



## Legislation Text

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**File #:** Res 0116-2010, **Version:** \*

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### Res. No. 116

Resolution calling upon the Mayor of The City of New York to issue an Executive Order to require all New York City agencies to perform a cost-effective analysis before contracting for personnel and professional service contracts.

By Council Members James, Chin, Comrie, Dromm, Gentile, Williams, Dickens and Mendez

Whereas, Pursuant to Section 310 of the City Charter, procurement is the method that the City of New York uses to buy goods, human services, professional services, and construction services that are paid for either by the city treasury, or out of money that is in the control of or accessed or collected by the City of New York; and

Whereas, The Procurement Policy Board (PPB) sets forth the rules for procurement in the City of New York and according to the PPB, one of the goals of these rules is to provide increased efficiency, economy, and flexibility in city procurement activities and to maximize to the fullest extent the purchasing power of the City; and

Whereas, New York City agencies are not mandated by the City Charter, the Administrative Code or the PPB rules to engage in cost-effective analysis prior to entering into personnel and professional service contracts; and

Whereas, Personnel and professional service contracts are a large percentage of New York City's budget; and

Whereas, According to a report by District Council 37, since fiscal year 2005, overall City spending for these service contracts has increased by an estimated 36% from \$6.7 billion to \$9.2 billion; and

Whereas, In July 2008, Governor Paterson signed Executive Order No. 6 ("Order"), in which state agencies

can only enter into “Qualified Personal Services Contracts” (QPSC) if the agency has first determined that the contractor can carry out the task more efficiently or effectively than state employees, or the contractor can carry out the task at a lower cost than such state employees, or the contract is necessary to protect public health or safety, or for some other compelling reason; and

Whereas, Requiring state agencies to perform a cost-effective analysis has successfully saved New York State over an estimated \$100 million in personnel and professional service contracts; and

Whereas, According to District Council 37, city agencies such as the New York City Fire Department can save an estimated \$5.4 million by employing city workers to perform bookkeeping and accounting work rather than contracting out; and

Whereas, District Council 37 also found that the Human Resources Administration and the Department of Education can save an estimated \$2.4 million by limiting temporary clerical staff contracts; and

Whereas, According to District Council 37, if city agencies are required to perform a cost-effective analysis prior to entering into personnel and professional services contracts, similar to that imposed on state agencies, the City of New York will save an estimated \$130 million over the next three years; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Mayor of the City of New York to issue an Executive Order to require all New York City agencies to perform a cost-effective analysis before contracting for personnel and professional service contracts.

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