



January 29, 2020

Good Morning Chair Cornegy, Chair Kallos, and members of the Council's Committee on Contracts and the Taskforce on MWBE. My name is Jonnel Doris and I am the Senior Advisor and Director of the Mayor's Office of Minority and Women-Owned Enterprises (OMWBE).

Today I will provide an overview of the Citywide M/WBE Program, including the progress made toward our M/WBE certification and utilization goals set by this administration. With me today are Dynishal Gross, the Deputy Commissioner of the Division of Economic and Financial Opportunity (DEFO) at the Department of Small Business Services (SBS) and Jee Kwon, the Deputy Director of Strategic Initiatives and Performance Management at the Mayor's Office of Contract Services (MOCS) to answer questions that you may have specific to their work.

About the M/WBE office and goals-

In the Fall of 2016 Mayor Bill de Blasio announced the creation of the Mayor's Office of M/WBEs as a critical next step in the Administration's commitment to increase contracting opportunities for minority and women entrepreneurs. The Mayor pledged ambitious goals of achieving 30% M/WBE utilization by end of FY 2021 and having 9,000 City-certified M/WBEs by end of FY2019.

In 2015 the Mayor outlined a separate citywide goal to award \$16 billion to Minority and Women-Owned Businesses over the next 10 years (by FY25). This "One NYC goal", the and 30% goal, covers both mayoral and non-mayoral agencies. We have since increased this goal twice to \$20B and then again to \$25B just this past November as we were ahead of schedule.²

Since the start of the de Blasio administration, the number of certified firms has doubled from just over 4,000 to over 9,000 by June 30th of 2019- achieving the Mayor's goal and climbing. Additionally, at the end FY19 MOCS reported the MWBE utilization at nearly 24%, representing over \$1B in awards to MWBEs of City contracts under Local Law 1, as compared to the 8% or \$465 million dollar value of City contracts in FY15 at the start of this Administration. Just to put that into perspective, that is a three times higher utilization rate in nearly as many years. In fact, at the end of Q1 of FY20, the M/WBE utilization was 28%; by comparison it was 14% in Q1 of FY19. We are also very happy to report that since 2015 over \$14B has been awarded to M/WBEs by mayoral and non- mayoral agencies Citywide, under the cumulative One NYC goal (through Q1 of FY20).

We would also note the importance of the leadership of Deputy Mayor, J. Phillip Thompson, whose career-long justice and equity work includes increasing economic development opportunities by calling out and challenging structural and historical barriers in the marketplace and within government. Under the supervision of the Deputy Mayor, OMWBE, SBS, and MOCS play an integral role in implementing the M/WBE program, respectively providing essential capacity building services and technical assistance, as well as tracking and reporting utilization data for all City contracts subject to Local Law 1 – in other words, outcomes.

The foundation and mission of the City's M/WBE Program

The purpose of the City's M/WBE program is to remedy the impact of discrimination in the market where the City makes its procurements. This impact is statistically analyzed in a disparity study. The most recent disparity study demonstrated that minority- and women- owned firms are underutilized in City procurements. The City will make policy changes in accordance with the key findings and recommendations of the disparity study that was published this past

May 2018. Along with my colleagues here today, my Office will continue to play a strategic role in ensuring that City agencies remain focused on achieving the goals of the program.

Legislative Policy Changes- Lasting Impact

In the Fall of 2019, the Council passed bills to increase the goals for M/WBEs in accordance with the findings of the 2018 Disparity Study. The higher goals will be implemented in April of 2020 as per bill Int.1293/ LL147. The, now, local laws sponsored by CM Cornegy which codified best practices and by CM Rose to authorize the 2018 Disparity Study Report recommendations including the increase in M/WBE goals and the inclusion of goals for Asians Americans in Professional Services and Native Americans. Since then OMWBE, MOCS, and SBS have led several citywide trainings for M/WBE officers and ACCOs at city agencies as well as robust outreach efforts to get the word out to M/WBEs. This includes borough wide M/WBE forums, organized by SBS, where current and prospective M/WBEs network with purchasing officers at city agencies.

We have also included in the city agency trainings and the public outreach, helpful information about the new state law that authorized the \$500K discretionary award which went live just this month. The estimated impact of which is \$200M-\$300M. By way of example, the impact of the M/WBE-exclusive \$150K discretionary threshold has been over 1,900 awards valued at more than \$140M, since its implementation in March of 2018 (FY18, Q3) through the end of 2019 (FY20 Q2).

The other portions of the law authorizing the use of a firm's M/WBE status to include them in prequalified list (PQLs) and the establishment of a mentorship-protégé program at SCA, will be implemented later this year and early next year, respectively.

Key achievements and initiatives

In keeping with the core principles of the City's program which are accountability, accessibility, capacity and sustainability, we have implemented initiatives to address issues that M/WBEs face

in the private marketplace: namely access to capital, which is a common obstacle for many small and mid-sized firms. In order to respond to this need, this Administration launched the Contract Financing Loan Fund (CFLF) and Bond Collateral Assistance Fund (BC), both administered by SBS, and the Emerging Developer Loan Fund (EDLF) which is administered by EDC. Together, the Administration invested \$30M across these three funds and banks, responding to a call to action by the Mayor, invested an additional \$41M- for a total of \$71M in affordable capital for M/WBEs and small businesses.³ We are glad to report that since the launch of these funds the CFLF has awarded 92 loans for a total of \$19.5M and the BC has made two awards for a total of \$800,000. As of September, the EDLF awarded six loans for a total of \$10.4M.

Looking ahead

Still we are committed to doing more to lower and, wherever possible, remove, structural barriers to entering the City's procurement marketplace by providing resources for increased programming at City agencies and creating strategic initiatives to increase M/WBEs' ability to compete successfully. This Spring, with the help of the NYS Legislature, we will seek changes to NYS Insurance Law, among other amendments that would improve access for M/WBEs.

Going forward we will continue to work closely with the Council and our other elected partners on M/WBE outreach, networking, and educational events. We will also continue to meet regularly with interested council members to share updates on the program's milestones. Thank you for the opportunity to testify today and your continued support and advocacy for our program. We would be happy to answer any questions you may have.



**THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER**

**TESTIMONY OF
WENDY GARCIA, CHIEF DIVERSITY OFFICER,
ON BEHALF OF THE OFFICE OF
NEW YORK CITY COMPTROLLER SCOTT M. STRINGER**

**BEFORE THE NEW YORK CITY COUNCIL
TASK FORCE ON M/WBEs AND COMMITTEE ON CONTRACTS**

JANUARY 29, 2020

Good morning. Thank you, Chairs Cornegy and Kallos, and the New York City Council Task Force on Minority- and Women-owned Business Enterprises (“M/WBEs”) and Committee on Contracts, for the opportunity to testify today.

My name is Wendy Garcia, and I am Chief Diversity Officer for the Office of New York City Comptroller Scott M. Stringer. My position—a first within New York City government—is to champion diversity across the City. Each day, my focus is to ensure the City uses its financial power, from contracts to investments, to level the playing field for women and people of color. That begins with accountability.

For the last six years, Comptroller Stringer has published his annual *Making the Grade* report to evaluate the City’s spending with M/WBEs. In Fiscal Year 2019, the City earned its first “C” grade after four consecutive “D+” grades for M/WBE spending, with only 4.9 percent of the City’s total spending of contracts allocated to M/WBEs. Specifically, the report gave the City a “B” grade with Asian Americans, “C” with Hispanic Americans, “D” with women, and an “F” Grade with African Americans,

The truth is, doing business with New York City can be daunting. That is why we surveyed more than 550 M/WBEs this year—and this is what we learned:

Eighty percent of M/WBEs want fair RFPs. They expressed being kept out of the process due to unfair criteria in solicitations. For example, agencies develop minimum criteria that state a need for previous experience working with the agency or scopes of work that are tailor made for the previous vendor. This type of language favored incumbent vendors, keeping new vendors and M/WBEs out of the process and disproportionately favoring white, male-owned businesses.

M/WBEs need access to the right decision makers at agencies. Seventy percent of M/WBEs surveyed by the Comptroller’s Office said that agencies are unresponsive to their inquiries about contracting opportunities; and 60 percent said that they never received support using important online systems, such the City Record, PASSPort, and Payee Information Portal. This is a systemic problem because agencies’ M/WBE officers are only able to outreach, refer, and report on M/WBE activity, but they are not held accountable.

Finally, 80 percent reported receiving no more than \$150 thousand and 80 percent of M/WBEs reported being paid late. It is clear that M/WBEs need more dollars and they need to get paid on time—all the time.

We believe that the recent revision of Local Law 1 goals and authorization of the City to increase its discretionary contracts to M/WBEs from \$150,000 to \$500,000 will help relieve some of these challenges, but this is only the beginning.

The Comptroller's Office recommends the following:

First, every agency must be mandated to have a Chief Diversity Officer. While we were able to change the City Charter to codify the current M/WBE program, we believe that there is more that needs to be done structurally to eliminate systemic racism.

We have spoken to over 25 states and cities across the country that have already appointed Chief Diversity Officers in various capacities, including one in Massachusetts who reports to the City Council President and has oversight of the budget.

Second, every agency must be required to conduct a market analysis on all solicitations. We mandated this in our own office, and for the first time earned an "A" grade, taking our procurement dollars with M/WBEs from 12 percent to 37 percent. We have also recently spoken to Canadian government officials who are exploring technology to do this for all of their agencies.

Lastly, agencies should hold private vendors accountable for hiring diverse labor, which Comptroller Stringer has prioritized within the pension funds. After taking office, Comptroller Stringer has asked managers to disclose gender and race data in order to be compliant with the scope of their contract. We know this works because no one walked away. Now, New York State introduced a similar clause through Article 15-A.

These recommendations will require us to be honest and to take a hard look at ourselves. Comptroller Stringer and I believe that with your help we can get this done and expand economic opportunity for all New Yorkers.

Thank you again for your time today, and I am happy to answer any questions that you may have.



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

Office of Diversity Initiatives



November 2019

Making the Grade:

New York City Agency Report Card on Minority- and Women-Owned Business Enterprises



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New York City Agency
Report Card on Minority-
and Women-Owned
Business Enterprises

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Contents

Executive Summary..... 1

New York City's M/WBE Program 5

M/WBE Challenges..... 8

Spotlight: New M/WBE Small Purchase
Method Yields \$40 Million in Spending 11

Spotlight: M/WBE Utilization Goals across
New York City 13

M/WBE Contract Awards..... 15

Spending and Certification 16

Citywide Grades..... 17

Agency Grades 19

Getting to the "A" Grade: Comptroller's Best
Practices..... 26

Recommendations 27

Appendix A: M/WBE Letter Grades..... 33

Appendix B: M/WBE Letter Grade Worksheets.. 68

Appendix C: Subcontract Data 103

Appendix D: Data and Methodology..... 113

Appendix E: Businesses Receiving the Most
City Dollars 117

Appendix F: Comptroller's M/WBE Survey 120

Endnotes 129

Executive Summary

Across the country, 8.7 million Americans are employed by businesses owned by women and people of color.¹ In New York City alone, more than half of businesses are minority- or women-owned, generating wealth in communities of color while contributing to the overall fiscal health of the city.²

Programs that expand these businesses' opportunities in public procurement not only create a more equitable economy, they also drive competition and save taxpayer dollars in the long term. New York City's efforts to buy more goods and services from minority- and women-owned businesses (M/WBEs) were established 30 years ago and continue today through Local Law 1 of 2013, which sets citywide participation goals for M/WBEs.³ Goals are set for minority groups across four industries: professional services, standard services, goods less than \$100,000, and construction.

Since 2014, the Office of New York City Comptroller Scott M. Stringer has issued an annual, agency-by-agency evaluation of the City's M/WBE program and made recommendations for improving its performance. The 2019 report builds on that work by further exploring the question of whether the City is on track to meet its aspirations of diversity and inclusion in public contracting. Grades are based on actual spending in Fiscal Year (FY) 2019, rather than the value of contracts awarded during the

fiscal year, because contract awards may or may not result in M/WBEs actually receiving payments from the City.

This report finds that the city has made major improvements in its spending with M/WBEs. Key findings include:

- **The City spent \$911.9 million with M/WBEs** in FY 2019, an additional \$180.8 million from FY 2018.
- The City earned its **first “C” grade** in FY 2019 for M/WBE spending after four consecutive years of “D+” grades.
- For the first time, **no agencies received an overall “F” grade**.
- **30 out of 32 agencies improved or maintained their grades** from last year.
- The implementation of the M/WBE Small Purchase Method enabled the City to do **\$42.4 million in business with 292 firms**, about three percent of all certified M/WBEs.
- **Six agencies spent more than 10 percent of their annual budget through the M/WBE Small Purchase Method**: the **Commission on Human Rights** spent 58 percent of their budget using the M/WBE method, followed by the **Business Integrity Commission** at 18 percent, **Department of Probation** at 16 percent, **Department for the Aging** at 16 percent, and the Department of Cultural Affairs and Department of Consumer and Worker

Comptroller Stringer joins a coalition of community leaders to call on the NYC Charter Revision Commission to end the status quo of exclusion and put a Chief Diversity Officer on the ballot.



Protection (formerly the Department of Consumer Affairs) each at 13 percent.

- Of the City's 50 largest competitive contracts registered in FY 2019, 36 totaling \$1.7 billion were eligible for goal-setting under Local Law 1. Of these, 34 were assigned M/WBE utilization goals. **Contracts assigned goals made up a total value of \$1.6 billion, or about 92 percent of Local Law 1-eligible dollars.**

However, despite these improvements, this report finds that there is ample room for continued progress:

- The 50 vendors that received the most City spending received \$3.9 billion. Of that, **M/WBE prime vendors received \$338.5 million and subcontractors received \$48 million, a total close to 10 percent.**
- **The five agencies that received "D" grades account for 48 percent of the**

City's total M/WBE program spending, while the 27 agencies that received an "A," "B," or "C" grade account for 52 percent.

- There is significant room for increased spending with every minority group. **The City earned a "B" grade on spending with Asian American-owned businesses and a "C" grade with Hispanic American-owned businesses. It maintained its "D" grade with women and its "F" grade with African American-owned businesses from FY 2018.**
- The City awarded \$20.5 billion in contracts in FY 2019, of which only **\$1.007 billion (equal to 4.9 percent) were awarded to M/WBEs.**
- **17 percent of City-certified M/WBEs received City payments in FY 2019,** a decrease from 20 percent in FY 2018 due to an expansion of more than 2,000 firms in

the M/WBE program. However, the number of M/WBEs receiving City dollars has doubled from 760 in FY 2015 to more than 1,500 firms in FY 2019.

- **Ten agencies spent less than one percent of their budget using the M/WBE Small Purchase Method:** the Department of Housing Preservation and Development, Department of Environmental Protection, Department of Transportation, Department of Parks and Recreation, Department of Citywide Administrative Services, Department of Homeless Services, Department of Sanitation, Human Resources Administration, Department of Design and Construction, and the Landmarks Preservation Commission.
- **Two of the City's largest contracts registered in FY 2019 were not assigned goals.** These contracts were held by the **Department of Information Technology and Telecommunications** and the **Department of Social Services** (made up of the Departments of Homeless Services and the Human Resources Administration).

Each year, this report also puts forth recommendations meant to reduce barriers and increase access to opportunities for M/WBEs. The Comptroller's Office conducted a survey of over 550 M/WBEs to help inform these recommendations. Survey findings included:

- **82 percent of respondents expressed the need to improve criteria** on how vendors are selected for City work. 28 percent of firms that never competed for prime or subcontracts said they have yet to be eligible for available procurements.

- **80 percent of respondents that served as prime vendors** and 90 percent of M/WBE subcontractors **waited more than 30 days to be paid** for their first invoice on average.
- **69 percent of respondents found agencies unresponsive** when they reached out to Agency Chief Contracting Officers, M/WBE Officers, or other related liaisons with meeting requests, phone calls. As a result, 75 percent of respondents stated that agency responsiveness needed some or major improvement.
- **More than 60 percent of respondents never received support navigating** key procurement systems such as the City Record Online, the City's public database for contracting opportunities.
- 38 percent of respondents never competed for prime or subcontracts. When asked why, **38 percent of respondents said they were not aware of procurement opportunities**, and 37 percent said the process was too time consuming and hard to understand.
- **42 percent of respondents spent more than 20 hours on the M/WBE certification process.**

Based on these findings, the Comptroller's Office recommends the following:

- **The City should require agencies to conduct market analyses to inform decisions concerning procurement requirements.** For each upcoming contract, the M/WBE Officer, Agency Chief Contracting Officer, and Bureau Head

should conduct line-by-line reviews of the procurement requirements, comparing them with M/WBE availability and the overall market in order to set M/WBE goals and to change solicitation language that creates artificial barriers to competition. These changes may include better tailoring of minimum criteria, breaking up large contracts, taking advantage of more competitive procurement methods, and assigning attainable M/WBE utilization goals that match market availability and ensure inclusive competition. Currently there is no legislation, procurement rule, or administrative guidance requiring that solicitations correspond with market availability.

- **The City should conduct a workforce disparity study and create a workforce diversity program.** A 2018 analysis of New York City found that people of color make up a smaller and smaller portion of the construction workforce, and the number of women construction workers remains stagnant. Other cities, including Philadelphia and Kansas City are currently implementing workforce diversity goals as part of their M/WBE programs. New York State also recently implemented a construction workforce diversity program after studying occupational disparities among women and different minority

groups in all industries. Using these models, New York City should conduct a workforce disparity study that will lead to the creation of a citywide workforce diversity goal among the City's vendors.

- **The City should expand the role of M/WBE Officers to serve as advocates for M/WBEs and to address agency responsiveness and contracting issues.** Based on the Comptroller's survey of more than 550 certified M/WBEs, many firms struggle to get responses to basic questions, receive timely notice of contract opportunities, or get paid on time. The City should empower M/WBE Officers to address these challenges by expanding their roles. New York State has a similar role, which was expanded this year through legislation. The Statewide M/WBE Advocate will audit agencies and investigate M/WBE complaints. Similarly, M/WBE Officers should serve as advocates for M/WBEs and address agency responsiveness, help M/WBEs navigate the nuances of each agency's procurement process, handle payment issues, and monitor M/WBE utilization goals. Currently M/WBE Officers typically do not have the influence they need to address M/WBE challenges.

New York City's M/WBE Program

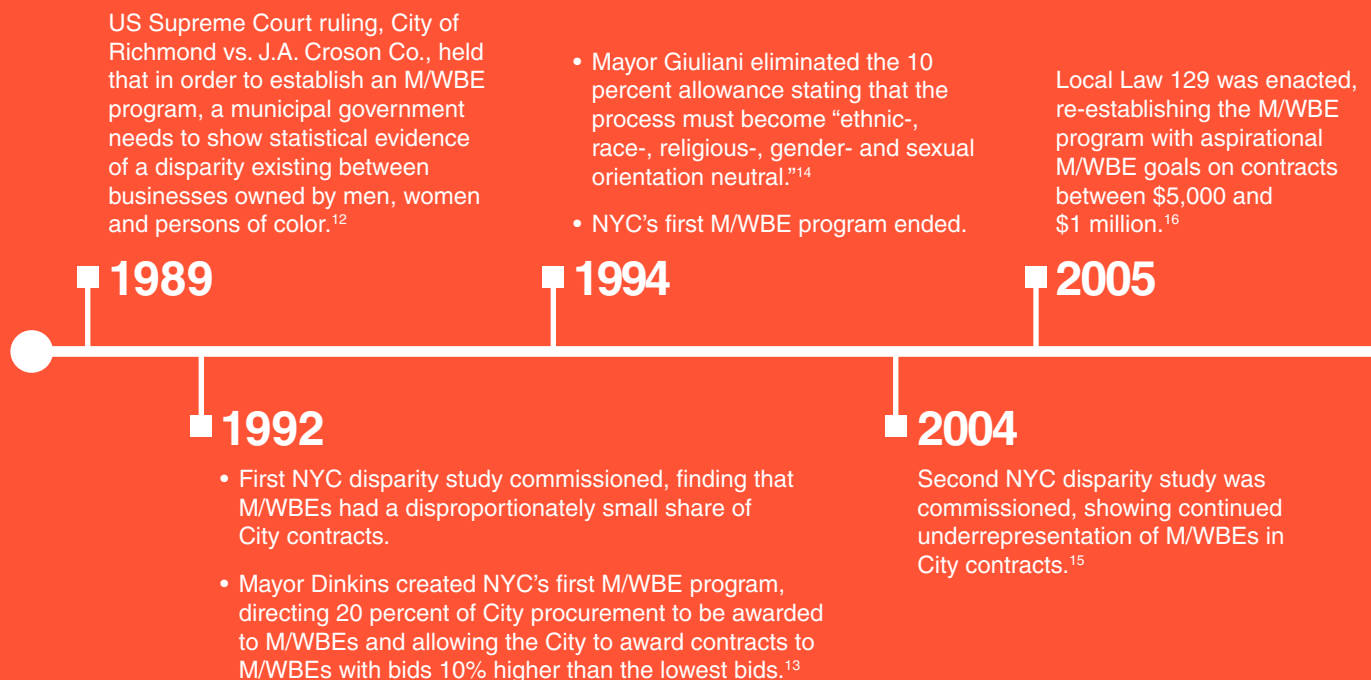
New York City's M/WBE Program began in the 1990s after the City's first disparity study found deep inequities in how M/WBEs were faring when it came to receiving City contracts. The program has changed over time and is currently governed by Local Law 1 of 2013, which sets participation goals for minority groups on City contracts across four industries: professional services, standard services, goods less than \$100,000, and construction.

Recent Progress

The City's M/WBE program received renewed focus in 2015 when Mayor de Blasio announced a goal of awarding \$16 billion in

contracts to M/WBEs by 2025. Since then, the City increased its goal to \$20 billion after being ahead of schedule.⁴

In addition to the Administration's increased focus on M/WBEs, in October 2019 the City enacted a law revising Local Law 1 goals following recommendations from its 2017 M/WBE disparity study. The City's new goals will go into effect six months after enactment, in April 2020. These include new goals for Native Americans across all industries and for Asian Americans in professional services. In addition, the new legislation allows agencies to set M/WBE goals on goods contracts up to \$1 million, an increase from a cap of \$100,000.⁵



The most recent steps taken by the City to help achieve these goal are described below:

November 2018 and March 2019 – Resources

for Women Entrepreneurs: The de Blasio Administration and the Department of Small Business Services (SBS) announced several initiatives under Women Entrepreneurs (WE) NYC, including WE Credit, a partnership with the private sector to provide access to capital through loans and lines of credit, and WE Connect Mentors, which offers women founders with mentors across several industries. SBS also announced in November 2018 that it served over 6,000 women entrepreneurs since the launch of WE NYC in 2015.^{6,7,8}

May 2019 – Streamlining M/WBE certification:

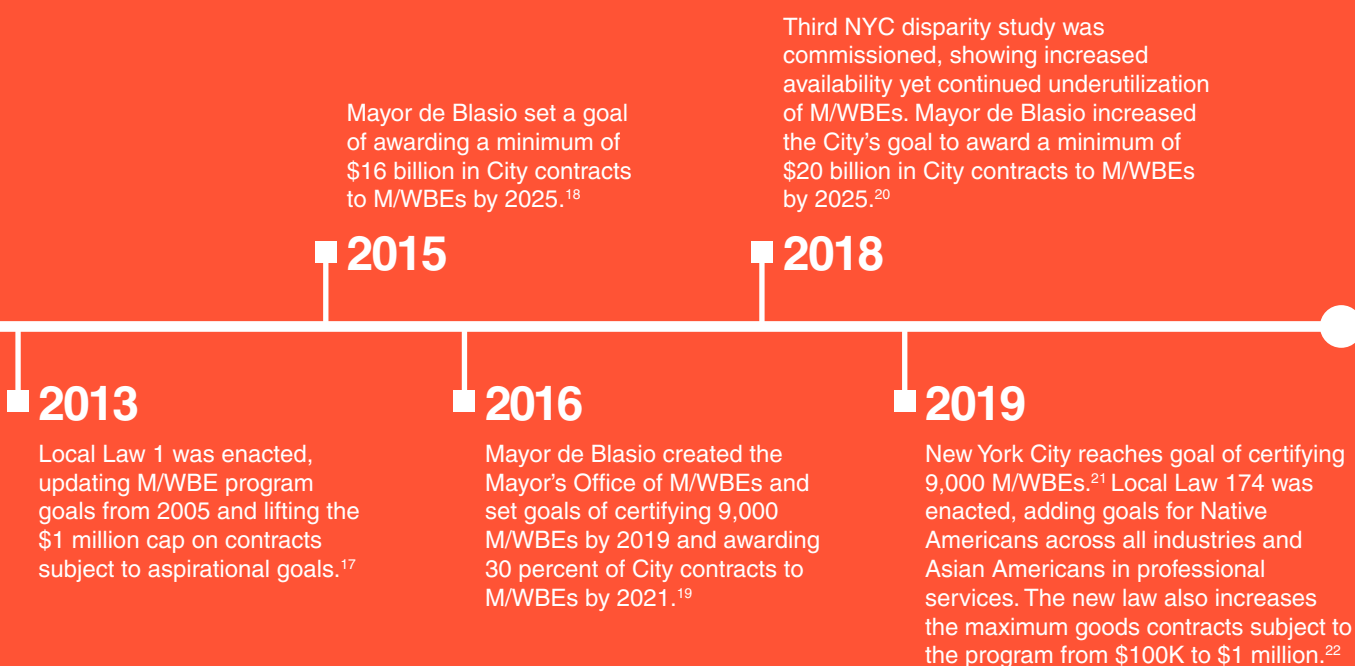
SBS announced a streamlined, more user-friendly application system for New York City M/WBE certification and re-certification called SBS Connect, which allows M/WBEs to upload and access their certification documents online.⁹

July 2019 – Growing the pool of certified

M/WBEs: New York City announced that it met its previously stated goal of certifying 9,000 M/WBEs by June 2019. The number of certified businesses has doubled since the City announced this goal in 2016.¹⁰

September 2019 – Tailoring initiatives for

Black-owned businesses: SBS announced Black Entrepreneurs NYC (BE NYC), an initiative to address the racial wealth gap and help Black-owned businesses start and grow in the City. The initiative began with a survey and a series of public forums to inform future programming.¹¹



Legislative Developments Impacting M/WBEs

The New York City Council recently passed the following legislation impacting opportunities for M/WBEs doing business in the City:

September 2019 | Int. No. 1452-A—

Updating M/WBE Program Administration:

The New York City Council passed legislation making several programmatic changes to the M/WBE program, such as requiring more frequent updates to M/WBE operational protocols, additional agency training, expanded agency M/WBE officer roles, and adding certain citywide projects to the M/WBE program (namely the Rikers Island complex replacement and the Brooklyn-Queens Expressway design-build projects). The law will also require the City to conduct annual internal compliance reviews of current contracts and require vendors to identify specific M/WBE firms earlier in the contracting process. In addition, the legislation will allow agencies to set goals on portions of projects while exempting other portions in cases of zero M/WBE availability.²³

In addition, the New York State Legislature passed the following bills to increase opportunities for M/WBE:

July 2019 | Bill No. S06575/A08414—

Reauthorization and Expansion of M/WBE

Program: The New York State Legislature and Governor approved a bill reauthorizing and expanding the M/WBE program enshrined in New York State Executive Law Article 15-A for five years. The bill increases the State's discretionary purchasing threshold

to \$500,000; creates a workforce diversity program that includes workforce participation goals; and allows M/WBEs to bid up to 10 percent higher and win low-bid construction projects up to \$1.4 million. In addition, for the first time, the Statewide Advocate, appointed by the director of the Empire State Development Division of M/WBEs, will now have expanded authority to audit agencies and investigate complaints from M/WBEs and violations of Article 15-A.²⁴

Additionally, the criteria of business owners' personal net worth limits the number of businesses eligible for the M/WBE program in order to meet a Supreme Court standard of a narrowly tailored program. However, the 2016 State Disparity Study revealed that M/WBEs experience discrimination in the marketplace, even at higher levels of personal net worth.²⁵ Previously, in 2018, the New York State Legislature passed bipartisan legislation to eliminate the former cap of \$3.5 million, which was eventually vetoed by the Governor.²⁶

The new law raises eligible business owners' maximum personal net worth to \$15 million and allows the State to establish different maximum personal net worth requirements on an industry-by-industry basis.²⁷ The increased cap allows firms in industries such as asset management and infrastructure construction to participate in the M/WBE program for the first time.

July 2019 | Bill No. S06418A/A08407—

Increasing the City's micro purchase

threshold: The New York State Legislature and the Governor approved a bill allowing New York City agencies, the Department

of Education, and the School Construction Authority to award goods and services contracts up to \$500,000 to City-certified M/WBEs without formal competition.²⁸ This new law expands upon a 2017 effort to increase the micro purchase limit to \$150,000 for goods and services contracts.²⁹ For the first time it also includes construction contracts, which were previously limited to \$35,000 for micro purchases.

In addition, the law allows the Department of Design and Construction to establish a mentoring program modelled after the Metropolitan Transportation Authority's current program. It also authorizes agencies to list firms' M/WBE status on prequalified lists, which will make it easier for agencies to identify experienced M/WBE vendors before issuing specific procurements on high volume or repetitive City work.

M/WBE Challenges

The primary goal of this report is to help the City increase utilization of M/WBEs in procurement. With that goal in mind, for the second consecutive year, the Comptroller's Office held a series of focus groups to gather input from more than 40 M/WBEs as well as members of the Comptroller's Advisory Council on Economic Growth through Diversity and Inclusion.

Based on suggestions from the focus groups, the Comptroller's Office conducted a survey to elicit feedback from a larger population of M/WBEs. Over 550 business owners responded to the survey, and the results highlight some of the institutional problems that inhibit the success of women and people of color in New York City procurement. The focus group participants and survey respondents highlighted the following challenges:





The Need to Rethink Contract Language to Meet the Current Market

More than 80 percent of respondents expressed the need to improve criteria on how vendors are selected for City work. They observed large contract sizes and bid requirements being tailored to incumbents: ***“The required ‘qualifications’ are set up to require firms that have already worked with these agencies, so procurements are not really open to all. In addition, requirements are geared towards selection of larger firms, often unnecessarily given project size (as I have done private sector projects much larger).”*** Consequently, of those that never competed for prime or subcontracts, 28 percent said they have yet to be eligible for available procurements.

The Need to Get Paid on Time

Eighty percent of respondents that served as prime vendors and 90 percent of M/WBE subcontractors waited more than 30 days to be paid for their first invoice on average. One participant stated ***“We provided all backups as they requested. [We had] multiple site meetings, calls, emails with [the] agency. However, poor turn around with processing of requisitions and many more issues have led to payments pending years to be paid.”***

The Need for Agency Responsiveness

Small purchases, micro purchases, and the M/WBE Small Purchase Method are not posted publicly. In order to find vendors, agencies rely on the SBS directory, which has been criticized for having incomplete or incorrect information, or they attend procurement events to meet vendors. Vendors are then encouraged to request follow up meetings with these agency representatives.

But when M/WBE respondents reached out to Agency Chief Contracting Officers, M/WBE Officers or other related liaisons with meeting requests, phone calls, or emails, 69 percent of respondents found agencies unresponsive. Subsequently, more than 75 percent of respondents stated that agency responsiveness needed some or major improvement. One participant said, ***“Agency figures attend procurement fairs and appear to be interested in my services but then afterwards, I attempt to contact them and they barely respond. And those that respond often send boilerplate responses about registering here and there without***

actually taking the time to assist us vendors understand their procurement practices.”

The Need for Support Navigating City Systems

M/WBEs expressed challenges navigating the City’s complex procurement system. In fact, 38 percent of respondents never even competed for prime or subcontracts, and when asked why, 38 percent of those expressed that they were not aware of procurement opportunities, and 37 percent said the process was too time consuming and hard to understand.

Part of the challenge is a lack of support. More than 60 percent of respondents never received support navigating the City Record Online, and more than 65 percent were never supported

in finding National Institute for Government Procurement (NIGP) commodity codes that match their industry services, translating into real obstacles navigating key systems.

Even when M/WBEs are able to find these potential opportunities, many reported receiving invitations for bid after the due date, notices of award to other vendors, or renewals with incumbent vendors—rather than actionable opportunities. Participants expressed frustration and concern, stating, “***There are no opportunities and by the time they come, it is too late. It is as if it is pre-determined the what and the who and the how much.***”

Additional findings of the survey will be found throughout this report. A summary of survey questions and responses can be found in Appendix F.

Spotlight: New M/WBE Small Purchase Method Yields \$40 Million in Spending

In December 2017, the Governor signed a law increasing New York City's discretionary limit to \$150,000 for goods, standard services, and professional services industries.³⁰ The Offices of the Mayor and Comptroller then implemented corresponding rules through the Procurement Policy Board.³¹ This new policy, called the M/WBE Small Purchase Method, enables City agencies to award contracts up to \$150,000 to M/WBEs without a formal competitive process.

Agencies spent about \$42.4 million across 747 contracts using the M/WBE Small Purchase Method in FY 2019, the first full year of implementation. On average, agencies spent about seven percent of their budgets using this method.

As seen in Table 1, six agencies made use of the M/WBE Small Purchase Method, spending more than ten percent of their annual budget on various goods and services: the Commission on Human Rights, which spent about 58 percent of their budget using the M/WBE method; the Business Integrity Commission at about 18 percent, Department of Probation at about 16 percent, Department for the Aging at about 16 percent, and the Department of Cultural Affairs and Department of Consumer and

Worker Protection (formerly the Department of Consumer Affairs) each at around 13 percent.

Ten agencies spent less than one percent of their budgets using the M/WBE Small Purchase Method: the Department of Housing Preservation and Development, Department of Environmental Protection, Department of Transportation, Department of Parks and Recreation, Department of Citywide Administrative Services, Department of Homeless Services, Department of Sanitation, Human Resources Administration, Department of Design and Construction, and the Landmarks Preservation Commission.

This new policy enabled the City to enter into business with 292 firms – about three percent of all certified M/WBEs. Collectively, the City spent \$15.0 million with women-owned businesses, \$11.2 million with Asian American-owned businesses, \$10.0 million with Hispanic American-owned businesses, and \$6.2 million with African American-owned businesses.

M/WBE Survey Highlight

Most M/WBEs that do business with the City receive smaller contracts: 81% of respondents who received a prime contract reported receiving \$150,000 or less.

Table 1: M/WBE Small Purchase Method Utilization

Agency	LL1 Eligible Spending	M/WBE Method Spending	M/WBE Method %
Total Citywide	\$6,274,310,371	\$42,399,568	0.68%
Commission on Human Rights	\$1,017,242	\$587,381	57.74%
Business Integrity Commission	\$511,505	\$90,950	17.78%
Department of Probation	\$1,881,779	\$308,562	16.40%
Department for the Aging	\$1,119,439	\$179,947	16.07%
Department of Cultural Affairs	\$1,517,630	\$200,328	13.20%
Department of Consumer and Worker Protection	\$2,641,106	\$340,206	12.88%
Office of Administrative Trials and Hearings	\$2,812,366	\$233,817	8.31%
Taxi and Limousine Commission	\$3,660,023	\$295,176	8.06%
Department of Small Business Services	\$6,644,822	\$531,500	8.00%
Civilian Complaint Review Board	\$325,280	\$19,215	5.91%
Department of Correction	\$48,252,964	\$2,807,881	5.82%
Department of Health and Mental Hygiene	\$53,701,333	\$3,106,815	5.79%
Office of Emergency Management	\$8,860,015	\$469,270	5.30%
Department of Buildings	\$26,656,926	\$1,204,683	4.52%
Administration for Children's Services	\$45,727,162	\$1,918,502	4.20%
Department of Youth and Community Development	\$8,201,745	\$326,764	3.98%
Department of City Planning	\$3,836,985	\$142,647	3.72%
Fire Department	\$162,313,642	\$2,908,710	1.79%
Department of Finance	\$53,036,005	\$884,965	1.67%
Law Department	\$49,574,524	\$784,850	1.58%
Police Department	\$228,613,848	\$3,453,773	1.51%
Department of Information Technology and Telecommunications	\$292,456,739	\$3,857,880	1.32%
Department of Housing Preservation and Development	\$58,401,984	\$487,628	0.83%
Department of Environmental Protection	\$981,615,103	\$6,250,461	0.64%
Department of Transportation	\$759,701,998	\$3,591,356	0.47%
Department of Parks and Recreation	\$355,991,358	\$1,519,905	0.43%
Department of Citywide Administrative Services	\$715,355,779	\$2,982,078	0.42%
Department of Homeless Services	\$103,599,085	\$386,739	0.37%
Department of Sanitation	\$494,515,725	\$1,518,862	0.31%
Human Resources Administration	\$164,131,501	\$332,372	0.20%
Department of Design and Construction	\$1,637,375,685	\$676,349	0.04%
Landmarks Preservation Commission	\$259,073	\$0	0.00%
Office of the Comptroller	\$16,794,748	\$856,991	5.10%

Two-thirds (66 percent) of firms awarded contracts through the M/WBE Small Purchase Method received one contract, and the average vendor received about \$60,000 in spending.³² However, 100 vendors (about one third) received more than one contract, and

five vendors received more than \$1 million in total spending through this opportunity. While this is still in its infancy, we are encouraged by the interest generated by the new M/WBE Small Purchase Method among both agencies and vendors.

Spotlight: M/WBE Utilization Goals across New York City

Goal setting allows New York City to reduce disparities for M/WBEs created by institutional discrimination. Among the many ways that Local Law 1 of 2013 increased M/WBE utilization, the law removed a cap that limited the M/WBE program to contracts valued at \$1 million or less and enabled M/WBEs to meet utilization goals as prime contractors. These changes allowed New York City to assign M/WBE utilization goals to more procurements.³³

As a result, in FY 2019, of the City's 50 largest competitive contracts registered, 36 contracts totaling \$1.7 billion were eligible for goal setting under Local Law 1.³⁴ Of these, 34 contracts were assigned M/WBE utilization goals, with a total contract value of \$1.6 billion or about 92 percent, as seen in Chart 1. Anticipated M/WBE utilization was about \$246.8 million—about 16 percent—across these contracts.³⁵ In order to ensure that these goals translate into actual dollars for M/WBEs, the City must focus on compliance throughout

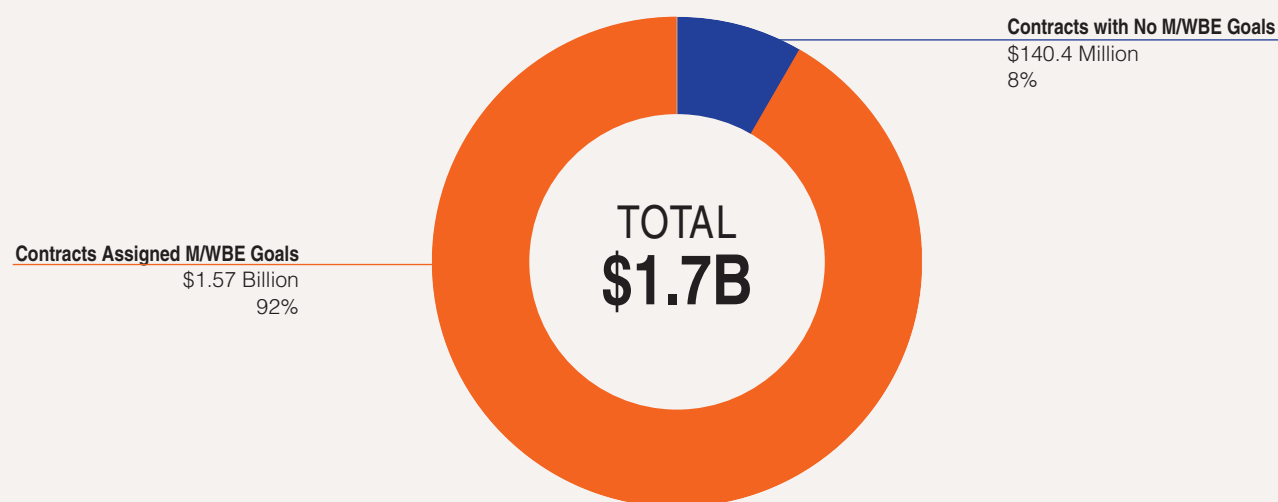
the contract administration process and ensure M/WBEs can get paid on time.

The 14 contracts that were not given M/WBE spending goals were either subject to federal or state goals or were task orders stemming from master agreements that predated Local Law 1 requirements. The two contracts that were subject to Local Law 1 but that did not include goals were held by the Department of Information Technology and Telecommunications and the Department of Social Services.

M/WBE Survey Highlight

81% of M/WBEs who worked as prime vendors and 90% of M/WBE sub vendors waited more than 30 days to be paid after submitting their first invoice.

Chart 1: M/WBE Utilization Goals among New York City’s Largest Registered Contracts, FY 2019



Source: Checkbook NYC.

Five agencies—the Departments of Finance, Environmental Protection, Transportation, Sanitation, and Citywide Administrative Services—have consistently earned “D” and “F” grades for M/WBE spending over the last four years. Three of these agencies assigned M/WBE utilization on their top contracts eligible for goal setting, as seen below in Table 2. However, the Department of Citywide Administrative Services assigned goals to only 20 percent of the value of their

top contracts, and the Department of Finance assigned goals to half of their dollars. While more and more contracts include goal setting, the lack of consistency across agencies is troubling—particularly because these agencies make up a disproportionate amount of dollars that the City spends. More attention needs to be paid toward inclusion of M/WBEs among these agencies in order to push the entire City forward.

Table 2: M/WBE Utilization Goals among “D” Grade Agencies’ Largest Registered Contracts, FY 2019

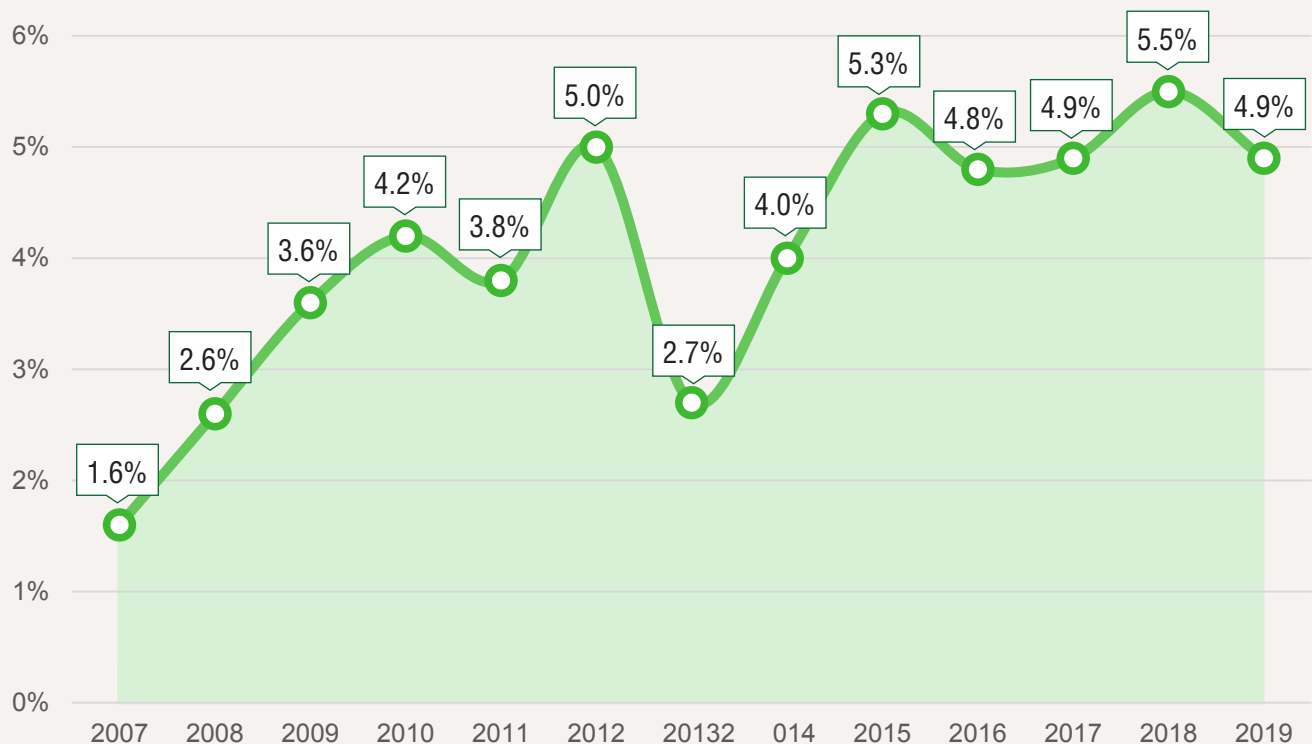
Agency	Total Value of Top Contracts Subject to M/WBE Goals	Total Value of Contracts Assigned Goals	Percent of Total Value of Contracts with Assigned Goals
Department of Environmental Protection	\$80,240,789	\$80,240,789	100%
Department of Transportation	\$132,396,236	\$132,396,236	100%
Department of Sanitation	\$222,900,043	\$218,266,773	98%
Department of Finance	\$4,883,211	\$2,416,545	49%
Department of Citywide Administrative Services	\$21,742,196	\$4,212,745	19%

M/WBE Contract Awards

The City of New York releases an M/WBE compliance report and the Agency Procurement Indicators Report annually to outline the City's utilization of M/WBEs and efforts to increase contracting with M/WBEs. This year, the City reported \$1.007 billion in M/WBE contract awards, a decrease of \$62 million from FY 2018. These contracts represent 23.6 percent of contracts presently within the M/WBE program (contracts subject to Local Law 1), which totaled \$4.4 billion.³⁶

However, as shown in Chart 2, M/WBE awards represent only 4.9 percent of the total value of all procurement awards in FY 2019, which was \$20.5 billion. Past Making the Grade reports have recommended that the City expand the universe of contracts that are part of the M/WBE program. New York City has since set a goal to award \$20 billion in contracts to M/WBEs across all mayoral and non-mayoral agencies.³⁷

Chart 2: M/WBE Share of City Procurement, FY 2007 – FY 2019



Source: Mayor's Office of Contract Services Agency Procurement Indicators: Fiscal Years 2007 to 2019.

Spending and Certification

The City has significantly expanded its database of diverse vendors, certifying 9,035 M/WBEs by the end of FY 2019—up 2,356 since FY 2018, more than any other year.³⁸ However, there remains a low correlation between certification and receipt of a City contract. As shown in Chart 3, the number of certified M/WBEs receiving payments from City contracts increased by just 164 firms. This means that the share of M/WBEs receiving City dollars dropped to 17 percent, after remaining relatively flat for

M/WBE Survey Highlight

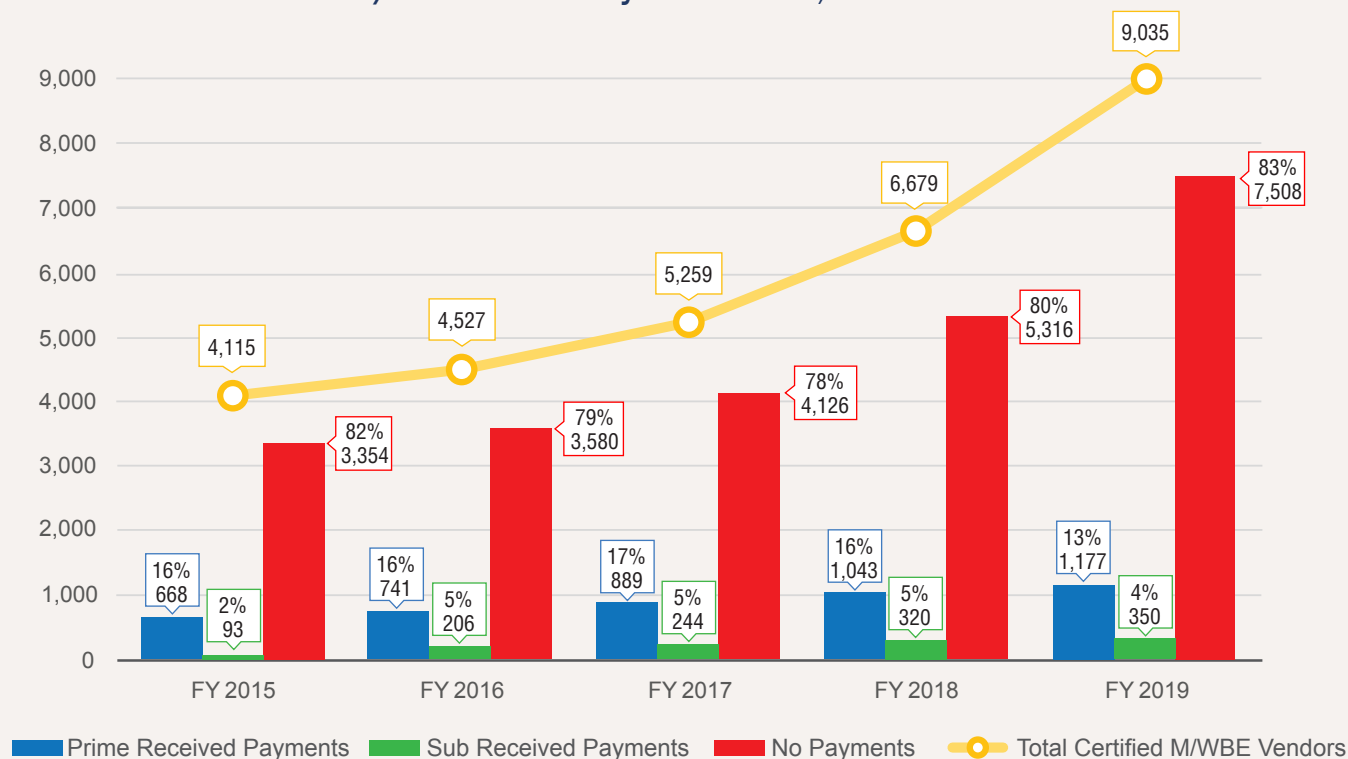
42 percent of respondents devoted more than 20 hours to M/WBE certification.

several years, due to the jump in certified M/WBEs.

Chart 3 also shows the share of M/WBEs receiving payments as prime contractors and subcontractors. The

share of M/WBEs receiving prime contracts decreased from 16 percent to 13 percent in FY 2019. The share of M/WBEs receiving subcontracting payments decreased to four percent after remaining at five percent between FY 2016 and FY 2018.

Chart 3: M/WBE Share of City Procurement, FY 2007 – FY 2019



Note: M/WBEs with no payments includes those who did not receive a contract and those who received contracts but no spending in FY 2019.

Citywide Grades

The *Making the Grade* report evaluates mayoral agencies that are subject to Local Law 1 M/WBE participation goals. The grades are based on actual spending in FY 2019, rather than the value of contracts awarded during the fiscal year, because contracts awarded may or may not result in M/WBEs actually receiving payments from the City.

The City earned its first “C” grade in FY 2019 for M/WBE spending after four consecutive “D+” grades, earning a “B” grade with Asian Americans, a “C” grade with Hispanic Americans, a “D” with women, and an “F” with African Americans.

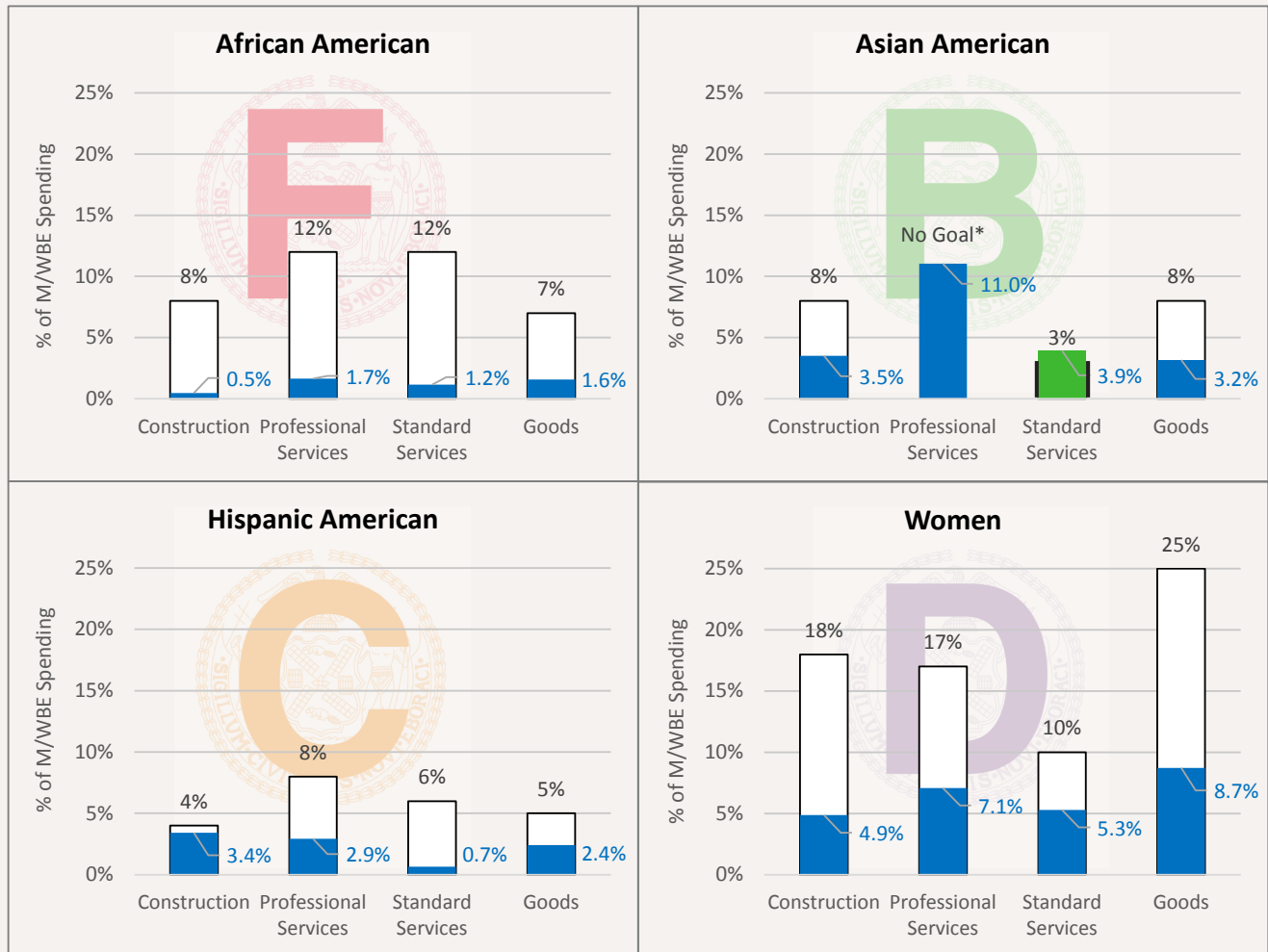
While still far from stellar performance, there were some bright spots worth noting, and the City’s overall increased spending with M/WBEs must be acknowledged. The City

saw increases in spending with African American-owned firms that provide goods and professional services; with Asian American firms that sell goods and standard services; with Hispanic American firms across the construction, professional services, and standard services industries; and with women-owned firms in all industries.

For the second year in a row, the Comptroller’s Office provided Citywide Progress Reports, a tool City agencies can use to help track their spending with M/WBEs throughout the fiscal year. These progress reports provide an analysis of each agency’s spending by minority group and industry compared with Local Law 1 goals. As shown in Chart 5, for the first time, the City met its three percent Local Law 1 goal in standard services with Asian Americans.



Chart 4: Citywide M/WBE Spending Compared with Local Law 1 Goals, FY 2019



Source: Checkbook NYC.



Agency Grades

In FY 2019, of the 32 mayoral agencies graded, three received an “A,” eleven received a “B,” 13 received a “C,” five received a “D,” and, for the first time, no agencies received an “F” grade. While not a mayoral agency, the Comptroller’s Office is graded annually in this report and for the first time received an “A” grade in FY 2019.

Two agencies – the Commission on Human Rights and the Department for the Aging – received their third consecutive “A” grades, and the Department of Health and Mental Hygiene sustained their “A” grade from FY 2018. Four agencies – the Departments of Cultural Affairs, Parks and Recreation, Probation, and the Taxi and Limousine Commission, maintained their “B” grades from FY 2018. Seven agencies increased their grades from “C” to “B”: the Administration for Children’s Services, Department of City Planning, Department of Information Technology and Telecommunications, Department of Small Business Services, Department of Youth and Community Development, Landmarks Preservation Commission, and the Police Department, which this report included for the first time in FY 2018 due to newly available data.

Only two agencies saw their grades decrease. The Civilian Complaint Review Board and the Department of Consumer and Worker Protection (formerly the Department of Consumer Affairs), declined from “B” to “C” grades in FY 2019. This

represents the fewest agency grades to decline in an annual report to date.

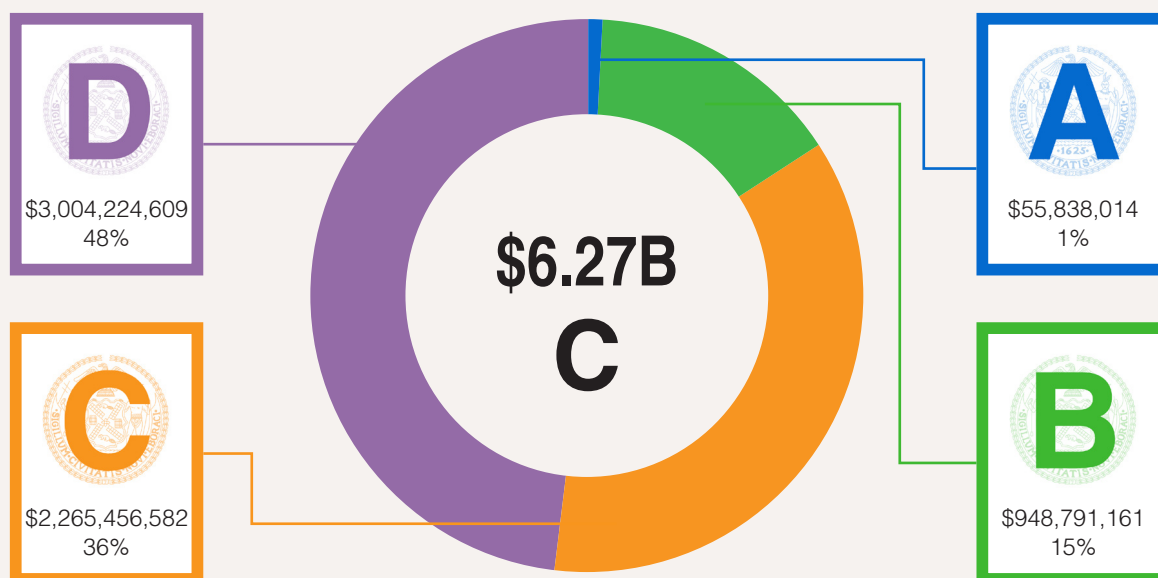
The City also saw clear improvement at agencies that previously performed poorly. The Department of Citywide Administrative Services increased its grade from an “F” to a “D” in FY 2019. Four agencies, the Department of Buildings, Department of Homeless Services, Human Resources Administration, and the Office of Emergency Management, earned their first “C” grades in FY 2019 after receiving “D” and “F” grades in each of the last five years.

Overall, in FY 2019, 13 grades improved, 17 grades remained the same, and two declined. This means that more than 90 percent of agencies increased or maintained their grade from last year.

Chart 5 shows that the City was able to increase its grade to a “C” because of the collective effort of agencies to increase their spending with M/WBEs. The four agencies that received “D” grades account for 48 percent of the City’s total M/WBE program spending, while the 28 agencies that received “A,” “B,” and “C” grades account for 52 percent. Growth to an “A” grade would require additional improvement in M/WBE spending among the City agencies with the highest amount of Local Law 1-eligible procurement spending.

Table 3 provides each agency’s assigned grade and compares grades from FY 2019 to the last five fiscal years.

Chart 5: Composition of Citywide M/WBE Grade by Total Agency Spending, FY 2019



Source: Checkbook NYC.

Grading by Minority Group

This report also finds that there is significant room for increased spending with every minority group. For their spending with **African American-owned firms**, five agencies received “A” grades, zero agencies received “B” grades, three received “C” grades, five received “D” grades, and **19 received “F” grades**.

With **Hispanic American-owned businesses**, 12 agencies received “A” grades, three agencies received “B” grades, four received “C” grades, seven received “D” grades, and **six received “F” grades**.

With **women-owned firms**, eight agencies received “A” grades, two agencies received “B” grades, eight received “C” grades, nine received “D” grades, and **five received “F” grades**.

With **Asian American-owned businesses**, 18 agencies received “A” grades, one agency received a “B” grade, seven received “C” grades, three received “D” grades, and **three received “F” grades**.

Tables 4 through 7 provide assigned grades for agencies by minority group and industry.

Additional information about individual agency grades is available in Appendix A. The worksheets used to calculate each agency grade appear in Appendix B and a complete explanation of the report’s methodology can be found in Appendix D. Subcontract data for each agency can be found in Appendix C. A review of the City’s top vendors and their M/WBE utilization appears in Appendix E, showing that M/WBEs received about 10 percent of the \$3.9 billion that went to the City’s top 50 vendors.

Table 3: Comparison of FY 2014 – FY 2019 Grades

Abbr.	Agency Name	FY14	FY15	FY16	FY17	FY18	FY19	FY18 - FY19
City	Citywide	D	D+	D+	D+	D+	C	↑1
OCC	Office of the Comptroller	C	C	B	B	B	A	↑1
CCHR	Commission on Human Rights	C	C	B	A	A	A	--
DFTA	Department for the Aging	D	C	B	A	A	A	--
DOHMH	Department of Health and Mental Hygiene	C	C	C	B	A	A	--
DCLA	Department of Cultural Affairs	B	C	C	B	B	B	--
DPR	Department of Parks and Recreation	D	C	C	B	B	B	--
DOP	Department of Probation	C	D	D	C	B	B	--
TLC	Taxi and Limousine Commission	D	D	D	B	B	B	--
ACS	Administration for Children's Services	C	C	C	C	C	B	↑1
DCP	Department of City Planning	C	C	B	C	C	B	↑1
DoITT	Department of Information Technology and Telecommunications	F	D	D	D	C	B	↑1
SBS	Department of Small Business Services	D	F	B	A	C	B	↑1
DYCD	Department of Youth and Community Development	C	C	C	B	C	B	↑1
LPC	Landmarks Preservation Commission	B	B	B	B	C	B	↑1
NYPD	Police Department	N/A	N/A	N/A	N/A	C	B	↑1
DOC	Department of Correction	D	D	C	D	C	C	--
DDC	Department of Design and Construction	D	C	D	D	C	C	--
HPD	Department of Housing Preservation and Development	D	A	A	B	C	C	--
FDNY	Fire Department	D	D	C	C	C	C	--
Law	Law Department	C	D	C	D	C	C	--
OATH	Office of Administrative Trials and Hearings	D	C	D	C	C	C	--
BIC	Business Integrity Commission	D	D	F	C	D	C	↑1
DOB	Department of Buildings	D	D	F	F	D	C	↑1
DHS	Department of Homeless Services	D	D	D	D	D	C	↑1
HRA	Human Resources Administration	D	D	D	D	D	C	↑1
OEM	Office of Emergency Management	D	D	D	D	D	C	↑1
CCRB	Civilian Complaint Review Board	C	C	D	B	B	C	↓1
DCWP	Department of Consumer and Worker Protection	D	C	B	B	B	C	↓1
DEP	Department of Environmental Protection	F	F	D	D	D	D	--
DOF	Department of Finance	F	D	C	D	D	D	--
DSNY	Department of Sanitation	F	F	F	F	D	D	--
DOT	Department of Transportation	D	D	D	F	D	D	--
DCAS	Department of Citywide Administrative Services	D	D	D	F	F	D	↑1

Table 4: Agency Grades with African Americans by Industry

Agency Name	African American	Construction	Professional Services	Standard Services	Goods
Citywide	F	F	F	F	D
Office of the Comptroller	A	N/A*	C	D	A
Commission on Human Rights	A	N/A*	A	A	A
Department for the Aging	A	N/A*	A	F	A
Department of Cultural Affairs	A	A	D	F	A
Department of Small Business Services	A	A	A	B	A
Department of Youth and Community Development	A	N/A*	A	F	A
Business Integrity Commission	C	N/A*	F	A	D
Department of Probation	C	F	D	D	C
Office of Emergency Management	C	N/A*	F	F	A
Administration for Children's Services	D	F	D	C	B
Department of Correction	D	F	A	F	A
Department of Health and Mental Hygiene	D	F	F	F	A
Department of Housing Preservation and Development	D	F	F	B	F
Landmarks Preservation Commission	D	F	D	F	A
Civilian Complaint Review Board	F	N/A*	F	F	F
Department of Buildings	F	F	F	F	A
Department of City Planning	F	F	F	F	F
Department of Citywide Administrative Services	F	F	F	D	F
Department of Consumer and Worker Protection	F	N/A*	F	F	C
Department of Design and Construction	F	F	D	B	C
Department of Environmental Protection	F	F	F	F	A
Department of Finance	F	F	F	F	F
Department of Homeless Services	F	F	F	F	C
Department of Information Technology and Telecommunications	F	A	F	F	A
Department of Parks and Recreation	F	F	F	F	C
Department of Sanitation	F	F	F	F	C
Department of Transportation	F	F	F	F	B
Fire Department	F	F	F	F	A
Human Resources Administration	F	F	F	F	A
Law Department	F	N/A*	F	F	D
Taxi and Limousine Commission	F	N/A*	F	F	F
Office of Administrative Trials and Hearings	F	N/A*	F	F	C
Police Department	F	F	F	F	C

Table 5: Agency Grades with Hispanic Americans by Industry

Agency Name	Hispanic American	Construction	Professional Services	Standard Services	Goods
Citywide	C	A	D	F	C
Office of the Comptroller	A	N/A*	A	F	A
Civilian Complaint Review Board	A	N/A*	F	F	A
Commission on Human Rights	A	N/A*	F	A	A
Department for the Aging	A	N/A*	A	A	A
Department of Buildings	A	F	B	F	A
Department of Consumer and Worker Protection	A	N/A*	A	F	A
Department of Cultural Affairs	A	F	F	A	A
Department of Design and Construction	A	B	A	B	A
Department of Health and Mental Hygiene	A	A	A	F	A
Department of Parks and Recreation	A	A	F	B	A
Department of Probation	A	A	F	D	A
Landmarks Preservation Commission	A	F	F	A	B
Taxi and Limousine Commission	A	N/A*	A	C	A
Administration for Children's Services	B	A	F	C	A
Fire Department	B	A	F	D	A
Police Department	B	A	F	F	A
Department of City Planning	C	F	D	A	A
Department of Housing Preservation and Development	C	A	F	F	A
Department of Transportation	C	C	F	F	A
Department of Youth and Community Development	C	N/A*	F	F	A
Department of Citywide Administrative Services	D	A	F	F	F
Department of Correction	D	F	D	F	A
Department of Environmental Protection	D	D	C	F	A
Department of Information Technology and Telecommunications	D	F	F	F	A
Department of Small Business Services	D	F	F	F	A
Human Resources Administration	D	A	F	F	A
Office of Emergency Management	D	N/A*	F	F	A
Business Integrity Commission	F	N/A*	F	F	F
Department of Finance	F	F	F	F	A
Department of Homeless Services	F	F	F	F	A
Department of Sanitation	F	F	F	F	A
Law Department	F	N/A*	F	F	B
Office of Administrative Trials and Hearings	F	N/A*	F	F	D

Table 6: Agency Grades with Women by Industry

Agency Name	Women	Construction	Professional Services	Standard Services	Goods
Citywide	D	D	C	C	D
Office of the Comptroller	A	N/A*	A	A	B
Department for the Aging	A	N/A*	D	A	B
Department of City Planning	A	A	A	A	F
Department of Correction	A	D	F	A	B
Department of Health and Mental Hygiene	A	F	A	A	B
Department of Homeless Services	A	F	A	D	A
Department of Information Technology and Telecommunications	A	F	F	A	C
Department of Small Business Services	A	F	C	A	B
Police Department	A	A	F	A	C
Commission on Human Rights	B	N/A*	C	A	F
Human Resources Administration	B	F	A	D	C
Civilian Complaint Review Board	C	N/A*	F	D	B
Department of Citywide Administrative Services	C	A	C	A	F
Department of Consumer and Worker Protection	C	N/A*	F	A	D
Department of Parks and Recreation	C	D	A	D	A
Department of Probation	C	F	A	F	C
Landmarks Preservation Commission	C	C	F	A	F
Law Department	C	N/A*	F	A	D
Office of Administrative Trials and Hearings	C	N/A*	F	C	A
Administration for Children's Services	D	F	B	F	B
Business Integrity Commission	D	N/A*	F	F	B
Department of Design and Construction	D	D	C	C	B
Department of Environmental Protection	D	F	D	F	A
Department of Housing Preservation and Development	D	A	C	F	C
Department of Youth and Community Development	D	N/A*	F	F	A
Fire Department	D	C	F	D	A
Taxi and Limousine Commission	D	N/A*	F	C	D
Office of Emergency Management	D	N/A*	C	F	C
Department of Buildings	F	C	F	D	C
Department of Cultural Affairs	F	F	F	A	D
Department of Finance	F	F	F	F	A
Department of Sanitation	F	F	F	F	A
Department of Transportation	F	F	F	D	A

Table 7: Agency Grades with Asian Americans by Industry

Agency Name	Asian American	Construction	Professional Services	Standard Services	Goods
Citywide	B	C	No Goal	A	D
Office of the Comptroller	A	N/A*	No Goal	A	B
Administration for Children's Services	A	F	No Goal	A	A
Business Integrity Commission	A	N/A*	No Goal	A	F
Commission on Human Rights	A	N/A*	No Goal	A	A
Department of Buildings	A	F	No Goal	A	A
Department of City Planning	A	F	No Goal	B	A
Department of Cultural Affairs	A	A	No Goal	F	A
Department of Finance	A	F	No Goal	A	A
Department of Health and Mental Hygiene	A	D	No Goal	B	A
Department of Housing Preservation and Development	A	A	No Goal	A	A
Department of Information Technology and Telecommunications	A	F	No Goal	A	A
Department of Parks and Recreation	A	A	No Goal	A	B
Department of Probation	A	F	No Goal	A	A
Fire Department	A	F	No Goal	A	A
Human Resources Administration	A	A	No Goal	B	A
Landmarks Preservation Commission	A	A	No Goal	F	F
Law Department	A	N/A*	No Goal	B	A
Taxi and Limousine Commission	A	N/A*	No Goal	C	A
Office of Administrative Trials and Hearings	A	N/A*	No Goal	A	A
Department of Youth and Community Development	B	N/A*	No Goal	F	A
Civilian Complaint Review Board	C	N/A*	No Goal	F	B
Department for the Aging	C	N/A*	No Goal	A	F
Department of Correction	C	F	No Goal	A	A
Department of Design and Construction	C	D	No Goal	A	A
Department of Homeless Services	C	A	No Goal	F	A
Department of Small Business Services	C	F	No Goal	C	A
Police Department	C	A	No Goal	D	B
Department of Environmental Protection	D	D	No Goal	D	A
Department of Sanitation	D	A	No Goal	F	B
Office of Emergency Management	D	N/A*	No Goal	F	A
Department of Citywide Administrative Services	F	D	No Goal	F	F
Department of Consumer and Worker Protection	F	N/A*	No Goal	F	D
Department of Transportation	F	F	No Goal	D	A

Getting to the “A” Grade: Comptroller’s Best Practices

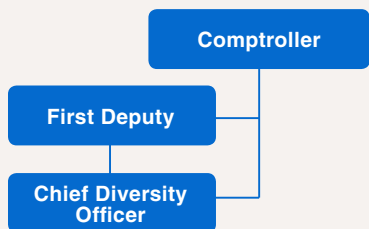
Several agencies maintained or improved their marks in FY 2019, resulting in the City of New York earning its first “C” grade, its highest grade yet. The Comptroller’s Office received its first “A” grade in FY 2019, earning an “A” grade across all minority groups and exceeding 36 percent spending with M/WBEs. This was accomplished by proactively implementing a series of reforms to internal

processes that have in turn gradually opened up more opportunities for M/WBEs since 2014. The practices the Comptroller’s Office has adopted are replicable and could be used as a model for other agencies to improve their own M/WBE procurement and reach an “A” grade. These best practices can be found in Chart 6.

Chart 6: Getting to the A Grade
Replicable Agency Best Practices

1 Create a structure

- Hire a Chief Diversity Officer reporting to the top



- Establish an Advisory Board of experts in supplier diversity, government, business, and advocacy
- Create an intra-agency steering committee for internal accountability and transparency in reporting

2 Implement agency-wide policies

- Conduct market analyses, including due diligence on M/WBE availability, to inform decisions about procurement requirements
- Commit to setting M/WBE utilization goals on all procurements with M/WBE availability
- Review all long-term contracts for new competition rather than automatically renewing them
- Mandate internal key stakeholders to conduct line-by-line review of procurement requirements, i.e. scope of work and minimum criteria
- Conduct pre-proposal or pre-bid conferences for all procurements

3 Monitor Growth

- Prioritize agency approval of subcontractors and prime vendor compliance with subcontractor payments
- Track spending against M/WBE goals using Checkbook NYC and progress reports

Recommendations

Based on the data on spending with M/WBEs, feedback from the focus groups, and the Comptroller's survey data, this report makes the following recommendations:

Recommendation: The City should require agencies to conduct market analyses to inform decisions concerning procurement requirements.

Prior to the approval and release of every solicitation, the Comptroller's Chief Diversity Officer conducts market analyses to ensure that contracts encourage meaningful participation by, and opportunity for, M/WBE firms on both prime and subcontracting levels.³⁹ In order to expand opportunities citywide, the City should require all agencies to conduct these types of analyses to inform decisions concerning procurement requirements such as minimum criteria and scopes of work. Currently there is no legislation, procurement rule, or administrative guidance requiring that solicitations correspond with market availability.

For each upcoming contract, the M/WBE Officer, Agency Chief Contracting Officer, and Bureau Head should conduct line-by-line reviews of the procurement requirements, including the scope of work and minimum criteria, comparing them with M/WBE availability and the overall market in order to

set M/WBE goals and to remove solicitation language that creates artificial barriers to competition.

Based on this market analysis, the M/WBE Officer and Agency Chief Contracting Officer (ACCO) should recommend changes that will increase M/WBE opportunities, which should be agreed upon by the Bureau Head and the Commissioner. These recommendations may include altering components of the solicitation, such as better tailoring the minimum criteria to meet industry standards, or they may recommend breaking up large contracts into multiple contracts. The M/WBE Officer and ACCO can recommend optimizing competition by choosing different procurement methods, such as the M/WBE purchase method or a request for proposals rather than negotiated acquisitions where appropriate. Notably, the market analysis allows agencies to confidently assign attainable M/WBE utilization goals that match market availability and ensure inclusive competition. A sample memorandum outlining market analysis recommendations can be found on the next page.

M/WBE Survey Highlight

82 percent of respondents called for improvement of criteria on how vendors are chosen.

MEMORANDUM

To: Commissioner

From: Chief Diversity Officer, Agency Chief Contracting Officer, Bureau Head

Subject: Market Analysis for RFP

This memorandum documents the [AGENCY NAME] minority- and women-owned business enterprise (M/WBE) market analysis procedure for an upcoming Request for Proposals within [BUREAU NAME] to procure professional development trainings.

The goal of this market analysis is for the [AGENCY NAME] to identify potential utilization opportunities with M/WBEs for an upcoming procurement. The findings of this market analysis will be used to set an M/WBE utilization goal consistent with Local Law 1.

RFP Scope of Work Analysis

RFP Purpose: [AGENCY NAME] plans to procure professional development trainings and focus groups to inform the agenda of the trainings.

Can any part of the scope of services be conducted by subcontractors in different industries? Can the contract be broken into multiple smaller contracts?

Yes. The Diversity Office found that the professional development trainings can be conducted by an executive coach or trainer and the focus groups can be conducted by researchers. These can be solicited as two separate contracts or as one contract with a prime contractor and subcontractor.

RFP Minimum Criteria Analysis

Do the minimum criteria create artificial barriers to competition for M/WBEs?

To understand industry standards, we identified and reached out to 20 potential M/WBE proposers through the SBS directory and professional organizations.

1. Proposer must have 10 years of experience in the professional development industry. This criteria **LIMITS** M/WBE participation. The average number of years of experience among M/WBEs is 9 years.

Best practice:

Identify potential M/WBE proposers through M/WBE Directories (e.g. NYS Empire State Development, NYC Small Business Services), Bidders Lists, and Professional Organization directories

Conduct outreach to determine the average M/WBE experience relative to the minimum criteria. For example, call all potential M/WBEs and ask about years of experience and number of clients.

Compare to current RFP language to identify which minimum criteria limit M/WBE competition, if any.

2. Proposers must have 3 clients. This criteria reflects industry standards and therefore **DOES NOT LIMIT** M/WBE participation. The average number of clients among M/WBEs exceeds the minimum requirement.

RFP Market Analysis Results

Which M/WBE firms could participate based the analysis?

- X Number of M/WBE firms were identified that could participate, including:
 - o [LIST OF M/WBE FIRMS]

Summary of Recommendations

What changes can be made to the RFP to open up competition, including participation from M/WBEs?

- Assign a 20% M/WBE Utilization Goal.
- Issue two RFPs for the two separate components of the project, instead of one.
- Meet market standard by adjusting minimum number of years of experience from 10 to 9.
- Because the budget is less than \$150,000 and there are numerous M/WBEs available to do the project, the M/WBE Small Purchase Method is an option.

Inter-Bureau Accountability: Timeline of the Office's Market Analysis for the RFP

- April 23rd: Diversity team received request for the market analysis from [BUREAU NAME] to procure professional development trainings.
- April 24th – May 3rd: Market Analyst reviewed scope of work, minimum requirements, and M/WBE availability.
- May 3rd – May 6th: Market Analyst conducted two rounds of outreach to M/WBEs.
- June 6th: Diversity team, ACCO, [BUREAU NAME] met to discuss findings.

Sincerely,

Chief Diversity Officer
Agency Chief Contracting Officer

Best practice:

Provide summary of how many M/WBEs meet and do not meet criteria.

List potential proposers that meet all criteria.

Track additional data in a separate database to understand the full picture of the market in addition to the minimum criteria.

Best practice:

Review all recommendations with the Bureau Head and ACCO.

For example:
Assign an M/WBE utilization goal
Separate project into multiple contracts
Tailor minimum criteria Change procurement method

Best practice:

Document the market analysis timeline. This introduces accountability to the process, ensuring all participating bureaus are equally responsible for completing the market analysis.

Recommendation: The City should conduct a workforce disparity study and create a workforce diversity program.

Although the City as a whole has a historically low unemployment rate, this does not necessarily signal an inclusive workforce among vendors with City contracts.⁴⁰ In fact, a 2018 analysis by the New York Building Congress found that people of color make up a smaller and smaller portion of the construction workforce in New York City, and the number of women construction workers remains stagnant.⁴¹ As the City moves forward in diversifying its vendors, it should also be focused on ensuring that vendors' workforces are reflective of the city's population.

Other cities are currently implementing workforce diversity goals as part of their M/WBE programs. For example, Philadelphia set a 40 percent participation goal for minority workers in the construction industry based on a study of the ethnicity and gender of its vendors' workers. Their study recommended setting goals for each contract depending on the split of skilled vs. unskilled labor hours required for each project. When vendors fail to meet these goals, Philadelphia's disparity study recommends holding vendors accountable by allowing agencies to withhold payments, withdrawing financial assistance from the project, suspending vendors from bidding, or imposing penalties and fines when firms do not show good faith efforts to meet goals.⁴²

Another city currently implementing workforce diversity policies is Kansas City, which set a 10 percent minority goal and 2 percent women workers goal for construction projects

with a focus on people from economically disadvantaged neighborhoods. Their disparity study recommended requiring firms to prove good faith efforts towards workforce diversity goals in order to be eligible to bid for City contracts. The study also recommends reporting requirements for hours worked by minorities, women, and Kansas City residents for each project.⁴³

Most recently, New York State implemented a construction workforce diversity program after studying occupational disparities among women and different racial and ethnic groups in all industries – including construction, non-construction services, and goods.⁴⁴ The program requires workforce goals in all construction bids, and it requires agencies to include workforce diversity language in standard construction contracts for both prime and subcontractors. The new law empowers State agencies to reject bids and proposals of vendors that cannot prove good faith efforts to meet these goals.⁴⁵

Using these models set by Philadelphia, Kansas City, and New York State as examples, the City should conduct a workforce disparity study across all industries (construction; professional services; standard services; and goods). The workforce analysis should include an employee breakdown by skill level (i.e. laborer, apprentice, supervisor, etc.), race, ethnicity, gender, and geography. New York City could begin this analysis in the construction industry by requiring racial, ethnic, and gender data to be added to payroll reports, which construction vendors are currently required to submit to individual agencies per New York State Labor Law.

Vendors should submit these reports to one centralized office where a disparity analysis can be completed.

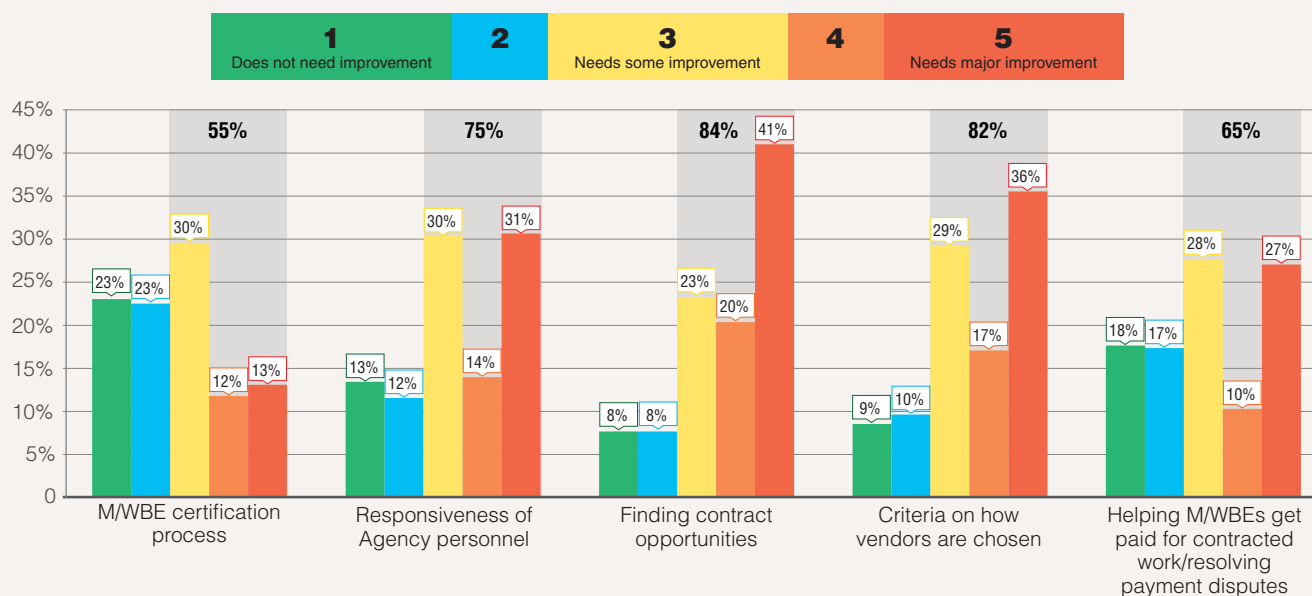
This disparity study can then be used to create a citywide workforce diversity goal on all contracts with City vendors. It should also inform the creation of a workforce diversity program. The program would require prime vendors and subcontractors to show their efforts to employ diverse New Yorkers as a prerequisite to doing business with the City, helping to close persistent wage inequities and strengthen New York City's economy across all five boroughs.

Recommendation: The City should expand the role of M/WBE Officers to serve as advocates for M/WBEs and address agency responsiveness and contracting issues.

Based on the Comptroller's survey of certified M/WBEs, shown below in Chart 7, many firms struggle to get responses to basic questions, receive timely notice of contract opportunities, or get paid on time.

Many of these challenges can be addressed at the agency level through the role of the M/WBE Officer. The City should empower M/WBE Officers to address these challenges by strengthening their roles. M/WBE Officers should serve as advocates for M/WBEs and address agency responsiveness, help M/WBEs navigate the nuances of each

Chart 7: M/WBE Survey: Suggestions on Areas to Improve Access to Public Contracting



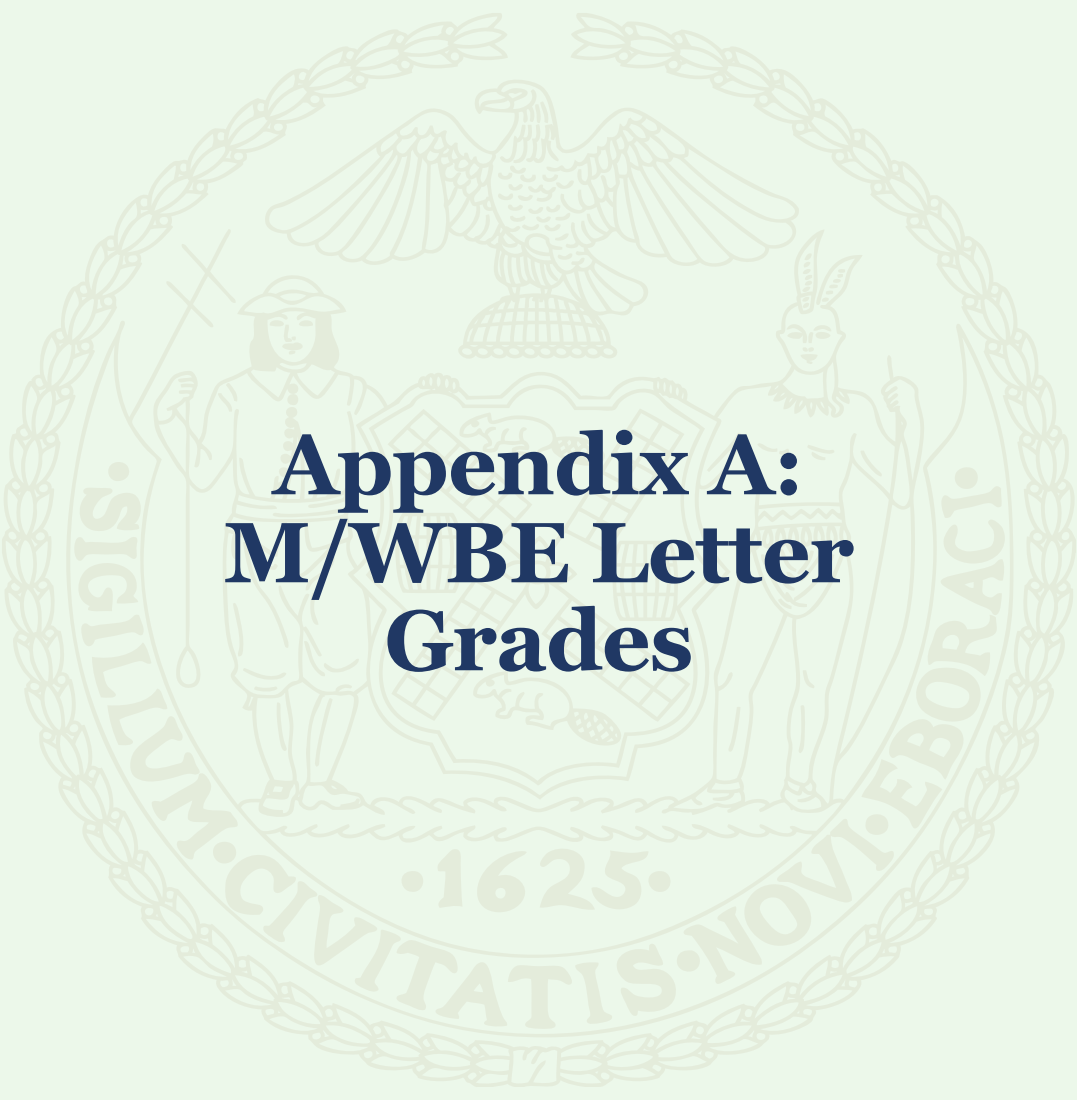
agency's procurement process, handle payment issues, and monitor M/WBE utilization goals. This would make M/WBE Officers responsible for agency accountability, allowing them to work with ACCOs during solicitation development and with procurement staff to ensure prompt payment.

Currently most M/WBE Officers do not have the influence they need to address M/WBE challenges. They are charged with:

- Liaising with M/WBEs;
- Ensuring that bid solicitations and requests for proposals are sent to M/WBEs;
- Referring firms to technical assistance services;
- Reviewing requests for waivers of M/WBE utilization goals;

- Monitoring contract compliance, including job site inspections, contacting M/WBEs identified in utilization plans to confirm their participation, and auditing contractors' records; and
- Reporting M/WBE contract awards to the Mayor's Office of Contract Services and the Mayor's Office of M/WBEs.

In addition, according to recently passed legislation, M/WBE Officers will also be responsible for training agency staff and developing agency-wide M/WBE standard operating procedures.⁴⁶ Expanding their role to advocate for M/WBEs struggling to do business with their agencies would make the entire process less burdensome for these businesses and improve the overall procurement market.

The background of the page features a large, faint, light green seal of the City of New York. The seal is circular and contains an eagle with spread wings at the top, a shield in the center, and two figures (a Native American and a European) on either side of the shield. The text "SIGILLUM CIVITATIS NOVI EBORACI" is written around the perimeter, and "1625" is at the bottom.

Appendix A: M/WBE Letter Grades

New York Citywide

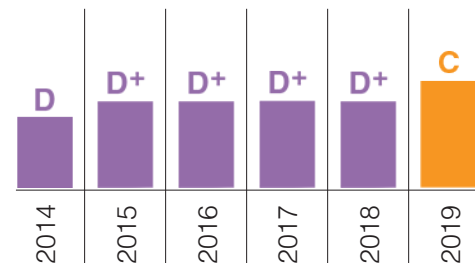
Letter Grade Overview

The City of New York had \$6.3 billion in total M/WBE-eligible spending, with 45% on construction, 21% on professional services, 24% on standard services, and 10% on goods. The City agencies graded received a C grade, earning an F grade with African Americans, a B grade with Asian Americans, a C grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, the agencies graded spent \$911.9 million with M/WBEs, an additional \$181 million since FY18. This represents 14.5% M/WBE spending, a 2.7% increase in its M/WBE share since FY18.

About City

This citywide grade was calculated based on a weighted average of all 32 agencies included in this report. The Comptroller's Office is not included in the citywide grade.

2019



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$13,613,697	6.03%	\$98,983,523	43.88%	\$96,816,749	85.83%	\$137,266,689	27.04%	\$2,473,241,195
Professional Services	\$20,611,167	13.05%	\$145,336,118	No Goal	\$38,429,752	36.51%	\$93,296,797	41.71%	\$1,018,223,160
Standard Services	\$17,345,957	9.66%	\$58,686,983	130.72%	\$9,706,649	10.81%	\$79,233,624	52.94%	\$1,331,588,274
Goods < \$100K	\$10,680,182	23.77%	\$20,432,448	39.79%	\$15,457,844	48.16%	\$56,001,834	34.90%	\$539,357,725
Total LL1 Spending	\$62,251,003		\$323,439,072		\$160,410,994		\$365,798,945		\$5,362,410,354
Weighted Grade	F		B		C		D		N/A

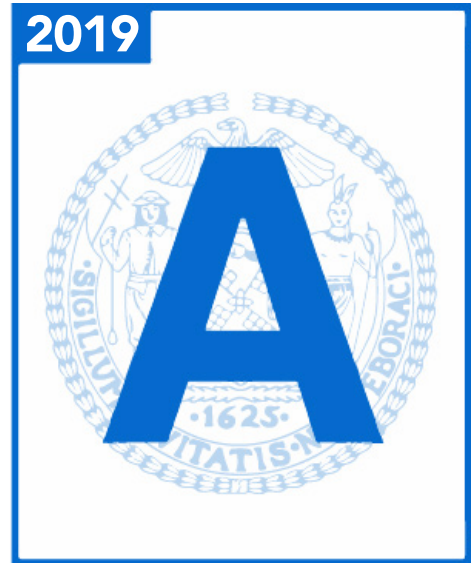
\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Office of the Comptroller

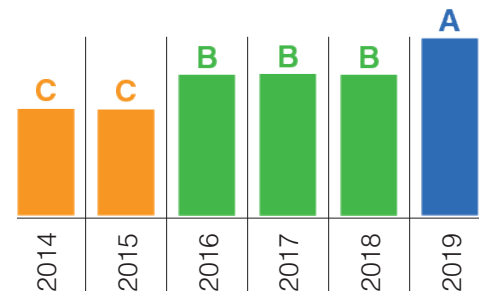
Letter Grade Overview

The Office of the Comptroller had \$16.8 million in M/WBE-eligible spending, with 0% on construction, 83% on professional services, 9% on standard services, and 8% on goods. The Office of the Comptroller received an A grade, earning an A grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, the Comptroller's Office spent \$6.2 million with M/WBEs, an additional \$2 million since FY 2018. This represents 36.7% M/WBE spending, a 6.8% increase in its M/WBE share since FY18.



About OCC

The Comptroller is the City of New York's Chief Financial Officer, responsible for providing an independent voice to safeguard the fiscal health of the City, rooting out waste, fraud and abuse in City government, and ensuring the effective performance of City agencies to achieve their goals of serving the needs of all New Yorkers.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$938,550	56.16%	\$830,111	No Goal	\$1,145,398	102.81%	\$2,131,277	90.02%	\$8,880,910
Standard Services	\$60,677	32.52%	\$69,689	149.40%	\$4,414	4.73%	\$181,473	116.72%	\$1,238,585
Goods < \$100K	\$390,429	424.58%	\$82,439	78.44%	\$78,124	118.94%	\$256,139	77.99%	\$506,532
Total LL1 Spending	\$1,389,656		\$982,239		\$1,227,936		\$2,568,889		\$10,626,027
Weighted Grade	A		A		A		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Administration for Children's Services

Letter Grade Overview

The Administration for Children's Services had \$45.7 million in total M/WBE-eligible spending, with 1% on construction, 36% on professional services, 57% on standard services, and 6% on goods. ACS received a B grade, earning a D grade with African Americans, an A grade with Asian Americans, a B grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, ACS spent \$11.9 million with M/WBEs, an additional \$2.5 million since FY 2018. This represents 26% M/WBE spending, a 3.5% increase in its M/WBE share since FY18.



About ACS

The Administration for Children's Services (ACS) is responsible for protecting and strengthening the city's children, youth and families by providing quality child welfare, juvenile justice, early child care and education services.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$496,648	2500.00%	\$0	0.00%	\$0
Professional Services	\$628,613	31.90%	\$3,913,083	No Goal	\$93,479	7.12%	\$1,814,280	65.00%	\$9,970,577
Standard Services	\$1,313,095	42.07%	\$1,445,268	185.23%	\$659,159	42.24%	\$439,205	16.89%	\$22,152,227
Goods < \$100K	\$121,968	62.19%	\$218,781	97.62%	\$240,618	171.78%	\$491,470	70.17%	\$1,728,692
Total LL1 Spending	\$2,063,675		\$5,577,132		\$1,489,904		\$2,744,955		\$33,851,496
Weighted Grade	D		A		B		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Business Integrity Commission

Letter Grade Overview

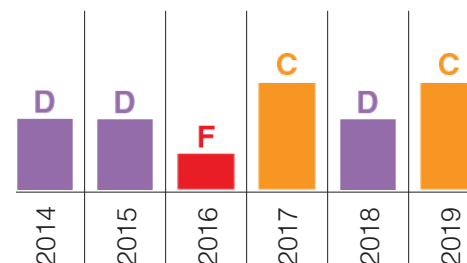
The Business Integrity Commission had \$511,505 in total M/WBE-eligible spending, with 0% on construction, 21% on professional services, 35% on standard services, and 44% on goods. BIC received a C grade, earning a C grade with African Americans, an A grade with Asian Americans, an F grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, BIC spent \$254,504 with M/WBEs, an additional \$93,521 since FY 2018. This represents 49.8% M/WBE spending, a 15% increase in its M/WBE share since FY18.

2019



About BIC

The Business Integrity Commission (BIC) regulates and monitors the trade waste hauling industry and the wholesalers and businesses operating in the City's public wholesale markets, and ensures the integrity of businesses in these industries.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$0	0.00%	\$92,940	No Goal	\$0	0.00%	\$0	0.00%	\$13,992
Standard Services	\$25,020	116.78%	\$90,950	1698.01%	\$0	0.00%	\$0	0.00%	\$62,572
Goods < \$100K	\$3,615	22.85%	\$0	0.00%	\$0	0.00%	\$41,979	74.29%	\$180,436
Total LL1 Spending	\$28,635		\$183,890		\$0		\$41,979		\$257,000
Weighted Grade	C		A		F		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Civilian Complaint Review Board

Letter Grade Overview

The Civilian Complaint Review Board had \$325,280 in total M/WBE-eligible spending, with 0% on construction, 12% on professional services, 33% on standard services, and 55% on goods. CCRB received a C grade, earning an F grade with African Americans, a C grade with Asian Americans, an A grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, CCRB spent \$69,598 with M/WBEs, a decrease of \$83,551 since FY 2018. This represents 21.4% M/WBE spending, a 14.6% decrease in its M/WBE share since FY18.

About CCRB

The Civilian Complaint Review Board (CCRB) is an independent agency with the authority to investigate allegations of police misconduct and recommend action directly to the NYPD commissioner.

2019



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$0	0.00%	\$0	No Goal	\$0	0.00%	\$0	0.00%	\$38,550
Standard Services	\$150	1.15%	\$0	0.00%	\$0	0.00%	\$3,448	31.85%	\$104,651
Goods < \$100K	\$0	0.00%	\$11,418	79.96%	\$21,563	241.62%	\$33,019	74.00%	\$112,482
Total LL1 Spending	\$150		\$11,418		\$21,563		\$36,467		\$255,683
Weighted Grade	F		C		A		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

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Commission on Human Rights

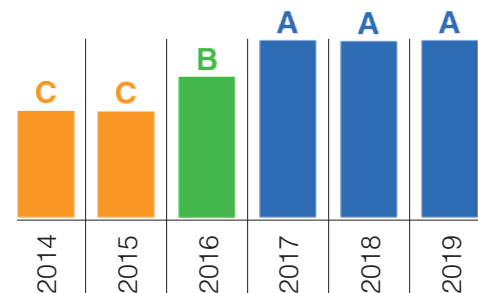
Letter Grade Overview

The Commission on Human Rights had \$1 million in total M/WBE-eligible spending, with 0% on construction, 49% on professional services, 21% on standard services, and 30% on goods. CCHR received an A grade, earning an A grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and a B grade with women-owned businesses. In FY19, CCHR spent \$814,811 with M/WBEs, an additional \$75,151 since FY 2018. This represents 80.1% M/WBE spending, a 15.9% increase in its M/WBE share since FY18.



About CCHR

The City Commission on Human Rights (CCHR) investigates allegations of discrimination in employment, housing and public accommodations, as well as bias-related harassment. In addition, the CCHR initiates investigations and prosecutes systemic Human Rights Law violations.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$168,804	280.78%	\$248,985	No Goal	\$0	0.00%	\$41,914	49.21%	\$41,299
Standard Services	\$20,872	80.68%	\$33,259	514.26%	\$21,017	162.48%	\$37,399	173.48%	\$103,032
Goods < \$100K	\$114,209	542.65%	\$89,515	372.16%	\$24,041	159.92%	\$14,796	19.68%	\$58,103
Total LL1 Spending	\$303,884		\$371,759		\$45,057		\$94,108		\$202,433
Weighted Grade	A		A		A		B		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

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Department for the Aging

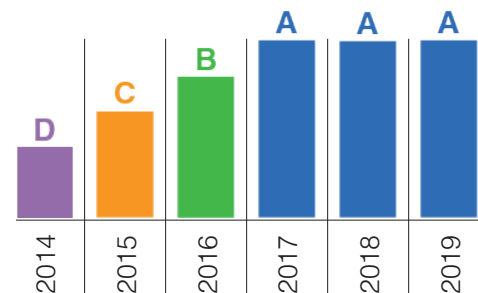
Letter Grade Overview

The Department for the Aging had \$1.1 million in total M/WBE-eligible spending, with 0% on construction, 39% on professional services, 24% on standard services, and 37% on goods. DFTA received an A grade, earning an A grade with African Americans, a C grade with Asian Americans, an A grade with Hispanic Americans, and an A grade with women-owned businesses. In FY19, DFTA spent \$677,520 with M/WBEs, an additional \$110,579 since FY 2018. This represents 60.5% M/WBE spending, a 9.6% increase in its M/WBE share since FY18.



About DFTA

The Department for the Aging (DFTA) promotes, administers and coordinates the development and provision of services for older New Yorkers to help them maintain independence and participation in their communities.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$49,303	93.41%	\$160,477	No Goal	\$146,820	417.24%	\$25,440	34.02%	\$57,814
Standard Services	\$0	0.00%	\$8,670	106.80%	\$66,118	407.23%	\$62,298	230.22%	\$133,514
Goods < \$100K	\$39,689	138.63%	\$0	0.00%	\$39,302	192.19%	\$79,403	77.66%	\$250,592
Total LL1 Spending	\$88,992		\$169,147		\$252,240		\$167,141		\$441,919
Weighted Grade	A		C		A		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

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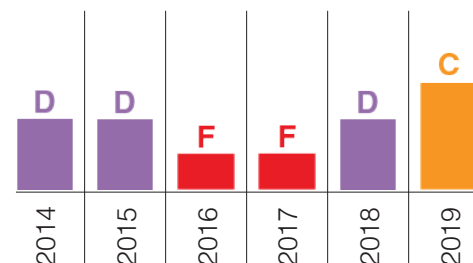
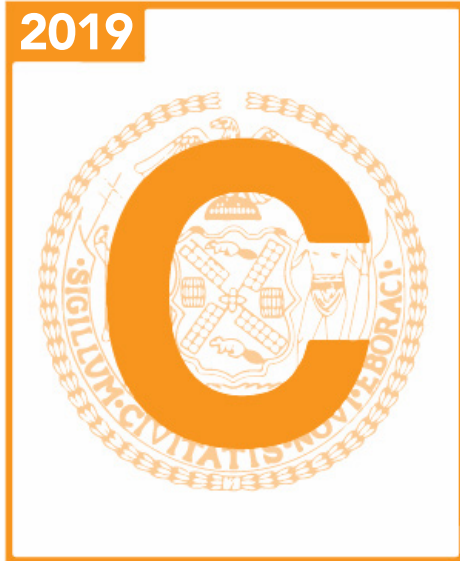
Department of Buildings

Letter Grade Overview

The Department of Buildings had \$26.7 million in total M/WBE-eligible spending, with 5% on construction, 66% on professional services, 21% on standard services, and 8% on goods. DOB received a C grade, earning an F grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and an F grade with women-owned businesses. In FY19, DOB spent \$4.8 million with M/WBEs, an additional \$1.1 million since FY 2018. This represents 17.8% M/WBE spending, a 7% increase in its M/WBE share since FY18.

About DOB

The Department of Buildings (DOB) ensures the safe and lawful use of more than one million buildings and properties by enforcing the City's Building Code, the City's Zoning Resolution, New York State Labor Law and New York State Multiple Dwelling Law. DOB enforces compliance with these regulations and promotes worker and public safety through its review and approval of building plans, permitting and licensing functions, and inspections.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$99,997	45.35%	\$1,124,971
Professional Services	\$46,620	2.20%	\$1,934,446	No Goal	\$1,030,273	72.84%	\$3,525	0.12%	\$14,665,821
Standard Services	\$19,488	2.90%	\$140,182	83.49%	\$0	0.00%	\$212,669	38.00%	\$5,224,473
Goods < \$100K	\$254,951	169.05%	\$229,688	133.26%	\$467,052	433.57%	\$313,351	58.18%	\$889,418
Total LL1 Spending	\$321,059		\$2,304,316		\$1,497,325		\$629,541		\$21,904,684
Weighted Grade	F		A		A		F		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of City Planning

Letter Grade Overview

The Department of City Planning had \$3.8 million in total M/WBE-eligible spending, with 1% on construction, 90% on professional services, 5% on standard services, and 5% on goods. DCP received a B grade, earning an F grade with African Americans, an A grade with Asian Americans, a C grade with Hispanic Americans and an A grade with women-owned businesses. In FY19, DCP spent \$1 million with M/WBEs, an additional \$678,144 since FY 2018. This represents 27.3% M/WBE spending, a 21.8% increase in its M/WBE share since FY18.



About DCP

The Department of City Planning (DCP) promotes strategic growth, transit-oriented development and sustainable communities to enhance quality of life in the City, in part by initiating comprehensive planning and zoning changes for individual neighborhoods and business districts, as well as by establishing citywide policies and zoning regulations.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$25,593	469.16%	\$4,713
Professional Services	\$16,619	4.02%	\$234,114	No Goal	\$60,906	22.09%	\$553,368	94.47%	\$2,580,700
Standard Services	\$1,839	8.50%	\$3,416	63.12%	\$32,076	296.34%	\$71,218	394.79%	\$71,848
Goods < \$100K	\$1,840	14.56%	\$16,663	115.34%	\$20,321	225.07%	\$8,984	19.90%	\$132,767
Total LL1 Spending	\$20,299		\$254,193		\$113,302		\$659,163		\$2,790,028
Weighted Grade	F		A		C		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Citywide Administrative Services

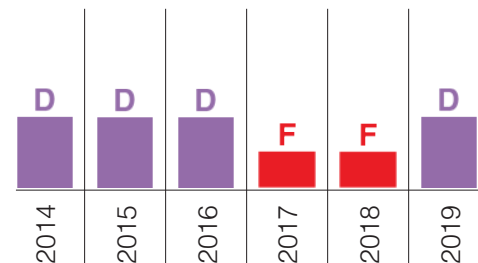
Letter Grade Overview

The Department of Citywide Administrative Services had \$715.4 million in total M/WBE-eligible spending, with 4% on construction, 4% on professional services, 25% on standard services, and 68% on goods. DCAS received a D grade, earning an F grade with African Americans, an F grade with Asian Americans, a D grade with Hispanic Americans, and a C grade with women-owned businesses. In FY19, DCAS spent \$82.1 million with M/WBEs, an additional \$39.1 million since FY 2018. This represents 11.5% M/WBE spending, a 4.9% increase in its M/WBE share since FY18.



About DCAS

The Department of Citywide Administrative Services (DCAS) ensures that City agencies have the necessary resources to serve the public. DCAS supports City agencies in recruiting and training employees, establishing and enforcing equal employment opportunity procedures, and providing facilities management. DCAS also purchases, sells and leases non-residential property, and purchases goods and services.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$346,139	13.91%	\$748,804	30.09%	\$7,206,794	579.19%	\$13,134,139	234.57%	\$9,671,224
Professional Services	\$121,393	4.02%	\$3,914,295	No Goal	\$188,958	9.38%	\$2,085,318	48.74%	\$18,857,860
Standard Services	\$5,128,003	24.33%	\$992,902	18.85%	\$613,955	5.83%	\$15,788,599	89.91%	\$153,086,641
Goods < \$100K	\$2,185,502	6.46%	\$3,763,559	9.73%	\$2,227,481	9.21%	\$23,608,030	19.53%	\$451,686,182
Total LL1 Spending	\$7,781,037		\$9,419,559		\$10,237,188		\$54,616,086		\$633,301,908
Weighted Grade	F		F		D		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Consumer and Worker Protection

Letter Grade Overview

The Department of Consumer and Worker Protection (formerly the Department of Consumer Affairs) had \$2.6 million in total M/WBE-eligible spending, with 0% on construction, 68% on professional services, 22% on standard services, and 9% on goods. DCWP received a C grade, earning an F grade with African Americans, an F grade with Asian Americans, an A grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, DCWP spent \$1.8 million with M/WBEs, an additional \$1.5 million since FY 2018. This represents 67.2% M/WBE spending, a 52.3% increase in its M/WBE share since FY18.

2019



About DCWP

The Department of Consumer Affairs (DCA) empowers consumers to ensure a fair and vibrant marketplace. DCA enforces the Consumer Protection Law, the City's Paid Sick Leave Law, the Transit Benefits Law, and other business related laws throughout New York City. The agency licenses and regulates more than 80,000 businesses in 55 different industries.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$9,129	4.21%	\$1,373,867	No Goal	\$145,320	100.47%	\$0	0.00%	\$279,629
Standard Services	\$12,320	17.45%	\$2,268	12.85%	\$994	2.82%	\$99,817	169.70%	\$472,800
Goods < \$100K	\$8,241	48.06%	\$6,951	35.47%	\$94,382	770.59%	\$22,152	36.17%	\$113,236
Total LL1 Spending	\$29,690		\$1,383,086		\$240,696		\$121,969		\$865,665
Weighted Grade	F		F		A		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Correction

Letter Grade Overview

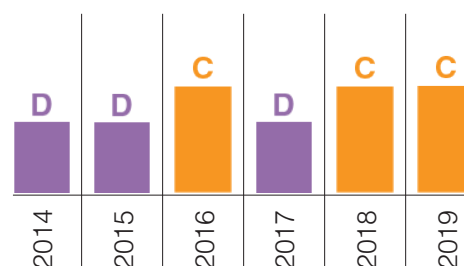
The Department of Correction had \$48.3 million in total M/WBE-eligible spending, with 42% on construction, 15% on professional services, 23% on standard services, and 21% on goods. DOC received a C grade, earning a D grade with African Americans, a C grade with Asian Americans, a D grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, DOC spent \$11.7 million with M/WBEs, an additional \$1.8 million since FY 2018. This represents 24.2% M/WBE spending, a 7.9% increase in its M/WBE share since FY18.

2019



About DOC

The Department of Correction (DOC) provides for the care, custody and control of adults accused of crimes or convicted and sentenced to one year or less of incarceration.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$1,224,337	33.84%	\$18,875,940
Professional Services	\$700,424	82.78%	\$1,900,721	No Goal	\$153,780	27.26%	\$104,073	8.68%	\$4,192,080
Standard Services	\$81,515	6.11%	\$398,678	119.51%	\$2,178	0.33%	\$2,908,595	261.57%	\$7,728,973
Goods < \$100K	\$845,083	120.95%	\$826,393	103.49%	\$726,685	145.60%	\$1,821,896	73.01%	\$5,761,613
Total LL1 Spending	\$1,627,022		\$3,125,792		\$882,643		\$6,058,901		\$36,558,606
Weighted Grade	D		C		D		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Cultural Affairs

Letter Grade Overview

The Department of Cultural Affairs had \$1.5 million in total M/WBE-eligible spending, with 61% on construction, 6% on professional services, 0% on standard services, and 33% on goods. DCLA received a B grade, earning an A grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and an F grade with women-owned firms. In FY19, DCLA spent \$613,382 with M/WBEs, a decrease of \$7,177 since FY 2018. This represents 40.4% M/WBE spending, a 13.1% increase in its M/WBE share since FY18.

About DCLA

The Department of Cultural Affairs (DCLA) provides financial support and technical assistance to the City's cultural community, including City-owned cultural institutions and non-profit organizations, and promotes and advocates for quality arts programming.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$87,478	117.96%	\$101,528	136.91%	\$0	0.00%	\$0	0.00%	\$737,990
Professional Services	\$4,200	38.46%	\$13,092	No Goal	\$0	0.00%	\$0	0.00%	\$73,714
Standard Services	\$0	0.00%	\$0	0.00%	\$3,065	1054.57%	\$1,779	367.26%	\$0
Goods < \$100K	\$45,833	132.33%	\$49,678	125.51%	\$260,334	1052.31%	\$46,395	37.51%	\$92,543
Total LL1 Spending	\$137,511		\$164,299		\$263,399		\$48,174		\$904,246
Weighted Grade	A		A		A		F		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Design and Construction

Letter Grade Overview

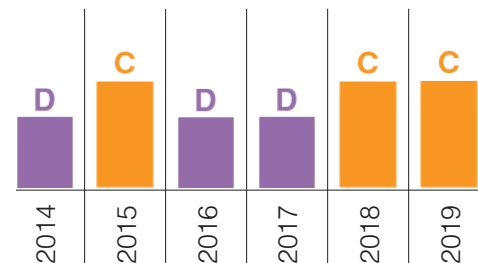
The Department of Design and Construction had \$1.6 billion in total M/WBE-eligible spending, with 81% on construction, 17% on professional services, 2% on standard services, and 0% on goods. DDC received a C grade, earning an F grade with African Americans, a C grade with Asian Americans, an A grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, DDC spent \$255.2 million with M/WBEs, an additional \$29.3 million since FY 2018. This represents 15.6% M/WBE spending, a 2.6% increase in its M/WBE share since FY18.

2019



About DDC

The Department of Design and Construction (DDC) manages a design and construction portfolio of more than \$10 billion of the City's capital program. Projects include roadways, sewers and water mains, and human service facilities, as well as cultural institutions and libraries.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$5,428,568	5.13%	\$39,280,305	37.14%	\$40,358,038	76.31%	\$63,851,693	26.83%	\$1,173,215,986
Professional Services	\$8,464,547	25.20%	\$43,589,550	No Goal	\$22,615,425	100.98%	\$21,729,878	45.66%	\$183,548,392
Standard Services	\$2,962,639	72.59%	\$3,165,556	310.26%	\$1,568,504	76.86%	\$1,577,366	46.38%	\$24,736,067
Goods < \$100K	\$50,378	56.09%	\$158,084	154.00%	\$230,815	359.76%	\$209,596	65.34%	\$634,300
Total LL1 Spending	\$16,906,132		\$86,193,496		\$64,772,781		\$87,368,532		\$1,382,134,744
Weighted Grade	F		C		A		D		N/A

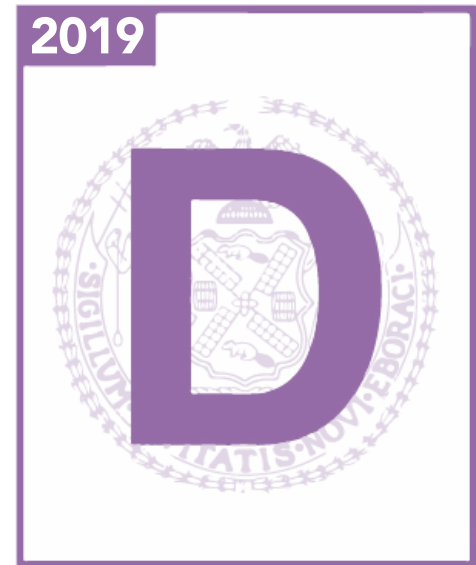
\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Environmental Protection

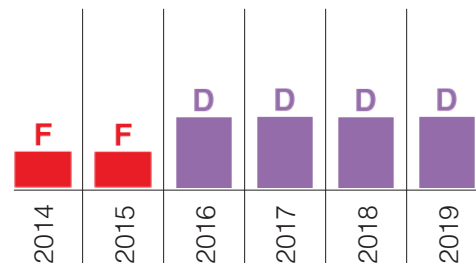
Letter Grade Overview

The Department of Environmental Protection had \$981.6 million in total M/WBE-eligible spending, with 60% on construction, 17% on professional services, 21% on standard services, and 2% on goods. DEP received a D grade, earning an F grade with African Americans, a D grade with Asian Americans, a D grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, DEP spent \$81.8 million with M/WBEs, an additional \$9.9 million since FY 2018. This represents 8.3% M/WBE spending, a 0.2% increase in its M/WBE share since FY18.



About DEP

The Department of Environmental Protection (DEP) protects public health and the environment by supplying clean drinking water, collecting and treating wastewater, and reducing air, noise and hazardous materials pollution.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$1,823,289	3.90%	\$12,064,940	25.81%	\$5,583,440	23.89%	\$14,751,976	14.03%	\$549,993,320
Professional Services	\$2,381,249	11.64%	\$6,094,779	No Goal	\$5,975,393	43.80%	\$11,499,167	39.67%	\$144,569,017
Standard Services	\$2,075,214	8.46%	\$1,977,819	32.26%	\$1,418,214	11.57%	\$2,520,312	12.33%	\$196,354,741
Goods < \$100K	\$1,372,224	87.00%	\$1,782,346	98.88%	\$1,987,079	176.38%	\$8,541,824	151.64%	\$8,848,760
Total LL1 Spending	\$7,651,976		\$21,919,885		\$14,964,126		\$37,313,279		\$899,765,837
Weighted Grade	F		D		D		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Finance

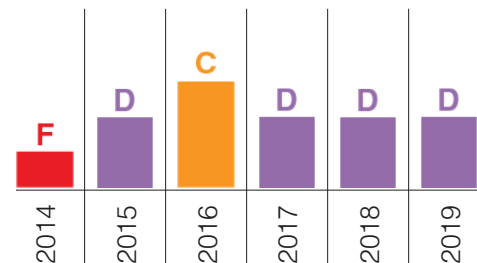
Letter Grade Overview

The Department of Finance had \$53 million in total M/WBE-eligible spending, with 0% on construction, 43% on professional services, 54% on standard services, and 2% on goods. DOF received a D grade, earning an F grade with African Americans, an A grade with Asian Americans, an F grade with Hispanic Americans, and an F grade with women-owned firms. In FY19, DOF spent \$6.5 million with M/WBEs, an additional \$1.1 million since FY 2018. This represents 12.2% M/WBE spending, a 9% decrease in its M/WBE share since FY18.



About DOF

The Department of Finance collects over \$35 billion in revenue for the City and assesses more than one million properties currently valued at over \$1 trillion.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$35,000
Professional Services	\$0	0.00%	\$3,208,506	No Goal	\$0	0.00%	\$317,248	8.13%	\$19,418,303
Standard Services	\$117,536	3.41%	\$1,345,166	155.89%	\$183,582	10.64%	\$285,620	9.93%	\$26,831,930
Goods < \$100K	\$17,572	19.41%	\$214,504	207.35%	\$66,728	103.21%	\$733,978	227.04%	\$260,331
Total LL1 Spending	\$135,108		\$4,768,177		\$250,310		\$1,336,846		\$46,545,564
Weighted Grade	F		A		F		F		N/A

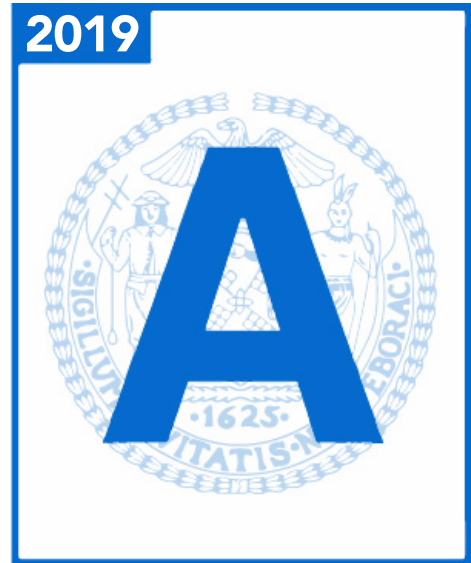
\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Health and Mental Hygiene

Letter Grade Overview

The Department of Health and Mental Hygiene had \$53.7 million in total M/WBE-eligible spending, with 7% on construction, 55% on professional services, 16% on standard services, and 22% on goods. The DOHMH received an A grade, earning a D grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, DOHMH spent \$26.7 million with M/WBEs, a decrease of \$1.7 million since FY 2018. This represents 49.8% M/WBE spending, a 2.3% increase in its M/WBE share since FY18.



About DOHMH

The Department of Health and Mental Hygiene (DOHMH) protects and promotes the physical and mental health of New Yorkers. It provides information and recommendations to policy makers, health care providers, and residents, provides direct health services, and enforces health regulations.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$47,358	16.11%	\$68,965	23.46%	\$706,358	480.58%	\$108,391	16.39%	\$2,743,462
Professional Services	\$369,427	10.45%	\$3,725,981	No Goal	\$2,039,065	86.55%	\$11,939,976	238.50%	\$11,373,914
Standard Services	\$153,519	14.73%	\$185,566	71.24%	\$52,063	9.99%	\$1,046,554	120.53%	\$7,245,366
Goods < \$100K	\$852,771	102.41%	\$1,996,997	209.85%	\$1,390,970	233.87%	\$2,041,368	68.64%	\$5,613,262
Total LL1 Spending	\$1,423,075		\$5,977,508		\$4,188,456		\$15,136,290		\$26,976,005
Weighted Grade	D		A		A		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Homeless Services

Letter Grade Overview

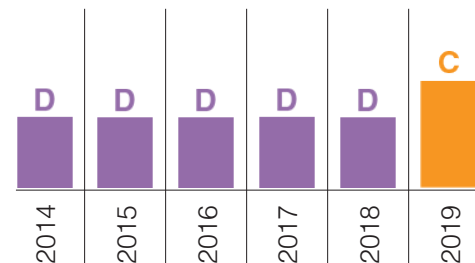
The Department of Homeless Services had \$103.6 million in total M/WBE-eligible spending, with 14% on construction, 19% on professional services, 66% on standard services, and 1% on goods. DHS received a C grade, earning an F grade with African Americans, a C grade with Asian Americans, an F grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, DHS spent \$19.8 million with M/WBEs, an additional \$10.2 million since FY 2018. This represents 19.1% M/WBE spending, a 12.7% increase in its M/WBE share since FY18.

2019



About DHS

The Department of Homeless Services (DHS) manages city-run and provider-run shelter facilities for single adults, adult families, and families with children. DHS also provides homeless prevention services through community-based programs and street outreach services with options for placement into safe havens and stabilization beds.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$2,426	0.22%	\$2,269,685	201.90%	\$0	0.00%	\$35,280	1.39%	\$11,744,826
Professional Services	\$15,158	0.65%	\$793,019	No Goal	\$24,526	1.57%	\$13,770,497	415.08%	\$4,911,865
Standard Services	\$385,738	4.67%	\$258,363	12.51%	\$0	0.00%	\$1,465,900	21.30%	\$66,708,754
Goods < \$100K	\$48,311	56.89%	\$143,770	148.15%	\$172,875	285.03%	\$429,791	141.72%	\$418,303
Total LL1 Spending	\$451,633		\$3,464,837		\$197,401		\$15,701,468		\$83,783,747
Weighted Grade	F		C		F		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Housing Preservation and Development

Letter Grade Overview

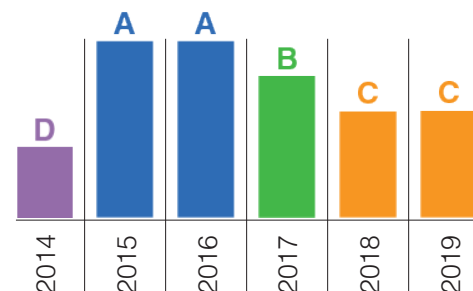
The Department of Housing Preservation and Development had \$58.4 million in total M/WBE-eligible spending, with 21% on construction, 14% on professional services, 63% on standard services, and 2% on goods. HPD received a C grade, earning a D grade with African Americans, an A grade with Asian Americans, a C grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, HPD spent \$21.2 million with M/WBEs, an additional \$6.7 million since FY 2018. This represents 36.3% M/WBE spending, an 11.8% increase in its M/WBE share since FY18.

2019



About HPD

Using a variety of preservation, development and enforcement strategies, the Department of Housing Preservation and Development (HPD) strives to improve the availability, affordability, and quality of housing in New York City. HPD works with private, public and community partners to expand the supply and affordability of the City's housing stock and keep people in their homes.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$56,496	5.88%	\$1,735,041	180.45%	\$1,049,274	218.26%	\$2,451,927	113.34%	\$6,725,912
Professional Services	\$0	0.00%	\$5,025,396	No Goal	\$62,900	9.76%	\$634,230	46.32%	\$2,331,861
Standard Services	\$2,689,865	60.50%	\$6,195,547	557.38%	\$166,116	7.47%	\$402,710	10.87%	\$27,597,562
Goods < \$100K	\$9,410	10.53%	\$320,397	313.59%	\$247,388	387.41%	\$129,903	40.69%	\$570,049
Total LL1 Spending	\$2,755,771		\$13,276,381		\$1,525,678		\$3,618,769		\$37,225,384
Weighted Grade	D		A		C		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Information Technology and Telecommunications

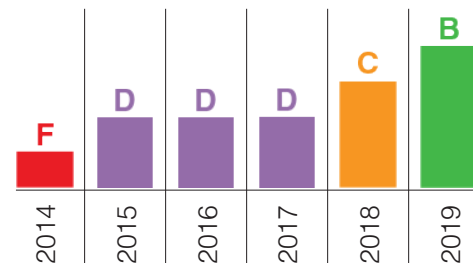
Letter Grade Overview

The Department of Information Technology and Telecommunications had \$292.5 million in total M/WBE-eligible spending, with 0% on construction, 72% on professional services, 26% on standard services, and 2% on goods. DoITT received a B grade, earning an F grade with African Americans, an A grade with Asian Americans, a D grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, DoITT spent \$79.8 million with M/WBEs, an additional \$27.8 million since FY 2018. This represents 27.3% M/WBE spending, a 12% increase in its M/WBE share since FY18.



About DoITT

The Department of Information Technology and Telecommunications (DoITT) ensures the sustained, efficient delivery of IT services, infrastructure and telecommunications services to City agencies.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$750	1250.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$958,855	3.78%	\$24,760,843	No Goal	\$3,364,050	19.90%	\$2,078,521	5.79%	\$180,125,538
Standard Services	\$24,631	0.27%	\$22,151,832	969.17%	\$166,502	3.64%	\$22,376,001	293.69%	\$31,469,189
Goods < \$100K	\$376,917	108.12%	\$1,938,103	486.47%	\$1,028,531	413.06%	\$557,734	44.80%	\$1,078,743
Total LL1 Spending	\$1,361,152		\$48,850,778		\$4,559,083		\$25,012,256		\$212,673,470
Weighted Grade	F		A		D		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Parks and Recreation

Letter Grade Overview

The Department of Parks and Recreation had \$356 million in total M/WBE-eligible spending, with 73% on construction, 10% on professional services, 14% on standard services, and 4% on goods. DPR received a B grade, earning an F grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, DPR spent \$93.3 million with M/WBEs, a decrease of \$3.2 million since FY 2018. This represents 26.2% M/WBE spending, a 3.9% decrease in its M/WBE share since FY18.

2019



About DPR

The Department of Parks & Recreation (DPR) maintains a municipal park system of more than 29,000 acres, including playgrounds, community gardens, parks, athletic fields, tennis courts, pools and beaches. DPR also looks after 600,000 street trees and two million park trees.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$2,074,791	9.99%	\$33,976,006	163.58%	\$21,543,308	207.44%	\$17,337,599	37.10%	\$184,697,599
Professional Services	\$0	0.00%	\$399,193	No Goal	\$35,000	1.27%	\$5,188,558	88.26%	\$28,956,067
Standard Services	\$68,465	1.18%	\$3,983,290	275.44%	\$2,107,466	72.86%	\$1,384,056	28.71%	\$40,662,644
Goods < \$100K	\$485,004	51.03%	\$805,823	74.19%	\$816,403	120.26%	\$3,060,942	90.18%	\$8,409,143
Total LL1 Spending	\$2,628,260		\$39,164,312		\$24,502,178		\$26,971,155		\$262,725,453
Weighted Grade	F		A		A		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Probation

Letter Grade Overview

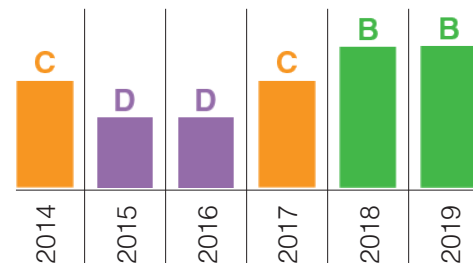
The Department of Probation had \$1.9 million in total M/WBE-eligible spending, with 0% on construction, 12% on professional services, 38% on standard services, and 50% on goods. DOP received a B grade, earning a C grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, DOP spent \$668,729 with M/WBEs, an additional \$79,220 since FY 2018. This represents 35.5% M/WBE spending, a 16.3% increase in its M/WBE share since FY18.

2019



About DOP

The Department of Probation (DOP) supervises people on probation and expands opportunities for them to move out of the criminal and juvenile justice systems through meaningful education, employment, health services, family engagement, and civic participation.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	
Construction	\$0	0.00%	\$0	0.00%	\$7,349	2500.00%	\$0	0.00%	\$0
Professional Services	\$5,358	20.27%	\$25,606	No Goal	\$0	0.00%	\$46,956	125.42%	\$142,319
Standard Services	\$28,172	32.88%	\$43,211	201.72%	\$9,649	22.52%	\$5,010	7.02%	\$627,997
Goods < \$100K	\$39,119	59.44%	\$174,281	231.72%	\$156,942	333.87%	\$127,076	54.07%	\$442,733
Total LL1 Spending	\$72,649		\$243,098		\$173,940		\$179,043		\$1,213,049
Weighted Grade	C		A		A		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Sanitation

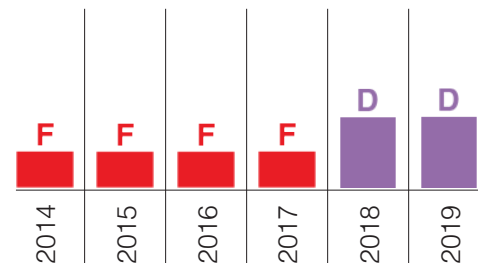
Letter Grade Overview

The Department of Sanitation had \$494.5 million in total M/WBE-eligible spending, with 13% on construction, 24% on professional services, 62% on standard services, and 2% on goods. DSNY received a D grade, earning an F grade with African Americans, a D grade with Asian Americans, an F grade with Hispanic Americans, and an F grade with women-owned firms. In FY19, DSNY spent \$15.5 million with M/WBEs, an additional \$719,770 since FY 2018. This represents 3.1% M/WBE spending, a 0.1% increase in its M/WBE share since FY18.



About DSNY

The Department of Sanitation (DSNY) promotes a healthy environment through the efficient management of solid waste and the development of environmentally sound long-range planning for handling refuse, including recyclables.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$379,977	7.42%	\$4,459,919	87.09%	\$230,828	9.01%	\$171,307	1.49%	\$58,770,172
Professional Services	\$103,713	0.73%	\$4,119,124	No Goal	\$136,992	1.45%	\$599,646	2.99%	\$112,883,693
Standard Services	\$324,027	0.89%	\$961,800	10.52%	\$86,862	0.47%	\$624,406	2.05%	\$302,834,059
Goods < \$100K	\$268,073	48.91%	\$486,353	77.65%	\$457,382	116.84%	\$2,039,949	104.22%	\$4,577,446
Total LL1 Spending	\$1,075,789		\$10,027,195		\$912,064		\$3,435,307		\$479,065,370
Weighted Grade	F		D		F		F		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Small Business Services

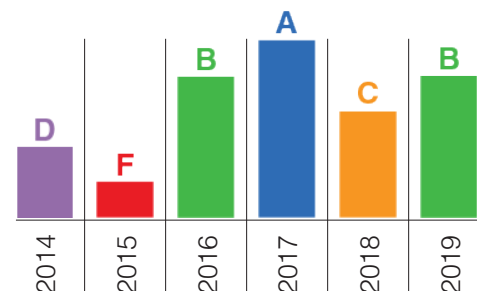
Letter Grade Overview

The Department of Small Business Services had \$6.6 million in total M/WBE-eligible spending, with 2% on construction, 55% on professional services, 40% on standard services, and 3% on goods. SBS received a B grade, earning an A grade with African Americans, a C grade with Asian Americans, a D grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, SBS spent \$3.3 million with M/WBEs, an additional \$12,075 since FY 2018. This represents 49.6% M/WBE spending, a 10.1% decrease in its M/WBE share since FY18.



About SBS

The Department of Small Business Services (SBS) makes it easier for businesses in New York City to form, operate, and grow by providing direct assistance to business owners, fostering neighborhood development in commercial districts, and linking employers to a skilled and qualified workforce.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$64,750	675.86%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$55,005
Professional Services	\$793,416	180.10%	\$1,346,439	No Goal	\$14,180	4.83%	\$284,185	45.54%	\$1,232,963
Standard Services	\$230,290	71.99%	\$43,647	54.58%	\$0	0.00%	\$367,170	137.73%	\$2,024,696
Goods < \$100K	\$28,624	217.42%	\$13,481	89.59%	\$83,454	887.42%	\$29,197	62.09%	\$33,326
Total LL1 Spending	\$1,117,080		\$1,403,567		\$97,634		\$680,551		\$3,345,990
Weighted Grade	A		C		D		A		N/A

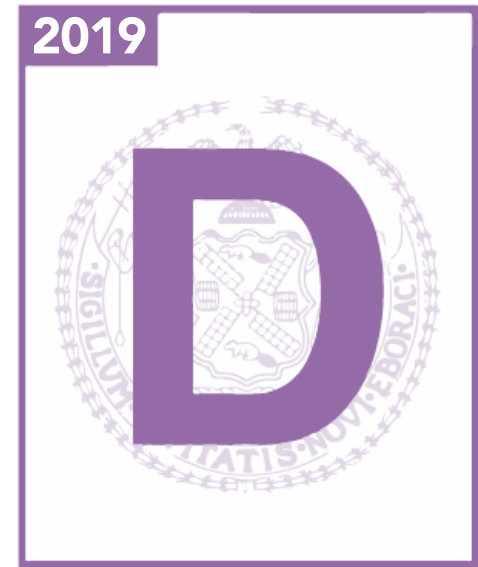
\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Transportation

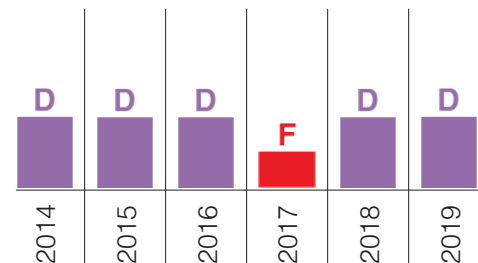
Letter Grade Overview

The Department of Transportation had \$759.7 million in total M/WBE-eligible spending, with 57% on construction, 14% on professional services, 28% on standard services, and 2% on goods. The DOT received a D grade, earning an F grade with African Americans, an F grade with Asian Americans, a C grade with Hispanic Americans, and an F grade with women-owned firms. In FY19, DOT spent \$52.4 million with M/WBEs, an additional \$8.4 million since FY 2018. This represents 6.9% M/WBE spending, a 0.1% increase in its M/WBE share since FY18.



About DOT

The Department of Transportation (DOT) is responsible for the condition and operation of approximately 6,000 miles of streets and highways, 12,000 miles of sidewalk, and 789 bridges and tunnels. DOT operates 12,700 traffic signals and over 315,000 street lights, and maintains 200 million linear feet of markings on city streets and highways.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$3,202,743	9.32%	\$669,503	1.95%	\$10,059,126	58.55%	\$9,664,925	12.50%	\$405,924,036
Professional Services	\$2,249,625	18.14%	\$6,460,721	No Goal	\$1,064,807	12.88%	\$3,113,800	17.72%	\$90,481,168
Standard Services	\$291,342	1.14%	\$1,626,756	25.54%	\$1,487,528	11.68%	\$4,883,335	23.00%	\$204,024,749
Goods < \$100K	\$692,494	68.24%	\$2,216,939	191.14%	\$1,266,294	174.69%	\$3,411,778	94.13%	\$6,910,331
Total LL1 Spending	\$6,436,203		\$10,973,919		\$13,877,755		\$21,073,837		\$707,340,284
Weighted Grade	F		F		C		F		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Department of Youth and Community Development

Letter Grade Overview

The Department of Youth and Community Development had \$8.2 million in total M/WBE-eligible spending, with 0% on construction, 42% on professional services, 36% on standard services, and 22% on goods. DYCD received a B grade, earning an A grade with African Americans, a B grade with Asian Americans, a C grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, DYCD spent \$3.7 million with M/WBEs, an additional \$181,438 since FY 2018. This represents 45.3% M/WBE spending, a 4.4% increase in its M/WBE share since FY18.

2019



About DYCD

The Department of Youth and Community Development (DYCD) supports youth and adults through contracts with community-based organizations throughout New York City. DYCD provides after school programs, summer programs, youth employment initiatives, services for homeless and runaway youth, and family support, among others.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$1,018,341	247.46%	\$1,484,728	No Goal	\$0	0.00%	\$0	0.00%	\$926,301
Standard Services	\$26,768	7.47%	\$4,225	4.71%	\$6,805	3.80%	\$18,323	6.13%	\$2,931,686
Goods < \$100K	\$288,211	230.72%	\$268,072	187.77%	\$205,409	230.21%	\$391,703	87.80%	\$631,175
Total LL1 Spending	\$1,333,320		\$1,757,025		\$212,214		\$410,026		\$4,489,161
Weighted Grade	A		B		C		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Fire Department

Letter Grade Overview

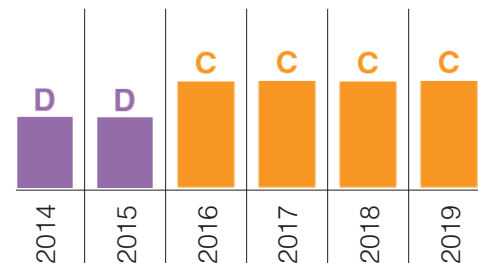
The Fire Department had \$162.3 million in total M/WBE-eligible spending, with 23% on construction, 30% on professional services, 42% on standard services, and 6% on goods. FDNY received a C grade, earning an F grade with African Americans, an A grade with Asian Americans, a B grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, FDNY spent \$27.5 million with M/WBEs, an additional \$6.2 million since FY 2018. This represents 16.9% M/WBE spending, a 5.7% increase in its M/WBE share since FY18.

2019



About FDNY

The Fire Department (FDNY) responds to fires, public safety and medical emergencies, natural disasters and terrorist acts to protect the lives and property of City residents and visitors. The Department advances fire safety through its fire prevention, investigation and education programs, and contributes to the City's homeland security efforts.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$3,900	0.13%	\$321,195	10.80%	\$3,300,130	221.94%	\$2,757,431	41.21%	\$30,790,982
Professional Services	\$95,250	1.65%	\$2,344,124	No Goal	\$427,450	11.08%	\$948,058	11.56%	\$44,424,437
Standard Services	\$149,373	1.84%	\$10,915,648	538.15%	\$895,987	22.09%	\$1,658,901	24.54%	\$53,992,664
Goods < \$100K	\$593,702	91.32%	\$737,850	99.30%	\$421,586	90.78%	\$1,906,375	82.10%	\$5,628,600
Total LL1 Spending	\$842,225		\$14,318,817		\$5,045,153		\$7,270,765		\$134,836,683
Weighted Grade	F		A		B		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

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Human Resources Administration

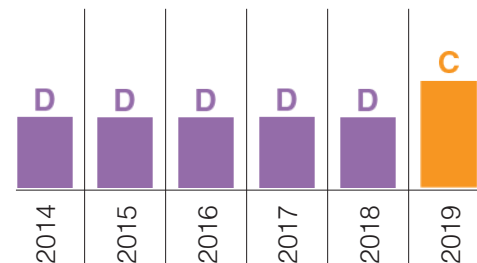
Letter Grade Overview

The Human Resources Administration had \$164.1 million in total M/WBE-eligible spending, with 1% on construction, 51% on professional services, 45% on standard services, and 3% on goods. HRA received a C grade, earning an F grade with African Americans, an A grade with Asian Americans, a D grade with Hispanic Americans, and a B grade with women-owned firms. In FY19, HRA spent \$50.4 million with M/WBEs, an additional \$17.5 million since FY 2018. This represents 30.7% M/WBE spending, a 8.2% increase in its M/WBE share since FY18.

About HRA

The Human Resources Administration (HRA) is dedicated to fighting poverty and income inequality by providing New Yorkers in need with essential benefits such as Food Assistance and Emergency Rental Assistance. HRA helps over three million New Yorkers through the administration of more than 12 major public assistance programs.

2019



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$895,527	458.15%	\$1,547,790	1583.70%	\$0	0.00%	\$0
Professional Services	\$852,282	8.57%	\$24,404,512	No Goal	\$484,195	7.30%	\$15,422,066	109.42%	\$41,743,235
Standard Services	\$791,382	8.99%	\$1,691,730	76.88%	\$41,385	0.94%	\$1,685,623	22.98%	\$69,141,700
Goods < \$100K	\$340,259	89.52%	\$1,211,219	278.82%	\$311,712	114.81%	\$743,173	54.74%	\$2,823,711
Total LL1 Spending	\$1,983,922		\$28,202,988		\$2,385,082		\$17,850,862		\$113,708,646
Weighted Grade	F		A		D		B		N/A

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Landmarks Preservation Commission

Letter Grade Overview

The Landmarks Preservation Commission had \$259,073 in total M/WBE-eligible spending, with 36% on construction, 17% on professional services, 16% on standard services, and 30% on goods. LPC received a B grade, earning a D grade with African Americans, an A grade with Asian Americans, an A grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, LPC spent \$53,194 with M/WBEs, a decrease of \$2,273 since FY 2018. This represents 20.5% M/WBE spending, a 4.6% decrease in its M/WBE share since FY18.

About LPC

The Landmarks Preservation Commission (LPC) designates, regulates and protects the City's architectural, historic and cultural resources, which includes more than 35,000 landmark properties, most of which are located in 139 historic districts and historic district extensions throughout the City. The total number of protected sites also includes 1,364 individual landmarks, 117 interior landmarks and 10 scenic landmarks. LPC reviews applications to alter landmark structures, investigates complaints of illegal work and initiates action to compel compliance with the Landmarks Law.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	
Construction	\$0	0.00%	\$14,313	189.73%	\$0	0.00%	\$7,564	44.56%	\$72,420
Professional Services	\$1,612	29.71%	\$0	No Goal	\$0	0.00%	\$0	0.00%	\$43,602
Standard Services	\$0	0.00%	\$0	0.00%	\$15,073	596.38%	\$6,595	156.55%	\$20,456
Goods < \$100K	\$4,456	82.21%	\$881	14.22%	\$2,700	69.73%	\$0	0.00%	\$69,401
Total LL1 Spending	\$6,068		\$15,193		\$17,773		\$14,159		\$205,879
Weighted Grade	D		A		A		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

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Law Department

Letter Grade Overview

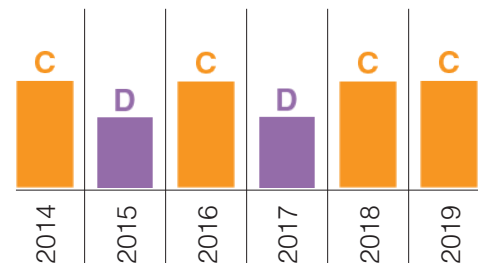
The Law Department had \$49.6 million in total M/WBE-eligible spending, with 0% on construction, 86% on professional services, 9% on standard services, 4% on goods. The Law Department received a C grade, earning an F grade with African Americans, an A grade with Asian Americans, an F grade with Hispanic Americans, and a C grade with women-owned firms. In FY 19, the Law Department spent \$3.9 million with M/WBEs, an additional \$861,638 since FY 2018. This represents 7.9% M/WBE spending, a 1.8% increase in its M/WBE share since FY 18.

2019



About Law

The Law Department is responsible for all of the legal affairs of the City of New York. The Department represents the City, the Mayor, other elected officials and the City's agencies in all affirmative and defensive civil litigation.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$195,362	3.81%	\$183,464	No Goal	\$47,130	1.38%	\$707,630	9.74%	\$41,585,549
Standard Services	\$109,337	19.65%	\$106,241	76.36%	\$26,718	9.60%	\$1,896,232	408.85%	\$2,499,465
Goods < \$100K	\$47,280	30.46%	\$323,041	182.11%	\$79,617	71.81%	\$204,093	36.82%	\$1,563,365
Total LL1 Spending	\$351,979		\$612,746		\$153,465		\$2,807,954		\$45,648,380
Weighted Grade	F		A		F		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Taxi and Limousine Commission

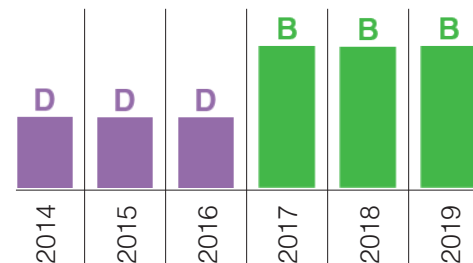
Letter Grade Overview

The Taxi and Limousine Commission had \$3.7 million in total M/WBE-eligible spending, with 0% on construction, 14% on professional services, 64% on standard services, and 22% on goods. TLC received a B grade, earning an F grade with African Americans, an A grade with Asian American, an A grade with Hispanic Americans, and a D grade with women-owned firms. In FY 19, TLC spent \$823,359 with M/WBEs, a decrease of \$300,808 since FY 2018. This represents 22.5% M/WBE spending, a 3.6% decrease in its M/WBE share since FY 18.



About TLC

The Taxi and Limousine Commission licenses and regulates all aspects of New York City's medallion (yellow) taxicabs, for-hire vehicles (community-based liveries and black cars), commuter vans, paratransit vehicles (ambulettes) and certain luxury limousines.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$0	0.00%	\$0	No Goal	\$123,386	294.82%	\$0	0.00%	\$399,751
Standard Services	\$7,285	2.58%	\$39,975	56.72%	\$75,153	53.31%	\$110,243	46.92%	\$2,116,685
Goods < \$100K	\$423	0.77%	\$138,546	219.90%	\$274,704	697.62%	\$53,644	27.25%	\$320,228
Total LL1 Spending	\$7,708		\$178,521		\$473,242		\$163,886		\$2,836,664
Weighted Grade	F		A		A		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Office of Administrative Trials and Hearings

Letter Grade Overview

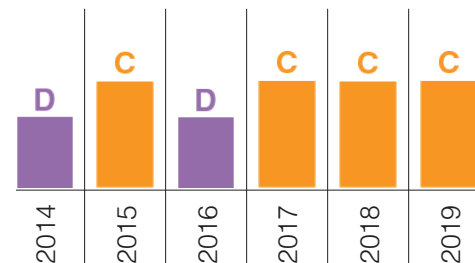
The Office of Administrative Trials and Hearings had \$2.8 million in total M/WBE-eligible spending, with 0% on construction, 44% on professional services, 40% on standard services, and 16% on goods. OATH received a C grade, earning an F grade with African Americans, an A grade with Asian Americans, an F grade with Hispanic Americans, and a C grade with women-owned firms. In FY19, OATH spent \$1.1 million with M/WBEs, an additional \$158,022 since FY 2018. This represents 40.6% M/WBE spending, a 14.6% increase in its M/WBE share since FY18.

2019



About OATH

The Office of Administrative Trials and Hearings (OATH) is an independent, central court that consists of four tribunals: the OATH Tribunal, the Environmental Control Board (ECB), the OATH Taxi & Limousine Tribunal, and the OATH Health Tribunal.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$62,680	0.00%	\$0
Professional Services	\$6,057	4.06%	\$628,780	No Goal	\$0	0.00%	\$9,866	4.66%	\$599,686
Standard Services	\$1,294	0.96%	\$38,094	113.04%	\$0	0.00%	\$57,014	50.75%	\$1,026,944
Goods < \$100K	\$15,603	50.13%	\$85,507	240.39%	\$4,820	21.68%	\$231,052	207.86%	\$107,648
Total LL1 Spending	\$22,954		\$752,381		\$4,820		\$360,613		\$1,671,598
Weighted Grade	F		A		F		C		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

Office of Emergency Management

Letter Grade Overview

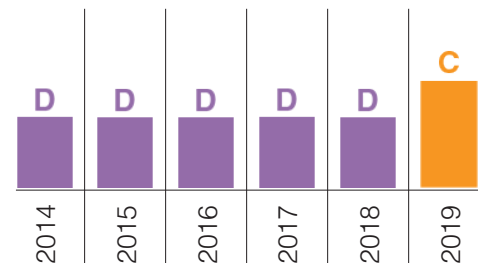
The Office of Emergency Management had \$8.9 million in M/WBE-eligible spending, with 0% on construction, 39% on professional services, 41% on standard services, and 20% on goods. OEM received a C grade, earning a C grade with African Americans, a D grade with Asian Americans, a D grade with Hispanic Americans, and a D grade with women-owned firms. In FY19, OEM spent \$1.6 million with M/WBEs, an additional \$340,299 since FY 2018. This represents 18% M/WBE spending, a 4.9% increase in its M/WBE share since FY18.

2019



About OEM

The Office of Emergency Management (OEM) coordinates and supports multi-agency responses to emergency conditions and other potential incidents that affect public health and safety in the City, including severe weather, natural hazards and disasters, power outages, transportation incidents, labor disruptions, aviation disasters, and acts of terrorism.



Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0
Professional Services	\$35,066	8.50%	\$450,481	No Goal	\$26,974	9.80%	\$307,270	52.55%	\$2,619,687
Standard Services	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$34,574	9.47%	\$3,614,604
Goods < \$100K	\$234,610	189.21%	\$118,263	83.46%	\$125,386	141.57%	\$263,989	59.61%	\$1,029,110
Total LL1 Spending	\$269,676		\$568,744		\$152,361		\$605,833		\$7,263,401
Weighted Grade	C		D		D		D		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

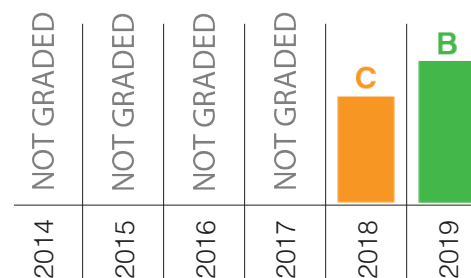
Police Department

Letter Grade Overview

The Police Department had \$228.6 million in M/WBE-eligible spending, with 16% on construction, 26% on professional services, 41% on standard services, and 17% on goods. The Police Department received a B grade, earning an F grade with African Americans, a C grade with Asian Americans, a B grade with Hispanic Americans, and an A grade with women-owned firms. In FY19, the Police Department spent \$51 million with M/WBEs, an additional \$19.5 million since FY 2018. This represents 22.3% M/WBE spending, a 7.4% increase in its M/WBE share since FY18.

About NYPD

The New York City Police Department (NYPD) is the largest and one of the oldest municipal police departments in the United States. The NYPD is responsible for policing an 8.5-million-person city, by performing a wide variety of public safety, law enforcement, traffic management, counterterror, and emergency response roles.

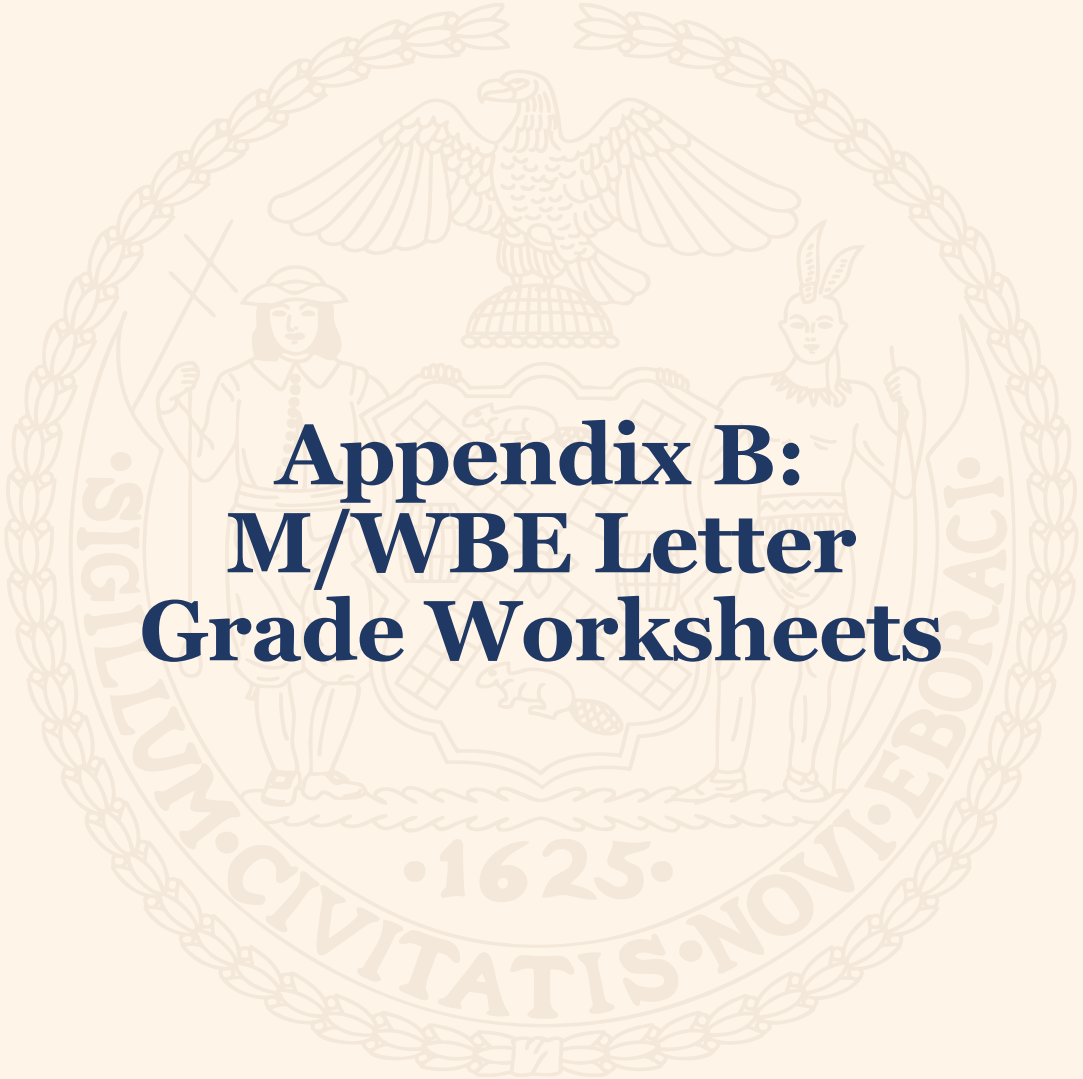


Agency Fiscal Year 2019 Spending within Local Law 1*

	African Americans		Asian Americans		Hispanic Americans		Women		Non-M/WBE
	\$	%	\$	%	\$	%	\$	%	\$
Construction	\$95,033	3.22%	\$2,377,791	80.54%	\$4,727,668	320.28%	\$11,581,851	174.36%	\$18,120,316
Professional Services	\$1,320,746	18.59%	\$2,504,851	No Goal	\$168,742	3.56%	\$71,326	0.71%	\$55,133,777
Standard Services	\$306,777	2.71%	\$836,925	29.57%	\$480	0.01%	\$17,202,656	182.36%	\$75,985,588
Goods < \$100K	\$1,293,812	48.41%	\$2,085,347	68.27%	\$2,005,269	105.04%	\$4,413,195	46.24%	\$28,381,696
Total LL1 Spending	\$3,016,369		\$7,804,914		\$6,902,160		\$33,269,028		\$177,621,377
Weighted Grade	F		C		B		A		N/A

\$ = the dollar amount spent in the Local Law 1 eligible category. % = the percentage of the Local Law 1 target that was achieved.

* Letter grades are calculated using a weighted average of agency spending across population groups and sectors. All dollars and percents are based on Local Law 1 and exclude categories described in Appendix D: Methodology. For a complete worksheet detailing how this agency grade was calculated, see Appendix B: Worksheets.

The background of the page features a large, faint, light-orange seal of the City of New York. The seal is circular and contains an eagle with spread wings at the top, a shield in the center, and two figures (a Native American and a European) on either side of the shield. The text "SIGILLUM CIVITATIS NOVI EBORACI" is written around the perimeter, and "1625" is at the bottom.

Appendix B: M/WBE Letter Grade Worksheets

New York Citywide

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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CITY GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$6,274,310,369	\$2,819,921,853	\$1,315,896,994	\$1,496,561,488	\$641,930,033

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	44.94%	20.97%	23.85%	10.23%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$13,613,697	\$20,611,167	\$17,345,957	\$10,680,182
Asian Americans	\$98,983,523	\$145,336,118	\$58,686,983	\$20,432,448
Hispanic Americans	\$96,816,749	\$38,429,752	\$38,429,752	\$15,457,844
Women	\$137,266,689	\$93,296,797	\$79,233,624	\$56,001,834

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.48%	1.57%	1.16%	1.66%
Asian Americans	3.51%	11.04%	3.92%	3.18%
Hispanic Americans	3.43%	2.92%	0.65%	2.41%
Women	4.87%	7.09%	5.29%	8.72%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	6.03%	13.05%	0.0966	23.77%
Asian Americans	43.88%	No Goal	130.72%	39.79%
Hispanic Americans	85.83%	36.51%	10.81%	48.16%
Women	27.04%	41.71%	52.94%	34.90%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	10.19%	F	1	2.5
Asian Americans	69.56%	B	4	
Hispanic Americans	53.74%	C	3	
Women	37.10%	D	2	

Office of the Comptroller

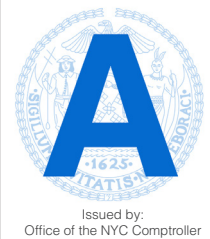
Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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OCC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$16,794,748	\$0	\$13,926,246	\$1,554,839	\$1,313,663

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	82.92%	9.26%	7.82%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$938,550	\$60,677	\$390,429
Asian Americans	\$0	\$830,111	\$69,689	\$82,439
Hispanic Americans	\$0	\$1,145,398	\$1,145,398	\$78,124
Women	\$0	\$2,131,277	\$181,473	\$256,139

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	6.74%	3.90%	29.72%
Asian Americans	0.00%	5.96%	4.48%	6.28%
Hispanic Americans	0.00%	8.22%	0.28%	5.95%
Women	0.00%	15.30%	11.67%	19.50%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	56.16%	32.52%	424.58%
Asian Americans	0.00%	No Goal	149.40%	78.44%
Hispanic Americans	0.00%	102.81%	4.73%	118.94%
Women	0.00%	90.02%	116.72%	77.99%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	82.79%	A	5	5
Asian Americans	116.91%	A	5	
Hispanic Americans	94.99%	A	5	
Women	91.55%	A	5	

Administration for Children's Services

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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ACS GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$45,727,162	\$496,648	\$16,420,031	\$26,008,954	\$2,801,529

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	1.09%	35.91%	56.88%	6.13%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$628,613	\$1,313,095	\$121,968
Asian Americans	\$0	\$3,913,083	\$1,445,268	\$218,781
Hispanic Americans	\$496,648	\$93,479	\$93,479	\$240,618
Women	\$0	\$1,814,280	\$439,205	\$491,470

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	3.83%	5.05%	4.35%
Asian Americans	0.00%	23.83%	5.56%	7.81%
Hispanic Americans	100.00%	0.57%	2.53%	8.59%
Women	0.00%	11.05%	1.69%	17.54%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	31.90%	42.07%	62.19%
Asian Americans	0.00%	No Goal	185.23%	97.62%
Hispanic Americans	2500.00%	7.12%	42.24%	171.78%
Women	0.00%	65.00%	16.89%	70.17%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	39.20%	D	2	3.25
Asian Americans	173.71%	A	5	
Hispanic Americans	64.26%	B	4	
Women	37.24%	D	2	

Business Integrity Commission

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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BIC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$511,505	\$0	\$106,932	\$178,542	\$226,031

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	20.91%	34.91%	44.19%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$0	\$25,020	\$3,615
Asian Americans	\$0	\$92,940	\$90,950	\$0
Hispanic Americans	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$41,979

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	14.01%	1.60%
Asian Americans	0.00%	86.92%	50.94%	0.00%
Hispanic Americans	0.00%	0.00%	0.00%	0.00%
Women	0.00%	0.00%	0.00%	18.57%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	116.78%	22.85%
Asian Americans	0.00%	No Goal	1698.01%	0.00%
Hispanic Americans	0.00%	0.00%	0.00%	0.00%
Women	0.00%	0.00%	0.00%	74.29%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	50.86%	C	3	2.75
Asian Americans	749.35%	A	5	
Hispanic Americans	0.00%	F	1	
Women	32.83%	D	2	

Civilian Complaint Review Board

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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CCRB GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$325,280	\$0	\$38,550	\$108,248	\$178,481

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	11.85%	33.28%	54.87%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$0	\$150	\$0
Asian Americans	\$0	\$0	\$0	\$11,418
Hispanic Americans	\$0	\$0	\$0	\$21,563
Women	\$0	\$0	\$3,448	\$33,019

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	0.14%	0.00%
Asian Americans	0.00%	0.00%	0.00%	6.40%
Hispanic Americans	0.00%	0.00%	0.00%	12.08%
Women	0.00%	0.00%	3.19%	18.50%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	1.16%	0.00%
Asian Americans	0.00%	No Goal	0.00%	79.97%
Hispanic Americans	0.00%	0.00%	0.00%	241.62%
Women	0.00%	0.00%	31.85%	74.00%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	0.38%	F	1	3
Asian Americans	49.78%	C	3	
Hispanic Americans	132.58%	A	5	
Women	51.20%	C	3	

Commission on Human Rights

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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CCHR GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$1,017,242	\$0	\$501,001	\$215,577	\$300,664

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	49.25%	21.19%	29.56%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$168,804	\$20,872	\$114,209
Asian Americans	\$0	\$248,985	\$33,259	\$89,515
Hispanic Americans	\$0	\$0	\$0	\$24,041
Women	\$0	\$41,914	\$37,399	\$14,796

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	33.69%	9.68%	37.99%
Asian Americans	0.00%	49.70%	15.43%	29.77%
Hispanic Americans	0.00%	0.00%	9.75%	8.00%
Women	0.00%	8.37%	17.35%	4.92%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	280.78%	80.68%	542.65%
Asian Americans	0.00%	No Goal	514.26%	372.16%
Hispanic Americans	0.00%	0.00%	162.48%	159.92%
Women	0.00%	49.21%	173.48%	19.68%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	315.77%	A	5	4.75
Asian Americans	431.50%	A	5	
Hispanic Americans	81.70%	A	5	
Women	66.82%	B	4	

Department for the Aging

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F


Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$1,119,439	\$0	\$439,854	\$270,599	\$408,986

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	39.29%	24.17%	36.53%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$49,303	\$0	\$39,689
Asian Americans	\$0	\$160,477	\$8,670	\$0
Hispanic Americans	\$0	\$146,820	\$146,820	\$39,302
Women	\$0	\$25,440	\$62,298	\$79,403

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	11.21%	0.00%	9.70%
Asian Americans	0.00%	36.48%	3.20%	0.00%
Hispanic Americans	0.00%	33.38%	24.43%	9.61%
Women	0.00%	5.78%	23.02%	19.41%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	93.41%	0.00%	138.63%
Asian Americans	0.00%	No Goal	106.80%	0.00%
Hispanic Americans	0.00%	417.24%	407.23%	192.19%
Women	0.00%	34.02%	230.22%	77.66%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	87.35%	A	5	4.5
Asian Americans	42.52%	C	3	
Hispanic Americans	332.60%	A	5	
Women	97.39%	A	5	

Department of Buildings

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOB GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$26,656,926	\$1,224,968	\$17,680,686	\$5,596,811	\$2,154,460

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	4.60%	66.33%	21.00%	8.08%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$46,620	\$19,488	\$254,951
Asian Americans	\$0	\$1,934,446	\$140,182	\$229,688
Hispanic Americans	\$0	\$1,030,273	\$1,030,273	\$467,052
Women	\$99,997	\$3,525	\$212,669	\$313,351

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.26%	0.35%	11.83%
Asian Americans	0.00%	10.94%	2.50%	10.66%
Hispanic Americans	0.00%	5.83%	0.00%	21.68%
Women	8.16%	0.02%	3.80%	14.54%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	2.20%	2.90%	169.05%
Asian Americans	0.00%	No Goal	83.49%	133.26%
Hispanic Americans	0.00%	72.84%	0.00%	433.57%
Women	45.35%	0.12%	38.00%	58.18%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	15.73%	F	1	3
Asian Americans	84.04%	A	5	
Hispanic Americans	83.35%	A	5	
Women	14.84%	F	1	

Department of City Planning

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DCP GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$3,836,985	\$30,306	\$3,445,707	\$180,397	\$180,574

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.79%	89.80%	4.70%	4.71%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$16,619	\$1,839	\$1,840
Asian Americans	\$0	\$234,114	\$3,416	\$16,663
Hispanic Americans	\$0	\$60,906	\$60,906	\$20,321
Women	\$25,593	\$553,368	\$71,218	\$8,984

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.48%	1.02%	1.02%
Asian Americans	0.00%	6.79%	1.89%	9.23%
Hispanic Americans	0.00%	1.77%	17.78%	11.25%
Women	84.45%	16.06%	39.48%	4.98%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	4.02%	8.50%	14.56%
Asian Americans	0.00%	No Goal	63.12%	115.35%
Hispanic Americans	0.00%	22.10%	296.34%	225.07%
Women	469.16%	94.47%	394.79%	19.90%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	4.69%	F	1	3.5
Asian Americans	82.33%	A	5	
Hispanic Americans	44.37%	C	3	
Women	108.04%	A	5	

Department of Citywide Administrative Services

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DCAS GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$715,355,779	\$31,107,101	\$25,167,823	\$175,610,101	\$483,470,754

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	4.35%	3.52%	24.55%	67.58%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$346,139	\$121,393	\$5,128,003	\$2,185,502
Asian Americans	\$748,804	\$3,914,295	\$992,902	\$3,763,559
Hispanic Americans	\$7,206,794	\$188,958	\$188,958	\$2,227,481
Women	\$13,134,139	\$2,085,318	\$15,788,599	\$23,608,030

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	1.11%	0.48%	2.92%	0.45%
Asian Americans	2.41%	15.55%	0.57%	0.78%
Hispanic Americans	23.17%	0.75%	0.35%	0.46%
Women	42.22%	8.29%	8.99%	4.88%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	13.91%	4.02%	24.33%	6.46%
Asian Americans	30.09%	No Goal	18.85%	9.73%
Hispanic Americans	579.19%	9.39%	5.83%	9.21%
Women	234.57%	48.74%	89.91%	19.53%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	11.08%	F	1	1.75
Asian Americans	12.97%	F	1	
Hispanic Americans	33.17%	D	2	
Women	47.19%	C	3	

Department of Consumer and Worker Protection

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DCWP GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$2,641,106	\$0	\$1,807,945	\$588,200	\$244,961

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	68.45%	22.27%	9.27%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$9,129	\$12,320	\$8,241
Asian Americans	\$0	\$1,373,867	\$2,268	\$6,951
Hispanic Americans	\$0	\$145,320	\$145,320	\$94,382
Women	\$0	\$0	\$99,817	\$22,152

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.50%	2.09%	3.36%
Asian Americans	0.00%	75.99%	0.39%	2.84%
Hispanic Americans	0.00%	8.04%	0.17%	38.53%
Women	0.00%	0.00%	16.97%	9.04%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	4.21%	17.46%	48.06%
Asian Americans	0.00%	No Goal	12.85%	35.47%
Hispanic Americans	0.00%	100.47%	2.82%	770.59%
Women	0.00%	0.00%	169.70%	36.17%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	11.23%	F	1	2.5
Asian Americans	19.50%	F	1	
Hispanic Americans	140.88%	A	5	
Women	41.15%	C	3	

Department of Correction

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$48,252,964	\$20,100,277	\$7,051,079	\$11,119,939	\$9,981,669

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	41.66%	14.61%	23.05%	20.69%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$700,424	\$81,515	\$845,083
Asian Americans	\$0	\$1,900,721	\$398,678	\$826,393
Hispanic Americans	\$0	\$153,780	\$153,780	\$726,685
Women	\$1,224,337	\$104,073	\$2,908,595	\$1,821,896

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	9.93%	0.73%	8.47%
Asian Americans	0.00%	26.96%	3.59%	8.28%
Hispanic Americans	0.00%	2.18%	0.02%	7.28%
Women	6.09%	1.48%	26.16%	18.25%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	82.78%	6.11%	120.95%
Asian Americans	0.00%	No Goal	119.51%	103.49%
Hispanic Americans	0.00%	27.26%	0.33%	145.60%
Women	33.84%	8.68%	261.57%	73.01%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	38.52%	D	2	3
Asian Americans	57.33%	C	3	
Hispanic Americans	34.18%	D	2	
Women	90.75%	A	5	

Department of Cultural Affairs

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DCLA GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$1,517,630	\$926,996	\$91,006	\$4,844	\$494,783

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	61.08%	6.00%	0.32%	32.60%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$87,478	\$4,200	\$0	\$45,833
Asian Americans	\$101,528	\$13,092	\$0	\$49,678
Hispanic Americans	\$0	\$0	\$0	\$260,334
Women	\$0	\$0	\$1,779	\$46,395

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	9.44%	4.62%	0.00%	9.26%
Asian Americans	10.95%	14.39%	0.00%	10.04%
Hispanic Americans	0.00%	0.00%	63.27%	52.62%
Women	0.00%	0.00%	36.73%	9.38%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	117.96%	38.46%	0.00%	132.33%
Asian Americans	136.91%	No Goal	0.00%	125.51%
Hispanic Americans	0.00%	0.00%	1054.57%	1052.31%
Women	0.00%	0.00%	367.26%	37.51%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	117.50%	A	5	4
Asian Americans	132.49%	A	5	
Hispanic Americans	346.45%	A	5	
Women	13.40%	F	1	

Department of Design and Construction

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DDC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$1,637,375,685	\$1,322,134,589	\$279,947,792	\$34,010,131	\$1,283,172

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	80.75%	17.10%	2.08%	0.08%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$5,428,568	\$8,464,547	\$2,962,639	\$50,378
Asian Americans	\$39,280,305	\$43,589,550	\$3,165,556	\$158,084
Hispanic Americans	\$40,358,038	\$22,615,425	\$22,615,425	\$230,815
Women	\$63,851,693	\$21,729,878	\$1,577,366	\$209,596

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.41%	3.02%	8.71%	3.93%
Asian Americans	2.97%	15.57%	9.31%	12.32%
Hispanic Americans	3.05%	8.08%	4.61%	17.99%
Women	4.83%	7.76%	4.64%	16.33%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	5.13%	25.20%	72.59%	56.09%
Asian Americans	37.14%	No Goal	310.26%	154.00%
Hispanic Americans	76.31%	100.98%	76.87%	359.76%
Women	26.83%	45.66%	46.38%	65.34%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	10.00%	F	1	2.75
Asian Americans	44.09%	C	3	
Hispanic Americans	80.76%	A	5	
Women	30.49%	D	2	

Department of Environmental Protection

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DEP GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$981,615,103	\$584,216,965	\$170,519,605	\$204,346,300	\$22,532,234

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	59.52%	17.37%	20.82%	2.30%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$1,823,289	\$2,381,249	\$2,075,214	\$1,372,224
Asian Americans	\$12,064,940	\$6,094,779	\$1,977,819	\$1,782,346
Hispanic Americans	\$5,583,440	\$5,975,393	\$5,975,393	\$1,987,079
Women	\$14,751,976	\$11,499,167	\$2,520,312	\$8,541,824

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.31%	1.40%	1.02%	6.09%
Asian Americans	2.07%	3.57%	0.97%	7.91%
Hispanic Americans	0.96%	3.50%	0.69%	8.82%
Women	2.53%	6.74%	1.23%	37.91%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	3.90%	11.64%	8.46%	87.00%
Asian Americans	25.81%	No Goal	32.26%	98.88%
Hispanic Americans	23.89%	43.80%	11.57%	176.38%
Women	14.03%	39.67%	12.33%	151.64%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	8.10%	F	1	1.75
Asian Americans	29.47%	D	2	
Hispanic Americans	28.29%	D	2	
Women	21.29%	D	2	

Department of Finance

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOF GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$53,036,005	\$35,000	\$22,944,057	\$28,763,835	\$1,293,113

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.07%	43.26%	54.23%	2.44%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$0	\$117,536	\$17,572
Asian Americans	\$0	\$3,208,506	\$1,345,166	\$214,504
Hispanic Americans	\$0	\$0	\$0	\$66,728
Women	\$0	\$317,248	\$285,620	\$733,978

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	0.41%	1.36%
Asian Americans	0.00%	13.98%	4.68%	16.59%
Hispanic Americans	0.00%	0.00%	0.64%	5.16%
Women	0.00%	1.38%	0.99%	56.76%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	3.41%	19.41%
Asian Americans	0.00%	No Goal	155.89%	207.35%
Hispanic Americans	0.00%	0.00%	10.64%	103.21%
Women	0.00%	8.13%	9.93%	227.04%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	2.32%	F	1	2
Asian Americans	157.92%	A	5	
Hispanic Americans	8.29%	F	1	
Women	14.44%	F	1	

Department of Health and Mental Hygiene

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOHMH GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$53,701,333	\$3,674,534	\$29,448,364	\$8,683,067	\$11,895,368

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	6.84%	54.84%	16.17%	22.15%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$47,358	\$369,427	\$153,519	\$852,771
Asian Americans	\$68,965	\$3,725,981	\$185,566	\$1,996,997
Hispanic Americans	\$706,358	\$2,039,065	\$2,039,065	\$1,390,970
Women	\$108,391	\$11,939,976	\$1,046,554	\$2,041,368

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	1.29%	1.25%	1.77%	7.17%
Asian Americans	1.88%	12.65%	2.14%	16.79%
Hispanic Americans	19.22%	6.92%	0.60%	11.69%
Women	2.95%	40.55%	12.05%	17.16%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	16.11%	10.45%	14.73%	102.41%
Asian Americans	23.46%	No Goal	71.24%	209.85%
Hispanic Americans	480.58%	86.55%	9.99%	233.87%
Women	16.39%	238.50%	120.53%	68.64%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	31.90%	D	2	4.25
Asian Americans	131.98%	A	5	
Hispanic Americans	133.77%	A	5	
Women	166.60%	A	5	

Department of Homeless Services

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DHS GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$103,599,085	\$14,052,217	\$19,515,065	\$68,818,754	\$1,213,049

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	13.56%	18.84%	66.43%	1.17%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$2,426	\$15,158	\$385,738	\$48,311
Asian Americans	\$2,269,685	\$793,019	\$258,363	\$143,770
Hispanic Americans	\$0	\$24,526	\$24,526	\$172,875
Women	\$35,280	\$13,770,497	\$1,465,900	\$429,791

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.02%	0.08%	0.56%	3.98%
Asian Americans	16.15%	4.06%	0.38%	11.85%
Hispanic Americans	0.00%	0.13%	0.00%	14.25%
Women	0.25%	70.56%	2.13%	35.43%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.22%	0.65%	4.67%	56.89%
Asian Americans	201.90%	No Goal	12.51%	148.15%
Hispanic Americans	0.00%	1.57%	0.00%	285.03%
Women	1.40%	415.08%	21.30%	141.72%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	3.92%	F	1	2.5
Asian Americans	46.12%	C	3	
Hispanic Americans	3.63%	F	1	
Women	94.19%	A	5	

Department of Housing Preservation and Development

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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HPD GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$58,401,984	\$12,018,650	\$8,054,387	\$37,051,800	\$1,277,147

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	20.58%	13.79%	63.44%	2.19%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$56,496	\$0	\$2,689,865	\$9,410
Asian Americans	\$1,735,041	\$5,025,396	\$6,195,547	\$320,397
Hispanic Americans	\$1,049,274	\$62,900	\$62,900	\$247,388
Women	\$2,451,927	\$634,230	\$402,710	\$129,903

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.47%	0.00%	7.26%	0.74%
Asian Americans	14.44%	62.39%	16.72%	25.09%
Hispanic Americans	8.73%	0.78%	0.45%	19.37%
Women	20.40%	7.87%	1.09%	10.17%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	5.88%	0.00%	60.50%	10.53%
Asian Americans	180.45%	No Goal	557.38%	313.59%
Hispanic Americans	218.26%	9.76%	7.47%	387.41%
Women	113.34%	46.32%	10.87%	40.69%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	39.82%	D	2	3
Asian Americans	461.22%	A	5	
Hispanic Americans	59.47%	C	3	
Women	37.50%	D	2	

Department of Information Technology and Telecommunications

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOITT GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$292,456,739	\$750	\$211,287,807	\$76,188,155	\$4,980,028

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	72.25%	26.05%	1.70%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$750	\$958,855	\$24,631	\$376,917
Asian Americans	\$0	\$24,760,843	\$22,151,832	\$1,938,103
Hispanic Americans	\$0	\$3,364,050	\$3,364,050	\$1,028,531
Women	\$0	\$2,078,521	\$22,376,001	\$557,734

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	100.00%	0.45%	0.03%	7.57%
Asian Americans	0.00%	11.72%	29.08%	38.92%
Hispanic Americans	0.00%	1.59%	0.22%	20.65%
Women	0.00%	0.98%	29.37%	11.20%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	1250.00%	3.78%	0.27%	108.12%
Asian Americans	0.00%	No Goal	969.17%	486.47%
Hispanic Americans	0.00%	19.90%	3.64%	413.06%
Women	0.00%	5.79%	293.69%	44.80%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	4.65%	F	1	3.25
Asian Americans	939.55%	A	5	
Hispanic Americans	22.36%	D	2	
Women	81.45%	A	5	

Department of Parks and Recreation

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DPR GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$355,991,358	\$259,629,303	\$34,578,819	\$48,205,921	\$13,577,315

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	72.93%	9.71%	13.54%	3.81%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$2,074,791	\$0	\$68,465	\$485,004
Asian Americans	\$33,976,006	\$399,193	\$3,983,290	\$805,823
Hispanic Americans	\$21,543,308	\$35,000	\$35,000	\$816,403
Women	\$17,337,599	\$5,188,558	\$1,384,056	\$3,060,942

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.80%	0.00%	0.14%	3.57%
Asian Americans	13.09%	1.15%	8.26%	5.94%
Hispanic Americans	8.30%	0.10%	4.37%	6.01%
Women	6.68%	15.01%	2.87%	22.54%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	9.99%	0.00%	1.18%	51.03%
Asian Americans	163.58%	No Goal	275.44%	74.19%
Hispanic Americans	207.44%	1.27%	72.86%	120.26%
Women	37.10%	88.26%	28.71%	90.18%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	9.39%	F	1	3.5
Asian Americans	176.58%	A	5	
Hispanic Americans	165.87%	A	5	
Women	42.96%	C	3	

Department of Probation

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOP GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$1,881,779	\$7,349	\$220,239	\$714,040	\$940,151

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.39%	11.70%	37.94%	49.96%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$5,358	\$28,172	\$39,119
Asian Americans	\$0	\$25,606	\$43,211	\$174,281
Hispanic Americans	\$7,349	\$0	\$0	\$156,942
Women	\$0	\$46,956	\$5,010	\$127,076

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	2.43%	3.95%	4.16%
Asian Americans	0.00%	11.63%	6.05%	18.54%
Hispanic Americans	100.00%	0.00%	1.35%	16.69%
Women	0.00%	21.32%	0.70%	13.52%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	20.27%	32.88%	59.44%
Asian Americans	0.00%	No Goal	201.72%	231.72%
Hispanic Americans	2500.00%	0.00%	22.52%	333.87%
Women	0.00%	125.42%	7.02%	54.07%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	44.55%	C	3	4
Asian Americans	217.80%	A	5	
Hispanic Americans	185.11%	A	5	
Women	44.35%	C	3	

Department of Sanitation

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DSNY GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$494,515,725	\$64,012,203	\$117,843,167	\$304,831,153	\$7,829,202

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	12.94%	23.83%	61.64%	1.58%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$379,977	\$103,713	\$324,027	\$268,073
Asian Americans	\$4,459,919	\$4,119,124	\$961,800	\$486,353
Hispanic Americans	\$230,828	\$136,992	\$136,992	\$457,382
Women	\$171,307	\$599,646	\$624,406	\$2,039,949

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.59%	0.09%	0.11%	3.42%
Asian Americans	6.97%	3.50%	0.32%	6.21%
Hispanic Americans	0.36%	0.12%	0.03%	5.84%
Women	0.27%	0.51%	0.20%	26.06%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	7.42%	0.73%	0.89%	48.91%
Asian Americans	87.09%	No Goal	10.52%	77.65%
Hispanic Americans	9.02%	1.45%	0.48%	116.84%
Women	1.49%	2.99%	2.05%	104.22%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	2.46%	F	1	1.25
Asian Americans	24.93%	D	2	
Hispanic Americans	3.66%	F	1	
Women	3.82%	F	1	

Department of Small Business Services

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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SBS GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$6,644,822	\$119,755	\$3,671,183	\$2,665,802	\$188,082

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	1.80%	55.25%	40.12%	2.83%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$64,750	\$793,416	\$230,290	\$28,624
Asian Americans	\$0	\$1,346,439	\$43,647	\$13,481
Hispanic Americans	\$0	\$14,180	\$14,180	\$83,454
Women	\$0	\$284,185	\$367,170	\$29,197

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	54.07%	21.61%	8.64%	15.22%
Asian Americans	0.00%	36.68%	1.64%	7.17%
Hispanic Americans	0.00%	0.39%	0.00%	44.37%
Women	0.00%	7.74%	13.77%	15.52%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	675.86%	180.10%	71.99%	217.42%
Asian Americans	0.00%	No Goal	54.58%	89.59%
Hispanic Americans	0.00%	4.83%	0.00%	887.42%
Women	0.00%	45.54%	137.73%	62.09%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	146.72%	A	5	3.75
Asian Americans	54.59%	C	3	
Hispanic Americans	27.79%	D	2	
Women	82.17%	A	5	

Department of Transportation

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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DOT GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$759,701,998	\$429,520,332	\$103,370,121	\$212,313,709	\$14,497,835

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	56.54%	13.61%	27.95%	1.91%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$3,202,743	\$2,249,625	\$291,342	\$692,494
Asian Americans	\$669,503	\$6,460,721	\$1,626,756	\$2,216,939
Hispanic Americans	\$10,059,126	\$1,064,807	\$1,064,807	\$1,266,294
Women	\$9,664,925	\$3,113,800	\$4,883,335	\$3,411,778

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.75%	2.18%	0.14%	4.78%
Asian Americans	0.16%	6.25%	0.77%	15.29%
Hispanic Americans	2.34%	1.03%	0.70%	8.73%
Women	2.25%	3.01%	2.30%	23.53%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	9.32%	18.14%	1.14%	68.24%
Asian Americans	1.95%	No Goal	25.54%	191.14%
Hispanic Americans	58.55%	12.88%	11.68%	174.69%
Women	12.50%	17.72%	23.00%	94.13%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	9.36%	F	1	1.5
Asian Americans	13.76%	F	1	
Hispanic Americans	41.45%	C	3	
Women	17.70%	F	1	

Department of Youth and Community Development

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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Office of the NYC Comptroller

DYCD GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$8,201,745	\$0	\$3,429,370	\$2,987,807	\$1,784,569

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	41.81%	36.43%	21.76%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$1,018,341	\$26,768	\$288,211
Asian Americans	\$0	\$1,484,728	\$4,225	\$268,072
Hispanic Americans	\$0	\$0	\$0	\$205,409
Women	\$0	\$0	\$18,323	\$391,703

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	29.69%	0.90%	16.15%
Asian Americans	0.00%	43.29%	0.14%	15.02%
Hispanic Americans	0.00%	0.00%	0.23%	11.51%
Women	0.00%	0.00%	0.61%	21.95%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	247.46%	7.47%	230.72%
Asian Americans	0.00%	No Goal	4.71%	187.77%
Hispanic Americans	0.00%	0.00%	3.80%	230.21%
Women	0.00%	0.00%	6.13%	87.80%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	156.39%	A	5	3.5
Asian Americans	73.17%	B	4	
Hispanic Americans	51.47%	C	3	
Women	21.34%	D	2	

Fire Department

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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FDNY GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$162,313,642	\$37,173,638	\$48,239,319	\$67,612,573	\$9,288,112

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	22.90%	29.72%	41.66%	5.72%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$3,900	\$95,250	\$149,373	\$593,702
Asian Americans	\$321,195	\$2,344,124	\$10,915,648	\$737,850
Hispanic Americans	\$3,300,130	\$427,450	\$427,450	\$421,586
Women	\$2,757,431	\$948,058	\$1,658,901	\$1,906,375

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.01%	0.20%	0.22%	6.39%
Asian Americans	0.86%	4.86%	16.14%	7.94%
Hispanic Americans	8.88%	0.89%	1.33%	4.54%
Women	7.42%	1.97%	2.45%	20.52%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.13%	1.65%	1.84%	91.32%
Asian Americans	10.80%	No Goal	538.15%	99.30%
Hispanic Americans	221.94%	11.08%	22.09%	90.78%
Women	41.21%	11.56%	24.54%	82.10%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	6.51%	F	1	3
Asian Americans	330.57%	A	5	
Hispanic Americans	68.52%	B	4	
Women	27.79%	D	2	

Human Resources Administration

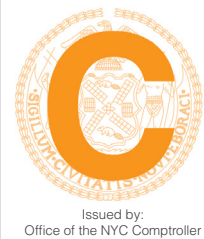
Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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HRA GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$164,131,501	\$2,443,316	\$82,906,291	\$73,351,820	\$5,430,073

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	1.49%	50.51%	44.69%	3.31%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$852,282	\$791,382	\$340,259
Asian Americans	\$895,527	\$24,404,512	\$1,691,730	\$1,211,219
Hispanic Americans	\$1,547,790	\$484,195	\$484,195	\$311,712
Women	\$0	\$15,422,066	\$1,685,623	\$743,173

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	1.03%	1.08%	6.27%
Asian Americans	36.65%	29.44%	2.31%	22.31%
Hispanic Americans	63.35%	0.58%	0.06%	5.74%
Women	0.00%	18.60%	2.30%	13.69%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	8.57%	8.99%	89.52%
Asian Americans	458.15%	No Goal	76.88%	278.82%
Hispanic Americans	1583.70%	7.30%	0.94%	114.81%
Women	0.00%	109.42%	22.98%	54.74%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	11.31%	F	1	3
Asian Americans	101.85%	A	5	
Hispanic Americans	31.48%	D	2	
Women	67.35%	B	4	

Landmarks Preservation Commission

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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LPC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$259,073	\$94,296	\$45,214	\$42,125	\$77,438

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	36.40%	17.45%	16.26%	29.89%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$1,612	\$0	\$4,456
Asian Americans	\$14,313	\$0	\$0	\$881
Hispanic Americans	\$0	\$0	\$0	\$2,700
Women	\$7,564	\$0	\$6,595	\$0

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	3.57%	0.00%	5.75%
Asian Americans	15.18%	0.00%	0.00%	1.14%
Hispanic Americans	0.00%	0.00%	35.78%	3.49%
Women	8.02%	0.00%	15.66%	0.00%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	29.71%	0.00%	82.21%
Asian Americans	189.73%	No Goal	0.00%	14.22%
Hispanic Americans	0.00%	0.00%	596.38%	69.73%
Women	44.56%	0.00%	156.56%	0.00%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	29.76%	D	2	3.75
Asian Americans	88.80%	A	5	
Hispanic Americans	117.81%	A	5	
Women	41.68%	C	3	

Law Department

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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LAW GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$49,574,524	\$0	\$42,719,136	\$4,637,993	\$2,217,396

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	86.17%	9.36%	4.47%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$195,362	\$109,337	\$47,280
Asian Americans	\$0	\$183,464	\$106,241	\$323,041
Hispanic Americans	\$0	\$47,130	\$47,130	\$79,617
Women	\$0	\$707,630	\$1,896,232	\$204,093

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.46%	2.36%	2.13%
Asian Americans	0.00%	0.43%	2.29%	14.57%
Hispanic Americans	0.00%	0.11%	0.58%	3.59%
Women	0.00%	1.66%	40.88%	9.20%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	3.81%	19.65%	30.46%
Asian Americans	0.00%	No Goal	76.36%	182.11%
Hispanic Americans	0.00%	1.38%	9.60%	71.81%
Women	0.00%	9.74%	408.85%	36.82%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	6.48%	F	1	2.5
Asian Americans	110.56%	A	5	
Hispanic Americans	5.30%	F	1	
Women	48.29%	C	3	

Taxi and Limousine Commission

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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TLC GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$3,660,023	\$0	\$523,137	\$2,349,341	\$787,545

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	14.29%	64.19%	21.52%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$0	\$7,285	\$423
Asian Americans	\$0	\$0	\$39,975	\$138,546
Hispanic Americans	\$0	\$123,386	\$123,386	\$274,704
Women	\$0	\$0	\$110,243	\$53,644

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	0.31%	0.05%
Asian Americans	0.00%	0.00%	1.70%	17.59%
Hispanic Americans	0.00%	23.59%	3.20%	34.88%
Women	0.00%	0.00%	4.69%	6.81%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	0.00%	2.58%	0.77%
Asian Americans	0.00%	No Goal	56.72%	219.90%
Hispanic Americans	0.00%	294.82%	53.32%	697.62%
Women	0.00%	0.00%	46.93%	27.25%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	1.82%	F	1	3.25
Asian Americans	97.69%	A	5	
Hispanic Americans	226.47%	A	5	
Women	35.98%	D	2	

Office of Administrative Trials and Hearings

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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OATH GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$2,812,366	\$0	\$1,244,389	\$1,123,346	\$444,631

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	44.25%	39.94%	15.81%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$6,057	\$1,294	\$15,603
Asian Americans	\$0	\$628,780	\$38,094	\$85,507
Hispanic Americans	\$0	\$0	\$0	\$4,820
Women	\$62,680	\$9,866	\$57,014	\$231,052

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	0.49%	0.12%	3.51%
Asian Americans	0.00%	50.53%	3.39%	19.23%
Hispanic Americans	0.00%	0.00%	0.00%	1.08%
Women	0.00%	0.79%	5.08%	51.96%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	4.06%	0.96%	50.13%
Asian Americans	0.00%	No Goal	113.04%	240.39%
Hispanic Americans	0.00%	0.00%	0.00%	21.68%
Women	0.00%	4.66%	50.75%	207.86%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	10.10%	F	1	2.5
Asian Americans	149.15%	A	5	
Hispanic Americans	3.43%	F	1	
Women	55.20%	C	3	

Office of Emergency Management

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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OEM GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$8,860,015	\$0	\$3,439,478	\$3,649,178	\$1,771,359

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	0.00%	38.82%	41.19%	19.99%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$0	\$35,066	\$0	\$234,610
Asian Americans	\$0	\$450,481	\$0	\$118,263
Hispanic Americans	\$0	\$26,974	\$26,974	\$125,386
Women	\$0	\$307,270	\$34,574	\$263,989

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.00%	1.02%	0.00%	13.24%
Asian Americans	0.00%	13.10%	0.00%	6.68%
Hispanic Americans	0.00%	0.78%	0.00%	7.08%
Women	0.00%	8.93%	0.95%	14.90%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	0.00%	8.50%	0.00%	189.21%
Asian Americans	0.00%	No Goal	0.00%	83.46%
Hispanic Americans	0.00%	9.80%	0.00%	141.57%
Women	0.00%	52.55%	9.47%	59.61%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	41.13%	C	3	2.25
Asian Americans	27.27%	D	2	
Hispanic Americans	32.11%	D	2	
Women	36.22%	D	2	

Police Department

Reference: Local Law 1 Target Spending Percent

Category	C	PS	SS	G
African Americans (AFA)	8%	12%	12%	7%
Asian Americans (AA)	8%	No Goal	3%	8%
Hispanic Americans (HA)	4%	8%	6%	5%
Women (W)	18%	17%	10%	25%

C: Construction **PS:** Professional Services **SS:** Standard Services **G:** Goods

Reference: Grade Scale

Weighted %	Score	Avg. Score	Grade
> 80	5	> 4.25	A
> 60	4	> 3.25	B
> 40	3	> 2.25	C
> 20	2	> 1.25	D
< 20	1	< 1.25	F



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NYPD GRADE FY 2019

Step 1: Total Eligible Spending Per Industry

Total Reported Spending	C	PS	SS	G
\$228,613,848	\$36,902,660	\$59,199,442	\$94,332,425	\$38,179,320

Step 2: Weighted Matrix (Industry Spending/Total Eligible Spending)

Category	C	PS	SS	G
AFA, HA, W	16.14%	25.90%	41.26%	16.70%
AA		No Goal		

Step 3: Actual LL1 M/WBE Spending

Category	C	PS	SS	G
African Americans	\$95,033	\$1,320,746	\$306,777	\$1,293,812
Asian Americans	\$2,377,791	\$2,504,851	\$836,925	\$2,085,347
Hispanic Americans	\$4,727,668	\$168,742	\$168,742	\$2,005,269
Women	\$11,581,851	\$71,326	\$17,202,656	\$4,413,195

Step 4: Actual Spending Percentage (Actual LL1 M/WBE Spending/Industry Spending)

Category	C	PS	SS	G
African Americans	0.26%	2.23%	0.33%	3.39%
Asian Americans	6.44%	4.23%	0.89%	5.46%
Hispanic Americans	12.81%	0.29%	0.00%	5.25%
Women	31.38%	0.12%	18.24%	11.56%

Step 5: LL1 M/WBE Spending as Percentage of Target Achieved (Actual Spending Percentage/LL1 Target)

Category	C	PS	SS	G
African Americans	3.22%	18.59%	2.71%	48.41%
Asian Americans	80.54%	No Goal	29.57%	68.28%
Hispanic Americans	320.28%	3.56%	0.01%	105.04%
Women	174.36%	0.71%	182.36%	46.24%

Step 6: Final Score

Minority Group	Weighted Grade	Grade	Score	Final
African Americans	14.54%	F	1	3.25
Asian Americans	49.40%	C	3	
Hispanic Americans	70.17%	B	4	
Women	111.30%	A	5	

The seal of the City of New York is a circular emblem. It features an eagle with spread wings perched atop a globe. Below the eagle are two figures: on the left, a Native American holding a bow and arrow; on the right, a Dutchman in a hat and coat. Between them is a shield with a plow and a sheaf of wheat. The entire scene is enclosed in a wreath. The Latin inscription "SIGILLUM CIVITATIS NOVI EBORACI" is written around the border, and the year "1625" is at the bottom.

Appendix C: Subcontract Data

New York Citywide (City)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$467,112,495	\$150,574,873	\$316,537,623

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$11,463,729	\$7,953,692	\$2,462,946	\$14,325	\$21,894,690
Asian Americans	\$13,704,009	\$924,771	\$297,356	\$620,951	\$15,547,086
Hispanic Americans	\$31,150,895	\$15,623,331	\$2,658,150	\$282,281	\$49,714,655
Women	\$32,586,604	\$26,154,808	\$3,990,816	\$686,213	\$63,418,439
Industry Total	\$88,905,233	\$50,656,600	\$9,409,268	\$1,603,770	\$467,112,495

Office of the Comptroller (OCC)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$1,732,685	\$1,051,476	\$681,209

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$239,329	\$0	\$0	\$239,329
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$150	\$0	\$0	\$150
Women	\$0	\$811,997	\$0	\$0	\$811,997
Industry Total	\$0	\$1,051,476	\$0	\$0	\$1,732,685

Administration for Children's Services (ACS)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$15,300	\$15,300	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$15,300	\$0	\$0	\$15,300
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$15,300	\$0	\$0	\$15,300

Business Integrity Commission (BIC)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$0	\$0	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Civilian Complaint Review Board (CCRB)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$0	\$0	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Commission on Human Rights (CCHR)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$0	\$0	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Department for the Aging (DFTA)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$125,319	\$0	\$125,319

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$125,319

Department of Buildings (DOB)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$0	\$0	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Department of City Planning (DCP)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$72,756		\$72,756		\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$72,756	\$0	\$0	\$72,756
Industry Total	\$0	\$72,756	\$0	\$0	\$72,756

Department of Citywide Administrative Services (DCAS)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$5,162,779		\$214,436		\$4,948,344	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$50,910	\$12,043	\$0	\$62,953
Asian Americans	\$0	\$0	\$24,000	\$0	\$24,000
Hispanic Americans	\$0	\$81,089	\$0	\$0	\$81,089
Women	\$0	\$46,394	\$0	\$0	\$46,394
Industry Total	\$0	\$178,393	\$36,043	\$0	\$5,162,779

Department of Consumer and Worker Protection (DCWP)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$0		\$0		\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Department of Correction (DOC)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$616,380		\$144,718		\$471,661	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$681	\$0	\$0	\$681
Women	\$128,167	\$15,870	\$0	\$0	\$144,037
Industry Total	\$128,167	\$16,551	\$0	\$0	\$616,380

Department of Cultural Affairs (DCLA)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$0		\$0		\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Department of Design and Construction (DDC)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$163,880,177		\$48,675,437		\$115,204,740	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$4,607,761	\$3,949,140	\$1,614,173	\$0	\$10,171,074
Asian Americans	\$5,076,947	\$139,183	\$22,228	\$0	\$5,238,357
Hispanic Americans	\$5,727,628	\$10,984,659	\$1,537,668	\$0	\$18,249,954
Women	\$4,393,193	\$9,189,070	\$1,433,787	\$0	\$15,016,050
Industry Total	\$19,805,528	\$24,262,052	\$4,607,856	\$0	\$163,880,177

Department of Environmental Protection (DEP)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$144,807,089		\$43,543,117		\$101,263,972	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$1,520,918	\$2,251,914	\$378,684	\$0	\$4,151,515
Asian Americans	\$4,969,833	\$785,588	\$244,878	\$32,906	\$6,033,205
Hispanic Americans	\$5,395,808	\$4,011,921	\$210,784	\$0	\$9,618,513
Women	\$11,826,420	\$11,291,390	\$585,492	\$36,582	\$23,739,884
Industry Total	\$23,712,978	\$18,340,812	\$1,419,839	\$69,488	\$144,807,089

Department of Finance (DOF)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$5,822,974		\$606,426		\$5,216,548	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$91,776	\$0	\$91,776
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$3,163	\$0	\$3,163
Women	\$0	\$175,275	\$145,316	\$190,896	\$511,487
Industry Total	\$0	\$175,275	\$240,255	\$190,896	\$5,822,974

Department of Health and Mental Hygiene (DOHMH)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$13,249,558		\$623,630		\$12,625,929	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$553,980	\$0	\$0	\$0	\$553,980
Women	\$69,650	\$0	\$0	\$0	\$69,650
Industry Total	\$623,630	\$0	\$0	\$0	\$13,249,558

Department of Homeless Services (DHS)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$207,959		\$19,380		\$188,579	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$19,380	\$0	\$0	\$0	\$19,380
Industry Total	\$19,380	\$0	\$0	\$0	\$207,959

Department of Housing Preservation and Development (HPD)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$1,736,219		\$499,939		\$1,236,280	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$471,435	\$0	\$0	\$0	\$471,435
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$28,504	\$0	\$28,504
Industry Total	\$471,435	\$0	\$28,504	\$0	\$1,736,219

Department of Information Technology and Telecommunications (DoITT)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$2,160,234		\$1,197,700		\$962,534	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$64,000	\$0	\$0	\$64,000
Women	\$0	\$1,133,700	\$0	\$0	\$1,133,700
Industry Total	\$0	\$1,197,700	\$0	\$0	\$2,160,234

Department of Parks and Recreation (DPR)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$26,235,673		\$10,345,534		\$15,890,138	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$2,074,791	\$0	\$8,213	\$14,325	\$2,097,328
Asian Americans	\$1,760,535	\$0	\$0	\$0	\$1,760,535
Hispanic Americans	\$2,116,838	\$0	\$0	\$186,000	\$2,302,838
Women	\$4,030,542	\$148,418	\$0	\$5,873	\$4,184,833
Industry Total	\$9,982,706	\$148,418	\$8,213	\$206,198	\$26,235,673

Department of Probation (DOP)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$0		\$0		\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Department of Sanitation (DSNY)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$14,874,479		\$995,938		\$13,878,541	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$3,644	\$0	\$0	\$3,644
Asian Americans	\$115,000	\$0	\$6,250	\$0	\$121,250
Hispanic Americans	\$194,728	\$59,537	\$0	\$0	\$254,264
Women	\$139,624	\$477,156	\$0	\$0	\$616,779
Industry Total	\$449,351	\$540,336	\$6,250	\$0	\$14,874,479

Department of Small Business Services (SBS)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$96,875		\$26,000		\$70,875	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$26,000	\$0	\$0	\$26,000
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$26,000	\$0	\$0	\$96,875

Department of Transportation (DOT)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$57,257,280		\$27,947,252		\$29,310,028	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$3,202,743	\$1,337,505	\$0	\$0	\$4,540,248
Asian Americans	\$669,503	\$0	\$0	\$588,045	\$1,257,548
Hispanic Americans	\$9,708,287	\$405,994	\$906,535	\$96,281	\$11,117,097
Women	\$6,660,356	\$2,138,670	\$1,780,472	\$452,862	\$11,032,359
Industry Total	\$20,240,888	\$3,882,169	\$2,687,006	\$1,137,188	\$57,257,280

Department of Youth and Community Development (DYCD)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$2,996,863		\$0		\$2,996,863	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$2,996,863

Fire Department (FDNY)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$15,678,938		\$6,726,977		\$8,951,961	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$3,900	\$95,250	\$51,280	\$0	\$150,430
Asian Americans	\$321,195	\$0	\$0	\$0	\$321,195
Hispanic Americans	\$2,878,425	\$0	\$0	\$0	\$2,878,425
Women	\$2,757,431	\$602,251	\$17,245	\$0	\$3,376,927
Industry Total	\$5,960,951	\$697,501	\$68,525	\$0	\$15,678,938

Human Resources Administration (HRA)

Total Reported Spending		LL1 Eligible Spending		Non Eligible Spending	
\$203,558		\$0		\$203,558	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$203,558

Landmarks Preservation Commission (LPC)

Total Reported Spending	LL1 Eligible Spending			Non Eligible Spending	
\$0	\$0			\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Law Department (Law)

Total Reported Spending	LL1 Eligible Spending			Non Eligible Spending	
\$0	\$0			\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Taxi and Limousine Commission (TLC)

Total Reported Spending	LL1 Eligible Spending			Non Eligible Spending	
\$0	\$0			\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Office of Administrative Trials and Hearings (OATH)

Total Reported Spending	LL1 Eligible Spending			Non Eligible Spending	
\$62,680	\$62,680			\$0	
LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$62,680	\$0	\$0	\$0	\$62,680
Industry Total	\$62,680	\$0	\$0	\$0	\$62,680

Office of Emergency Management (OEM)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$0	\$0	\$0

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$0	\$0	\$0	\$0	\$0
Asian Americans	\$0	\$0	\$0	\$0	\$0
Hispanic Americans	\$0	\$0	\$0	\$0	\$0
Women	\$0	\$0	\$0	\$0	\$0
Industry Total	\$0	\$0	\$0	\$0	\$0

Police Department (NYPD)

Total Reported Spending	LL1 Eligible Spending	Non Eligible Spending
\$10,116,720	\$7,806,177	\$2,310,544

LL1 Sub Spending	Construction	Professional Services	Standard Services	Goods	M/WBE Total
African Americans	\$53,616	\$0	\$306,777	\$0	\$360,393
Asian Americans	\$319,561	\$0	\$0	\$0	\$319,561
Hispanic Americans	\$4,575,201	\$0	\$0	\$0	\$4,575,201
Women	\$2,499,161	\$51,861	\$0	\$0	\$2,551,022
Industry Total	\$7,447,539	\$51,861	\$306,777	\$0	\$10,116,720

The background of the page features a large, faint, light-colored seal of the City of New York. The seal is circular and contains an eagle with spread wings at the top, a shield in the center with a plow and a sheaf of wheat, and two figures (a Native American and a European) on either side of the shield. The text "SIGILLUM CIVITATIS NOVI EBORACI" is inscribed around the border, and "1625" is at the bottom.

Appendix D: Data and Methodology

Data and Methodology

Comptroller Stringer is committed to boosting M/WBE procurement in City agencies. A core part of that effort is improving transparency surrounding M/WBE spending and accountability for City agencies.

This report focuses on 32 mayoral agencies that account for the vast majority of M/WBE spending. In addition, the Comptroller's Office has been graded.

One agency that is required to submit utilization plans under Local Law 1 (LL 1) and has significant spending, the Department of Investigation (DOI), is not given grades due to a prior agreement not to publicly display vendor data in Checkbook NYC for security reasons. Checkbook NYC is the source of all agency spending data analyzed in this report, and therefore its spending is not included. The Police Department's vendor data was previously excluded from Checkbook NYC and was made available for the first time in Fiscal Year 2018. With the addition of spending data from the Police Department, the City's overall grade for subsequent years, including FY 2019, includes spending by 32 agencies rather than 31. Grade calculations for past fiscal years remain the same.

As with previous gradebooks, all certified M/WBE subcontractor payments subject to LL 1 entered into the Payee Information Portal by prime vendors are included in the agency letter grade calculations. M/WBE subcontractor payments default to the

industry and contract characteristics of the prime contracting vendor.

As described below, agency grades are the result of a six-step process that compares agency spending with M/WBE certified vendors to total agency procurement spending in four industry categories established by Local Law 1: Construction, Professional Services, Standard Services, and Goods (contracts less than \$100,000). The ratio of M/WBE spending to total spending is then compared to the specific citywide participation goals laid out in LL 1 to determine a final grade based on performance.

Data

Availability

The FY 2019 spending transactions for prime vendors and their subcontractors used in this report were downloaded from Checkbook NYC. The analysis calculates spending by the agency listed as the contracting agency—the agency that registered a given contract and is directly responsible for not only setting contract specific participation goals, but also monitoring the contractor's progress in meeting those goals.

Responsibility for Completeness

The Checkbook NYC data used in this report originated from the City's Financial Management System (FMS). In a significant

percentage of spending, no award category was available in FMS, making it difficult to identify the industry in which the spending took place.

To correct for any missing data, the Comptroller's Office examined data from the expense category field in FMS and matched entries with industry data where possible. Using expense category data is less reliable than contract type and award category data, but including it provides a more accurate overall picture of agency spending than not including it. A percentage of spending could not be classified using this method and was therefore excluded from the calculations.

Methodology

The following methodology was used to calculate each agency's grade. Each agency's individual grade calculation can be found in Appendix C.

Step 1

To calculate the FY 2019 M/WBE eligible spending per industry, or the denominator, the transactions for Construction, Professional Services, Standard Services, and Goods (less than \$100,000) were added and totaled. Transactions labeled Individuals & Others, Human Services, Unknown, or Unclassified, as well as expense categories, contract types, and award methods that met specific criteria were not included. Those criteria cover transactions that are not subject to LL1, do not represent true procurement opportunities, and where there is no M/WBE availability.

Step 2

The analysis includes a weighted-average proportional to the spending in a given industry. For example, if 75 percent of an agency's M/WBE eligible disbursements are Professional Services, 15 percent Standard Services, five percent Construction, and five percent Goods (less than \$100,000), then the final grade is most influenced by the Professional Services spending, as that is where the agency spends the greatest amount.

For each industry—Construction, Professional Services, Standard Services, and Goods (less than \$100,000) — the spending is divided by Step 1 to determine the percentage of total eligible spend in a given industry category.

Step 3

To calculate the FY19 LL 1 spending with M/WBE vendors, or the numerator, the transactions for each industry—Construction, Professional Services, Standard Services, and Goods (less than \$100,000)—were added and totaled for Black American, Asian American, Hispanic American, and Women, respectively.

Step 4

The FY19 LL 1 M/WBE spending as a percent of the eligible spending is calculated by dividing M/WBE spending (Step 3) by total eligible spending (Step 1) per industry and M/WBE category.

Step 5

To determine M/WBE spending as a percentage of relevant LL 1 participation goals, Step 4 was divided by the LL 1 participation goals. For example, if an agency spent four percent of its FY19 construction funds with African American firms, which have an eight percent LL1 goal, then that agency only reached 50 percent of the target. Note that Asian American Professional Services is not calculated since Local Law 1 has no goal for that category.

Step 6

Each M/WBE category was assigned a score based on its weighted-average across the four industries using the following chart:

If average is:	Then assign number
80% - 100%	5
60% - 79%	4
40% - 59%	3
20% - 39%	2
0% - 19%	1

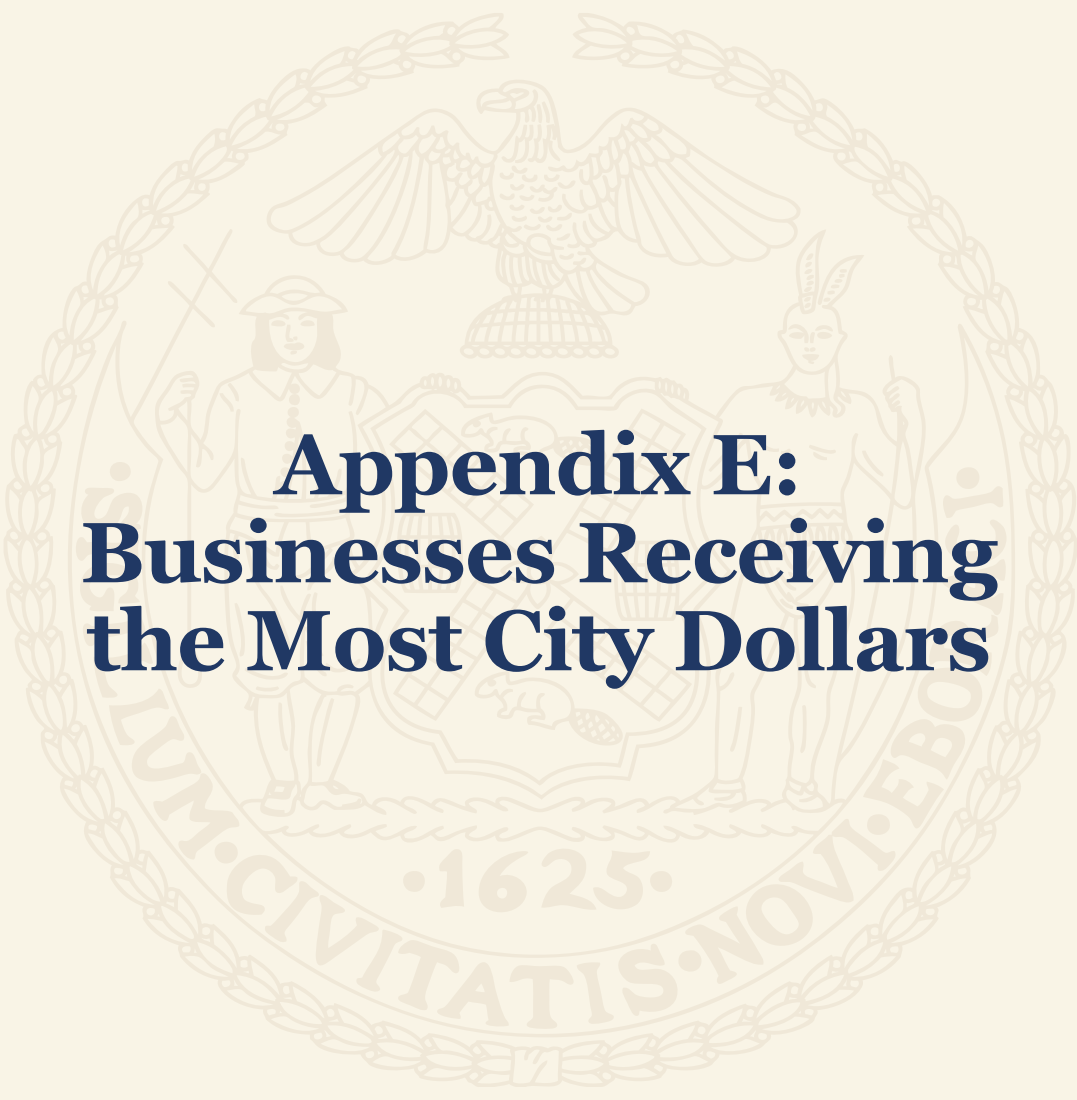
Next, the average of the four numbers was assigned a grade, such that:

If score is:	Then assign grade
4.25 - 5.00	A
3.25 - 4.00	B
2.25 - 3.00	C
1.25 - 2.00	D
0.00 - 1.00	F

Grading Scale Rationale

The goal of this report is to drive behavioral change in agency procurement practices. With this in mind, assigning letter grades allows agencies to easily see where their efforts to do business with M/WBEs have succeeded or failed – creating a simple metric to help bring positive changes to procurement practices.

The model employed here is designed to reduce the boost agencies would receive from doing exceptionally well in one category if they are performing poorly in others, and instead reflects the principle that agencies must focus on hitting participation goals across all M/WBE categories in the industries that make up their procurement.

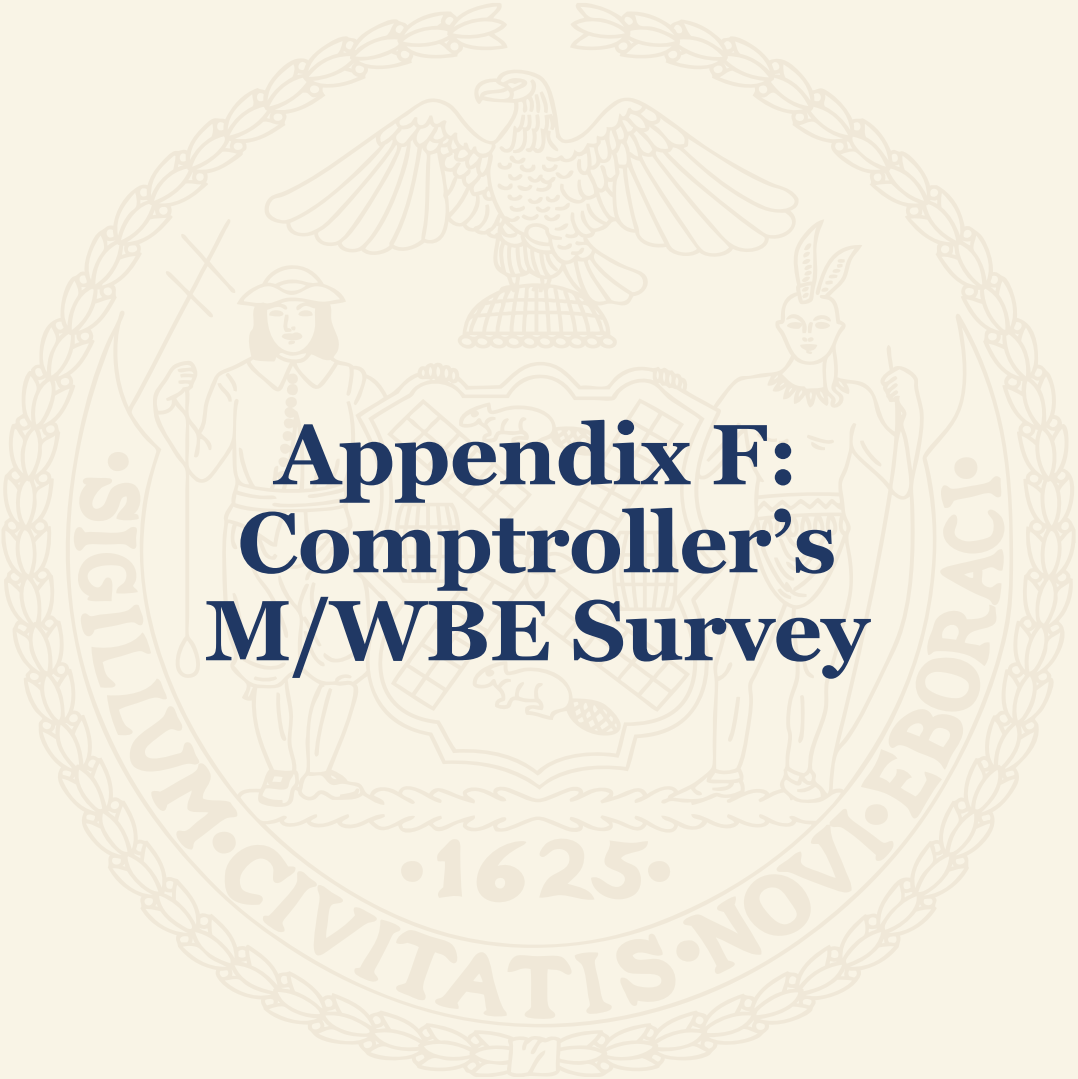
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Appendix E: Businesses Receiving the Most City Dollars

Businesses Receiving the Most City Dollars in FY 2019

#	Prime Vendor Name	Prime Minority Status	All Spending	M/WBE Prime Spending	M/WBE Sub Spending	Percent M/WBE Spending
1	CDW GOVERNMENT LLC	Non-Minority	\$315,560,095	\$0	\$0	0.00%
2	WASTE MANAGEMENT OF NEW YORK LLC	Non-Minority	\$230,425,107	\$0	\$0	0.00%
3	KIEWIT-SHEA CONSTRUCTORS, AJV	Non-Minority	\$198,951,427	\$0	\$1,825,083	0.92%
4	LEON D. DEMATTEIS CONSTRUCTION CORP	Non-Minority	\$159,328,575	\$0	\$0	0.00%
5	TULLY CONSTRUCTION CO. INC.	Non-Minority	\$147,868,904	\$0	\$4,745,219	3.21%
6	WILLIS OF NEW YORK INC	Non-Minority	\$138,950,130	\$0	\$0	0.00%
7	FJC SECURITY SERVICES INC	Non-Minority	\$130,409,661	\$0	\$0	0.00%
8	MOTOROLA SOLUTIONS, INC	Non-Minority	\$108,035,286	\$0	\$0	0.00%
9	LIRO PROGRAM AND CONSTRUCTION MANAGEMENT PE PC	Non-Minority	\$105,270,690	\$0	\$781,692	0.74%
10	CAC INDUSTRIES INC	Non-Minority	\$98,701,383	\$0	\$3,615,662	3.66%
11	SPRAGUE OPERATING RESOURCES LLC	Non-Minority	\$87,293,685	\$0	\$0	0.00%
12	COVANTA SUSTAINABLE SOLUTIONS LLC	Non-Minority	\$80,210,777	\$0	\$0	0.00%
13	TURNER CONSTRUCTION CO.	Non-Minority	\$78,487,755	\$0	\$0	0.00%
14	INTERNATIONAL BUSINESS MACHINES CORP	Non-Minority	\$76,644,308	\$0	\$0	0.00%
15	ADAM'S EUROPEAN CONTRACTING INC	Women	\$74,255,975	\$74,255,975	\$0	100.00%
16	WHITESTONE CONSTRUCTION CORP	Non-Minority	\$73,242,186	\$0	\$0	0.00%
17	CITNALTA CONSTRUCTION CORP	Non-Minority	\$69,204,218	\$0	\$0	0.00%
18	TDX CONSTRUCTION CORP	Non-Minority	\$68,214,280	\$0	\$0	0.00%
19	AECOM USA INC	Non-Minority	\$68,203,928	\$0	\$1,279,473	1.88%
20	PADILLA CONSTRUCTION SERVICES, INC.. PCS	Hispanic American	\$65,384,697	\$65,384,697	\$0	100.00%
21	RESTANI CONSTRUCTION CORP	Non-Minority	\$65,194,919	\$0	\$2,623,580	4.02%
22	SLSCO LP	Non-Minority	\$63,186,488	\$0	\$3,429,502	5.43%
23	YONKERS CONTRACTING CO INC	Non-Minority	\$61,694,560	\$0	\$2,632,336	4.27%
24	JR CRUZ CORP.	Non-Minority	\$61,551,469	\$0	\$455,970	0.74%

#	Prime Vendor Name	Prime Minority Status	All Spending	M/WBE Prime Spending	M/WBE Sub Spending	Percent M/WBE Spending
25	TRIUMPH CONSTRUCTION CORP	Non-Minority	\$58,284,304	\$0	\$91,910	0.16%
26	ZHL GROUP INC	Non-Minority	\$57,470,142	\$0	\$13,934,401	24.25%
27	ARNELL CONSTRUCTION CORP.	Non-Minority	\$56,390,058	\$0	\$0	0.00%
28	ASHNU INTERNATIONAL INC	Asian American	\$53,299,495	\$53,299,495	\$0	100.00%
29	MASPETH SUPPLY CO LLC	Non-Minority	\$53,140,136	\$0	\$78,975	0.15%
30	DIFAZIO IND LLC	Non-Minority	\$52,756,914	\$0	\$161,442	0.31%
31	EW HOWELL CO LLC	Non-Minority	\$52,617,409	\$0	\$0	0.00%
32	SHI INTERNATIONAL CORP	Asian American	\$52,561,555	\$52,561,555	\$0	100.00%
33	WELSBACH ELECTRIC CORP	Non-Minority	\$51,022,179	\$0	\$937,890	1.84%
34	VOLMAR CONSTRUCTION INC	Non-Minority	\$50,560,084	\$0	\$0	0.00%
35	MPCC CORP	Non-Minority	\$50,388,159	\$0	\$4,350	0.01%
36	GCOM SOFTWARE LLC	Asian American	\$49,045,037	\$49,045,037	\$0	100.00%
37	TULLY ENVIRONMENTAL INC	Non-Minority	\$48,568,868	\$0	\$0	0.00%
38	NORTHROP GRUMMAN SYSTEMS CORPORATION	Non-Minority	\$46,790,596	\$0	\$0	0.00%
39	LENOVO, INC	Non-Minority	\$45,994,658	\$0	\$0	0.00%
40	E-J ELECTRIC INSTALLATION COMPANY	Non-Minority	\$45,774,494	\$0	\$0	0.00%
41	MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY	Non-Minority	\$45,300,218	\$0	\$0	0.00%
42	CORANET CORP	Women	\$44,040,676	\$44,040,676	\$0	100.00%
43	HAZEN & SAWYER	Non-Minority	\$43,820,719	\$0	\$4,488,179	10.24%
44	MITEL NETWORKS COMMUNICATIONS SOLUTIONS INC	Non-Minority	\$43,477,094	\$0	\$0	0.00%
45	APPLE INC	Non-Minority	\$43,148,970	\$0	\$0	0.00%
46	PERFETTO CONTRACTING CORP	Non-Minority	\$43,002,192	\$0	\$525,344	1.22%
47	JETT INDUSTRIES INC	Non-Minority	\$42,451,461	\$0	\$6,416,644	15.12%
48	TEK SYSTEMS INC	Non-Minority	\$41,453,049	\$0	\$0	0.00%
49	UNIONPORT CONSTRUCTORS JV	Non-Minority	\$41,449,294	\$0	\$0	0.00%
50	WILLIAM A GROSS CONSTRUCTION ASSOCIATES INC.	Non-Minority	\$41,119,241	\$0	\$11,400	0.03%
Total			\$3,880,197,507	\$338,587,436	\$48,039,053	9.96%

The background of the page features a large, faint, light beige seal of the City of New York. The seal is circular, with a laurel wreath border. Inside the wreath, there is an eagle with spread wings perched atop a globe. Below the eagle are two figures: on the left, a Native American holding a bow and arrow; on the right, a figure in a feathered headdress holding a staff. At the bottom of the seal, the date "1625" is inscribed. The Latin text "SIGILLUM CIVITATIS NOVI EBORACI" is written around the inner circle of the seal.

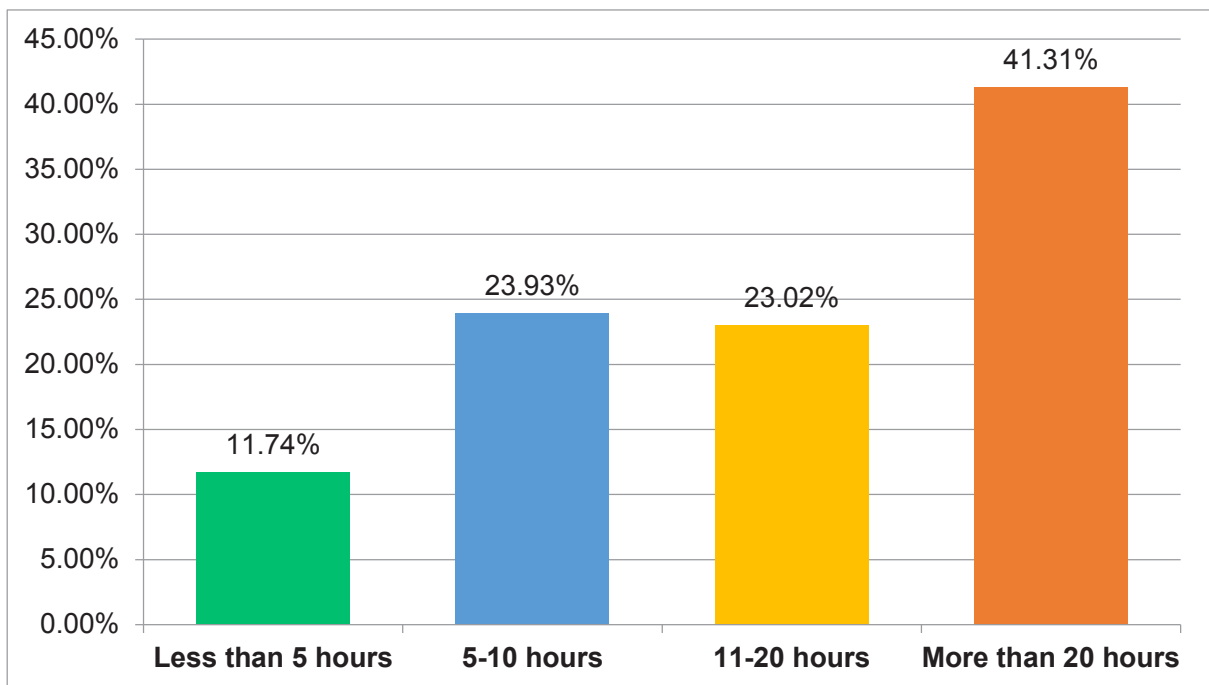
Appendix F: Comptroller's M/WBE Survey

Comptroller's M/WBE Survey

This year, the Comptroller's Office conducted a survey of 567 M/WBEs certified by the City of New York. The purpose of the survey was to understand the experiences and obstacles M/WBEs face in public contracting and to help shape the recommendations in this report.

The key results are below.

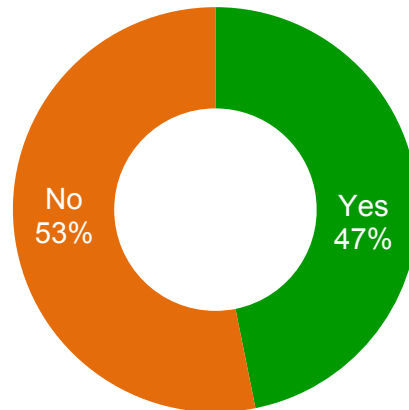
Q In total, approximately how many hours did you devote to the certification process?



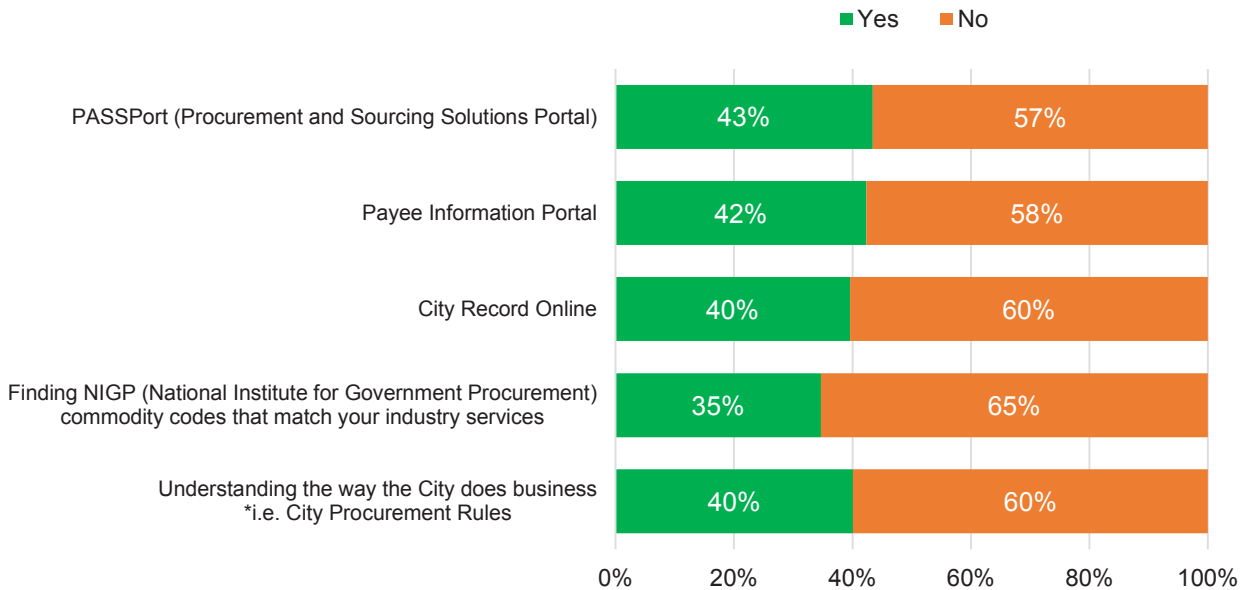
Q How do you think the City of New York could improve the process of proving your ethnic or minority status?

- Sample responses:
 - Provide more options for race and ethnicity, e.g. Middle Eastern, Native American, Brazilian
 - Using documents such as passports or drivers licenses
 - Streamline the process for FastTrack certifications

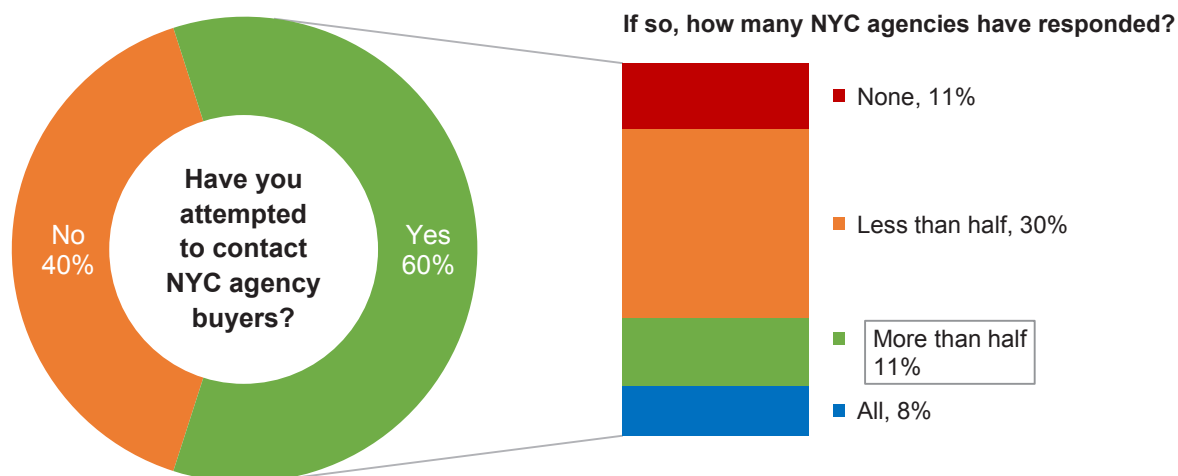
Q Since being certified, do you feel that NYC government provided adequate support and resources to help you apply for contracts?



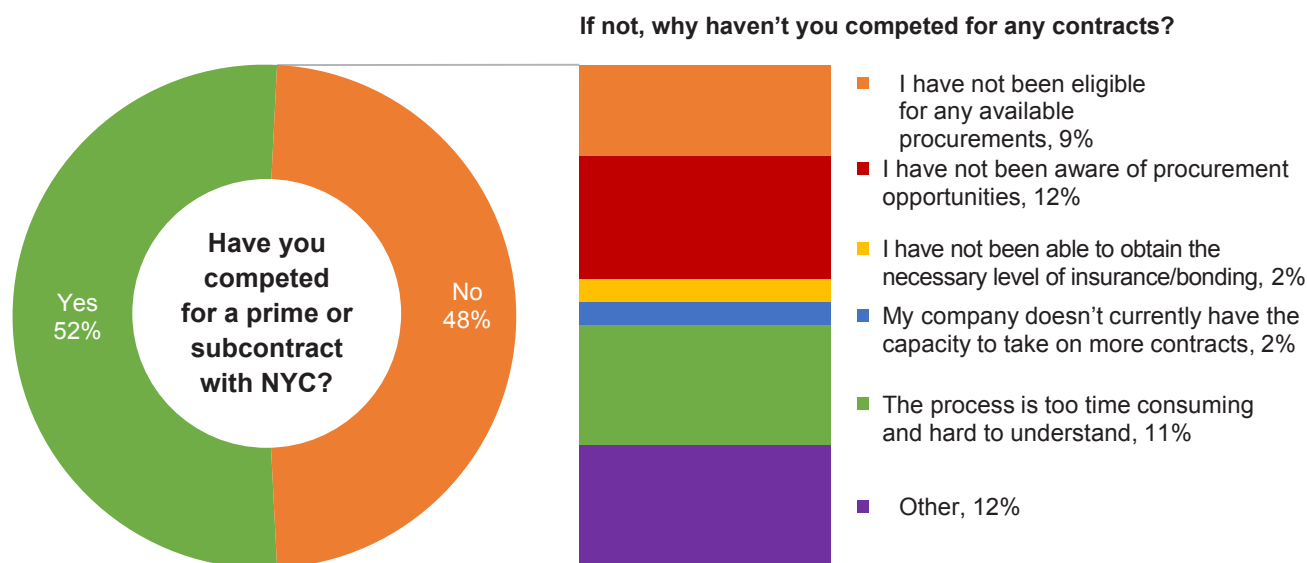
Q Did you receive NYC government support to navigate any of the following vendor systems?



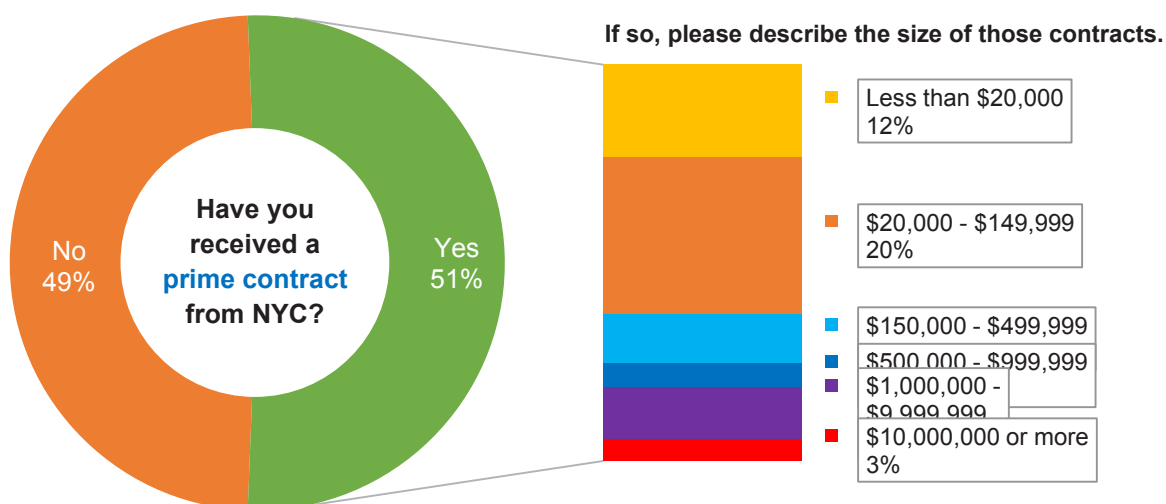
Q Have you attempted to contact NYC agency buyers, such as Agency Chief Contracting Officers and M/WBE Officers, with phone calls, emails, meeting requests, etc.?



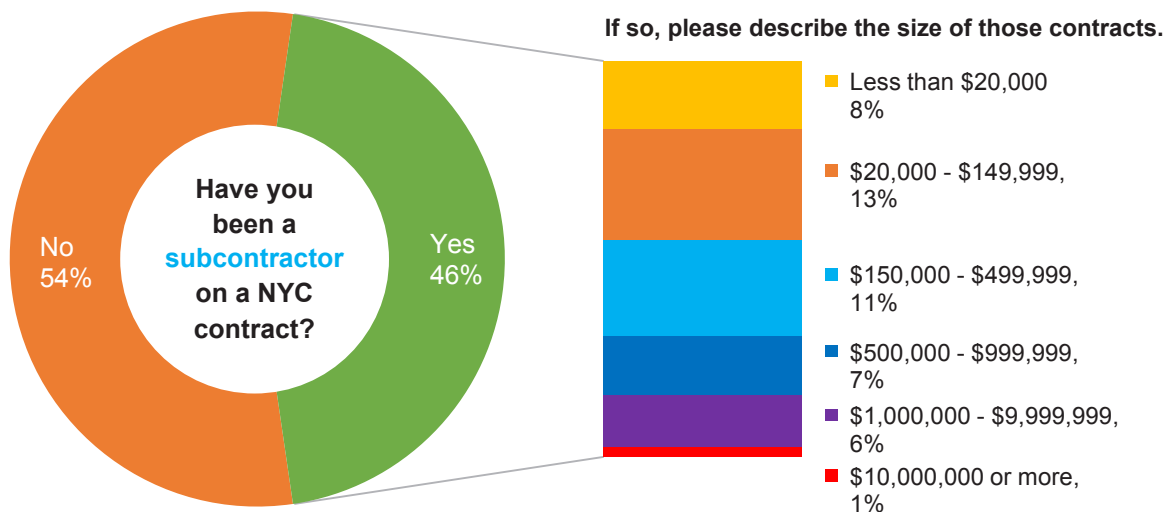
Q Have you competed for a prime or subcontract with the City of New York since becoming certified, e.g. responded to a Request for Proposal, submitted a bid, or submitted a quote to an agency?



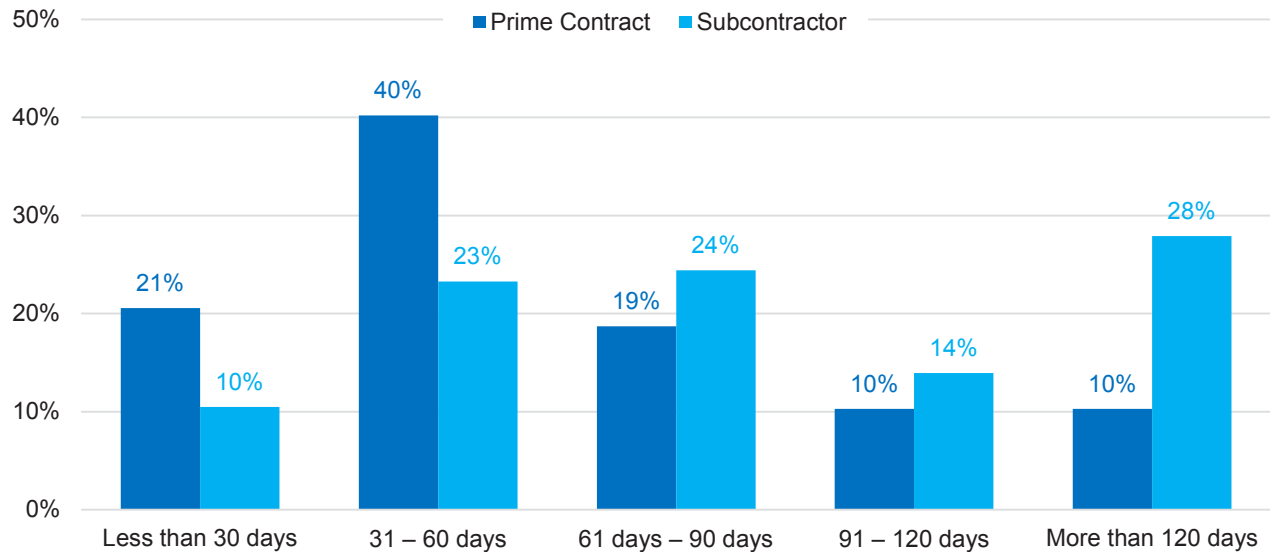
Q Have you received a prime contract from the City of New York?



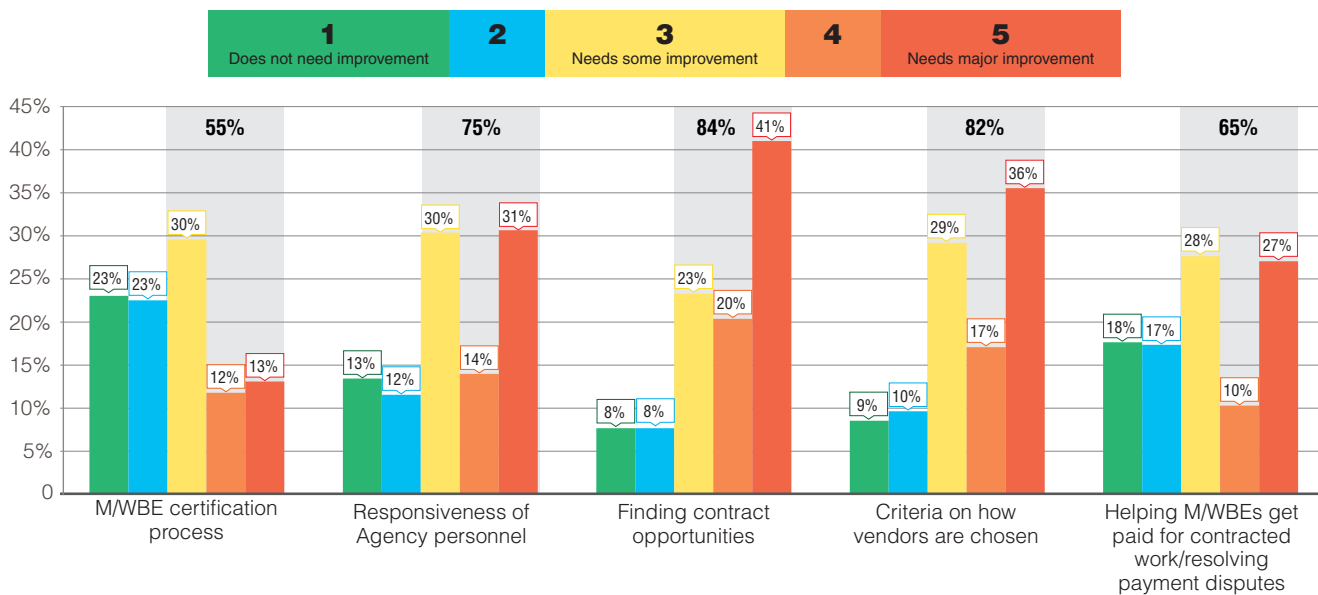
Q Have you been a subcontractor on a New York City contract?



Q On average, how long did it take to receive payment after submitting your first invoice for a prime contract / subcontractor?



Q Please rate the following areas to improve M/WBE access to public contracts on a scale of 1 to 5.



Methodology and Limitations

The survey was administered online from September 12, 2019 to October 4, 2019. While the names and contact information of certified M/WBEs are public, the feedback solicited in the survey was anonymous.

The Office of the Comptroller conducted direct email outreach to all currently certified M/WBEs that appear in the Department of Small Business Services M/WBE Directory and phone outreach to businesses that the Office of the Comptroller has been in contact with through its initiatives. A total of 567 survey responses were collected. The survey was not based on a scientific, randomized sample of the City's directory of certified M/WBEs. While not all respondents answered each question, the vast majority of respondents replied to each applicable question. The information below provides more detail about the survey respondents.

Business Information

Twelve percent of respondents indicated that they certified as Asian American-owned businesses, 32 percent as African American-owned, 17 percent as Hispanic American-owned, 59 percent as women-owned, one percent as emerging businesses and one percent as local businesses.

Twenty-one percent of respondents reported providing construction services, 13 percent

sell goods, and 14 percent report providing standard services. The majority of respondents, about 53 percent, provide professional services, including architecture and engineering.

Most respondents were small businesses. 57 percent of respondents reported annual revenues of less than \$500,000. However, 13 percent reported annual revenues of \$5 million or more. While the Small Business Services M/WBE Directory includes firms' largest contracts, it does not list their annual revenue.

Respondent Demographics

Fifty-nine percent of respondents were women, 38 percent were men, and less than one percent non-binary, genderqueer, or gender nonconforming individuals.

Seventy-eight percent of respondents identified as heterosexual and five percent identified as lesbian, gay, bisexual, questioning, or other.

Five percent of respondents have served in the U.S. military and six percent are living with a disability.

Receiving Contracts

Respondents were more likely to receive a contract than the general population of M/WBEs. Forty-six percent of respondents reported receiving prime contracts, and 38 percent reported being subcontractors.

Acknowledgements

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Ambrosia
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Task Force on MWBE
Council Chambers – City Hall
New York, NY 10007

Re: Oversight - MWBEs in NYC - Building on Successes, Overcoming Challenges, and Expanding Opportunities.

Wednesday January 29th, 2020

Thank you for the opportunity to submit a written testimony regarding oversight of MWBEs in New York City. My company, Ambrosia (formerly Industrial/Organic) is an innovative research lab and startup that recovers resources from food waste while providing the infrastructure demanded by cities and municipalities for waste diversion. In my testimony today I will discuss how the current MWBE framework prevents venture capital-funded startups, such as mine, from accessing the program and its benefits.

My company provides a critical solution at the intersection of sustainability and tech. Our technology is capable of processing all types of residential and commercial food waste; including meat, dairy, fish, fruits and vegetables. We valorize 100% of the food waste feedstock into various end products following our primary biorefining process. Our approach separates the core components of food waste, leaving us with clean water and a suite of resource materials. These outputs can be manufactured into different products and commodities that replace petrochemical or plant derived materials with a renewable alternative.

Ambrosia could play a key role in helping New York City to achieve its goal of Zero Waste by 2030. As a native New Yorker, born in Staten Island in the 1980's at the height of the use of the Fresh Kills landfill, this is an initiative that I personally want to see become a reality. With the closure of Fresh Kills, the city now spends hundreds of millions of dollars on waste transport, a cost driven by the weight and volume of food waste. I started this company in Brooklyn after the passage of Local Law 146 by the Bloomberg administration to mandate food waste recycling among certain businesses. The city has since struggled to expand these and other food waste diversion plans due to a lack of alternative options to our current waste system.

Over six years, my team and I have worked to develop a scalable and sustainable approach to handle New York City's food waste. It was a capital-intensive process. I put myself \$20,000 in debt to get it off the ground. Eventually, we were able to validate the concept enough to attract venture capital and angel investors. Bringing in outside investors is the only way we were able to perform the research & development necessary to prove our technology and scale it to the point that we could be taken seriously by the waste industry. We are now in the middle of launching our first product, a household cleaner made with ingredients derived from food waste. I'm preparing to raise another round of investment so that we can open our first commercial scale food waste manufacturing plant in New York City.

We have become an active member of New York City's tech and innovation ecosystem and were part of the first cohort of Urban-X, an accelerator program for startups facing the unique challenges of working with cities. Valued at \$71 billion, New York City's startup ecosystem is a key contributor to the City's economy. For example, New York City ranked second globally for startup output in 2019, and the tech sector provided 333,000 jobs. New York City Economic Development Corporation initiatives and programs such as Urban Tech Hub and The Grid support the growing tech ecosystem.

I am very proud of Ambrosia's growth since our humble beginnings working out of a garage in Red Hook, Brooklyn. This growth simply would not have been possible without venture capital funding. Traditional financing options (such as bank loans) are not available to early-stage startups, so I turned to venture capital to get our operations up and running. This meant that I gave up equity in my company in exchange for funding to build the business. Since 2016 I have raised over \$4M. This has allowed me to create over 20 jobs and work towards an impactful solution the city needs. We have been successfully diverting food waste from landfill at our demo facility since 2018, and plan to recycle 40,000 tons of New York City's food waste by 2022 as we scale.

Working with the City of New York will be a significant aspect of our business, and MWBE certification would help us to access government contracts, grow our business and help the City to achieve its sustainability goals. I felt I was an ideal candidate for MWBE certification, as my business intersects with many male-dominated industries, a playing field that the MWBE program was conceived to level. When I attempted to apply, I was disappointed to discover that I did not qualify under the current regulations.

The primary requirement is that at least 51% of the business be owned, operated and controlled by a woman and/or designated minority group. When I started the business with my co-founder, I owned 60%. Then we created an option pool for employees. Then we started raising venture capital. Today, that number is 29% and will only shrink further the next time I raise capital in order to achieve our goals.

However, it's still my company. I am the single largest shareholder. The next largest, held by my co-founder, is 19%. The largest holding of a single investor, a venture fund, is 8%. The numbers keep going down from there.

I also operate the business; I am the Chief Executive Officer, responsible for all company operations and decisions. I control the company through my seat on the board of directors. By law, the board of directors controls the company and all critical decisions must be approved by the directors. Therefore, the actions taken or approved by the board of directors controls the business. Often, a simple majority may approve corporate action. Our board consists of three directors. I serve on the board with my fellow director, Sanket Parekh, one of our investors who is himself a person of color and a member of a designated minority group. Together, we control 2/3rd of the vote necessary to direct corporate actions.

Although I am the CEO and single largest shareholder in my company with a Board of Directors majority represented by a woman and an individual from a designated minority group, this is not acceptable for MWBE certification as it is written. I do not hold the requisite 51% of the shares, and more complex ownership models are unable to be submitted through the current application process. In practice, the requirement for at least 51% of the business to be owned by a woman and/or a designated minority group will exclude most venture-funded startups founded and run by women or minority groups from qualification because the venture capital model requires a large base of investors, and most of these investors are traditionally male and/or non-minority.

Submission requirements related to the ownership criteria are also overly cumbersome and not appropriate for venture-funded startups. For example, due to the structure of the funds that have invested in our business, it is not possible to know all fund members and therefore not possible to provide resumes for each owner. Nor is it feasible to provide proof of minority group status for each owner, or the citizenship or permanent resident alien status for all owners of the business. Again, the venture model relies on a more diffuse ownership group. The information requested by the City's certification process goes beyond what is standard for a company to obtain from its investors at the time of investment. It requires information that a venture-funded company is, simply, unlikely to have ready access to and therefore places an additional administrative burden that is difficult to satisfy as a growing business.

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with more limited resources. These requirements will privilege non-venture funded companies, where the ownership is more closely held, or the funding obtained through other methods, and in so doing exclude new businesses that wouldn't exist without the startup venture model.

Considering the spirit and intent of MWBE certification, we are concerned that this requirement could undermine the policy objectives of the program; to promote fairness and equity by enabling such businesses to improve their capacity, connect to opportunities and positively contribute to the economy. Entrepreneurs and startup companies play a crucial role in developing creative new solutions to public problems. We do not believe that the legislation was intended to deny female and minority group entrepreneurs the ability to obtain this certification when they take on outside capital to achieve their mission. It is my hope that we can broaden the definition of what it means to own, operate, or control a company such as this one, opening the door for many more startups to engage with the city. I suggest exploring the addition of criteria for minority and women *run* businesses to obtain MWBE status.

Thank you for your consideration of my comments on this matter.

Sincerely,

Amanda Weeks
CEO & Co-Founder, Ambrosia



**MWBES IN NYC:
BUILDING ON SUCCESSES, OVERCOMING CHALLENGES AND EXPANDING OPPORTUNITIES**

**Testimony presented by the Women Builders Council, Inc.
Submitted by Renee Sacks, Ph.D., Executive Director**

The Women Builders Council, Inc. [WBC] is pleased to provide comments and suggestions on ways to build success, overcome challenges and expand opportunities for MWBEs in New York City.

About WBC. Now in its 16th year, the Women Builders Council is New York's leading organization dedicated to advocacy for women and minorities as well as the growth and development of women's leadership in the construction industry. WBC has been active in the recent New York State Re-Authorization of Article 15A and continues its conversations with New York State on the implementation of the new law – especially its impact on MWBEs.

WBC also has been an active supporter of New York City efforts to achieve equal standing with the state regarding several issues, discretionary awards and capacity building. Earlier in our history, WBC was the leading proponent of Local Law One of 2013 to ensure that women and MWBEs had equal standing in government procurements. In addition, three of our Executive Board Members and past presidents are active members on the Mayor's MWBE Advisory Board. And, our current president, Stephanie Burns serves as Chair of the NYC Department of Education Committee for the Construction Industry.

New York City's Opportunities. New York City's economic agenda offers more opportunities for MWBEs than ever before to participate in both megaprojects as well as smaller projects that are at the heart of the city's operations. In addition, the Mayor's 30 percent MWBE goal sets a strong goal for agency and authority diversity inclusion. However, there are challenges created by the current Local Law 1 legislation – especially in light of the Public Procurement Board regulations -- that may interrupt the journey to success for MWBEs.

WBC recognizes the important role that the New York City Council plays in adopting new legislation and modifying existing regulations to create success for MWBEs. With that in mind, we make the following comments and suggestions in four areas:

- **Review Of Local Law 1 to Identify Barriers To Participation**
- **An Expanded Definition of Graduating MWBEs**
- **New Design Build Legislation and Its Impact On MWBEs**
- **Government MWBE Procurement Best Practices**

1. REVIEW OF LOCAL LAW 1 TO IDENTIFY BARRIERS TO PARTICIPATION

Local Law 1, 2013. The law itself, now seven years later, deserves a comprehensive analysis to identify those regulations that actually create barriers to MWBE participation in New York City procurements. There are numerous regulations that are included in the Procurement Policy Board regulations that create barriers to MWBE Success. A prime example is Tier 1 subcontracting restrictions.

Local Law 1, 2013 provides for Tier 1 subcontracting restrictions. That means that only tier 1 MWBE subcontractors count for credit in a procurement. Tier 2, usually smaller MWBEs, are not credited in the procurement, and as a result, are not offered opportunities. This needs immediate examination and change.

WBC Suggests: Complete a comprehensive review of PPB regulations and their impact on Local Law 1, 2013 to identify barriers and disconnects to effective MWBE procurement practices.

2. AN EXPANDED DEFINITION OF GRADUATING MWBEs.

While New York City has no personal net worth requirements, the definition of a graduate MWBE is a collective \$50 million in public NYC contracts over a three-year period. In light of the high contract activity and the great demand on qualified MWBEs in the current economy, this definition becomes another restrictive barrier to MWBE growth. As many of you know, New York State has increased the personal net worth from \$3.5 million to 15 million and that will result in opening doors for MWBEs for were graduated out of the program as a result of personal net worth. WBC, along with assistance of the New York Electrical Contractors Association, provided data to support the need to increase PNW as a result of very high cost of New York City construction as compared with other cities across the country.

WBC Suggests: Increasing the revenue requirement for Graduating MWBEs to minimally \$100 million to enable qualified MWBE contractors to continue to compete and win larger contracts and at the same time increase the pool of qualified MWBEs for New York City projects.

Current Law:

(20) "Graduate MBE," "graduate WBE" or "graduate EBE" means an MBE, WBE or EBE which shall have been awarded contracts by one or more agencies within the past three years where the total city funding from the expense and capital budgets for such contracts was equal to or greater than fifty million dollars and whose size has exceeded the size standards established for its industry by the United States small business administration for three years.

3. NEW DESIGN BUILD LEGISLATION AND ITS IMPACT ON MWBEs

New York City recently adopted broad authorization to apply design-build construction delivery methods, replacing traditional design-bid-build models. The impact on MWBEs has not been examined and there are several:

3 | Women Builders Council Testimony to New York City Council on Building Success, Overcoming Challenges and Expanding Opportunities: January 28, 2020

1. MWBEs may not be included in the development of the design-build team, and as a result, may not be recruited in the early stages of procurement.
2. Tier 1 restrictions may continue to prevail and impede the ability of a large MWBE handling all of the work, without the benefit of Tier 2 subcontractors. Note: There are two NYC Department of Design Procurements that exempt Tier 1 restrictions by law, but they are the exceptions, not the norm.
3. MWBEs must assume more risk in a design-build procurement and many are not able to do so.
4. MWBEs need to understand the design-build process and first how to bid as a prime contractor in smaller design build procurements as well as how to engage with large design-build teams early on and throughout the life cycle of a project.
5. Many design-build projects may require a Project Labor Agreement, and historically MWBEs shy away from PLA projects since they are not represented by any organized entity to negotiate on their behalf should a problem occur.

WBC Suggests: Establish a Task Force to review Design Build best practices for MWBE inclusion. WBC, whose 36-member board, is comprised of MWBEs and prime contractors and design firms has established a design-build study group and will be delighted to share their findings and recommendations as it proceeds to examine this procurement model.

4. GOVERNMENT MWBE PROCUREMENT BEST PRACTICES

Even with top-down support of the Mayor's Office and the Mayor's MWBE Team, government agencies who have not had a robust history of MWBE inclusion in their procurements need to examine what works and what doesn't with a collaborative and unified environment.

WBC Suggests: Increase collaboration among agencies and authorities to examine the best way to structure procurements and de-bundle procurements to increase MWBE participation, New York City could not have a better model than the NYC School Construction Authority as well as the MTA's Small Business Development Program, to examine what is working for agency and authority-wide MWBE procurements. WBC recommends a study group to better assist NYC agencies in their procurement best practices and further support a culture of inclusion in public sector procurements.

These suggestions summarized above are just a few of the action items needed to strengthen New York City's MWBE Program. WBC continues to meet with the Mayors Office of MWBEs and continues to be involved in this game-changing conversation to create success and expand opportunities for MWBEs.

Thank you for the opportunity to submit our comments.

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**Testimony of
Felice Farber, Senior Director Policy & External Affairs
The General Contractors Association of New York, Inc.
Committee on Contracts and Task Force on MWBE
New York City Council**

January 29, 2020, 10:00 am

Thank for you for the opportunity to comment today on building successes and overcoming challenges for MWBEs. I am Felice Farber, Senior Director of Policy and External Affairs for the General Contractors Association of New York. GCA members are unionized heavy civil contractors that build the infrastructure that moves New York – the roads, bridges, transit systems, water and sewer systems, parks, schools and building foundations. We support opportunities for MWBEs through membership in our organization, targeted networking events to connect MWBEs to significant subcontracting opportunities, and training programs to help build MWBE skills and capacity.

The business opportunities for MWBEs in the construction industry are at record levels. The City continues to have a robust capital plan and is advancing major infrastructure projects such as new borough-based jails, and billion- dollar coastal resiliency projects. The MTA is moving forward quickly with a \$51.5 billion capital plan. The executive budget for the state proposes a 30% increase in the New York State Department of Transportation capital program. The Port Authority is also advancing a robust capital program. At the same time the discretionary purchase threshold for the City and the MTA has increased substantially providing enormous opportunities for MWBEs.

The downside of all this, however, is that the significant volume of available work is stretching the capacity of MWBEs to meet this demand. Within that framework, we offer the following suggestions broken down into four main categories: Increasing the Number of Qualified MWBEs by Gaining Needed Skills; Connecting MWBEs with Appropriate Opportunities; managing staff and back office operations, and; learning how to manage growth.

Increasing the Number of Qualified MWBEs by Gaining Needed Skills

- *Amend Local Law 1 to include Indirect Subcontractors and Suppliers*

One of the biggest and most significant barriers towards building capacity on City projects is the prohibition in Local Law 1 on utilizing indirect subcontractors and suppliers to count towards meeting MWBE contract goals. As a result, prime contractors are incentivized to hire only

large, successful MWBE subcontractors. For state and federally funded work, lower tier – or in City parlance, indirect – subcontractors as well as MWBE suppliers may be utilized to meet the project goals. Local Law 1 limits opportunities to break specialty work into smaller, manageable size components thereby eliminating a pipeline of opportunities for small MWBEs. This limitation is a significant structural barrier for MWBE subcontractors and suppliers.

- *Engage in Data Analytics to Understand the Gaps in Capacity*

Increasing MWBE goals across the board without adequately acknowledging where capacity is limited frustrates the process. The City should analyze its procurement data to evaluate the industries and categories in which there are qualified MWBEs and where there are deficits. This should then be compared to subcontracting opportunities in City work. This will identify where there is a lack of MWBE capacity, or incorrect certification data, and then the City must find ways to build capacity.

Connecting MWBEs with Appropriate Opportunities

- *Ensure an accurate directory of certified MWBEs*

The Small Business Services directory of certified MWBEs is the source that prime contractors utilize to identify and solicit MWBE subcontracting opportunities. It is critically important that MWBEs make sure their contact information is up-to-date; and that SBS work with firms to make sure the industry classifications listed in the directory accurately reflect the firm's expertise and that the business description is sufficiently detailed to accurately reflect the firm's expertise.

Incorrect information results in missed business opportunities and too many solicitations for work outside a firm's expertise. It also impedes a prime contractor's ability to engage in targeted, meaningful outreach to MWBEs. The City must take ownership of the accuracy of the directory and fix it.

- *Establish MWBE Procurement Training for Design-Build Work*

New York City recently received state broad authorization to use design-build. In order for MWBEs to take full advantage of these new opportunities the city should establish training programs to educate MWBEs on the new procurement and RFP process. MWBEs need to understand the costs and risks involved in bidding design-build work as a prime contractor, as well as the need to engage with prime contractors before a winning bid is selected to maximize subcontracting opportunities.

Managing Staffing and Back Office Requirements

Dr. Thomas Boston, a renowned economist who conducted an MWBE capacity study using City Procurement data, surveyed MWBEs to understand the biggest challenges and roadblocks to

MWBEs in growing capacity. Attracting and retaining high quality workers and controlling operating costs topped the list.

Programs and partnerships like those established by SCA President Lorraine Grillo with LaGuardia Community College to train students on SCA program management requirements are the types of programs that should be replicated and expanded to help provide job opportunities to community college students as well as access to a reliable workforce for MWBEs.

Learning how to manage growth

MWBEs firms are under pressure to take on larger and larger projects. MWBEs must make sure to set reasonable growth plans and only take on work they can handle. Failure to do otherwise is a recipe for failure. Setting a course for steady growth and making sure an MWBE can handle the increased project size is a more sustainable approach to business development.

We look forward to continuing to work in partnership with the Council and the City in supporting opportunities for MWBEs.

1/29 MWBE Task Force Testimony

My name is Bertha Lewis and I am the Executive Director and Founder of The Black Institute, which is now entering into its tenth year. Since its conception, The Black Institute has been fighting for economic justice for minority communities and our minority business owners.

FC

Ten years later, Minority and Women Owned Businesses continue to face institutional and discriminatory barriers. Our businesses are not able to grow and our communities are left wither, all while the powerful and the rich continue to prop up the status quo.

FOR THE RECORD

New York City has pension funds valued at nearly 200 billion dollars. Currently, those funds are being held at the same depository banks that red line our communities and refuse to provide our MWBEs with the loans they need to grow their businesses. and profit off gentrification. The majority of city workers are black and brown. They are the ones same being discriminated against when it comes to access to capital.

FOR THE RECORD

I am including the Black Institute's Report, "The One Percent Solution" as part of my written testimony. This report calls for directing 1% of the NYC pension funds for specifically targeted for direct M/WBE investment as well as helping to capitalize a New York City Public bank, which would then lend to MWBEs.

A public bank would not focus on short-term profits and enriching its shareholders. We could use those funds to actually invest in our local economy in ways that advance racial and economic justice. We could support community self-determination and community-led development to promote housing justice and support our MWBEs.

The Black Institute calls upon the New York City Government to work out a "one-percent solution." Develop policies and make decisions that would allow for one percent of City pension fund to be set aside and allocated toward closing the capital gap faced by local M/WBEs.

To restore New York's national leadership on the issues of racial and economic justice, Mayor De Blasio, the city comptroller, Scott Stringer, Speaker Corey Johnson along with the rest of the city council must act now! We encourage the rest of the MWBE Taskforce to do something to include the One Percent Solution any policy recommendations.

Thank you

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EXECUTIVE SUMMARY

In the two years since the launch, on the steps of New York City Hall, of our Fair Share campaign for minority- and women-owned businesses (M/WBEs), we identified discrimination in lending and other barriers in access to capital as the key constraint that is holding them back. In this third installment in our series of reports on M/WBEs, we seek to identify available sources of capital that can be used to address the lack of access to fair credit and other financial support required to equalize the opportunities for M/WBEs in New York. Specifically, we look into the two sets of institutions over which New York State and City governments have either direct control or influence through business relationships involving public funds. These institutions are, first, public pension systems and the firms to which they entrust their investments; and, second, large banks that serve as depositories of State and City funds.

Private investment firms managing public retirement funds control vast financial resources while also deriving a political advantage that opens further access to large-scale business opportunities. One glaring example is BlackRock, known as the world's largest 'shadow bank.' It is the only firm contracted by the Federal Retirement Thrift Investment Board (FRTIB) to manage *\$254 billion* in the federal Thrift Savings Plan. This is more than all the funds of New York City Retirement Systems and than the entire annual budget of a country like Russia. And while African-Americans comprise *18%* of the federal civilian workforce, according to BlackRock's own reports, just *3.5%* of its employees and *only one* of its 21 executives are Black.

While New York State and City public pensions' investments present a more diverse picture, their managers, as well as investment firms and other contractors reaping huge benefits from the handling of these funds, can and should do significantly more to help close the capital access gap for M/WBEs at large, not just those in the investment business. The two NYS pension funds – Common Retirement Fund and Teachers Retirement Fund – have *\$300 billion* in total investments; of these, just *5.6%* are invested with M/WBE firms. As for New York City, the data provided by the City Government do not disclose the exact amount of funds invested with M/WBE firms, as these numbers are lumped together with data for

the so-called emerging managers (a group that typically includes M/WBE's but is rather loosely defined). Thus, out of the \$191 billion investments by NYC's five public pension funds, the total share of funds invested with M/WBEs as well as with emerging managers is six percent. This number stands in sharp contrast with the demographics of the City workforce of which 61 percent are people of color. Meanwhile, \$830 million of NYS pension funds and close to \$600 million of NYC pension funds are paid "off the top" in fees to consultants, lawyers and other private entities. These numbers put both the City and the State in an unfavorable light in comparison with, the State of Illinois, for example: whose five pension funds taken together report 13 percent of their funds either invested with or managed by M/WBEs, while paying only \$360 million to consultants and other professional services firms for assistance with managing these funds.

Further, both the City and the State pay large sums every year to major banks, for serving as depositories of public funds and for other services. NYC pays these banks \$588 million per year, while the State's annual payments to them amount to \$7 billion. Most of these banks have their reputation tarnished by their overall historical record of credit discrimination and the role that their predatory lending practices played in the onset of the Great Recession, as exposed in the lawsuits filed by the cities of Miami, Los Angeles, Philadelphia, and others. In spite of this, they maintain their privileged business relations with governments, while minority-owned banks remain excluded from this club. The present federal and state Community Reinvestment Acts (CRAs) are not sufficiently robust or thoroughly implemented to compel these banks to practice fair lending to minorities and their businesses. And the Republican Congress' move to repeal the Dodd-Frank Act of 2010 (whose M/WBE-related Section 1071 has not even been implemented) further exacerbates this situation.

In light of these findings, The Black Institute calls upon New York State and New York City Governments to work out what we call a "one-percent solution:" that is, develop policies and make decisions that would allow for one percent of City and State pension fund investments— as well as one percent of City and State payments to banks, consultant firms, and other professional service providers— to be set aside and allocated toward closing the capital gap faced by local M/WBEs. To restore New York's national leadership on the issues

of racial and economic justice, Governor Cuomo, Mayor De Blasio, and other elected officials must act now.



OUR FAIR SHARE CAMPAIGN FOR M/WBES, 2015-2017: AN OVERVIEW

In April 2015, The Black Institute released our first report on the barriers faced by New York's M/WBEs in securing an equitable share of contracts in the public sector.¹ At the time M/WBEs' share of New York City contracts stood at meager four percent (\$690 million) per year, in spite of the much higher overall participation goals set by NYC's Local Law 1 of 2013. As for the New York State government, even though its officially publicized data at the time showed substantial achievement, with over twenty-five percent (close to \$2 billion) in public contracts allocated to M/WBEs, this data was not being presented in a sufficiently transparent, accessible and easily verifiable way.

Our report provided an overview of M/WBEs' share and role in the economy, of the history of legislation on their participation in government contracts, and of the obstacles they continue to face. It noted that the legislation and the political decisions by City and State governments establishing specific M/WBE participation goals in contracting failed to achieve their intended results. A key reason for this is the absence of a legal—mandatory—requirement to ensure specific levels of M/WBE participation in contracting (which is caused in part by past court rulings creating a notion that such a requirement would be unconstitutional). As a result, government agencies have been limiting their responsibilities with regard to M/WBE participation to showing that they were making their 'best' or 'good faith' efforts to meet the established goals. Additionally, M/WBEs have faced other barriers to government contracting, especially in terms of access to capital, coupled with the government's significant delays in payment for completed work. On top of that, M/WBEs' ability to function as a tool for reducing racial and gender disparities was hampered by inequalities among these firms, including the advantages enjoyed by the firms owned by white women over minority-owned companies, as well as legally questionable practices, exemplified by women fronting for de facto male owners in order for them to take advantage of M/WBE status (the so-called 'men in skirts' phenomenon).

¹ Dmitri Daniel Glinski and Bertha M. Lewis, 'Not Good Enough: The Myth of 'Good Faith and Best Efforts' / Report on Minority- and Women Owned Businesses', [https://d3n8a8pro7vhm.cloudfront.net/theblackinstitute/pages/417/attachments/original/1474574651/Not_Good_Enough_Report_\(1\)_1.pdf?1474574651](https://d3n8a8pro7vhm.cloudfront.net/theblackinstitute/pages/417/attachments/original/1474574651/Not_Good_Enough_Report_(1)_1.pdf?1474574651).

In conclusion, the report set out a list of our Demands for Economic Justice, aimed at narrowing the disparity gap between M/WBEs and the rest of the companies. Specifically, we called for the following changes:

- To establish a more effective government oversight of the implementation of M/WBE-related laws and regulations in New York City, namely, by setting up an M/WBE Advisory Council and a full-time Chief Diversity Officer at the Deputy Mayor level;
- To establish mandatory M/WBE inclusion requirement, instead of ‘aspirational’ goals, in the amount of 35% of NYC total contracting budget;
- To legally require any for-profit company that is granted tax privileges or breaks from city or state government to include M/WBE participation in the subcontracting of any of its projects;
- To amend NYC Local Law 1 of 2013 by establishing M/WBE requirements for all city agencies, authorities, commissions, etc.;
- To amend Chapter 862 of New York State Laws of 1990 and New York City Local Law 1 so as to provide equal access for M/WBEs to ‘sole source’ (also known as ‘specialty’) contracting;
- For the NYS and NYC governments to increase the educational portion of M/WBE assistance programs;
- For New York State and City contracting offices to maximize the openness of the bidding process and access to information about available contracting opportunities at the earliest stage of the process, in order to increase transparency; and to make data and statistics on M/WBE participation also more transparent and easily accessible to the general public;
- To ensure the inclusion of minority- and women-led research institutions in developing city and state M/WBE policies;
- Lastly, for the State’s Division of Minority and Women's Business Development (DMWBD) and NYC Small Business Services (SBS) to provide legal and other assistance to M/WBE contractors whose payments are delayed.



*The launch of TBI's 'Not Good Enough' report and M/WBE campaign on the steps of NYC City Hall,
April 7, 2015.*

With the presentation of this report on the steps of New York City Hall was attended by Congresswoman Yvette Clarke, NYS Assemblyman Michael Blake, NYC Public Advocate Letitia James and other government officials. TBI and allies launched our Fair Share campaign, with specific demands to our city and state authorities in order to achieve economic justice for M/WBEs by securing contracting opportunities for them that would reflect the growing share of racial minorities (over 60 percent) and women (over 50 percent) in New York's population and workforce. We then ramped up our campaign: first, with a series of M/WBE town halls, hosted jointly with the NYC Council's Black Latino and Asian Caucus and held across the five boroughs; and then with the publication (in April 2016) of our second report that highlighted a central aspect of M/WBE's disadvantages – disparity in access to credit and other sources of capital, including

outright discrimination by the banking industry.²

In partnership with the City Council's Women's Caucus, we held a series of town halls/forums in each of the five boroughs. Their purpose was to bring M/WBEs together in sharing their experiences and for TBI to have a more in-depth engagement with them in order to gather first-hand information and stories about their struggles and successes. These events were attended by over 300 M/WBE owners from around the city and the Tri-State area with local elected officials to discuss the issues and potential solutions to them.

The material provided by these discussions went into our second report, titled *We're Serious and We're Not Alone*. On their basis, we developed an expanded list of recommendations and outlined them at the end of this second report. Beyond our "Fair Share Amendments" to Local Law 1, these recommendations also included:

- Securing additional opportunities for M/WBEs under other types of certifications, such as Local Business Enterprise (LBE) and Small Business Enterprise (SBE), where public procurement set-asides can be established and legally enforced;
- Amending the New York State law to allow the inclusion of NYC-certified M/WBEs (in addition to the State-certified) in the City's 'best value' procurements, as well as including M/WBEs as subcontractors or joint venture partners in NYC 'best value' awards to prime contractors;
- Improving the NYC Small Business Services database by making it more up-to-date and comprehensive, including descriptions of specific vendor offering, and more resources for agencies and prime contractors to get to know qualified M/WBE firms;
- Requiring agencies and prime contractors to hire consultants for NYC Public Works projects over \$2 million to help them identify M/WBE partners;
- Including M/WBE contracting goals in Project Labor Agreements;
- Establishing a universal M/WBE certification process in place of separate City and State processes, and consolidate NYC agencies' lists of prequalified M/WBE firms;

² 'Access Denied: M/WBE Capital and Credit Discrimination in New York', https://d3n8a8pro7vnm.cloudfront.net/theblackinstitute/pages/373/attachments/original/1460475709/Access_Denied_4.12.16_Appendices.pdf?1460475709.

- Raising the standard for “good faith effort,” including through more robust communication and outreach requirements, withholding payments for failure to prove a ‘good faith effort’ to find an M/WBE partner, and consolidating all NYC contracting information in one accessible database;
- Penalizing prime contractors for payment delays, with damages paid directly to the offended party, and the possibility of barring repeat offenders from doing business with the City.

Thus, over the past two years, TBI has built a program of research, publications, and advocacy to address the glaring inequalities facing M/WBEs, while our Fair Share campaign has made significant strides. The recommendations outlined in our two reports were reflected in the draft legislation that was developed by the NYC Council’s Women Caucus in close partnership with the Black Leadership Action Coalition (BLAC), a legislative advocacy and lobbying organization. In total, our recommendations went into six bills that were introduced in December 2015, at the joint hearing of the Council’s three Committees - on Contracts, on Small Business, and on Women’s Issues. The purpose of these bills was to address procurement disparities by:

1. Ensuring transparent and accurate reporting of whether M/WBE goals and requirements are being met by the City;
2. Strengthening oversight by establishing an M/WBE advisory board; and
3. Establishing a full-time City government position to oversee the M/WBE program.

Throughout 2016, the BLAC worked with Council members and staff on these bills. All six were unanimously passed by the Council on September 14 and signed into law by Mayor De Blasio on September 28, 2016. These bills included (see their full text in the attachment). :

1. **Intro. 923-A** (sponsored by Councilwoman Laurie Cumbo) - Requiring NYC Department of Small Business Services to submit an annual report on the Economic Development Corporation (EDC) assessment of whether M/WBE participation goals by recipients of economic development benefits were met (including explanations for the reasons of failure in those instances where they were not met);

2. **Intro. 976-A** (sponsored by NYC Public Advocate Letitia James) – Mandating trainings for agencies’ chief contracting officers and M/WBE officers regarding participation of M/WBEs in city procurement;
3. **Intro. 981-B** (sponsored by Councilwoman Cumbo) - Establishing an M/WBE Advisory Board, with its chair and at least 10 members appointed by the Mayor;
4. **Intro. 1005-A** (sponsored by Councilwoman Elizabeth Crowley) – Requiring the 54 City agencies to post their M/WBE utilization plans online;
5. **Intro. 1019-A** (sponsored by Councilwoman Helen Rosenthal) – Expanding M/WBE reporting requirements, from only the contracts for which M/WBE participation goals were set, to all City contracts;
6. **Intro 1020-A** (sponsored by Councilwoman Rosenthal) – Requiring the annual M/WBE report to provide detailed explanations of the determinations made by the City Chief Procurement Officer with regards to whether to divide proposed contracts over \$10 million into smaller contracts.

On the day when this legislative package was signed into law, Mayor De Blasio also announced his goal of awarding to M/WBEs at least 30 percent of the dollar amount of city contracts by 2021. Together with the new laws, this new commitment represented potentially groundbreaking advancements toward more equal opportunity in City contracting – and thus a victory for TBI and our M/WBE allies. Additionally, new and higher commitments to M/WBE participation in public contracting by NY State Governor Cuomo have been much welcome steps in the right direction.

In June 2017, both houses of New York State legislature passed two significant bills affecting M/WBEs. The first bill, sponsored in the Senate by Labor Committee Chair Marisol Alcantara (IDC)—with Sens. Savino (IDC) and Leroy Comrie (D)— and in the Assembly by Alicia Hyndman (D), amended NYC Charter to allow purchases of goods and services of up to \$150,000 to be made with M/WBEs without a formal competitive process. This bill also requires NYC to submit an annual report to State authority on the availability and utilization of M/WBEs in this category.³ The second bill, sponsored in the Assembly by the Chair of the Subcommittee

³ Bill No. S06513B / A08508-A.

on the Oversight of M/WBEs Rodneyse Bichotte (D) and in the Senate by Patty Ritchie (R), eliminates the cap of \$3,500,000 on the personal net worth of business owners who may obtain M/WBE certification;⁴ their business is still required to be a small business as defined by the State’s Executive Law— that is, a business that has no more than 300 employees and is “not dominant in its field.”⁵

And yet the fight is far from over. The lofty commitments of government officials are still undermined by poor implementation and the lack of transparency and thus are not enough to address the depth of the disparities resulting from systemic discrimination conditioned by the entire history of our country. For example, in its latest report, NYS Empire State Development’s Division of Minority and Women’s Business Development indicates a 25.1 percent of statewide M/WBE utilization, i.e. 1.9 billion in contracts; it still does not provide a breakdown of State contractors by race.⁶ And the Office of State Comptroller’s database of contracts on its Open Book NY website does not identify M/WBE contractors, so the ESD claims are hard to verify. As for New York City, while both the Mayor’s and the Comptroller’s Offices provide much more detailed and accessible data on M/WBE contracting, these numbers indicate a glaring gap between promise and implementation: specifically, in Fiscal Year 2016, the actual data on M/WBE utilization by City agencies indicate that the share of M/WBEs in the City procurement has declined—from 5.3 percent in the previous year to **4.8 percent** of the total. This was the first decline of M/WBE’s share in city contracting since FY2013.⁷ Therefore, there is much more that needs to be done on every level of our government— municipal, state, and federal—to equalize the opportunities, and, specifically, access to credit and other forms of capital for M/WBEs.

In addition, there are still seven outstanding demands of economic justice outlined in our reports that still have to be put into practice:

- 1. The citywide M/WBE participation goals that are “aspirational” under the current laws should be replaced with the requirement of mandatory inclusion at 35% of the**

⁴ Bill No. S03018 / A02819.

⁵ New York State Executive Law Article 15-A, § 310-20.

⁶ <https://cdn.esd.ny.gov/mwbe/Data/2016AnnualReport.pdf>.

⁷ <http://comptroller.nyc.gov/reports/making-the-grade/reports/making-the-grade-2016/>.

total contracting budget. This requirement should apply to all agencies, authorities, and commissions.

2. The same mandatory minimum of 35% should also be established for subcontracting by the city's prime vendors.
3. The definition of a 'bidder' in NYC contracting law should be expanded to include any individual or entity submitting a bid or proposal in response to a solicitation or seeking a share of public funding and/or incentives, including tax credits or waivers through which the City forgoes its normal fees. Thus, any for-profit company that is granted tax privileges or breaks from city or state government must be subject to legal requirements of M/WBE participation in the subcontracting of any of its projects.
4. The concept of MBE/WBE/EBE 'graduates' should be removed from the law.
5. The law should provide for equal access for M/WBEs to "sole source/specialty" contracting.
6. Requirements of M/WBE share in a joint venture agreement, for the venture to be qualified for a special status with the city, should increase from 25 to 35 percent of the total value of the contract.
7. Enforcement of M/WBE participation provisions should include such penalties for the violators as termination of any or all of their City contracts, suspension, debarment or determination that they are no longer responsible contractors in the legal sense of the term.

The incorporation of these remaining Fair Share Amendments from our 2015 report into New York City laws would further advance economic justice by closing the disparity gap in access to public procurement.

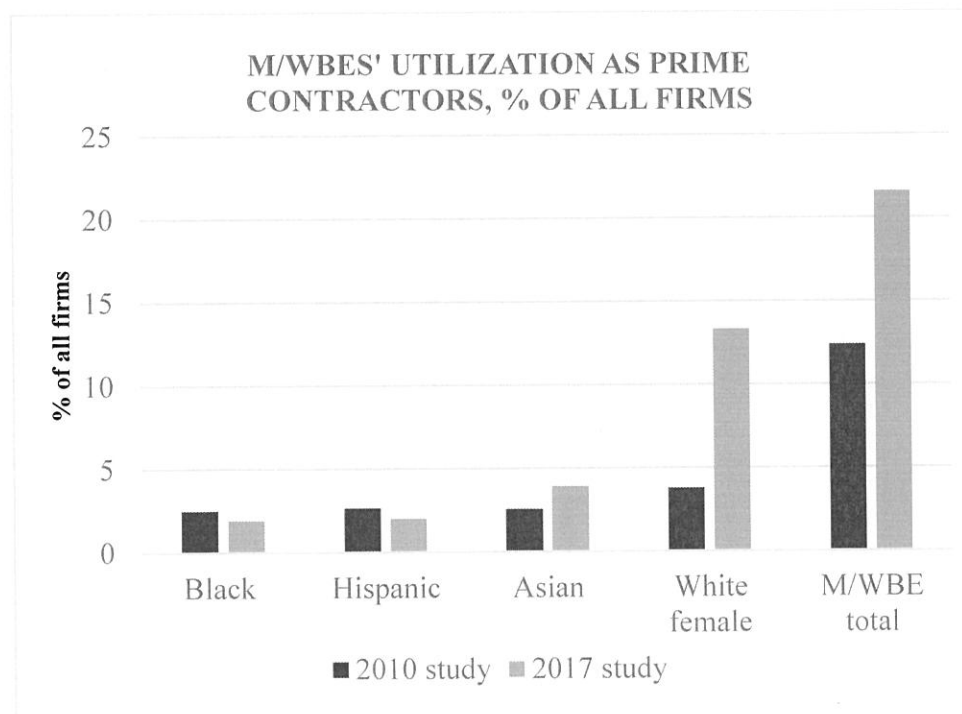
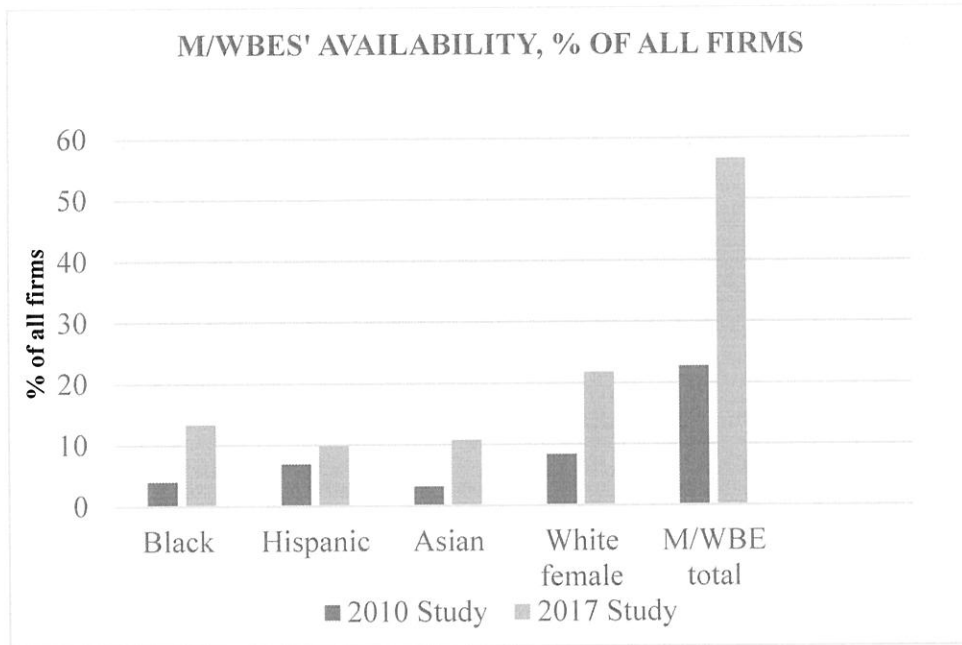
THE NEW YORK STATE DISPARITY STUDY OF 2017: FROM NOT GOOD ENOUGH TO WORSE

In June 2017, NY State Empire State Development released the State's M/WBE '2016 Disparity Study', the first since 2010, prepared by Mason Tillman Associates.⁸ While the primary purpose of disparity studies is ostensibly to demonstrate the evidence required by court decisions in order to continue M/WBE programs and participation goals, the information it contains also sheds light on the effectiveness of these programs and on the progress made. The 2016 Disparity Study makes no explicit comparison to the 2010 data, and not all of it may be comparable, as the two studies took different approaches to data selection; however, our comparative analysis of the same categories of data from both reports shows that the situation for some M/WBE groups in New York State, especially Black and Hispanic, has in fact deteriorated in recent years. Thus, in construction, while the availability of Black-owned construction firms more than tripled (from 4 to over 13 percent) and the availability of Hispanic-owned companies increased by more than a third (from nearly 7 to nearly 10 percent of the total), their utilization actually declined— from 2.5 percent to less than 2 percent for Black MBEs and from 2.65 to 2 percent for Hispanic MBEs. The series of charts followed by Table 1 below illustrate the results of our comparison between the 2010 and 2016 data:

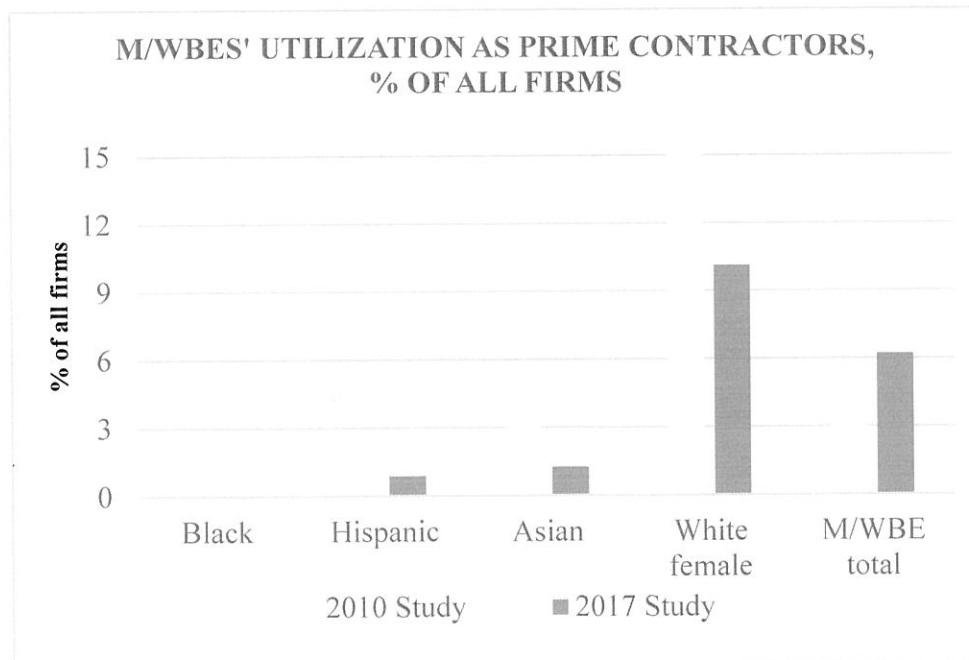
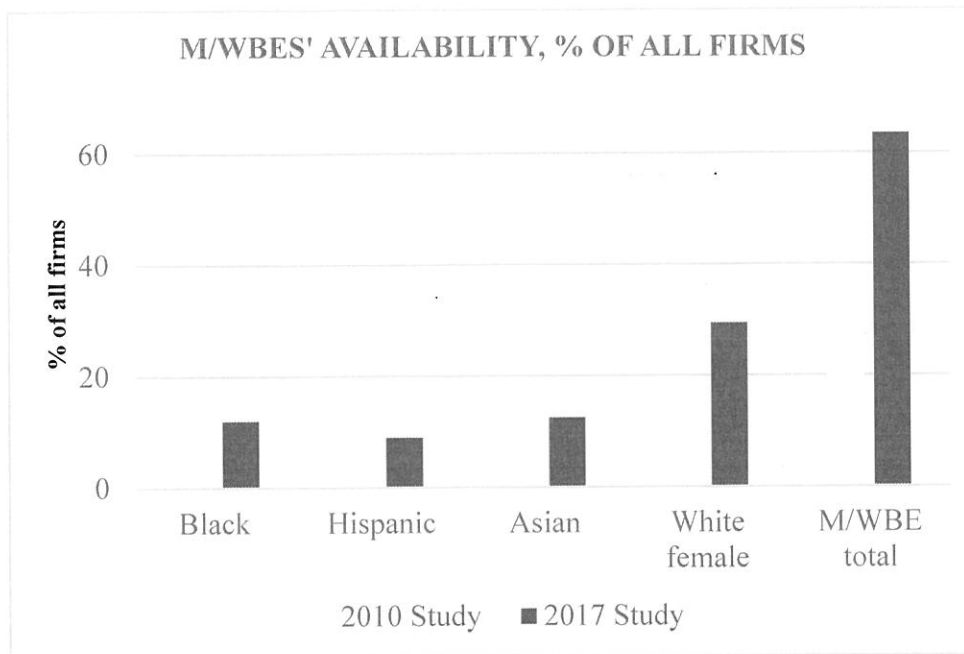
⁸ '2016 Disparity Study,' <https://esd.ny.gov/doing-business-ny/mwbe/mwbe-reports>.

New York State's 2010 v. 2017 Disparity Studies:
Comparing Data on M/WBEs Availability and Utilization in Contracting

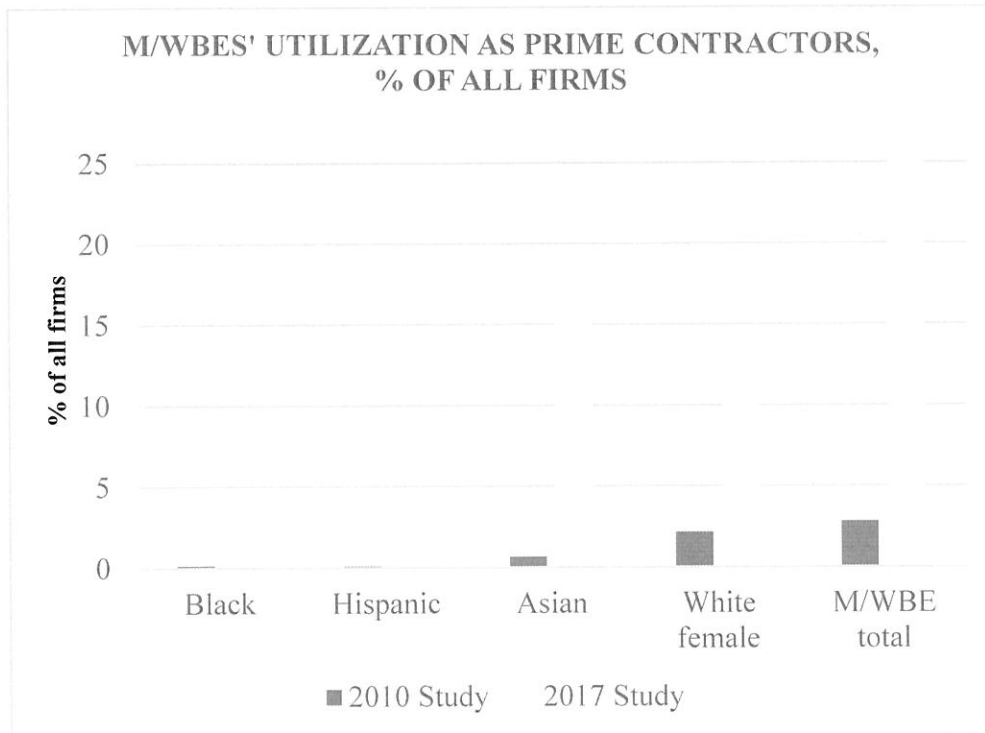
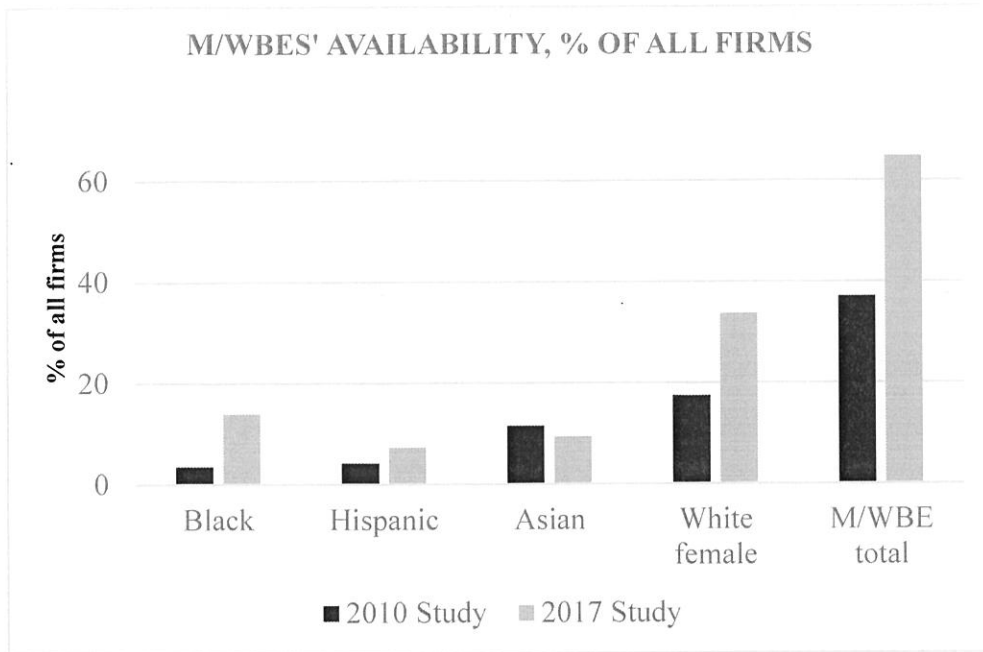
1. Construction



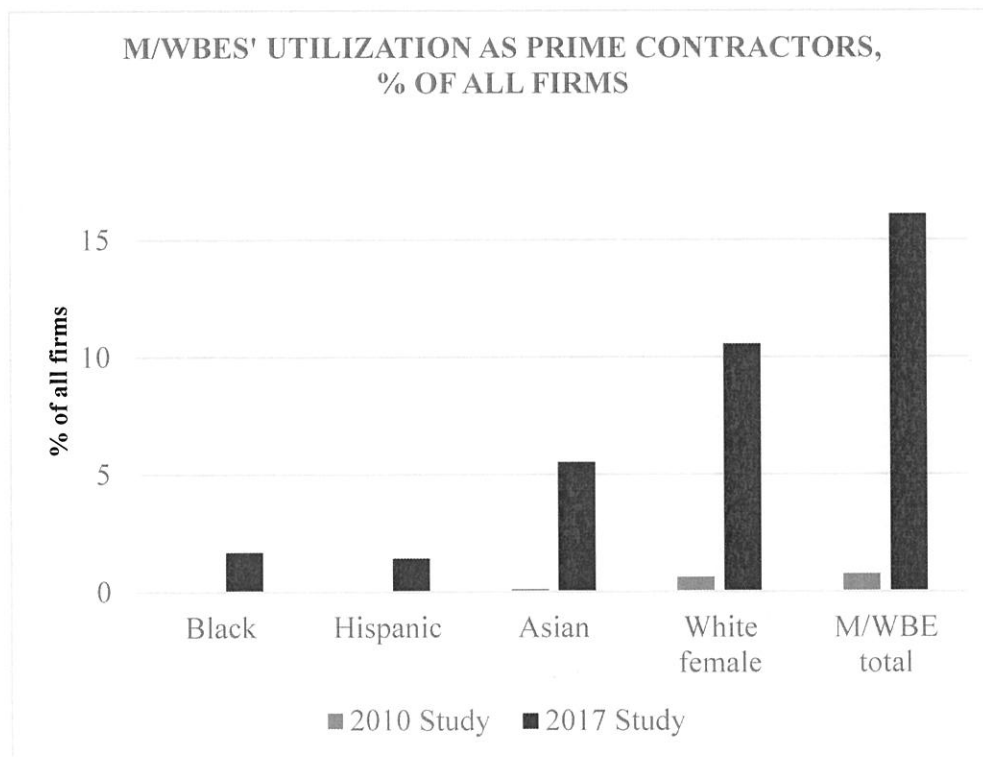
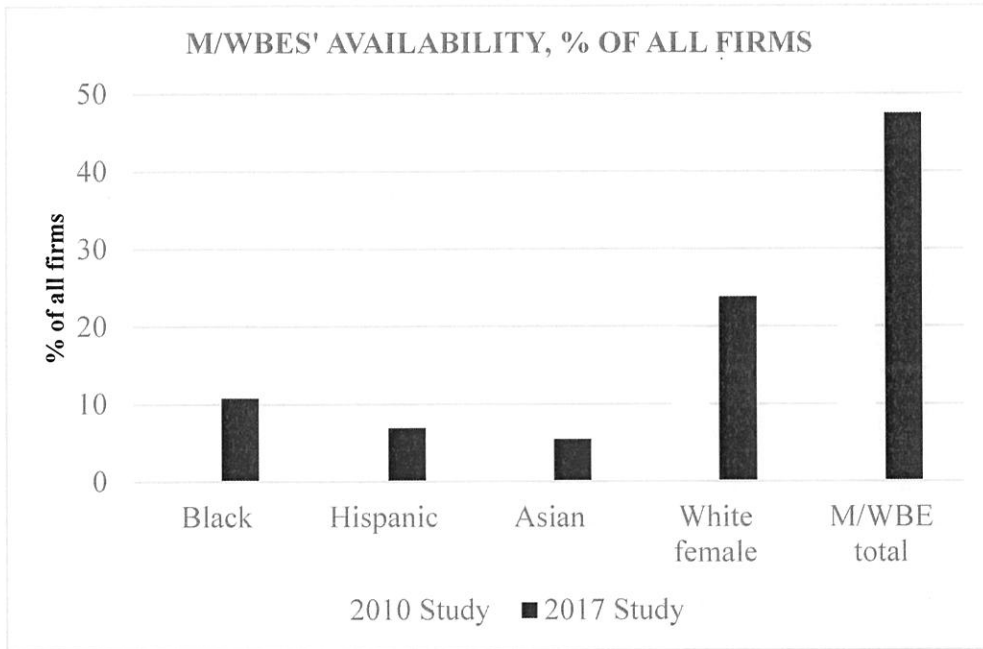
2. Construction-related services



3. Non-construction-related services



4. *Commodities and other services*



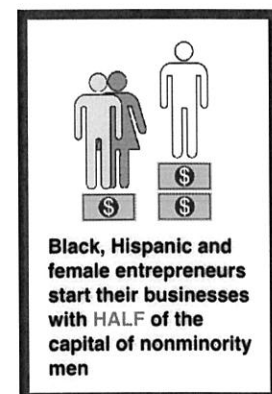
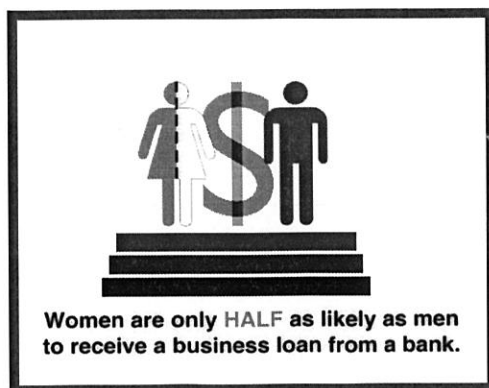
**Table 1. Prime NY State contracts issued between 4/1/2010 and 3/31/2015,
(based on the NYS 2016 Disparity Study)⁹**

<i>Industry</i>		<i>Contracts</i>		<i>Dollars Expended</i>	
		<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
Construction	Total	10,134	100%	\$27,413,621,369	100%
	Black	196	1.9%	\$101,804,343	0.4%
	Hispanic	206	2%	\$137,477,699	0.5%
	Asian	399	3.9%	\$505,310,657	1.8%
	Caucasian Females	1,350	13.3%	\$1,155,589,272	4.2%
Construction-related Services	Total	2,785	100%	\$6,176,716,644	100%
	Black	24	0.9%	\$18,557,176	0.3%
	Hispanic	35	1.3%	\$185,212,903	3%
	Asian	223	8%	\$266,872,934	4.3%
	Caucasian Females	173	6.2%	\$131,888,900	2.1%
Non-construction Related Services	Total	5,427	100%	\$6,459,274,339	100%
	Black	118	2.2%	\$19,994,625	3%
	Hispanic	59	1%	\$38,037,058	0.6%
	Asian	647	12%	\$496,852,147	7.7%
	Caucasian Females	173	3.2%	\$131,888,900	2%
Commodities and Other Services	Total	37,719	100%	\$23,341,070,587	100%
	Black	838	2.2%	\$228,229,902	1%
	Hispanic	536	1.4%	\$890,574,146	3.8%
	Asian	845	2.2%	\$341,443,402	1.5%
	Caucasian Females	3,982	10.6%	\$122,527,761	0.5%
TOTAL ACROSS THE FOUR CATEGORIES	Total	56,065	100%	\$63,391,070,587	100%
	Black	1,176	2%	\$368,616,446	0.6%
	Hispanic	836	1.5%	\$483,255,421	0.8%
	Asian	2,114	3.8%	\$9,610,470,140	15%
	Caucasian Females	5,678	10.1%	\$2,591,179,754	4%
TOTAL M/WBE		9,804	17.5%	\$13,053,521,761	20.6%

⁹ '2016 Disparity Study,' <https://esd.ny.gov/doing-business-ny/mwbe/mwbe-reports>, pp.3-10 – 3-17.

ACCESS TO FAIR CREDIT: BARRIERS AND SOLUTIONS

Access to capital, i.e. primarily to fair-rate loans, has been identified in all our reports as the major constraint that is holding M/WBEs back from competing on equal terms for public contracts. It was repeatedly mentioned by the participants of our 2015 town hall series as well as by many surveys from 1993 until today. As noted in the latest completed New York State Disparity Study of 2010 (commissioned by the Empire State Development), “Discrimination in the credit market against minority-owned small businesses can have a devastating effect on the success of such businesses, and even prevent them from opening in the first place.” Across the country, a minority-owned firm is more likely to be denied credit than a white-owned firm by an order of magnitude. A business owned by a woman is only half as likely as one owned by a man to obtain a bank loan. A 2012 survey by the National Federation of Independent Businesses revealed that 19% of small business owners funded their businesses through the proceeds from their mortgages. Hispanic- and Black-owned firms were more likely than any other business to rely on owner equity, such as mortgages, for start-up capital. And in 2013, a study of the capital profiles of growing companies conducted by the federal Small Business Administration quantified the inequality in capital access across demographic groups. As shown in the study, Black and Hispanic firms attract just half as much of outside equity investment as those owned by white men; As for women-owned companies, they attract only a quarter of the amount of outside investment attracted by their male-owned counterparts. Compared to the average white male owned company, MWBEs rely more on the personal resources of the business owner and almost twice as much on debt backed by his or her personal assets.



M/WBEs are not faring well in terms of access to loans even within the category of small business borrowers, whose loans are guaranteed by the U.S. Small Business Administration (SBA). The 2017 report on the state of the Black world, authored by Rev. Dennis Dillon and published by *Christian Times*, indicates that of the entire pool of \$304 million in SBA loans issued by the top 12 lenders, M/WBEs receive less than a quarter (\$15 million for Latino-owned, \$16.5 for Black-owned and \$44 million for Asian-owned businesses).¹⁰

Thus, access to capital became the focal point of our M/WBE campaign in the course of 2016. Our research sought to identify the causes of the disparity among M/WBEs with regard to access to capital and affordable credit as well as to develop solutions for this disparity. We outlined these causes and our recommendations in *Access Denied*.

Following its publication, TBI, along with M/WBEs from around New York State, initiated a public hearing by the New York State Senate's Banking Committee. The hearing took place in Albany on June 1, 2016, with TBI and BLAC participation, and was presided by the committee chair Sen. Diane Savino. The hearing was divided into four panels: one comprised of representatives of the banking industry; a second, of M/WBEs; a third, of representatives from the credit unions; and a fourth, of The Black Institute. The Committee ended the hearing with a call for New York's depository lending institutions to work more closely with M/WBEs to close the disparity gap; and a commitment from Senator Savino to work on the legislation to address these issues.

After the hearing, TBI and BLAC have continued to be on the forefront of this issue, taking part in many discussion panels and finance industry events to spread awareness and engage with M/WBEs from around the country. In the fall of 2016, TBI, in partnership with the Black Latino and Asian Caucus of the New York City Council, held a series of town forum events across each of the five boroughs of New York City to hear directly from M/WBEs about their difficulties of gaining access to credit and capital to either start or grow their businesses. The stories told at the town forums helped us gain a better understanding of how this issue was affecting M/WBEs on

¹⁰ Rev. Dennis A. Dillon et al., 'The Economic State of the Black World 2017,' *Christian Times*, p. 26.

the ground and at all levels.

Since TBI started raising the capital access issue in our reports, there have been some notable moves in this regard by government agencies, particularly in New York City. Thus, in August 2016, NYC Economic Development Corp. committed \$10 million to its new *Emerging Developer Loan Fund* (created jointly with its lending partner Basis Management Group, LLC, an M/WBE real estate financing firm which also acts as the fund's manager). The fund is intended provide pre-development and land acquisition loans between \$100,000 and \$2.5 million to developers of mixed-income and mixed-use residential, industrial and commercial projects under \$30 million. In September 2016, Mayor de Blasio announced his plans for a City-financed \$10 million revolving loan fund for M/WBEs. In March 2017, it was launched as the *Contract Financing Loan Fund* under the Small Business Services Department. This fund provides loans of up to \$500,000 to the city's eligible prime and subcontractors at the 3% annual interest rate, with flexible repayment schedules, timed to align with City contract payments. The fund was set up in partnership with Excelsior Growth Fund, TruFund Financial Services and BOC Capital. (BOC Capital also manages NYCEDC's *Kick-Start Loan Program* that has been providing six to nine-month loans of up to \$150,000 to M/W/DBE prime and subcontractors of NYCEDC.) Further, in June of this year, the City introduced a \$10 million for M/WBEs and small businesses, enabling those struggling to access surety bonds required for City construction to obtain them in the amount of up to \$500,000, or 50 percent of the contract amount, whichever is lesser. Taken together, the above commitments on the part of the City now exceed those offered by the State, which provides bridge loans of only up to \$200,000 for up to 24 months (through ESD's "Bridge to Success" program, with the help of the State's \$2.73 million Loan Loss Reserve Fund) and guarantees only up to 30 percent on a bond line or individual contract through the Surety Bond Assistance Program.

Yet these efforts, however substantial, are simply not enough given the extent of the capital crunch faced by M/WBEs. Toward the end of *Access Denied*, we outlined our solution to closing this gap. On the issue of access to capital investments, we suggested an allocation of one percent of New York Common Retirement Systems (NYCRS) funds be combined with one percent of the New York State and Local Retirement System funds to create a targeted investment program for New York's M/WBEs. We also made a call for both New York Governor Cuomo and New York

City Mayor de Blasio to convene the depository institutions, who charge the State and City over \$1 billion in fees to service City and State funds, and host a banking summit where they apply pressure to these firms to create an affordable business loan program for M/WBEs.

In the rest of this report, we focus in more detail on these two broad areas where, in our analysis, solutions to M/WBEs' capital crunch are to be found. One of them is the system of public retirement funds – federal, state, and municipal – whose commitment to contractor and employee diversity in the broad sense as well as to investment in M/WBE firms must be deepened and expanded. We will take a closer look at the New York City and State pension systems to see how they are structured, as well as how much each fund is paying in fees to investment managers, consultants, lawyers and advisors. Both pension systems pay over half a million dollars per year to these outside parties. Meanwhile, NYC invested only *7.2 percent* of its pension plans with M/WBE firms, as compared, for example, to *17 and 25 percent* invested by the two pension funds of the State of Illinois. These numbers demonstrate the ability as well as the responsibility of both New York State Comptroller DiNapoli and New York City Comptroller Stringer to redirect some of the funds currently paid to outside parties toward addressing the discrimination against M/WBEs in access to capital.

Another area is in New York State and City governments' leverage over two dozen of large, established banks that serve as depositories for these governments' funds. In both of these areas, we shall scrutinize the track record of key institutional actors in terms of their commitment to diversity and identify the opportunities for the solutions that we propose to the capital access challenge. We also reiterate our demands for both the Mayor and Governor to hold public banking summits to help close the disparity gap in access to capital M/WBEs currently face.

I. PUBLIC PENSION FUNDS AND CAPITAL ACCESS DISPARITIES

Public employee retirement systems in the U.S.—federal, state, and municipal taken together—currently cover more than 20 million employees around the country. According to the latest annual Survey of Public Pensions produced by the U.S. Census, in 2016 there were 299 state-administered and 5,977 municipal pension systems, holding nearly \$4 trillion in assets.¹¹ By way of comparison, the total amount of all US pension funds in 2016, both public and private, based on the preliminary data of the Organization for International Cooperation and Development (OECD) was \$15.04 trillion, or 81 percent of the nation’s GDP, and grew by 5.6 percent over the year.¹²

Diversifying the investment practices of public pension funds is far from a new issue on the public agenda. In fact, some see a national trend in a growing involvement of public pensions both with the so-called “emerging managers” (a term widely used to cover a variety of investment management firms, including small, local, M/WBE etc.) and M/WBEs. On the other side of the equation, public retirement systems are increasingly recognized as a significant source of capital for M/WBEs. A fresh report produced by Bella Research Group with participation of Harvard Business School’s Professor Josh Lerner,¹³ which identified 127 women-owned and 107 minority-owned investment firms managing mutual funds in the amount of \$406 billion and \$160 billion respectively, also found that, *for an average M/WBE firm, investments from public funds made up a larger share of its assets than for an average white male-owned firm*¹⁴ - 23 percent for women-owned and 32 percent for minority-owned as compared to 11 percent for all other funds.¹⁴ Specifically, “the average women-owned fund has nearly \$540 million” in assets under management from corporate clients and \$200 million from public funds. “The average minority-owned fund has \$168 million in [assets under management] from public funds and \$97 million

¹¹ ‘Survey of Public Pensions: State- and Locally-Administered Defined Benefit Data,’ <https://www.census.gov/govs/retire/>. Lynne Marek at *Crain’s Chicago Business* (‘Public pensions have a ton of leverage. They should use it,’ December 10, 2016, <http://www.chicagobusiness.com/article/20161210/ISSUE01/312109993?template=printart>) puts the size of US public pension assets at \$40 trillion, but does not explain the source of this number.

¹² ‘Pension Funds in Figures,’ May 2017, <http://www.oecd.org/daf/fin/private-pensions/Pension-Funds-in-Figures-2017.pdf>.

¹³ ‘Diverse Asset Management Project Firm Assessment,’ Final Report, May 2017, Bella Research Group, <http://bellaresearch.com/diversity-report.pdf>, p. 27.

¹⁴ *Ibid.*, p. 42.

from corporate clients.”¹⁵ According to the same report, there are six to seven public pension funds (but only two to three private pension funds) invested with each M/WBE private equity firm *on average*; public pensions constitute 39% of all institutional investments in an average woman-owned firm.

Let us now take a closer look at how this overall picture plays out in the specific cases of federal as well as New York State and City public retirement systems.

Federal Employees Retirement System

The Federal Retirement Program is administered by the U.S. Office of Personnel Management (OPM). It is the world’s fourth-largest retirement system. As of 2016, it covered **2.7 million active employees and 2.6 million retired beneficiaries**. The program’s central element is the Civil Service Retirement and Disability Fund (CSDRF) – a trust fund financed through agencies’ and employees’ contributions, as well as payments from the U.S. General Fund. These payments are transferred to CSDRF annually by the Treasury to decrease the shortfall in agencies’ and employees’ contributions. CSDRF’s total assets in FY2016 stood at \$895 billion, of which \$887 billion constituted investments.¹⁶

By law, OPM can invest CSDRF money only in government-guaranteed securities. Over 90 percent of these funds are invested in U.S. Treasury-issued special securities (initially, in the so-called Certificates of Indebtedness, which are redeemed on an ongoing basis to cover expenses; and at the end of the financial year on June 30, outstanding Certificates are rolled over into Government Account Series – GAS – securities that mature over a 15-year period). Most of the remainder of CSDRF funds are invested in the securities issued by the Federal Financing Bank – FFB (which do not count toward the U.S. debt limit).¹⁷ While some, including Heritage Foundation, advocate for changing the law to allow federal pension funds to be invested in the

¹⁵ Ibid. p. 40.

¹⁶ <https://www.opm.gov/about-us/budget-performance/other-reports/fy-2016-csrdp-annual-report.pdf>, p. 4.

¹⁷ <https://www.opm.gov/about-us/budget-performance/other-reports/fy-2016-csrdp-annual-report.pdf>, p. 13.

private sector, there are strong objections to such a change, on the grounds of higher investment risk as well as the appropriateness of federal agencies such as pension funds owning private-sector securities.

As reported by OPM in November 2016, its pension liability – defined as “an estimate of the future cost to provide ... benefits to current employees and annuitants” – amounted to \$1.8 trillion. The pensions (annuities) that are financed and operated by CSDRF are paid out via two separate pension plans, each covering its own category of beneficiaries: 1) Civil Service Retirement System (CSRS), which covers most of individuals hired before 1984 and is closed to new participants; and 2) Federal Employees’ Retirement System (FERS), covering most of those who entered civil service after 1983. The total amount of annuities paid out through these two systems in FY2016 was **\$82 billion**.¹⁸

One of the most widely acknowledged weaknesses of OPM’s internal controls consists of improper pension payments, often to dead recipients whose deaths remained unbeknownst to OPM. In the period between 2011 and 2014, OPM, according to its own Inspector General report, paid \$430 million to deceased people. In FY2016, the total amount of pension overpayments stood at \$237 million; nearly a half of them consisted of payments to dead people, but slightly over a half, by OPM’s admission, could not be traced to actual root causes and were classified as “Other Reason” in its annual financial report.

The most senior officer responsible for the Federal Retirement System is OPM Associate Director for Retirement Services. This position has been held since 2011 by Kenneth Zawodny, Jr. Mr. Zawodny is a career civil servant, with professional background in the field of investigations and personnel security, who, as a Senior Special Agent, was for 21 years in charge of the U.S. Army criminal investigations worldwide, and also served for the U.S. Customs and Border Protection, as well as the Department of Homeland Security.¹⁹

¹⁸ <https://www.opm.gov/about-us/budget-performance/other-reports/fy-2016-csddf-annual-report.pdf>, p. 5.

¹⁹ <https://www.opm.gov/about-us/our-people-organization/senior-staff-bios/kenneth-zawodny/>.

OPM employs contractors in a wide variety of roles (in FY2016, of the total \$187 billion in spending, it spent close to \$55 billion on payments to contractors, which included, according to official data, close to \$300 million, or 31% of all eligible dollars spent with small businesses, including \$107 million with disadvantaged businesses²⁰). But it does not seem to need them for those pension plans that are entirely invested with government securities.²¹ The website list of OPM's largest programs in terms of contract dollars spent includes the program of modernization of its retirement system; however, no further details are provided on that program. In terms of contractor diversity, OPM maintains a Small Business Program, as well as an Office on Small and Disadvantaged Business Utilization (OSDBU). The office is currently directed by Desmond Brown, a procurement officer with background in minority businesses and prior experience working for the IRS, U.S. Small Business Administration, U.S. Department of Transportation, and Lockheed Martin. According to Federal Government data, under Brown's directorship at OSDBU, small businesses won over \$980 million in contracts from OPM, and the agency's 'small business scorecard' (that is issued annually to federal agencies by the U.S. Small Business Administration²²) improved from a rating of D to an A+.²³

The only other federal retirement plan that is independent of OPM is that of the Department of Defense. It was established by the Congress to cover military retirees for service rendered after October 1, 1984. The DoD's Military Retirement Fund has close to **\$660 billion** in assets and also

²⁰ https://www.fpds.gov/downloads/top_requests/FPDSNG_SB_Goaling_FY_2016.pdf.

²¹ <https://www.opm.gov/about-us/budget-performance/other-reports/fy-2016-csrdp-annual-report.pdf>, p. 104.

²² "The annual Scorecard is an assessment tool to (1) measure how well federal agencies reach their small business and socio-economic prime contracting and subcontracting goals, (2) provide accurate and transparent contracting data and (3) report agency-specific progress. The prime and subcontracting component goals include goals for small businesses, small businesses owned by women, small disadvantaged businesses, service-disabled veteran-owned small businesses, and small businesses located in Historically Underutilized Business Zones (HUBZones).

Every two years, the SBA works with each agency to set their prime and subcontracting goals and their grades are based on the agreed upon goals. Each federal agency has a different small business contracting goal, negotiated biannually in consultation with SBA. SBA ensures that the sum total of all of the goals exceeds the 23 percent target established by law." <https://www.sba.gov/contracting/finding-government-customers/see-agency-small-business-scorecards>.

²³ <https://energy.gov/osdbu/smallbusinessconference/2016-federal-osdbu-directors-panel>; https://www.sba.gov/sites/default/files/aboutsbaarticle/FY16_OPM_SB_Procurement_Scorecard_Final.pdf.

invests by law strictly in government securities. In FY2015, it paid **\$56 million** in benefits to about **2.6 million** individuals.

Both the OPM's FERS system and the DoD plan also include, in addition to their defined benefit parts, a voluntary Thrift Savings Plan (TSP). This pension plan, similar to 401(k) in the private sector, controls nearly **\$470 billion** in assets. It is the largest defined contribution retirement plan in America, covering more than **4.9 million** individuals. The TSP investment options include two fixed income funds, three stock funds and five lifecycle funds. TSP is administered separately, not by OPM but by the Federal Retirement Thrift Investment Board (FRTIB), founded in 1986. FRTIB Board members are appointed by the President of the United States.

Federal Retirement Thrift Investment Board (FRTIB) and Thrift Savings Plan (TSP) Board



Michael Kennedy
Chairman



Dana K. Bilyeu
Executive Director, National
Association of State Retirement
Administrators (NASRA)



William (Bill) Jasien
CEO and Managing Director,
StoneHedge Global Partners



David A. Jones
D.A.Jones LLC, an independent
consulting firm
(No photo available)



Ron McCray
private investor and corporate
director



Ravindra Deo
Acting Executive Director, FRTIB

BLACKROCK: THE 'SHADOW BANK' CASTING TOO LONG OF A SHADOW?

To manage all of its TSP funds other than U.S. Government securities, FRTIB employs only one investment firm - BlackRock Institutional Trust Company. The total amount of TSP funds under BlackRock management is **\$254 billion** (which is more than the total amount of all New York State's Common Retirement Fund investments or than an annual budget of a country like Russia). Headquartered

Managing more investments than any other entity in the world – \$6.3 trillion total as of the end of 2017, including \$254 billion of U.S. federal pension funds - BlackRock has only one Black member of its governance board and only 3.5% of its employees are Black. Meanwhile, the federal civilian workforce is 18 percent Black.

in NYC and with 70 offices staffed with over 13,000 employees in 30 countries, managing **\$6.3 trillion** as of the end of 2017 (the equivalent of a quarter of U.S. Gross Domestic Product, or more than the GDP of Japan), BlackRock has been the largest asset management firm in the world since 2009, when it acquired Barclays. BlackRock has been managing TSP funds also since 2009, winning contract renewals every year. FRTIB financial statements show the total amount of investment management fees for FY2015 to be \$34 million.²⁴

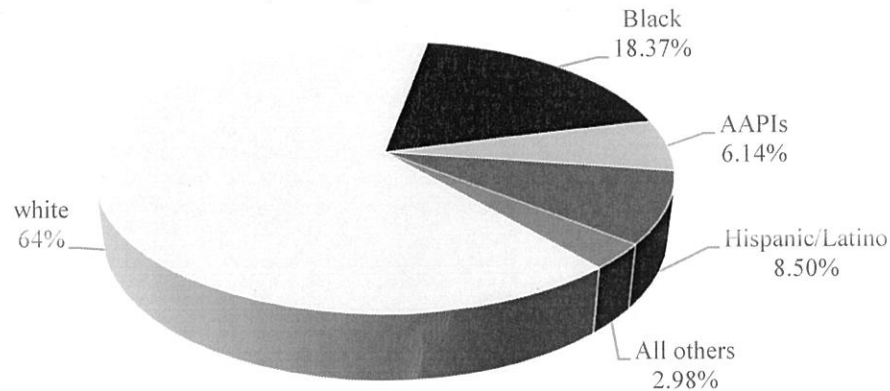
By coincidence, 2009 was the same year in which, to quote *Vanity Fair*, “through an array of government contracts, BlackRock has effectively become the leading manager of Washington’s bailout of Wall Street.”²⁵ Many of these contracts were apparently awarded without competitive bidding and in secrecy, which was justified by then-Treasury Secretary Geithner by the lack of time to solicit bids from other companies. By now, BlackRock has become known as the world’s largest ‘shadow bank’. Its assets are larger than those of the world’s largest actual bank, the Industrial and Commercial Bank of China.²⁶ In BlackRock’s own words, proudly displayed at the top of its website, it “is trusted to manage more money than any investment manager in the world.”

²⁴ An article in *International Business Times* in October 2016 claimed that TSP was paying about \$106 million per year in expenses for BlackRock-managed funds, but there is no public source to confirm this number.

²⁵ <http://www.vanityfair.com/news/2010/04/fink-201004#gotopage5>.

²⁶ <http://www.economist.com/news/special-report/21601621-banks-retreat-wake-financial-crisis-shadow-banks-are-taking-growing>.

**NON-SEASONAL FULL-TIME FEDERAL PERMANENT
EMPLOYEES, 4TH QUARTER OF 2015**



From the time of its founding in 1988, BlackRock has been chaired by Larry Fink, who created it with a team of his colleagues from the now-defunct First Boston investment bank. Fink's latest pay package was in the amount of \$25.5 million (a 1 to 2 percent cut from 2015, following a 5 percent decline in BlackRock's net income).²⁷ Officially, BlackRock is led by its Global Executive Committee as well as by a separate Board of Directors, both under Fink's chairmanship. Of the 21 Global Executive Committee members, 20 are white and 18 are males.²⁸ Of the 17 Board members, 16 are white and 13 are males. TSP 2014 annual report provides a fairly detailed breakdown of BlackRock's employee diversity: out of the total of over 6,300 employees, 219 (3.5 percent) were identified as Black and 1,504 (24 percent) as Asian Americans; no data on the number of Hispanic employees were provided.²⁹ (For the sake of comparison, the present-day federal civilian workforce – according to OPM report, which does not include USPS workers – is 18 percent Black, 8.5% Hispanic and 6% Asian.³⁰)

Beside federal pension funds, BlackRock also has contracts with New York State and City authorities. At the state level, its subsidiary, BlackRock Financial Management, has a

²⁷ <https://www.bloomberg.com/news/articles/2017-04-13/blackrock-pays-ceo-fink-25-5-million-as-assets-top-5-trillion>. Also see <http://nypost.com/2017/04/14/blackrock-modestly-cuts-ceo-larry-finks-2016-pay/>.

²⁸ <https://www.blackrock.com/corporate/en-us/about-us/leadership>.

²⁹ https://www.frtib.gov/ReadingRoom/Congress/TSP-Annual-Report_2014.pdf, p. 4.

³⁰ <https://www.opm.gov/policy-data-oversight/data-analysis-documentation/federal-employment-reports/reports-publications/profile-of-federal-civilian-non-postal-employees/>.

currently active contract with the Deferred Compensation Board, a three-member regulatory authority for all public sector 457 plans, i.e. deferred-compensation retirement plans in the state. As a consultant to the Board for a 10-year period (2013-2023), BlackRock is expected to earn a total of \$3.7 million. Meanwhile, it also made \$15.6 million last year in management fees managing New York State and Local Retirement System's 12.5 billion in global equity and \$2 billion in the fixed income portfolio. At the city level, BlackRock Financial Management has two contracts with the Comptroller's office, both of them to act as a fixed income management consultant for a 3-year period (2015-2018); one of these contracts is counted as a revenue contract for the city, and is for \$12.3 million, while the other one is counted as an expense contract and is for \$1.2 million.

NYS & NYC PENSION FUNDS INVESTMENTS WITH BLACKROCK, FY2016

NYS Common Retirement Fund

<i>Asset Class</i>	<i>\$ Amount</i>	<i>% of the Class Total</i>	<i>Management Fee Category</i>	<i>Fee \$ Amount</i>	<i>% of Class Total</i>
<i>Fixed Income-Externally Managed funds</i>	\$ 1,997,256,000	5.7%	<i>Domestic Equity</i>	\$99,170	0.2%
			<i>International Equity</i>	\$4,230,124	5.2%
<i>Global Equity</i>	\$ 12,513,300,000	13.4%	<i>Global Fixed Income</i>	\$11,350,162	80%
TOTAL (of all classes)	\$ 14,510,556,000	14.9%	TOTAL	\$15,679,456	11%

NYS Teachers Retirement Fund

<i>Asset Class</i>	<i>\$ Amount</i>	<i>% of the Class Total</i>	<i>Management Fee Category</i>	<i>Fee \$ Amount</i>	<i>% of Class Total</i>
<i>International Equities</i>	\$7,152,000,000	40.5%	<i>International Equities</i>	\$2,162,000	9.6%
<i>Mortgages</i>	\$ 527,400,000	34%	<i>Domestic Fixed Income Securities</i>	\$937,000	32.9%
<i>Commingled Funds (Asia II, III, Europe III, Europe</i>	\$ 83,600,000	2.1%			

<i>Parallel II, Granite Property)</i>					
TOTAL (of all classes)	\$7,763,000,000	33.6%	TOTAL	\$3,135,000	1.3%

NYC Teachers Retirement System

Assets under Blackrock management, by class and total– not published

Management fees paid to BlackRock by asset class:

- International Fund:	\$6,638,994
- Fixed income:	\$1,370,108
- Domestic equity:	\$385,939
- Treasury inflation-protected securities (TIPS) MTA:	\$234,485
- Diversified Equity Fund and International Equity Fund:	\$177,083
TOTAL (of all classes)	\$8,806,609 / 3.8% of all investment expenses

NYC Employees Retirement System

<i>Asset Class</i>	<i>\$ Amount</i>	<i>% of the Class Total</i>	<i>Fee \$ Amount</i>	<i>% of the Class Total</i>
<i>Fixed Income</i>	\$ 2,555,980,000	22%	\$1,259,335	7.9%
<i>Domestic Equity</i>	\$ 5,468,004,000	30%	\$ 368,146	2.3%
<i>International Equity</i>	\$ 1,572,328,000	17%	\$ 829,092	2.5%
<i>Treasury Inflation Protected Securities (TIPS)</i>	\$ 600,227,000	24.5%	\$ 297,592	45%
<i>Mutual Fund – Domestic Equity</i>	\$ 264,307,000	100%	\$ 20,167	100%
TOTAL (of all classes)	\$10,460,846,000	20.3%	\$2,774,332	1.7%

NYC Police Pension Fund

<i>Asset Class</i>	<i>\$ Amount</i>	<i>% of the Class Total</i>	<i>Fee \$ Amount</i>	<i>% of the Class Total</i>
<i>U.S. Equities</i>	\$5,803,110,000	48.4%	\$223,065	3.1%
<i>EAFE Market Equities</i>	\$855,700,000	15.9%	\$428,554	2.6%
<i>Fixed Income Structured Program Government Treas/Agency Sector</i>	\$247,570,000	76.4%	\$98,803	100%
<i>Mortgages</i>	\$724,510,000	43.3%	\$293,893	25%

<i>Investment Grade Credit Sector</i>	\$619,200,000	29.6%	\$335,043	17%
<i>Treasury Inflation Protected Securities (TIPS)</i>	\$375,910,000	25%	\$156,992	79.5%
TOTAL (of all classes)	\$8,626,000,000	26.2%	\$1,536,350	1.2%

NYC Fire Pension Fund

<i>Asset Class</i>	<i>\$ Amount</i>	<i>% of the Class Total</i>	<i>Fee \$ Amount</i>	<i>% of the Class Total</i>
<i>U.S. Equities</i>	\$1,736,920,000	51.3%	\$65,732	2.1%
<i>Fixed Income (Mortgages, Credit, TIPS)</i>	\$611,480,000	18.7%	\$296,463	8.4%
TOTAL (of all classes)	\$2,348,400,000	21.8%	\$362,195	0.9%

NYC Board of Education Retirement System

Assets under Blackrock management, by class and total– not published
Management fees paid to BlackRock by asset class:

- Equity: \$2,377
 - Fixed Income: \$112,859
 - Mutual Fund Equity: 55,369
- TOTAL: \$170,605 (1.3% of total investment expenses by fund manager)**

BLACKROCK'S TOTAL ASSETS UNDER MANAGEMENT AND FEES FROM NYS AND NYC PENSIONS

	<i>Assets managed</i>	<i>Fees</i>
NYS	\$22,273,556,000	\$18,814,426
NYC	\$21,435,246,000 (based on data from 3 funds only)	\$13,650,091
Total	\$43,708,802,000	\$32,464,517

New York State Retirement System

The New York State and Local Retirement System (NYSLRS) controls the third largest pension fund in the U.S, with over 643,000 members and over 430,000 retirees and beneficiaries. More than 3,000 state and local public employers participate in the system. In fiscal year 2015-2016, NYSLRS paid an estimated \$10.9 billion in benefits. NYSLRS comprises the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS); these two are served by the Common Retirement Fund (CRF). The State's Teachers' Retirement System (NYSTRS) is managed separately.

Both NYSLRS and NYSTRS investments with M/WBEs are covered by a state law passed in 2010.³¹ The law covers four fiduciary controlled entities in the state: the CRF, the TRS, the NY Insurance Fund (NYSIF), and the NY Deferred Compensation Plan (NYSDCP). It authorizes the trustees of each of these entities – the State Comptroller in the case of CRF, the Retirement Board in the case of TRS, Commissioners of NYSIF and the Deferred Compensation Board – to establish an “MWBE asset management and financial institution strategy.” The law further specifies that such a strategy “shall include, but shall not be limited to” 1) investing assets with MWBE asset managers; 2) employing MWBE financial firms to conducting trades of public equity and fixed-income securities; 3) allocating investments either directly in the equities and debt securities of M/WBEs or “indirectly through special programs involving MWBE asset managers”; and 4) “awarding contracts for accounting, banking, financial advisory, insurance, legal, research, valuation and other financial and professional services to MWBE financial institutions and other MWBE professional service firms.”

³¹ Laws of New York 2010, Chapter 171, <https://nysosc9.osc.state.ny.us/product/mbrdoc.nsf/0f9d113765ae06b58525666700653b6d/c4e1ed50f9041358852577730045ca4f?OpenDocument>. The bills were sponsored by Sen. Ruth Hassell-Thompson and Assemblywoman Crystal Peoples-Stokes.

1. Common Retirement Fund (CRF)

The assets of ERS and PFRS are placed in the state's Common Retirement Fund (CRF). This is the third largest public pension fund in the US that holds assets in trust for more than one million former and current workers of the State government, local governments, school districts (except for the teachers covered by the NYSTRS that we discuss in the next section), and some public authorities. In 2016, the value of the Fund's invested assets was **\$178.1 billion**. These funds are managed and invested by the Division of Pension Investment and Cash Management in the Office of the State Comptroller, who is the sole trustee of the Fund. Last year, the rate of return on its investments was 11 percent.

According to Comptroller DiNapoli's latest report, under his tenure which started in 2007, CRF has invested about \$9 billion with M/WBEs³² and currently has \$13.8 billion "invested with or committed to" them³³ (whatever 'committed' means in this particular case). The fund's relationship with M/WBEs has so far developed within three interrelated frameworks: 1) the lending partnership with the New York Business Development Corporation (NYBDC), which dates back to 1987; 2) the Emerging Manager Program, launched in 1994; and 3) the State Comptroller's "M/WBE Asset Management and Financial Institution Strategy," based on a state law adopted in 2010.

The CRF-NYBDC lending program has had a general focus on providing capital for small business loans around the state. The loans can be used to acquire property and equipment. Since its inception in 1987, the program has loaned \$362 million to over 1,000 small businesses.³⁴ In 2010, Comptroller DiNapoli committed an additional \$100 million to this program. NYBDC's annual report of 2016 says that 40% of its loans have been made to M/WBEs; unfortunately, the report includes no other figures or more detailed information on these loans.³⁵

³² http://www.osc.state.ny.us/retire/word_and_pdf_documents/publications/cafr/cafr_16.pdf, p. 12.

³³ New York State Common Retirement Fund, 'MWBE Strategy Report', May 2017, https://www.osc.state.ny.us/pension/mwbe_report.pdf.

³⁴ <http://www.nyretirementnews.com/the-common-retirement-fund-invested-in-new-york/>.

³⁵ <http://www.nybdc.com/img/uploads/file/NYBDC-Annual-Report-2016.pdf>.

The Emerging Manager Program started with a \$49 million allocation to Progress Investment Management Company, an M/WBE investment firm. As of March 31, 2016, its investment portfolio had a market value of close to \$950 million (according to the NYSLRS Comprehensive Annual Financial Report of 2016).³⁶ These funds are, in turn, invested with “emerging managers” (EMs) – described on the NYS Comptroller’s website as “newer, smaller and diverse” firms. These include certified M/WBE companies as well as other firms “owned or operated by minorities or women.” CRF utilizes ten “emerging manager platforms” through which these managers invest in the public equity, private equity, hedge fund, and real estate asset classes.³⁷ The latest report by the Comptroller’s Office indicates that at the end of FY2017 EMs managed an “estimated” \$5.7 billion (\$0.1 billion more than in the previous year).³⁸ In total, CRF reports to be currently working with 121 EMs, 57 percent of them M/WBEs.³⁹ The program aims to ‘graduate’ EMs from the program to become direct managers of the Fund’s core portfolio; over the past 20 years, at least 14 EMs (nine of them M/WBE firms) have been “transitioned” into the core portfolio.

Outside of the Emerging Managers Program, the Fund uses M/WBE brokers when trading internally managed assets that are not included in the NY State law requirements regarding M/WBE investment strategy. The 2016 report states that these brokers made about 37 percent of the total commissions (\$822,000 out of \$2.2 million total). Overall, the CRF has 42 approved brokerage firms to execute trades in the long-term and short-term fixed-income portfolios. According to the report, M/WBE traders accounted for fourteen percent of these firms, while making five percent of all long-term and five-percent of all short-term trades.

³⁶ http://www.osc.state.ny.us/retire/word_and_pdf_documents/publications/cafr/cafr_16.pdf.

³⁷ In addition to Progress Investment Management, these platforms are managed by FIS Group, Leading Edge Investment Advisors, HarbourVest Horizons, Muller and Monroe, Farol Asset Management, Artemis Real Estate Partners, The Rock Creek Group, Stepstone Group, JPMorgan and Pine Street Alternative Asset Management. New York State Common Retirement Fund, ‘MWBE Strategy Report’, May 2017, https://www.osc.state.ny.us/pension/mwbe_report.pdf, p. 52.

³⁸ Ibid.

³⁹ Ibid., p. 9.

New York State's Common Retirement Fund, the third largest public pension fund in the country with current estimated value of \$192 billion, reports to have invested about \$9 billion with M/WBEs since 2007, or circa \$1 billion per year.

Adding the Emerging Managers Program and direct allocations together, CRF had \$9.7 billion invested in FY16 with certified M/WBEs or with “firms substantially owned or operated by minorities or women” (this second category includes companies with at least 25 percent minority or women ownership). The latest report issued by the Comptroller’s Office in May 2017

shows \$13.8 billion “invested with or committed to” MWBEs at the end of FY2017 (a more than 41% increase from FY2016). This represents 7.2% of the total assets, and 18.5% of active/externally managed assets that fall under the Comptroller’s Office M/WBE Strategy.⁴⁰ The highest level of M/WBE participation in absolute numbers has been in the public equities class, with over \$6.1 billion total. In percentage terms, the most significant level is in the opportunistic funds class, where M/WBEs reportedly manage more than half – 58.6%, or, in absolute, terms, \$1.2 billion. Further M/WBE broker/dealers earned \$1.3 million, or 34% of the total commissions for trading internally managed assets.

Arguably, these levels of M/WBE utilization by the CRF represent a significant achievement (even though it is not quite clear how much of these funds are actually invested with M/WBEs as opposed to being “committed” to them). However, this does not eliminate the need for a more active and substantial role that New York State pension funds and their investment managers (including M/WBEs) can and should play in facilitating access to capital for M/WBE firms outside of the financial sector. NYSLRS has a substantial amount of resources to play such a role, as evidenced by the amount in fees it pays to its investment managers, consultants, and advisors for investment services, both M/WBE and non-M/WBE. Thus, in FY2016, the NYSLRS paid **over \$587 million** in those fees (there is no public information available as to whether any, or how many, of these contractors were M/WBEs). As will be discussed in the next section, the New York City Retirement System paid even more of those fees in the same period.

2. NYS Teachers Retirement Fund (NYSTRS)

⁴⁰ Ibid., p.7.

The Teachers' Retirement Fund has a more broadly representative management system, with ten Retirement Board members, only three of whom are government appointees – one from the State Comptroller's Office and two from the Education Commissioner. Of the remaining seven, three are elected by the Board of Regents, three by NYS Teachers' Retirement System delegates, and one from the retirees. The current composition of the Board is as follows:



*David P. Keefe
President,
retired teacher, elected to the
Board by NYSTRS retirees*



*Michael J. Masse
Vice President,
bank executive elected to the
Board by the Board of Regents*



*Jolene T. DiBrango
teacher member
elected by NYSTRS delegates*



*Paul J. Farfaglia
teacher member
elected by NYSTRS delegates*



*Stephen P. Feehan
insurance executive
elected by Board of Regents*



*Dr. Phyllis S. Harrington
school administrator
appointed by Commissioner of
Education*



*Daniel J. Hogarty Jr.
bank executive
elected by Board of Regents*



*Dr. L. Oliver Robinson
school administrator
appointed by Commissioner of
Education*



*Nicholas Smirensky
Representative of the State
Comptroller*

NYSTRS' total investments currently stand at **\$105 billion**. Of these, \$38.5 billion are

reported to be externally managed. M/WBE managers are overseeing ***\$2.8 billion*** in assets, i.e. ***7.2%*** of those externally managed, but only ***2.7% of the total***. The fund's Emerging Manager partners – a category that also includes M/WBEs - are managing \$1.3 billion in domestic and international equities and \$459 million in real estate, for a total of \$1.7 billion.

New York City Retirement System

Currently, the New York City Retirement System (NYCRS) is a system of five separate funds, with a total of \$191 billion invested in a wide range of asset classes. These five funds include: 1) NYC Teachers Retirement System; 2) New York City Employees Retirement System; 3) NYC Police Pension Fund; 4) NYC Fire Pension Fund; and 5) Board of Education Retirement System. Each individual fund has a Board of Trustees who make decisions about their respective fund and the overall NYCRS. New York City Comptroller Scott Stringer and the Bureau of Asset Management oversee the NYCRS to ensure that it is operating efficiently and fulfilling its fiduciary responsibility to the employee members of the fund.

NYCRS and the boards of the individual funds that comprise the system entrust pension funds into the hands of a very large group of investment houses that specialize in finding quality investments within a designated asset class. Each of the five pension boards also has a group of consultants to provide advisement over investments made by the fund. Consultants may be used for advisement over one or more individual asset classes. At the head of the list of consultants is the so-called “General Consultant,” who advises over the entirety of the pension. The annual financial reports issued by each individual fund indicate that many of the consultants used by these funds are the same. This lack of consultant diversity may be an additional roadblock for M/WBE investment managers to gain access to capital investments of the NYCRS, especially if the consultants in that closed circle are not performing a systematic outreach to M/WBE investment firms.

For their services to the pension fund, consultants receive a fee “off the top,” i.e. taken directly from the fund itself. In most cases it is unclear from the reporting available which consultants are used for what purpose or how their fee structure is determined. Furthermore, *it is not disclosed which consulting firms serve as the general consultant for each board.*

Legal services to the fund are also provided by various law firms, often for undisclosed purposes. Much like with consultants, law firms receive a fee taken directly “off the top” of the fund assets. Fees for the law firms generally hover in the thousands to tens of thousands range; but similar to consultants, the fee structure and the process of their determination are also undisclosed.

NYC PUBLIC PENSION FUNDS'

PAYMENTS TO SELECT CONSULTANTS AND LAWYERS IN FY2016

Payments to Consultants

	T Teachers' Fund	Employees' Fund (NYCERS)	Police Fund	Fire Fund	Board of Education Fund	TOTAL
Courtland Partners LTD	\$83,032	\$94,715	\$109,010	\$25,147	\$10,250	\$322,154
Stepstone Group LP	\$136,000	\$1,630,500	\$904,750	\$552,572	\$10,000	\$3,233,822
The Townsend Group	\$445,892	\$402,018	\$246,444	\$71,970	\$27,869	\$1,194,193

Payments to Law Firms

	Teachers' Fund	Employees' Fund (NYCERS)	Police Fund	Fire Fund	Board of Education n Fund	TOTAL
Foster Pepper PLLC	\$67,066	\$75,105	\$28,231	\$3,131	\$12,561	\$186,093
Morgan, Lewis & Bockius LLP	\$30,276	\$17,694	\$49,366	\$14,419	\$4,869	\$116,624

Nixon Peabody LLP	\$35,955	\$34,123	\$20,138	\$48,669	\$1,438	\$140,323
Pillsbury Winthrop Shaw Pittman LLP	\$299	\$32,987	\$74,985	\$12,258	\$990	\$121,519
Reinhart Boerner Van Deuren	\$31,333	\$45,437	\$23,941	\$3,868	\$4,343	\$108,923

In 2016, NYCERS paid *close to \$600 million* in fees to investment managers, consultants, and law firms. The public deserves transparency on services being provided that justifies millions of dollars per year in fees to these firms. Such transparency in the reporting of fees and fee structures would provide invaluable information to both M/WBEs and the employee participants of the pension fund. Below is a brief breakdown of how much in fees each fund paid in 2016.

1. NYC Teachers Retirement System

The largest of the five branches of NYCERS is the Teachers Retirement System (TRS). With circa 203,650 total participants (active members and retirees/beneficiaries) in 2015, the TRS held the largest financial stake in NYCERS at \$72 billion (or 37.44%). Overseeing the TRS is a board of six trustees. Two of the six trustees on the TRS board are City elected officials (New York City Mayor and Comptroller). The other four are elected by teacher as their representatives elected to the board. Unlike other NYCERS boards, the TRS does not have direct union representation. The current composition of NYCTRS board is as follows:



*John Adler
Chair, Mayor's
appointee*



*Hon. Scott Stringer
NYC Comptroller*



*Raymond Orlando
representing the Panel
for Educational Policy
Chair*



*Thomas Brown
Teacher Member*



*David Kazansky
Teacher Member*



*Debra Penny
Teacher Member*

The participating employers that share the cost of the defined-benefit QPP (Qualified Pension Plan) are the New York City Department of Education (DOE), City University of New York (CUNY), and certain New York City Charter Schools that offer TRS benefits to their employees.

The TRS also pays out more in fees than any other branch of NYCERS. According to their Comprehensive Annual Financial Report (CAFR) for fiscal year 2016, TRS paid out \$209 million in fees to investment managers, consultants, and law firms. Investment managers made up the largest percentage of the fees paid by TRS in 2016— 97% of the overall fee expenses. The fees paid to investment managers, consultants, and law firms by the TRS have been on an upward trend over the past few years.

2. New York City Employees Retirement System

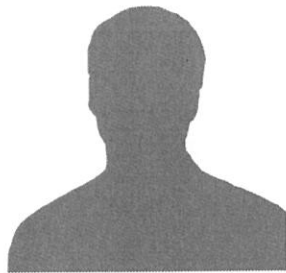
The second largest of the five branches of the NYCRS is the New York City Employees Retirement System (NYCERS). Membership in NYCERS is available to all City employees who are ineligible to participate in any of the other four entities (NYC Teachers' Retirement System, the NYC Police Pension Fund, the NYC Fire Department Pension Fund, or the NYC Board of Education Retirement System). With 325,370 participants, including current employees and retirees/beneficiaries, NYCERS also holds the second largest stake in the overall pension fund, valued at \$55 billion, or 32.35% of the overall fund.

Overseeing the New York City Employees Retirement system is a board of eleven trustees, including all three citywide elected officials and all five borough presidents. The board composition is presented on the next page.

The board of trustees for NYCERS consists of more elected officials than any other board within the NYCRS. Also, the members of the unions represented on the board (Transport Workers Union, Local 100; District Council, Local 37, ASFCME; Teamsters, Local 237) comprise a large portion of the overall employee participation in the fund.

In addition to the various government agencies of the City, members of NYCERS are also employed by the NYC Transit Authority, the Triborough Bridge and Tunnel Authority, the NYC Housing Authority, the NYC Health and Hospitals Corporation, the NYC Housing Development Corporation, the City University of New York, the NYC School Construction Authority, NYC Municipal Water Finance Authority, and certain employees of State agencies that had formerly been City agencies.

Much like with the TRS, NYCERS pays hefty fees to investment managers, consultants, and law firms. In FY2015, NYCERS paid a total of over \$187 million in fees. Investment managers were paid the most, taking away \$183 million.



*NYC Mayor's
Representative
(Chairperson of the
Board)*



*Hon. Scott
Stringer
NYC Comptroller*



*Hon. Letitia (Tish)
James
NYC Public
Advocate*



*Hon. Gale Brewer
Manhattan
Borough
President*



*Hon. Eric Adams
Brooklyn Borough
President*



*Hon. Ruben Diaz,
Jr. Bronx Borough
President*



*Hon. Melinda Katz
Queens Borough
President*



*Hon. James Oddo
Staten Island
Borough President*



*Henry Garrido
Executive Director,
District Council 37,
AFSCME*



*John Samuelsen
President,
Transport Workers Union,
Local 100*



*Gregory Floyd
President,
International Brotherhood of Teamsters,
Local 237*

Yet unlike the TRS, NYCERS increased its fee payments to consultants and law firms in FY2016, while decreasing its fee payments for investment managers. In FY2016, total fees for NYCERS totaled \$165.6 million. Fees to consultants increased from \$3.5 million in FY2015 to

\$3.7 million last year. NYCERS doubled their fee payments to law firms in FY2016, totaling \$270,285. On the brighter side, NYCERS was able to decrease its fees paid to investment managers in FY2016, with fees paid equaling \$161.8 million, which is a substantial decrease of \$21.5 million.

3. Police Pension Fund

With 79,000 total participants (active members and retirees/beneficiaries) in 2016, the Police Pension Fund holds the third-largest financial stake in NYCERS at nearly \$39 billion (or 20.54 percent of the total). Overseeing the Police Pension Fund is a board of twelve trustees representing the unions that contribute to the fund, as well as both the Mayor and the Comptroller. The unions represented on the board are: Patrolman's Benevolent Association (PBA); Detectives' Endowment Association (DEA); Lieutenants Benevolent Association (LBA); Sergeants Benevolent Association (SBA); and Captains Endowment Association (CEA). The full composition of the board is presented on the next page.

While the Police Pension Fund is significantly smaller compared to TRS and NYCERS, it still pays a significant amount in fees to consultants and investment managers. In FY2015, Police total fees paid to investment managers, consultants, and law firms totaled nearly \$164 million. The bulk of that total went to investment managers, who took home close to \$162 million. Consultants and law firms were paid \$1,868,228.62 and \$221,057.56, respectively. This level of spending on fees is close to the amount spent by NYCERS, despite the fact that NYCERS is nearly double the size of the Police Fund.

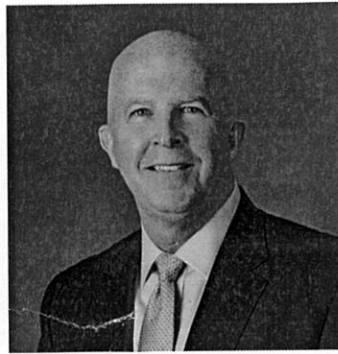
In FY2016, the Police Pension Fund was able to dramatically decrease the amount of fees paid for investment expenses, paying a total of \$126.5 million, a decrease of \$37.3 million or 22.8%. Almost all of the savings was due to the decrease in the fees paid to investment managers, down to slightly over \$124 million. On the other hand, fees to consultants increased to over \$2 million; and fees to law firms rose to \$267,580.



*Bill de Blasio
Mayor*



*Scott M. Stringer
Comptroller*



*James P. O'Neill
Police Commissioner*



*Jacques Jiha
Commissioner of
Finance*



*Patrick J. Lynch
President, Patrolmen's
Benevolent Association
(PBA)*



*John Puglissi
1st Vice President,
PBA*



*Mubarak Abdul-Jabbar
2nd Vice President PBA*



*Corey Grable
Chairman, Board of
Trustees, PBA*



*Michael J. Paladino
President, Detectives'
Endowment Association
(DEA)*



*Edward Mullins
President Sergeants
Benevolent
Association (SBA)*



*Lou Turco
President, Lieutenants
Benevolent Association
(LBA)*



*Roy T. Richter
President, Captains
Endowment Association
(CEA)*

4. Fire Pension Fund

The New York Fire Department Pension Fund is the fourth-largest branch of NYCERS, with \$12.7 billion in assets. Like the other branches, the Fund pays a portion of their endowment to cover investment fees accrued during the fiscal year. In FY2015, the Fire pension fund paid \$58.7 million in fees. Of that number, \$57.4 million went to fees for investment managers. Consultants were paid \$1,109,493; and law firms made \$135,647.

Overseeing the Fire Pension Fund endowment is a board of twelve trustees, including several heads of the firefighter organizations who represent members across the branches of the FDNY.⁴¹ These organizations include the Uniformed Firefighters Association of Greater New York; Uniformed Fire Officers' Association of Greater New York; and the Uniformed Pilots' and Marine Engineers' Association of Greater New York. Additionally, the Mayor and the Comptroller also sit on this board. As of June 30, 2016 (the date of the latest comprehensive annual financial report), the composition of the board is shown on the next page.

5. Board of Education Retirement System (BERS)

BERS is the smallest of the five branches of NYCERS. It controls \$4.5 billion (or 2.77 percent) of NYCERS assets. Overseeing the Board of Education Retirement System is a board of sixteen members, including a thirteen-member Panel for Educational Policy (PEP), the Chancellor, and two employees elected by the members. No member on the BERS board of trustees is an elected official. The composition of the BERS Board of Trustees, as of 2016, is presented on page 49.

⁴¹ Technically, the New York Fire Department Pension Funds consist of three individual funds with their own boards of trustees – Qualified Pension Plan (QPP), Firefighters' Valuable Supplements Fund (FFVSF), and Fire Officers' Variable Supplements Fund (FOVSF), but all the members of the latter two board are also members of the QPP board, which can just be viewed, at least for our purposes, as THE Fire Department Pension Funds' board.

Trustees of the Fire Pension Fund



*Bill de Blasio
Mayor*



*Scott M. Stringer
Comptroller*



*Daniel A. Nigro
Fire Commissioner*



*Jacques Jiha
Commissioner of
Finance*



*Paul Ferro
Chiefs' Representative of
the Uniformed Fire
Officers' Association of
Greater New York
(UFOA)
(No photo available)*



*John Farina
Captains' Representative,
UFOA
(No photo available)*



*James J. McGowan
Lieutenants'
Representative, UFOA*



*Stephen J. Cassidy
President, Uniformed
Firefighters Association
of Greater New York
(UFA)*



*James M. Slevin
Vice President, UFA*



*Edward Brown
Treasurer, UFA*



*John Kelly
Vice Chairman, UFA*



*Thomas Phelan -
Representative of the
Uniformed Pilots' and
Marine Engineers'
Association of Greater
New York
(No photo available)*

Trustees of the Board of Education Retirement System



*Peter J. Calandrella
PEP (Staten Island
representative)*



*Isaac Carmignani
Employee-member
(Member, Contracts
Committee)*



*Geneal Chacon
PEP*



*April Chapman
PEP
(No photo available)*



*T. Elzora Cleveland
PEP*



*Deborah Dillingham
PEP (Queens
Representative)*



*Carmen Fariña
Chancellor, NYC
Department of
Education*



Michael Kraft



*Vanessa Leung
PEP*



*Gary Linen
PEP
(Program Director,
College Summit)*



*John Maderich
(No photo available)*



*Donald Nesbit
(Vice President, Local
372)
(No photo available)*



*Raymond Orlando
(Board of
Education's Chief
Financial Officer)
(No photo
available)*



*Lori Podvesker
PEP (Senior
Manager of NYC
Disability and
Education Policy)*



*Benjamin
Shuldiner
PEP (Founder,
High School for
Public Service)*



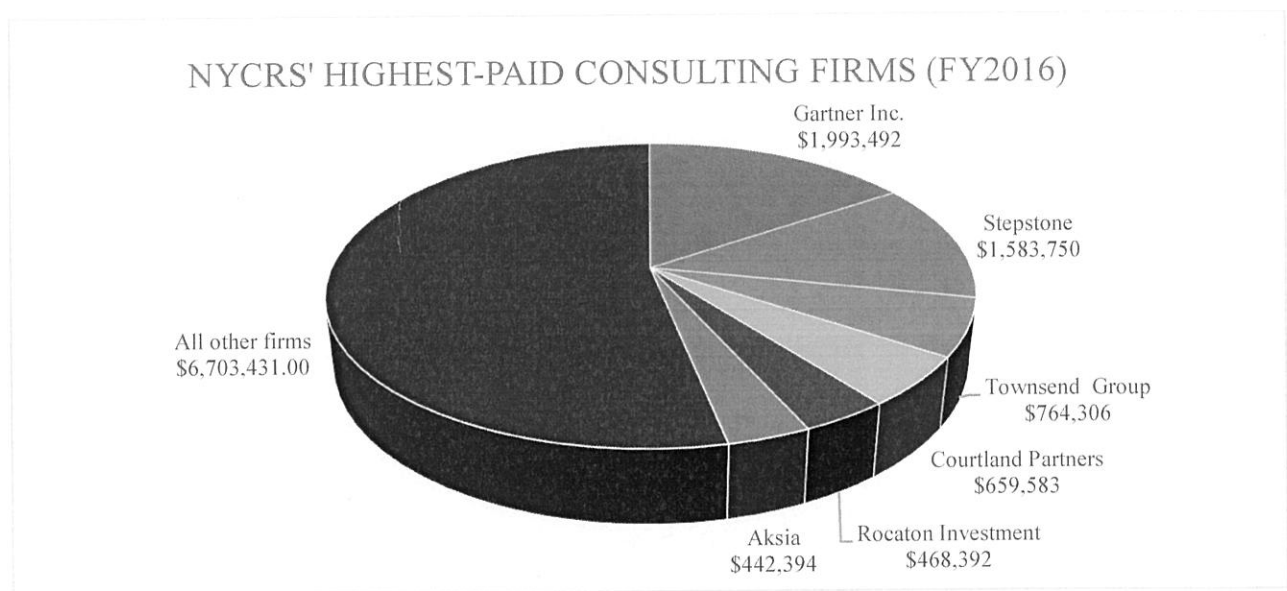
*Stephanie Soto
PEP*



*Miguelina
Zorrilla-Aristy
PEP
(No photo
available)*

With the smallest share of assets of the five NYCRS funds, BERS also pays the lowest amount in fees to investment managers, consultants, and law firms. For FY2014, it paid less than \$11 million in fees, of which investment managers received \$9.2 million. Consultants and law firms were paid \$738,610 and \$20,532 respectively.

In FY2016, BERS' investment expenses increased to \$14.2 million, of which investment managers received \$13.6 million; consultants, \$571,029; and law firms, \$83,677. This represents an increase of 31% over two years.

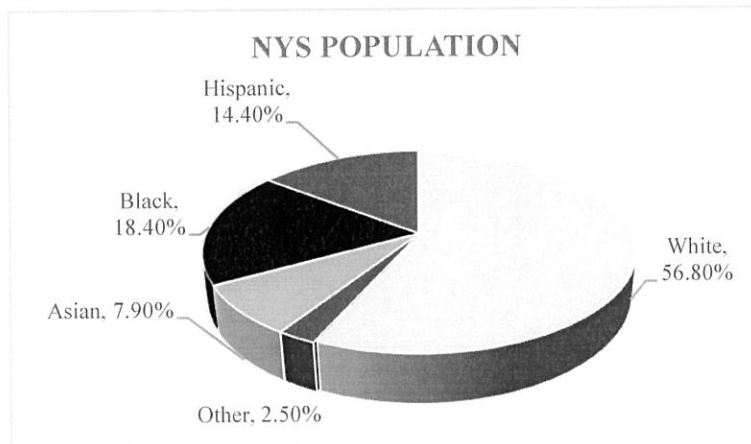


What is the record of these five NYC pension funds with regard to M/WBEs? The only publically available information shows that at the end of 2015, \$12 billion of total NYCRS assets were invested with emerging managers and M/WBE firms combined. This is 7.2 percent of the total fund assets. However, as of October 2017, no further detailed break down of this data is publically available. Thus, it is not clear what share of these funds are invested specifically with M/WBE firms. What is clear, however, is that M/WBE's share of investments—7.2 percent—is disproportionately low compared to the share of minorities among the retirees served by these pension funds. The latest workforce profile report published by the Department of Citywide Administrative Services (DCAS) shows that as of 2015, 61 percent of the City's workforce was

non-white, and 58 percent were women.⁴² Assuming that the breakdown of city retirees is somewhere in that range, there is a clear imbalance here between the profile of those whose pensions are invested by the City and the share of minority investment managers.

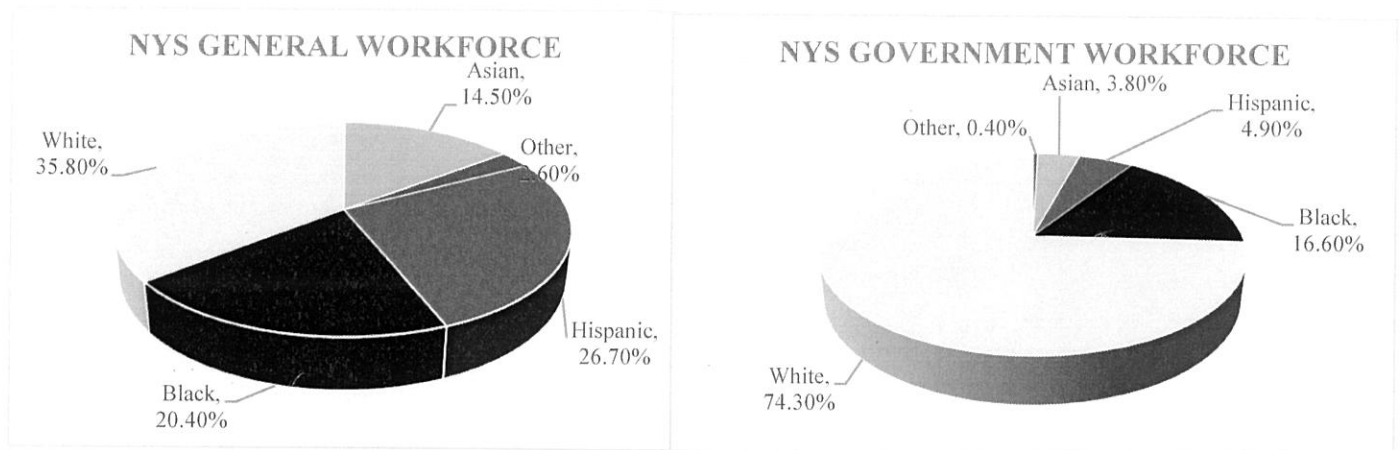
*NY State population, general workforce, and civil servants
by major race and ethnicity⁴³*

Race / Ethnicity	Percent of NY Residents	Percent of NY's Workforce	Percent of NYS Government Workforce
Caucasian	56.8%	60.0%	74.3%
African American	14.4%	13.9%	16.6%
Hispanic	18.4%	16.9%	4.9%
Asian	7.9%	8.2%	3.8%
Other	2.5%	0.8%	0.4%



⁴² http://www.nyc.gov/html/dcas/downloads/pdf/misc/workforce_profile_report_fy_2015.pdf, p. 6.

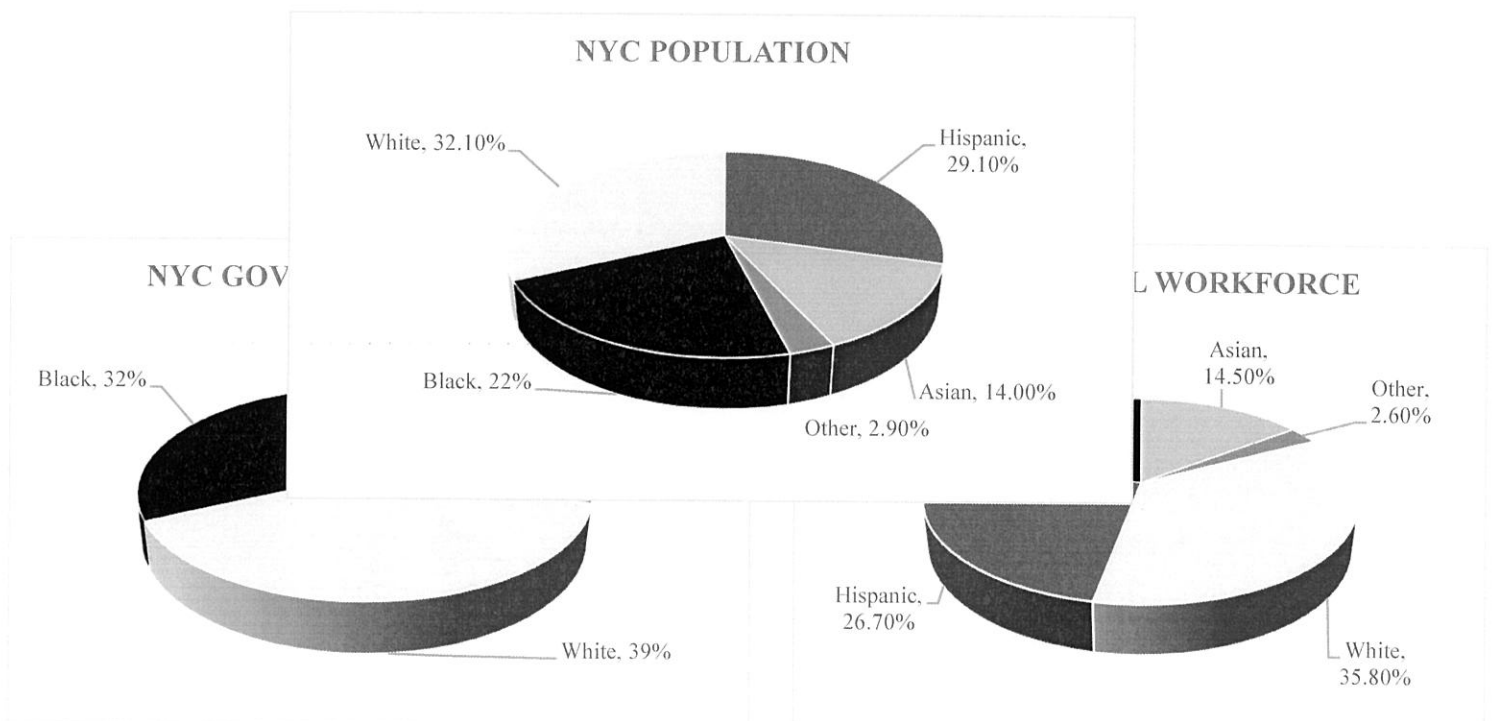
⁴³ <https://www.cs.ny.gov/businesssuite/docs/workforceplans/2016.pdf>.



NYC population, general workforce, and civil servants

by major race and ethnicity

	NYC population	NYC general workforce	NYC government workers
white	32.1%	35.8%	39%
Black	22%	20.4%	32%
Hispanic	29.1%	26.7%	20%
Asian	14.0%	14.5%	9%
Other	2.9%	2.6%	0%



**NEW YORK PUBLIC PENSIONS' INVESTMENT DIVERSITY
IN A COMPARATIVE PERSPECTIVE**

JURISDICTION	PUBLIC PENSION FUND NAME	TOTAL INVESTMENTS (FY2016 unless otherwise indicated)	INVESTMENTS WITH M/WBE FIRMS	EMERGING MANAGER (EM) PROGRAMS	OTHER DIVERSITY INDICATORS	FEES PAID TO CONSULTANTS, INVESTMENT MANAGERS, LAWYERS
Federal	<u>Civil Service Retirement and Disability Fund</u> (administered by the Office of Personnel Management)	<i>\$887 billion</i> (can only be invested in U.S. Treasury securities) ⁴⁴	N/A			
Federal	<u>Military Retirement Fund</u> (non-contributory defined benefit plan; administered by the Department of Defense)	<i>\$659.5 billion</i> (can only be invested in US Treasury securities) ⁴⁵				
Federal	<u>Thrift Savings Fund</u> (defined contribution plan administered by Federal Retirement Thrift Investment Board)	<i>\$470 billion</i> ⁴⁶	None (all stock funds, i.e. except for Government Securities Investment Fund, <i>\$254 billion in total</i> , managed by BlackRock)	None	BlackRock employee diversity: 3.5% Black, 24% Asian (TSP 2014 annual report)	\$19 million (0.004% of total investment)
California ⁴⁷	<u>CalPERS (California Public Employee Retirement System) Public Employee</u>	<i>\$325.15 billion</i>	As of 2013, Of CalPERS 1,103 external managers, 98 voluntarily	As of 2013, of CalPERS 1,103 external managers, 371 or 34% were	As of 2014, CalPERS invested <i>\$4.5 billion</i> (1.5% of its investments)	<i>\$782.894 million</i> (0.24% of total investment)

⁴⁴ <https://www.opm.gov/about-us/budget-performance/other-reports/fy-2016-csrdf-annual-report.pdf>.

⁴⁵ <http://www.dodig.mil/pubs/documents/DODIG-2017-013.pdf>, p. 18; also at http://comptroller.defense.gov/Portals/45/documents/cfs/fy2016/13_Military_Retirement_Fund/MRF_FY_2016_AFR.pdf.

⁴⁶ <https://www.frtib.gov/pdf/minutes/MM-2016Oct-Att8.pdf>.

⁴⁷ California State Law (enacted through passage of Proposition 209 in 1996) prohibits State agencies from granting preferential treatment to any individual or group on the basis of race, sex, color, ethnicity or national origin in public contracting.

	<u>Retirement Fund</u>		disclosed that they were M/WBE firms. •M/WBE managers were 9% of external manager relationships and 19% of EM relationships. •On a net asset value basis, about \$7.4 billion or 9% of externally managed capital was invested with M/WBE managers. This included: 65 women-owned managing \$5.9 billion in total net asset value; 32 Asian-American owned managing \$2.2 billion; 13 African-American with \$1.3 billion; and 12 Hispanic-American with \$291 million. ⁴⁸	EMs, i.e. newly formed or small firms. • Of CalPERS total externally managed capital, about \$10.6 billion or 13% of net asset value was invested with EMs.	in M/WBEs and employs 89 women and minority managers, more than twice the number of the next highest peer. ⁴⁹	
California	<u>CalSTRS – California State Teachers’ Retirement System</u>	\$206.5 billion	Of the \$1,704,265 invested with developing managers, 43% is invested in minority-owned firms and 25% in women-owned firms. ⁵⁰	\$1.7 billion (or about 4%) of global equity managed by ‘developing managers’; EMs have \$7.1 billion (about 32%) of the Real Estate portfolio; \$981 million (or about 6%) of the Private Equity Portfolio; \$522 million (i.e. about 10%) of		\$139.041 million ⁵¹

⁴⁸ CalPERS Emerging & Diverse Manager Data Report, March 2013, <https://www.calpers.ca.gov/docs/forms-publications/emerging-diverse-manager-data-report-2013.pdf>.

⁴⁹ <https://www.calpers.ca.gov/docs/forms-publications/emerging-manager-year-two-report.pdf>.

⁵⁰ http://www.calstrs.com/sites/main/files/file-attachments/diversity_in_the_management_of_investments_2017.pdf, p. 34.

⁵¹ <http://www.calstrs.com/sites/main/files/file-attachments/cafr2016.pdf>, p. 88-89.

				Fixed Income assets; \$239 million (or about 12%) of the Inflation Sensitive Portfolio.		
New York State	<u>NYS Common Retirement Fund</u>	<i>\$192 billion (as of 3/31/2017)</i>	<i>\$13.8 billion (7.2% of the total, or 18.5% of active/externally managed assets) “invested with or committed to” M/WBEs⁵²; 14% of approved brokerage firms are M/WBEs</i>	<i>\$5.7 billion</i>	Lending partnership with NY Business Development Corp.	<i>\$587.9 million (0.3% of total investment)⁵³</i>
New York State	<u>NYS Teachers’ Retirement System</u>	<i>\$107.5 billion⁵⁴</i>	25 of 40 approved brokers (62%) M/WBE certified; received \$173K out of \$571K (30%) in commissions ⁵⁵	<i>\$1.7 billion total; incl. 3 M/WBE EMs (Progress Investment Management Co., Leading Edge Investment Advisors, and FIS Group) manage \$1.3 billion (1.2%) via 21 M/WBE sub-managers</i>		<i>\$240 million (0.2% of total investment)</i>

⁵² http://www.osc.state.ny.us/pension/mwbe_report.pdf, p.7.

⁵³ http://www.osc.state.ny.us/retire/word_and_pdf_documents/publications/cafr/cafr_16.pdf.

⁵⁴ <https://www.nystrs.org/Library/Publications/Annual-Reports/2016CAFR>.

⁵⁵ https://www.nystrs.org/NYSTRS/media/PDF/M/WBE_Report_2016.pdf.

New York City Retirement Systems (NYCRS)	<u>NYC Teachers' Retirement System – TRSNYC</u> (includes Pension Fund, Diversified Equity Fund, Bond Fund, International Equity Fund, Inflation Protection Fund and Socially Responsive Equity Fund)	TOTAL for NYCRS - \$191.4 billion ⁵⁶ , including: Teachers - \$72.4 billion ⁵⁷ NYCERS - \$54.8 billion ⁵⁸ Police - \$38.8 billion ⁵⁹ Fire - \$12.7 billion ⁶⁰ BERS - \$4.5 billion ⁶¹	As of June 30, 2015, NYCRS invested <i>\$12 billion</i> , or 7.2% of total plan assets, with Emerging Managers and M/WBE managers. ⁶² The NYCRS' in-house Private Equity Emerging Manager Program is <i>\$500 million</i> , i.e. 4.8% of NYCRS' total private equity program of <i>\$10.5 billion</i> . ⁶³	\$592.2 million (0.3% of total investment), including: TRS - \$209,422,244 NYCERS – \$165,643,538 Police - \$156,155,288 Fire - \$46,862,173 BERS - \$14.2 million
	<u>NYC Employees Retirement System (NYCERS)</u>			
	<u>Police Pension Fund</u>			
	<u>Fire Pension Fund</u>			
	<u>Board of Education Retirement System (BERS)</u>			

⁵⁶ <https://comptroller.nyc.gov/wp-content/uploads/2016/11/CAFR2016.pdf>, p. 180.

⁵⁷ <https://trsnyc.org/ASPENMemberPro/WebContent/publications/financialReports/CAFR.pdf>.

⁵⁸ [https://www.nycers.org/\(S\(y53rv0yhybcvenew3v5vtrju\)\)/Pdf/cafr/2016/CAFR2016.pdf](https://www.nycers.org/(S(y53rv0yhybcvenew3v5vtrju))/Pdf/cafr/2016/CAFR2016.pdf).

⁵⁹ <http://www.nyc.gov/html/nycppf/downloads/pdf/CAFR%202016.pdf>.

⁶⁰ <http://www1.nyc.gov/assets/fdny/downloads/pdf/about/fire-pension-fund-cafr-2016.pdf>.

⁶¹ <https://www.nycbers.org/assets/bers/downloads/pdf/bers-cafr-web.pdf>.

⁶² Office of the New York City Comptroller, Bureau of Asset Management, 'Description of the Emerging Manager Program of the New York City Retirement Systems,' <https://comptroller.nyc.gov/wp-content/uploads/2014/11/NYCRS-EM-Program-Website-Language.pdf>.

⁶³ <https://comptroller.nyc.gov/wp-content/uploads/2016/11/CAFR2016.pdf>, p. xxiii.

Illinois	Five funds, including: <u>Teachers' Retirement System</u> <u>State Universities Retirement System (SURS)</u> <u>State Employees Retirement System (SERS)</u> <u>Judges Retirement System (JRS)</u> <u>General Assembly Retirement System (GARS)</u>	Total of \$79 billion TRS - \$44.7 billion SURS – \$18.8 billion SERS - \$14.8 billion JRS – 0.8 billion GARS - \$0.04 billion	TRS: \$8.2 billion (18.7%) overseen by M/WBE investment managers; ⁶⁴ in the equity markets, investment commissions to WMBEs totaled \$1.81 million (20.5% of all commissions paid to equity managers). ⁶⁵ SURS: 19 firms owned by minorities, females, or persons with a disability (MFDB) directly manage \$4.2 billion (24.7%) of the Total Fund	SURS: Progress Investment Mgmt. serves as the manager of EMs; the Progress program includes 12 M/WBE investment managers for a total of \$383 million	TRS: Investment management fees - \$300 million, bank fees – \$1.9 million, consulting - \$2.6 million; total investment expense - \$749.6 million (0.9% of total investment) SURS: Investment management fees - \$57.8 million (0.3% of total) No data available for other funds
Connecticut	Connecticut Retirement Plans and Trust Funds (CRPTF)	\$29 billion	The Connecticut Horizon Fund is a \$1 billion fund-of-funds public market program and also includes a \$155 million private equity allocation and a \$170 million alternative investment allocation (i.e. 4.6% of the CRPTF total). Emerging firms have the largest allocation of its total assets at 75 percent; minority-owned firms - 42 percent (i.e. 1.9% of the total); women-owned firms - 31 percent (i.e. 1.4% of the total). Of 21 private equity sub-managers, 8 are minority-owned, 3 emerging strategies, 1 women-owned. Of 24 alternative investment sub-managers, 21 are emerging strategies, 12 minority-owned, and 4 women-owned. As of 2016, 36 minority-owned, women-owned, Connecticut-based and emerging firms, comprised 28 percent of all firms doing business with the Pension Funds Management Division. They earned fees of \$37.2 million, i.e. nearly 38 percent of all investment advisory fees paid by the Division. ⁶⁶ The Treasury's Domestic Equity Brokerage Program "encourages" (<i>sic</i>) domestic equity portfolio managers to allocate 25 percent of brokerage commissions to minority and/or women broker-dealers; and 5 percent to emerging broker-dealers, but "does not direct investment managers to do business with any particular firm, nor will it select brokerage firms. Trading decisions will continue to be made by investment managers." ⁶⁷		\$80,448,631 (0.27% of total investment)

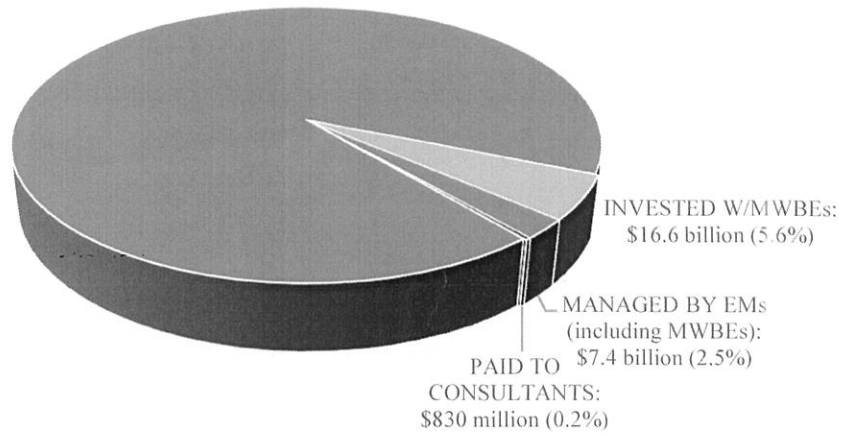
⁶⁴ <http://trs.illinois.gov/pubs/cafr/FY2016/FY16.pdf>.

⁶⁵ <http://trs.illinois.gov/press/2016/2016July6.pdf>.

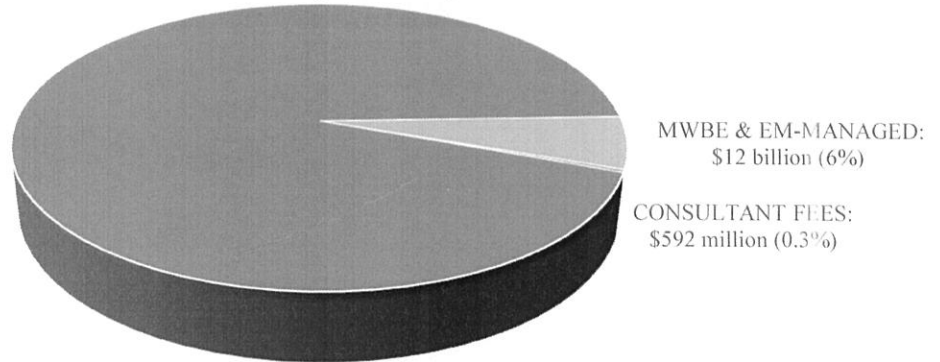
⁶⁶ <http://www.ott.ct.gov/pensiondocs/2016CIFCAmFR.pdf>, p. 51.

⁶⁷ http://www.ott.ct.gov/pension_domesticequityprogram.html.

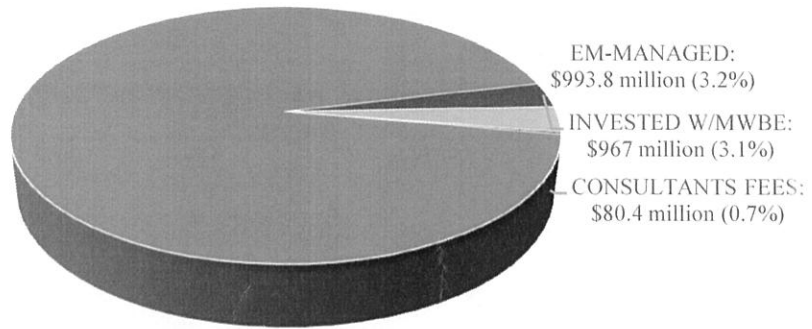
NYS PENSION FUNDS (CRF+TRS)



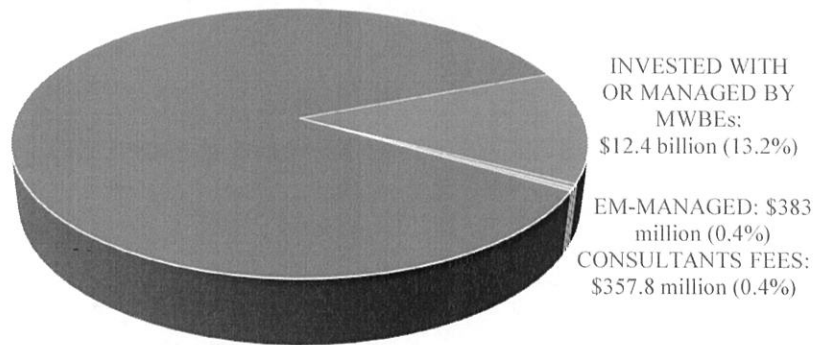
NYC (5 FUNDS)



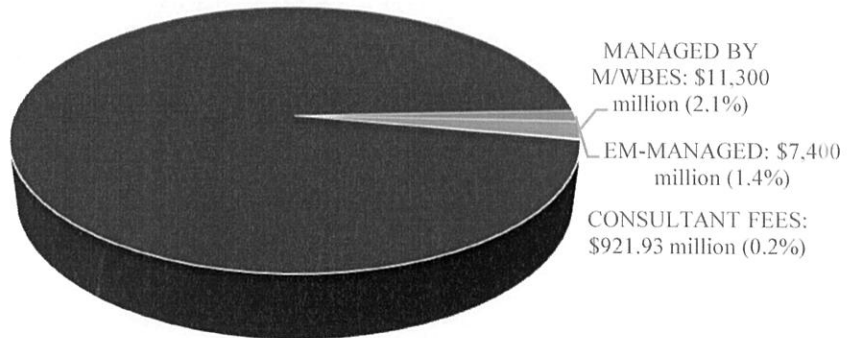
CONNECTICUT PENSION FUNDS



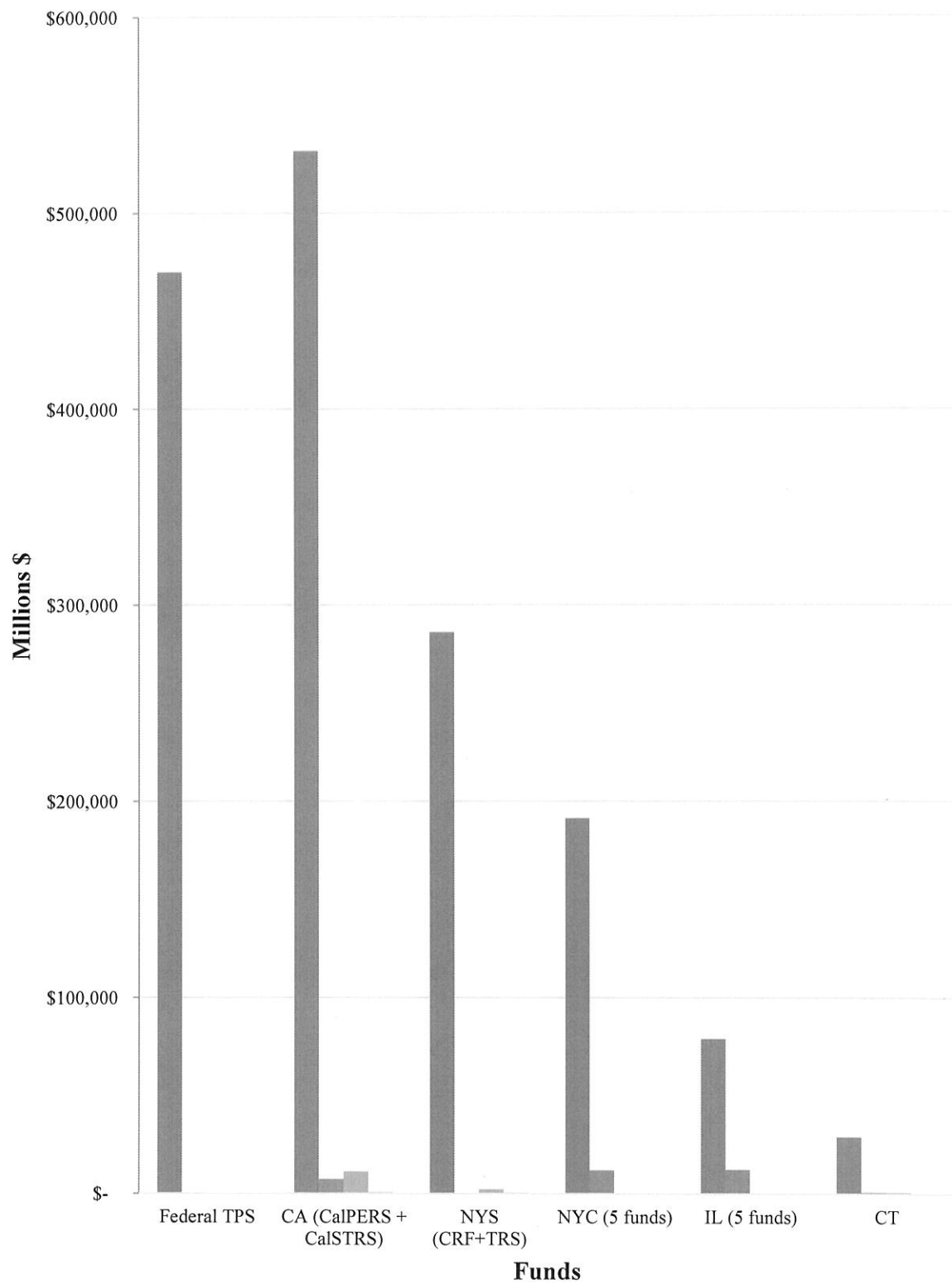
ILLINOIS STATE PENSIONS (5 FUNDS)



CALIFORNIA (CalPERS + CalSTRS)



PENSION FUNDS BREAKDOWNS (IN MILLIONS \$)



NY STATE AND CITY GOVERNMENTS' RESPONSIBILITIES REGARDING ACCESS TO CAPITAL

In total, in 2016 the New York State and New York City Retirement funds took over \$1 billion *off the top* of their assets to pay in fees to investment managers, consultants, advisors, and lawyers. This indicates that they surely can afford to use some funds to increase access to capital for New York's M/WBE community. Our recommendation for both Comptroller DiNapoli and Comptroller Stringer is to develop a solution that will direct *one percent of both the State's \$297.5 billion and the City's \$191.4 billion in pension fund investments* to create a *\$5 billion lending and investment fund targeted at New York's M/WBEs*.

Diversification of investments made by NYCERS cannot continue to begin and end with individual investment managers, as they are not representative of the larger M/WBE community. In order to effect maximum positive impact for M/WBEs, Comptroller Stringer and NYCERS must create a fund in which pension investments can be streamlined to "street-level" M/WBEs via competent investment firms with strong track records of investing in M/WBEs markets. Currently, the Comptroller, the Bureau of Asset Management, and NYCERS have failed to deliver real, tangible change to increase access to capital for M/WBEs, which defies their constant calls for the city to do more to increase access to credit, capital, and procurement opportunities for M/WBEs.

Comptroller Stringer and the New York City Retirement System *must* do more to increase access to capital for M/WBEs through the pension fund. If more that \$600 million can be spent on fees to investors, then there should be enough to invest into a fund that targets investment in M/WBEs. We are proposing the creation of a new fund under the current *Economically Targeted Investments program*, in which 1percent of the assets of the New York City Employee Retirement Systems (approximately \$1.6 billion) are allocated specifically towards "street-level" investments in M/WBEs.

The ETI's dual mandate to support sustainable growth for New York's economy while generating competitive returns for the NYCERS pensioners makes it a natural partner for this type of undertaking. An allocation of 1percent of the fund for M/WBE investment would make sense, given that the ETI already manages an allocation of 2 percent of the pension funds towards

investments that promote good-paying jobs and affordable housing. By directing an additional 1 percent towards M/WBEs, we can significantly decrease the gap in credit and capital access for M/WBEs while maintaining an acceptable rate of return for the NYCRS.

II. FROM DISCRIMINATION TO FAIR LENDING:

LEVERAGING GOVERNMENT DEPOSITS TO EQUALIZE CAPITAL ACCESS

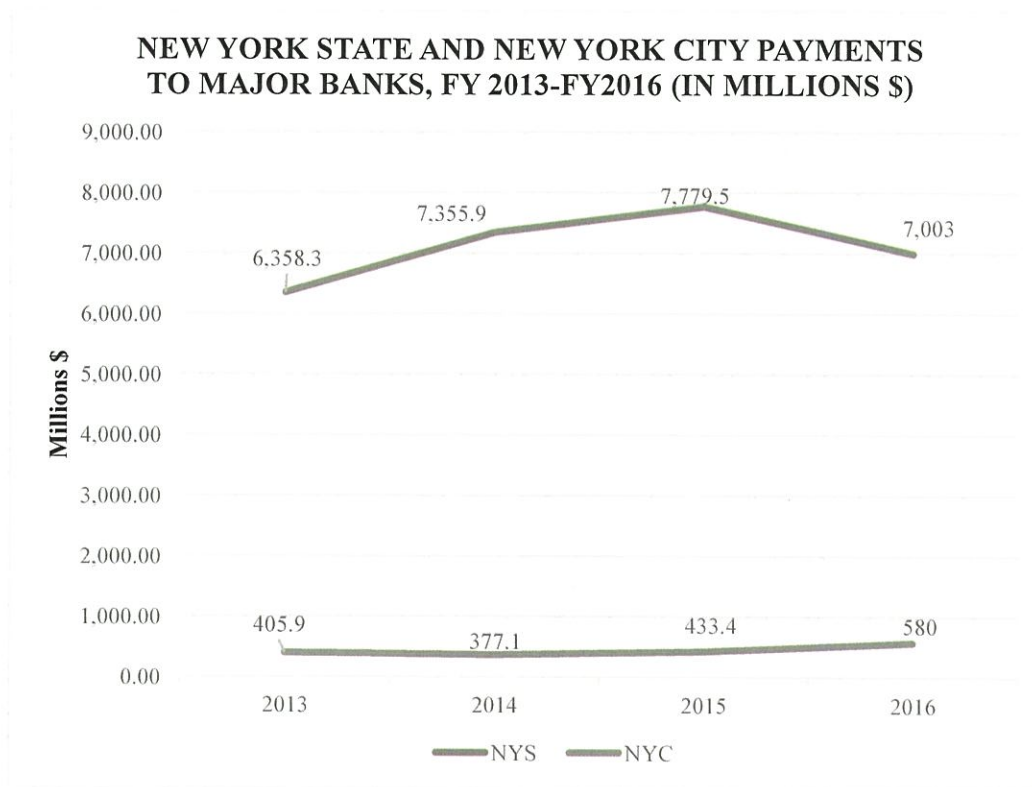
As noted in our previous reports, New York State and City governments maintain special relationships with a select number of well-established private banks in which taxpayers' funds are deposited and invested. In New York State, *depository banks are designated single-handedly by the State Comptroller*, while in NYC it is done (biennially – every odd-numbered year) *by a three-member commission, consisting of the Mayor, the Comptroller, and the Commissioner of Finance*. The list of banks with current NY State and NYC contracts is provided below:

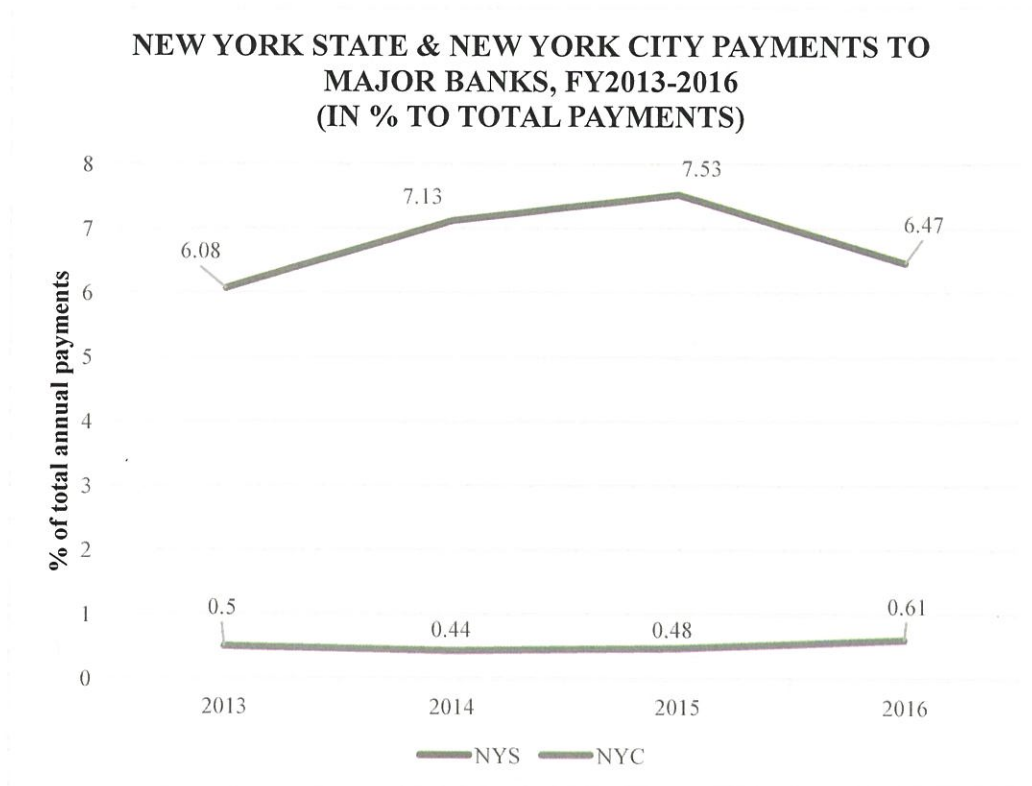
Bank	Total City Contracted Amount (FY 2015)	Total State Contracted Amount (FY 2015)
State Street Bank & Trust	\$16 million	\$38.8 million
JPMorgan Chase Bank NA	\$19.6 million	\$36.9 million
Wells Fargo Bank NA	\$11.8 million	\$107.1 million
Bank of America NA	\$9.2 million	\$2.9 million
TD Bank NA	\$1.3 million	\$131.6 million
The Bank of New York Mellon	\$2.3 million	\$7.6 million
Citibank, NA	\$19.8 million	\$324.4 million
US Bank National Association	\$2.5 million	\$0.4 million
Key Bank NA	-	\$0.4 million
HSBC Bank USA	\$0.4 million	-
	\$82.8 million	\$650.1 million

It is worth noting that contracts with depository banks represent only, so to speak, the tip of the iceberg in government business with the banking industry. Thus, for example, the NY State Comptroller's financial reporting site, Open Book NY, shows that in FY2016, State agencies paid a total of \$7 billion to banks – almost all of it to the nine largest (see table below). But of the 213 payments of \$1 million or over, only 11 have a contract ID listed. For the remaining 202 transactions, the database provides no details on the nature of the payment.

Table 2. New York State and New York City Governments' Payments to Banks, FY 2016

	<i>Bank Name</i>	<i>NY State payments, \$</i>	<i>NYC payments, \$</i>	<i>Total \$</i>
1	JPMorgan Chase	3,168M	16.8M	3,184.8M
2	US Bank	1,757M	161.9M	1,918.9M
3	Bank of New York	1,139M	160.8M	1,299.8M
4	Citibank	510M	21.1M	531.1M
5	Bank of New York Mellon	370M	162.7M	532.7M
6	Manufacturers & Traders	31M	-	31M
7	Wex Bank	19.4M	8M	27.4M
8	Wells Fargo	5.4M	22.7M	28.1M
9	Key Bank	2.8M	-	2.8M
10	Bank of America	0.5M	12.5M	13M
11	State Street Bank & Co.	-	13.1M	13.1M
	<i>TOTAL</i>	<i>7,003.1M</i>	<i>587.6M</i>	<i>7,590.7M</i>





Serving as a depository of public funds confers significant tangible as well as indirect benefits – increasing the bank’s political capital and ability to secure other high-powered clients. By their decisions on selecting depository banks, governments can influence banks’ behavior and induce them to comply with certain requirements and public policy goals, including such as better capital access for M/WBEs. In fact, banks vying to be designated as a government depository institution, must meet a number of fairly stringent requirements. One of them is compliance with the state and federal Community Reinvestment Acts (CRAs). Both of these laws, dating back to 1970s, require regulated financial institutions to help meet the credit needs of their local communities. However, as in almost all legislation of this nature, these requirements are stated in a fairly general and “aspirational” manner. As will be discussed further in more detail, neither federal nor NY State CRA in their current form include any requirement specifically related to meeting the credit needs of M/WBEs. Meanwhile, the actual record of most of New York City and State depository banks in terms of equitable lending to M/WBEs is questionable at best. In fact, many have been successfully sued in court for discrimination by minority borrowers as well as

various governments. Coincidentally, several of these banks were also among those proverbial “too big to fail” institutions that benefited from the federal bailout funds in the wake of the Great Recession (as part of the 2008 Emergency Economic Stabilization Act and subsequent measures), even though all of these funds were later repaid to the U.S. Treasury one way or another). Let us review these banks’ track record one by one (we list below not all the banks that are officially designated as NYC or NY State depositories, but only those with active government contracts):

Wells Fargo: Was sued by approximately 4,000 African American and Hispanic borrowers for charging them discriminatory fees or steering and placing them into subprime loans in the period from 2004 through 2009 while issuing prime loans to white borrowers with similar credit. In 2012, the U.S. Department of Justice reached a \$175 million settlement in the case. Wells Fargo has also been sued by the City of Los Angeles for allegedly giving loans to minorities that they could not afford, which led to their defaulting on these loans. However, in July 2015 a federal judge, U.S. District Judge Otis Wright II, dismissed the City of Los Angeles lawsuit and ruled that the alleged claims of bank’s behavior of predatory lending did not violate the law.⁶⁸ Similar case that was filed in Chicago was also dismissed in the same month.⁶⁹

In 2013, the City of Miami sued Wells Fargo, along with Citigroup and the Bank of America, under the Fair Housing Act (FHA) of 1968, for mortgage discrimination and predatory lending resulting in widespread foreclosures in minority neighborhoods, as well as decline in home values, leading to lost property tax revenue and increased city’s spending to upkeep blighted neighborhoods.⁷⁰ However, U.S. District Judge William Dimitrouleas dismissed the lawsuit at the time⁷¹ claiming that cities lacked the standing to sue and that the alleged harm was too remote from the banks’ conduct.⁷²

⁶⁸ <http://www.latimes.com/business/la-me-wells-city-suit-20150718-story.html>.

⁶⁹ <http://www.latimes.com/business/la-me-wells-city-suit-20150718-story.html>.

⁷⁰ <http://www.reuters.com/article/usa-housing-discrimination-miami-idUSL2N0PL1WR20140710>.

⁷¹ <http://www.reuters.com/article/usa-housing-discrimination-miami-idUSL2N0PL1WR20140710>.

⁷² <https://www.housingwire.com/articles/34966-mortgage-lawsuits-against-bofa-citigroup-and-wells-fargo-resurrected>.

However, on May 1, 2017, the U. S. Supreme Court ruled that the FHA allows cities to sue financial institutions for predatory lending practices, provided they meet a high standard in proving local governments were actually harmed by these banks.⁷³ Following this decision, the City of Philadelphia filed a lawsuit against Wells Fargo (which was also its depository bank) for pushing minorities, from as early as 2004, into riskier loans with higher rates even when they are qualified for lower-rate loans with their credit profile. Although Wells Fargo denies the allegations and calls itself as a “fair and responsible lender,” statistics have shown that 23.3% of the bank’s loans to minorities were high-risk, compared to 7.6% of risky loans to whites.⁷⁴ The lawsuit also notes Wells Fargo’s ‘history of redlining,’ a practice going back to the 1930s which denies credit to borrowers based on their ethnicity or race.⁷⁵ To meet the high standard of proof, the City of Philadelphia conducted an investigation and assembled evidence showing that “both the resources of the city and the lives of Philadelphia's citizens have been negatively affected by Wells Fargo's discriminatory lending practices.”⁷⁶ The City is seeking unspecified monetary damages from Wells Fargo. Additionally, Philadelphia City Council has recently voted to drop Wells Fargo as its depository bank and move its \$2 billion payroll account to Citizens Bank.⁷⁷

Following Philadelphia, the government of the City of Miami filed another lawsuit against Wells Fargo for predatory lending to minorities.

Recently, Wells Fargo received a Federal CRA rating of ‘needs improvement,’ which placed it below the requisite threshold of ‘satisfactory’ required to serve as NYC depository bank. On May 31, 2017, the day of the biennial meeting of the City Banking Commission, Mayor De Blasio and Comptroller Stringer jointly announced that, pending the increase in the bank’s Federal CRA rating, they will prohibit new contracts for city deposits with Wells Fargo (as well as suspend it, for one year, from its role as the senior book-running manager for NYC General Obligation and

⁷³http://www.slate.com/articles/news_and_politics/jurisprudence/2017/05/in_bank_of_america_v_miami_the_supreme_court_strengthens_the_fair_housing.html.

⁷⁴<http://www.cnbc.com/2017/05/15/philadelphia-takes-on-wells-fargo-lawsuit-over-housing-discrimination.html>.

⁷⁵<http://www.latimes.com/business/la-fi-wells-fargo-philadelphia-20170516-story.html>.

⁷⁶<http://www.cnbc.com/2017/05/15/philadelphia-takes-on-wells-fargo-lawsuit-over-housing-discrimination.html>.

⁷⁷<http://www.cnbc.com/2017/05/02/the-city-of-philadelphia-just-gave-wells-fargo-its-walking-papers.html>.

Transactional Finance Authority bond sales). However, the decision of the City Banking Commission issued on the same date was somewhat different: Wells Fargo remained a “conditionally designated” depository bank of the NYC Government “under the Necessity Exception”. The resolution on this issue noted that “it would be extremely disruptive to the tax and other revenue collection function and cash flow of the City of New York if the Department of Finance were suddenly unable to use the Depository services of Wells Fargo for the annual processing of millions of transactions and billions of dollars of city funds.” At the same time, Santander Bank, whose federal CRA rating had also been downgraded to “Needs to Improve,” was dropped by the NYC Banking Commission from its list of depository banks; and a resolution was passed to withdraw the City’s \$5 million from Santander’s account.

* **Bank of America:** Forced to pay \$335 million in an out-of-court settlement it reached in 2011 over allegations that it discriminated against 200,000 African American and Hispanic borrowers over a four-year period. According to then-Attorney General Eric Holder, BoA steered African American and Hispanic borrowers into higher-interest subprime loans, even though they qualified for prime loans. BoA was also sued by the Cities of Los Angeles and Chicago over similar allegations of predatory subprime loan practices in minority communities.⁷⁸ The City of Chicago’s lawsuit held BoA responsible for giving borrowers of color more than 95,000 loans with less favorable terms than given to white borrowers under similar circumstances. Furthermore, 60% of these loans were at risk of defaulting.

Similar to Wells Fargo, BoA is also facing charges by the city of Miami under the FHA for targeting minorities, specifically black and Latino homeowners, for risky mortgages with high interest rates and exorbitant fees.

⁷⁸ City of Los Angeles v Bank of America Corp et al, U.S. District Court, Central District of California; and County of Cook v. Bank of America Corp et al, U.S. District Court, Northern District of Illinois, No. 14-02280.

* **JPMorgan Chase:** Was sued in 2014 by both the City of Los Angeles⁷⁹ and the City of Miami⁸⁰ over allegations of predatory lending and discrimination. The LA lawsuit was filed against Citigroup, BoA, and Chase claiming that they targeted minority borrowers with subprime loans up until 2007, and afterwards withheld loans from Black and Hispanic borrowers altogether, regardless of their creditworthiness. A recent-report on the state of the Black world, published by *Christian Times*, notes that JPMorgan Chase issues only 22% (or \$18.8 million) of all its Small Business Administration-guaranteed loans to minorities (including 5% to Blacks, 5% to Hispanics and 12% to Asians).⁸¹

In January 2017, JPMorgan Chase agreed to settle a \$55 million lawsuit against the bank for its discriminatory mortgage practices on thousands of African American and Latino borrowers between 2006 and 2009.⁸² As per U.S. Attorney for the Southern District of New York Preet Bharara, Chase brokers charged Black and Hispanic borrowers higher interest rates for mortgages than white borrowers with similar credit profiles.⁸³ Compared to white borrowers, Hispanic and Black borrowers were additionally charged on average \$968 and \$1,126 respectively for the first five years of the loan.⁸⁴ Bharara found that over the three-year period approximately 53,000 Black and Hispanics were charged “tens of millions” more than white borrowers.⁸⁵ JPMorgan allowed the brokers to vary interest rate based on factors other than creditworthiness such as race and ethnicity, without adequately monitoring their practices. Many brokers charged these fees based on the borrowers’ race and ethnicity even though it was a federal crime – a violation of both the Federal Housing Act and the Equal Credit Opportunity Act.

* **U.S. Bank National Association (US Bank):** Since it acquired more than ninety banks from The Royal Bank of Scotland (RBS) Citizens’ Charter One, US Bank came under scrutiny for

⁷⁹ City of Los Angeles v JPMorgan Chase & Co, case number 2:14-cv-04168, in the U.S. District Court for Central District of California.

⁸⁰ City of Miami v JPMorgan Chase & Co, U.S. District Court, Southern District of Florida, No 14-cv-22205.

⁸¹ Rev. Dennis A. Dillon et al., ‘The Economic State of the Black World 2017,’ *Christian Times*, p. 24-25.

⁸² <https://www.usatoday.com/story/money/2017/01/18/us-accuses-jpmorgan-mortgage-discrimination-lawsuit/96710486/>.

⁸³ <https://www.theatlantic.com/business/archive/2017/01/jpmorgan-lawsuit-discrimination/513494/>.

⁸⁴ Ibid.

⁸⁵ Ibid.

attempting to close their branches in lower income neighborhoods, as well as for failing to disclose this information. US Bank has also been accused of discriminatory lending: thus, in Chicago, it is claimed that 87.5% of conventional home loans went to white borrowers, while only 6.3% went to African Americans customers and 6.2% went to Hispanic customers.

In 2014, National Fair Housing Alliance (NFHA) and four of its member organizations filed a federal complaint against U.S. Bank with the HUD for housing discrimination in Washington D.C., Dallas, Hampton Roads, New Haven, and New Orleans⁸⁶ and subsequently in more than 35 cities in 15 metropolitan areas⁸⁷ including Orlando, Minneapolis, Greater Palm Beaches, and Denver.⁸⁸ The complaint claimed the bank had violated the FHA by failing to maintain and market homes based on racial or ethnic composition of the neighborhood.⁸⁹ The quality of foreclosed homes was kept in better quality in white neighborhoods than in African-American and Latino neighborhoods. The neglect of these latter properties contributed to the blighted condition of the neighborhood, creating health and safety risks in communities of color as well as reducing the property value of the neighborhood by millions of dollars.

* **Citigroup:** Was sued in 2013 by the City of Los Angeles over more than 1,200 cases of predatory or unethical lending resulting in foreclosures. The City government claimed that homeowners lost more than \$78 million, caused by more than 200,000 foreclosures in a four-year period (2008-2012), disproportionately concentrated in the communities of color, because Citibank had steered them into loans that they could not afford.⁹⁰ Although Citigroup challenged the lawsuit, claiming that cities do not have the right to sue, U.S District Judge Otis Wright rejected the bank's motion in 2014 claiming that "a loss of tax revenue and increased spending on services in blighted

⁸⁶ <http://www.ctfairhousing.org/wp-content/uploads/US-Bank-News-Release-Draft-20140311-FINAL.pdf>.

⁸⁷ <http://nationalmortgageprofessional.com/news/41873/us-bank-accused-racial-discrimination-and-neglecting-reo-properties>.

⁸⁸ <http://www.ctfairhousing.org/wp-content/uploads/US-Bank-News-Release-Draft-20140311-FINAL.pdf>.

⁸⁹ <http://www.ctfairhousing.org/wp-content/uploads/US-Bank-News-Release-Draft-20140311-FINAL.pdf>.

⁹⁰ City of Los Angeles v. Citigroup Inc., 13-CV-09009, U.S. District Court, Central District of California (Los Angeles).

neighborhoods was a sufficient injury to allow the city to sue.”⁹¹ However, in October 2015, LA dropped the lawsuit against the Citigroup.⁹²

It is widely recognized that minorities and women, including both households and businesses, were among those hardest hit by the Great Recession and the banking crisis at the end of George W. Bush Jr.’s presidency. This situation exacerbated the prior history of lending discrimination against M/WBEs. As part of what was at least initially intended to be a fundamental overhaul of the banking system, *the Dodd-Frank Wall Street Reform and Consumer Protection Act* of 2010 included many significant and useful measures that were supposed to curb the excesses in the banking industry.

While Dodd-Frank (named after its two key co-sponsors, U.S. Senator Christopher Dodd and Representative Barney Frank, both of whom no longer serve in Congress) *does not include—and, for political and constitutional reasons, could not have included—any provisions establishing specific targets, let alone requirements for M/WBE lending*, there were two sections in it that could have played a positive role in redressing the balance. Section 1071 of the Act amended the Equal Credit Opportunity Act (ECOA) to require banks to compile and submit to the Consumer Financial Protection Bureau an extensive record pertaining to every credit application by an M/WBE or a small business. This record was then to be published annually by the CFPB, except for personally identifiable information and other exceptions to be made at the discretion of the Bureau. Further, Section 342 mandated nine federal agencies to establish within them Offices of Minority and Women Inclusion (OMWIs) within six months of the enactment of the law. These Offices would not have any decision-making role in agency procurement, but would instead be in charge of “developing standards” for increased M/WBE participation in agency contracts and of advising agency heads of the impact of their policies on M/WBEs.⁹³

⁹¹ <http://www.reuters.com/article/us-citi-lawsuit-losangeles-idUSKBN0EK22820140609>.

⁹² <http://www.reuters.com/article/us-citigroup-discrimination-lawsuit-idUSKCN0S22T720151008>.

⁹³ <https://www.congress.gov/bill/111th-congress/house-bill/4173/text>. The agencies required to have OMWIs include Department of the Treasury, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, each of the Federal Reserve Banks, the Board of Governors of the Federal Reserve System, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Securities and Exchange Commission and Bureau of Consumer Financial Protection.

The implementation of Section 1071 requires CFPB to adopt rules on the specifics of information collection and reporting. However, this rulemaking process has been significantly delayed. The Bureau's "Unified Agenda and Regulatory Plan" issued in the fall of 2016 indicated that the rulemaking for Section 1071 was still in the "pre-rule" stage; the Bureau was still planning for the "first stage" which would be focused on "outreach and research and on the potential ways to implement Section 1071, after which the Bureau will begin developing proposed rules concerning the data to be collected and determining the appropriate operational procedures and privacy protections needed for information-gathering and public disclosure."⁹⁴ In July 2015, thirteen Members of Congress— led by Maxine Waters and including Nydia Velazquez, Carolyn Maloney, Greg Meeks, and Keith Ellison— wrote to CFBR Director Richard Cordray and Federal Reserve Chairwoman Janet Yellen, urging them to start the rulemaking process immediately.⁹⁵ In a report issued in early 2017 during the presidential transition, The Congressional Black Caucus (CBC) also urged the new administration to require CFPB to accelerate its rulemaking on the section.⁹⁶ In contrast some of the stakeholders in the banking industry, including lending officers at credit unions, let it be known that its implementation would further increase their already high costs of regulatory compliance.

The so-called Financial CHOICE Act, passed by the Republican House in June 2017 and intended to dismantle the Dodd-Frank regulations of the banking industry, includes no mention whatsoever of the challenges facing M/WBEs or disadvantaged businesses in access to credit and of the need for fair lending to them.

Meanwhile, within the first months of 2017, the Republican majority in the House proceeded to dismantle the Dodd-Frank regulations. The so-called Financial CHOICE Act⁹⁷, passed by the House on June 8, 2017 and currently in the Senate committee, if it becomes a law, will drastically weaken CFPB powers, taking away much of its

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https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201704_cfpb_Fair_Lending_Report.pdf.

⁹⁵ <https://democrats-financialservices.house.gov/news/documentsingle.aspx?DocumentID=399228>.

⁹⁶ 'We Have a Lot To Lose / Solutions To Advance Black Families in the 21st Century,' https://cbc.house.gov/uploadedfiles/2017.03.22_cbc_we_have_a_lot_to_lose_v5.pdf, p. 23.

⁹⁷ "An Act to create hope and opportunity for investors, consumers, and entrepreneurs by ending bailouts and Too Big to Fail, holding Washington and Wall Street accountable, eliminating red tape to increase access to capital and credit, and repealing the provisions of the Dodd-Frank Act that make America less

supervisory authority, including the rulemaking power. This bill would also strip the bureau of its power to fine banks for “unfair” and “deceptive” practices—the power that the CFPB used in 2016 to fine Wells Fargo \$100 million for opening 2 million customer accounts without their knowledge. In this context, attempts to proceed with putting Section 1071 into practice get buried under the avalanche of advancing deregulation. It is worth noting that one of the major elements of Republican rhetoric in support of the CHOICE Act is that it would allegedly expand access to capital for small businesses by reducing the regulatory burden on the banks. Needless to say, there is no mention whatsoever of M/WBE credit needs in the Act.

As the political climate in Washington under the Republican administration and Congress essentially precludes any substantial progress in federal legislation or policies to secure more fair lending practices and better access to capital for minority- and women-owned and other disadvantaged businesses, it is up to the state and, to a lesser degree, municipal governments to sustain and advance a progressive agenda in this area. *It is time for New York State Governor Cuomo and NYS legislature to act on this issue.*

One of the potential solutions would be to strengthen New York State’s Community Reinvestment Act (CRA) and to improve its implementation. As noted in our *Access Denied* report, the CRA is the primary legal framework that regulates the relationships between banking institutions and local communities. The federal and state CRAs are used by government agencies to assess and to rate banks’ performance in terms of meeting the credit needs of these communities. The factors considered in these assessments and ratings include funding of affordable housing for low-and-moderate income families, community services targeted towards low-and-moderate income individuals, small-business financing, activities aimed at revitalizing geographic communities, and activities designed to prevent foreclosures.⁹⁸ Specifically, the New York State CRA (passed in 1978 as §28-b of the New York State Banking Law) provides for an “an

prosperous, less stable, and less free, and for other purposes,” <https://www.congress.gov/bill/115th-congress/house-bill/10/text>.

⁹⁸ “FAQs About CRA Exams and Ratings.” Department of Financial Services. New York State 4 Department of Financial Services, <http://www.dfs.ny.gov/banking/crafaqs.htm>.

assessment, in writing, of the record of performance of the banking institution in helping to meet the credit needs of its entire community, including low and moderate-income neighborhoods.”

Compliance with the CRA is certified by regular examinations. A New York City designated deposit bank must “retain throughout the designation period a minimum state CRA rating of "2" or its equivalent as determined by the New York State Banking Department and a minimum federal CRA rating of "Satisfactory" or its equivalent ...”⁹⁹ Poor performance or noncompliance under the CRA can be grounds for denying approval for mergers, opening new branches, or new applications for deposit facilities by the regulatory agencies. Most relevant to this topic is *the power of State and City governments to discipline banks for a poor CRA showing by excluding them, permanently or temporarily, from the approved list of their depository institutions.*

There are significant limits to the New York State CRA. The most glaring gap is the lack of regulatory authority over nationally certified banks. In fact, the New York State CRA only regulates banks chartered within New York. Functionally this means that, of the seventeen banks with active multi-year contracts within the New York State contracting system, only three operate under the New York State CRA: The Bank of New York Mellon, Manufacturers & Traders Bank, and Amalgamated. Manufacturers and Traders Bank received an “outstanding” in its most recent evaluation, while The Bank of New York Mellon and Amalgamated Bank received “satisfactory” evaluations.¹⁰⁰

It has to be noted that, even within their limited scopes, *the CRA laws suffer from poor implementation.* Thus, federal CRA examinations and ratings are under the purview of four different institutions, and there seems to be *no fully functioning website with up-to-date information on all the examinations performed and ratings assigned.* The Federal Deposit Insurance Corp. (FDIC) has not updated their CRA ratings webpage since 2013. NY State

⁹⁹ The Rules of the City of New York, http://www1.nyc.gov/assets/finance/downloads/pdf/treasury/banking_commission/banking-comission-title22.pdf.

¹⁰⁰ "Community Reinvestment Act Ratings and Performance Evaluation Public Summaries." Department of Financial Services. New York State Department of Financial Services, n.d. Web. 2 Feb. 2016.

Department of Financial Services has not updated their CRA ratings table on their website since 2014.

A major weakness of the CRA regulations is that *neither the federal nor the New York State CRA contain any mention of M/WBEs*. One of the reasons for this is that New York State's first-ever M/WBE program was adopted in 1988 under Governor Mario Cuomo—ten years after its CRA. The CRA has not since been amended. As a result, in spite of the widespread recognition of discriminatory business lending patterns, regular examination of loans to, and investment in, M/WBEs is not included in either the federal or state Community Reinvestment Acts. And so far, no steps have been taken by the New York State legislature to expand the New York CRA to scrutinize these loans.

As for New York City, in 2012 it attempted to create its own regulatory system for depository banks with Local Law 38, also known as the Responsible Banking Act (RBA). This prompted a lawsuit against the city by the New York Banker's Association. In August 2015 the RBA was struck down in its entirety by the U.S. District Court, in a ruling stating that city action on this subject was preempted by federal and state laws.¹⁰¹

In light of all of the above, improving M/WBEs' access to capital would be addressed more efficiently and productively through direct and open dialogue between representatives of M/WBEs, the banking industry, and government authorities. For this purpose, *New York State Governor and New York City Mayor should convene a Banking Industry-M/WBEs summit*. The banks called to this summit must be the major City and State depositories such as: Wells Fargo; Bank of America; JPMorgan Chase Bank; Citibank; BNY Mellon; and Amalgamated; as well as large government financial contractors acting as quasi-banks, first and foremost, BlackRock.

Given that these banks collectively invoice our State and City governments over \$800 million in fees for servicing their funds, NY State and NYC governments have a tremendous leverage over these banks' policies. This leverage can—and must—be used to affect the necessary change on the

¹⁰¹ The New York Bankers Association, Inc., vs. The City of New York. United States District Court 52 Southern District of New York. 7 Aug. 2015.

issue of access to capital. To his credit, in 2015, Mayor de Blasio already committed to holding City banking summits, with the express purpose of creating an M/WBE lending program. At the time of this report's writing, nothing has been done in this regard. The time for our government to get serious about changing the dynamic of M/WBEs-banking industry relationship is now. Both the Governor and the Mayor need to act without delay.

OUR DEMANDS TO FEDERAL, STATE, AND CITY GOVERNMENTS

M/WBEs and minority communities cannot afford to wait much longer for action to be taken by our state, local, and federal representatives to reduce the barriers to capital access for these businesses.

At the federal level, the first step toward equal opportunity regarding M/WBEs was taken in 1958, when the Small Business Act, §8a, mandated assistance to “socially and economically disadvantaged” small businesses. In 1969 and 1971, President Nixon’s Executive Orders established the Office of Minority Business Enterprises, requiring federal agencies to assist them. Today, the program has lost a significant amount of funding and currently operates as a shell of its former self. Meanwhile this program has assisted many M/WBEs with becoming successful. Therefore, it is imperative that the Federal Government increase funding for M/WBE-targeted assistance programs.

The United States Small Business Administration’s 8a Development program is designed to help small, disadvantaged business compete in the marketplace. To that end, it gives small businesses owned by socially and economically disadvantaged individuals access to certain sole source public contracts, as well as mentoring and joint venture programs. This program should be expanded to provide fair-rate capital access to these disadvantaged businesses. Additionally, the Federal Government should expand aid to larger minority-owned firms by establishing national M/WBE capacity building programs that build upon the 8a designation.

To address the issue of fair-rate business credit on a national level, the Federal Government *must* re-establish the SBA’s direct loan program. The SBA does not currently make direct loans to small businesses. Rather, SBA sets guidelines for loans programs administered by an amalgam of private sector actors. The SBA attempts to mitigate the risk associated with these loans by acting as guarantors of the loans. Instead, it should be administering these loans directly to small businesses.

Lastly, the Federal Government must encourage the establishment of Chief Diversity Officer positions, along the lines of the New York State and New York City Comptroller’s Office

positions, in other cities and states that have set goals for M/WBE participation. Chief Diversity Officers are needed to supervise M/WBE-related programs, ensure their access to necessary resources, and stay on top of essential M/WBE needs. To maximize efficiency, these officials' duties should be entirely focused on M/WBEs.

Moving to **New York State and City** levels, it is imperative that both Comptrollers, the Governor, and the Mayor take the following action *in the nearest future*:

1. Comptroller Stringer and the New York City Retirement System *must* expand the Economically Targeted Investment portfolio of the New York City Retirement Systems *by 1 percent*. New investments in the ETI portfolio should be targeted towards fair-value investment in capital expansion for underserved minority and women-owned businesses across the five boroughs.
2. Comptroller DiNapoli *must* allocate *1 percent* of the New York State Common Retirement Fund to capital and equity investment in minority- and women-owned businesses across the state.
3. New York City and State governments, through their depository banks *must* set up a funding pool for minority- and women-owned businesses capital needs, directing *\$1.6 billion* of the total amount of annually circulated commercial deposits towards this funding.
4. Moreover, Governor Cuomo and Mayor de Blasio *must* follow through with their promises made to M/WBEs in 2015 to hold public banking summits at the City and State level in order to call on the depository banks to create a targeted, fair-rate lending program. In spite of this, neither the Governor nor the Mayor have taken steps towards convening a banking summit. Every day that passes without any progress on this issue is another missed day in solving the issue of capital access to M/WBEs.

OUR CONCLUSIONS

As discussed in detail in this report, the disparity faced by M/WBEs in access to credit and capital had not been remedied over the past year. M/WBEs are still saddled with the burden of being denied access from traditional lending institutions and investment houses. This capital crunch is one important reason why they NYC government is currently struggling to fulfill Mayor de Blasio's promise of 20 percent participation for M/WBEs in public contracting; furthermore, their share has in fact declined this year -- from 5.3 to 4.8 percent.

When we speak with M/WBE owners, many of them tell us that they eventually "find a way." But merely "finding a way" is simply "not good enough," as said the title of our first report on the subject. M/WBEs are a major contributor to the economy of the state of New York, and we should do everything in our power to nurture and grow the community. Furthermore, Comptrollers DiNapoli and Stringer, Mayor Bill de Blasio, and Governor Andrew Cuomo have a duty to protect minority and women business owners by creating avenues for those businesses to thrive. Our City, State and Federal governments *must* do more to help foster growth within the M/WBE community through bridging the gap of access to credit and capital.

In our opinion, the central role in this process must be played by our City and State public retirement funds, as well as by the major banks that have commercial relationships with State and City governments (including by serving as depositories of public funds). While in recent years our City and State authorities have been making efforts to achieve impressive levels of participation for M/WBEs and a broader category of "emerging managers", the over half-a-billion dollars paid every year to City and State consultants demonstrate that there are resources available to assist M/WBEs with overcoming their capital crunch. The same goes for the largest banks that receive, on average, over seven billion dollars from New York State Government and over half a billion by the city. New York State and City authorities should establish an M/WBE support fund following our proposed *"one percent solution."*

Although we are all in troubling times under the current administration and congress, we cannot allow ourselves and our elected officials to lose sight of the imperative of economic justice for minority- and women-owned businesses that have been striving so hard over the years to get

their piece of the American dream. With racial and ethnic minorities increasing as a share of the U.S population—especially in NYC where people of color now comprise 68 percent of its residence—government, businesses, and communities must act together to address the economic inequalities that are deeply rooted in our nation’s and our world’s history of conquest, exploitation, and racism. Taking government action toward the ‘one percent solution’ that we propose—i.e. making decisions that will place 1 percent of NYS and NYC pension fund investments and 1 percent of the fees paid by both governments for their banking services into a special M/WBEs lending and investment fund— will be a much-needed step in the right direction.



W.CASTILLO PHOTO 2012

January 29th, 2020

**Testimony to the New York City Council Committee on Contracts and MWBE Task Force
January 29th, 2020**

Thank you, Chairman Kallos, members of the Committee on Contracts and MWBE Task Force members for holding this hearing on MWBEs in NYC – Building on Successes, Overcoming Challenges, and Expanding Opportunities. Your continued support and time is greatly appreciated.

My name is Mala Popli and I work for Popli Design Group, a full service architecture and engineering firm specializing in buildings and transportation with 5 offices across New York State, including New York City. Today I am testifying as a member of the Alliance of New York Asian Architects and Engineers (“The Alliance”) and as a MWBE business to express my support for the continued growth and development of MWBE programs across New York City. Collectively, the Alliance is comprised of more than 50 Asian American owned architectural and engineering firms, which provide a full spectrum of engineering and architectural services and employ more than 1,000 individuals across the state of New York.

My father started our firm nearly 40 years ago as a one man operation. Today, Popli Design Group has 5 offices across New York State and employs just under 100 people. Our business was able to grow through a combination of hard work and opportunities afforded to us by the state MWBE and DBE programs. These programs allowed us to obtain initial work and critical experience as a sub-contractor, which ultimately translated to opening doors to obtain work as a prime. All of this helped grow our business to what it is today, even enabling us to graduate from the DBE program just late last year. In our opinion, successful MWBE programs open doors for firms owned by underrepresented minorities and its ultimate goal should be to allow them to obtain work as prime contractors. In order to ensure this, a critical part of an MWBE program would be to ensure firms are not prematurely removed from programs prior to being able to obtain these goals. For example, when Asian-owned firms were removed from Local Law 1, many firms, like mine, experienced a negative impact on our business. Many Asian firms had not yet become prime contractors and prematurely removing them from New York City’s MWBE program resulted in the disparity reappearing and was a setback for many of these firms. The recent reinstatement of Asian American firms as part of Intro 1293A will be of tremendous help to our firm and other Asian American firms as it will help facilitate opportunities as we continue to work towards the goal of obtaining prime contracts. To prevent this from happening again, we believe that ongoing legislation should have language that outlines graduation criteria but also ensures that firms are not prematurely removed from such programs before they are able to stand on their own as prime contractors.

We applaud initiatives such as increasing the discretionary spending threshold to ~~\$1M~~^{500K} and the 5% PPB scoring for MWBE prime consultants. These types of initiatives are critical components of an MWBE program that helps underrepresented firms gain access to opportunities for the experience needed to ultimately gain prime contracts. As we move forward, it will be critical that all city agencies be held accountable for upholding the legislation and initiatives. To that end, we believe that keeping track of the number of MWBE prime contracts awarded should be part of the reporting process. By tracking and reporting this, agencies would be accountable for upholding the program and it would be reflected by seeing an increase in the number of MWBE firms obtaining prime contracts over time.

We greatly appreciate your leadership as advocates for the MWBE community and your efforts to increase opportunities for MWBE businesses in New York City. We anticipate great things coming from our inclusion in the MWBE program and look forward to working with the City, its Agencies, and its citizens to



bring our community forward in a positive way. Together we can solve the big problems our City is facing while bringing economic prosperity to communities who have been shut out in the past.

Thank you for your continued commitment to New York's MWBE community. We look forward to working with you to complete the work to further extend and expand New York City's program.

SLADE ARCHITECTURE

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January 28, 2020

MWBE Testimony

Thank you Chairs Cornegy and Kallos for holding this hearing today. I'm Hayes Slade, a proud member and former president of the American Institute of Architects New York, also known as AIA New York. Today, I'm here speaking as a founding partner of Slade Architecture, an MBE registered architecture firm (located very nearby on Chambers Street). James Slade and I founded our firm in 2002. We are a small firm, passionate about our work and have been delivering projects locally, nationally and internationally. Our dedication, vision and concern for our clients has been rewarded and we have been recognized with awards, exhibits and publications, nationally and internationally including featuring in the Venice Biennale exhibit twice, the national building museum, the national architecture museum of Germany, architectural leagues emerging voices, over a hundred design awards and several hundred publications.

Over the course of the last two decades, we have completed several hundred projects. We have not received any city contracts as a result of our MBE status. However, we have received city term contracts on the basis of our design excellence (four of the five times the DDC Design Excellence program has been held). We have been MBE certified since 2012 and are currently certified with New York City, New York State, the Port Authority, and the School Construction Authority.

We continue to participate in the MWBE programs because we are dedicated to the ideal of increased access and equity in business and we are avid believers in the potential of public architecture and keen to contribute. However, it is a punishing process that does not fully deliver on the potential. We would love to do our part to improve the process and in turn the city-for everyone.

If I could take the liberty of making several suggestions for your consideration:

- 1) Please create something like a "common app" for the certification process so as to at least reduce the incredible amount of time required to prepare the Certification submissions and have the submissions work across more agencies.
- 2) Please use the information that has been so carefully provided in the certification process so that firms are receiving relevant RFP opportunities.
- 3) Please ensure that agencies that issue a term contract RFP or MWBE certification process actually have work for the selected firms-so that there is a reward after the intense application process. Otherwise, it is a waste of effort in preparing both the RFP and the submission as well as in the review and selection process.
- 4) Please check in with the firms on the selected lists, at least biannually. This provides a valuable a feedback system rather than a one-way dead end.

On the face of it, the potential of MWBE programs is attractive. We are eager to build our firm (which is currently 6) and expand our projects. We are especially interested in giving back to our community by building more in the public sector. We feel that the highest and best use of our talents would be to bring them to bear on the public architectural fabric of the city we love, that has been our home and where we have raised our family. So, we have consistently submitted to the onerous qualification

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process required for every one of these MWBE programs. Typically the qualification process requires several person weeks of paperwork. Each agency has their own process/requirements and forms - but they are all time consuming.

The real issue is that after investing all this effort and energy and successfully being certified, the rewards are minimal. It is as if there is no there-there. Some agencies don't issue RFPs to their pre-approved list. Some agencies don't recognize the benefit of an MBE prime in their selection process.

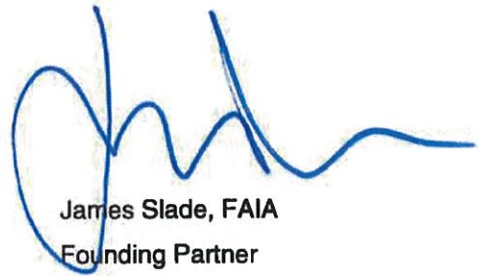
As a result of our certification in 2012, we often receive invitations to submit bids for projects that are not relevant to our expertise as architects; rfp's more appropriate for contractors or engineers, construction projects like bridge decks or re-roofing hospitals. The certification process is extremely burdensome, costly for small firms and doesn't necessarily reward those it is intending to help.

We are honored to be part of this city and this community and to have an opportunity to speak about these processes. All the feedback is delivered strictly in the interest of calling attention to ongoing challenges we face in this city. We are incredibly optimistic and positive about the potential for the city and the impact that architecture and equitable practices can have.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hayes Slade', with a long horizontal flourish extending to the right.

Hayes Slade, AIA
Founding Partner

A handwritten signature in blue ink, appearing to read 'James Slade', with a long horizontal flourish extending to the right.

James Slade, FAIA
Founding Partner

NYC Council Hearing M/WBEs in NYC | 01.29.2020 Testimony

Thank you Chairs Cornegy and Kallos for holding this hearing today for M/WBEs in NYC. I'm Venesa Alicea-Chuqui, founding principal of NYVARCH Architecture, and am a proud member of both the American Institute of Architects New York, also known as AIA New York, and the New York Chapter of the National Association of Minority Architects, also known as nycoba/NOMA.

I stand before you today to share my story as a new business owner and a champion for equity, diversity and inclusion of architects and architecture in our city. I am a past Co-Chair of the Emerging New York Architects and the Diversity & Inclusion Committees of the AIANY Chapter and have been involved over the years in advocating for ways to support increased representation within the Architecture, Engineering and Construction Profession. As a Latina Architect, I am one of the minority of the minorities, Women represent 30% of Architects, and of that less 8% identify as Hispanic/Latino, which is higher than the 4% of Black Women Architects and the 1% of Native American Women.

After 15 years of practicing in Architecture, I decided to start my own practice. I have noticed an increased number of mid career professional peers, who identify as women / people of color, also branching out to start their own Architecture Firms and we have been sharing best practices of working through City / State Procurement procedures.

Navigating through the NYS / NYC procedures has been an adventure to say the least, and I have been fortunate to know where to reach out to for resources. The NYC Small Business Services has been most helpful in providing free information, mentoring and training opportunities and I would encourage the NYC Council to consider creating a series of programming focused on "Professional Design Services" in collaboration with AIANY and nycobaNOMA, similar to how NYC SBS is supporting Food Service , Health, Tech Businesses.

Most importantly the process and procedures for becoming a M/WBE need to be streamlined and ideally coordinated through the Agencies and the State. Many of the firms do not have the capacity in house to repeat the application process for numerous agencies. In conversations with peers, a few do not have the overhead needed and / or the cash flow on hand to maintain a healthy business and pursue new work, while chasing down payments from past work already completed but not yet paid. Procurement / payment processes and procedures are an area which should be improved.

I believe there is an opportunity for NYC to support increased M/WBE Firm Participation in Local Law 97 compliance and other Building Energy Retrofit Efforts to help meet the increased Goals of reducing greenhouse gas emissions by 2050.

As the NYC Council considers M/WBEs in NYC , I hope that it will engage AIANY and NYCOPA NOMA to continue the conversation on how to overcome challenges and expand opportunities for Architecture M/WBE Firms. Thank you for your time this morning.

Submitted 01.29.2020 by:

Venesa Alicea-Chuqui AIA, NOMA, LEED AP BD+C, WELL AP
Architect • Educator • Advocate

NONPROFIT NEW YORK

A relentless,
collective
force for good.

WRITTEN TESTIMONY

New York City Council Joint Contracts Committee and MWBE Task Force Hearing January 29, 2020

Oversight - MWBEs in NYC - Building on Successes, Overcoming Challenges, and Expanding Opportunities.

Submitted on behalf of Nonprofit New York

Dear Councilmember Cornegy and Councilmember Kallos,

We appreciate the opportunity to submit written testimony to the Committee on behalf of Nonprofit New York and our 1,600 nonprofit members regarding New York City's Minority and Women-Owned Business Enterprise (MWBE) program. Nonprofit New York works to strengthen and unite the nonprofit sector, working with more than 2,200 nonprofit organizations in the New York City area. We provide the education and resources to keep nonprofits well managed, and advocacy to strengthen the entire nonprofit sector. At Nonprofit New York, we are guided by our Declaration of Nonprofit Rights, the rights nonprofits need to thrive and serve our communities well. These include: 1) a right to sustainable financial resources; 2) a right to engage in advocacy and share our expertise; 3) a right to champion equity and an equitable workforce; and 4) a right to be powerful forces for change.

New York City is home to close to 47,000 nonprofits. These organizations provide incredible value to our city. Nonprofits are promoting arts and culture¹, a clean environment, advocating on behalf of marginalized communities, providing spiritual nourishment, fulfilling the government's statutorily required services², and trying to solve some of society's largest challenges. In addition to doing work with the mission of benefiting the public, nonprofits employ 18% of the private workforce in New York City³ - contributing to the economy and the tax base.

Over the past few years, Nonprofit New York has looked into the feasibility of certifying nonprofits as MWBEs in order to support the leadership of minority-led organizations. Nonprofit New York has recently held a series of conversations with member organizations who might benefit from being certified as MWBEs. **Our current recommendation to City Council is to introduce and pass legislation that would conduct a feasibility study for certifying nonprofits as MWBEs**, to allow the Council time to consider whether the MWBE program would be applicable to nonprofit organizations, or another policy alternative should be advanced that prioritizes contracting and business-operations

¹ New York State Arts and Cultural Affairs Law.

² New York State Social Services Law articles 1 through 11.

³ New York State Office of the Comptroller. (July 2019). *Nonprofit Organizations in New York State: Profile of Employment and Wages*. Retrieved from <https://www.osc.state.ny.us/reports/economic/nonprofits-in-nys-2019.pdf>

support for minority-led, women-led, and other marginalized-led (such as LGBTQ) nonprofit organizations.

Background and benefit for nonprofit organizations

The nonprofit sector has a racial leadership gap, and minority-led organizations often struggle to compete for resources.⁴ Nonprofit New York has heard through stakeholder roundtables and from our membership that the organization should advocate that nonprofits be eligible for the MWBE certification⁵ the government track and report how resources are going towards communities of color. If nonprofits are similarly categorized as MWBEs, nonprofits that are minority-led may benefit from contracting targets and the resources and support available to MWBE vendors. Additionally, the government can more easily track what contracts and funding are going towards communities of color as well as women-led organizations.

Specific organizations that have expressed they would benefit from MWBE certification are the Knowledge House, which empowers and sustains a talent pipeline of technologists, entrepreneurs, and digital leaders in the Bronx who uplift their communities out of poverty, and S.O.U.L. Sisters Leadership Collective, which supports new leaders that have “lived and breathed” the inequalities of our legal, educational, and economic systems. The Knowledge House, in addition to building workforce capacity for young people, also has in-house technology and digital skills that could be applicable to MWBE vendor contracts. S.O.U.L. Sisters Leadership Collective has a Youth Entrepreneurship program for young women and gender non-conforming youth, mostly of color, mentored by formerly incarcerated women and/or people of color entrepreneurs. S.O.U.L. Sisters would like to explore the possibility of certifying their young entrepreneurs as MWBEs through the organization.

The nonprofit sector’s diversity challenge has garnered increasing government attention, particularly in the arts and cultural sector. The city recently released a cultural plan that specifically attaches funding to increase racial and disability diversity within cultural institutions funded by the city.⁶ Nonprofit New York feels there is a unique opportunity to advocate for minority-led nonprofits to be certified for preferential contracting.

Models outside New York

Kentucky

Kentucky offers MWBE certifications for nonprofits controlled by minorities or women as well as for-profits owned by minorities or women. Nonprofits applying for certification must submit a supplemental application. This application seeks to determine who “controls” the nonprofit by assessing the organization’s board, how employees and directors are compensated, and how compensation is distributed across gender and ethnicity. While Kentucky allows nonprofits to be certified, Nonprofit New York’s understanding from an analysis by Covington & Burling LLP in 2017 is that no nonprofit has applied for certification.

⁴ For a fuller discussion on the sector’s diversity challenges, please see the appendix.

⁵ In addition, stakeholders have mentioned that the program should also include LGBTQ and other minority classifications.

⁶ New York City Department of Cultural Affairs. Diversity & Equity in New York City’s Cultural Workforce. (2019). Retrieved from <https://www1.nyc.gov/site/diversity/index.page#what>

Create NYC: A cultural plan for everyone. (2018). Retrieved from https://createnyc.cityofnewyork.us/wp-content/uploads/2019/08/CreateNYC_Cultural_Plan.pdf

Massachusetts

Massachusetts has a separate certification program for nonprofits than for-profits. Nonprofits in Massachusetts that are certified as MWBEs have the same procurement benefits as for-profit counterparts.⁷ Nonprofits are eligible if 51% of its Board of Directors and voting membership are women and/or minority groups, the same Board and membership control the organization's daily and long-term operations, the organization regularly and actively engages in business activity, and is independent of non-eligible persons or organizations.

Indiana

Indiana also offers a separate certification program for MWBE nonprofit organizations. Indiana's program only permits nonprofits to be MWBE certified when they perform a scope of work that no for-profit certified firm provides.⁸ Indiana explicitly includes nonprofits in the definition of business enterprise and qualified corporations.⁹ Indiana considers a nonprofit "owned and controlled" by women or minorities when women or minorities make up a majority of the Board of Directors.

Legislative options

To pursue a change in the way New York State and New York City certify MWBEs, the City and State may be able to make an administrative change through new regulations and guidance. Alternatively, Article 15-A of the Executive Law could be amended to allow not-for-profits to become certified on the state level, and Section 6-129 of the Administrative Code in the city-level. However, new pending city legislation would create an Office of Nonprofit Services,¹⁰ which may be able to create a program similar to MWBEs specifically for nonprofits.

Again, we appreciate the opportunity to submit this testimony and we are willing to meet to discuss these recommendations. Nonprofit New York looks forward to continuing to work with City Council to promote equity within New York City's vibrant nonprofit sector.

Thank you,



Chai Jindasurat
Policy Director

⁷ Supplier Diversity Office Nonprofit Certification: Apply for certification as a non-profit organization. Retrieved from <https://www.mass.gov/how-to/apply-for-certification-as-a-non-profit-organization>

⁸ M/WBE Non-Profit Certification Policy, Indiana Department of Administration. Retrieved from https://www.in.gov/idoa/mwbe/files/NonProfit_Policy_IL.pdf

⁹ Indiana Code 4-13-16.5. Retrieved from <https://www.in.gov/idoa/files/ch16.5.html>

¹⁰ Intro [1784-2019](#) (Councilmember Farah Louis).

Appendix

Diversity Challenges in the Nonprofit Sector

Based on survey responses from Nonprofit New York and NYC Service's report *What Lies Beneath: The State of NYC Nonprofit Board Diversity, Equity, and Inclusion*¹¹, a majority of New York City nonprofit CEOs/EDs and board members are white, between the ages of 46 and 64, cisgender, and heterosexual. A majority of respondents also said they do not believe their board reflects the diversity of their constituents. A report from BoardSource in 2017 found that people of color comprised only 10% of CEOs, 10% of Board Chairs, and 16% of Board members, but make up 40% of the working population.

¹² Building Movement Project's (BMP) report, *Race to Lead: Confronting the Nonprofit Racial Leadership Gap*¹³ discovered that EDs/CEOs of color were more likely to experience leadership challenges like inadequate salary¹⁴; lack of relationship with funding sources¹⁵; and being called on the represent one's entire community¹⁶ (53% leaders of color vs. 23% white leaders). Nonprofits hire inequitably, leaders of color are vastly underrepresented (and underinvested in) in the sector¹⁷, and more are leaving every day.¹⁸ Leaders of color who do make it to a CEO position are often undermined and unsupported.¹⁹ Research by Fund the People found challenges for immigrants, including that senior leaders born outside the U.S. were significantly more likely to say their ability to succeed was hindered by funders' "wait and see" practice.²⁰ BMP also found that women of color experienced both subtle and blatant bias that negatively impacted their career aspirations, and were passed over for others with comparable or even inferior credentials. Further, having an advanced degree had no impact for women of color and women of color with high educational degrees were more likely to be in support roles and earn less than white counterparts with less training and education.²¹

BMP released a special report with the same data from *Race to Lead*, *Working at the Intersections: LGBTQ Nonprofit Staff and the Racial Leadership Gap* which found that LGBTQ people of color reported significantly more challenges in almost every area of their career as opposed to straight people of color and both LGBTQ and straight white people.²² Respondents reported anti-LGBTQ bias in nonprofit spaces, and LGBTQ organizations were perceived to have a race problem.²³ Funders for LGBTQ Issues has been leading efforts to understand homophobic, biphobic, and transphobic

¹¹ Nonprofit New York (formerly NPCC) and NYC Service. (2018). *What Lies Beneath: The State of NYC Nonprofit Board Diversity, Equity, and Inclusion*. Retrieved from https://gallery.mailchimp.com/e3163e2ee79e21b79cf36982c/files/4af5a3c8-3046-4bbf-a9da-037df2482641/Nonprofit_Board_DEI_Report.pdf

¹² BoardSource. (2017). *Leading with Intent: 2017 Index of Nonprofit Board Practices*.

¹³ Thomas-Breitfeld, S., and Kunreuther, F. (2017). Building Movement Project, *Race to Lead: Confronting the Nonprofit Racial Leadership Gap*. Retrieved from: https://www.buildingmovement.org/reports/entry/race_to_lead

¹⁴ 49% of leaders of color reported experiencing this problem versus 34% of white leaders. *Id.*

¹⁵ 49% leaders of color vs. 33% white leaders. *Id.*

¹⁶ 53% leaders of color vs. 23% white leaders. *Id.*

¹⁷ Thomas-Breitfeld, S., and Kunreuther, F. *Ibid.*

¹⁸ See, Vu Le, *Why More and More Executive Directors of Color Are Leaving Their Positions, and What We Need To Do About It*, at: <https://nonprofitaf.com/2019/06/why-more-and-more-executive-directors-of-color-are-leaving-their-positions-and-what-we-need-to-do-about-it/>

¹⁹ See, Building Movement Project, *Race to Lead: Confronting the Nonprofit Racial Leadership Gap* (2017) at: http://www.buildingmovement.org/pdf/Racetolead_NonprofitRacialLeadershipGap.pdf.

²⁰ Fund the People. (2018). *Talen Justice Report*. Retrieved from <http://fundthepeople.org/toolkit/tji/report/>

²¹ Thomas-Breitfeld, S., and Kunreuther, F. *Op. Cit.*

²² Thomas-Breitfeld, S., and Kunreuther, F., Building Movement Project. (October 2017). *Working at the Intersections: LGBTQ Nonprofit Staff and the Racial Leadership Gap*. Retrieved from <http://racetolead.org/lgbtq/>

²³ Thomas-Breitfeld, S., and Kunreuther, F., Building Movement Project. (October 2017). *Working at the Intersections: LGBTQ Nonprofit Staff and the Racial Leadership Gap*. Retrieved from <http://racetolead.org/lgbtq/>

inequities within philanthropy. Their report, *The Philanthropic Closet*, found that LGBTQ people are more likely to be out in the corporate sector than the philanthropic sector, even within foundations with a social justice or LGBTQ focus.²⁴ These resources highlight inequities across race, gender, sexual orientation, and gender identity within the nonprofit sector. These inequities are not exhaustive.

²⁴ Funders for LGBTQ Issues (October 2018). *The Philanthropic Closet*. Retrieved from: <https://lgbtfunders.org/research-item/the-philanthropic-closet-lgbtq-people-in-philanthropy/>

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THE CITY OF NEW YORK**

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☐ in favor ☐ in opposition

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(PLEASE PRINT)

Name: VIETIE RICHARDSON

Address: 37 W 39th ST NYC NY 10018

I represent: SEW ENGINEERING + Architecture

Address: SAME

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Date: _____

(PLEASE PRINT)

Name: Karmisha Superville

Address: Brooklyn New York

I represent: FBK Events an NYC MUBE Jim

Address: Brooklyn NYC

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Date: 01/29/2020

(PLEASE PRINT)

Name: Venesa Alicea-Chugui

Address: 80 Haven Avenue, 1A

I represent: AIANY nycoba NOMA

Address: _____

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(PLEASE PRINT)

Name: Wendy Garcia

Address: 1 Centre St.

I represent: Comptroller Scott Stringer

Address: 1 Centre

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(PLEASE PRINT)

Name: Amanda Weeks

Address: 26 Broadway NY, NY

I represent: Ambrosia

Address: _____

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Date: 1/29

(PLEASE PRINT)

Name: Hayes Slade

Address: 77 Chambers St., NY, NY 10007

I represent: Slade Architecture

Address: _____

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THE CITY OF NEW YORK**

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☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Krista Gobins Wilson

Address: _____

I represent: Women Builders Council

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Felice Farber

Address: _____

I represent: General Contractors Association of NY

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. MWBE Res. No. _____

☒ in favor ☐ in opposition

Date: 1/29/2020

(PLEASE PRINT)

Name: NANCY ABER GOSHOW

Address: 161 W 16TH ST 19A NY NY 10011

I represent: GOSHOW ARCHITECTS LLP

Address: 589 8TH AVE NY NY 10028

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: EVERETT Remy

Address: 61-43 186th STREET, MIDDLEBURY, NY

I represent: URBAN ECOSPACES, INC.

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 1.29.2020

(PLEASE PRINT)

Name: Gonzalyn Taylor

Address: 153 Jefferson Avenue, Bklyn, NY 11216

I represent: NYC MOBE Alliance

Address: 153 Jefferson Avenue, Bklyn, NY 11216

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Gregory Manouselakis - Maestro Construction

Address: 1955 E. 36th St

I represent: Maestro Construction Corp

Address: _____

112

THE COUNCIL
THE CITY OF NEW YORK

Admin

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 1/29/20

(PLEASE PRINT)

Name: Jee Kwon

Address: Deputy Director of Strategic

I represent: Initiatives and Performance

Address: Management, MOCS

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

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 1/29/2020

(PLEASE PRINT)

Name: Mala Popli

Address: _____

I represent: Popli Design Group

Address: 147 West 35th Street, Suite 1602, NY, NY

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THE COUNCIL
THE CITY OF NEW YORK

Admin

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 11/29/20

(PLEASE PRINT)

Name: Jonnel Doris

Address: Senior Advisor & Director

I represent: Mayor's office of MNBES

Address: _____

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

THE COUNCIL
THE CITY OF NEW YORK

Admin

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Dynisha Gross

Address: Deputy Commissioner

I represent: Small Business Services

Address: _____

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