contract was not
14 registered, however, it was pending registration and
15 they had passed all of the clearance processes, but,
16 you know, by the Council and by MOCS then we could
17 issue a loan from the Returnable Grant Fund.

18 COUNCIL MEMBER ROSENTHAL: That's
19 remarkable. [off mic]

20 DAN SYMON: It is, yes, which is free.

21 COUNCIL MEMBER ROSENTHAL: No, please. I
22 would be an interesting policy to explore. Do you
23 think that would be hard to do?

24 DAN SYMON: Well, it's not—it's—it's--

2 COUNCIL MEMBER ROSENTHAL: [interposing]
3 Now, you're really sorry you said anything.

4 DAN SYMON: No, it's not a--it's not a--
5 it's--it's essentially or the policy is already there.
6 The difficulty is getting discretionary awards
7 registered in a timely fashion.

8 COUNCIL MEMBER ROSENTHAL: Right, and if
9 you--if they got a loan, though, that would help.

10 DAN SYMON: Even--even the vetting
11 process, right, between the Council and the city side
12 is--is lengthy, and the, you know, the procurement
13 process then even after award has to go through the--
14 the, you know the contract registration process, the
15 contract development process, right? Yes,
16 registration is--is--is at the end of that development
17 process, but even developing the contract for
18 discretionary awards can be lengthy. I just want to
19 manage expectations that this does not mean that
20 immediately in the, you know, in the summer after the
21 budget is adopted that we could issue loans to all of
22 the folks that received discretionary awards. Each,
23 you know, the--the vetting process for discretionary
24 awards is a year-by-year activity.

2 COUNCIL MEMBER ROSENTHAL: [interposing]

3 Of course, but if there were some criteria that could
4 be met, and what I had thought was happening over the
5 past four years as it's been explained to is that the
6 Council has changed its amount of rigor for looking
7 at non-profits to make sure that's getting the
8 funding to make sure that it passes certain test
9 before it can even go into budget much more so than
10 was the case four year ago where that additional
11 process would have taken three months. We now
12 condensed that. It cannot go into the budget. So,
13 it might be worth pursuing for our sake actually
14 money, you know, starting in the last two weeks
15 before the budget is adopted Returnable Grant Fund
16 that process with these non-profits.

17 DAN SYMON: We'd be happy to explore that
18 with Council financing.

19 COUNCIL MEMBER ROSENTHAL: That would be
20 great. So between--do you happen to know in your
21 documents for 2015 the number of Returnable Grant
22 Fund loans?

23 DAN SYMON: The number of--?

24 COUNCIL MEMBER ROSENTHAL: '15, Fiscal
25 Year '15.

2 DAN SYMON: Fiscal Year '15 was 765.

3 COUNCIL MEMBER ROSENTHAL: Oh, so, 765.

4 In '16 it went to 912 and then down again to 750. I
5 was wondering if there was a pattern maybe going back
6 a year or two prior even that might correlated with
7 the new use of Accelerate of PASSport, and whether or
8 not those things expedited contracts so that we
9 wouldn't need the Returnable Grant Fund?

10 DAN SYMON: So, I would say that—I—I
11 would say that it corresponds—if there's any pattern
12 at all it corresponds to the investment in the human
13 services sector.

14 COUNCIL MEMBER ROSENTHAL: Yes.

15 DAN SYMON: There's certainly been an
16 increase in this administration's efforts in human
17 services—and I think it reflects that—that increase.
18 In terms of Accelerator and PASSport having an
19 impact, what I would say is and—and you know, HHS
20 Accelerator very well. It does not control the—it
21 does not manage the process end-to-end. Accelerator
22 manages the—the competitive process for a request for
23 proposals, and it also manages the budget invoice and
24 payment processes for registered contracts. Those
25 are two portions of the procurement process and not

2 end to end. PASSport on the other hand is intended
3 to be an end-to-end procurement system of which we've
4 released Phase 1 of 3 and Phase 1 was replacing the
5 antiquated Vindex system, which was internal only,
6 not available to providers, and so now, you know,
7 with Release 1 going live, and some 8,000 vendors
8 already in, we're not moving onto Design and Release
9 2 and Release 3 and other future phases of that
10 project.

11 COUNCIL MEMBER ROSENTHAL: How many
12 vendors--and I know this is not the topic of the
13 hearing--how many vendors ultimate are you shooting to
14 get into PASSport?

15 DAN SYMON: So at any--at any--at any given
16 time, active contracts we think the number is roughly
17 10,000 vendors that have active contracts at any
18 time. Again, it's a number that fluctuates.
19 Contracts end, contracts start, but roughly speaking
20 there's 10,000 vendors that have contracts. And so,
21 I think, you know, what we're trying to do is not
22 just get the--the vendors in that do business with the
23 city, but, you know, the purpose of many of our
24 systems is to level the playing field, demystify city
25 government and city procurement and invite other

2 providers that have never done business with the city
3 before, right. And so I—we—we—we have an upper bound
4 figure of like 20,000 vendors that ultimately would
5 be in PASSport we think is the right number.

6 COUNCIL MEMBER ROSENTHAL: Including then
7 construction, human services.

8 DAN SYMON: That would be all industries.
9 Yes.

10 COUNCIL MEMBER ROSENTHAL: Professional.

11 DAN SYMON: That's right.

12 COUNCIL MEMBER ROSENTHAL: Do you have a
13 date that you're shooting to get all 20,000 in?

14 DAN SYMON: So, we have Release 2 and
15 Release 3. Release 2 and Release 3 will be—will—will
16 be launched over the next couple of years, but
17 because the—the Release 1 of PASSport houses what
18 used to be Vindex, any—any providers that must come
19 in and provide those—and file those disclosures,
20 we're not, you know, we're not too worried about
21 that, and they're going to find their way to the
22 system because they must do it. We have been—you
23 know, we've been working a slow launch, right as the—
24 you know, you—you never want to go with a big bang
25 approach with a new system like this especially city

2 wide because you want to make sure you get the kinks
3 out. We've got 8,000 vendors with accounts and
4 nearly 6,000 that have gone through the filing
5 process, and it wasn't as soft as we wanted the
6 launch to be, but it's, you know, we're getting
7 there, and so I think over the course of the next few
8 years we would reach those numbers. That's the
9 target.

10 COUNCIL MEMBER ROSENTHAL: Congratulations
11 on that, by the way.

12 DAN SYMON: Yeah.

13 COUNCIL MEMBER ROSENTHAL: Yeah, I never
14 actually understood the difference between
15 Accelerator and PASSport. So, I'm very happy to turn
16 it over to Justin now. It's exactly the right time.
17 It—it does strike me, though, that we're not quite
18 there yet. There are still—I—from what I hear, more
19 than vendors out there who—who could use the
20 Returnable Grant Fund who may not know about it. Do
21 you think that your ACCOs—are all of your ACCOs, by
22 the way, trained for the Accelerated and PASSport in
23 all agencies?

24 DAN SYMON: Absolutely. So, we have—we
25 have trainings on a rolling basis on Accelerator and

2 PASSport. I think we had--the number for PASSport is
3 1,500 staff since August on--on the use of PASSport.
4 Again, you know, it's mostly on the vendor side,
5 right. We wanted to make sure that we got to vendors
6 to train them on how to use the system. I think the
7 good news is that most of them are using the system
8 successfully without actually coming in for an in-
9 person training. They're taking our materials that
10 we have online that are step-by-step guides on what
11 they need to do, and in a self-paced way is--are--are
12 achieving what they need to achieve in the system.
13 City agencies have--are doing the responsibility
14 determinations now in the system as well a
15 performance evaluations, and we have a variety of
16 different ways in which we train. We have webinars.
17 We also have materials, but then for folks that need
18 that extra hand holding, they're coming in personally
19 and we're doing, you know, in-person training. So,
20 there's a variety of different methods to train the
21 staff.

22 COUNCIL MEMBER ROSENTHAL: It would be
23 interesting to sort of track that, and also Council
24 Member Barron's point about whether or not the non-
25 the ACCOs are really letting the non-profits know

2 about the Returnable Grant Fund. I think that's a
3 constant challenge especially with their new
4 discretionary awards, and maybe—I don't know. Maybe
5 you have some thoughts on how to get the word out
6 even more?

7 DAN SYMON: Well, we'd be happy to think
8 with you about ways in which we can get to folks that
9 might not know about it where we definitely don't
10 want to keep anybody away.

11 COUNCIL MEMBER ROSENTHAL: Right. Thank
12 you very much. Thank you for your indulgence, Chair.

13 CHAIRPERSON BRANNAN: Councilman Yeger.

14 COUNCIL MEMBER YEGER: Thank you, Mr.
15 Chair and then I wish to associate myself with your
16 opening remarks about the—about the nature of the
17 fund because, you know, some of us are new here, and
18 some of us have been her a little longer, and I'm
19 concerned as the Chair expressed that, you know, we
20 kind of have this—this, you know, rubber band and,
21 you know some Scotch tape to try to fix what's
22 obviously broken in the procurement process. I know
23 you're not here to talk about the procurement and
24 what takes that long, but some of the questions I
25 have involve that—how that gap is or how that gap

2 filler is actually working. So, for example you
3 talked about that prior to your being willing to give
4 out a loan, you did some company checks, you make
5 sure that essentially you get the paperwork to the
6 point where it would be eligible for registration but
7 for the fact that it's not registered. Yeah, I know
8 you don't register the contracts. I know—I know the
9 Comptroller does that, but my question is if we're at
10 that point where you feel comfortable enough taking
11 tax dollars and giving it out as a loan, to the—to
12 the point where you're so certain that you're going
13 to give it out that virtually all of them, your words
14 were virtually all and only maybe two have not been
15 repaid over time. So, you're giving out this money.
16 You know you're going to get it back. So, they're
17 kind of safe. They're very safe bets, they're not a
18 bet at all. What's keeping those contracts from
19 getting registered, if you're able to testify to
20 that?

21 DAN SYMON: Sure. I would—I would—I
22 would acknowledge that the—the procurement process is
23 flawed. It is—it is—it is—it is filled with
24 regulations, rules and laws that have been around for
25 a very long time, and have built up, you know, a—a-a

2 process that is not efficient, right. It-it requires
3 not just technology, but it-it requires some business
4 process re-engineering as well. Right now it is very
5 sequential. Historically, it has been, you know,
6 this person looks at it, then the person looks at it
7 and the next person looks at it, and that needs to
8 change right? Technology allows you to provide
9 transparency to all three of those people to look at
10 it simultaneously, and then catch it when they're all
11 done signing off on their respective piece. And so,
12 not that, you know, all of those rules are in place
13 for very good reasons, right and to-to ensure
14 integrity and fairness, but there's a-there's a way
15 to infuse some technology to improve the way in which
16 it-it works right now. So, that's-that's one thing I
17 would say about the procurement process. It is
18 absolutely flawed and that's what we're focused on.
19 And so, we're focused on long-term goals like
20 PASSport and enhancing Accelerator, but we're also
21 focused on the near-term where there are issues that
22 result in a contract that being registered. I could
23 name some, but there are many, many different reasons
24 why a contract might not be registered even though
25 you know that you're working with a vendor that's in

2 good standing and has no integrity issues. They've
3 passed their--their responsibility determination that
4 an agency feels comfortable doing their
5 responsibility determination on that vendor, and they
6 expect that contract to be registered, but it could
7 be a whole host of reasons--

8 COUNCIL MEMBER YEGER: Right.,

9 DAN SYMON: --why that registration is
10 delayed.

11 COUNCIL MEMBER YEGER: But--but in
12 fairness the--the money that you're giving out we're
13 not about contracts that in danger of not being
14 registered because you've sort of created this--this
15 parallel path of--of an unofficial registration, if
16 you will. I know we're not calling it, but they're
17 essentially, but for the fact that they registered--
18 they're not registered, they're kind of are because
19 you're giving them the money and you wouldn't if you
20 didn't think they would be registered. So, it's kind
21 of like a parallel unofficial registration, if you
22 will, within your fund. Am I describing it right?

23 DAN SYMON: So, so we're--we're
24 comfortable enough that the contract will ultimately
25 be registered that way--the way that, you know, the

2 city-the systems that issue payments, right, a
3 contract cannot be-we cannot issue a payment on a
4 contract that is not registered. And so, recognizing
5 that fact we thin that is a-a usable safety net for
6 the non-profit sector to ensure that they have cash
7 flow and when there are delays in the contract
8 registration process.

9 COUNCIL MEMBER YEGER: As-as do we. We
10 believe that this-you that the same. Just to-to
11 follow up on Council Member Barron's and Council
12 Member Rosenthal's questions about the smaller
13 agencies that we're talking about because for the
14 most part you're talking about those, you know, big
15 \$800,000 contracts or whatever, and they have for the
16 most part, I guess rolling contracts because
17 obviously if it's a new contract you're not there
18 yet. You can't really give them the money, but it's
19 a rolling contract. You know that the contract is
20 going to be there, you know FY-A, FY-B, FY-C. So, by
21 FY B and C you're just able to kind of, you know,
22 keep them moving if they haven't gotten that 25% and
23 if they need that extra help, right?

24 DAN SYMON: So, the new policy would be
25 that on that multi-year contract that I think you're

2 describing, each July 1st as the new budget becomes
3 available they would be eligible for a 25% advance to
4 that vendor for that contract. .

5 COUNCIL MEMBER YEGER: And if they're
6 getting the 25% advance on the contract, they're not
7 going to get a loan from you?

8 DAN SYMON: It wouldn't be necessary to
9 issue a loan because they've got a registered
10 contract.

11 COUNCIL MEMBER YEGER: And you've—you
12 will only do a 25% payment, or how much would you
13 give on a—on a contract? How much would you advance
14 on it? How much would you loan on a contract that's
15 not registered, I guess?

16 DAN SYMON: Well, the loans are based on
17 need, and so the application is coming from the
18 vendor. They're describing to us what their critical
19 expenses are. They've worked that out with the city
20 agency, and then—and then, you, what might be
21 negotiable is, you know, instead of three months if
22 they're requesting three months of critical expenses
23 based on the availability of the fund, we might only
24 issue one or two.

2 COUNCIL MEMBER YEGER: But that was
3 actually my next question. Do you ever knock them
4 down a little bit if they come in and say, you know,
5 we need to—we need this bridge for three months, and
6 you come in and say, you know, you're asking for
7 \$50,000 for three months. We'll give you \$35,000 to
8 cover you for two months?

9 DAN SYMON: That will occur at times,
10 yes, depending on the availability of funds.

11 COUNCIL MEMBER YEGER: Alright, I—I
12 wanted to talk about PASSport for a moment. In your
13 testimony you indicated that—sorry. We've—you
14 indicated. Maybe you didn't that you have 8,500
15 vendors currently—I'm trying to find where you said
16 that.

17 DAN SYMON: They have accounts. There's
18 8,500 vendors with accounts--

19 COUNCIL MEMBER YEGER: [interposing]
20 Right.

21 DAN SYMON: --and about 8,500.

22 COUNCIL MEMBER YEGER: So, 8,500 vendors
23 have created accounts, 5,700 have successfully filed.

24 DAN SYMON: Yep.
25

2 COUNCIL MEMBER YEGER: I'm—I'm a
3 recovering lawyer. So, I look at every word. What
4 is—yes, that's—that's—those of us who have licenses,
5 but we can't practice any more. What is successfully
6 filed mean?

7 DAN SYMON: It just means that they've
8 gone through the—what folks—some folks know as the
9 old Vindex process. So, essentially based on the
10 amount of funds that a—that a provider is receiving
11 from the city, they're required to file it. Before
12 PASSport they were required to file Vindex
13 disclosures, and so it's various questions that are
14 related to their background and their affiliations,
15 and so—and so 5,700 are those that have gone through
16 and submitted all of their disclosures.

17 COUNCIL MEMBER YEGER: But is there an
18 unsuccessfully filed number?

19 DAN SYMON: No.

20 COUNCIL MEMBER YEGER: Okay, so--

21 DAN SYMON: No, it's just—it's just the—
22 the delta is folks that have accounts who haven't yet
23 gone through the filing process.

24 COUNCIL MEMBER YEGER: Okay, and I—I
25 believe—possibly Council Member Barron asked this

2 question about—maybe not—about the number of people
3 who—who have gone through this process and, you know,
4 it's I guess a small percentage of the number of
5 contracts throughout, and you know, when we talk about
6 the small non-profits obviously it's more complicated
7 once you start to get, you know, they've been doing
8 this paperwork for all these years, and now you've
9 got to get them into the system, and Council Member
10 Rosenthal asked you if you're agency chief
11 contracting officers throughout the system—throughout
12 the city are actually actively, not just passively,
13 but actively working to bring their contractees and
14 the contractors—contractors something into the system
15 so that they know that should do this because it's
16 beneficial ultimately to them to move the money
17 faster, right?

18 DAN SYMON: Absolutely.

19 COUNCIL MEMBER YEGER: Okay.

20 DAN SYMON: Yeah, the—the ACCOs are very
21 focused on getting contracts registered as quickly as
22 possible. That I can—that I could promise you, and
23 so one of the things that they do is they'll—they'll
24 alert them to the—to the need to file their

2 disclosures in PASSport, and they won't even need us
3 to do any type of marketing around the system.

4 COUNCIL MEMBER YEGER: So, do you see a
5 point where—where you're going to make this mandatory
6 so as to require it that—that if you are not in
7 PASSport you know, you—there's no longer pen and
8 paper on this. If you're not in PASSport, you know,
9 our money is shut to you?

10 DAN SYMON: So, requirement is—is—that's
11 a—that's a tricky word, right because we certainly
12 want that. Requiring it by law might be something
13 different, and maybe something we have to come to you
14 guys for in the—in the future, but essentially we
15 would in a—in a future state, in a prefect world if
16 you want—if you want procurements to not require
17 something like the Returnable Grant Fund in the
18 future, then I think you need to have—you need to
19 have some requirement that vendors are in the system.
20 That's certainly been done with Accelerator. Right
21 now RFPs are issued through Accelerator. There are—
22 there's no—there hasn't been any resistance or a
23 requirement for paper processes at all from the
24 vendor community, and so I—I don't expect any
25 challenges there.

2 COUNCIL MEMBER YEGER: Back up to the
3 8,500 vendors who have created this system. How many
4 have not—do you have like a kind of number of how-how
5 many vendors are there?

6 DAN SYMON: Yeah, so, like I said before,
7 the—the number fluctuates all the time, but I would
8 say that at any given time 10—about 10,000 vendors
9 have active contracts with the city, and so not all
10 8,500 are vendors that have contracts with the city.
11 I can get you that breakdown if—if you're interested,
12 but, you know, it—the—the target for those with
13 contracts with the city is about 10,000 and we think
14 the outbound is about 20,000.

15 COUNCIL MEMBER YEGER: So, I mean if the
16 target is 10,000 and your 8,500 have accounts
17 already, and 5,700 have successfully filed, so maybe
18 about half have, you know, are either registered, but
19 haven't filed, or just have—or haven't registered at
20 all, is that--?

21 DAN SYMON: Yeah, and so we're not too
22 worried about the vendors who have contracts with the
23 city that will come up with contract action. So, if
24 a contract is renewed or extended, they might have
25 to—they would typically have to file their—their

2 Vindex in the old way of doing things. We're not
3 concerned about them coming to the system. They will
4 come as they need to. Agencies—agencies will alert
5 them to it as we'll be. What we're focused on just
6 from a marketing point of view is reaching the
7 vendors who have in the past not done business with
8 the city, although we would be interested in them
9 being, you know, ultimate, you know, being
10 competitive with other vendors that we have. We want
11 to reach the vendors who sort of look at the city
12 procurement process, and say no thank you. Right,
13 we're—we're trying to level the playing field here,
14 demystify city government, and allow a simple process
15 that can—that is very accessible to small non-
16 profits, to MWBEs and—and vendors that are, you know,
17 typically have trouble engaging with the city because
18 of the arduous process that is—that has been--

19 COUNCIL MEMBER YEGER: [interposing] So,
20 obviously that's—that's very important. I mean we
21 obviously—we don't want the companies are in the city
22 of New York to say that it's not worth doing business
23 with the city of New York.

24 DAN SYMON: That's right.

2 COUNCIL MEMBER YEGER: This is a great
3 benefit to us using our tax dollars locally, and with
4 our own people. There, you know as Council Member
5 Barron indicated earlier, you know the Council and
6 Council Member Rosenthal indicated the Council has—
7 has, you know, this kind of hybrid concern when it
8 comes to contracts. On the one hand obviously
9 there's the million, two million \$20 million
10 contracts, and you're not loaning money out on those,
11 and then there's these tiny \$5,000 contracts for
12 Little League and, you know, those are—I'm not going
13 to say more important to the Council, but those are
14 the ones where you actually hear from, you know, the
15 vendor who says I—I just don't have the money. So,
16 you know when it comes to procurement, then again I—I
17 recognize the—the place where you are is you do not
18 here about procurement per se, but you hear about
19 this kind of parallel place where—where it's not
20 really procurement, not really registration, not
21 really, but the money is there, and it's getting
22 moved out, and we're trying to figure out how, as the
23 Chair indicated earlier, you know, does this at some
24 point shut down? I think that would be great because
25 the whole idea is to move procurement to the place

2 where you don't need a bridge, and you don't need
3 this--this, you know, rubber band and paper clips to
4 kind of keep everything together. Just a few more
5 questions, Mr. Chair. Thank you. Are there any
6 contracts or any type of contracts that are simple
7 ineligible for a loan and leaving aside the--the, you
8 know, the multi-year, three-year contracts with these
9 in advance involved in things like that, but, you
10 know, new contracts. Are there any like that?

11 DAN SYMON: So, essentially eligibility
12 is--is based on it being for human services, and a--and
13 a contract pending.

14 COUNCIL MEMBER YEGER: Okay.

15 DAN SYMON: Those essentially.

16 COUNCIL MEMBER YEGER: Only human
17 services contracts?

18 DAN SYMON: That's right.

19 COUNCIL MEMBER YEGER: Okay.

20 DAN SYMON: Yeah, we're not issuing loans
21 for construction or technology or anything like that.
22 This is for--this is essentially in support of the
23 non-profit sector, and for human services.

24 COUNCIL MEMBER YEGER: That's it. Okay.

25 DAN SYMON: That's right.

2 COUNCIL MEMBER YEGER: And this is—it's
3 something I jotted as you were talking and, you know,
4 as you mentioned PASSport, the, you know some of us
5 have run through things. We've—we've seen agencies
6 create these technological things that claim that
7 things happen faster because we have this
8 technological wizardry now, but do you have an
9 indication, if you're able, and you may not be able
10 to, but do you have an indication of how much quicker
11 the implementation of PASSport has resulted in
12 payments to vendors kind of like, you know, 10 days
13 earlier or 20 days or 6 months earlier? Do you have
14 any kind of--?

15 DAN SYMON: So, with PASSport we've only
16 launched in August.

17 COUNCIL MEMBER YEGER: Okay.

18 DAN SYMON: And so, and—and it's only
19 right now managing that—that disclose the filing or
20 disclosures and do I think it's premature to sort of
21 report out on any kind of quickness or how—how it's
22 at all relevant to the—the payment processes for
23 that--

2 COUNCIL MEMBER YEGER: [interposing] It's
3 not really taking in the billing and the-the
4 invoicing information?

5 DAN SYMON: That's right, that's right.

6 COUNCIL MEMBER YEGER: And how quickly do
7 you believe that that's going to be up and running?

8 DAN SYMON: So, that this Phase 2 and
9 Phase 3 of PASSport we would expect to roll out over
10 the next two years.

11 COUNCIL MEMBER YEGER: Can you briefly
12 describe Phase 2 and Phase 3? Because Phase 3 is
13 completion, right?

14 DAN SYMON: Sure, well, they-they
15 actually have two-there two distinct components
16 although they're all connected. The-the Vindex piece
17 is the first sort of account management establishing
18 the vendor's profile of which everything else was
19 sort of built on-on top of it. Release 2 will be
20 focused a lot on the city's requirements contracts
21 that DCAS that the agencies like DCAS and-and DOITT
22 hold, and the ability to buy off of them at a-at a
23 much quicker rate, and so right now there's an
24 antiquated web of some internal systems that manage
25 this work, but it-this is-this would be-you could

2 think of it as sort an Amazon for city procurement in
3 a sense where you've got your-your-your office supply
4 contract on a catalog online that city agencies are
5 able to buy off of. That exists in-in patches in the
6 city right now. This would be a replacement of those
7 Legacy systems, and Release 3 would be the end-to-end
8 procurement process meaning from a bid or RFP or
9 whatever the procurement method that is used all the
10 way through contract registration, and then post-
11 contract registration doing renewals amendments and
12 any other contract actions as a result from that.

13 COUNCIL MEMBER YEGER: So, Phase 2
14 doesn't take in the Little League guy, right?

15 DAN SYMON: No, not necessarily no.

16 COUNCIL MEMBER YEGER: So, that's Phase 3
17 and what-do you have anticipated dates of launch?

18 DAN SYMON: I wouldn't call them dates at
19 this point. Right now, they're sort of phased over
20 the next two years.

21 COUNCIL MEMBER YEGER: [interposing] You
22 have limited-I'm sorry?

23 DAN SYMON: Over the next two years.

24 COUNCIL MEMBER YEGER: So, the next two
25 years.

2 DAN SYMON: At least two and at least
3 three would launch.

4 COUNCIL MEMBER YEGER: The-when you-when
5 you-when you have a smaller, you have the-the Little
6 League. I'm not actually sure I'd even fund a Little
7 League. I'm not sure why I'm using that. Council
8 Member Brannan would probably fund a Little League.

9 DAN SYMON: I live across the street from
10 East Shore Little League on Staten Island, they get
11 it, Council Member.

12 COUNCIL MEMBER YEGER: [interposing] I's
13 near and dear to your heart. When you have the
14 Little League and-and they get that kind contract for
15 the first time and they get it in the Schedule C and
16 now it's, you know, they find out in late June, and
17 now it's July. To the extent that you're able to
18 talk about this, and I don't know if you are, they
19 obviously can't get any funds until the contract is
20 registered. No questions. They can't get any funds
21 until they do their billing, which they can't submit
22 electronically at the present moment, Correct?

23 DAN SYMON: They can.

24 COUNCIL MEMBER YEGER: They can?

25 DAN SYMON: Yes.

2 COUNCIL MEMBER YEGER: Okay, but not
3 through PASSport?

4 DAN SYMON: Through Accelerator.

5 COUNCIL MEMBER YEGER: Accelerator.
6 Okay, and then at that point after registration,
7 which takes a bit of time after submission of
8 invoicing, which takes a bit of time, you have a kind
9 of windowish guesstimate of when the smaller contracts
10 are getting the—are seeing their first
11 reimbursements.

12 DAN SYMON: So, I—I think—there's a—it
13 runs the gamut. Um, I've—I've worked in this—when I—
14 I spent about a decade at the Department of Youth and
15 Community Development. I was at the end of that
16 tenure there Agency Chief Contracting Officer. They
17 have the largest volume of discretionary contracts
18 they have--

19 COUNCIL MEMBER YEGER: [interposing]
20 We're sorry.

21 DAN SYMON: --all the little leagues.
22 [laughs] And, you know, it—it—it's not just on the
23 city agency to get that process completed I would
24 say.

25 COUNCIL MEMBER YEGER: Of course.

2 DAN SYMON: Right. There are--there are
3 certain challenges that the, you know, the vendors
4 have. The folks at the Little League are not
5 necessarily well versed in contracts and putting
6 together the documentation that's required to--to get
7 that contract registered.

8 COUNCIL MEMBER YEGER: Right, it's--it's--

9 DAN SYMON: No fault of their own. They
10 trying to run a Little League, and that's what we're
11 focused on. What we're focused on is bringing the
12 accessibility to them through, you know, and online
13 interface, and also trying to demystify a lot of what
14 the city does in the procurement process. So, that--
15 that's what we're focused on to--to--I'm not trying to
16 dodge the--the question about timing--

17 COUNCIL MEMBER YEGER: Cool.

18 DAN SYMON: --but it's really depending on
19 multiple factors, but I, you know, I've seen
20 contracts--discretionary contracts get registered in
21 August. You know, it's much more about will than it
22 is process sometimes, but on average I would say it
23 takes a few to several months. (sic)

24 COUNCIL MEMBER YEGER: [interposing] I
25 apologize. I--and I know I took us into the woods on

2 the—on the procurement thing, and we're really here
3 about the low fund, but I appreciate it and thank
4 you, Mr. Chairman.

5 CHAIRPERSON BRANNAN: Councilman Perkins.

6 COUNCIL MEMBER PERKINS: Thank you. So,
7 thank you for your presentation. You have 751 loans
8 that have been procured, processed for 2017. Am I
9 correct?

10 DAN SYMON: That's correct.

11 COUNCIL MEMBER PERKINS: So, can you give
12 us sort of—like is this a high point or have we been
13 processing more in the past or how are we proceeding?
14 How are we growing? Is this number growing?

15 DAN SYMON: I would say yes. The number
16 of loans and the amount of funding loaned out has
17 increased, and I would say that that is in lock step
18 with the investment that this administration has made
19 in human services more generally. So, as the—as the—
20 as the amount of funding that is procured for human
21 services has gone up, we've seen the use of the Loan
22 Fund go up. DAN SYMON:

23 COUNCIL MEMBER PERKINS: Okay, and is
24 there from your understanding sort of a conscientious

2 plan to move this up higher and higher with some goal
3 in mind?

4 DAN SYMON: No, we don't have a goal for
5 this amount to be higher at this point. We-at this
6 moment we don't, you know, we-there's enough
7 availability of funding, and so we don't see the-the
8 amount of funding going up at this point, but-but we
9 do--

10 COUNCIL MEMBER PERKINS: [interposing]
11 But it is--

12 DAN SYMON: --but in the past-in the past
13 we have responded and expressed that need if we saw
14 that it was prudent and we wouldn't-we wouldn't
15 hesitate.

16 COUNCIL MEMBER PERKINS: But-but with the
17 assumption that you're saying, which and I may be
18 incorrect, if you have enough to support your goals
19 as per what you--

20 DAN SYMON: [interposing] Yeah, based on
21 the applications that we see coming in, and the
22 availability of funds that we have now, we believe
23 that it is-it is adequate.

24

25

2 COUNCIL MEMBER PERKINS: And at-in that
3 adequacy what would you estimate the total number
4 would be in-in the course of what-in the paramount of
5 the present we're growing? (sic)

6 DAN SYMON: So, procurement is very
7 cyclical. So, it's-it's, you know, there will be
8 times in the year contracts, you know, you know,
9 begin and expire all the time, and so it's constantly
10 fluctuating. You know, around the turn of the fiscal
11 year in the May, June and July time frame, you'll see
12 heavier usage sometimes because a lot of contracts
13 begin on July 1st, and so you might see an uptick in-
14 in loan application activity. But that, you know, as
15 I said before we-we don't see-we don't see a need to
16 increase the fund at this point.

17 COUNCIL MEMBER PERKINS: And do you have
18 a-an MWBE Minority Business that-perspective on this
19 in terms of reaching out particularly to those types
20 of folks that need that support?

21 DAN SYMON: Well, this loan fund is-is
22 for human services where MWBE wouldn't apply, but I
23 can say that, you know, the small non-profits are
24 folks that we are very heavily focused on. As other
25 members have said, we're not too concerned about the

2 large non-profits. They sort of-they understand what
3 they need to do. They have the capacity to either
4 provide, you know, their own-you know, they can-they
5 can float the-the delay in the contract registration
6 potentially, and so they don't typically come to us
7 for loans. This really is about supporting the
8 smaller non-profits that-that are operating on the
9 margins, and could not afford to operate the programs
10 without the loan in place, and that's where we go
11 from.

12 COUNCIL MEMBER PERKINS: [interposing]
13 Well, assuming that's the case, what is the MWBE
14 participation in that?

15 DAN SYMON: So, there-there are no MWBEs
16 that we would issue loans to because this is for
17 human services.

18 COUNCIL MEMBER PERKINS: Well, even in
19 the human services there are them. There are human
20 services organizations that are very focused and very
21 much--

22 DAN SYMON: So-so generally the city's
23 MWBE program right now its current iteration is Local
24 Law 1 of 2013, which is-which is in the Admin Code,
25 and it-it has certain exclusions that apply, and one

2 of those being human services, and that's the result
3 of the Disparity Study that was conducted that showed
4 where the disparity in the various industries that
5 demonstrated disparity for the city's program, but I
6 think the overarching reason is that the majority of—
7 of entities that engage in this area, the human
8 services area are non-profits, and there is no
9 ownership of a non-profit. And so, one of the
10 criteria for being an MWBE is you have to demonstrate
11 a 51% ownership by either a Woman or Minority-owned
12 business. So, they—they by definition don't operate
13 in this space. Not that there aren't some that
14 could, but by and larger that they're just not a part
15 of human services segment.

16 COUNCIL MEMBER PERKINS: But then those
17 that are not-for-profits, right that are not
18 enterprises, where are we at with that group that
19 specifically are in communities of the type that
20 would under enterprise and serving them in this way?
21 You understand what I'm saying?

22 DAN SYMON: Sure. I think—so that's
23 information I think we can get back to you with if
24 you're saying which of the non-profits that serve
25

2 various communities how much are they utilizing the
3 loan fund I think?

4 COUNCIL MEMBER PERKINS: [interposing]
5 Especially if these occur.

6 DAN SYMON: Sure, sure I think that
7 that's information that we can try to come back to
8 you with, the various types of non-profits that may
9 be serving communities of color.

10 COUNCIL MEMBER PERKINS: Yes, and we do
11 have of that type, that—that sort of description?

12 DAN SYMON: Yeah, I mean there's no—
13 there's nothing that—there's no—there are no
14 parameters around the types of non-profit
15 organizations that can apply for a loan under the
16 fund. You know, it's going to be a matter of I guess
17 providing you the information in that—in that way.

18 COUNCIL MEMBER PERKINS: So, the—so the
19 10,000 vendors that—that somebody mentioned earlier
20 with contracts, are—are these that might in that kind
21 of descriptive measure that particularly focuses on
22 communities of color and have various types of
23 operations?

24 RYAN MURRAY: So, Council Member, I
25 think—so the—as I'm understanding the question, what

2 you're interested in here is--are loan funds
3 available to organizations that are serving
4 communities of color, a and the answer obviously is
5 yes. This is for non-profits. They're serving the
6 neediest communities across the various services.
7 The one--if you're talking about the--

8 COUNCIL MEMBER PERKINS: [interposing]

9 The specific agencies--

10 RYAN MURRAY: [interposing] Sure.

11 COUNCIL MEMBER PERKINS: --that we've
12 been doing them for the NAACP that fit those--the
13 description.

14 RYAN MURRAY: Sure. So, separating out
15 the--the loan fund itself from the 10,000 we were
16 talking about I think was with PASSport, and thinking
17 about the number of organizations that we're looking
18 to make sure are registered in PASSport specifically
19 and are able to take advantage of an online process
20 where they file their disclosures. We can absolutely
21 get back to you about the--how many of those are MWBEs
22 based on the description our Counsel gave.

23 COUNCIL MEMBER PERKINS: Thank you.

24

25

2 CHAIRPERSON BRANNAN: If an entity
3 doesn't use the RGF and they go and they get a
4 private bridge loan, then the city reimburses them?

5 DAN SYMON: The city in that context, no.
6 The city would only have the contractual relationship
7 based on—based on the contract that ultimately gets
8 registered.

9 CHAIRPERSON BRANNAN: And how often do
10 you see that happen?

11 DAN SYMON: I mean we don't—so, we if a—
12 if a non-profit were to go out and get a secure loan
13 from a bank, that's not something we would
14 necessarily be aware of.

15 CHAIRPERSON BRANNAN: Okay. Yeah, I mean
16 I guess I'm sort of—I'm in the—I'm in the column of
17 the—the RGF is sort of a barometer of the glacial
18 pace of procurement right? I think if you have—
19 you've got entities that rarely, if ever, default,
20 and like—like my colleague Councilman Yeger was
21 saying, if they're basically qualified to get a check
22 from the city, it's, you know, it's six of one and
23 half dozen of the other really. If they're qualified
24 enough for us to float their money, then why aren't
25 they qualified enough just to get the contract at

2 that point? So, I think if we're—you with PASSport 2
3 and 3 and everything that we're doing to sort of—I
4 would hope is that we're trying to—it's a good thing
5 to try to make this fund obsolete because it would—
6 Right now—for instance, right now is the approximate
7 wait time that—that some of the—an entity gets a
8 bridge loan before they actually receive—they may
9 receive the—the contract?

10 DAN SYMON: So, the—so the target is 90
11 days. I would say—I don't have the numbers in front
12 of me on—on the length of time--

13 CHAIRPERSON BRANNAN: [interposing] It's
14 approximately?

15 DAN SYMON: --but—but we sort of--

16 CHAIRPERSON BRANNAN: [interposing] It's
17 three months?

18 DAN SYMON: Yeah, what we're—what we are
19 looking. MOCS is because we wan the contract to be
20 registered fairly quickly so that the loan fund can
21 get replenished again, and so we're—we're always
22 looking for, you know, what does the agency estimate
23 as the time it will take to get the contract
24 registered, and 90 days is sort of just the, you
25 know, an estimate of the time.

2 CHAIRPERSON BRANNAN: I mean because I
3 think 90 days is—is like surmountable, right? Like
4 if you said it was two years or three years, that's a
5 whole different ball game, but 90 days seems like we
6 tighten up a couple of things and--

7 DAN SYMON: I wish it was a couple of
8 things. I think it's a lot more than a couple of
9 things, but--

10 CHAIRPERSON BRANNAN: [interposing] I
11 guess that's the problem?

12 DAN SYMON: Yes, absolutely.

13 CHAIRPERSON BRANNAN: And when you showed
14 me that schematic, I wanted to break down in tears.

15 DAN SYMON: Yeah. That's us everyday.

16 CHAIRPERSON BRANNAN: [laughs] Yeah, I
17 mean I guess that's—that's where I am. I mean I
18 think, you know, I think it's obviously a great thing
19 for—for the providers because, you know, they've got
20 to keep their lights on, and I think it's great that
21 the city offers this, but for me it's always going to
22 be an indicator of how long, you know, it's—it's just
23 a monument fro how long this process takes that we
24 have to float someone money. For 90 days we can't,
25 you know, sort of connect those two pieces or a

2 million pieces. Whatever it is. So, and I didn't
3 think, you know, guys admitted and agree with us that
4 the procurement process is flawed, but do you see
5 that—that making the RGF obsolete—do you agree that
6 making it obsolete would be a victory?

7 DAN SYMON: If—if it was rendered
8 obsolete, yes. You know, we would then be on the
9 Mount Rushmore of procurement.

10 CHAIRPERSON BRANNAN: Okay.

11 DAN SYMON: I just—I just cannot imagine
12 that it, you know, it getting—there—there are all
13 sorts of reasons even—even in a—if we do a bang up
14 job of producing PASSport, and it does everything we
15 want it to do. There are also some non-process
16 issues that delay contract registration negotiations.
17 There, and we can go on and on but, you know, there
18 are some things that a technology—a piece of
19 technology will not—will not fix. There are certain
20 business processes and oversight approval that a
21 technology will not be able to fix. So I don't—I
22 just don't want to sort of—I want to manage
23 expectations. I think the—the loan fund is important
24 for the non-profit sector. We strive to make it
25 obsolete absolutely, but I—I just wouldn't be

2 prepared to say that that is—that is in the cards at
3 this moment.

4 CHAIRPERSON BRANNAN: The last couple of
5 things. What—what kind of—what sort of assistance or
6 technical assistance is available through MOCS or
7 other city agencies to help non-profits sort of learn
8 about this—this bureaucratic safari that—where—where
9 we have to find our way though?

10 RYAN MURRAY: So, as I mentioned earlier
11 I think in response to Council Member Barron's
12 question, MOCS continues to work really closely with
13 the city agencies through a number of methods. So,
14 each of the agency chief contracting officers and
15 their teams have access to centralized training
16 through what's called Procurement Training Institute.
17 We have monthly meetings with them to make sure that
18 not only are they trained upfront and ongoing, but
19 we're also communicating what key policies, messages,
20 protocols, things that need to be tweaked along the
21 way in terms of practice. That is our venue for
22 working with them. Agencies at the same time are
23 constantly meeting with their vendor—vendors, right.
24 So, whether it's at an award stage, and they bring
25 folks in to tell them what the process is, to get a

2 contract and to hold that contract with a city agency
3 or its ongoing provider trainings that they have
4 usually organized by portfolio. Right, so I'm
5 thinking of an organization like DYCD that each
6 group, the SYEP folks would bring their—their teams
7 in and those folks would have training. Their chief
8 contracting officers really has capacity building,
9 and they have a dedicated technical assistance
10 program. Other agencies have similar setups where
11 they're looking at DFTA or the Department of Cultural
12 Affairs. On a central basis specific to
13 discretionary, I—I mentioned earlier that, you know,
14 with your—your Council Finance team, we host
15 quarterly—what used to be quarterly. It's now three
16 times a year, in-person trainings for folks who are
17 looking to come into the discretionary portfolio.
18 This is where, you know, I think it's important to
19 find a lot of those organizations that are delivering
20 services to the most needy enriching programs as well
21 in terms of cultural programming and the little
22 leagues and so on. For us, that's a great
23 opportunity for especially the newcomers. We find
24 that it's very common for an organization that's
25 doing business with the city. The discretionary is

2 often a gateway into then competing through RFPs. So
3 that's one place where we partnered closely with
4 counsel to make sure that they're aware of what it
5 means to hold a contract. We bring in agencies,
6 other agencies like DOI. We bring in capacity
7 building technical assistance providers who talk
8 about what it means to manage an organization, and
9 what it means to have board oversight and governance.
10 Again, holding a city contract on the basics of that,
11 and then we, of course, tell them about the loan
12 fund, and other things—tools to keep them strong, and
13 keep their doors open. So, there are number of
14 different venues, but I think we—we are the central
15 entity that supports the agencies in administering.
16 Through our—Director Symon talked about strengthening
17 non-profits—of the Non-Profit Resiliency Committee
18 earlier. That's another place where we're working to
19 think about the practices and policies we need to put
20 in place. So, they're—that group is birthing a lot
21 of new—new initiatives that we then roll out, whether
22 it's traditional trainings of its policies that we
23 spit back out into the—into the agencies or the
24 sectors. So, there are a number of different venues,
25 but we tend to take on the central coordinating role,

2 and then the agencies have a lot of different
3 practices that they put in place.

4 DAN SYMON: And in addition to that, I
5 would say that one of the things that—that makes
6 Accelerator a success is really just the
7 transparency. It's not that vendors really need to
8 understand how the city agency is doing their job,
9 but just to understand where my budget is, where my
10 proposal is, and a system that is being shared by
11 both the city and the vendor at the same time with
12 statuses and—dates of activities available at
13 their fingertips. This I think is what promotes a
14 lot of good will amongst the non-profit sector, but
15 then, you know, there—there isn't so much mystery
16 about what's going on because you can see it and, you
17 know, sunlight provides a lot of efficiency
18 particularly in the non-profit sector.

19 CHAIRPERSON BRANNAN: How long has the
20 fund been around, what year?

21 DAN SYMON: 1992.

22 CHAIRPERSON BRANNAN: Okay, and it was
23 created—like what happened? There's some emergency
24 or you were hearing it a lot or--?

2 DAN SYMON: So, according to what have
3 from 1992, it was in response to a need for Summer
4 Youth Employment Program.

5 CHAIRPERSON BRANNAN: Oh, okay.

6 DAN SYMON: That's about the extent of
7 the history that we're aware of.

8 CHAIRPERSON BRANNAN: Okay. Okay,
9 Council Member Perkins, do you have anything else?

10 COUNCIL MEMBER PERKINS: [off mic] No.

11 CHAIRPERSON BRANNAN: Okay. Alright, I
12 think the RGF lives to fight another day. Thank you
13 guys very much.

14 DAN SYMON: Thank you.

15 CHAIRPERSON BRANNAN: What do I say now?
16 This hearing is adjourned. [gavel]

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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 12, 2018