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THE MAYOR'S OFFICE OF NONPROFIT SERVICES CELEBRATES MILESTONES IN SUPPORTING NONPROFITS AND ADVANCING BOLD PAYMENT REFORMS

Administration celebrates progress in timely payments, wage investments, and unprecedented support for nonprofit providers.

Milestones include reducing the contract backlog from \$11B to under \$3B, transforming discretionary contracts into grants, and doubling advance payments for nonprofits

NEW YORK (December 16, 2025) – The Mayor's Office of Nonprofit Services (MONS) Executive Director Michael Sedillo today celebrated reforms and initiatives that strengthen support for nonprofit organizations, honor their vital role in serving vulnerable New Yorkers, and ensure providers are paid on time so they can deliver critical services.

Since the start of the administration, the backlog of unregistered and retroactive contracts has reduced from \$11.8 billion to \$2.3 billion, accelerating payments and restoring financial stability for providers. This fiscal year, the City also [doubled the standard from 25% to 50%](#) in advance payments for many nonprofits, an unprecedented investment to ensure nonprofits can continue delivering services during these challenging times. Through collaboration with city leadership and city agencies, MONS has made significant progress in supporting its vital partners.

“We took office with a simple promise: to ‘Get Stuff Done,’ and, four years later, our administration can say that we delivered on that promise every day for working-class New Yorkers,” said **New York City Mayor Eric Adams**. “We drove shootings to record lows and pushed jobs and small businesses to record highs. We rewrote the playbook on homelessness and mental health to finally get New Yorkers living on our streets the help they need, and, after decades of half-measures, passed historic housing legislation to turn New York into a ‘City of Yes.’ We overhauled the way our students learn to read and do math, cut the cost of child care, and forgave medical debt. We eliminated taxes for low-income families, launched free universal after-school programming, and reduced the contract backlog from \$11 billion to under \$3 billion, transforming discretionary contracts into grants and doubling advance payments for nonprofit organizations. We got scaffolding off our buildings, trash bags off our streets, and opened up new public spaces for New Yorkers to enjoy. The haters may have doubted us, but the results are clear. On issue after issue, we brought common-sense leadership to create a safer, more affordable city, and

our work has changed our city for the better; it will stand the test of time because we made New York City the best place to live and raise a family.”

“From day one this administration has worked to address the challenges our nonprofit partners face. I am proud of our progress - from the administration’s COLA investment, 50% advance payments, Executive Order 47, which established Chief Nonprofit Officers – we have built a strong partnership with New York City's nonprofit sector,” said **Ana J. Almanzar, Deputy Mayor for Strategic Initiatives**. I am thankful to all of our City agencies, our chief non-profit officers and staff who work tirelessly to make sure our nonprofit partners continue to help us build a more resilient New York.”

“Today’s milestones reflect the progress we’ve made in transforming how the city partners with our nonprofits partners,” said **Michael Sedillo, Executive Director of the Mayor’s Office of Nonprofit Services**. “By reducing the contract backlog, doubling advance payments, and launching bold reforms, we are ensuring providers can focus on what matters most—delivering critical services to New Yorkers. This work is only possible because of the dedication of our public servants across city agencies, who are advancing excellence in government operations and service delivery—and our nonprofit partners who share our commitment to building a stronger, more equitable city.

MONS’ highlights include:

Reform

- **Discretionary Grant Pilot:** Nearly 2/3 of the city's contract backlog consists of discretionary contracts, which often lead to significant payment delays for nonprofits. This year, the Administration in partnership with the City Council launched the [Discretionary Grant Pilot](#), a new process designed to streamline the discretionary contracting process to make it more equitable for providers. Under this pilot, nonprofits with small discretionary contracts below \$25,000 at select agencies will now be processed as grants, cutting out 13 steps from the traditional contracting process. [This Fall, within weeks of receiving a grant agreement, about 100 providers will receive 100% of their funding.](#)
- **Multi-year Discretionary Reform:** In 2023, the administration launched the [multi-year discretionary contract](#) reform to streamline the discretionary contracting process for nonprofits. This reform eliminates a total of nine months of discretionary contracting process time for nonprofits annually for applicable contracts, beginning in the out-years. Previously, nonprofits receiving City Council

discretionary funding were required to register a new contract each year. Under the new policy, they can now enter into multi-year contracts without repeating the full procurement process annually. As a result of this reform, the average processing time for discretionary contracts dropped from 366 days in FY24 to just 46 days in FY25 — a nearly 90% reduction, eliminating close to 11 months of delays.

- **Highest On-Time Rate in Five Years:** This fiscal year 2026, thanks to dedicated public servants, the city registered [88% of human service contracts](#) on time led by MOCS' **Timeliness Registration Initiative**. More than 812 contracts were submitted for registration on-time ahead of fiscal year 2026, nearly doubling last year's total of 430 contracts –the highest rate in the last five years. The initiative streamlined contracting processes, enhanced transparency, and ensured support for providers. As a result, the city's contract backlog reduced, and most nonprofits received unprecedented levels of advances early in fiscal year 2026.
- **Staffing Expansion:** This year, the administration exempted over **180** nonprofit contracting-related positions from the hiring freeze, allowing city agencies to fill critical vacancies, reduce the contract backlog, and ensure nonprofits are paid on time.
- **Human Services Wage Investments:** In March 2024, the Adams administration announced a [\\$741 million investment](#) for an estimated 80,000 human services workers employed by nonprofit organizations with a city contract as part of a new cost-of-living adjustment. To date, the Adams administration has invested over **\$1.4 billion** toward wage enhancements for the human services sector.
- **Clear the Backlog Initiative:** In 2022, the Administration and city agencies unlocked over [\\$6 billion](#) in overdue funds for nonprofits, allowing these organizations to get paid for delivering their vital services.

- **ContractStat:** MONS relaunched this Spring, ContractStat, a performance management tool that brings data-driven accountability to nonprofit contracting across city agencies. In November, MONS held its first ContractStat Convening with Deputy Mayors, Commissioners and Chief Nonprofits to review qualitative and quantitative data and set goals to ensure nonprofits are paid on time.
 - Our data review showed declines in invoice cycle times and backlogged contracts, and a 41% increase in approved budget modifications in Q1 FY26 compared to Q1 FY25.
 - MONS and the Mayor’s Office of Operations plan to add these metrics to the Preliminary Mayor’s Management Report to ensure the public can continue holding the City accountable for progress toward paying nonprofits on time.
- **Quarterly Provider Sentiment Survey:** Introduced in February 2025, this quarterly survey tracks providers feedback on contracting agencies. Scores have significantly improved, helping identify strengths and areas for improvement to accelerate paying nonprofits on time.

Partnerships

- **Chief Nonprofit Officers (CNOs):** Earlier this year, the Administration implemented Executive Order 47, which appointed [Chief Nonprofit Officers](#) in human service agencies across the city. Today, we have **18** CNOs who work closely with MONS and providers to enhance responsiveness, streamline communication, and troubleshoot issues in real-time.
- **Nonprofit Advisory Council:** Established in April 2024, the [Council](#) includes **31** nonprofit leaders who serve as trusted advisors and thought partners, helping MONS remain accountable to the sector.
- **Constituent Affairs:** Since January, MONS has closed out more than **195** inquiries from providers and elected officials and have addressed issues in real-time, ranging from late payments and audits to contract amendments and insurance requirements. Thanks to the swift action of our team and our agency partners, we have helped numerous nonprofits navigate complex bureaucratic processes.

- **Capacity Building:** MONS provides training and resources to strengthen nonprofit practices. More than **121** nonprofits participated in the Navigating Growth series, supporting small organizations managing their first City contract. Additionally, nearly **70** nonprofits joined our Nonprofit Essentials ten-week training series this fall, focused on building effective business plans and connecting with mentors.
- **Events and Site visits:** To be effective we believe in leaving our offices and rolling up our sleeves to strengthen our partnerships alongside our two main stakeholders: agency staff and nonprofits. MONS engages directly with nonprofits through site visits, roundtables, and sector events. By meeting with agency staff and community leaders, the team gains insight into practices, surfaces challenges, and promotes data-driven dialogue to improve performance and support providers.
- **Facilitating On-Time Contracting and Urgent Solutions (FOCUS):** Chaired by Deputy Mayor for Strategic Initiatives Ana J. Almanzar, this monthly convening coordinated by MONS provides senior City Hall leadership with critical updates and decisions. These meetings have been instrumental in advancing the work, resulting in progress reports on backlog reduction, targeted interventions, and new initiatives designed to strengthen support for nonprofit providers.

Culture Change

- **Training City Staff on Customer Service:** This year, **147** procurement officers attended the office's workshop on supporting nonprofits in the contracting process.
 - **94%** ranked the training Excellent/Very Good.
 - **88%** would like to learn more about the topic.
- In October, over **80** contract managers and budget analysts participated in MONS' Customer Experience (CX) Training, learning the "OWN IT" framework to improve service in government procurement. Results from pre- and post-training surveys show a significant positive shift in city staff attitudes and confidence when working with nonprofit providers. The percentage of staff who "**strongly agree**" with key statements increased notably across all categories:
 - *Viewing their job as customer service* rose from **40.0% to 68.75%** — a **+28.75 percentage point** increase.

- *Empathy for nonprofit providers facing payment delays* also increased from **40.0% to 68.75%** — a **+28.75 point** gain.
- *Confidence in having the tools and skillset to support providers* jumped from **22.0% to 62.5%**, marking the largest increase of **+40.5 points**.
- *Understanding their role in overcoming roadblocks* improved from **34.0% to 62.5%**, a **+28.5 point** increase.
- **Excellence in Human Service Delivery Awards (EHSDAs)**: On August 19, 2025, MONS launched the city's first [EHSDAs](#), at Gracie Mansion to celebrate eight exceptional nonprofits and public servants who go above and beyond for New Yorkers. Nonprofits nominated agency staff who supported them through the contracting process, while agency staff recognize nonprofits for their outstanding service.
- **NYC Nonprofit Week**: In recognition of National Nonprofit Day, the administration declared August 17–22 as [NYC Nonprofit Week](#). City leadership and more than 15 agencies celebrated by visiting nonprofits across the city and highlighting providers on social media and in the press. The week reflected the administration's ongoing commitment to ensuring nonprofits are paid on time, fully supported, and empowered to continue serving New Yorkers every day.

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