April 22, 2020

Hon. Members of the New York City Council
City Hall
New York, NY 10007

Re: Human Services Discretionary Contract Funds in the Wake of COVID-19

Dear Members of the New York City Council:

As representatives of New York City’s human services sector, we are writing with urgent concern about the announcement made yesterday, April 21, 2020, that the City Council will not be reimbursing expenses incurred after March 22nd on any discretionary contracts deemed non-essential. This announcement creates confusion for human services providers who worry if they will be paid for costs incurred up to a month previous and are not sure when they will have guidance as to whether their contract is deemed essential.

We ask that you immediately release clear guidance on what discretionary programs are essential and which programs need further review as well as a date for when determinations will be made. Additionally, if the Council decides that they will not reimburse providers for certain contracts through the end of the fiscal year, the date of reimbursement should not be retroactive and should be changed to two weeks after the determination is made so providers can appropriately close out programs.

The human services sector understands that our City’s current fiscal reality is forcing difficult choices. Providers are focused on making these challenging calls as well, and it is never easy. These decisions are made more difficult with last minute and confusing guidance about current year discretionary dollars that providers have already budgeted for and in many cases, spent. Even if these critical programs are not deemed essential in the short term, they are deeply rooted in the budget of these organizations providing other essential services and in local communities which will experience a massive spike of need for non-frontline human services in the coming months.

We are asking for full transparency about how contracts are being classified as essential. As the Council makes funding decisions about discretionary funding as well as the FY21 budget, consideration must be given to those most impacted not only by COVID-19 but also cuts to human services programs. Recently, sweeping and sudden cuts to youth services programs without sector input led to providers losing access to federal support through the Paycheck Protection Program and will negatively impact the ability of families and low-income New Yorkers disproportionately impacted by COVID-19 to economically recover.

City-contracted human services providers are a cornerstone of the social and economic security of New York and it is vital that we are close partners in these times. If we do not work together, providers who were already on the brink of insolvency before this public health crisis are going
to lose trust in the City and be forced into failure during a time your constituents will be facing increased need.

We stand ready to work in partnership with you and urge the Council to offer clearer instruction and preservation of vital human services programs.

Sincerely,

Association for Community Living
Chinese-American Planning Council
The Coalition for Behavioral Health
Coalition for Homeless Youth
Council of Family and Child Caring Agencies
FPWA
Homeless Services United
Human Services Council
LiveOn New York
New York City Employment and Training Coalition
Supportive Housing Network of New York
UJA-Federation of NY
United Neighborhood Houses

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