



**Testimony on behalf of Volunteers of America-Greater New York
The New York City Council Committee on Contracts
held on October 23, 2025**

Introduction and Thanks

My name is Catherine Trapani, Assistant Vice President of Public Policy for Volunteers of America-Greater New York (VOA-GNY). We are the local affiliate of the national organization, Volunteers of America, Inc. (VOA). I would like to thank Chair Won and members of the Committee for the opportunity to testify today.

About Us

VOA-GNY is an anti-poverty organization that aims to end homelessness in Greater New York through housing, health and wealth building services. We are one of the region's largest human service providers, impacting more than 12,000 adults and children annually through 70+ programs in New York City, Northern New Jersey, and Westchester. Our programs include DHS and HRA DV emergency shelters and transitional housing, and we are also an active nonprofit developer of supportive and affordable housing, with a robust portfolio permanent supportive housing, affordable and senior housing properties—with more in the pipeline. VOA-GNY is a member of the Human Services Council (HSC), Homeless Services United (HSU), The Supportive Housing Network of New York, and the Family Homelessness Coalition (FHC).

Thank you, Speaker Adams and Chair Won for your unwavering leadership and commitment to getting city-contracted non-profit human services organizations, like VOA-GNY, paid on time so that we can continue to provide critical shelter and human services to vulnerable New Yorkers. **We are here today to testify in strong support for Speaker Adams' bill, Int 1392-2025, to establish quarterly 25% advances for Department of Homeless Services contracts.** As uncertainty continues to grow at the federal level, New York City must do everything within its ability to shore up our human services safety net and restore the fiscal health of city-contracted non-profit organizations. By strengthening local non-profits and ensuring the New York City agencies are well-staffed and working collaboratively with providers, the city can help ease disruptions caused by cuts and changes at the Federal level.

As of June 30th, 2025, **Volunteers of America-Greater New York was owed approximately \$40 million for services rendered through our city contracts as far back as Fiscal Year 20, with the lion's share owed by DHS (\$18.7 million) and HRA (\$10 million).** As a result, VOA-GNY has been forced to rely on our private line of credit and incurred non-reimbursable interest costs to bridge the gap created by City reimbursement delays. **VOA-GNY spent \$1.08 million for FY25, and budgeted \$1.14 million for FY26,** money we could use to do a lot of good, if not for the City's fiscal delays.

While the net amount owed to VOA-GNY today is lower than we were owed six months ago, it is due in large part to the recent influx of advances for our FY26 DHS contracts. Due to chronic delays in invoicing and payments, many of our contracts are not in a place where we can draw down funds with any predictable cadence. That means that once those advances are exhausted, we will be plunged back into



a cash flow crisis as expenses continue to be incurred if the agency fails to catch up on all outstanding budget actions.

Given DSS' and DHS' finite capacity, agency staff prioritize approving new fiscal year budgets to enable providers to begin invoicing, which means backburning outstanding contract actions for prior fiscal years which preclude our ability to seek reimbursements for those years. Already within the second quarter, we will soon exhaust our advances while programs continue to incur additional costs for services, and we are still owed tens of millions for services from prior fiscal years. Thus, the cycle of late payment is destined to continue unless the system is wholly reformed.

Int 1392 is critical to regulating cashflow for non-profit shelter providers like VOA-GNY. The quarterly 25% advances established by this bill will help non-profit service providers avoid interruptions in cashflow while also building in a regular schedule of touchpoints with the contracting agency to adjust as appropriate and ensure provider accountability. We suggest that the agency work in partnership with providers in the rule making process that will follow the passage of this bill to ensure that we maximize the opportunity afforded to us by this legislation. For example, it will be important to build in mechanisms to have quarterly check ins with providers to help all parties remain accountable to invoicing schedules and approving any necessary budget modifications to make reconciling advanced payments against expenses can be seamless at close.

With this new model, because providers will no longer run out of cash by the second quarter, DSS and DHS fiscal staff will be able to move away from constantly managing crisis and give them the capacity to fully address the backlog of prior years' budget actions and we can finally end the cycle of retroactivity. As a result, our organization will be able to reduce our reliance on costly private loans to keep our staff and vendors paid while also improving agency oversight.

Volunteers of America- Greater New York greatly appreciates Speaker Adams and Chair Won and the entire Council for your unwavering leadership and support of non-profit homeless services providers. Our city has faced one unexpected crisis after another during these past four years, but the Council and the non-profit community has continued to rise to the challenge to support and protect the lives of all New Yorkers. Even though we cannot predict what changes lie in store from the Federal government, New York City can continue to lead as a shining example of how government can work in partnership with non-profit mission driven organizations to continue to serve the people.

Testimony respectfully submitted by Catherine Trapani.