



Testimony to the New York City Council Joint Committees on Contracts, Aging, Youth Services, Governmental Operations and Small Business

**Nonprofit Contracting and the Joint Task Force to Get Nonprofits Paid on Time
January 30, 2023**

Introduction and Thanks:

My name is Krystal Farmer and I am the Assistant Program Director at New Hope, a residence for survivors of domestic violence operated by Volunteers of America-Greater New York (VOA-GNY). I would like to thank the Chairs of these Committees, as well as the other members of the Council, for the opportunity to offer the following testimony.

About Us:

VOA-GNY is an anti-poverty organization that aims to end homelessness in the New York area by 2050 through housing, health and wealth building services. We are one of the region's largest human service providers, impacting more than 11,000 adults and children annually through more than 60 programs in New York City, Northern New Jersey, and Westchester. We are also an active nonprofit developer of supportive and affordable housing, with a robust portfolio of permanent supportive housing, affordable and senior housing properties—with more in the pipeline.

Int. 0510 – Establishing Prevailing Wage Requirements for City-Contracted Human Service Workers

I would like to center my comments today around the biggest challenge facing organizations like VOA-GNY and programs like New Hope. That is the very low wages paid to our staff by the City contracts that fund us. Our programs have high rates of staff turnover, vacancies, and low morale among remaining staff – the low salaries built into our contracts play a significant role.

Last year, the NYC Council and Mayor Adams heard the cries of our workforce and approved \$60 million in additional funding, which we are very grateful for. However, when you consider that the funding was spread across so many human service workers throughout the city, it wasn't nearly enough to keep up with the pace of inflation, which means the purchasing power of our salaries has eroded further since the funding was announced.

VOA-GNY staff members thank Councilmember Althea Stevens and all of the cosponsors of this bill for thinking bigger and sending a signal that we are essential and our jobs matter. A

prevailing wage schedule for human service workers would represent an important step toward reaching living wages and achieving pay parity with our counterparts employed by the city.

Of course, it will not be easy. This mandate must be advanced through the budget, fully funded and with clear parameters on eligible contracts. Prevailing wage mandates without sufficient funding added to our budgets to cover them would have a disastrous impact on our programs and clients.

But with full funding, and by providing nonprofit providers a seat at the table with the Comptroller's office in establishing the prevailing rates to ensure considerations of equity and salary compression are accounted for, this measure would be life changing for the hard working public servants who I am proud to call my coworkers, who do the crucial work of helping domestic violence survivors get back on their feet every day. We thank the Council for acknowledging our role as essential workers, and we hope that rhetoric translates into action through this bill.

Int. 0511 – Setting Time Limits for the Procurement Process, Reporting on Agency Compliance and Developing an Online Platform for Managing Procurement & Int. 0514 – Public Procurement Database

We would also like to thank the bill sponsors on Int. 0511 and Int. 0514 for taking the longstanding recommendations of organizations like ours and putting them into legislative action. The Joint Task Force to Get Nonprofits Paid on Time, which VOA-GNY participated in, brought to light the many process and policy challenges in procurement. Delayed registration of contracts and payment reimbursement are chief among the concerns.

VOA-GNY provides services across the housing spectrum and many of our contracts are delayed in getting registered, which contributes to delays in payment reimbursement. While progress has been made at clearing some of the backlog, an effort for which we are thankful, serious issues remain. These bills would add both transparency and clear time milestones to the process. We look forward to working with the Council and the newly created Office of Nonprofit Services to make great improvements in 2023.

Thank you for your consideration.

Respectfully submitted by:
Volunteers of America - Greater New York
135 West 50th Street, 9th Floor
New York, NY 10020