



**Testimony on behalf of Volunteers of America-Greater New York
The New York City Council Committee on Contracts
held on February 25, 2026**

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 Restler 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).

Late Payments to Nonprofits

City-contracted non-profit human services organizations, like VOA-GNY, deserve to be paid on time so that we can continue to provide critical shelter and human services to vulnerable New Yorkers. Thanks to the Council's efforts, critical legislation was passed last year that, when fully implemented, will finally create predictable cash flow that will allow nonprofits like ours to focus on our core mission of providing services instead of constantly worried about making payroll. **We are particular focused on ensuring Int 1392-2025/Local Law 11 of 2026 to establish quarterly 25% advances for Department of Homeless Services contracts is faithfully implemented.**

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 was 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.

Each year, the net amount owed to VOA-GNY is lower at the beginning of the fiscal year than it is at the close of the prior year due to the influx of advances. However, because of 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 even after registration and receipt of that initial advance. That means that once those advances



are exhausted, we are plunged back into a cash flow crisis as expenses continue to be incurred because the agencies never catch up on all outstanding budget actions.

The quarterly 25% advances established by Local Law 11 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.

Livable wages for human services workers

None of the work VOA-GNY does would be possible without our incredible staff. As proud members of the #JustPay campaign, our aim is to ensure that every human service worker is compensated fairly for the valuable work they do. We are grateful for the City's multi-year COLA investment, which was an important step towards this goal, but the reality is, even with the COLA, nonprofit workers are paid up to 30% less than their government counterparts. Int 0452 is a huge step forward that could finally change that, and we support the passage of this legislation.

Government is not just the predominant funder of human services, but is also the main driver of human services salaries, and either directly sets salary rates on contracts or does so indirectly by establishing costs for a unit of service along with required staffing on a contract. This legislation is a significant step towards ensuring that human services workers receive equitable pay comparable to their City counterparts. By establishing a clear wage requirement system, this legislation promotes transparency in compensation, ensuring that every worker is paid solely based on their qualifications and experience.

Conclusion

Volunteers of America- Greater New York greatly appreciates the work of the Council and thanks you for your unwavering leadership and support of non-profit homeless services providers and our staff. Our city has faced one unexpected crisis after another during these past several 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. Together, with livable wages for our staff and a predictable and fair payment system, we can continue this good work with confidence.

Testimony respectfully submitted by Catherine Trapani. If you have any questions, please contact me at CTrapani@voa-gny.org