



2024 Citywide Indicators Report

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Message from the Director

The Mayor's Office of Contract Services ("MOCS") both oversees New York City's procurement of \$34.4 billion in goods and services and leads the efforts to make the process more equitable, transparent, and efficient. Through our reform efforts, we are working to make it easier for nonprofits organizations, Minority and Women-Owned Business Enterprises ("M/WBE's"), and small businesses to do business with City to ensure that our vendors reflect the diversity of New York City.

I'm pleased to announce that in the past year, we've made major strides and accomplishments in improving the City's procurement process, in partnership with key stakeholders across the City.

As part of the **Joint Task Force to Get Nonprofits Paid On Time** (**Link: <https://www.nyc.govhttps://comptroller.nyc.gov/reports/a-better-contract-for-new-york/>**), MOCS has been leading a number of recommendation since 2022. In Fiscal Year 2024 ("FY24"), the City secured \$174 million in wage enhancements and \$741 million in Cost-of-Living Adjustments for human services workers, expanded the Returnable Grant Fund to support nonprofit cash flow, and issued over \$670 million in contract advances, among other efforts that support critical nonprofit and human services work. Please see **Section 5: Human Services** for more details.

Following advocacy from MOCS and other key partners, Governor Hochul signed several pieces of capital-process legislation championed by the **Capital Process Reform Task Force** (**Link: https://www.nyc.govhttps://www.nyc.gov/assets/home/downloads/pdf/press-releases/2023/CP_ReformTaskForce.pdf**). This includes the implementation of electronic bidding, the expansion of small-business construction mentorship programs, and reforms to insurance requirements. MOCS is currently working to deliver additional reforms, such as increasing the dollar threshold of public hearings on procurements and expanding alternative project delivery methods for infrastructure contracts, which will make it easier and faster for the City to move forward on capital projects, like building roads, parks, and other public spaces.

In July, we achieved a massive legislative victory in City Council with the unanimous passage of **Introduction 0863-2024** (**Link: <https://www.nyc.govhttps://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6695195&GUID=E2C3910D-FC67-4894-BD22-2443E85E7A98>**). The bill amends Local Law 63 to reduce the timeframe and increase the dollar threshold of certain reviews for both standard and professional services contracts, saving agencies and contract partners significant amounts of time and money. For more details on all of these reforms, please see **Section 4: Procurement Reform**.

PASSPort, the City's end-to-end digital procurement system and the largest in the country, has gone through many transitions in the past few months. This spring, we finished migrating over 15,000 contracts and 30,000 budgets from the HHS Accelerator, a decade-old legacy system, into PASSPort, transitioning our human service contract management to a single, consolidated system. MOCS recently launched PASSPort Release 6 that includes the new document management tool, PASSPort Vault, which is based on the much-loved HHS Accelerator document vault and delivers on recommendations from the Joint Nonprofit Taskforce, and the subcontractor module, which will allow for real time subcontractor approval and payment information, all in one system.

We also remain committed to increasing minority and/or women-owned business enterprise ("M/WBE") utilization in City procurement. Last December, the Governor raised the M/WBE

small purchase threshold from \$1 million to \$1.5 million, a longtime legislative priority of the Adams Administration that increases the capacity for M/WBEs to contract with the city. MOCS, in partnership with the Procurement Policy Board, updated the City's procurement rules to create a Citywide mentorship program and to streamline processes for generating prequalified lists, which will help more M/WBEs do business with the City. Citywide M/WBE utilization hit a record high of 31%, up from 28% last fiscal year. Please see **Section 6: M/WBE Partners** for more details.

Procurement reaches every corner of New York City, and by making this process more inclusive, accessible, and efficient, we are helping ensure that all New Yorkers receive the support and care that they deserve from their government. In this report, we detail the City's overall contract portfolio to provide the public with transparency into the City's purchasing and performance, and highlight key reforms that seek to improve the procurement system, so that it delivers for all New Yorkers.

Lisa M. Flores

Director of MOCS and City Chief Procurement Officer

Executive Summary

The procurement system of the City of New York ("NYC" or "the City") affects almost every aspect of City government and public life. In Fiscal Year 2024 (FY24), the City procured almost \$34.4 billion dollars of goods and services from outside contractors, ranging from nonprofits providing community services, to construction firms, to goods suppliers, that ensured that City agencies run smoothly and deliver on their missions.

MOCS is the oversight and service agency dedicated to ensuring that the procurement system is equitable, transparent, and efficient for all, and that the City is following the procurement rules laid out by the New York City Charter and the City's Procurement Policy Board ("PPB") Rules. City procurement offices at each agency are responsible for protecting against waste, fraud, corruption, and abuse, as well as ensuring fair competitive access. Altogether, the procurement system promotes the delivery of direct services and goods to New Yorkers that help maintain the City's infrastructure, secure the operation of City government, and advance community programs.

As an oversight and service agency, MOCS provides strategic partnership throughout the citywide procurement process for all mayoral agencies and leads procurement reform to make it easier to do business with the City. Additionally, we maintain and enhance the city's digital procurement system, **PASSPort** (Link: <https://www.nyc.govhttps://www.nyc.gov/passport>), which is a cloud-based software platform that provides a single, centralized environment for completing procurement activities. In fact, we recently rolled out an improved version of PASSPort that will make contracting and subcontracting easier and more streamlined for City agencies, public and private vendors, and others who rely on the procurement process.

Using data from PASSPort, the City's Financial Management System (FMS), and other sources, MOCS annually releases this Citywide Indicators Report to provide insight on Mayoral agencies' procurement data and performance. This reporting builds transparency into the use of taxpayer dollars for the public, helps agencies manage their performance, and provides useful data on how we can make the process more efficient.

The Citywide Indicators Report for FY24 provides information on the City's procurement spending from July 1, 2023, to June 30, 2024, and demonstrates the impact of that procurement.

Key Takeaways:

- In FY24, the City procured almost \$34.4 billion worth of goods and services through over 155,000 transactions. This represents a 16% decrease in total dollar value relative to FY23 (\$41.1 billion), but a 6% increase in number of transactions relative to FY23 (147,000).
- The agency with the highest value procured (\$10.8 billion) was the Department of Homeless Services, which was a 27% increase from the agency's FY23 contract value (\$8.5 billion), related to the ongoing asylum seeker response and homelessness crisis. As with previous years, NYCPS had the largest number of transactions (over 116,000).
- The City awarded nearly \$1.6 billion in contracts to M/WBEs in FY24, achieving its highest award total to M/WBEs of all-time, and increased its Local Law 1 M/WBE

utilization rate by 3% to 31%, up from 28% last year.

- Of the traditional competitive procurement methods, the highest amount of dollars continues to be the Request for Proposal (RFP) and Competitive Sealed Bid (CSB) methods. In FY24, there were 366 RFPs for approximately \$7 billion and 451 CSBs for approximately \$3.9 billion.
- The largest industry was the Human Services Industry, totaling \$19.9 billion and representing 58% of total procurement spending. This is a 5% increase in value from FY23.
- Meanwhile, 212 procurement actions valued at over \$25 million were processed, totaling 54% of the City's total procurement value for a total of \$18.6 billion in FY24. This represents a 26% decrease from the total procurement value of transactions over \$25 million in FY23 (\$25 billion).

Report Structure

Below is an outline organizing how to use this report:

How the City Spends its Money

This section covers transactions that provided direct services to New Yorkers, helped maintain the City's infrastructure, and secured the operation of City government.

Procurement Performance

This section outlines two key metrics of procurement performance, Retroactivity and Competitive Sealed Bid (CSB) and Competitive Sealed Proposal (CSP) Cycle Times.

Procurement Reform

This section gives an overview of the procurement reforms that were implemented in FY24 to help improve the procurement system.

Human Services

This section outlines some of the key initiatives that impact human service providers, as well as human service agency procurement performance.

M/WBE Partners

This section includes reports based on Local Law 1, which sets goals to increase M/WBE utilization in City Contracting, and additional analysis on the City's efforts to promote diversity in procurement.

Construction Indicators Report

This section details the construction contracts registered in FY24 and highlights the top five City construction agencies.

Impact

This section details how City procurement impacts New York City residents in ways beyond fulfilling agency missions.

Appendix

This section includes the Agency Indicators Reports with agency data by procurement method, industry, and contract value, Glossary, Indicators Appendices with the underlying data, and past fiscal year Indicators reports.

Section 2: How the City Spends its Money

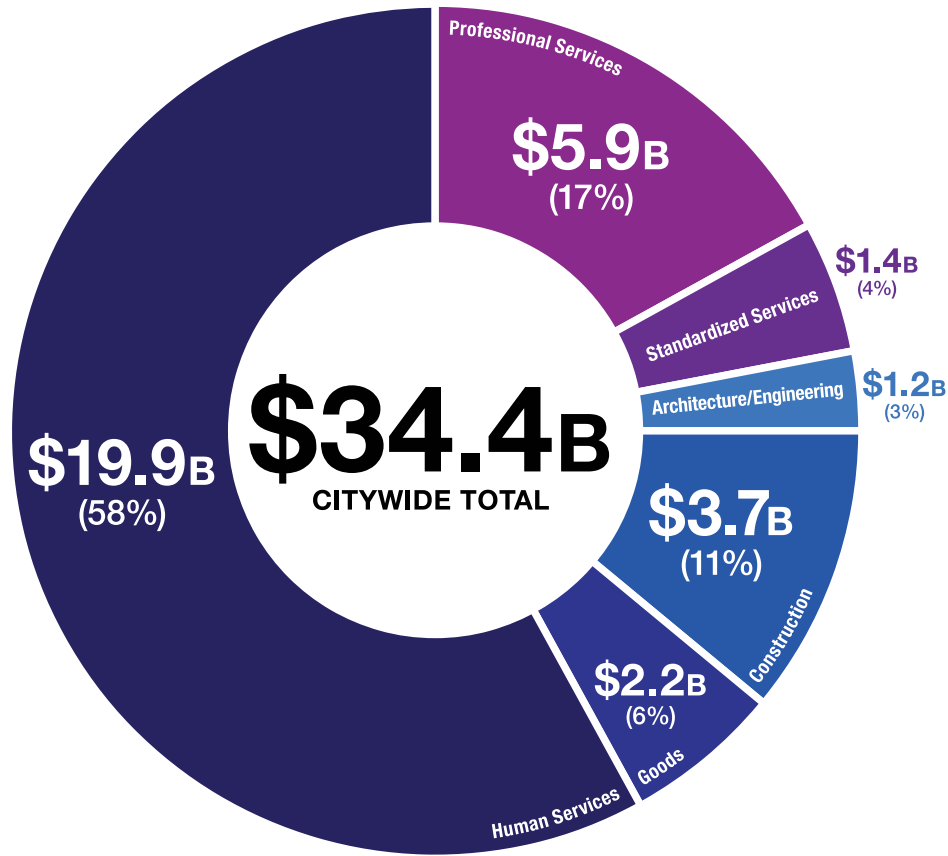
New York City is one of the largest procuring entities in the country. In FY24, the City procured \$34.4 billion of goods and services through approximately 155,000 transactions. This represents an 16% decrease in total dollar value relative to FY23 (\$41.1 billion). This decrease is primarily a result of the cyclical nature of procurement, as multiple large, multi-year contracts were registered in FY23, including a \$3 billion Design-Build Borough Based Jail contract, which boosted that fiscal year's contract value. FY24 saw a modest increase (6%) in the number of contracts registered compared to FY23, which may be a result of the City's current budgetary climate. Overall, these transactions provided direct services to New Yorkers, helped maintain the City's infrastructure, and secured the operation of City government. The following procurement indicators are citywide in scope and include all Mayoral agencies.

Procurement by Industry

New York City categorizes procurements in six major industry categories: architecture/engineering, construction, goods, human services, professional services, and standardized services. See the **Glossary (Link: <https://www.nyc.gov/site/mocs/about/glossary.page>)** for definitions of each industry. See **Appendix B** for agency-by-agency breakdowns of procurement by industry.

The FY24 value for the Human Services industry is \$19.9 billion, which represents a 5% increase from \$18.9 billion in FY23, despite the fact that the total dollar value of city procurement decreased over that period. This reflects the vital, growing role that human service contracts play in providing services like homeless shelters, services for asylum seekers, after school programs, and much more. Human Services remains the largest procurement category by Industry, representing 58% of contract value in FY24. The value of procurements in the Construction industry decreased to \$3.7 billion in FY24, which represents a 47% decrease from \$7 billion awarded on Construction industry procurements in FY23. This is largely because there was a \$3 billion construction contract for the Borough-Based Jails project in Brooklyn that was registered in FY23. As such, the FY24 value of procurements in the Construction industry is more similar to FY22 (\$4.7 billion).

Citywide Procurement by Industry - Fiscal 2024



(Link:

https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Citywide.svg)

- Human Services awarded 19.9 billion dollars at 58 percent of Citywide total
- Professional Services awarded 5.9 billion dollars at 17 percent of Citywide total
- Construction awarded 3.7 billion dollars at 11 percent of Citywide total
- Goods awarded 2.2 billion dollars at 6 percent of Citywide total
- Standard Services awarded 1.4 billion dollars at 4 percent of Citywide total
- Architecture and Engineering awarded 1.2 billion dollars at 3 percent of citywide total
- The Citywide total for awards was 34.4 billion dollars

Procurement by Method

The **Procurement Policy Board (PPB) Rules** (Link:

<https://www.nyc.gov/ppb>) lay out the different methods for purchasing new goods and services, and the procedures that must be followed to continue or modify existing contracts. See the **Glossary** for definitions of each procurement method. Agency procurement professionals select the appropriate procurement method based on each Agency's business needs and the City's procurement rules. When Agency procurement professionals choose a procurement method, they must consider the industry the scope of work falls under, the dollar amount needed for the procurement, and other factors. See **Appendix A** for agency-by-agency breakdowns of procurement by method.

In FY24, there was a 122% increase in the contract value of the Line-Item Appropriation category, also known as the **City Council Discretionary Contracts** ([Link: https://www.nyc.gov/site/mocs/opportunities/discretionary-award-process.page](https://www.nyc.gov/site/mocs/opportunities/discretionary-award-process.page)). These Line-Item Appropriations are the discretionary awards to nonprofit organizations made by City Council members. As will be discussed later in the report, this increase is due to reforms made to the process this year, allowing for three-year discretionary award contracts which increased the award value in the first year of implementation. The goal of this reform is to increase timeliness of contracts and decrease administrative burden on nonprofits, government agencies, and the City Council in administering these awards.

Another key procurement tool is the M/WBE Small Purchase method. While the M/WBE Small Purchase method had only a small increase in the total count of contracts awarded from last year, it had a 41% increase in contract value. In FY24, MOCS worked with City and State partners to raise the threshold for this method further from \$1 million to \$1.5 million, which helped raise contract value in FY24 as agencies continued to register larger contracts with the method.

Meanwhile, 556 Negotiated Acquisitions were processed in FY24, for a total value of \$1.7 billion. The total number of procurements processed via the Negotiated Acquisition method increased significantly by 120% from FY23, which had 253 Negotiated Acquisitions, and the total value increased substantially, from \$516 million in FY23, representing a 226% increase in dollar value. The value of Negotiated Acquisitions in FY24 is similar to the value in FY22 (\$1.75 billion), demonstrating that the significant decrease in FY23 was an outlier. The Negotiated Acquisition method permits agencies, with prior City Chief Procurement Officer approval, to negotiate contracts directly with vendors under specific circumstances.

Procurement by Method - New Award Methods - Fiscal 2024

New Award Methods	FY24 No. of Contracts	FY22 to FY24 No.	Change YoY Contract Count	%	FY24 Value	FY22 to FY24 Value
Accelerated	118		84.38%	▲	\$183,687,404	
Assignment	80		-1.23%	▼	\$512,019,963	
Buy-Against	1		-66.67%	▼	\$936,000	
Competitive Sealed Bid	451		-18.44%	▼	\$3,880,333,287	
Demonstration Project	2		-50.00%	▼	\$31,602,017	
Emergency	157		-17.37%	▼	\$2,386,541,899	
Government-to-Government Purchase	20		-16.67%	▼	\$170,847,478	
Innovative	68		-36.45%	▼	\$112,199,128	
Intergovernmental	149		-29.38%	▼	\$461,193,922	
Line-Item Appropriation	1,860		-25.69%	▼	\$761,629,829	
Listing Application (DOE)	35		-18.60%	▼	\$95,446,556	
M/WBE Small Purchase	941		6.09%	▲	\$248,610,182	
Micropurchase	28,260		10.60%	▲	\$116,504,211	
Negotiated Acquisition	556		119.76%	▲	\$1,681,662,944	
Request for Proposal	366		-41.44%	▼	\$7,011,260,771	
Required Source or Procurement Method	120		-1.64%	▼	\$448,238,089	
Small Purchase	115,828		9.99%	▲	\$402,788,947	
Sole Source	71		-28.28%	▼	\$2,538,191,022	
Task Order	491		-1.01%	▼	\$660,659,127	

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Procurement by Method - Continuation Methods - Fiscal 2024

Continuation Methods	FY24 Contract Count	FY22 to FY24 Count	% Change YoY Contract Count		FY24 Contract Value	FY to FY Va
Amendment	2,057		-67.25%	▼	\$4,940,644,600	
Amendment Extension	920		3.37%	▲	\$2,928,559,367	
Construction Change Order	1,564		10.84%	▲	\$142,704,023	
Design Change Order	321		22.05%	▲	\$231,286,740	
Negotiated Acquisition Extension	286		-25.52%	▼	\$485,692,141	
Renewal	548		-30.37%	▼	\$3,961,822,436	

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

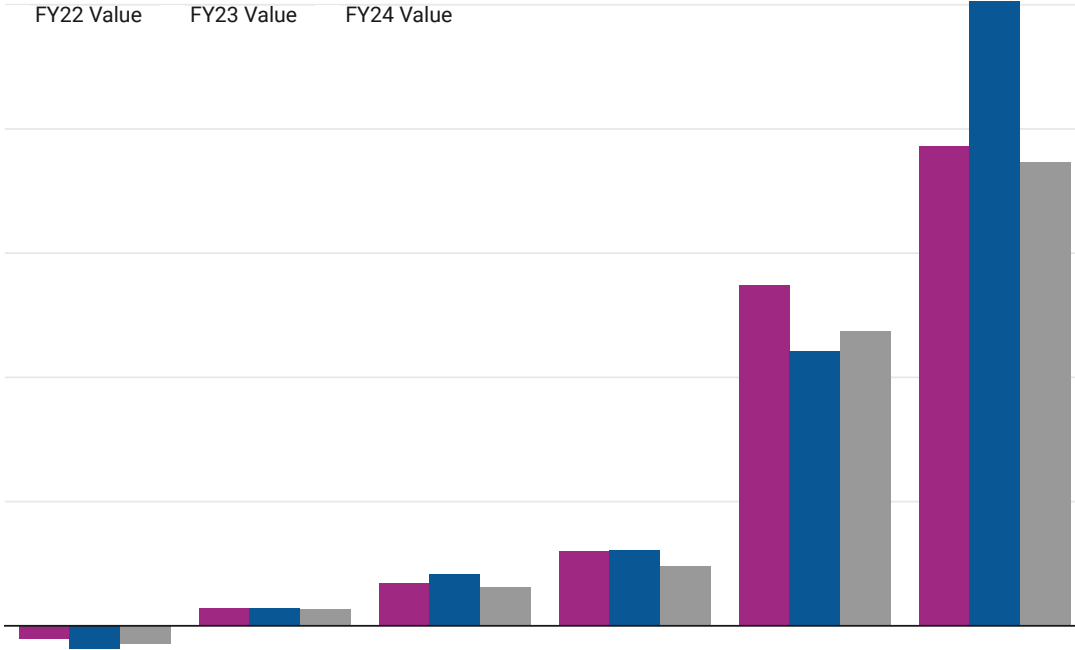
Citywide Total

FY24 Contract Count	FY24 Value	FY23 Contract Count	FY23 Value	% Change Contract Count	% Change Contract Value
155,270	\$34,395,062,083	147,140	\$41,107,976,315	5.53%	-16.33%

Procurement by Size

In FY24, 212 procurement actions valued at over \$25 million were processed. This totaled to over \$18.5 billion, which represent 54% of total procurement value in FY24. This is a decrease from FY23, in which procurement actions valued at over \$25 million accounted for 61% (\$25 billion) of total procurement value. There was also a decrease this year in the number of procurements in the \$100 thousand to \$1 million range, in the \$1 million to \$3 million range, and in the \$3 million to \$25 million range. By contrast, there was an increase in the number of negative contract values and in the \$0 to \$100 thousand range, reflecting an increase in agency-authorized contract amendments or change orders and an increase in the number of smaller contracts, particularly for minority- and women-owned businesses. See **Appendix C** for year-to-year totals of individual agencies.

Procurement by Size (Value) - Fiscal 2024



> \$500 million
\$100 million - \$500 million
\$25 million - \$100 million
\$5 million - \$25 million
< \$5 million

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Procurement by Size - Fiscal 2024

Size	FY24 Count	FY24 Value	FY23 Contract Count	FY23 Contract Value	% Change Count
1. <= \$0	1,064	\$-707,530,057	711	\$-929,388,203	50%
2. > \$0 and <= \$100 thousand	147,598	\$651,604,787	137,558	\$705,118,358	7%
3. > \$100 thousand <= \$1 million	3,707	\$1,564,443,721	5,425	\$2,061,185,044	-32%
4. > \$1 million and <= \$3 million	1,337	\$2,396,552,115	1,729	\$3,056,278,842	-23%
5. > \$3 million and <= \$25 million	1,352	\$11,840,367,297	1,462	\$11,063,124,290	-8%
6. > \$25 million	212	\$18,649,624,220	255	\$25,151,657,983	-17%

* Negative contract values refer to agency-authorized contract amendments or change orders that subtract funds from the original contract amount.

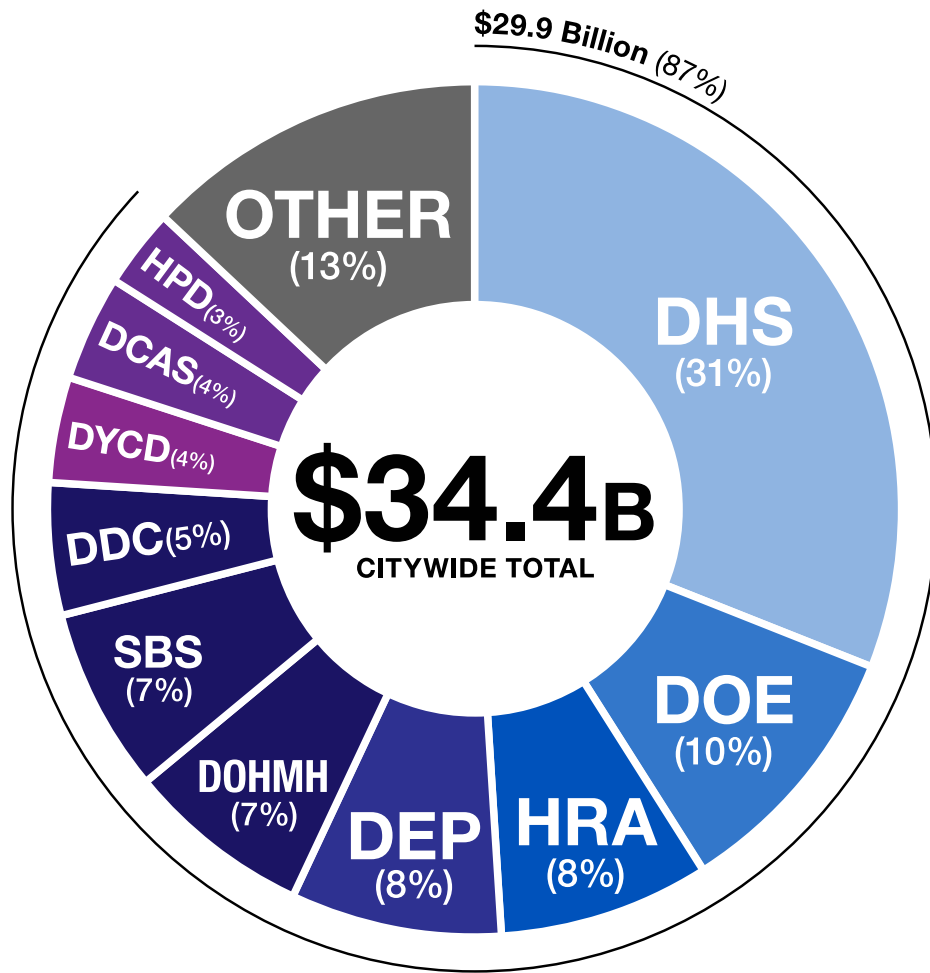
Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Top 10 Agencies by Procurement Values

The top ten agencies that procured the highest dollar value of contracts in FY24 represent over 87% of the total value of City procurements for FY24, processing procurement actions valued at \$29.9 billion of the City's total \$34.4 billion awarded in FY24.

DHS was the agency with the highest procurement value at \$10.8 billion (31%), which reflects its ongoing role in response to the dual homeless and asylum seeker crises that are increasing the need for shelter services. This is also reflected in the 108% increase in contract value at HRA, which also supports these services. Relatedly, DHS holds five of the top 10 largest contracts this year. ACS is down 83% from last year's contract value because in FY23, it registered the awards for its foster care and residential care RFPs, which are a large part of the agency's contract portfolio and are usually awarded in three-year cycles.

Top 10 Agencies by Procurement Values - Fiscal Year 2024



(Link:

https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Top10.svg)

- DHS awarded 31 percent
- DOE awarded 10 percent
- HRA awarded 8 percent
- DEP awarded 8 percent
- DOHMH awarded 7 percent
- SBS awarded 7 percent
- DDC awarded 5 percent
- DYCD awarded 4 percent
- DCAS awarded 4 percent
- HPD awarded 3 percent
- All other agencies awarded 13 percent
- Total for the top 10 agencies in awards in Fiscal Year 2024 was 29.9 billion dollars
- The Citywide total for awards in Fiscal Year 2024 was 34.4 billion dollars

Top 10 New Contracts by Value

The top 10 New City contracts by dollar value in FY24 were cumulatively valued at approximately \$5.8 billion, which amounts to about 17% of total City contracting in FY24. While the dollar amount is less than FY23, the percentage of City contracting is on par; in FY23, the

top 10 contracts were valued at \$8.2 billion, which was 20% of total City contracting. DHS currently holds four of the top 10 contracts at multiple sites across NYC, providing shelter services for single adults and families with children.

Top 10 New Contracts by Value - Fiscal 2024

Rank	Agency	Vendor Name	Purpose	FY24 Value
1	SBS	NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION	The services consist of providing certain City-wide economic Master Contracts.	\$1,797,034,767
2	HRA	RISEBORO COMMUNITY PARTNERSHIP INC	Master lease for Homeless @144-02 135th Ave. Qns, NY. 192 units.	\$599,402,516
3	DHS	ACACIA NETWORK HOUSING INC	Renewal - Shelter Services for FWC at Commercial Hotels.	\$555,815,576
4	DHS	SAMARITAN DAYTOP VILLAGE INC	Facilities for FWC @1389 University Avenue, Bronx. 106 units.	\$500,023,608
5	HPD	RAPID RELIABLE TESTING NY LLC	DocGo-Asylee Housing Flex/Surge Program for NYC.	\$432,000,000
6	NYCPS	EDGEWOOD PARTNERS INSURANCE CENTER	To provide pupil transportation insurance (VALICA).	\$413,857,744
7	SBS	NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION	The City of New York will retain the New York City Economic Maritime Citywide ED Services.	\$402,525,300
8	DHS	PROJECT RENEWAL INC	Shelter Facilities for HSA - New Providence Shelter. 171 units.	\$397,289,420
9	DHS	URBAN RESOURCE INSTITUTE	Shelter Facilities for Homeless FWC Flushing Fam Res. 90	\$394,850,684

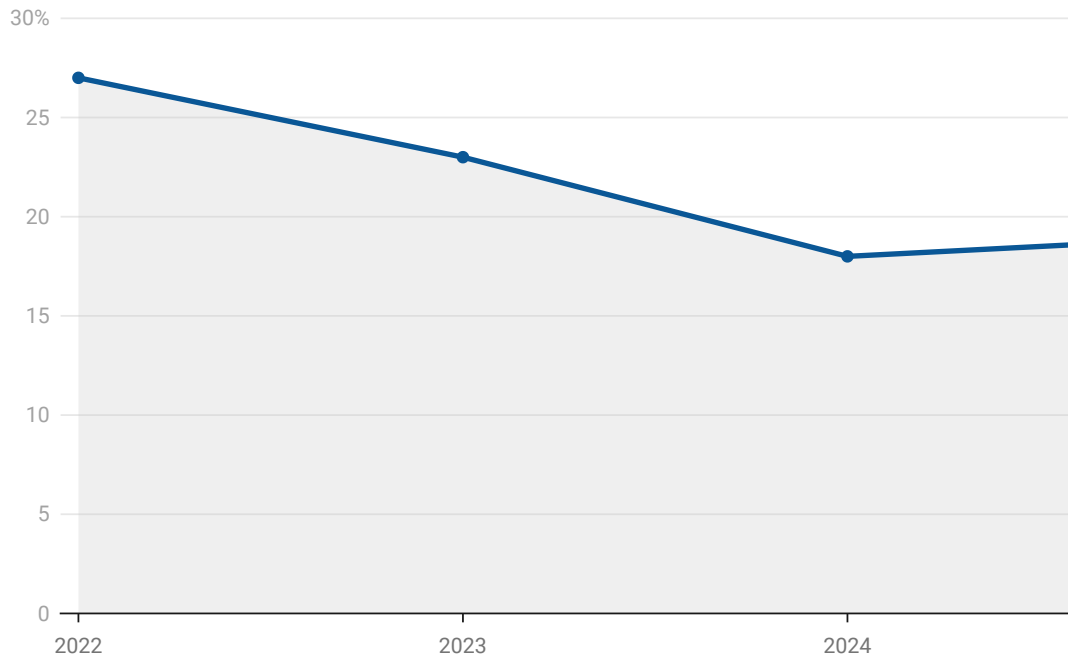
P-Card Purchasing

Purchasing Cards ("P-Cards") are tools that agencies can use to quickly purchase goods and service under the micropurchase dollar limit, which is currently \$35,000 for construction-related procurements and \$20,000 for all other procurements. P-Card purchases do not need to process through the City's Financial Management System.

In FY24, agencies spent a total of \$21.7 million with P-Cards, an 15.6% decrease from FY23, which aligns with the overall decrease in total Citywide contract spending this fiscal year. Of the \$21.7 million in P-Card spending, \$3.85 million (18%) went to M/WBEs, which is a 5% decrease from the 23% M/WBE utilization in FY23. While M/WBE utilization in p-card spending has been trending downward since the 27% utilization rate in FY22, the City has increasingly been using the **M/WBE Small Purchase** method, which is up 41% by contract value compared to last fiscal year, giving M/WBE more opportunities to do business with the city at higher contract values.

M/WBE P-Card Utilization - Fiscal 2025 (DONE)

From fiscal year 2022 to fiscal year 2025.



Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

As seen in the table below, FDNY had both the highest P-Card spending amount at \$8.4 million and the highest M/WBE P-Card transaction amount at \$1.2 million, which translates to a 15% M/WBE utilization rate. DOT had the highest M/WBE P-Card utilization rate at 39% of their total P-Card spending, which is higher than their overall LL1 M/WBE utilization rate of 28.5% , and the second highest M/WBE P-Card spending by value at \$1.07 million.

Top 20 Agencies P-Card by M/WBE Transaction Amount - Fiscal 2025 (UPDATED)

	Agency	MWBE Transaction Amount	Total Transaction Amount	M/WBE % of Total Transactions
1	FDNY	\$1,715,455	\$9,794,846	18%
2	DOT	\$901,461	\$2,460,237	37%
3	DPR	\$431,528	\$2,623,736	16%
4	DOHMH	\$332,667	\$889,491	37%
5	NYPD	\$322,476	\$1,966,287	16%
6	DEP	\$278,999	\$858,461	32%
7	ACS	\$129,450	\$613,851	21%
8	OTI	\$76,907	\$461,316	17%
9	DCAS	\$72,436	\$427,877	17%
10	DOC	\$50,022	\$766,696	7%
11	DSS (HRA)	\$33,552	\$203,917	16%
12	HPD	\$25,934	\$276,968	9%
13	DOI	\$25,360	\$144,456	18%
14	DSNY	\$24,780	\$149,828	17%
15	DOF	\$24,272	\$60,794	40%
16	Other	\$17,531	\$777,413	2%
17	DCWP	\$16,158	\$103,859	16%
18	LPC	\$8,719	\$25,740	34%
19	DSS (DHS)	\$7,118	\$130,054	5%
20	DOB	\$6,070	\$55,235	11%
Grand Total		\$4,500,896	\$22,791,062	20%

Purchasing by M/WBE Reporting Category - Fiscal 2025 (DONE)

MWBE Type	Transaction Amount (\$)	# of Transactions	% of Total Transaction Amt
Non-MWBE	\$19,559,365	24,476	81.30%
M/WBE	\$4,510,951	2,563	18.70%
Male-Owned MBE - Asian	\$628,430	606	2.60%
Male-Owned MBE - Black	\$434,164	272	1.80%
Male-Owned MBE - Hispanic	\$555,620	322	2.30%
WBE - Asian	\$627,933	259	2.60%
WBE - Black	\$57,285	40	0.20%
WBE - Caucasian Woman	\$2,027,035	1,024	8.40%
WBE - Hispanic	\$70,558	23	0.30%
WBE - Native American	\$9,585	1	0.00%
WBE - Non-Minority	\$80,963	12	0.30%
Male-Owned MBE - Native American	\$19,379	4	0.10%
Grand Total	\$24,070,316	27,039	100.00%

City Council Discretionary Contracts

Each year, New York City Council (City Council) designates discretionary awards to nonprofit organizations through Schedule C of the City's expense budget and throughout the fiscal year in monthly Transparency Resolutions. Each nonprofit that applies for funding is vetted by the City Council. In addition, MOCS reviews the eligibility of organizations by checking for HHS prequalification in PASSPort and completion of the Capacity Building Training. MOCS does not review awards made by City Council directly to City agencies or governmental organizations, nor discretionary funding through capital funds.

Effective FY24, most agencies process the registration of discretionary awards, i.e., line-item appropriations, in PASSPort through multiyear discretionary award contracts. **This recent reform (Link:**

<https://www.nyc.gov/assets/mocs/downloads/Opportunities/nonprofit-initiatives/MultiyearDiscretionaryProviderFAQ.pdf>) allows organizations to enter one three-year contract per City agency, eliminating the need for registration in the outyears should the organization receive awards within the calculated contract amount. As FY24 constituted year 1

of the multiyear contract, the City expects to see the benefits of this rollout in years 2 and 3 (FY25-26) as providers immediately begin budgeting and invoicing. Discretionary awards that are not registered by agencies in the designated fiscal year may be registered in the next.

City Council Discretionary Awards - Fiscal 2024

Agency	Total Allocated by Council in FY24	Total Cleared in FY24	Percent Cleared	Registered in FY24	Percent Registered
ACS	\$2,986,438	\$2,986,438	100%	\$2,986,438	100%
DCLA**	\$43,457,364	\$43,049,844	99%	\$37,318,456	87%
DCWP	\$230,000	\$230,000	100%	\$230,000	100%
DFTA†	\$38,196,774	\$36,771,989	96%	\$27,363,889	74%
DHMH~	\$59,886,307	\$56,236,776	94%	\$31,952,198	57%
DHS	\$2,222,000	\$2,152,000	97%	\$627,334	29%
DOE**A	\$30,937,300	\$30,259,300	98%	\$13,533,833	45%
DOP	\$125,000	\$125,000	100%	\$0	0%
DPR	\$2,840,100	\$2,659,100	94%	\$17,500	1%
DSNY*	\$60,000	\$60,000	100%	\$60,000	100%
DSS/HRA	\$43,372,604	\$43,101,604	99%	\$27,796,671	64%
DYCD	\$151,831,119	\$142,851,775	94%	\$40,541,589	28%
FDNY	\$542,700	\$445,000	82%	\$0	0%
HPD	\$18,098,500	\$16,523,260	91%	\$3,050,000	18%
MOCJ	\$26,664,500	\$25,624,000	96%	\$15,708,274	61%
OTI*	\$15,000	\$10,000	67%	\$0	0%
SBS	\$29,744,605	\$28,495,816	96%	\$10,262,500	36%
Total	\$451,210,311	\$431,581,902	96%	\$211,448,682	49%

* Denotes agency processes non-CT1 registrations.

† DCLA registration total includes awards to Cultural Institutions Group.

‡ DFTA registration total includes Borough President Discretionary Restoration (Senior Services) awards.

§ DOHMH registration total does not include awards processed by Public Health Solutions.

As of 7/16/24 cleared award data, most FY24 awards (84.77%; 7,865 awards) were designated in Schedule C by City Council but only 47% were cleared to move to contracting after its release. While 15% of awards were designated in transparency resolutions this year, the

majority of clearances occurred after the August transparency resolution, with 25% of awards clearing only after October.

	Schedule C (June)	July and August	September and October	After October
Designated	85%	2%	7%	6%
Cleared	47%	7%	21%	25%

Section 3: Procurement Performance

MOCS is committed to building a procurement system that works better for New Yorkers, through increased transparency and accountability. While the previous section provided information on how City contracts are awarded, this section demonstrates the City's performance on two key procurement indicators – **Retroactivity** and **Cycle Time**.

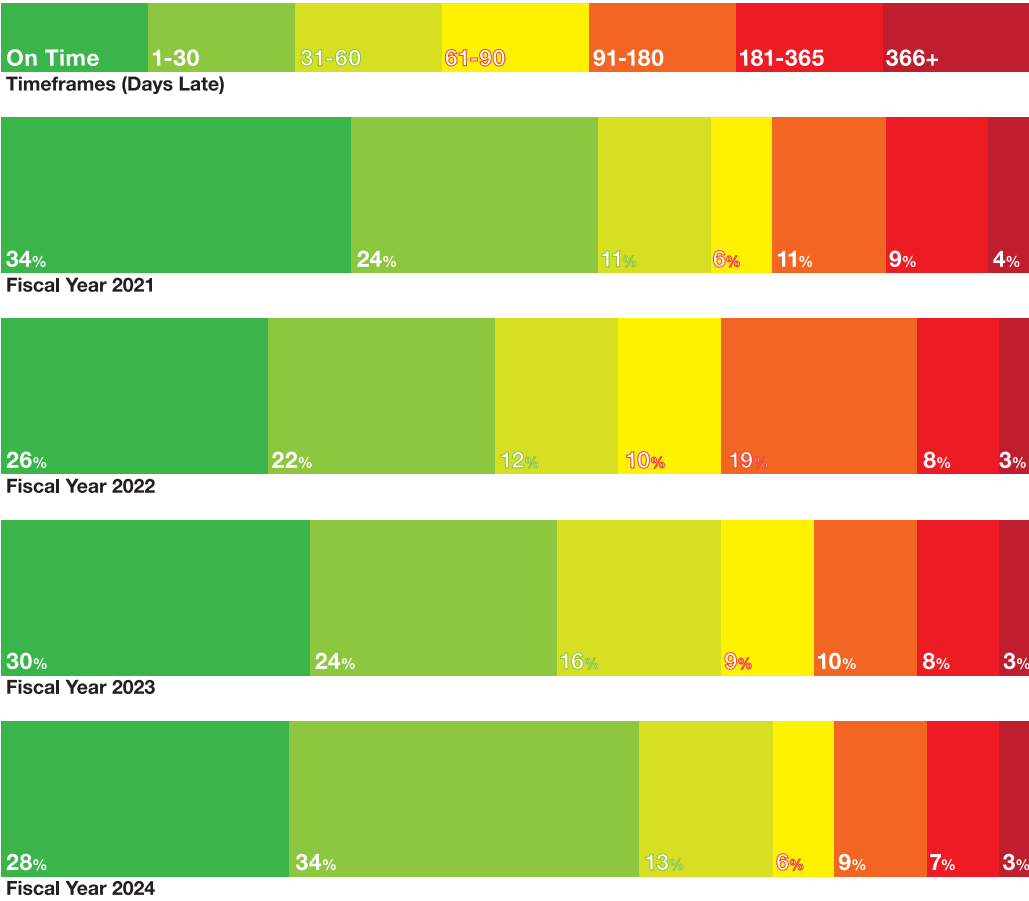
These two metrics give valuable insight to the public and agencies on the duration of the procurement process and areas where additional process reform could bring greater efficiency.

Retroactivity

A contract is considered late or "retroactive" when its start date occurs before the contract is registered by the City Comptroller. Retroactivity can cause cash flow and service continuity issues because the City cannot pay vendors prior to registration, and late registration can drive up the City's costs, as vendors increase their bid prices to account for anticipated delays.

As shown in the graph below, across all Mayoral Agencies, contracts were registered on time – before the contract start date – 28% of the time in FY24 and 62% were registered within 30 days of the contract start date, which is up from 54% in FY23. Compared to the previous three fiscal years, FY24 had the highest percentage of contracts registered within 60 days, at 75%, and the lowest percentage of contract registered six months or later (10%).

Retroactivity by Fiscal Year



(Link: https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Retroactivity_YoY.svg)

Fiscal Year	On Time	1-30 Days Late	31-60 Days Late	61-90 Days Late	91-180 Days Late	181-365 Days Late	365+ Days Late
2021	34%	24%	11%	6%	11%	9%	4%
2022	26%	22%	12%	10%	19%	8%	3%
2023	30%	24%	16%	9%	10%	8%	3%
2024	28%	34%	13%	6%	9%	7%	3%

We can see that retroactivity also varies across industry for new contract actions. The Construction industry has the lowest rate of retroactivity, with 79% of contracts registered within 30 days of the contract start date. The Human Services industry, which we discuss in greater detail later in this report, and the Goods industry have the second highest percentage of contracts registered within 30 days, both at 71%. Professional Services has the highest retroactivity, with just 37% of contracts registered within 30 days, followed by the Architecture/Engineering industry, which has 53% registered within 30 days.

Retroactivity by Industry



(Link: https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Retroactivity.svg)

Industry	On Time	1-30 Days Late	31-60 Days Late	61-90 Days Late	91-180 Days Late	181-365 Days Late	365+ Days Late
Professional Services	17%	20%	18%	9%	17%	13%	5%
Goods	30%	41%	13%	5%	6%	3%	1%
Architecture/Engineering	36%	17%	10%	7%	8%	15%	8%
Standardized Services	30%	31%	11%	6%	10%	8%	3%
Human Services	24%	47%	10%	5%	7%	4%	3%
Construction Services	58%	21%	7%	4%	4%	4%	1%
Citywide Total	28%	34%	13%	6%	9%	7%	3%

Retroactivity by Industry - Fiscal 2024

Industry	On Time	1-30 Days	31-60 Days	61-90 Days	91-180 Days	181-365 Days	3+ Days
Architecture/Engineering	36%	17%	10%	7%	8%	15%	
Construction Services	58%	21%	7%	4%	4%	4%	
Goods	30%	41%	13%	5%	6%	3%	
Human Services	24%	47%	10%	5%	7%	4%	
Professional Services	17%	20%	18%	9%	17%	13%	
Standardized Services	30%	31%	11%	6%	10%	8%	
Citywide	28%	34%	13%	6%	9%	7%	

CT1 and CTA1 methods only; Excludes DOE, City Council Discretionary, and Emergency Contracts

Competitive Sealed Bid and Competitive Sealed Proposal Cycle Time

One of the most important performance metrics that the City uses for procurement is the contract cycle times, which track how long it takes for a contract to get registered, from start to finish. For this report, MOCS tracks the cycle times of the two main competitive procurement methods, which are the competitive sealed bid ("CSB") and the competitive sealed proposal ("CSP"), also known as the Request for Proposals ("RFP").

There are many rules and laws that vendors and agencies must follow to ensure competition throughout the process, which result in longer cycle times that are often necessary to ensure a fair, transparent, and equitable procurement process. However, as the report below will show, there is large variation between how long it takes contracts to get registered, indicating that there is room for improvement across the City in reducing cycle times. The Adams Administration is committed to making this process faster and more predictable for our contracting partners, and many of the reforms outlined later in this report are aimed at creating more efficient processes to speed up cycle times.

This section reports the end-to-end median cycle times of all CSBs and CSPs by agency and by industry, and by the five procurement steps: presolicitation ("PSR"), solicitation, evaluation, award, and registration. Details on how each step of the procurement process are defined in PASSPort can be found at the bottom of this section.

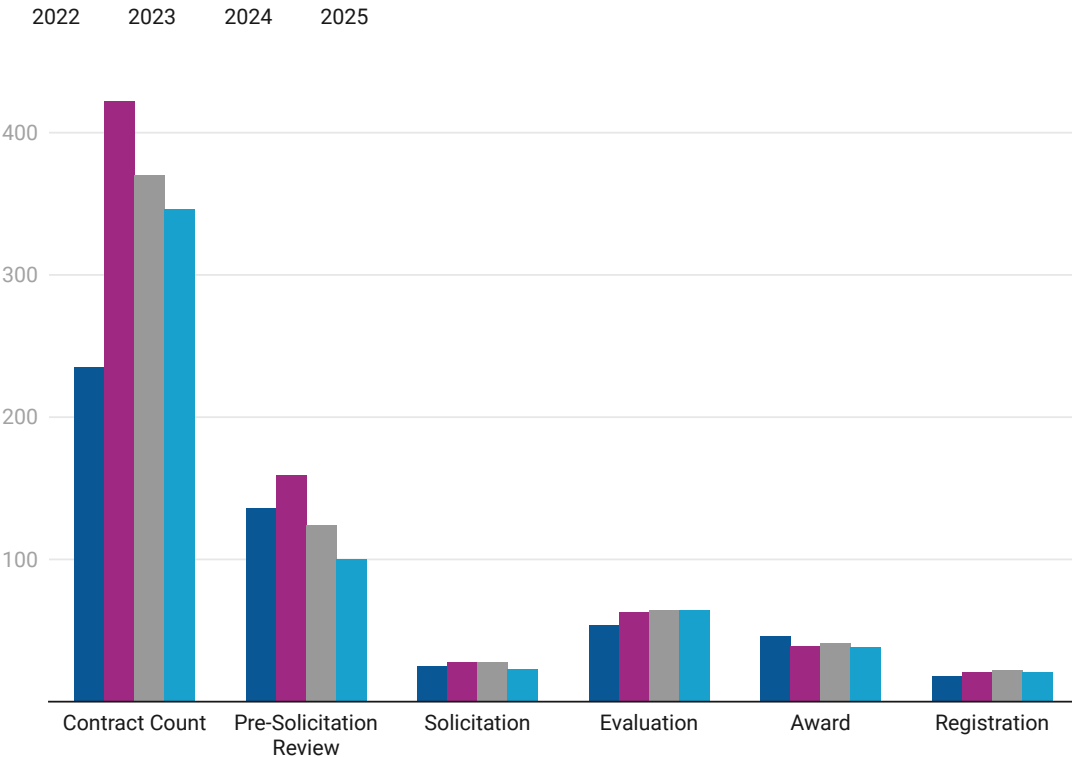
Competitive Sealed Bid Cycle Time

CSBs are most commonly used to purchase goods, construction services, and standard services. Upon the collection of final bids, the contract is awarded to the vendor that bid the lowest price and is responsive and responsible.

For FY24, the median CSB cycle time from PSR to registration was 328 days, which is an 8% decrease from 357 days in FY23. The PSR step had the largest decrease, going from 159 days in FY23 to 124 days in FY24 (-22%). The medians of the other stages changed very little or not

at all, and the variation may reflect that there was a 12% drop in the number of CSB contracts in FY24 compared to FY23.

Competitive Sealed Bid Cycle Time Median by Phase (DONE)
From fiscal year 2022 to fiscal year 2025.



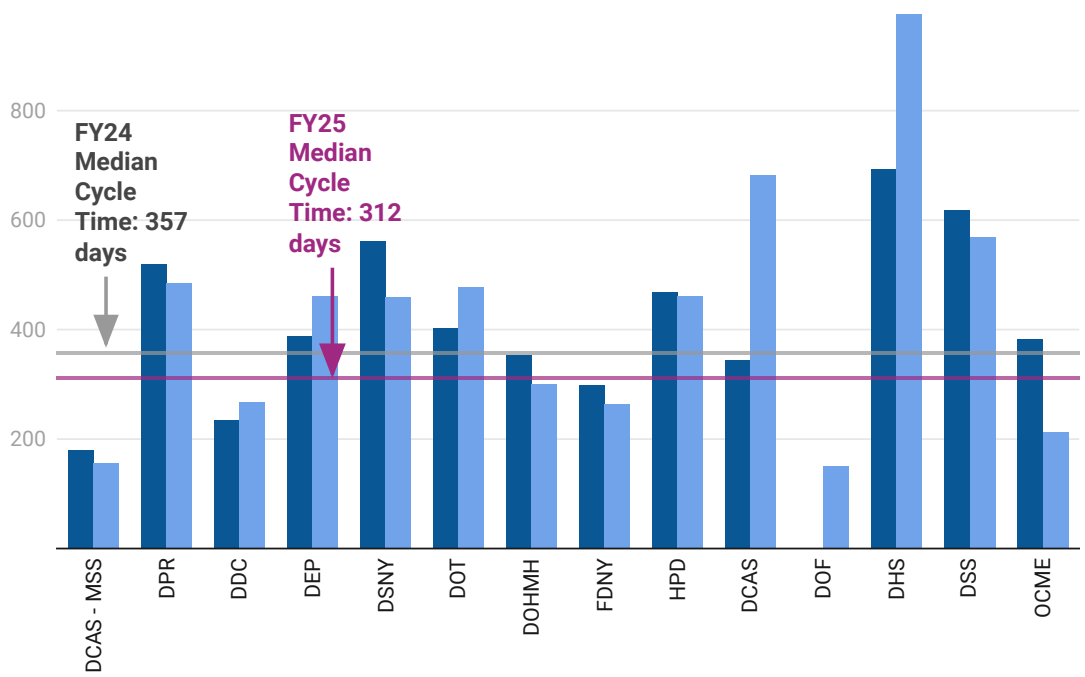
Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

DCAS (Municipal Supply Services) and DDC had the lowest medians at 180 and 234 days respectively. DHS had the longest median cycle time at 694 days, and SBS had the second longest at 637 days. ACS saw the biggest improvement in its CSB cycle time, going from 517 days in FY23 to 393 days in FY24 (-24%).

End to End CSB Cycle Times by Agency - Fiscal Year 2024 to 2025 (DONE)

FY 2024

FY 2025



By industry, professional services CSB cycle times dropped from 670 days in FY23 to 217 days in FY24 (-67.6%), however, there were just three professional services contracts in FY24. The construction industry CSB cycle times dropped by 92 days (-19.8%), from 464 days in FY23 to 372 days in FY24, despite a 7% increase in contract volume. The standard services CSB cycle times dropped from 419 days in FY23 to 384 days in FY24 (-8%) and the CSB cycle time median for goods increased from 160 days in FY23 to 180 days in FY24 (+12.5%), however, remains the fastest industry.

The improvement in the construction industry CSB cycle time may reflect the impact of reforms implemented by the Capital Process Reform Task Force, including universal electronic bidding, increasing the Financial Control Board threshold, and reforming lengthy review processes associated with EO102 and EO50.

Competitive Sealed Bid Cycle Time by Industry - Fiscal 2025 (DONE)

Industry	No. of Contract	PSR	Solicitation	Evaluation	Awarding	Registr
Professional Services	3	31	66	7	23	17
Goods	93	50	22	30	14	12
Construction	197	120	22	104	44	23
Standard Services	53	168	30	58	58	22
Total	346	100	23	64	38	21

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Competitive Sealed Proposals/Request for Proposal Cycle Time

Agencies use CSPs/RFPs when factors beyond cost must be considered in a competitive procurement, resulting in an award to the responsive and responsible bidder whose proposal will be the most advantageous to the City. Agencies may consider factors such as quality, vendor capacity, experience, or creativity, along with cost while evaluating the proposals. RFPs are typically used for procuring human services, professional services, and architecture/engineering services.

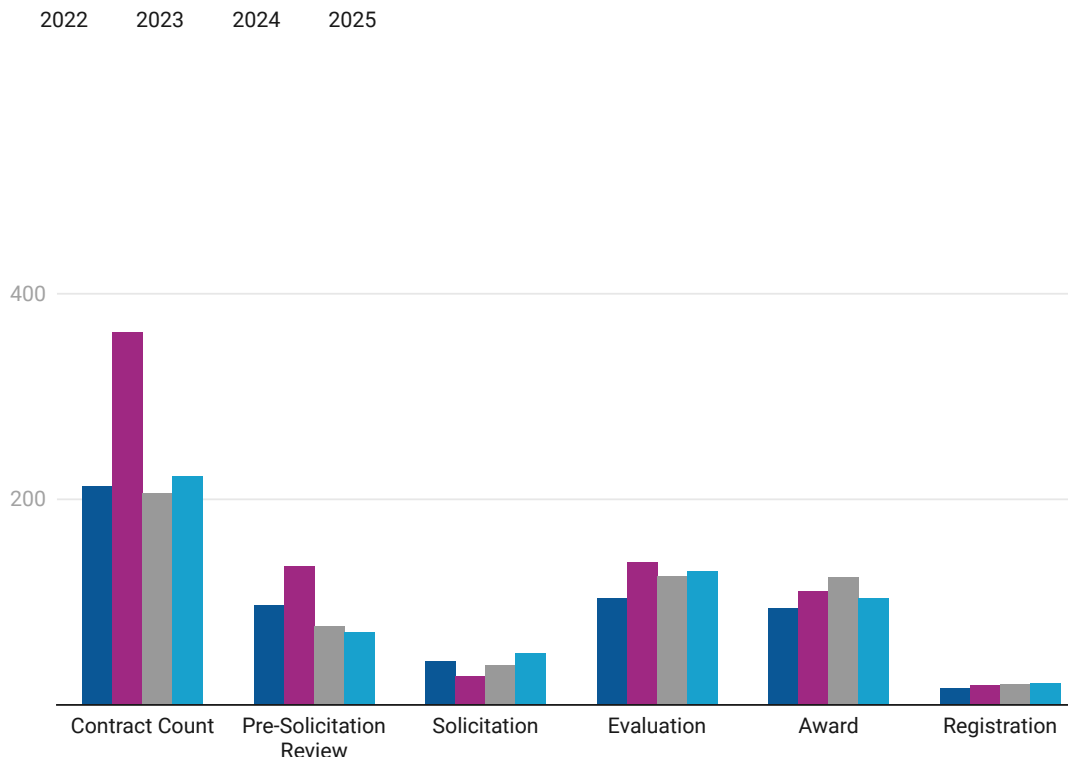
The median end-to-end cycle time for all RFPs was 376 days in FY24, which is 208 days less than the 584 days median in FY23 (-35.6%). While many recent reforms have been aimed at improving nonprofit contract cycle times, the 40% drop in the number of RFPs in FY24 was likely the biggest factor in this year's faster cycle times.

For RFPs, the PSR and evaluation stages had the greatest decreases year over year. The median RFP PSR period went down from 134 days in FY23 to 76 days in FY24 (-43%), and the median RFP evaluation period went down from 139 days in FY23 to 125 days in FY24 (-10%). These decreases could reflect improved agency practices, as well as reforms that aimed to cut down cycle time.

The median solicitation and award times did increase year over year. The median solicitation time went up from 28 days in FY23 to 38 days in FY24 (+35.7%). The median award time went up from 111 days in FY23 to 124 days in FY24 (+11.7%). A number of competing factors could have caused this increase, but overall the end-to-end cycle time median decreased to 376 days in FY24, returning closer to the E2E cycle time median in FY22 (358 days).

Competitive Sealed Proposal Cycle Time by Phase (UPDATED)

From fiscal year 2022 to fiscal year 2025.



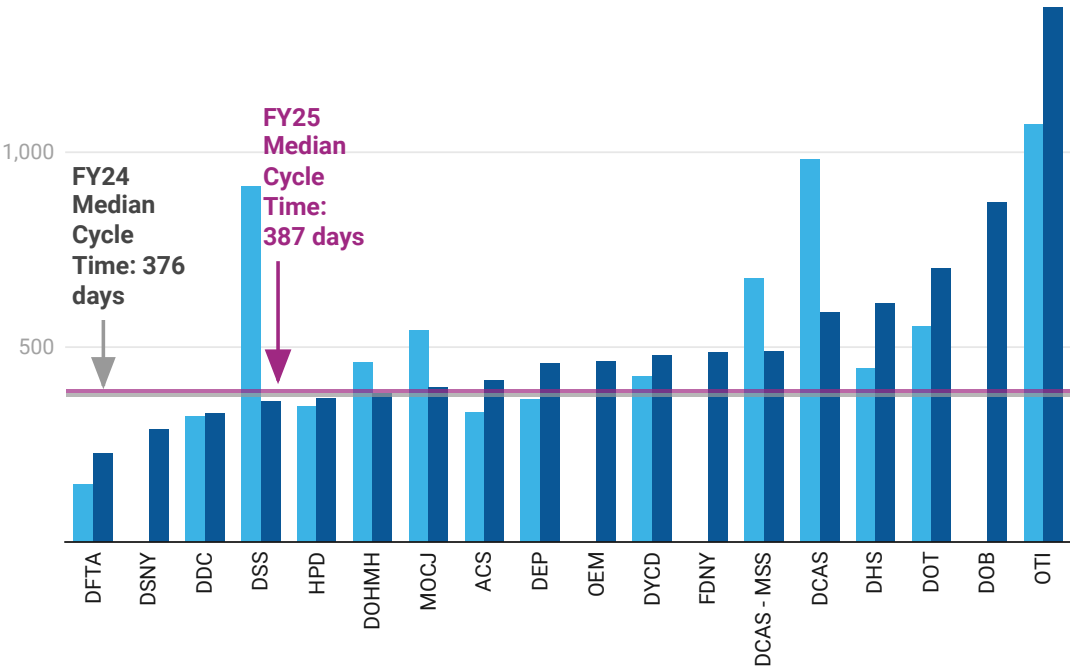
Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datavrapper](#)

Aging and DOP had the shortest RFP cycle time medians at 148 and 234 days respectively. LAW had the longest median RFP cycle time at 1,238 days. ACS saw the largest decrease in median RFP cycle time year over year, from 627 days in FY23 to 333 days in FY24, a 47% decrease in cycle time for 21% fewer contracts. DSS saw the largest increase in median RFP cycle time year over year, from 398 days in FY23 to 911 days in FY24 (+129%), which reflects

the 72% increase in the number of RFPs as well as the complexity of their asylum related contracts.

End to End CSP Cycle Times by Agency - Fiscal Year 2024 to 2025 (DONE)

FY2024 FY2025



Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

For all industries, RFP median cycle times decreased year over year. Human services RFPs saw the largest absolute and relative decrease, with the FY23 median at 621 days, and the FY24 median at 355, which is a difference of 266 days (-42.8%). Architecture and engineering RFPs saw a 206-day decrease year over year (-36.5%), professional services RFPs saw 180-day decrease (-27%), and standard services RFPs saw a 7-day decrease (-1.65%).

Competitive Sealed Proposal Cycle Time by Industry - Fiscal 2025 (UPDATED)

Industry	No. of Contract	PSR	Solicitation	Evaluation	Awarding
Architecture/Engineering	39	75	20	156	99
Human/Client Service	138	62	58	130	101
Standard Services	4	61	70	83	168
Professional Services	40	124	19	114	138
Construction	1	191	87	34	554
Total	222	71	50	130	104

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

The major decreases in human services and architecture/engineering cycle times could signify the effectiveness of several nonprofit and capital process reforms that have been implemented

in the past fiscal year. For the past few years, MOCS has specifically focused on leading initiatives that decrease cycle times for human services providers and capital project contractors, and these year-over-year RFP cycle time figures may reflect their success. As MOCS continues to advocate for and implement more reforms, we will hopefully see cycle times shorten even more.

Phase	Start Date	End Date
Pre-Solicitation Review (PSR)	Draft Creation (Task Initiated Date)	RFP Publication Begin Date (First Round)
Solicitation	RFP Publication Begin Date (First Round)	Latest Bid/Proposal Due Date
Evaluation	Latest Bid/Proposal Due Date	Select Award Date (Task Validated Date)
Award	Select Award Date (Task Validated Date)	Date the contract was submitted to OAISIS (Task Initiated Date)
Registration	Date the contract was submitted to OAISIS (Task Initiated Date)	Date the contract was registered in FMS

Section 4: Procurement Reform

In pursuit of a more equitable, efficient, and cost-effective procurement process, MOCS advocates for and implements reforms to procurement infrastructure, policies, and practices. Procurement reforms fundamentally impact the City's relationship with businesses and nonprofits. Throughout FY24, MOCS continued to lead longtime initiatives while advancing new reforms. These efforts include amendments to the **Procurement Policy Board ("PPB") Rules**, as well as the recommendations from both the **Joint Nonprofit Task Force** and the **Capital Process Reform Task Force**.

This section outlines the past fiscal year's procurement reform efforts and accomplishments.

PPB Rule Updates

The **Procurement Policy Board** (Link: <https://www.nyc.govhttps://www.nyc.gov/ppb>) writes and oversees the PPB Rules, which govern the citywide procurement process. In the past fiscal year, the Board adopted the following changes to the PPB Rules:

Eliminating Consecutive Posting Requirements

Amendments to PPB Rules 3-04, 3-05, 3-10 to 3-13, and 3-16 removed consecutive posting requirements for negotiated acquisitions, sole-source procurements, prequalified lists ("PQLs")—including the HHS-Accelerator PQL—demonstration projects, innovative procurements, and government-to-government purchases. This change reduces the number of procurement notices that are published in the City Record, which had limited value to the public, unnecessarily expended City resources, and slowed down the procurement process.

Sole Source Requirements

The PPB amended rules 2-02, 2-08, 2-09, and 3-05 to align the sole-source procurement dollar limit with the micropurchase dollar limit (currently \$20,000, excepting construction contracts, which have a dollar limit of \$35,000) and to clarify the rules for sole-source procurement. The sole-source procurement method allows agencies to directly and noncompetitively purchase goods and services from a single vendor when there are no other feasible vendors available. In practice, these amendments raised the dollar limits for sole-source procurement, which had been \$10,000 and \$15,000 for non-construction and construction contracts respectively. The increased dollar limits relieve potential burdens for agencies, as sole-source non-construction procurements between \$10,000 and \$20,000 and sole-source construction procurements between \$15,000 and \$35,000 will no longer have to undergo a separate procurement method. The amendments also standardized guidelines for sole-source procurement across several PPB Rules, increasing clarity for both agencies and vendors.

Mentoring Program and Prequalified List Changes

In October 2023, the Governor signed into law **New York State Assembly Bill A7673** (Link: <https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/A7673>) that impacts various aspects of procurement processes, including PQLs and mentorship programs for small businesses and Minority and Woman-owned Business Enterprises (M/WBEs). In response, the

PPB amended PPB Rules 1-01 and 3-10 to allow PQLs for small-business and M/WBE mentorship programs sponsored by the City. PQLs consist of select vendors that agencies choose for solicitation in certain types of procurement, which expedites the process for both agencies and vendors. With this change, agencies will be able to more easily and efficiently operate small-business and M/WBE mentorship programs, helping smaller and underrepresented businesses thrive in New York City.

Additionally, the amendments clarify the use of citywide PQLs and includes M/WBE status as a valid criterion for vendors' prospective inclusion on PQLs, which delivers on a specific recommendation by the Capital Process Reform Task Force. The City Chief Procurement Officer also is now able to approve exceptions for PQLs. Finally, the amendments aligned the provisions governing adverse agency determination on prequalification with those of the suspension of prequalification.

M/WBE Noncompetitive Small Purchase Name Change

The PPB changed the name of the "M/WBE Noncompetitive Small Purchase" method to "M/WBE Small Purchase" to provide greater clarity regarding the procurement method. While competition is not required for contracts awarded pursuant to this method, agencies often do utilize various forms of source selection in connection with M/WBE small purchase contracts to promote competition and in the best interests of the City. Renaming this method by removing the word "noncompetitive" from the title will reduce confusion amongst vendors and potential vendors regarding whether to expect potential competition in connection with contracts awarded through this method.

Challenge-Based Procurement

The PPB amended Rule § 3-11 on Demonstration Projects to encourage the use of challenge-based procurement. Challenge-based procurement is an innovative approach to procurement that allows vendors to propose novel solutions to the City's most intractable problems. It also allows the City to pilot one or more solutions simultaneously, and, if a pilot is deemed successful, implement the solution at a larger scale without conducting a new competitive procurement.

These amendments to the Demonstration Project rule encourage the use of this procurement approach by City agencies and make it easier and more appealing for the private sector to do business with the City.

Nonprofit Reform

MOCS continues to lead and deliver on the recommendations made by the **Joint Nonprofit Task Force to Get Nonprofits Paid on Time** ([Link: https://www.nyc.govhttps://comptroller.nyc.gov/reports/a-better-contract-for-new-york/](https://www.nyc.govhttps://comptroller.nyc.gov/reports/a-better-contract-for-new-york/)), which was convened in 2022 by Mayor Eric Adams and Comptroller Brad Lander, to help address the challenges nonprofits face during the City's procurement process. MOCS is committed to implementing reforms that make it easier for nonprofits to work with the City and to get them paid on-time.

The following sections lays out several nonprofit reforms and initiatives.

Workforce Enhancement Initiative

Following last year's initial investment of \$60 million in City funds, the FY24 Adopted Budget included an additional \$40 million in FY24 and \$90 million in FY25 of baselined Workforce Enhancement Initiative (WEI) funds. With the inclusion of matching state and federal grants, the total added to human services contracts amounts to \$115 million in FY24 and \$174 million in FY25, one part of the City's ongoing efforts to enhance wages within the sector. This administration values the support the human services sector provides to New Yorkers every day and is committed to investing in the sector's workers.

Cost-of-Living Adjustment

In March of 2024, the Mayor announced a **\$741 million cost-of-living adjustment (COLA) for nonprofits that contract with the City** ([Link: https://www.nyc.govhttps://www.nyc.gov/office-of-the-mayor/news/195-25/mayor-adams-boosts-pay-80-000-human-services-workers-741-million-cost-of-living-adjustment#/0](https://www.nyc.govhttps://www.nyc.gov/office-of-the-mayor/news/195-25/mayor-adams-boosts-pay-80-000-human-services-workers-741-million-cost-of-living-adjustment#/0)). This investment in our human services workforce, which is overwhelmingly female and racially diverse, both equitably supports underrepresented populations and further bolsters critical, lifesaving human services work. Workers can expect an approximately 3% COLA annually for the next three fiscal years, totaling to a 9.27% COL wage increase by July of 2026, on top of the baselined 7% WEI wage increase in FY24.

Human Services NYC Standard Audited Financial Reports ("SAFR") Reform

Audit reform for human services contracts is a long-term initiative led by the Audit Reform Working Group (ACS, DFTA, DOHMH, DYCD, MOCJ, DSS, MORMC, SBS, and MOCS) to streamline and simplify the audit process for human services providers. Within the next few years, the initiative seeks to have agencies rely on independent audits that providers already produce for Federal and New York State funding agencies. Agencies will take a risk-based approach to audits to reduce duplicative testing and standardized audit guidelines and schedules will take effect.

The Audit Reform Working Group is incorporating feedback from nonprofits and CPAs into the Draft SAFR Manual, and then plans to beta test this new approach before Citywide implementation. By this initiative's full implementation, the City's audit process for human services contracts will see earlier audit results, less redundancy and administrative waste, a simpler and consistent audit process, and reduced burdens for both agencies and providers.

Local Law 169 of 2023

As recommended by the Joint Nonprofit Task Force, Local Law 169 (LL169), which passed in December of 2023, requires MOCS to create benchmarks for how long each step of the procurement process should take for human service contracts. By outlining timeframes, these benchmarks will help guide agencies' procurement timelines and provide nonprofits with a clear sense of how long the contracting process takes with the City. MOCS will submit its initial report in October 2024, and, from there, the PPB will establish and codify time frames within the PPB rules.

Capital Process Reform

More than two years ago, Mayor Adams convened the **Capital Process Reform Task Force** ([Link: https://www.nyc.govhttps://www.nyc.gov/office-of-the-mayor/news/004-23/mayor-adams-recommendations-will-cut-years-off-capital-process-save-taxpayers-tens](https://www.nyc.govhttps://www.nyc.gov/office-of-the-mayor/news/004-23/mayor-adams-recommendations-will-cut-years-off-capital-process-save-taxpayers-tens)) consisting of leaders from the construction industry, labor, and M/WBEs, to comprehensively

review the City's capital project process. Capital projects are government and public infrastructure projects that are intended to last five years or more.

Last year, the City proposed several bills to the New York State Legislature, which addressed the taskforce's recommendations of shortening capital project timelines and expanding opportunities to smaller and underrepresented business. Some of these reforms are now law, while others remain outstanding efforts. The following are key capital process reform initiatives.

Public Hearings on Contracts

Procurements valued over \$100,000 require a public hearing, which adds approximately 23 days to each procurement process. **New York State Senate Bill S7383 (Link: <https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/S7383/amendment/A>)** would allow the PPB to replace a public hearing with a public notice and to amend the threshold as needed. Additionally, the PPB would be able to exempt certain contracts from both public hearings and public notices if they are not materially different from existing City contracts and are valued under \$10 million. With these changes, agencies and contractors would save time and costs while maintaining the opportunity for public comment. The bill has passed the State Assembly and the State Senate and now awaits the Governor's approval.

M/WBE Small Purchase Method Threshold Increase

Following a key recommendation from the Capital Process Reform Taskforce and advocacy by MOCS, last December Governor Hochul signed **New York State Senate Bill S7563 (Link: <https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/S7563>)**, which increased the M/WBE small purchase threshold from \$1 million to \$1.5 million. This legislation builds on the threshold increase from \$500,000 to \$1 million in October of 2022. The latest reform enables city agencies to purchase goods and services up to \$1.5 million from M/WBEs on a discretionary and noncompetitive basis, which saves costs and time compared to a competitive process. Due to the prior work of the PPB, this change took effect immediately, ensuring city agencies and vendors could start advantage of the increase without delay. As the City remains committed to supporting and uplifting M/WBEs, this reform will make it easier for more M/WBEs to contract with the City and will increase M/WBE utilization in citywide procurement.

Electronic Bidding Implementation

Last November, the Governor signed **New York State Assembly Bill A7685 (Link: <https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/A7685>)**, which allows New York City to authorize the sole usage of electronic bids for contracts, removing requirements for paper bids. The law took effect on March 1st, 2024. Bids and offers can now occur entirely digitally, at last modernizing an antiquated aspect of the procurement process.

Wrap-Up Insurance Programs

In October of 2023, the Governor signed **New York State Senate Bill S7385 (Link: <https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/S7385>)**, a piece of legislation championed by MOCS that allows construction contracts with City agencies, DOE, the New York City Industrial Development Agency, NYC Health + Hospitals, and the NYC Housing Authority to use otherwise-prohibited owner-controlled insurance programs (OCIPs) and contractor-controlled insurance programs (CCIPs). Smaller vendors and M/WBEs often struggle finding affordable insurance options under restrictions that mandate each contractor and subcontractor purchase and retain their own insurance. With the passage of S7385, these

qualifying construction contractors can utilize OCIPs and CCIPs, which act as umbrella insurance for owners, contractors, and subcontractors, reducing prohibitive and inefficient costs.

Alternative Project Delivery

New York State Senate Bill S9849 (Link:

<https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/S9849>) expands the City's ability to use alternative project delivery methods to complete public work projects. In addition to design-build, the City will be able to utilize construction manager build, where a construction manager is able to act as a single source of responsibility to procure and manage a construction project on behalf of the City. This additional project delivery method will continue to improve the City's ability to foster collaboration among all parties of a project, better select teams based on quality and price, and allow steps to proceed in parallel, resulting in a reduction of delays and claims. The City continues to advocate for the inclusion of progressive design-build in its available alternative project delivery methods. As of publication, this bill is currently awaiting the Governor's signature.

Citywide Small Business Construction Mentorship Programs

The Governor signed New York State Senate Bill S7526 (Link:

<https://www.nyc.govhttps://www.nysenate.gov/legislation/bills/2023/S7526>) in October of 2023, which amended the New York City Charter to allow a citywide small business construction mentorship program. DDC has conducted a small business construction mentorship program of its own, but this bill enables every agency to develop their own programs and contract experienced construction management firms to offer assistance and guidance to smaller construction businesses, helping them grow and pursue opportunities in capital projects. As described earlier, the PPB recently amended its rules to allow procurements for citywide small business construction mentorship programs to use PQLs, boosting these incipient mentorship programs.

Other Reforms

Updates to PASSPort

Agencies, vendors, and any other party involved in the City's procurement process relies on PASSPort. The digital procurement platform, since its inception, has completely changed City's procurement process, and MOCS is continually working with key stakeholders to improve its features.

In FY24, MOCS had two large technology upgrades, including PASSPort Release 5 and the HHS Accelerator migration. PASSPort Release 5 in November 2023 included a user interface upgrade and additional financial task features. Beginning in January 2024, MOCS migrated human services contract budgets from the legacy system, HHS Accelerator, into PASSPort. The migration was a historic undertaking that consolidates all human services contract activity into one-system, reducing the swivel-chairing and duplicative data entry of the past. Over 15,000 contracts and 30,000 budgets were migrated into PASSPort, and in FY24, \$4.3 billion in invoices were disbursed through the system.

In September 2024, MOCS launched Release 6, which delivered two important new features: the Document Vault and the subcontractor module. The Document Vault is a centralized digital storage system where PASSPort users can upload documents to make it easier to share documents between stakeholders and reduce the need for duplicative uploads. The new subcontractor module brings the subcontractor approval process and payment reporting into

just PASSPort, rather than three separate systems with multiple offline processes. It allows for better tracking of subcontractor payments, more accurate M/WBE utilization goal reporting, and more transparency into the subcontractor approval process.

Executive Order 34 Implementation

In partnership with the Mayor's Office of Minority and Women's Business Enterprises, MOCS issued a directive on **Executive Order 34** ([Link: https://www.nyc.gov/office-of-the-mayor/news/34-003/executive-order-34](https://www.nyc.gov/office-of-the-mayor/news/34-003/executive-order-34)) ("EO 34") Implementation in November 2023, which aims to secure and increase M/WBE utilization in city procurement. This executive order makes major strides in incorporating more M/WBEs into citywide procurement, tasking agencies with evaluating their own M/WBE utilization and making it easier for M/WBEs to contract with agencies.

Introduction 863/Changes to Local Law 63

In July, City Council unanimously passed **Introduction 0863-2024** ([Link: https://www.nyc.gov/legistar.council.nyc.gov/LegislationDetail.aspx?ID=6695195&GUID=E2C3910D-FC67-4894-BD22-2443E85E7A98&Options=ID|Text|&Search=863](https://www.nyc.gov/legistar.council.nyc.gov/LegislationDetail.aspx?ID=6695195&GUID=E2C3910D-FC67-4894-BD22-2443E85E7A98&Options=ID|Text|&Search=863)) ("Int 863"), which includes several reforms for contracts under Local Law 63 ("LL63"). LL63 previously required agencies to post a public notice for 60 days if a standard or professional services contract valued over \$200,000 might displace City employees. Int 863 raises the threshold from \$200,000 to \$1 million, reduces the public notice time frame from 60 days to 10 days, and exempts some methods, including the M/WBE small purchase method. It also codifies current processes that are aimed at ensuring agency compliance with the law. All together, these reforms to LL 63 will help hundreds of contracts get registered faster while protecting the integrity of the law's original labor oversight function.

Section 5: Human Services

HHS Timeliness Prompt Payment Report

The City seeks to achieve 100% timeliness in contract registration, especially for HHS contracts. When a contract is registered late, it can cause cash flow and service continuity problems because the City cannot issue reimbursements or advances to providers prior to contract registration, even if the services have already begun. To address this cash flow issue, the City has the Returnable Grant Fund (RGF), which provides interest-free loans that help human services providers bridge the gap in funding while awaiting contract processing and registration (see section below for more details).

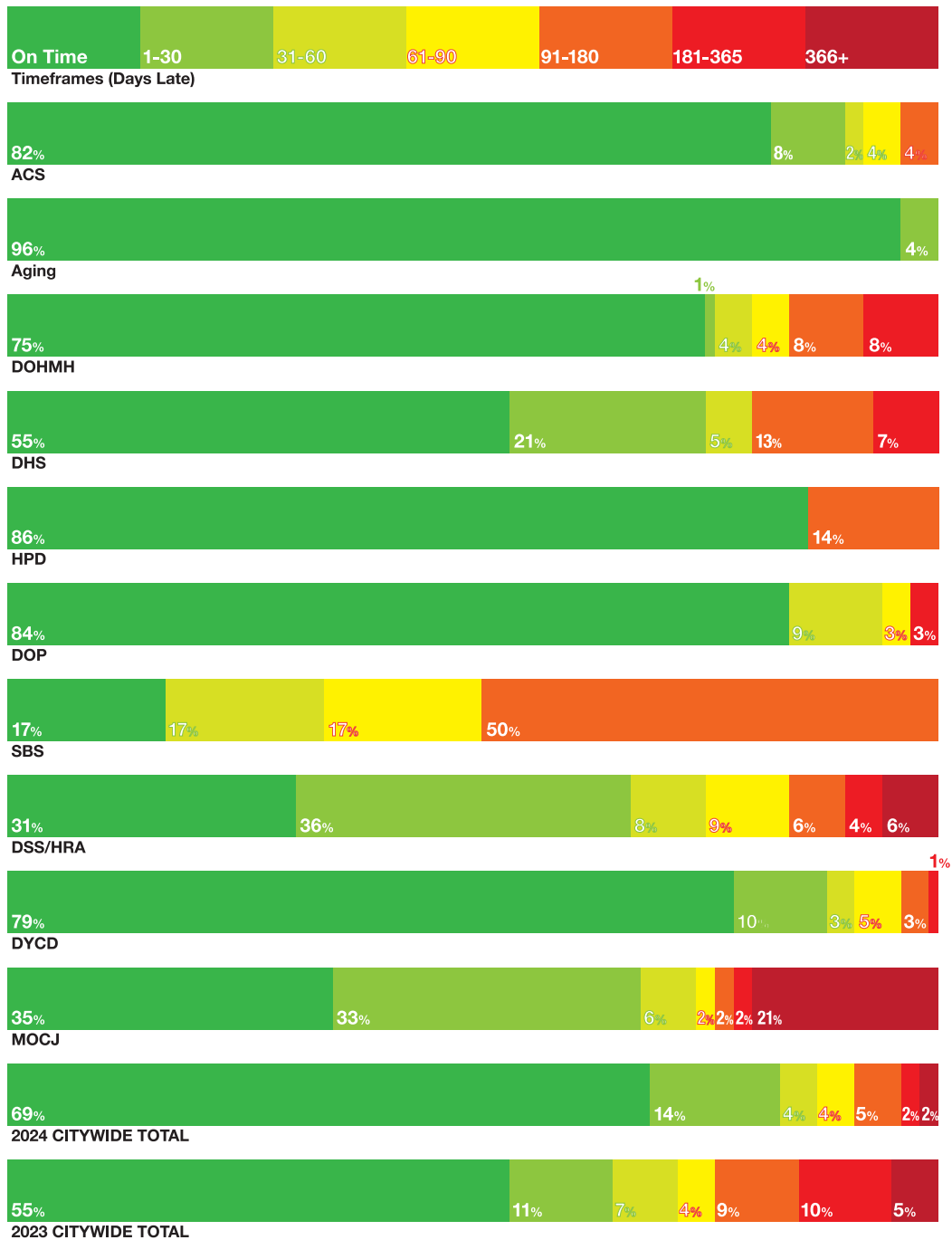
However, the City recognizes that on-time registration is a preferred solution to the RGF. The City has measures in place to make sure providers are paid in a timely fashion, including through Section 4-12 of the Procurement Policy Board (PPB). Section 4-12 authorizes the City Chief Procurement Officer to authorize interest payments to providers for late registration of HHS contracts, if it has been determined that the agency is generally submitting contracts in an untimely manner.

HHS timeliness is measured differently than retroactivity, which was covered earlier in this report. Retroactivity is based on when the contract is registered, while HHS Timeliness is based on when an agency submits a contract to the Comptroller.

For HHS Timeliness, a contract action is considered on-time if it is submitted to the Comptroller before the contract start date; the action is considered late if it is submitted to the Comptroller after the contract start date. However, we consider contracts that are submitted to the Comptroller within 30 days of the start date to be substantially in compliance. The Section 4-12 rule applies to all human service contracts, including new awards and extensions, but excludes City Council discretionary contracts, which, by definition, are untimely.

Please see below for the analysis of this year's HHS contracts by agency.

HHS Timeliness by Agency



(Link:

https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Timeliness.svg

- ACS is 82% on time
- Aging is 96% on time
- DOHMH is 75% on time
- DHS is 55% on time
- HPD is 86% on time
- DOP is 84% on time
- SBS is 17% on time
- DSS/HRA is 31% on time
- DYCD is 79% on time
- MOCJ is 35% on time
- The 2024 Citywide total is 69% on time

HHS Timeliness by Agency - Fiscal 2025 (UPDATE)

Agency	On Time	1-30 Days	31-60 Days	61-90 Days	91-180 Days	181-365 Days	+366 Days	Contract Count
ACS	93%	4%	0%	4%	0%	0%	0%	28
Aging	83%	16%	1%	0%	0%	0%	0%	163
DOHMH	58%	14%	3%	6%	4%	7%	8%	71
DHS	68%	14%	4%	1%	5%	7%	0%	73
HPD	13%	50%	0%	13%	0%	13%	13%	8
DOP	87%	0%	0%	0%	3%	7%	3%	30
SBS	8%	0%	0%	8%	31%	54%	0%	13
DSS/HRA	41%	14%	1%	5%	10%	26%	3%	172
DYCD	69%	9%	8%	5%	6%	4%	0%	709
MOCJ	28%	49%	5%	3%	3%	3%	10%	39
FY25 Human Service Timeliness	65%	12%	5%	4%	5%	7%	1%	1,306
FY24 Human Service Timeliness	69%	14%	4%	4%	5%	2%	2%	958
FY23 Human Service Timeliness	55%	11%	7%	4%	9%	10%	5%	854

As the table above shows, 69% of the 958 HHS contracts from human service agencies were submitted to the Comptroller on time, up 14% from FY23 (55%). In FY24, 83% of contracts were submitted within 30 days of the start date, up from 66% in FY23, and there were 15% fewer contracts that were submitted over 91 days this year compared to last year. This strong performance this year reflects the efforts of last year's FY24 HHS Timely Registration Initiative and the Adams Administration's ongoing commitment to timely registration.

Aging had the highest percentage of on-time submissions to the Comptroller in FY24 with 96% submitted on time. ACS, DOHMH, HPD, DOP, and DYCD all had on-time submissions at or above 75%, while other agencies such as SBS, DSS/HRA, and MOCJ struggled to submit their contracts on time. Although the Citywide Chief Procurement Officer has not deemed any agencies to be substantially late, MOCS recognizes that there is still progress to be made. We are working on multiple reforms and initiatives to ensure more timely registration for HHS contracts, which are outlined in the Procurement Reform section of this report.

Returnable Grant Fund

The RGF provides interest-free loans to help human services providers bridge the gap in funding while awaiting contract processing and registration. Created in 1992, the Fund is run in partnership with MOCS and the Fund for the City of New York (FCNY).

As detailed in Table 1: RGF Activity, in FY24 the RGF made 305 loans to 186 vendors totaling \$89,455,259. While this data represents a 11% decrease from the total value of all loans issued in FY23, it aligns with a goal of the RGF Reform implemented in January 2024 – to expand access to smaller providers, particularly community-based organizations that often contract for lower amounts through opportunities like City Council discretionary funding. This diversity in program size and provider need can be seen in the size of individual loans, ranging from \$4,930 to \$2,838,547 respectively.

The overall number of loans increased from 194 in FY23 to 305 in FY24. This 56% increase in unique vendors and 57% increase in volume can also be attributed to the RGF Reform, which expanded access to loans for human services providers needing help with critical expenses and streamlined the application process. 60.6% of the loans requested in FY24 were received by MOCS after this reform was implemented.

Returnable Grant Fund Activity, Yearly Comparison

Fiscal Year	RGF Applications	Unique Providers	Loan Value
2019	556	275	\$115,343,343
2020	340	193	\$56,802,574
2021	129	81	\$30,245,767
2022	433	242	\$88,805,427
2023	194	119	\$100,729,928
2024	305	186	\$89,455,259

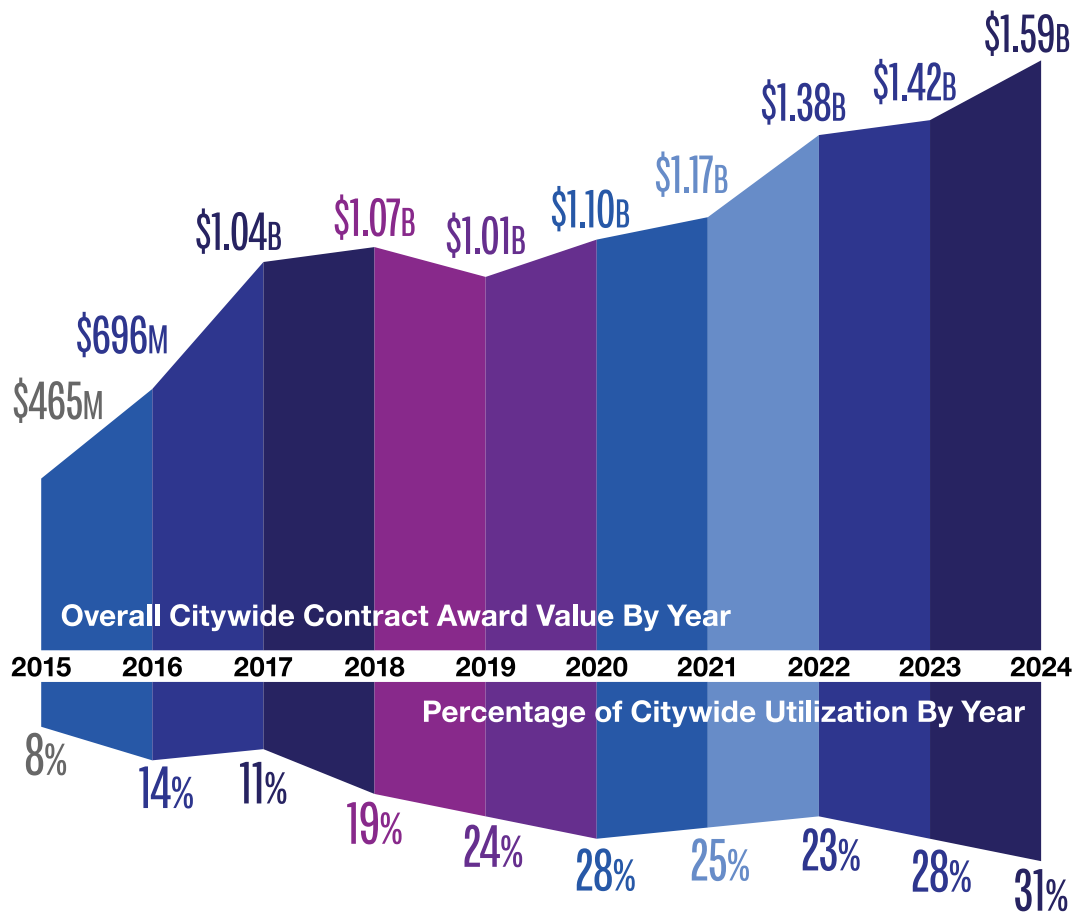
Section 6: M/WBE Partners

Economic Opportunities for M/WBEs under Local Law 1 of 2013

New York is committed to encouraging a competitive and diverse business environment – one that truly reflects the makeup of this City. The Minority and Women-owned Business Enterprises (M/WBE) Program was created to address the documented disparity between City contract awards to specific ethnic and gender groups and the representation of those groups within the New York City regional market. Overall, the M/WBE Program, led by the citywide M/WBE Director, seeks to increase the contracting opportunities and participation among City-certified M/WBE firms.

In FY24, the City awarded approximately \$1.6 billion – the highest ever – in combined prime and subcontract awards to City-certified M/WBE vendors out of \$5.1 billion LL1 eligible contracts. This represents a combined M/WBE utilization rate of 31.2%, contracts subject to the City's M/WBE Program. This improves on the City's 27.9% combined utilization achieved in FY23 by 3%, and marks the highest utilization rate the City has achieved since the program started in 2015. The City continues to diligently work and partner with our City-certified M/WBE firms to help alleviate market disparities and provide necessary goods and services across the City.

Local Law 1 Percentage of Citywide Utilization Graph



(Link:

https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_LL1.svg)

- 465 million dollars FY 2015
- 696 million dollars FY 2016
- 1.04 billion dollars FY 2017
- 1.07 billion dollars FY 2018
- 1.01 billion dollars FY 2019
- 1.10 billion dollars FY 2020
- 1.17 billion dollars FY 2021
- 1.38 billion dollars FY 2022
- 1.42 billion dollars FY 2023
- 1.59 billion dollars FY 2024

Economic Opportunities for M/WBEs - Reference Notes

1. Section 6-129 of the New York City Administrative Code establishes Citywide participation goals for M/WBEs for standardized, professional, and construction services contracts, regardless of value, and for goods contracts valued under \$1 million. These may include subcontract awards made on prime contracts awarded prior to July 1, 2013 that are not subject to the law. ↗
2. Under Section 6-129(q) of the New York City Administrative Code (NYC Admin. Code), agencies are not required to set participation goals on the following types of contracts: (1) those subject to federal or state funding requirements which preclude the City from imposing goals; (2) those subject to federal or state law participation requirements for M/WBEs, disadvantaged business enterprises, and/or emerging business enterprises; (3) contracts between agencies; (4) procurements made through the United States General

Services Administration or another federal agency, or through the New York State Office of General Services or another state agency, or any other governmental agency; (5) emergency procurements; (6) sole source procurements; (7) contracts for human services; and (8) contracts awarded to nonprofit organizations. ↵

Prime Contract M/WBE Utilization

In FY24, M/WBE prime contract awards subject to the Program represented 25% of the applicable prime contract universe, compared to 22% in FY23. As the tables below demonstrate, M/WBEs were awarded approximately \$1.2 billion in prime contracts in FY24. For additional details on the information presented in this table, please refer to **Appendix G**.

Prime Contracts by Industry - Fiscal 2024

Industry	M/WBE Primes			Total Primes	
	#	\$	%	#	\$
Construction Services	13,282	\$388,162,045	18.0%	16,148	\$2,110,003,948
Goods	4,830	\$119,953,069	66.0%	8,873	\$181,938,856
Professional Services	980	\$404,947,586	21.0%	2,234	\$1,908,554,092
Standardized Services	586	\$286,620,520	50.0%	2,210	\$567,906,991
Total	19,678	\$1,199,683,221	25.2%	29,464	\$4,768,403,887

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Prime Contract M/WBE Utilization - Reference Notes

1. P-Card purchases were not included in FY24 prime contract award count but were instead counted separately. ↵

Agency Prime Contracting Highlights

The City continues to make every effort to increase contracting opportunities for the M/WBE community. Certain agencies have distinguished themselves in this regard during FY24. In particular, the Department of Design and Construction (DDC) awarded greater than \$269 million to M/WBE prime contractors last fiscal year, representing 16% of its prime contractor awards. The Department of Parks & Recreation (DPR) and the Department of Homeless Services (DHS) awarded \$167 million and \$122 million, respectively, during FY24, accounting for 47% and 80% of the respective prime value and contributing to the City's overall efforts and utilization of M/WBEs.

Subcontract M/WBE Utilization

Many M/WBEs use subcontracting opportunities as a point of entry into City contracting. Thus M/WBE subcontracting participation goals are set as material terms on applicable prime contracts to ensure access to City work. The participation goals are set in relation to the scope of work required by the contract and the availability of M/WBEs that can perform the work.

As the table below shows, during FY24 approximately \$424 million was awarded to M/WBEs in subcontracts under construction services, professional services, and standardized, resulting in 5% increase from last fiscal year (\$406 million). These subcontracts were all awarded in FY24, regardless of when the prime contract was registered. The subcontracts, distributed among different M/WBE groups, represent 69% of all such qualifying subcontracts awarded. For additional details regarding information presented in the table below, please refer to **Appendix I**.

Subcontract M/WBE Utilization - Fiscal Year 2024

Industry	M/WBE Subcontracts			Total Subcontracts	
	#	\$	%	#	\$
Construction Services	677	\$297,481,515	67.0%	1159	\$446,733,578
Goods	0	\$0	0.0%	0	\$0
Professional Services	436	\$102,505,659	75.0%	651	\$136,734,913
Standardized Services	107	\$24,367,963	79.0%	152	\$30,661,765
Total	1,220	\$424,355,136	69.1%	1962	\$614,130,256

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Agency Subcontracting Highlights

As was the case in FY23, DDC accounted for a significant portion of subcontracts awarded to M/WBEs during fiscal year FY24, awarding \$203.6 million in M/WBE subcontract awards. DEP and DOT rounded out the top three agencies with approximately \$68.6 million (+14%) and \$60.4 million (+21%), in subcontract awards, respectively.

Large-Scale Contract Approvals

Pursuant to LL1, City agencies are required to obtain approval by the City Chief Procurement Officer (CCPO) before soliciting procurements anticipated to be valued at more than \$10 million. The CCPO is required to review the procurements in order to evaluate whether it is practicable to divide the proposed contracts into smaller contracts, and whether doing so will enhance competition among M/WBEs. A full list of these determinations is included in **Appendix J**.

In FY24, the number of large-scale contract approvals decreased by 3% from last fiscal year (28), while the contract value went down 29% from \$862 million in FY23.

Large-scale contracts concentrate the City's business in the hands of a few large vendors and create fewer opportunities for smaller, less established businesses (like M/WBEs) to compete for contracts, although five large-scale contracts worth \$86 million still went to M/WBEs. The reduction in large-scale contracts reflects the work of agencies to identify opportunities to break up large procurements and pursue other contracting arrangements to meet their needs. This is a component of the City's work to expand opportunities for M/WBEs and is reflected in the increased M/WBE utilization rate highlighted above.

Large-Scale Contract Approvals

Basis for Determination	Count	Sum of Contract Value
Requirement Contract	13	\$342,441,720
Single Indivisible Project	8	\$124,005,028
Unique/Unusual Good or Service	6	\$144,608,824
Total	27	\$611,055,572

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Large Scale Contract Approvals - Reference Notes

1. Under Section §6-129(h)(2)(e) of the NYC Admin. Code, agencies are not required to obtain CCPO approval for capital projects valued over \$25 million and contracts excluded under Section 6-129(q) of the NYC Admin. Code. ↗
2. Approvals that occurred in FY23 but have not yet resulted in the release of any solicitation are reported only after the contract is awarded in order to protect the integrity of the bidding/proposal process. ↗

Waivers, Modifications, and Noncompliance

A vendor that plans to submit a bid or proposal in response to a solicitation for a contract that is subject to M/WBE participation goals may seek to request a reduction in the goals by filing a waiver request with the contracting agency during the solicitation stage. The agency and MOCS then review and evaluate the extent to which the vendor's business model and subcontracting history is consistent with this request. The Agency and MOCS also consider the availability of M/WBE vendors when determining whether to grant a waiver request. In order to qualify for a waiver, a vendor must show both the capacity to execute the contract with less subcontracting than projected and legitimate business reasons to do so.

During FY24, vendors sought a total of 165 requests for waivers of the M/WBE participation requirements at the solicitation stage. Of those requests, 88 were denied (53%), while 18 were approved as full waivers (11%) and 58 were approved as partial waivers (35%), see **Appendices – Table G**. In contrast to FY23, there were fewer waiver requests (118), with 35% denied, 8% fully approved, and 58% partially approved.

Waivers may be granted only to vendors that demonstrate both the capacity to perform the prime contract without subcontracting and a prior contracting history of doing similar work without subcontracting, taking into consideration the total number of M/WBE vendors which are able to perform work on the specific contract. Some of the waivers that were granted involved repeated requests from the same firms, as they sought multiple bidding opportunities. As

waivers must be applied for in the solicitation phase, vendors who bid or propose with a waiver request might not end up winning the contract award.

M/WBE Waiver Determinations - Fiscal 2024

Updated
Out of the 165 waiver requests, one waiver was withdrawn by the requestor.
Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Pursuant to Admin. Code 6-129, contractors may request modifications of their M/WBE utilization plan after the award of the contract if the contractor made reasonable, good faith efforts to meet the goals set by the agency. In FY24, MOCS approved five (5) such modification requests. Agencies are also required to report any contractors who do not comply with the set M/WBE goals on a contract, and violations may result in the agency taking specific actions against the contractor that may impact future contracts. In FY24 there were no findings of noncompliance regarding M/WBE goals.

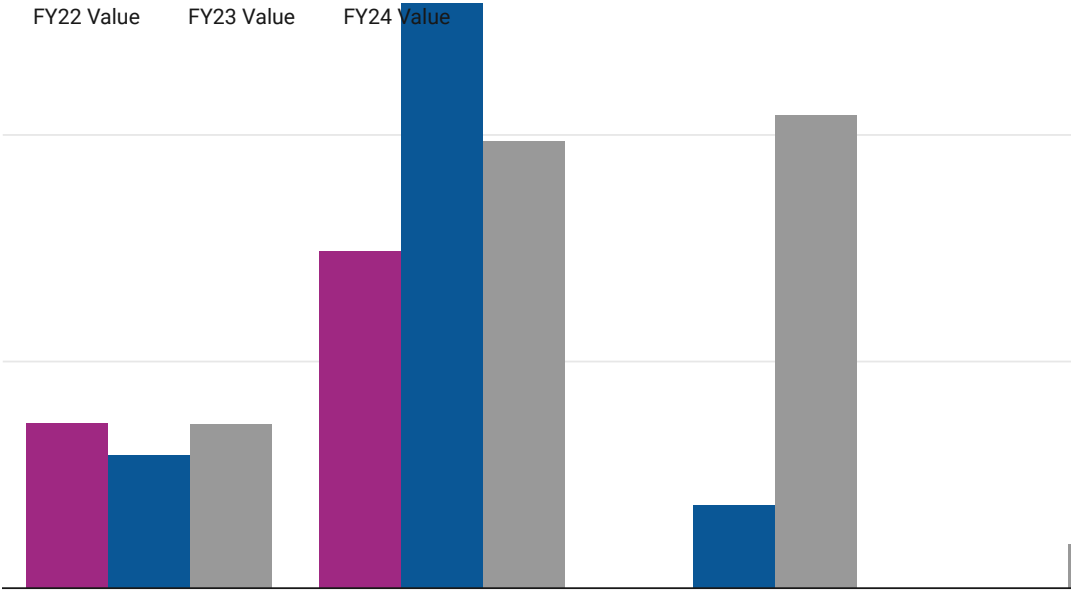
M/WBE Small Purchase Method

Pursuant to the PPB Rules , agencies may use the M/WBE Small Purchase method to make purchases for goods, services, or construction from any City-certified M/WBE up to and including the maximum amount authorized by the City Charter without a formal competitive process where there are available City-certified M/WBEs to provide such goods, services or construction that meet the need of the agency. Purchases made under this method are not subject to the formal competitive bid or proposal requirements set forth elsewhere within the PPB Rules.

To increase M/WBE utilization and to support the City's goal of increasing awards to M/WBE vendors, agencies, wherever practicable, use the M/WBE SP method to award contracts to M/WBE vendors.

As noted in previous sections, the threshold for this method increased during FY24 from \$1 million to \$1.5 million, providing increased opportunities to M/WBEs and helping to increase the contract value that is procured using this method. The M/WBE SP had an increase of 6% in the total number of contracts and an increase of 41% in contract value, from last fiscal year, reflecting the impact of this threshold increase. Most of these increases in contract value were found within the \$500K to \$1 million range (+486%), while \$9.6 million in contracts were awarded using the new threshold range from the \$1 million to \$1.5 million.

M/WBE Small Purchase Method - FY22 to FY24 Contract Value

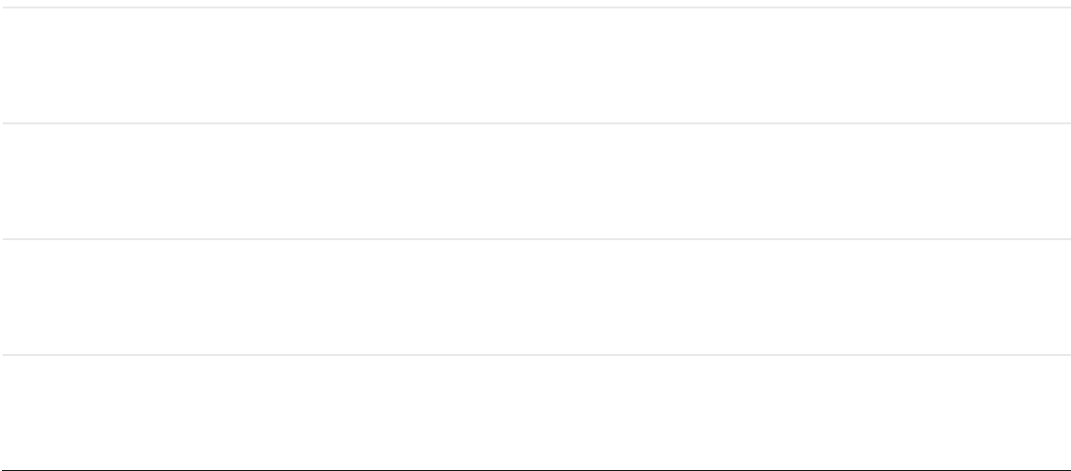


\$50000,000

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Across the five industries where the M/WBE Small Purchase Method is applicable, Professional Services, Goods, and Standard Services were the top three leading in FY24, making up 39%, 32%, and 22% of total industries value respectively.

M/WBE Small Purchase Method By Industry - Fiscal 2024



Professional Services

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

In FY24, Mayoral agencies, including the Department of Education, awarded a total of 941 contracts to M/WBEs valued at approximately \$248.6 million using the M/WBE Small Purchase Method. Two agencies that have distinguished themselves in utilizing this method are the Office of Technology and Innovation (OTI) and the Department of Health and Mental Hygiene (DOHMH). OTI awarded over 16% of all Mayoral M/WBE SP awards in FY24 with 147 contract

awards totaling over \$40 million. DOHMH awarded 13% of all Mayoral M/WBE SP awards in FY24 with 73 contract awards totaling over \$32 million.

M/WBE Small Purchase Method Contracts - Fiscal 2024

Agency	Number of Contracts	Total Contract Awards
DOE	41	\$16,060,981
Mayoral	900	\$232,549,200
Total	941	\$248,610,181

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

M/WBE Small Purchase Method (SP) - Reference Notes

1. PPB Rule § 3-08(c)(1)(iv) ↗
2. City Charter Section 311 (i)(1) ↗

M/WBE Disparity Within Disparity

During FY24, M/WBEs were awarded 31.2% of the total contract dollars across mayoral agencies. The table below details the differences in the number of contracts awarded and the value of awarded prime contracts to both M/WBEs and Non-M/WBE firms for four contract industries (goods, construction, standard, and professional services). M/WBEs were most successful in Goods contracts, winning 66% of the total value of contracts awarded within this industry. In addition, we see a 50% utilization within the standard servicers awarded to M/WBEs.

Even though M/WBEs won 82% of all Construction Services contracts awarded, the value of those contracts accounted for only 18% of the total contract value awarded during the reporting period. Similarly, Non-M/WBEs were very successful in competing and winning larger contract value in Professional Services. Within Standard Services, 27% of contracts solicited throughout last fiscal year were awarded to M/WBEs, while capturing 50% of the contract value.

M/WBE Disparity Within Disparity - Fiscal 2024

	Construction Services		Goods		Professional Services		
	M/WBE	Non-M/WBE	M/WBE	Non-M/WBE	M/WBE	Non-M/WBE	M/WBE
# of Contracts	13,282	2,866	4,830	4,043	980	1,254	58
% of Total Contracts	82%	18%	54%	46%	44%	56%	27
Contract Value (\$)	\$388M	\$1.7B	\$120M	\$62M	\$405M	\$1.5B	\$287
% of Total Value	18%	82%	66%	34%	21%	78%	50

The City has made significant strides in awarding contracts to M/WBEs through initiatives and policies designed to prioritize M/WBE utilization. However, contract award data shows that certain categories of M/WBEs continue to be underutilized and may not have the same access to opportunities as some of their counterparts. This occurrence is often referred to as the "disparity within the disparity."

The table below details the differences in contract awards to M/WBEs of varying ethnicity and gender for FY24. Asian male owned firms and Non-minority Women owned firms received 56% of the total contract dollars awarded to M/WBEs in comparison to their counterparts. This figure decreased by 14% from FY 2023, which was 70% combined. Last fiscal year, Asian male MBEs were awarded over \$371 million in contracts and non-minority WBEs were awarded contracts valued at over \$299 million of the \$1.2 billion that went to M/WBE prime contracts. The remaining M/WBE ethnic or gender categories made up the remaining 44% of contract value (\$525 million), with Hispanic male having received 16%, and the rest of the categories having received 13% or less in contract award dollars for the same reporting period.

M/WBE Total Contract Awards - Fiscal 2024

M/WBE Category	Contract Count	Contract Value
Male-Owned MBE - Asian	12,640	\$371,270,507
Male-Owned MBE - Black	1,038	\$150,461,046
Male-Owned MBE - Hispanic	979	\$197,534,608
Male-Owned MBE - Native American	17	\$889,080
WBE - Asian	1,088	\$81,869,484
WBE - Black	385	\$52,756,999
WBE - Caucasian Woman	3,211	\$299,397,517
WBE - Hispanic	320	\$45,503,979

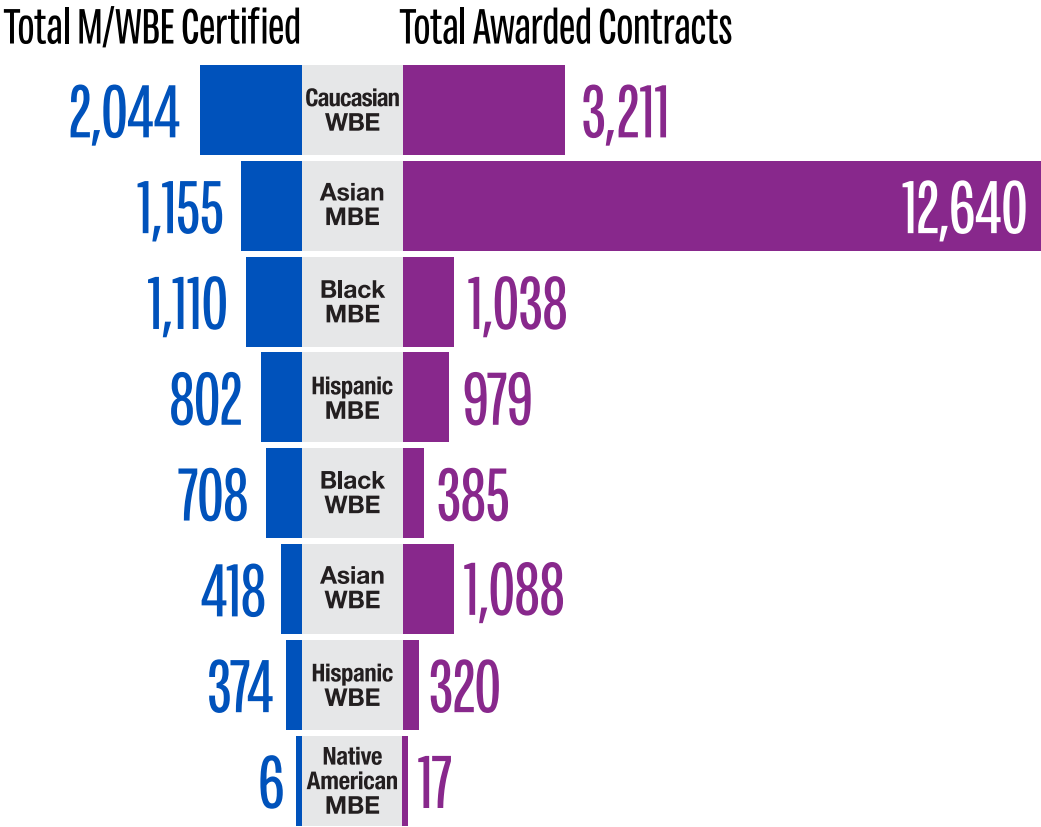
City M/WBE Certification data from SBS shows how variations in the certified pool can influence the disparity within the disparity. For example, Asian Male owned firms were awarded over \$170 million in Construction Services contracts while all other ethnic minority women owned firms (Black, Hispanic, and Asian WBE) were awarded a total of \$23 million, less than 10% of the construction awards going to women.

However, there are 712 Asian Male certified firms within Construction Services versus a total of 319 certified ethnic minority WBEs (88 Black, 116 Hispanic, 115 Asian, and 0 Native American WBEs). Because the total number of certified Asian Male owned firms in Construction Services surpasses the total number of certified ethnic minority women owned firms within each category by over 100%, greater availability gives Asian Male certified firms opportunity to respond to solicitations and compete for contracts at significantly higher rates than any other certified ethnic minority women owned firms.

M/WBE Total Contract Awards by Certification Numbers (Table) - Fiscal 2024

M/WBE Report Category	Certification Count	Contract Count
WBE - Caucasian Woman	2,044	3,211
Male-Owned MBE - Asian	1,155	12,640
Male-Owned MBE - Black	1,110	1,038
Male-Owned MBE - Hispanic	802	979
WBE - Black	708	385
WBE - Asian	418	1,088
WBE - Hispanic	374	320
Male-Owned MBE - Native American	6	17

M/WBE Total Contract Awards by Certification Numbers (Graph) - Fiscal 2024



(Link: https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Disparity.svg)

Numbers in this graph can be found in the M/WBE Total Contract Awards by Certification Numbers Table.

In the City's effort to address these disparities, multiple tools exist to help agencies solicit and award more contracts to M/WBES. These include the creation of M/WBE prequalified lists (PQLs), use of Best Value CSBs and Best Value RFPs/CSPs, the M/WBE Small Purchase

Method (SP) and increasing the discretionary threshold limits through legislative actions. Such policies are intended to make our program more effective for those M/WBE groups that have not benefitted as much as others to date.

Another example of the City's use of procurement tools to target disparity-within-disparity firms is Executive Order 26 of 2023, which sets the requirement for all initial SP awards valued up to \$500,000 that agencies exclusively solicit to underutilized M/WBE ethnic or gender categories. Implementation of this initiative, coupled with increasing the discretionary threshold, has increased the number of contracts awarded to underutilized M/WBEs.

M/WBE Disparity within Disparity - Reference Notes

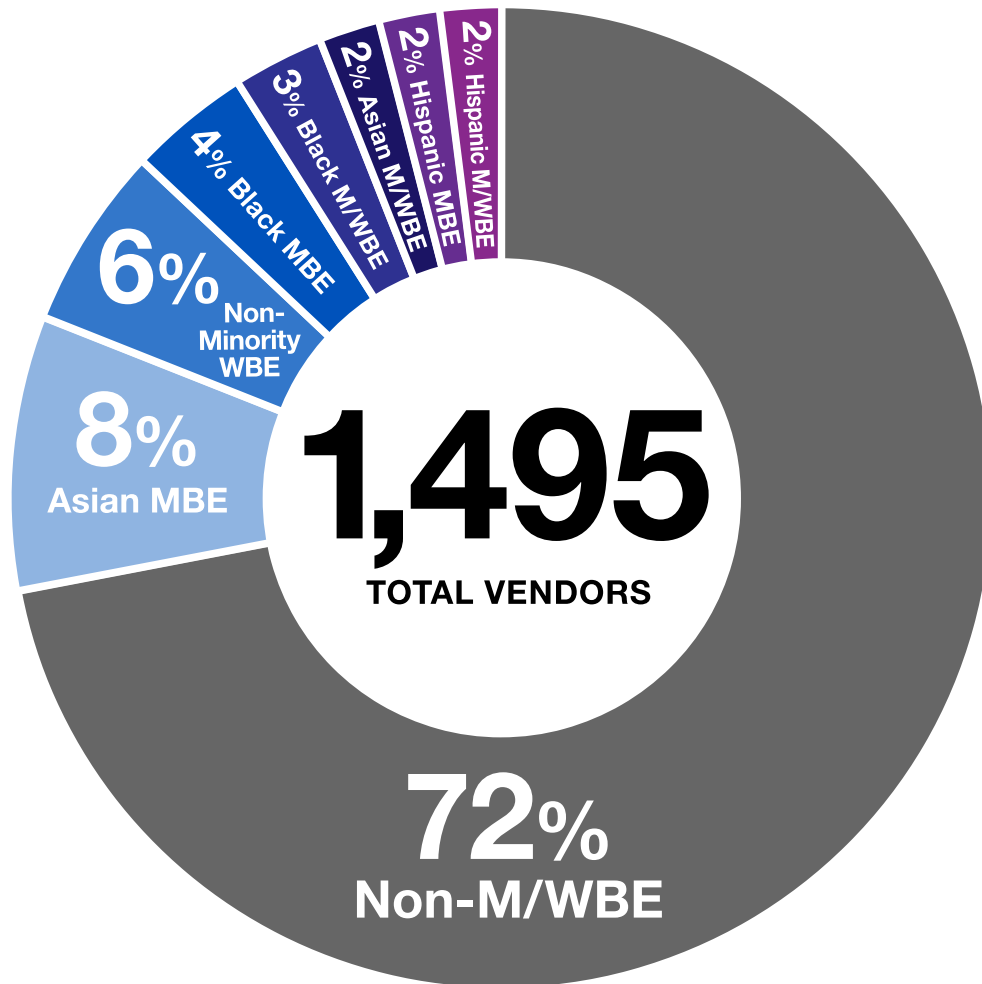
1. All certification numbers were provided by Small Business Services. ⁵

M/WBE Competitiveness

In FY24, 656 prime contracts from PASSPort were registered that used the competitive sealed bid (CSB) or competitive sealed proposal (CSP) methods, which came from 488 solicitations in PASSPort. Through direct outreach, 1,495 unique vendors responded to those solicitations on the contracts that were registered during FY24.

Of the vendors who responded to the 488 solicitations, 28% were M/WBEs, meaning that almost three fourths of all vendor responses came from non-M/WBEs. The breakdown of response by M/WBE category align closely with the disparities noted above, with male-owned Asian businesses and non-minority women making up the next largest groups of responses to solicitations.

Fiscal Year 2024 Bidders by M/WBE Category



(Link:

https://www.nyc.gov/assets/mocs/images/2024reports/2024_Indicators_Competitiveness.svg)

- 73% of total vendors are Non-M/WBE
- 8% of total vendors are Asian MBE
- 6% of total vendors are Non-Minority WBE
- 4% of total vendors are Black MBE
- 3% of total vendors are Black M/WBE
- 2% of total vendors are Asian M/WBE
- 2% of total vendors are Hispanic MBE
- 2% of total vendors are Hispanic M/WBE
- Total vendor count is 1495

When human service contracts, which are excluded from LL1, are removed, the percentage of responses coming from M/WBE vendors increases to 38%; however, the disparities between different M/WBE categories remain the same.

For the M/WBE program to succeed, City procurement rules must be equitable, accessible, and simple to use, but increased certification and outreach to M/WBEs will also diversify the competition pool. Of the solicitations that resulted in contracts registered in FY24, 38% (180) did not receive a response from any M/WBE vendors, which means that it was not possible for the agency to select an M/WBE for that contract.

The City also wants to bring in new vendors who have never done business with the City before. This year, 82% of responses to the solicitations for contracts registered in FY24 came

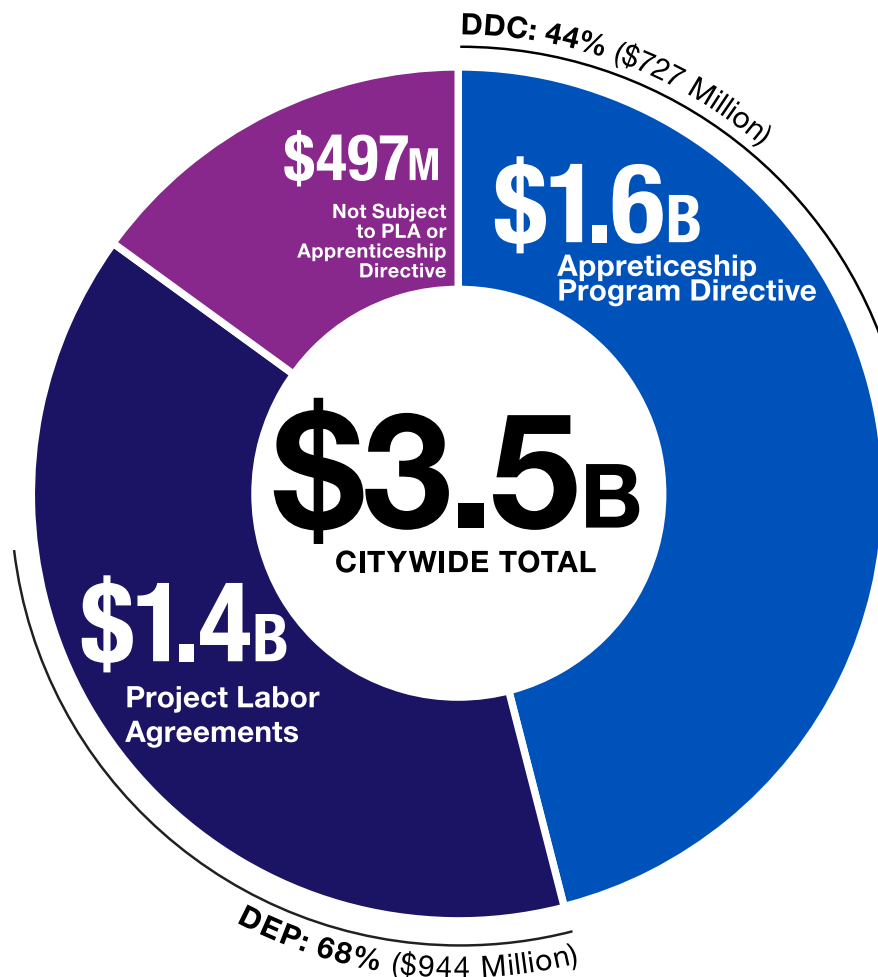
from new vendors, which is up substantially from 18% in FY23. However, of the new vendors, only 29% were M/WBEs.

Section 7: Construction Indicators

The chart below details the construction industry contracts registered in FY24 and highlights the top five City construction agencies by dollar value of construction contracts, which were DEP, DCC, DPR, DCAS and DOT. This section will also provide details about Construction-specific topics, including Project Labor Agreements, the Apprenticeship Program Directive, and Construction and Design Change Orders.

In FY24, the construction industry was the third largest industry, with over \$3.5 billion in new procurements. Note that this was down 47% from the construction contract value of \$7 billion from prior FY23. Most of this FY24 decrease comes from the FY23 registration of the nearly \$3 billion Brooklyn Borough-Based Jail construction project, which was the City's largest contract in FY23. FY24's \$3.7 billion in construction procurement is more similar to the FY22 amount (\$4.3 billion).

Newly Registered Construction Indicators - Fiscal 2024
Graph



- DDC Apprenticeship Program Directive: 727 million dollars
- DEP Project Labor Agreement (PLA): 944 million dollars

- Apprenticeship Program Directive: 1.6 billion dollars total
- Project Labor Agreement (PLA): 1.4 billion dollars total
- Not subject to project labor agreement or the apprenticeship directive: 497 million dollars
- Citywide Total: 3.5 billion dollars FY 2024

Project Labor Agreements and Apprenticeship Program Directive

A Project Labor Agreement ("PLA") is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for applicable construction projects. Since 2009, the City and the Building and Construction Trades Council of Greater New York and Vicinity (BCTC) have entered into PLAs for certain renovation and rehabilitation of City-owned buildings and structures, as well as certain specified new construction projects and design build projects. The PLAs create direct labor cost savings, ensure a reliable source of skilled and experienced labor, permit flexibility in work schedules, and avoid many potential causes of project delays, such as labor strikes, which are prohibited by PLAs. The PLAs also contain unique provisions to help small, M/WBE construction firms. All prime contractors and subcontractors on projects subject to a PLA must agree to the terms of the PLA by signing a Letter of Assent prior to award of the project.

Currently, the City continues its efforts in negotiating and entering into new PLAs with the BCTC for upcoming City construction projects, including design-build infrastructure projects. In FY24, approximately 39.5% of all construction contracts (by dollar value) were subject to a PLA, down 23.5% from FY23 (63%). This FY24 decrease is primarily driven by the aforementioned FY23 registration of a nearly \$3 billion PLA contract for the Brooklyn Borough-Based Jail construction project, whereas there was no similar contract registered in FY24. This FY24 drop also potentially reflects that construction volume increased significantly in FY23 following the COVID-19 pandemic as the City resumed many projects that were previously paused due to the pandemic, which expanded the universe of contracts that require PLAs, whereas in FY24 we are an additional year removed from the pandemic.

Apprenticeship is the process of learning a skilled trade through on-the-job training plus related classroom education. Apprentices are able to earn full journeyworker wages as training is completed. The Apprenticeship Program Directive requires that certain construction and construction-related maintenance contractors have apprenticeship agreements appropriate for the type and scope of work to be performed that have been registered with, and approved by, the New York State Department of Labor. This requirement expands the pool of work available to graduates of state approved apprenticeship programs, provides ready sources of trained workers to City construction contracts, reduces turnover, and provides clear pathways to stable careers in the construction industry, all while apprentices earn wages and benefits. The Apprenticeship Program Directive applies to individual construction contracts and construction-related maintenance prime contracts valued above \$3 million (and subcontracts on such projects valued at or above \$2 million) that use apprenticeable construction-related trade classifications.

In FY24, approximately 46.5% of all construction contracts (by dollar value) were subject to the Apprenticeship Program Directive, up 18.5% from FY23 (28%). This significant increase (on a percentage basis) of overall contract values is also a reflection of a decrease in PLA contract dollar value as a result of the aforementioned FY23 registration of the \$3B Brooklyn Borough-Based Jails contract. Note that while all PLA projects include Apprenticeship by default, the apprenticeship values reported herein are for contracts where only Apprenticeship applied and which were not also subject to PLA. Therefore, as the relative percentage of PLA contracts

decreased in FY24, there is an expected corresponding overall percentage increase of apprenticeship contracts.

Change Orders: Cycle Time and Volume

Change orders are agency-authorized, written documents that allow for modifications of a contract while the contract is being performed. Change orders are used to adjust the value of the contract or the time for performance and are classified as either Construction Change Orders (CCO) or Design Change Orders (DCO), depending on the scope of work. Change orders allow the vendor to complete work included in the scope of the contract. They also allow the agency to make non-material changes to the scope, such as accounting for site conditions that were unknown at the time of contracting.

In FY24, there were over 1,000 CCOs, valued at nearly \$428 million, which is a similar in volume to FY23. The cycle time for processing change orders remained similar to past years: in FY24, it took 55 days for CCOs to be processed, while in FY23 it took 50 days and in FY22 it took 57 days.

Construction Change Order Cycle Time - Fiscal 2024

Agency	No. of Contracts	Original Contract Value	Contract Value	CCO Contract % in FY24	Days Processing in FY24 (Median)
DCAS	10	\$57,798,539	\$26,422,321	46%	93
DDC	512	\$47,780,737,339	\$157,551,156	0%	47
DEP	179	\$25,974,377,911	\$100,544,451	0%	47
DOB	1	\$6,000,000	\$500,000	8%	241
DOT	74	\$9,760,509,515	\$78,601,873	1%	67
DPR	228	\$1,208,646,445	\$47,196,820	4%	67
FDNY	18	\$35,965,864	\$14,219,172	40%	8
HPD	3	\$4,060,955	\$2,505,879	62%	42
OCME	1	\$170,632	\$43,080	25%	196
OTI	1	\$778,393	\$368,650	47%	98
Grand Total	1,027	\$84,829,045,593	\$427,953,401	1%	55

In FY24, there were 160 DCOs, valued at over \$164 million, which is a similar volume to FY23, when there were 163 DCOs, and a 4.5% increase in volume compared to FY23 (\$157 million). The cycle time for DCOs this year remained similar to last year; in FY24, the cycle time was 44 days, and in FY23 the cycle time was 42 days. This consistency reflects the normal cadence of construction design projects in the City.

Design Change Order Cycle Time - Fiscal 2024

Agency	No. of Contracts	Original Contract Value	Contract Value	DCO Contract % in FY24	Days Processing in FY24 (Median)
DDC	119	\$426,496,495	\$90,062,387	21%	37
DOT	12	\$116,825,018	\$9,109,773	8%	83
DHS	12	\$55,776,000	\$1,873,300	3%	221
DCAS	10	\$1,781,800,000	\$2,205,515	0%	25
DEP	4	\$64,894,850	\$55,130,296	85%	55
DSNY	2	\$7,000,000	\$3,000,000	43%	161
DSS	1	\$3,388,097	\$2,700,000	80%	111
Grand Total	160	\$2,456,180,460	\$164,081,272	7%	44

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

The values reported in both tables do not include no-cost change orders.

Design-Build

In FY24, four design-build contracts were registered, all of which were by DDC (the only Agency that has registered Design-Build contracts to date), totaling \$57 million. While additional Agencies have Design-Build authority and have initiated procurements using this alternative delivery method, none of those procurements resulted in contract registrations in FY24.

Additionally, DDC registered a total of 11 design-build contract change orders in FY24 totaling \$11.6 million. These 11 change orders applied to four previously registered design-build contracts, with ten change orders applying to the construction phase of the associated projects, totaling almost the entire \$11.6 million, and one change order applying to the design phase of a project for approximately \$26,000.

Section 8: Impact

In addition to City agencies using the procurement process to fulfill their respective missions and to maintain their operations, City procurement impacts New York City residents in other ways.

Below are examples of how FY24 procurements affected environmental, community, and economic developments in New York City.

Reducing The Environmental Footprint of New York City

Environmentally Preferable Purchasing

The City's **Environmentally Preferable Purchasing (EPP)** ([Link: https://www.nyc.gov/site/mocs/regulations/epp.page](https://www.nyc.gov/site/mocs/regulations/epp.page)) laws were designed to minimize the environmental harm caused by the City in its role as a consumer of goods. This multi-faceted procurement program established environmentally preferable standards to address a host of environmental concerns including energy and water use, air quality, greenhouse gas emissions, hazardous substances, recycled and reused materials, and waste reduction. Pursuant to Local Laws 118, 119, 120, 121, and 123 of 2005, and Local Law 111 of 2021, City agencies are required to meet environmentally preferable purchasing standards, such as minimum recycled content, when purchasing particular categories of goods and services and through certain construction contracts. Local Law 112 of 2021 further amended the EPP laws by requiring a one-time report on agency textile purchases, which was published separate from this report.

This year over \$429 million was spent on environmentally preferable purchase, down 11% from FY23 (\$480 million), in line with 16% decrease in overall City spending in FY24.

All EPP reports required by law can be found in **Appendix E**.

Environmentally Preferable Purchasing - Fiscal 2024

Industry	Count	Contract Value
Construction Services	29	\$367,421,061
Goods	10	\$61,617,955
Total	39	\$429,039,016

Source: NYC Mayor's Office of Contract Services • [Get the data](#) • Created with [Datawrapper](#)

Preferred Source

While satisfying the procurement needs of City agencies, the Preferred Source program creates job opportunities for disabled and incarcerated New Yorkers who otherwise might not be able to

find work, empowering them with dignity and a sense of purpose. To advance special social and economic goals, all state agencies, political subdivisions, and public benefit corporations are required to purchase approved products and services from preferred sources if their offering meets the agency's needs. New York State's Preferred Source requirements were established by Section 162 of the New York State Finance Law. Purchases from preferred sources take precedence over all other sources of supply and do not require competitive procurement methods. The list of preferred sources is maintained by New York State's Office of General Services.

In FY24, the City purchased almost \$23 million of goods and services from New York State preferred source vendors. This is down from FY23, when the City purchased over \$135 million from these preferred vendors. City law requires a report detailing the City's procurement of products and services offered by preferred sources.

The full report on Preferred Sources is available in **Appendix F**.

Preferred Source - Reference Notes

1. Section 6-136 of the New York City Administrative Code (Local Law 125 of 2013) ↗

Section 9: Appendices

Agency Indicators Report

Visit **Agency Indicators Report** (Link: <https://www.nyc.gov/site/mocs/resources/agency-indication-reports.page>) to see a breakdown of each agency's Fiscal Year 2024 procurement by industry, method, and size.

Glossary

The **Glossary** (Link: <https://www.nyc.gov/site/mocs/about/glossary.page>) defines relevant key City procurement and contract registration terminology.

Visit **Agency Acronyms** (Link: <https://www.nyc.gov/site/mocs/about/agency-acronyms.page>) for a list of City agencies and websites.

Executive Summaries Archive

Fiscal Year 2023 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY23ExecutiveSummary.pdf>)

Fiscal Year 2022 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY22ExecutiveSummary.pdf>)

Fiscal Year 2021 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY21ExecutiveSummary.pdf>)

Fiscal Year 2020 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY20ExecutiveSummary.pdf>)

Fiscal Year 2019 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY19ExecutiveSummary.pdf>)

Fiscal Year 2018 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY18ExecutiveSummary.pdf>)

Fiscal Year 2014 Executive Summary (Link: <https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY14ExecutiveSummary.pdf>)

Fiscal Year 2013 Executive Summary (Link:

<https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY13ExecutiveSummary.pdf>)

Fiscal Year 2012 Executive Summary (Link:

<https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY12ExecutiveSummary.pdf>)

Fiscal Year 2011 Executive Summary (Link:

<https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY11ExecutiveSummary.pdf>)

Fiscal Year 2010 Executive Summary (Link:

<https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY10ExecutiveSummary.pdf>)

Fiscal Year 2009 Executive Summary (Link:

<https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/previous-year/FY09ExecutiveSummary.pdf>)

Indicators Appendices

Fiscal 2024 Agency Procurement Indicators Report Appendices

Appendix A - Agency Procurement by Method (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixA_2024.xlsx)

Appendix B - Agency Procurement by Size of Contract (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixB_2024.xlsx)

Appendix C - Agency Procurement by Industry (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixC_2024.xlsx)

Appendix D - Discretionary Awards (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixD_2024.xlsx)

Appendix E - Environmentally Preferable Purchasing (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixE_2024.xlsx)

Appendix F - Preferred Source (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixF_2024.xlsx)

Appendix G - Prime Contract M/WBE Utilization (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixG_2024.xlsx)

Appendix H - M/WBE Participation Goals (Excel) (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixH_2024.xlsx)

Appendix I - M/WBE Subcontracting on Primes (Excel) (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixI_2024.xlsx)

Appendix J - Large Scale Registrations (Excel) (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixJ_2024.xlsx)

Appendix K - M/WBE Waiver Requests and Determinations (Excel) (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/2024/AppendixK_2024.xlsx)

Indicators Report Appendices from Previous Fiscal Years

FY23 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/IndicatorsAppendices_2023.zip)

FY22 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/IndicatorsAppendices_2022.zip)

FY21 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/IndicatorsAppendices_2021.zip)

FY20 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY20_Appendices.zip)

FY19 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY19_Appendices.zip)

FY18 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY18_Appendices.zip)

FY17 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY17_Appendices.zip)

FY16 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY16_Appendices.zip)

FY15 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY15_Appendices.zip)

FY14 Appendices Download (Link:
https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY14_Appendices.zip)

FY13 Appendices Download (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY13_Appendices.zip)

FY12 Appendices Download (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY12_Appendices.zip)

FY11 Appendices Download (Link:

https://www.nyc.gov/assets/mocs/downloads/Resources/citywide-indicator-reports/Indicators-appendices/FY11_Appendices.zip)