

NEW YORK CITY COMPTROLLER

Annual Report on M/WBE Procurement FY24 Findings and Recommendations

BUREAU OF CONTRACT ADMINISTRATION

FEBRUARY 2025



1 Centre Street, New York, NY 10007 • (212) 669-3916 • www.comptroller.nyc.gov • У @NYCComptroller





Brad Lander Comptroller

Executive Deputy for Comptroller for Management and Operations Sandra Abeles

Deputy Comptroller, Bureau of Contracts Administration

Charlette Hamamgian

Assistant Comptroller, Bureau of Contracts Administration

Michael D'Ambrosio

Report Coordinators Kerri Nagorski and Dan Roboff

CUNY Fellows James Leidy, Yifeng Zheng, and Rabia Akram

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Executive Summary

Procurement is the process by which the City purchases the goods and services New Yorkers rely on to live safe and healthy lives. A student on her morning commute to school waits under a tree for the pedestrian signal to turn white and crosses the street along the crosswalk. In one short walk she encounters at least three critical public health and safety measures New Yorkers take for granted, each only made possible through an act of a City procurement. The City spends roughly \$40 billion each year to contract out services like these and many more.

A complicated and bulky set of procurement rules dictate how these billions of dollars are spent. These rules were instituted to create a fair and equitable process that eliminates bias, safeguards financial resources and reduces risk of corruption. In reality though, the outcome of this system is not the picture of equity: historically over 95% of that \$40 billion goes to companies owned by white men. This is a disservice to New York City, a diverse city full of entrepreneurs and successful businesses owned by women and people of color.¹

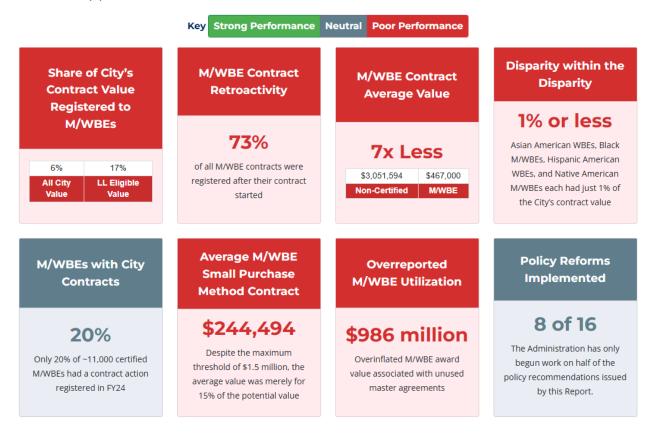
In an effort to address this incongruity, the City has developed a robust program to target investments in Minority- and Women-owned Business Enterprises, or "M/WBEs." This program is a necessary foundation to build a more intentional and equitable procurement portfolio. However, though some modest advances have been made in recent years, real inequities persist. Last year only 17% of the value of contracts subject to the M/WBE program were registered to businesses owned by women and/or people of color. Furthermore, only 20% of the 11,000+ City-certified M/WBEs entered into a new contract with the City -- and many that did faced huge bureaucratic hurdles that delayed payments and put their livelihoods at risk.

This Report presents nuanced and layered data analyses that examine inequities across the City's procurement portfolio and identify critical areas for growth and specialized areas of focus. In addition, this Report explores the City's lack of progress towards achieving the important policy reforms needed to create stronger and more effective procurement tools and systems. It is clear that the City's archaic procurement system isn't working. While these systems are bulky and complex, reform **is** possible and urgently needed.

¹ A note on terminology: For the purposes of this report, "M/WBE" refers to a City-Certified Minority or Women-Owned Business Enterprise. Terms used in this report such as "Minority" and "Hispanic" are based on the NYC Administrative Code and Local Law 174 and align with the certification status in the various systems and databases designed to implement those laws. Such terms are necessary for measurement, but they also have many shortcomings. They often do not reflect how people refer to themselves and fail to convey the expansiveness of human identities. There are no categories for people of two or more races, LGBTQ+ contractors, or people with disabilities. New York City is already a "majority minority" city. While this report is designed to measure outcomes under the existing legal framework, legislative or administrative changes would be welcome to update the categories to better reflect the diverse population of New York City.

Dashboard – NYC's M/WBE Program

This dashboard tracks key performance indicators and provides a snapshot of how well the City is meeting its goal to increase the share of contracts awarded to M/WBEs. Each indicator below shows a key performance measure.



Agency Highlights

In addition to providing analyses of the overall state of City procurement with M/WBEs, this Report provides a snapshot for each agency. Utilizing a new overall performance metric developed to account for differences among agencies, it examines the relative performance of agencies in doing LL 174-eligible business with M/WBEs as compared to their peers with similarly sized portfolios.² It is important for every agency, regardless of its size, to maximize M/WBE utilization whenever possible. However, it is noteworthy to review the size of each agency's procurement portfolio and the share of which is subject to M/WBE participation goals. Charts 1-4 below show the relative share of registered contracts subject to M/WBE participation goals across agencies with similarly sized procurement portfolios. Additional information about each

² Additional context and methodology for Agency rankings and comparisons can be found in the "M/WBE Utilization by Agency" Section and in Appendix D of this Report.

agency and the methodology for establishing cohorts can be found in the "M/WBE Utilization by Agency" section of this Report.

Six agencies make up the "Large Cohort," which includes those agencies whose FY24 contract registrations included over \$100 million in contracts subject to M/WBE participation goals.

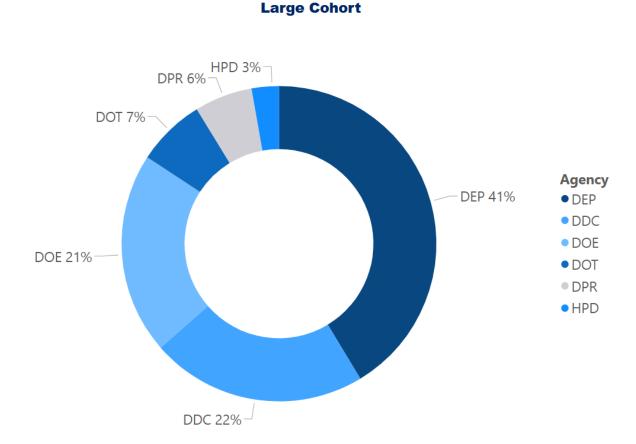


Chart 1: Large Cohort: Share of LL 174 Value by Agency³

Seven agencies make up the "Moderate Cohort," which includes those agencies whose FY24 contract registrations included between \$50 million and \$100 million in contracts subject to M/WBE participation goals.

³ In the web version of this report, readers can hover their curser over each slice in Charts 1-4 to see how the registered value of FY24 contracts and POs break down between M/WBE and Non-Certified vendors. Although the Department of Environmental Protection ("DEP") represents the largest relative share of registered contract value subject to M/WBE participation goals, it also registered the smallest share of that value (6%) to M/WBEs in FY24. By contrast, the Department of Parks and Recreation ("DPR") registered over half of the value of contracts subject to M/WBE participation goals to M/WBEs in FY24.

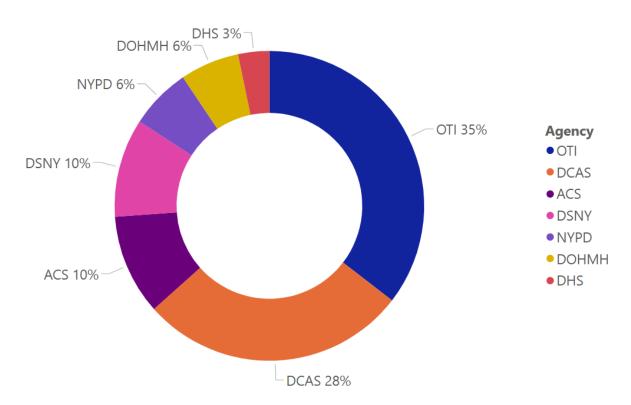


Chart 2: Moderate Cohort: Share of LL 174 Value by Agency⁴

Eight agencies make up the "Small Cohort," which includes those agencies whose FY24 contract registrations included between \$10 million and \$50 million in contracts subject to M/WBE participation goals.

⁴ Among the Moderate Cohort, the Office of Technology and Innovation ("OTI") has the largest relative share of registered contract value subject to M/WBE participation goals, but it also registered the smallest share of that value (just under 19%) to M/WBEs in FY24. By contrast, the Administration for Children's Services ("ACS") registered more than 90% of the value of its contracts subject to M/WBE participation goals to M/WBEs in FY24.

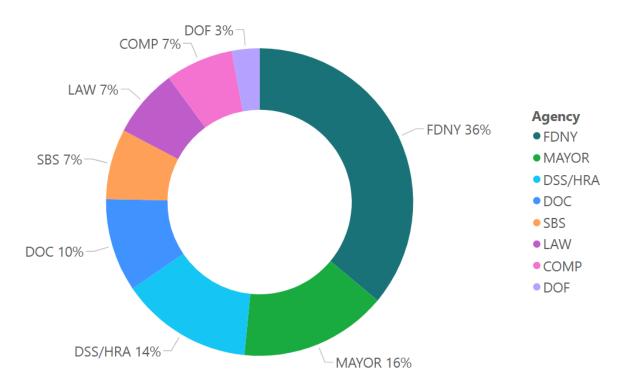


Chart 3: Small Cohort: Share of LL 174 Value by Agency⁵

Sixteen agencies make up the "Micro Cohort," which includes those agencies whose FY24 contract registrations included less than \$10 million in contracts subject to M/WBE participation goals.

⁵ Among the Small Cohort, the Department of Small Business Services ("SBS") registered the smallest share of contract value subject to M/WBE participation goals (just under 5%) to M/WBEs in FY24. By contrast, the Human Resources Administration ("DSS/HRA") registered more than 55% of its contract value subject to M/WBE participation goals to M/WBEs in FY24.

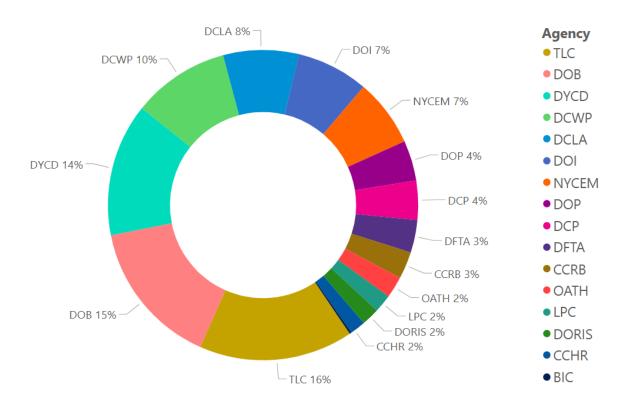


Chart 4: Micro Cohort: Share of LL 174 Value by Agency⁶

Approach

This Report provides a comprehensive review of the Fiscal Year 2024 ("FY24") data of prime contracts registered by New York City agencies with this Office to examine if and when M/WBEs receive contracts, analyzing by procurement method, dollar value, and industry. Reviewing these indicators shines light on the procedural roadblocks that perpetuate inequities in how the City contracts with M/WBEs.

⁶ Among the Micro Cohort, the Landmarks Preservation Commission ("LPC") registered the smallest share of contract value subject to M/WBE participation goals to M/WBEs (just under 36%). By contrast, the Department of Cultural Affairs ("DCLA") registered more than 95% of its contract value subject to M/WBE participation goals to M/WBEs in FY24.

Data

All data for this report was extracted from the City's Financial Management System ("FMS") during the summer and autumn of 2024.⁷ This Report largely measures M/WBE utilization in alignment with the requirements codified in LL 174 and Section 6-129 of the New York City Administrative Code ("Administrative Code"). The requirements are applicable only for eligible contracts, which are defined in the "M/WBE Program Overview" section of this Report. Therefore, this data set is limited to the City's utilization of City-certified vendors and does not report on the utilization of vendors certified by the State as M/WBEs or as Disadvantaged Business Enterprises ("DBE"), which may be requirements tied to non-City funding sources.⁸ Additionally, this Report excludes data related to the registered Renewals, given that, by definition, these are re-registrations of existing contacts that have been reported on in prior years and are not reflective of new efforts to contract for these goods or services.

Compliance with the requirements of the M/WBE Program can be achieved at both prime and subcontracting levels.⁹ As outlined in last year's report, the subcontractor utilization data in the City's Payee Information Portal ("PIP") was ineffective and limited. Therefore, unless otherwise stated, this Report primarily focuses on analyzing prime contract data.

City procurement systems are limited and do not include the necessary data to confirm if a contract is funded by State or Federal funds. Due to these limitations, LL 174-eligible data in this Report includes some contracts that may actually be excluded from LL 174.

Unless specified, this Report does not include data related to contracts issued by some nonmayoral entities (including at the time of this report the Department of Education, the Economic Development Corporation, NYC Health + Hospitals, and the New York City Housing Authority).¹⁰ In an effort to share information on the use of City dollars more generally, in some circumstances data is included for contracting agencies and procurement actions not covered by LL 174. The report will specify whether analyses pertain to contracts subject to LL 174 participation goals or more generally to other specified data sets. A full list of excluded considerations is included in Appendix C of this Report.

⁷ Summary data for prior fiscal years contained in this Report may reflect minor differences from tables in the FY23 Annual Report on M/WBE Procurement. Unless an update to the data methodology is otherwise noted, such discrepancies can be attributed to changes in vendor or contract characteristics since data was last pulled from FMS.

⁸ Certification data is based on status reflected in FMS as of July 2024, when the data for this report was accessed. Vendors with non-profit organization types in FMS were also excluded from this Report's analysis of LL 174 performance.

⁹ In September 2024 MOCS launched Subcontractor Management functionality in PASSPort. This enhancement is expected to improve the accuracy and completeness of subcontracting data in the future. However, this system integration took place after FY24 had ended. Therefore, the data covered in this Report does not reflect any information from PASSPort's Subcontractor Management actions. Note: this report uses subcontract data from the Payee Information Portal (PIP) which was the system of record through FY24.

¹⁰ State legislation was adopted granting authority to the DOE to utilize the same framework as LL 174 in 2020. The Panel for Educational Policy approved this change during FY23.

M/WBE Program Overview

The City's M/WBE program was developed to expand opportunities for minority and women entrepreneurs to access government contracts and grow their businesses. It is currently governed by Section 6-129(b) of the Admin Code, which codifies Local Laws 174 and 176 enacted by the City Council in 2019. This Report often focuses on procurements "subject to LL 174 participation goals", for which city agencies have a legally mandated responsibility to meet specified M/WBE participation goals. These goals can be met by awarding a prime contract to a M/WBE, or by requiring a Non-Certified prime vendor to subcontract a specified percent of the contract value to M/WBEs. When used effectively, participation goals ensure maximum M/WBE utilization even in circumstances where the chosen procurement method does not result in a contract award to a M/WBE prime.

M/WBE Certification

The Department of Small Business Services ("SBS") is responsible for certifying that vendors meet the criteria to be designated as a New York City M/WBE ("City-certified").¹¹ Businesses owned by people of color and women are required to be City-certified by SBS in order to be eligible to qualify for procurement opportunities exclusively targeted to M/WBEs such as those via the M/WBE Small Purchase method.¹² Similarly, agencies may only avail themselves of M/WBE-targeted nimble tools and receive credit towards participation goals when contracting with City-certified M/WBEs. As discussed throughout this report, Certification is a significant first step that M/WBEs take towards their City contracting journey.¹³

Businesses that want to certify as M/WBEs with other municipalities to either further expand their contracting portfolio or to be eligible for non-City funding opportunities are also required to also be independently certified as a M/WBE with those entities. Given that certification reciprocity does not exist among local public contracting entities, including New York State, Port Authority of New York and New Jersey, and the New York City School Construction Authority, vendors experience the burdens of these time-consuming and mostly duplicative processes many times over. As a member of the Capital Process Reform Task Force, this Office supported the proposal for State Legislation that established certification reciprocity between New York City and New York State. Although the legislation passed in both the State House and Assembly during the 2023-2024 legislative session, the legislation was ultimately vetoed by the Governor in

¹¹ Chapter 11(B) of Title 66 of the Rules of the City of New York lays out the City's M/WBE Certification Program within SBS' Division of Economic and Financial Opportunity.

¹² Certification eligibility requirements are detailed in Appendix A of this Report.

¹³ A list of required documentation can be found on the SBS website here: <u>https://www.nyc.gov/html/nycbe/downloads/pdf/MWBE_Document_Checklist.pdf</u>

December 2023.¹⁴ This Office remains in support of certification reciprocity and looks forward to its successful passage during the upcoming legislative session.

Procurements Subject to LL 174 Participation Goals

Agencies are required to meet M/WBE participation goals for all eligible procurements in the following industries¹⁵:

- Professional services: the provision of various kinds of expert advice and consulting, including legal services, medical services, and information technology and constructionrelated consulting services
- Standard services: services other than professional services and human services such as custodial services, security guard services, stenography services and office machine repair
- Construction services: dealing in the planning, design, or construction of real property or other public improvements
- Goods (valued up to \$1 million): all personal property, including but not limited to equipment, materials, printing, and insurance, excluding land or a permanent interest in land

These goals include specific contracting participation goals for each individual M/WBE category: "Black Americans, Asian Americans, Hispanic Americans, Native Americans, Women, and Emerging". While LL 174 permits agencies to set an "unspecified goal," which a vendor may meet by using an M/WBE regardless of certification category, when setting participation goals, agencies are required to consider the potential for the purchase to provide opportunities for specific categories of M/WBEs to develop greater capacity and to increase competition for city procurements.¹⁶

Specified Exclusions

In some specified circumstances, agencies are exempt from establishing M/WBE participation goals for contracts procured through the following methods. As a result of these exclusions, <u>less</u> <u>than 20%</u> of total City procurement value for FY24 was subject to LL 174 M/WBE participation goals.¹⁷ Chart 5 below conveys the relative value of contracts and POs subject to M/WBE participation goals registered in FY24 against the value of excluded contracts and POs.

¹⁴ NY State Senate Bill 2023-S7371: <u>https://www.nysenate.gov/legislation/bills/2023/S7371</u>

¹⁵ RCNY §1-01(e)

¹⁶ N.Y.C. Admin. Code §6-129(g)(2)

¹⁷ See Appendix C for a full list of exclusions used to arrive at a subset of contracts subject to LL 174 participation goals. This chart excludes values for non-Mayoral agencies.

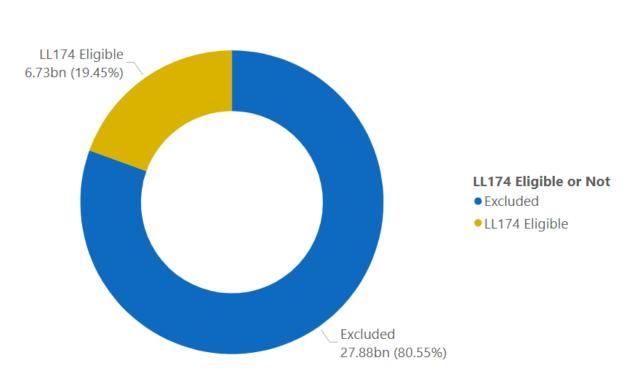


Chart 5: FY24 Value of Contracts and POs Subject to M/WBE Participation Goals, Citywide¹⁸

Exemption for human services contracts is particularly significant, as human services contracts made up the largest share by both volume of contracts and contract value in FY24. Many of these contracts include substantial subcontracting to for-profit firms, which could be subject to M/WBE participation goals. Last year's Report detailed the impact of excluding nearly half of the City's procurement portfolio from M/WBE participation goals and offered recommendations to increase utilization in this critical sector. More information on progress towards this recommendation can be found in later sections of this Report.

¹⁸ In the web version of this report, readers can hover their cursor over the "excluded" slice to see the relative value captured by each exclusion category. Note that a contract or PO could have been excluded for more than one reason, so the values in the cut out are not cumulative to \$27.88 billion.

M/WBEs Don't Get Their Fair Share

This Annual Report presents data on City procurements that is essential to evaluating efforts to achieve measurable progress in increasing M/WBE utilization. This Report measures the current state of utilization by analyzing trends and progress across 5 key areas of the City's contracting portfolio:

- The share of contract registration value that was registered to M/WBEs¹⁹
- The average value of contracts registered to M/WBEs, in comparison to the average value of contracts registered to firms owned by white men
- A disaggregated analysis of key indicators to understand the disparate impacts across racial and gender categories
- The number of unique M/WBEs that do business with the City
- The retroactivity of contract registration for M/WBEs

Taken together, these areas of analysis can demonstrate a more comprehensive understanding of the current state of the City's utilization of M/WBEs.

It is important to note that the impacts of some newly implemented policies and systems may take some time before they begin to demonstrate measurable value. That said, this Report's analyses demonstrate that the City and its agencies are still falling short of goals to contract with diverse businesses.

M/WBEs only won 6% of the value of City contracts

In FY24, the City registered 159,168 new prime contracts and POs valued at \$34,612,443,985. This includes many areas of contracting that are not subject to LL 174 participation goals as outlined in the "M/WBE Program Overview" section of this Report, including human services contracts (which account for approximately 40% of the registered contract value citywide). Across all City contracts and POs, 35,733 were registered to M/WBEs, representing 6.13% of the value and 22.45% of the volume. This relative share of registered contracts remains generally stagnant with the share from the prior fiscal year.

¹⁹ As reflected in FMS at the time data for this report was pulled.

Table 1: Volume of All Registered New Contracts and POs Citywide, FY22-24

| | FY22 | | FY | FY23 | | 24 |
|-----------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|
| Certification Type | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts |
| M/WBE | 24,680 | 18.11% | 27,575 | 18.73% | 35,733 | 22.45% |
| Non-Certified | 111,590 | 81.89% | 119,621 | 81.27% | 123,435 | 77.55% |
| Grand Total | 136,270 | 100.00% | 147,196 | 100.00% | 159,168 | 100.00% |

Table 2: Value of All Registered New Contracts and POs Citywide, FY22-24

| | FY22 | | FY23 | | FY24 | |
|-----------------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|---------------------|
| Certification Type | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value |
| M/WBE | \$2,355,383,876 | 5.29% | \$2,074,317,980 | 5.18% | \$2,120,945,963 | 6.13% |
| Non- Certified | \$42,205,216,883 | 94.71% | \$37,945,319,497 | 94.82% | \$32,491,498,022 | 93.87% |
| Grand Total | \$44,560,600,759 | 100.00% | \$40,019,637,477 | 100.00% | \$34,612,443,985 | 100.00% |

The numbers are somewhat better for new contract registrations and POs subject to LL 174 M/WBE participation goals. Per Tables 3 and 4, M/WBEs accounted for 61.72% of new contracts and POs subject to LL 174 participation goals by count, and 17% of the associated value. The 17% share reflects an increase from prior fiscal years.

This small share is especially disappointing, given the actual diversity and demographics of the City. For reference throughout this report: According to the U.S. Census, in 2022, New York City was 31.9% non-Hispanic white, 28.9% Hispanic or Latino, 23.4% Black, 14.3% Asian or Pacific Islander, 0.5% Native American, and 7.1% two or more races. 52% of New Yorkers identify as female, and 48% male.²⁰

²⁰ <u>https://www.census.gov/quickfacts/newyorkcitynewyork</u>

Chart 6: FY24 Value of Contracts and POs Subject to LL 174 Participation Goals

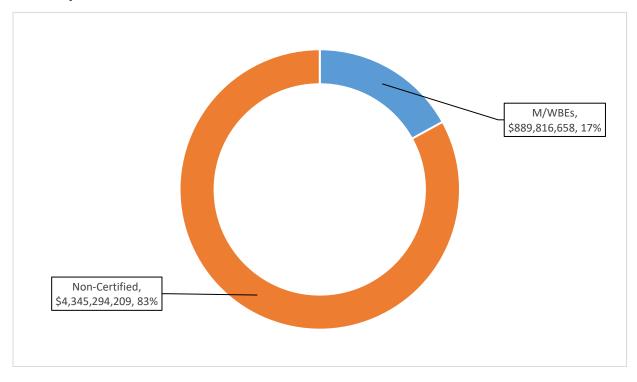


Table 3: Volume of Contracts and POs Subject to LL 174 Participation Goals, FY22-24

| | FY22 | | FY | FY23 | | 24 |
|-----------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|
| Certification Type | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts |
| M/WBEs | 16,195 | 56.06% | 16,067 | 58.21% | 18,565 | 61.72% |
| Non-Certified | 12,692 | 43.94% | 11,536 | 41.79% | 11,516 | 38.28% |
| Grand Total | 28,887 | 100.00% | 27,603 | 100.00% | 30,081 | 100.00% |

Table 4: Value of Prime Contracts and POs Subject to LL 174Participation Goals, FY22-2421

| | FY22 | | FY23 | | FY24 | |
|-----------------------|---------------------------|---------------------|------------------------------|---------------------|------------------------------|---------------------|
| Certification Type | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value |
| M/WBEs | \$917,488,448 | 15.10% | \$917,531,190 | 9.68% | \$889,816,658 | 17.00% |
| Non- Certified | \$5,158,901,594 | 84.90% | \$8,561,311,034 | 90.32% | \$4,345,294,209 | 83.00% |
| Grand Total | \$6,076,390,042 | 100.00% | \$9,478,842,223 | 100.00% | \$5,235,110,868 | 100.00% |

For a number of reasons, including the pervasive underreporting of subcontract data in PIP, this Report's primary focus is on the utilization of M/WBEs within prime contracting.²² Mayoral agencies approved subcontract records against just 293 (~9%) of the 3,198 LL 174-eligible prime contracts registered in FY24 at the time the data for this report was pulled from FMS.²³ The 1,174 subcontract records entered for M/WBEs accounted for \$485,171,211 million (53.09%) of the \$914 million in recorded subcontract value, significantly exceeding the ratio among prime contracts. It is important to note that subcontract values are not additive to the value of prime contract registrations given that they reflect a subset of the reported prime values. As such, this Report does not combine prime and subcontract utilization figures.

Table 5: FY24 Volume and Value of Subcontracts in PIP Subject to LL174 Participation Goals

| Certification Type | # of Subcontracts | % Share of Subcontracts | Total Subcontract Value | % Share of Subcontract Value |
|--------------------|----------------------|----------------------------|----------------------------|---------------------------------|
| M/WBE | 1,016 | 65.63% | \$365,757,718 | 61.39% |
| Non-Certified | 532 | 34.37% | \$230,077,501 | 38.61% |
| Grand Total | 1,548 | 100.00% | \$595,835,219 | 100.00% |

²¹ Though it is not a mayoral agency, the "M/WBE Utilization by Agency" section of this Report includes utilization data for the Comptroller's Office for purposes of transparency and shared accountability. This section also includes Department of Education (DOE) utilization data, given the size and value of its contracting portfolio.

²² In September 2024 MOCS launched Subcontractor Management functionality in PASSPort. This enhancement is expected to improve the accuracy and completeness of subcontracting data in the future. However, this system integration took place after FY24 had ended.

²³ This total does not include POs.

Among the 36 rated agencies in this Report (Mayoral agencies, the Office of the Comptroller, and the DOE), 21 had zero approved subcontract records in PIP against LL 174-eligible prime contracts. DDC was the holder of the largest number of LL 174-eligible contracts in FY24 among this group. Without subcontract records in PIP, there is insufficient detail for oversight agencies to measure that agencies and vendors are both compliant with and progressing towards achieving required M/WBE participation goals.

Spend

In addition to analyzing contract registration data, this Report also summarizes data relating to the City's actual payments to vendors. This includes all payments made to both prime and sub vendors in FY24 (regardless of the year the contract was registered in).

To determine what spending was subject to LL 174 performance goals, individual transactions were mapped to their corresponding contract or purchase order. LL 174 exclusions were then applied based on the characteristics of the contracts or POs associated with vendor payments.

The City spent a total of \$6.01 billion in FY24 (prime contracts registered in FY24 and prior fiscal years subject to LL 174 participation goals), 10.97% of which (\$659.16 million) was spent with M/WBE primes.

| | FY22 | | FY22 FY23 | | FY24 | |
|-----------------------|------------------------------|---------------------|------------------------------|---------------------|------------------------------|---------------------|
| Certification Type | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value |
| M/WBE | \$562,580,475 | 10.80% | \$608,783,970 | 10.90% | \$659,158,970 | 10.97% |
| Non- Certified | \$4,644,786,574 | 89.20% | \$4,974,898,986 | 89.10% | \$5,350,708,309 | 89.03% |
| Grand Total | \$5,207,367,049 | 100.00% | \$5,583,682,956 | 100.00% | \$6,009,867,279 | 100.00% |

Table 6: Prime Spend Subject to LL 174 Participation Goals, FY22-24²⁴

By Industry

M/WBE utilization varies depending on the industry. The construction services and standard services industries see some of the lowest registration and spending values to M/WBEs. Only 12.89% of the value of construction services and 14.74% of the value of professional services prime contract registrations subject to LL 174 participation goals were registered to M/WBEs.

²⁴ Analyses of LL 174-eligible spending in this FY24 report was expanded to better capture exclusions against direct orders (DO1s) by drawing from the contract characteristics of their parent requirements contracts (MA1s).

Similarly, only 8.92% of prime construction services spending and 6.15% of prime standard services spending was with M/WBEs. Additional analyses of M/WBE utilization at the industry level can be found in the "M/WBE Utilization by Industry" section of this Report.

Table 7: FY24 Value of M/WBE Contracts and POs Subject to LL 174 Participation Goals, by Industry

| | м | /WBE | Non-C | ertified |
|-----------------------|--------------------------------|--------|-----------------|------------------|
| Industry | Total Value % Share of Value T | | Total Value | % Share of Value |
| Construction | \$395,216,876 | 12.89% | \$2,670,766,630 | 87.11% |
| Goods <\$1 million | \$122,186,964 | 63.71% | \$69,603,241 | 36.29% |
| Professional Services | \$216,424,917 | 14.74% | \$1,251,721,947 | 85.26% |
| Standard Services | \$145,948,456 | 30.27% | \$336,141,130 | 69.73% |
| Grand Total | \$879,777,213 | 16.89% | \$4,328,232,948 | 83.11% |

The average contract size will vary across these industries, therefore prime vendor spend analyses yield different results.

Table 8: FY24 Prime Vendor Spend Subject to LL 174 Participation Goals, by Industry

| | м | /WBE | Non-Ce | ertified |
|-----------------------|--------------------------------|--------|-----------------|------------------|
| Industry | Total Value % Share of Value T | | Total Value | % Share of Value |
| Construction | \$219,988,847 | 8.92% | \$2,245,594,540 | 91.08% |
| Goods <\$1 million | \$106,835,605 | 34.97% | \$198,700,916 | 65.03% |
| Professional Services | \$214,937,975 | 19.01% | \$915,422,799 | 80.99% |
| Standard Services | \$69,764,760 | 6.15% | \$1,063,836,392 | 93.85% |
| Grand Total | \$631,734,815 | 12.27% | \$4,518,632,757 | 87.73% |

It is important to note that these trends look different for subcontracted spending across industries. In FY24, M/WBEs receive higher shares of subcontracted spending than Non-Certified firms in construction, professional services, and goods.

Table 9: FY24 Subcontractor Spend Subject to LL 174 Participation Goals, by Industry

| | м | /WBE | Non-Ce | ertified |
|-----------------------|---------------|------------------|---------------|------------------|
| Industry | Total Value | % Share of Value | Total Value | % Share of Value |
| Construction | \$200,853,476 | 52.84% | \$179,259,919 | 47.16% |
| Goods <\$1 million | \$2,517,909 | 61.50% | \$1,576,479 | 38.50% |
| Professional Services | \$54,229,595 | 78.59% | \$14,769,870 | 21.41% |
| Standard Services | \$40,155,924 | 39.65% | \$61,115,249 | 60.35% |
| Grand Total | \$297,756,904 | 53.70% | \$256,721,517 | 46.30% |

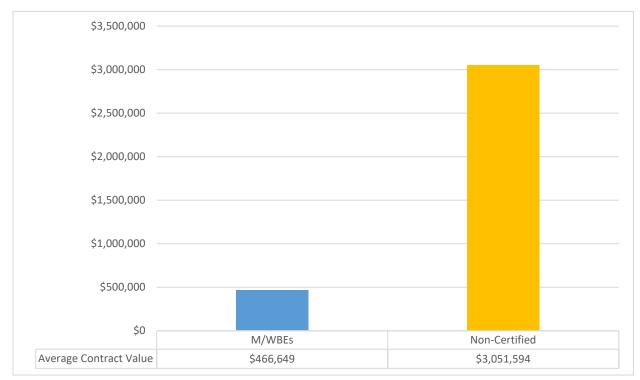
M/WBEs are winning more contracts, but they are for a small fraction of the value of the contracts won by firms owned by white men

In FY24, M/WBEs accounted for 61.72% of the volume of new contract registrations and POs subject to LL 174 participation goals. However, these contracts only account for 17% of the respective value.²⁵

Year-over-year analyses show a key factor contributing to the City's underutilization of M/WBEs: among FY24 registrations subject to LL 174 participation goals, the average dollar value of a prime contract registered to a M/WBE (\$466,649), was approximately 15% of the average dollar value of a prime contract registered to a Non-Certified firm (\$3.10 million).

²⁵ From Table 3 and Table 4 of this Report

Chart 7: FY24 Average Value of Contracts Subject to LL 174 Participation Goals



Award Method Analyses

A tension exists in the City's M/WBE procurement: Award methods with agency discretion – such as Micropurchase, Small Purchase, and the M/WBE Small Purchase method – are more likely to result in a prime contract with an M/WBE; however, these discretionary methods generally result in lower-dollar-value contracts. That said, even within competitive methods – both Competitive Sealed Bid ("CSB") and Competitive Sealed Proposal ("CSP") – the average contract value for M/WBEs is far lower than for Non-Certified firms. The "Reform is Possible and Urgently Needed" section of this Report includes policy recommendations to address M/WBE underutilization in competitive procurements.

This analysis also underscores the need for more stringent goal-setting and subcontractor tracking and reporting. In FY24, 96.44% of Negotiated Acquisition contracts were registered to Non-Certified firms. While the basis for using the Negotiated Acquisition method is largely dictated by a limited availability of vendors which therefore makes it difficult to implement policy directives to encourage increased prime contracting, it highlights procurement opportunities where the City could achieve higher M/WBE utilization through subcontracting.

Additional information about each of these procurement methods can be found in Appendix A of this Report.

| | N | 1/WBE | Non- | Certified |
|---------------------------------------|-------------------|-------------------------|-----------------|-------------------------|
| Award Method Category | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts |
| CSB | 151 | 26.63% | 416 | 73.37% |
| CSP | 55 | 10.00% | 495 | 90.00% |
| Accelerated Procurement | 23 | 19.49% | 95 | 80.51% |
| Demonstration Project | 0 | 0.00% | 2 | 100.00% |
| Innovative Procurement | 5 | 7.35% | 63 | 92.65% |
| Micropurchase | 33,086 | 22.22% | 115,821 | 77.78% |
| Negotiated Acquisition | 32 | 3.56% | 867 | 96.44% |
| Small Purchase Contracts – General | 1,050 | 29.49% | 2,510 | 70.51% |
| M/WBE Small Purchase method | 1,126 | 100.00% | 0 ²⁷ | 0.00% |
| Grand Total | 35,533 | 22.80% | 120,299 | 77.20% |

Table 10: FY24 Contracts by Award Method, Citywide²⁶

All of the major procurement methods result in far less than a third of the contracts going to M/WBEs. While M/WBEs fare better in some discretionary procurement methods that have specified maximum values, those do not yield meaningful spend given the low value of the thresholds. For example, M/WBEs account for 22.12% of micro-purchase contracts that have a threshold cap of \$35,000 for construction and \$20,000 for all other procurements.

Even within these lower-value methods, M/WBEs are registering contracts at average values far below the caps. During FY24, the M/WBE Small Purchase method was capped at a maximum value of \$1,000,000 or \$1,500,000, but the average value of a contract registered using this method was only \$242,789

²⁶ See Appendix E for more details about the types of contracts and POs included in this analysis.

Table 11: FY24 Average Value of Contracts by Award Method, Citywide

| Award Method | M/WBE Average Contract Value | Non-certified Average Contract Value |
|------------------------------------|---------------------------------|---|
| CSB | \$4,334,920 | \$9,668,316 |
| CSP | \$5,272,002 | \$16,206,339 |
| Accelerated Procurement | \$416,948 | \$1,832,606 |
| Demonstration Project | \$0 | \$15,801,009 |
| Innovative Procurement | \$830,461 | \$1,715,029 |
| Micropurchase | \$3,759 | \$2,830 |
| Negotiated Acquisition | \$1,389,057 | \$2,611,385 |
| Small Purchase Contracts – General | \$32,708 | \$30,010 |
| M/WBE Small Purchase method | \$244,494 | \$0 ²⁷ |

Disaggregated By Race

Certain underutilized M/WBE categories earn less lucrative contracts than others. Businesses owned by white women and Asian American males have much higher average values than those owned by Black people, Hispanic American people, and Native American people.

²⁷ 22 AM72s were excluded from this analysis because they were registered to vendors without M/WBE certifications indicated in FMS at the time the data for this report was pulled.

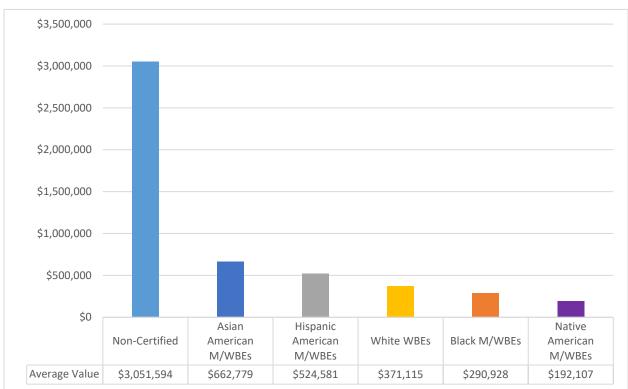


Chart 8: FY24 Average Value of Contracts Subject to LL 174 Participation Goals, by M/WBE Category

The "disparity within the disparity" remains severe: Black-owned businesses, Asian American women-owned businesses, and Hispanic American women-owned businesses receive disproportionately low shares of contract registration value.

The City underutilizes all M/WBEs across all racial and gender categories. Therefore, in order to meaningfully support all M/WBEs, the overall share of the City's contracting portfolio going to M/WBEs must be increased. Otherwise, it will continue to assess mere pennies across M/WBEs.

When there is utilization within the M/WBE community, the data reveals that certain M/WBE categories see fewer positive outcomes than others. Only 2.36% of the value contracts and POs subject to LL 174 participation goals were registered to Black M/WBEs, and only 3.85% of the value were registered to Hispanic American M/WBEs.

Overall, the City's utilization of MBEs owned by women is significantly less than the low utilization of MBEs owned by males. Within each racial category, male-certified firms consistently represent larger shares of the counts and value of registered contracts and POs. Male-owned MBEs account for over 7 times (13,453) the count of registered contracts and POs than women-owned MBEs (1,822). Only 18.01% of the value of contracts and POs subject to LL 174 that were registered to M/WBEs were registered to MBEs owned by women.

In a completely lone state, the City remains largely unsuccessful in contracting with businesses owned by Native Americans. The SBS Online Directory of Certified Businesses ("SBS Directory") only includes 16 firms certified as Native American.²⁸ The City has not registered a contract or PO to a women-owned Native American firm since FY21.

| M/WBE Category | # of LL Contracts and POs | % Share of LL Contracts and POs | Total LL Contract and PO Value | % Share of LL Contract and PO Value | % Share of All M/WBE LL Value |
|---------------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|--|
| Asian American male-owned MBEs | 11,399 | 37.89% | \$292,809,711 | 5.59% | 32.91% |
| Asian American women-owned MBEs | 1,079 | 3.59% | \$61,668,719 | 1.18% | 6.93% |
| Black male-owned MBEs | 1,044 | 3.47% | \$67,710,271 | 1.29% | 7.61% |
| Black women-owned MBEs | 398 | 1.32% | \$55,793,595 | 1.07% | 6.27% |
| Hispanic American male-owned MBEs | 993 | 3.30% | \$158,719,359 | 3.03% | 17.84% |
| Hispanic American women-owned MBEs | 345 | 1.15% | \$42,830,995 | 0.82% | 4.81% |
| Native American male-owned MBEs | 17 | 0.06% | \$869,418 | 0.02% | 0.10% |
| Native American women-owned MBEs | 0 | 0% | \$0 | 0% | 0.00% |
| White WBEs | 3,290 | 10.94% | \$209,414,592 | 4.00% | 23.53% |
| M/WBE ALL (Excluding Non-Certified) | 18,565 | 61.72% | \$889,816,658 | 17.00% | 100.00% |

Table 12: FY24 Contracts and POs Subject to LL 174 ParticipationGoals, by M/WBE Category and Gender

²⁸ As of December 12, 2024.

| M/WBE Category | # of LL Contracts and POs | % Share of LL Contracts and POs | Total LL Contract and PO Value | % Share of LL Contract and PO Value | % Share of All M/WBE LL Value |
|----------------|---------------------------------|---------------------------------------|--------------------------------------|---|--|
| Non-Certified | 11,516 | 38.28% | \$4,345,294,209 | 83.00% | N/A |
| Grand Total | 30,081 | 100.00% | \$5,235,110,868 | 100.00% | N/A |

Chart 9: Value of Contracts and POs Subject to LL 174 Participation Goals, by M/WBE Category, FY22-24²⁹

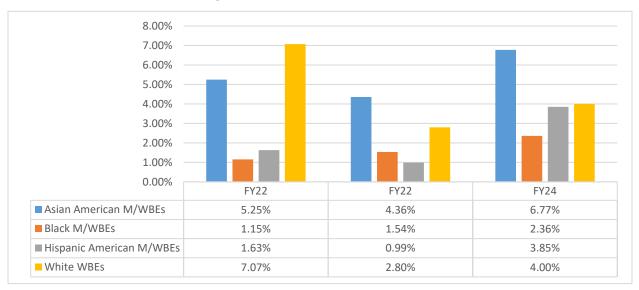


Table 13: FY24 M/WBE Contracts and POs Subject to LL 174 Participation Goals, as a Share of Total M/WBE Contracts, by M/WBE Category

| M/WBE Category | # of Contracts and POs | % of M/WBE Contracts and POs | Total Value | % Share of M/WBE value | % Share of All LL Value |
|--------------------------|------------------------------|------------------------------------|---------------|---------------------------|----------------------------|
| Asian American M/WBEs | 12,478 | 67.21% | \$354,478,429 | 39.84% | 6.77% |
| Black M/WBEs | 1,442 | 7.77% | \$123,503,866 | 13.88% | 2.36% |

²⁹ Although four prime contracts and 13 POs were registered to Native American M/WBE in FY24, the total value of these actions was just 0.02% of value subject to LL 174 goals. For this reason, Native American M/WBEs are not reflected in this some tables and charts in this Report.

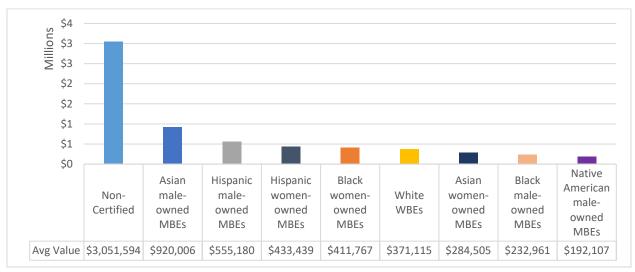
| M/WBE Category | # of Contracts and POs | % of M/WBE Contracts and POs | Total Value | % Share of M/WBE value | % Share of All LL Value |
|-----------------------------|------------------------------|------------------------------------|---------------|---------------------------|----------------------------|
| Hispanic American M/WBEs | 1,338 | 7.21% | \$201,550,354 | 22.65% | 3.85% |
| Native American M/WBEs | 17 | 0.09% | \$869,418 | 0.10% | 0.02% |
| White WBEs | 3,290 | 17.72% | \$209,414,592 | 23.53% | 4.00% |
| Grand Total | 18,565 | 100.00% | \$889,816,658 | 100.00% | 17.00% |

These trends are true in analyzing both contract registrations and spend data – though, both Black M/WBEs and Hispanic American M/WBEs received an even smaller portion of prime spending in comparison to other M/WBE categories.

Table 14: FY24 Prime Spending Subject to LL 174 Participation Goals, by M/WBE Category

| M/WBE Category | Total Spend | % Share of Total LL 174 Spending | % Share of Total M/WBE Spending |
|--------------------------|-----------------|-------------------------------------|------------------------------------|
| Asian American M/WBE | \$270,938,228 | 4.00% | 41.01% |
| Black M/WBEs | \$84,406,175 | 1.40% | 12.81% |
| Hispanic American M/WBEs | \$104,116,562 | 1.73% | 15.80% |
| Native American M/WBEs | \$304,614 | 0.01% | 0.05% |
| White WBEs | \$199,393,391 | 3.32% | 30.25% |
| Non-Certified | \$5,350,708,309 | 89.03% | N/A |
| Grand Total | \$6,009,867,279 | 100.00% | 100% |

Chart 10: FY24 Average Value of Contracts Subject to LL 174 Participation Goals, by Race and Gender



Most M/WBEs don't benefit from City contracting

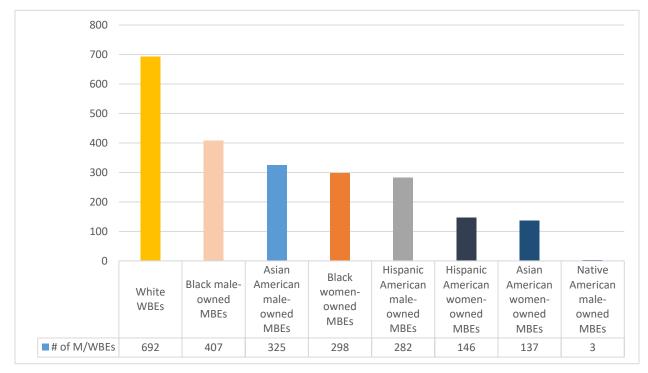
As of June 30, 2024 there were 11,115 City-certified M/WBEs in the SBS Directory. 2,290 of these certified M/WBEs entered a new contract, subcontract, or PO with the City in FY24. This only represents 20.6% of all certified M/WBEs. White WBEs made up the largest share of vendors with a new contract, subcontract, or PO in FY24.

Table 15: Unique M/WBEs with New Prime Contracts, POs, or Subcontracts, FY22-24

| M/WBE Category | FY22 | FY23 | FY24 |
|------------------------------------|------|------|------|
| Asian American male-owned MBEs | 344 | 349 | 325 |
| Asian American women-owned MBEs | 154 | 145 | 137 |
| Black male-owned MBEs | 335 | 413 | 407 |
| Black women-owned MBEs | 260 | 293 | 299 |
| Hispanic American male-owned MBEs | 263 | 306 | 282 |
| Hispanic American women-owned MBEs | 143 | 163 | 146 |
| Native American male-owned MBEs | 3 | 3 | 3 |
| Native American women-owned MBEs | 0 | 0 | 0 |
| White WBEs | 771 | 760 | 692 |

| M/WBE Category | FY22 | FY23 | FY24 |
|---|-------|-------|-------|
| All Male-Owned MBEs (Not Reflected in "Total") | 945 | 1071 | 1017 |
| All Women-Owned MBEs (Not Reflected in "Total") | 557 | 601 | 581 |
| Total | 2,273 | 2,432 | 2,290 |

Chart 11: FY24 Unique M/WBEs with New Prime Contracts, Purchase Orders, or Subcontracts



Nearly Three-Quarters of contracts awarded to M/WBEs are registered late

In FY24, over 72% of new contracts with M/WBEs were registered retroactively, after the beginning of their contract term, compared with the 81.67% rate for procurement contracts citywide. This forces M/WBEs to advance funds out of limited working capital, to seek to borrow in order to start the project, or to delay work. In some circumstances, it means M/WBEs are providing City services without any guarantee of pay. This is especially challenging given that average M/WBE contract sizes are smaller, and that many M/WBEs are small businesses that lack sufficient working capital and may have a more challenging time borrowing from traditional lending institutions.

Table 16: FY24 New M/WBE Contract Registrations by Retroactive Category, Citywide

| Retroactive Category | # of Contracts | % Share of Contracts | Total Contract Value | % Share of Contract Value |
|----------------------------------|-------------------|-------------------------|-------------------------|------------------------------|
| On Time or Early | 668 | 27.50% | \$774,420,419 | 39.07% |
| Late - Within 30 Days | 779 | 32.07% | \$363,968,765 | 18.36% |
| Later - Between 31-180 Days | 775 | 31.91% | \$550,872,973 | 27.79% |
| Very Late - Between 181-365 Days | 156 | 6.42% | \$136,256,303 | 6.87% |
| Latest - More than 1-Year | 51 | 2.10% | \$156,412,368 | 7.89% |
| Grand Total | 2,429 | 100.00% | \$1,981,930,828 | 100.00% |

Retroactivity rates are consistent for contracts registered using the M/WBE Small Purchase method, despite the fact that this Office has delegated authority to allow agencies, with appropriate oversight measures, to self-register contracts procured pursuant to this method. In doing so, M/WBEs that have been awarded contracts procured by agencies through this method do not wait up to 30 calendar days for their contract to be reviewed and registered by this Office which helps to reduce potential delays in payment. Yet, despite the time savings this delegation provides, agencies are still self-registering the vast majority of contracts after their start date.

Table 17: FY24 M/WBE SP Method Registrations by Retroactive Category, Citywide

| Retroactive Category | # of Contracts | % Share of Contracts | Total Contract Value | % Share of Contract Value |
|----------------------------------|-------------------|-------------------------|-------------------------|------------------------------|
| On Time or Early | 317 | 28.35% | \$73,836,156 | 27.01% |
| Late - Within 30 Days | 367 | 32.83% | \$85,051,820 | 31.12% |
| Later - Between 31-180 Days | 356 | 31.84% | \$94,422,078 | 34.54% |
| Very Late - Between 181-365 Days | 66 | 5.90% | \$16,614,420 | 6.08% |
| Latest - More than 1-Year | 12 | 1.07% | \$3,420,077 | 1.25% |
| Grand Total | 1,118 | 100.00% | \$273,344,551 | 100.00% |

Table 18: FY24 Volume of Retroactive M/WBE Contracts, by Award Method

| Award Method | # of Contracts | % of contracts registered late |
|------------------------|----------------|--------------------------------|
| M/WBE SP | 1,118 | 71.65% |
| CSB | 151 | 48.34% |
| CSP | 55 | 65.45% |
| Innovative | 5 | 100% |
| Negotiated Acquisition | 32 | 96.88% |

M/WBE 'Small' Purchase Contracts: Living up to its Name, but not its Potential

Agencies are falling far short of awarding contracts at values even close to the M/WBE Small Purchase method threshold

The M/WBE Small Purchase method has a threshold that is significantly higher than those for micro- and small purchases and should be one of the City's most effective tools in driving prime contract awards to M/WBEs.³⁰ This Office has been closely monitoring the use of this method, as it makes up a notable share of new contract registrations for M/WBEs (34.81% in FY24). In FY24 city agencies registered 1,118 contracts via the M/WBE Small Purchase method, valued at over \$273 million.³¹ Though agencies are able to use this method for procurements up to \$1.5 million, the average value of a contract registered using this method was merely \$244 thousand.³²

Table 19: Contracts Registered via M/WBE Small Purchase Method, Citywide, FY22-24

| Fiscal Year | # of M/WBE SP Registrations | M/WBE SP % Share of All M/WBE Registrations | Total Value of M/WBE SPs | AVG Contract Value of M/WBE SPs |
|-------------|--------------------------------|--|-----------------------------|------------------------------------|
| FY22 | 919 | 31.80% | \$124,176,736 | \$135,122 |
| FY23 | 1,019 | 34.34% | \$186,874,748 | \$183,390 |
| FY24 | 1,118 | 34.81% | \$273,344,551 | \$244,494 |
| Grand Total | 3,056 | 33.70% | \$584,396,035 | \$191,229 |

³⁰ On December 8, 2023, New York State enacted new legislation S7563

⁽https://www.nysenate.gov/legislation/bills/2023/S7563) increasing the dollar threshold for eligible procurements from \$1 million to \$1,500,000. The increased \$1.5 million threshold became effective in December 2023, therefore procurement data for FY24 reflected a transition across the expanded thresholds – the maximum threshold for this method was \$1 million for the first two quarters of FY24 and \$1.5 million for the third and fourth quarters of FY24.

³¹ These numbers exclude registered M/WBE Small Purchases that were listed as registered to Non-Certified firms at the time this data was pulled from FMS. These records may reflect businesses that have lost their M/WBE certification since registration or agency input errors.

³² These numbers represent contract values as of the time of initial registration. Agencies are permitted to increase the value of M/WBE Small Purchase method contracts through a contract modification so long as they do not exceed the stipulated threshold. The agency must also comply with any necessary rules and procedures for the contract modification.

In FY24, city agencies used the M/WBE Small Purchase method more, and for a slightly higher individual contract value, than in prior fiscal years. However, FY24 registration data illustrates that many agencies focused their use of this method for procurements valued far below the maximum threshold. In FY24, nearly 70% of contracts registered using this method were valued below \$250,000, just a sixth of the maximum value permitted by the Rule.³³ Only 7 contracts registered using this method in FY24 were valued over \$1 million.³⁴ Over half (57%) of the contracts registered using this method did not exceed \$150,000, the initial cap set back in 2017 and which is only \$50,000 more than the Small Purchase method, which already has latitude for discretion to award to M/WBEs.

Chart 12: Average AM72 Value vs Maximum Allowable AM72 Value, FY22-FY24



³³ Federal Acquisition Rules cap the usage of the M/WBE Small Purchase award method at \$250,000 for contracts funded with federal dollars. This may prevent agencies from utilizing this method for contracts with combined funding sources (that include \$250,000 or more dollars from federal funds).

³⁴ Agencies only had the opportunity to utilize this method for contracts valued over \$1 million for 6 months of FY24. This data does not include procurements that were initiated in FY24 but registered in FY25.

Chart 13: Volume of Contracts Registered via M/WBE Small Purchase Method, Citywide, FY22-FY24

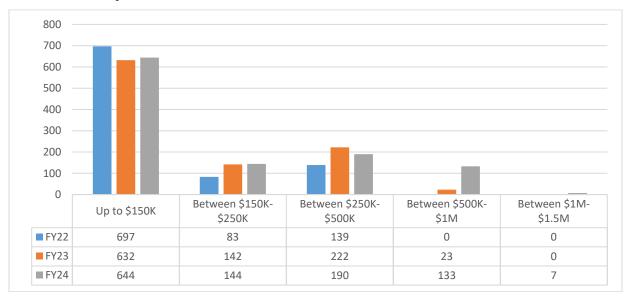


Table 20: FY24 Contracts Registered via M/WBE Small PurchaseMethod, Citywide, by M/WBE Category35

| Contract Value | Asian American | Black | Hispanic American | White WBE | Native American | Total | Percent |
|-----------------------|-------------------|-------|----------------------|--------------|--------------------|-------|---------|
| Up to \$150K | 144 | 179 | 185 | 133 | 3 | 644 | 57.60% |
| Between \$150K-\$250K | 53 | 40 | 30 | 21 | 0 | 144 | 12.88% |
| Between \$250K-\$500K | 77 | 49 | 31 | 33 | 0 | 190 | 16.99% |
| Between \$500K-\$1M | 44 | 30 | 41 | 17 | 1 | 133 | 11.90% |
| Between \$1M-\$1.5M | 2 | 1 | 4 | 0 | 0 | 7 | 0.63% |
| Grand Total | 320 | 299 | 291 | 204 | 4 | 1,118 | 100.00% |

³⁵ These numbers exclude registered M/WBE SPs that were listed as registered to Non-Certified firms at the time this data was pulled from FMS in July 2024. These records may reflect businesses that have lost their M/WBE certification since registration or agency input errors.

M/WBE Small Purchase method registrations are relatively evenly distributed across racial categories. Women-owned firms continued to fare worse than their male-owned counterparts across racial categories, excepting Asian American M/WBEs.

Table 21: FY24 Contracts Registered via the M/WBE Small Purchase Method, Citywide, by M/WBE Category

| M/WBE Category | # of M/WBE SP Contracts | M/WBE SP Share of Total M/WBE Category Registrations | Percent of All M/WBE SP Registrations | AVG M/WBE SP Value |
|---------------------------------------|----------------------------|--|---|-----------------------|
| Asian American male- owned MBEs | 133 | 26.60% | 11.90% | \$311,519 |
| Asian American women-owned MBEs | 187 | 52.68% | 16.73% | \$267,702 |
| Black male-owned MBEs | 225 | 43.69% | 20.13% | \$206,781 |
| Black women-owned MBEs | 74 | 23.34% | 6.62% | \$275,742 |
| Hispanic American male-owned MBEs | 232 | 46.96% | 20.75% | \$227,274 |
| Hispanic American women-owned MBEs | 59 | 38.82% | 5.28% | \$331,681 |
| Native American male- owned MBEs | 4 | 100.00% | 0.36% | \$192,107 |
| White WBEs | 204 | 23.31% | 18.25% | \$205,179 |
| Grand Total | 1,118 | N/A | 100.00% | \$244,494 |

M/WBE Small Purchase method contracts are not paving the path to more lucrative contracts

The M/WBE Small Purchase method is also intended as an opportunity for M/WBEs to get their foot in the door, gain experience contracting with the City, and then continue doing business with the City. However, an analysis of this contract method shows that this is not always the case.

1,351 unique vendors have had contracts registered via the M/WBE Small Purchase method since it was first authorized for use in 2017.³⁶ For 660 M/WBEs, their M/WBE Small Purchase method contract was its first contract with the City. Nearly half of these 660 (45.15%) M/WBEs never registered an additional contract after that.

| Category | # of M/WBEs | % share of M/WBEs |
|--|-------------|-------------------|
| M/WBE SP method contract still in term | 62 | 20.81% |
| M/WBE SP method contract ended within the last year | 41 | 13.76% |
| M/WBE SP method contract ended more than 1 year ago, but less than 2 years ago | 34 | 11.41% |
| M/WBE SP method contract ended more than 2 years ago | 161 | 54.03% |
| Grand Total | 298 | 100.00% |

Table 22: M/WBEs with only 1 M/WBE Small Purchase Registration

Even for M/WBEs who have registered additional contracts, 93% of the time the subsequent contracts are valued at \$500,000 or less. Furthermore, 98.5% of the subsequent contracts registered to the 660 M/WBEs were valued below \$1,500,000, the maximum threshold for the M/WBE Small Purchase method. The average value of all M/WBE Small Purchase contracts awarded to the 660 M/WBEs was just \$194,000.

Framed a different way, Chart 14 breaks down the value of contracts registered to the 660 M/WBEs for whom an M/WBE Small Purchase method contract was their first contract with the City. About 85% of these contracts were worth \$250,000 or less, with the largest group of contracts worth less than \$50,000. Similarly, Chart 15 illustrates that most M/WBEs with contracts registered via the M/WBE Small Purchase method have yet to be awarded a contract under a different procurement method. Taken together, it is clear that this method is not yet acting as a kickstart for M/WBEs to win more (and more lucrative) contracts with the City.

³⁶ NY State Senate Bill 2017 S6513B: <u>https://www.nysenate.gov/legislation/bills/2017/S6513</u>

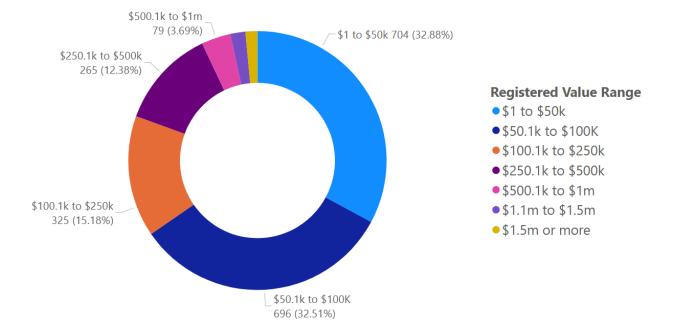
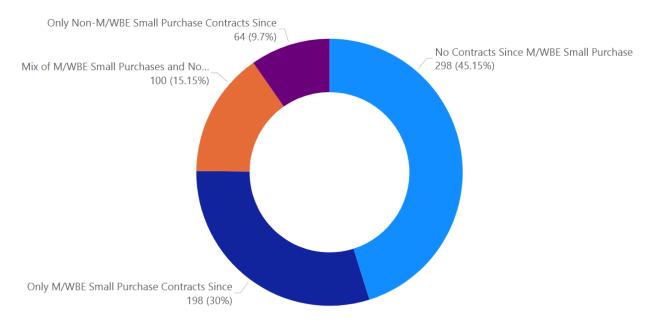


Chart 14: Value of Contracts Registered to M/WBEs whose First Contract was via the M/WBE Small Purchase Method

Chart 15: Types of Contracts Awarded to M/WBEs After First M/WBE Small Purchase Contract³⁷



³⁷ In the web version of this report, readers can hover their cursor over slices in Chart 15 to see under which agencies contracts in the selected category have been registered.

'Master' Contracts of Disguise

Master agreements are contracts that enable City agencies to streamline the typically lengthy process for making purchases by establishing an "on-call" relationship with vendors under prearranged contractual terms.³⁸ These contracts are typically used by the City in situations where the agency has projected a future need, but the volume and frequency of City purchases can't be determined. While the value of a general contract ("CT1") reflects what the City has agreed to pay a vendor, master agreement values reflect the City's estimated need (in the case of Master Agreements – "MA1") or a maximum value that is expected to be divided across several parties (in the case of Multiple Master Agreements – "MMA1s"). Accordingly, master agreement values are often poor indicators of what monies, if any, are actually spent against these contracts.

For this specialized focus, this Report analyzes how master agreement contracts reflect City business with vendors and whether M/WBEs are getting their fair share of these contracts. Please see the Contract Primer for more information about MA1s and MMA1s via this link: https://comptroller.nyc.gov/reports/contract-primer/

Master agreements misrepresent and exaggerate the value of business the City is doing with M/WBEs

Since master agreements often reflect estimated use across many parties (MA1s) or a maximum value of need across several awarded vendors (MMA1s), it is common for the registered values associated with these contracts to exceed their actual use. The LL 174-mandated M/WBE utilization reports released by the Mayor's Office of Contract Services ("MOCS") and SBS seemingly rely solely on contract award data and registered contract value to determine utilization for master agreements. However, detailed analysis reveals that master agreements are often not used up to their registered contract value and in many instances are not used at all. These underused master agreements are misrepresenting actual M/WBE utilization.

Master agreements have often made up a disproportionately large share of contract value registered to M/WBEs. In FY24, one fourth of all M/WBE contract value subject to LL 174 participation goals came from just 3% of those contracts that were master agreements. Table 23 depicts the top ten master agreement contracts, by value, that have been registered to M/WBEs since the start of the Adams Administration. Seven of these contracts are also among the most valuable M/WBE contracts registered by the city during the Adams Administration. While all of these contracts were still active as of July 2024, only two had been used at rates in-line with their

³⁸ For the purposes of this specialized focus, the term "master agreements" refers to both Master Agreements (MA1s) and Multiple Master Agreements (MMA1s) unless otherwise specified.

contract terms. By contrast, the City had yet to spend any funds for three of these top-ten contracts even though they were halfway through their terms.

| Full Contract ID | DEPT NAME | Vendor Legal Name | Contract Registered Amount | Usage Rate as of July 2024 ³⁹ | Contract Term Complete as of July 2024 |
|--------------------------|--------------|----------------------------------|----------------------------------|--|--|
| MA1-858- 20238806967 | ΟΤΙ | WORLD WIDE TECHNOLOGY LLC | \$347,237,000 | 43.28% | 40.05% |
| MA1-040- 20249470760 | DOE | 22ND CENTURY TECHNOLOGIES INC | \$82,459,355 | 31.96% | 40.05% |
| MA1-040- 20239378391 | DOE | PRO CON GROUP INC. | \$58,847,785 | 2.34% | 26.73% |
| MMA1-858- 20238803252 | ΟΤΙ | SPRUCE TECHNOLOGY INC | \$50,000,000 | 0.00% | 49.95% |
| MMA1-858- 20238803255 | ΟΤΙ | PRUTECH SOLUTIONS, INC | \$50,000,000 | 0.00% | 49.95% |
| MMA1-858- 20238803793 | ΟΤΙ | WORLD WIDE TECHNOLOGY LLC | \$50,000,000 | 0.00% | 49.95% |
| MA1-858- 20248803819 | ΟΤΙ | Mola Group Corp | \$46,060,000 | 12.01% | 9.97% |
| MA1-858- 20248803349 | ΟΤΙ | COMPULINK TECHNOLOGIES INC | \$42,798,750 | 3.51% | 9.97% |
| MA1-858- 20231200031 | ΟΤΙ | MASON TECHNOLOGIES INC | \$39,359,350 | 50.55% | 87.29% |
| MA1-858- 20248804558 | ΟΤΙ | RAJ SOMAS | \$27,292,500 | 2.25% | 9.97% |

Table 23: Top M/WBE Contracts Registered Since Jan 1, 2022, by Value

Relatively few master agreements represent a disproportionately high share of Citywide M/WBE contract value. This is a concern for reporting on M/WBE awards because many such contracts go underused, and M/WBEs ultimately receive less spending than their registered contract's value would suggest. Analyses of completed master agreement contracts registered between FY16 and FY24 are reflected in Charts 16 and 17. These charts examine the relationship between

³⁹ Usage Rate refers to the amount of money spend against the contract as of July 2024, divided by the contract's registered value.

master agreement contract values and spending totals to better understand how much they were being used, and by extension how much awarded vendors were ultimately paid.

In short, over 97% of MMA1s and 60% of MA1s subject to M/WBE participation goals were underused. Moreover, seven-in-ten MMA1s and a third of MA1s were significantly underused (i.e. vendors were paid less than half of the contract value). Nearly half of the \$2.06 billion in M/WBE master agreement value (\$986 million) went unspent and was therefore inaccurately reported towards M/WBE utilization totals.

Chart 16: Usage Rates for Completed M/WBE LL 174-Eligible Multiple Master Agreements (MMA1s), FY16-FY24

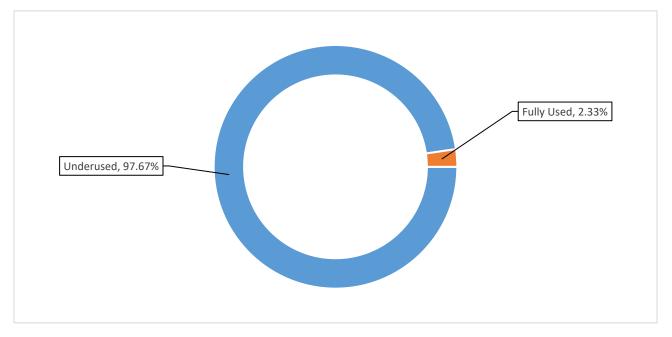
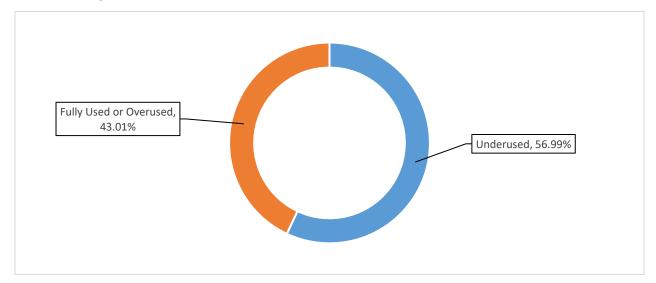


Chart 17: Usage Comparison of M/WBE LL 174-Eligible Completed Master Agreements (MA1s), FY16-FY24⁴⁰



The City Rarely Awards Master Agreements to Asian American WBEs, Black M/WBEs, or Hispanic American M/WBEs

M/WBEs operate less than a quarter of active master agreements (MA1s and MMA1s), with Asian American WBEs, Black M/WBEs, and Hispanic American M/WBEs getting only a fraction of this business. In fact, only male-owned Asian American MBEs and White WBEs operate more than a 2% share of active master agreements among M/WBEs. Table 24 below lays out the distribution of master agreement contracts by type, race and gender. The disparities across racial and gender categories among master agreements are consistent with Citywide trends. Black M/WBEs and Hispanic American M/WBEs receive less spending that Asian American male-owned MBEs and White WBEs.

⁴⁰ MA1 contract values often reflect an estimate based on forecasted need. Accordingly, unlike other kinds of contracts, City agencies can spend more than the registered contract value for an MA1 without needing to amend the contract to reflect a higher value. Spending on some MA1 contracts can exceed the registered value by many times. When looking at MA1 totals in aggregate, the subset of very overutilized contracts can sometimes obscure the degree to which many MA1s are significantly underutilized.

Table 24: Active M/WBE Master Agreements Subject to LL 174Participation Goals, by M/WBE Category and Gender

| Contract Type & M/WBE Certification Status | # of Master Agreements | % share of Volume | Total Contract Value | Total Spending | % share of Spending |
|---|---------------------------|----------------------|-------------------------|-------------------|------------------------|
| MA1 | 336 | N/A | \$1,421,012,796 | \$414,861,149 | N/A |
| M/WBE Totals | 79 | 23.51% | \$397,883,348 | \$128,502,373 | 30.97% |
| Asian American male-owned MBEs | 17 | 5.06% | \$223,820,596 | \$92,086,817 | 22.20% |
| Asian American women-owned MBEs | 4 | 1.19% | \$10,050,394 | \$871,088 | 0.21% |
| Black male-owned MBEs | 5 | 1.49% | \$10,256,474 | \$1,036,562 | 0.25% |
| Black women-owned MBEs | 4 | 1.19% | \$1,430,866 | \$860,439 | 0.21% |
| Hispanic American male-owned MBEs | 5 | 1.49% | \$4,920,100 | \$670,161 | 0.16% |
| Hispanic American women- owned MBEs | 3 | 0.89% | \$1,766,784 | \$2,556,563 | 0.62% |
| White WBEs | 41 | 12.20% | \$145,638,135 | \$30,420,743 | 7.33% |
| Non-Certified | 257 | 76.49% | \$1,023,129,447 | \$286,358,776 | 69.03% |
| MMA1 | 265 | N/A | \$2,654,798,817 | \$328,643,538 | N/A |
| M/WBE Totals | 71 | 26.79% | \$617,518,717 | \$78,734,367 | 25.42% |
| Asian American male-owned MBEs | 21 | 7.92% | \$243,250,000 | \$25,076,363 | 8.20% |
| Asian American women-owned MBEs | 7 | 2.64% | \$33,980,100 | \$3,579,125 | 1.14% |
| Black male-owned MBEs | 6 | 2.26% | \$74,294,100 | \$4,050,573 | 1.31% |
| Black women-owned MBEs | 6 | 2.26% | \$41,026,750 | \$3,828,604 | 1.52% |
| Hispanic American male-owned MBEs | 7 | 2.64% | \$59,000,000 | \$14,348,026 | 4.46% |
| Hispanic American women-owned MBEs | 2 | 0.75% | \$16,000,000 | \$2,465,000 | 0.42% |
| White WBEs | 22 | 8.30% | \$149,967,767 | \$26,366,574 | 8.38% |
| Non-Certified | 194 | 73.21% | \$2,037,280,100 | \$248,929,274 | 74.58% |

'Sub'merged Contract Data

Subcontracting is an essential vehicle for M/WBEs to do work with the City and many prime vendors are required to subcontract work to fulfill M/WBE participation goals. However, very little subcontract information is available to City oversight agencies and the public. Due to a historic overreliance on a paper-based approval process and lack of monitoring and enforcement by City agencies, vendors continue to underreport subcontract data in the City's systems of record. Not only does this lack of transparency increase the risk of unfair practices in the subcontracting space, it also prevents agencies from accurately assessing compliance with mandated subcontracting goals. It also makes it challenging to identify subcontracting areas and M/WBEs certification categories to better focus outreach efforts on future solicitations.

Chart 18 and Table 25 reflect approved subcontract records associated with LL 174 eligible prime contracts registered since FY22. While the number of subcontracts connected with a prime contract can vary, subcontracts were recorded for only about 10% of eligible City contracts. The major construction agencies mostly fared better in ensuring that vendors are recording subcontractors, but only DDC contracts reflected subcontract records for the majority of its eligible prime contracts. For most agencies with some subcontractor approval records, these records are only available for a small sliver of all prime contracts.

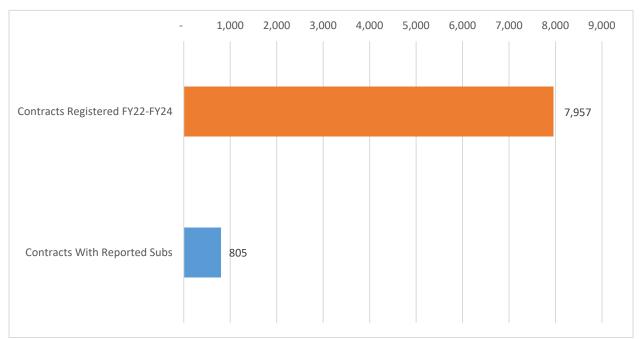


Chart 18: Comparison of all Prime Contracts subject to LL 174 participation goals against reported subcontracts, FY22-FY24

Table 25: Approved Subcontracts Associated with LL 174 Eligible Prime Contracts, FY22-FY24⁴¹

| Agency | # of LL 174-Eligible Prime Contracts | # of Unique contracts with at least one sub - FMS July | % Share of Contracts with FMS Sub Records | Total # of FMS Sub Records |
|--------|---|---|---|----------------------------------|
| DDC | 321 | 207 | 64.49% | 2,102 |
| DEP | 557 | 167 | 29.98% | 1,215 |
| DPR | 1,329 | 280 | 21.07% | 1,977 |
| DSNY | 210 | 22 | 10.48% | 56 |
| DOT | 525 | 56 | 10.67% | 334 |
| HPD | 306 | 25 | 8.17% | 139 |
| DOF | 79 | 6 | 7.59% | 8 |
| DHS | 79 | 2 | 2.53% | 8 |
| ACS | 277 | 7 | 2.53% | 16 |
| FDNY | 200 | 7 | 3.50% | 23 |
| DCAS | 445 | 9 | 2.02% | 47 |
| NYPD | 656 | 8 | 1.22% | 44 |
| ООНМН | 1,378 | 7 | 0.51% | 13 |
| LAW | 145 | 0 | 0.00% | 0 |
| DOC | 161 | 1 | 0.62% | 1 |
| ΟΤΙ | 403 | 1 | 0.25% | 5 |
| BIC | 4 | 0 | 0.00% | 0 |
| CCHR | 6 | 0 | 0.00% | 0 |
| CCRB | 45 | 0 | 0.00% | 0 |
| СОМР | 94 | 0 | 0.00% | 0 |

⁴¹ This table examines subcontracts associated with LL 174 eligible CT1s registered between FY22 and FY24.

| Agency | # of LL 174-Eligible Prime Contracts | # of Unique contracts with at least one sub - FMS July | % Share of Contracts with FMS Sub Records | Total # of FMS Sub Records |
|-------------|---|---|---|----------------------------------|
| DCLA | 22 | 0 | 0.00% | 0 |
| DCP | 21 | 0 | 0.00% | 0 |
| DCWP | 22 | 0 | 0.00% | 0 |
| DFTA | 51 | 0 | 0.00% | 0 |
| DOB | 41 | 0 | 0.00% | 0 |
| DOI | 36 | 0 | 0.00% | 0 |
| DOP | 21 | 0 | 0.00% | 0 |
| DORIS | 7 | 0 | 0.00% | 0 |
| DSS/HRA | 184 | 0 | 0.00% | 0 |
| DYCD | 57 | 0 | 0.00% | 0 |
| LPC | 5 | 0 | 0.00% | 0 |
| MAYOR | 98 | 0 | 0.00% | 0 |
| NYCEM | 51 | 0 | 0.00% | 0 |
| ОАТН | 29 | 0 | 0.00% | 0 |
| SBS | 67 | 0 | 0.00% | 0 |
| TLC | 25 | 0 | 0.00% | 0 |
| Grand Total | 7,957 | 805 | 10.12% | 5,988 |

An important innovation promised with the launch of PASSPort's new subcontract module is the new ability of agencies and Prime vendors to capture multi-tier subcontracts (i.e. subcontractors of subcontracts). Multi-tier subcontractors do a great deal of work on behalf of the City, and their absence from the City's systems of record represents a big gap in what information is available to oversight agencies and the Public. Such information would help the City better safeguard public dollars from misuse, inform future subcontracting opportunities for interested M/WBEs, and improve the City's ability to track its progress against M/WBE performance goals. Despite this, we were unable to identify any second or third tier subcontractors when sampling contracts that the Administration has publicly indicated would generate significant M/WBE subcontracting

awards. Inadequate agency and vendor training, enforcement or backlogs may be some of the root causes of the lack of data. What it does reveal though, is an inability to assess compliance with subcontractor approval requirements and M/WBE subcontracting goals.

In addition, and as discussed later in this report, the Department of Education ("DOE") does not require that its vendors record subcontractor activity in the City's system of record, which calls into question its oversight of mandated subcontractor approval procedures generally and certainly its ability to responsibly enforce, track and report on LL 174 participation goals that they are able to set as of FY23. In FY24 DOE registered 5,696 prime contracts for which there are no available subcontract records, and therefore no opportunity for the City or public to ensure appropriate oversight.

The Problem with the Status Quo

Reform is necessary to level the playing field for businesses owned by people of color and women. As is, agency practitioners and prospective vendors alike struggle to navigate the City's procurement systems. Policies and procedures are complex and are often implemented differently across dozens of agencies and departments. Change will be difficult to achieve in a system this large, but it is possible. There are tangible steps the City can take today to build a more equitable, agile, and modern system.

Prior iterations of this Annual Report have offered dozens of policy recommendations to address the problems that contribute to inequity and low M/WBE utilization. This Report investigates the progress made towards these recommendations and identifies places where work has halted or not begun. This Section revisits each of these policy reforms and assigns a determination of progress made:

- Some progress: in FY24, the Administration took steps to address this policy recommendation, and some additional work must be done before the reform could be considered successfully implemented.
- Halted progress: some progress has been made during the Adams Administration in FY22 and FY23, but no new progress was made in FY24. Some additional work must be done before the reform could be considered successfully implemented.
- **Completed**: this Reform has been successfully implemented.
- **No progress**: little to no steps have been taken to address this proposed policy reform.

Overall, the City has made little progress towards these policy reforms under the leadership of Mayor Adams' administration. Though there have been some improvements, much work remains to strengthen procurement tools and remove bureaucratic hurdles. Progress on these reforms will be necessary to create more equity across the City's procurement portfolio.

The City isn't Maximizing use of its Procurement Tools and Systems

Prior iterations of this Report have outlined several ways that City contracting practitioners can optimize their use of existing tools and systems to increase M/WBE utilization. Successful implementation of these reforms would create more equitable procurement tools and would result in an increased share of contracting with M/WBEs. Some advances have been made towards the following recommendations, though much has halted:

Ensure that M/WBEs have Access to Higher Value Contracts through Competitive Procurements

Status: Some progress in some areas, but halted progress in others.

M/WBEs still win contracts that are, on average, much smaller than the contracts won by noncertified firms. The average value of a contract registered to a M/WBE in FY24 was only \$466,649 compared to an average value of \$3,051,592 for contracts registered to non-certified firms. This M/WBE average value has decreased from \$679,000 in FY22. The City must focus on increasing utilization through competitive procurement methods like RFP and RFB to create more valuable and meaningful opportunities for M/WBEs. Though the Administration has made some progress here, much of this progress has halted since FY23.

Current rules allow agencies to develop prequalified lists ("PQLs") of eligible M/WBEs that are vetted and available to offer goods and/or services that are frequently used by an Agency. To maximize use of this tool, the City should establish M/WBE PQLs at all City agencies (FY22 Report Recommendation 1.1) and enhance City systems to make more transparent the use of these M/WBE specific PQLs when soliciting bids or proposals. As of September 2024, only six agencies have established 16 M/WBE-specific PQLs. While this shows a modest improvement from just 10 M/WBE-specific lists in FY23, the City has yet to implement recommendations outlined in the FY22 M/WBE Procurement Report that clearly identify whether contracts are awarded through these M/WBE specific PQLs.

Procurement Policy Board ("PPB") Rules codify a requirement for agencies to **utilize "best value"** (FY22 Report Recommendation 1.2) in competitive procurements like RFP and RFB.⁴² In recent years, the City has released several resources to support more effective use of best value, including 2023 guidance and trainings and a 2024 City Chief Procurement Officer ("CCPO") Directive that expands the requirements for best value CSBs. However, most RFBs and RFPs still result in awards to non-certified firms – in FY24, 90% of contracts registered pursuant to CSP and 73% of contracts registered pursuant to CSB were registered to non-certified firms. It is difficult to evaluate the impact and effectiveness of best value point and price preferences, as City tools do not properly track the use of best value CSPs and CSBs. In February 2025, this Office formally initiated collaboration with the Financial Information Services Agency ("FISA") to create new award method codes for "Best Value CSP" and "Best Value CSB". These new award method codes would improve tracking and oversight and facilitate analyses that may share valuable insights on the efficacy of best value as a tool to increase M/WBE utilization.

⁴² PPB Rules Sections 3-02 and 3-02

Increase Utilization of M/WBEs in Human Services Contracting

Many of the City's valuable competitive procurements are for human services, most of which are awarded to non-profit organizations. In FY24, the City registered \$14.9 billion in human services contracts – these contracts account for nearly 47% of all City contracts. Currently, the City's M/WBE program exempts contracts for human services from establishing M/WBE participation goals. As a result, M/WBEs are denied access to half of the City's multi-billion dollar contracting portfolio. However, there are several ways that the City could increase utilization of M/WBEs in human services contracting (FY23 Report Recommendation 4). The City has not yet taken any steps that could increase M/WBE opportunities in this space.

City procurement tools target most human services prime contracting opportunities to prequalified vendors—the City should ensure that the prequalification process is not implementing barriers that could inadvertently limit an M/WBE's ability to qualify. The City should also prioritize ways to increase the use of M/WBEs as subcontractors on large human services contracts for essential work including the provision of food, security, laundry services, and more. M/WBEs already directly support the City in meeting these needs through other contracts and are available to do the same through human services contracts.

Maximize Use of Discretionary Procurement Methods

Status: One recommendation has been completed and others remain in progress.

The PPB Rules set forth several discretionary procurement methods that allow contracting agencies the latitude to make direct contract awards to M/WBEs without formal competition. Though these are typically for lower-dollar-value contracts, the City should be maximizing M/WBE utilization for contracts procured using these tools.

The M/WBE Small Purchase Method is an essential tool to direct contracts to M/WBEs. This Office, alongside the Administration and sector representatives, advocated to **raise the threshold for the M/WBE Small Purchase Method up to \$1.5 million** in 2023 (FY22 Report Recommendation 2.2). On December 8, 2023, New York State enacted legislation S7563 to increase the dollar threshold for this method from \$1 million to \$1.5 million.⁴³ The City's overall use of this method has increased modestly since FY22 – the volume and average value of a contract registered using this method have increased since FY22, but agencies still tend to use this method for contracts that are far below the maximum threshold of \$1.5 million. In FY24, the average value of a contract registered using this method was \$262,928 – only about 15% of the maximum allowed value. In fact, this average value is still less than the original maximum threshold established in 2015, which has since been increased by State legislation twice. There is

⁴³ The increased \$1.5 million threshold became effective in December 2023, therefore procurement data for this FY24 Report reflects a transition across expanded thresholds – the maximum threshold for this method was \$1 million for the first two quarters of FY24 and \$1.5 million for the third and fourth quarters of FY24.

still more work to be done to achieve broader and high dollar use of this M/WBE Small Purchase method (FY22 Report Recommendation 2.1). This Report includes a Specialized Focus into agencies' use of this method.

The Micropurchase and Small Purchase methods are other common procurement tools available to City contracting practitioners. Some progress has been made to **ensure that discretionary micropurchases are more fairly distributed to M/WBEs** (FY22 Report Recommendation 2.3). The M/WBE share of micropurchases has increased to 22.12% (from 17.9% in FY23 and FY22) and the M/WBE share of registered Small Purchases has increased to 30.89% (from 26% in FY23 and 14% in FY22).

Create Better Resources for Agency Contracting Staff

Status: Though **some progress** has been made to advance one recommendation, the Administration has **halted** or made **no progress** to advance the recommendations outlined in prior versions of this Report

City procurement officers are expected to navigate a complex universe of decisions when determining how to procure goods and services. Agency staff must balance the goal of increasing M/WBE utilization with the requirements of numerous other regulations and expectations. Agencies and vendors leverage many systems, platforms, and resources to support their contracting functions.⁴⁴ These systems are complicated and outdated and must be updated and streamlined to facilitate faster, simpler, and more equitable decisions. In 2024, MOCS facilitated 20 M/WBE trainings for over 1,000 City procurement and contracting staff. These introductory and Best Practices trainings are important and necessary. However, the City did not make any new progress towards the specified recommended enhancements and tools detailed below.

The City made some preliminary efforts to make data relevant to M/WBE procurement more easily accessible across City data tools and contracting systems (FY22 Report Recommendation 4.2), however these have halted. In February 2024, this Office worked in partnership with SBS to enhance M/WBE Vendor Profiles in the SBS Directory to include a link to <u>CheckbookNYC</u>.⁴⁵ This connects agencies to up-to-date registration and spend data and simplifies the vendor market research required for agencies to target vendors for prime contracting opportunities and to establish realistic subcontracting goals. In addition, FMS has been updated to include additional data points such as real-time M/WBE certification dates. This is critical to ensuring that agencies can find M/WBEs as they become certified and will be an important tool in monitoring oversight and compliance if certification status change.

However, other targeted enhancements to PASSPort Public have not yet been addressed. M/WBEs would benefit from improved search functionalities to identify M/WBE-specific

⁴⁴ Appendix A of this Report includes context and details about the many key technology resources that are particularly relevant when discussing contracting with M/WBEs.

⁴⁵ https://www.checkbooknyc.com/

contracting and/or subcontracting opportunities. Though users have the ability to search open solicitations by filtering for the "RFI (M/WBE)" procurement method, these search results do not accurately display the planned or released solicitations via the M/WBE Small Purchase method. Instead, this search results in over 650 entries dating back nearly 5 years to 2020, few of which seem to be active, open solicitations.⁴⁶ As such, PASSPort Public must improve this search tool to make it more accurate and meaningful. PASSPort Public still does not contain any information to inform users about potential subcontracting opportunities. M/WBEs would benefit from additional layers of insights that could connect them to prime contractors actively seeking M/WBE subcontractors.

The City has not updated or revised any agency guidance related to goal-setting (FY22 Report Recommendation 4.1). In FY23 and FY24, the City has conducted Procurement Training Institute training events for agency staff related to goal-setting best practices. However, the resources used to support this important step have not been updated or simplified in years. This process is still managed offline in procurement-specific Excel files. The goal-setting training materials available for agencies on BuyWise have not been revised in over six years and existing resources only include a best practices memo from 2017 and its 2018 revision. These tools must be modernized and digitized to standardize practices across agencies and to offer more transparent insights into this critical step in City procurement. It is also important to consider goal-setting on other contract actions. PASSPort enhancements have made some progress towards strengthening goal-setting procedures, support and oversight for contract changes and modifications (FY23 Report Recommendation 3). PASSPort prompts agencies to reconsider M/WBE participation goals at the time they are establishing task orders. However, it does not appear that PASSPort requires any oversight from MOCS or OMWBE to monitor compliance and/or affirm that the revised goals are appropriate and ambitious. This Report includes a Specialized Focus on Master Agreements that shares insights about the shortcomings of oversight and data tracking on these contracts.

Commodity codes are not effectively used to connect agencies and M/WBEs

Status: **No progress** has been made to advance the recommendations outlined in prior versions of this Report

Agencies rely on the SBS Directory to find eligible M/WBEs to target their outreach. They primarily search for M/WBEs using a commodity code. A commodity code is a standardized number for a product or service that a vendor might offer to the City. Commodity codes are

⁴⁶ As of December 9, 2024, a search of PASSPort Public "Browse Solicitations" using the "RFI (M/WBE)" field for "Procurement Method" and "RFx Status" of "Planned" resulted in 166 solicitations with due dates dating back to July 9, 2021. A search of PASSPort Public "Browse Solicitations" using the "RFI (M/WBE)" field for "Procurement Method" and "RFx Status" of "Planned" resulted in 492 solicitations with due dates dating back to April 9, 2021. Of these 658 results, only 24 solicitations appeared to be actively open to receive proposals at the time of search.

national, standardized indices used across many municipalities and are not unique to New York City. City procurement portals PASSPort and FMS also rely on commodity codes as the basis for alerting vendors about relevant open procurement opportunities. Commodity codes are often too general and cast too wide of a net, making it difficult for agencies to find M/WBEs that are truly capable of providing the goods or services that are being procured. Other times, commodity codes may be so narrow that they incidentally fail to include M/WBEs in the procurement competition pools for goods and services they are able to provide. Furthermore, commodity codes are inconsistent across various City procurement systems. The City has not yet taken any of the following steps to proactively improve its use of commodity codes.

At the time of certification and regularly thereafter, SBS should work one-on-one with M/WBEs to **validate the commodity codes** (FY22 Report Recommendation 4.3) listed on their Vendor Profiles in the SBS Directory, as well as the commodity codes listed in their PASSPort profiles, to confirm that each M/WBE is set up for success. Without this support, M/WBEs will continue to miss out on opportunities they may be qualified to propose to.

The sheer volume of commodity codes is unruly for both M/WBEs and agency procurement staff. The New York City Commodity Code Listing offers thousands upon thousands of code options across 250 main categories, amassing 161 pages. M/WBEs would benefit from a simpler resource that shows them which codes agencies actually use. The City should survey agencies and **standardize commodity code selection and searches across agencies procuring similar goods and services** (FY23 Report Recommendation 1.2). They could then use this information and guidance to **develop curated resources that demystify and uncomplicate finding procurement opportunities and eligible M/WBEs** (FY23 Report Recommendation 1.3). This would help M/WBEs choose the right commodity codes to connect them to appropriate opportunities. In the Fall of 2024, SBS released an information pamphlet "M/WBEs Get Stuff Done for NYC".⁴⁷ This resource offers helpful information including a list of the products and services that the City buys, broken down by industry and agency. This resource would be even more helpful if it connected the specified goods and services outlined in this section with the applicable and appropriate commodity codes.

The City's Bureaucratic Hurdles Keep M/WBEs from Contract Opportunities

Status: **No progress** has been made to advance the majority of these recommendations outlined in prior versions of this Report, though some progress has been made towards one.

The City's procurement processes and systems are complex and challenging to navigate. Only a sliver of certified M/WBEs end up with a City contract each year. The City must prioritize reforms to address outdated and lengthy processes and aim to create a more equitable system that reduces barriers to the participation and ensures inclusion of M/WBEs in City contracting. The

⁴⁷ https://www.nyc.gov/assets/sbs/downloads/pdf/about/reports/2024-pfbooklet-web.pdf

City has taken some steps to increase access and transparency, but much work has not yet been started. City procurement processes continue to result in lengthy and untenable timelines that keep M/WBEs from pursuing contracting opportunities.

There were over 30,000 prime contract and PO opportunities and over 1,500 subcontracting opportunities subject to M/WBE participation goals in FY24, yet only 2,290 M/WBEs ended up with a registered contract, PO, or subcontract. The City must figure out why so many M/WBEs do not have City contracts. It could do this by **surveying underutilized firms to assess the effectiveness of M/WBE certification** (FY23 Report Recommendation 2). This has not yet happened. It would be important and helpful to hear directly from M/WBEs to identify the roadblocks that prevent M/WBEs from contracting with agencies. This would help SBS target its resources and support the City's goal of diversifying the vendors it works with.

Unfortunately, in recent years the City's lengthy procurement process has consistently failed to register the vast majority of contracts on a timely basis (by or before the contract start date). These delays place enormous financial strains on small businesses, M/WBEs, and nonprofit organizations. Many vendors are forced to borrow to cover cash flow and triage their own expenses, making it extremely difficult to pay their workers, sustain operations, and grow their footprint. The City cannot expect M/WBEs and small businesses to seek out contracting opportunities until it **improves the timeliness of City contract registration** (FY22 Report Recommendation 5). This Report includes a focused section on retroactivity rates for M/WBEs, which have not improved since FY22. In FY24, over 72% of new M/WBE contracts were registered after their contract start date, compared to 61% in FY23 and 55% in FY22.

The City's contracting is managed across dozens of different Agencies, mayoral Offices, and handfuls of non-mayoral Elected Officials. As such, M/WBEs struggle to figure out when and which agencies purchase the types of goods and services that they can offer. The City should do more to help connect M/WBEs to the agencies who are looking for them and **create one repository of current and planned procurement opportunities** (FY23 Report Recommendation 1.1). Although in some circumstances City agencies are already required to publish lists of their planned contracting opportunities for each fiscal year, navigating across the lists remains a tedious task, and it would take anyone hours to comb through hundreds of discrete spreadsheets across many dozen websites. Since the beginning of this Administration, the City has not made any improvements to how and where these opportunities are shared. The City must eliminate these onerous hurdles by developing search functionality in PASSPort that allows M/WBEs to easily target agencies and their procurements.

Subcontracting is an alternative way for M/WBEs to get involved in City contracting. Many prime vendors are required to subcontract work components to fulfill the M/WBE participation goals. By connecting with a prime vendor, an M/WBE can create meaningful subcontract opportunities today that can lead to direct contracts with the City tomorrow.

Historically, the City's process for monitoring subcontracting was paper-based and ineffective. In FY24, the City made important progress in **reforming the subcontracting process and incorporating it into PASSPort** (FY22 Report Recommendation 3). In September 2024, MOCS launched a new Subcontractor Management module in PASSPort. This enhancement modernizes

and streamlines the City's procurement processes, allowing agencies to approve subcontractors, validate subcontractor payments and monitor M/WBE utilization in one place, making PASSPort the new system of record for subcontract data. This Office worked with MOCS in preparation for this enhancement to ensure that all PASSPort payment records would still be visible to the public via Checkbook NYC. This Office has monitored the transition from the Payee Information Portal ("PIP") to PASSPort to assess if the new functionality effectively remedies the deficiencies of historical systems. Unfortunately, significant shortcomings remain in place. Subcontractors are required to create PASSPort accounts before using the system, and many have not yet done so.

An important innovation promised with the launch of PASSPort's new subcontract module is the new ability of agencies and Prime vendors to capture multi-tier subcontracts (i.e. subcontractors of subcontracts). Multi-tier subcontractors do a great deal of work on behalf of the City, and their absence from the City's systems of record represents a big gap in what information is available to oversight agencies and the Public. Such information would help the City better safeguard public dollars from misuse, inform future subcontracting opportunities for interested M/WBEs, and improve the City's ability to track its progress against M/WBE performance goals. Despite this, we were unable to identify any second or third tier subcontractors when sampling contracts that the Administration has publicly indicated would generate significant M/WBE subcontracting awards. Inadequate agency and vendor training, enforcement or backlogs may be some of the root causes of the lack of data. What it does reveal though, is an inability to assess compliance with subcontractor approval requirements and M/WBE subcontracting goals.

Therefore, the system is still missing many critical records, particularly for Tier 2 and Tier 3 subcontractors. Furthermore, neither primes nor subcontractors can use this PASSPort module to identify and pursue potential subcontracting opportunities. Unless additional improvements are made to improve these deficiencies, this process will continue to be managed by individual prime contractors offline. This Office will continue to advocate for further enhancements to guarantee transparency in this space.

Little Progress has Been Made on our Office's Recommendations

In total, the City has made little progress towards these policy reforms under the leadership of Mayor Adams' administration. Of the 16 recommendations issued by this Report, only 1 has been completed. The City has taken steps towards 5 of these recommendations, and progress halted on 2 additional recommendations. Though there have been some improvements, the City has not taken any steps to address 8 critical policy recommendations. Progress on these reforms will be necessary to create more equity across the City's procurement portfolio.

M/WBE Utilization by Agency

This Section includes individual analyses for mayoral City agencies and non-mayoral Elected Officials with LL 174-eligible contract registrations and spend. Though not subject to LL 174 participation goals, this Section also includes the same analyses for the Department of Education ("DOE").

These analyses provide a detailed understanding into the contract registration data, spend data and other procurement trends of each individual agency. It is important to note that each agency procures different goods and services, has different operating budgets, and different priorities – so a one for one comparison may not always be appropriate. The Annual Summary Contracts Report includes more helpful information about contracting across agencies.⁴⁸

However, it can be helpful and informative to note patterns and trends across agencies, including the count and value of contracting opportunities across similar industries. Agencies are encouraged to review data pertaining to sister agencies that procure similar goods and services for best practices or to identify areas where they can share context or resources to improve their utilization. These analyses are intended to be reviewed in combination with the findings throughout the rest of the Report, including in the next Section by industry.

Ranked Measures:

This section presents a comprehensive evaluation of city agencies' engagement with M/WBEs over the past several fiscal years. The FY22 Report compared the share of LL 174-eligible contract volume and value that was registered to M/WBEs across rated agencies, regardless of the size of their procurement portfolio. While informative, this approach had the effect of overrepresenting results in smaller agencies where just one or two contracts could have a massive impact on their overall ratio. To assess agency performance more fairly, beginning in FY23, this Report's analysis examines how much LL 174-eligible business (as a function of value and volume) each agency did with M/WBEs relative to their peers with similar-sized LL 174 portfolios.

First, LL 174-eligible procurement data from the prior four fiscal years was aggregated to classify agencies into value and volume cohorts. Subsequently, a statistical tool known as a Z-Score was applied to measure how much business each agency did with M/WBEs as compared to their cohort average.⁴⁹ Agencies with Z-Scores greater than zero did more business with M/WBEs than the average among agencies with similar sized contract portfolios. Agencies with Z-Scores below zero did less M/WBE business than the average among agencies with similar sized contract.

⁴⁸ https://comptroller.nyc.gov/reports/annual-summary-contracts-report-for-the-city-of-new-york-fiscal-year-2024/

⁴⁹ Note: Z-scores were generated for both value and volume by comparing agency totals against their cohort averages. Then, the two scores for each agency were combined, giving greater weight to the value score, allowing for the creation of a unified standardized metric. Note: for this year's Report, MA1 and MMA1 values are excluded. For more information about this change, see the specialized focus on Master Agreements earlier in this Report.

portfolios. Additional information and data regarding the process for calculating Z-scores can be found in Appendix D of this Report.

Cohorts

Value and volume cohorts were established by aggregating LL 174-eligible contract and PO data for each agency over a four-year period (FY21-24). The extended timeframe accommodates the fluctuations in each agency's procurement cycle, accounting for both heavier and lighter years. The cohorts were established as follows:

Value Cohorts

- Large Value: total aggregated LL 174-eligible value over \$100 million
- Moderate Value: total aggregated LL 174-eligible value between \$50 million and \$100 million
- Small Value: total aggregated LL 174-eligible value between \$10 million and \$50 million
- Micro Value: total aggregated LL 174-eligible value under \$10 million

Volume Cohorts

- Large Volume: Over 10,000 contracts and POs
- Moderate Volume: Between 1,000 and 10,000 contracts and POs
- Small Volume: Between 100 and 1,000 contracts and POs
- Very Small Volume: Less than 100 contracts and POs

Z-Score Rankings, by Value Cohort

Tables 26-29 rank agencies from highest to lowest Z-score within each of the four value cohorts. For additional context, these tables also include the volume cohort assigned to each agency when calculating their Z-score.

| Agency | Volume Cohort | FY24 Z-Score |
|---|--|--------------|
| Department of Parks and Recreation (DPR) | Between 1,000-10,000 contracts and POs | 0.65 |
| Department of Environmental Protection (DEP) | Between 1,000-10,000 contracts and POs | 0.35 |
| Department of Design and Construction (DDC) | Between 100-1,000 contracts and POs | 0.22 |
| Department of Education (DOE) | Over 10,000 contracts and POs | 0.19 |
| Department of Housing Preservation and Development (HPD) | Over 10,000 contracts and POs | -0.33 |
| Department of Transportation (DOT) | Between 1,000-10,000 contracts and POs | -1.08 |

Table 27: FY24 – Moderate Value Cohort, Ranked

| Agency | Volume Cohort | FY24 Z-Score |
|--|--|--------------|
| Administration for Children's | | |
| Services (ACS) | Between 100-1,000 contracts and POs | 1.23 |
| New York Police Department (NYPD) | Between 1,000-10,000 contracts and POs | 0.42 |
| Office of Technology and Innovation (OTI) | Between 100-1,000 contracts and POs | 0.08 |
| Department of Sanitation (DSNY) | Between 1,000-10,000 contracts and POs | -0.16 |
| Department of Health and Mental Hygiene (DOHMH) | Between 1,000-10,000 contracts and POs | -0.18 |
| Department of Citywide Administrative Services (DCAS) | Between 1,000-10,000 contracts and POs | -0.24 |
| Department of Homeless Services (DHS) | Between 100-1,000 contracts and POs | -1.14 |

Table 28: FY24 – Small Value Cohort, Ranked

| Agency | Volume Cohort | FY24 Z-Score |
|---|--|--------------|
| Human Resources Administration (DSS/HRA) | Between 100-1,000 contracts and POs | 1.82 |
| Department of Correction (DOC) | Between 1,000-10,000 contracts and POs | 1.03 |
| Comptroller (COMP) | Between 100-1,000 contracts and POs | 0.08 |
| New York City Fire Department (FDNY) | Between 100-1,000 contracts and POs | -0.22 |
| Mayoralty (MAYOR) | Between 100-1,000 contracts and POs | -0.36 |
| Law Department (LAW) | Between 100-1,000 contracts and POs | -0.40 |
| Department of Finance (DOF) | Between 100-1,000 contracts and POs | -0.75 |
| Small Business Services (SBS) | Between 100-1,000 contracts and POs | -1.21 |

Table 29: FY24 – Micro Value Cohort, Ranked

| Agency | Volume Cohort | FY24 Z-Score |
|---|-------------------------------------|--------------|
| Department of Youth and Community Development (DYCD) | Between 100-1,000 contracts and POs | 2.18 |
| Taxi & Limousine Commission (TLC) | Between 100-1,000 contracts and POs | 1.71 |
| Department of Consumer and Worker Protection (DCWP) | Between 100-1,000 contracts and POs | 0.57 |
| Department of Buildings (DOB) | Between 100-1,000 contracts and POs | 0.41 |
| NYC Office of Emergency Management (NYCEM) | Between 100-1,000 contracts and POs | 0.32 |
| Department of Cultural Affairs (DCLA) | Less than 100 contracts and POs | 0.17 |
| Department of Investigation (DOI) | Between 100-1,000 contracts and POs | 0.09 |
| Department of City Planning (DCP) | Between 100-1,000 contracts and POs | 0.06 |
| Department for the Aging (DFTA) | Between 100-1,000 contracts and POs | -0.12 |
| Department of Probation (DOP) | Between 100-1,000 contracts and POs | -0.42 |
| Office of Administrative Trials and Hearings (OATH) | Between 100-1,000 contracts and POs | -0.50 |

| Agency | Volume Cohort | FY24 Z-Score |
|--|-------------------------------------|--------------|
| Civilian Complaint Review Board (CCRB) | Less than 100 contracts and POs | -0.77 |
| City Commission on Human Rights (CCHR) | Between 100-1,000 contracts and POs | -0.82 |
| Landmarks Preservation Commission (LPC) | Less than 100 contracts and POs | -0.88 |
| Department of Records and Information Systems (DORIS) | Less than 100 contracts and POs | -0.89 |
| Business Integrity Commission (BIC) | Less than 100 contracts and POs | -1.12 |

Rankings: Year Over Year Z-Score Changes, by Cohort

Tables 30-33 rank agencies based on the magnitude of change between their FY23 and FY24 Z-scores. Agencies with a positive year-over-year percent change did more business with M/WBEs, relative to their cohorts, in FY24 than they did in FY23. The opposite is true for agencies with a negative year-over-year percentage.

| Table 30: Large | Value Cohorl | - Year-over-Year | Z-Score Changes |
|-----------------|--------------|------------------|-----------------|
|-----------------|--------------|------------------|-----------------|

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|--|--|-----------------|-----------------|--------------------------|
| Department of Education (DOE) | Over 10,000 contracts and POs | -0.10 | 0.19 | 0.29 |
| Department of Housing Preservation and Development (HPD) | Over 10,000 contracts and POs | -0.58 | -0.33 | 0.24 |
| Department of Parks and Recreation (DPR) | Between 1,000-10,000 contracts and POs | 0.45 | 0.65 | 0.21 |
| Department of Design and Construction (DDC) | Between 100-1,000 contracts and POs | 0.27 | 0.22 | -0.06 |
| Department of Environmental Protection (DEP) | Between 1,000-10,000 contracts and POs | 0.48 | 0.35 | -0.14 |
| Department of Transportation (DOT) | Between 1,000-10,000 contracts and POs | -0.53 | -1.08 | -0.55 |

Table 31: Moderate Value Cohort Year-over-Year Z-Score Changes

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|---|--|-----------------|-----------------|--------------------------|
| Administration for Children's Services (ACS) | Between 100-1,000 contracts and POs | -0.25 | 1.23 | 1.47 |
| Department of Citywide Administrative Services (DCAS) | Between 1,000-10,000 contracts and POs | -0.62 | -0.24 | 0.38 |
| Department of Mental Health and Hygiene (DOHMH) | Between 1,000-10,000 contracts and POs | -0.43 | -0.18 | 0.25 |
| New York Police Department (NYPD) | Between 1,000-10,000 contracts and POs | 0.43 | 0.42 | -0.01 |
| Department of Homeless Services (DHS) | Between 100-1,000 contracts and POs | -0.99 | -1.14 | -0.15 |
| Office of Technology and Innovation (OTI) | Between 100-1,000 contracts and POs | 0.73 | 0.08 | -0.65 |
| Department of Sanitation (DSNY) | Between 1,000-10,000 contracts and POs | 1.12 | -0.16 | -1.28 |

Table 32: Small Value Cohort Year-over-Year Z-Score Changes

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|---|--|-----------------|-----------------|--------------------------|
| Human Resources Administration (DSS/HRA) | Between 100-1,000 contracts and POs | 0.54 | 1.82 | 1.29 |
| Comptroller (COMP) | Between 100-1,000 contracts and POs | -0.84 | 0.08 | 0.93 |
| Mayoralty (MAYOR) | Between 100-1,000 contracts and POs | -0.59 | -0.36 | 0.23 |
| New York City Fire Department (FDNY) | Between 100-1,000 contracts and POs | -0.39 | -0.22 | 0.18 |
| Department of Finance (DOF) | Between 100-1,000 contracts and POs | -0.87 | -0.75 | 0.12 |
| Department of Corrections (DOC) | Between 1,000-10,000 contracts and POs | 0.96 | 1.03 | 0.08 |

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|-------------------------------|-------------------------------------|-----------------|-----------------|--------------------------|
| Small Business Services (SBS) | Between 100-1,000 contracts and POs | -0.49 | -1.21 | -0.72 |
| Law Department (LAW) | Between 100-1,000 contracts and POs | 1.69 | -0.40 | -2.09 |

Table 33: Micro Value Cohort Year-over-Year Z-Score Changes

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|--|-------------------------------------|-----------------|-----------------|--------------------------|
| Taxi and Limousine Commission (TLC) | Between 100-1,000 contracts and POs | 0.24 | 1.71 | 1.47 |
| Department of Consumer and Worker Protection (DCWP) | Between 100-1,000 contracts and POs | -0.39 | 0.57 | 0.96 |
| Department of City Planning (DCP) | Between 100-1,000 contracts and POs | -0.47 | 0.06 | 0.53 |
| Department of Youth and Community Development (DYCD) | Between 100-1,000 contracts and POs | 1.68 | 2.18 | 0.50 |
| Department of Investigation (DOI) | Between 100-1,000 contracts and POs | -0.37 | 0.09 | 0.46 |
| Department of Cultural Affairs (DCLA) | Less than 100 contracts and POs | 0.10 | 0.17 | 0.07 |
| Landmarks Preservation Commission (LPC) | Less than 100 contracts and POs | -0.95 | -0.88 | 0.06 |
| Department of Records and Information Services (DORIS) | Less than 100 contracts and POs | -0.94 | -0.89 | 0.05 |
| Civilian Complaint Review Board (CCRB) | Less than 100 contracts and POs | -0.80 | -0.77 | 0.03 |
| Commission on Human Rights (CCHR) | Between 100-1,000 contracts and POs | -0.80 | -0.82 | -0.03 |
| Department for the Aging (DFTA) | Between 100-1,000 contracts and POs | -0.07 | -0.12 | -0.05 |
| Business Integrity Commission (BIC) | Less than 100 contracts and POs | -1.04 | -1.12 | -0.08 |

| Agency | Volume Cohort | FY23 Z-score | FY24 Z-score | Year over Year Change |
|--|-------------------------------------|-----------------|-----------------|--------------------------|
| Department of Probation (DOP) | Between 100-1,000 contracts and POs | -0.17 | -0.42 | -0.25 |
| Office of Administrative Trials and Hearings (OATH) | Between 100-1,000 contracts and POs | 0.37 | -0.50 | -0.87 |
| NYC Office of Emergency Management (NYCEM) | Between 100-1,000 contracts and POs | 1.70 | 0.32 | -1.37 |
| Department of Buildings (DOB) | Between 100-1,000 contracts and POs | 1.91 | 0.41 | -1.50 |

Agency Rankings: Utilization of M/WBE Small Purchase Method by Volume

Tables 34 and 35 examine the agencies with the greatest and fewest numbers of registered M/WBE Small Purchase method contracts in FY24. Table 36 captures which agencies registered the most M/WBE Small Purchase method contracts in FY24, relative to their FY23 totals.

Table 34: FY24 Top Five Agencies by Volume of M/WBE SmallPurchase Method Registrations

| Agency | Total Number of M/WBE SP Contracts |
|---|---------------------------------------|
| Office of Technology and Innovation (OTI) | 146 |
| Department of Transportation (DOT) | 106 |
| Department of Environmental Protection (DEP) | 75 |
| Department of Health and Mental Hygiene (DOHMH) | 73 |
| Department of Citywide Administrative Services (DCAS) | 68 |

Table 35: FY24 Bottom Five Agencies by Volume of M/WBE SmallPurchase Method Registrations

| Agency | Total Number of M/WBE SP Contracts |
|---|---------------------------------------|
| Landmarks Preservation Commission (LPC) | 1 |
| Business Integrity Commission (BIC) | 1 |

| Agency | Total Number of M/WBE SP Contracts |
|---|---------------------------------------|
| Department of Homeless Services (DHS) | 2 |
| Department of Records and Information Systems (DORIS) | 2 |
| Law Department (LAW) | 2 |

Table 36: Five Most Improved Agencies by Volume of M/WBE Small Purchase Method Registrations, FY23-24

| Agency | FY23 # of M/WBE SP contracts | FY24 # of M/WBE SP contracts | Year-Over- Year Change |
|---|---------------------------------|---------------------------------|---------------------------|
| Department of Health and Mental Hygiene (DOHMH) | 43 | 73 | 30 |
| Department of Education (DOE) | 13 | 41 | 28 |
| Department of Environmental Protection (DEP) | 55 | 75 | 20 |
| Department of Citywide Administrative Services (DCAS) | 49 | 68 | 19 |
| New York City Fire Department (FDNY) | 41 | 55 | 14 |

Agency Rankings: Utilization of M/WBE Small Purchase Method by Average Contract Value

As previously mentioned, the average value of a contract registered using the M/WBE Small Purchase method in FY24 was \$242,789. The agencies in Table 37 utilized the M/WBE Small Purchase method to register contracts with the highest average contract value in FY24. Most of these agencies generally tend to procure high-dollar-value contracts.

Table 37: FY24 Highest Ranked Agencies – M/WBE Small Purchase Method Average Value

| Agency | M/WBE SP AVG Value |
|---|--------------------|
| Department of Design and Construction (DDC) | \$678,917 |
| Department of Sanitation (DSNY) | \$553,757 |
| Department of Homeless Services (DHS) | \$500,000 |

| Agency | M/WBE SP AVG Value |
|---|--------------------|
| Department of Health and Mental Hygiene (DOHMH) | \$442,965 |
| Department of Education (DOE) | \$391,731 |

Table 38 displays agencies with the lowest relative average value for contracts registered using the M/WBE Small Purchase method in FY24.

Table 38: FY24 Lowest Ranked Agencies – M/WBE Small Purchase Method Average Value

| Agency | M/WBE SP AVG Value |
|---|--------------------|
| Business Integrity Commission (BIC) | \$34,731 |
| Landmarks Preservation Commission (LPC) | \$54,234 |
| NYC Office of Emergency Management (NYCEM) | \$64,519 |
| Office of Administrative Trials and Hearings (OATH) | \$70,924 |
| Department of Probation (DOP) | \$71,486 |

Table 39 ranks the agencies whose relative average value for contracts registered using the M/WBE Small Purchase method increased the most since FY23.

Table 39: FY23-24 Most Improved Agencies – M/WBE Small Purchase Method Average Value

| Agency | FY23 M/WBE SP Method AV | FY24 M/WBE SP Method AV | Year-Over- Year Change |
|---|----------------------------|----------------------------|---------------------------|
| Department of Design and Construction (DDC) | \$198,979 | \$678,917 | \$479,938 |
| Department of Sanitation (DSNY) | \$265,856 | \$553,757 | \$287,902 |
| Department of Health and Mental Hygiene (DOHMH) | \$222,971 | \$442,965 | \$219,994 |
| Department of Finance (DOF) | \$117,222 | \$318,118 | \$200,895 |
| Department of Cultural Affairs (DCLA) | \$192,158 | \$366,436 | \$174,278 |

All Agencies: Summarized Indicators

These analyses share insights into several key indicators across mayoral agencies, the DOE, and the Comptroller's Office.

M/WBE Retroactivity

As discussed earlier in this Report, over 72% of new contracts with M/WBEs were registered retroactively. Of all rated agencies, only 3 agencies registered more than half of their M/WBE contracts on time or early.

| A 20201 | Registered | on Time or Early | Retroactive Registrations | | |
|------------------------------------|----------------|------------------------------------|---------------------------|----------------------|--|
| Agency | # of Contracts | s % Share of Contracts # of Contra | | % Share of Contracts | |
| Citywide* - All Contracts | 1,775 | 19.35% | 7,397 | 80.65% | |
| Citywide* – All M/WBE Contracts | 668 | 27.52% | 1,761 | 72.48% | |
| ACS | 26 | 34.67% | 49 | 65.33% | |
| BIC | 0 | 0.00% | 1 | 100% | |
| CCHR | 0 | 0.00% | 0 | 0.00% | |
| СОМР | 10 | 40.00% | 15 | 60.00% | |
| CCRB | 1 | 14.29% | 6 | 85.71% | |
| DCAS | 54 | 32.34% | 113 | 67.66% | |
| DCLA | 5 | 83.33% | 1 | 16.67% | |
| DCP | 0 | 0.00% | 11 | 100.00% | |
| DCWP | 0 | 0.00% | 10 | 100.00% | |
| DDC | 20 | 48.78% | 21 | 51.22% | |
| DEP | 45 | 45.45% | 54 | 54.55% | |
| DFTA | 0 | 0.00% | 18 | 100.00% | |
| DOB | 1 | 12.50% | 7 | 87.50% | |
| DOC | 8 | 17.02% | 39 | 82.98% | |

Table 40: FY24 M/WBE Contract Retroactivity by Agency

| | Registered | l on Time or Early | Retroactive Registrations | | |
|---------|----------------|----------------------|---------------------------|----------------------|--|
| Agency | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts | |
| DOE | 15 | 13.04% | 100 | 86.96% | |
| DOF | 10 | 76.92% | 3 | 23.08% | |
| DOHMH | 69 | 17.16% | 333 | 82.84% | |
| DOI | 3 | 20.00% | 12 | 80.00% | |
| DOP | 1 | 16.67% | 5 | 83.33% | |
| DORIS | 0 | 0.00% | 2 | 100.00% | |
| DOT | 26 | 23.64% | 84 | 76.36% | |
| DPR | 153 | 46.79% | 174 | 53.21% | |
| DSNY | 9 | 23.08% | 30 | 76.92% | |
| DSS/DHS | 2 | 9.09% | 20 | 90.91% | |
| DSS/HRA | 4 | 4.71% | 81 | 95.29% | |
| DYCD | 3 | 12.50% | 21 | 87.50% | |
| FDNY | 32 | 51.61% | 30 | 48.39% | |
| HPD | 19 | 19.39% | 79 | 80.61% | |
| LAW | 0 | 0.00% | 17 | 100.00% | |
| LPC | 0 | 0.00% | 1 | 100.00% | |
| MAYOR | 4 | 13.79% | 25 | 86.21% | |
| NYCEM | 0 | 0.00% | 10 | 100.00% | |
| NYPD | 36 | 33.64% | 71 | 66.36% | |
| OATH | 1 | 20.00% | 4 | 80.00% | |
| ΟΤΙ | 24 | 15.69% | 129 | 84.31% | |
| SBS | 1 | 8.33% | 11 | 91.67% | |
| TLC | 2 | 14.29% | 12 | 85.71% | |

M/WBE Small Purchase Method

With a threshold significantly higher than those for micro- and small purchases, the method should be one of the City's most effective tools in driving prime contract awards to M/WBEs. Table 41 shows how each agency took advantage of this method over the past three fiscal years, examining both the frequency of use and the average value of contracts registered using this method.

Table 41: M/WBE Small Purchase Method Registrations by Agency, FY22-24⁵⁰

| | FY22 | | FY23 | | FY24 | |
|-----------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|
| Agency | # of Contracts | Avg Contract Value | # of Contracts | Avg Contract Value | # of Contracts | Avg Contract Value |
| All Agencies | 830 | \$138,217 | 900 | \$194,538 | 959 | \$262,594 |
| ACS | 42 | \$177,531 | 45 | \$184,260 | 48 | \$176,483 |
| BIC | 3 | \$26,613 | 1 | \$38,129 | 1 | \$34,731 |
| CCHR | 5 | \$54,000 | 3 | \$74,616 | 0 | \$0 |
| CCRB | 3 | \$55,840 | 4 | \$82,974 | 5 | \$82,782 |
| COMP | 14 | \$87,807 | 17 | \$80,158 | 18 | \$125,639 |
| DCAS | 54 | \$78,200 | 49 | \$151,856 | 68 | \$139,133 |
| DCLA | 7 | \$180,029 | 9 | \$192,158 | 6 | \$366,436 |
| DCP | 1 | \$23,167 | 1 | \$24,998 | 10 | \$72,048 |
| DCWP | 7 | \$164,323 | 2 | \$91,300 | 10 | \$230,133 |
| DDC | 26 | \$201,656 | 17 | \$198,979 | 3 | \$678,917 |
| DEP | 49 | \$171,733 | 55 | \$187,286 | 75 | \$178,457 |
| DFTA | 5 | \$179,495 | 5 | \$85,566 | 5 | \$84,781 |
| DOB | 12 | \$91,842 | 14 | \$108,922 | 7 | \$246,484 |
| DOC | 23 | \$129,182 | 38 | \$136,110 | 33 | \$263 <i>,</i> 338 |

⁵⁰ Some contracts registered via the M/WBE Small Purchase method were excluded from this analysis because they were registered to Non-Certified vendors as indicated in FMS at the time the data for this report was pulled.

| | FY22 | | l | FY23 | | FY24 | |
|---------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|--|
| Agency | # of Contracts | Avg Contract Value | # of Contracts | Avg Contract Value | # of Contracts | Avg Contract Value | |
| DOE | 9 | \$424,826 | 13 | \$465,623 | 41 | \$391,731 | |
| DOF | 13 | \$77,610 | 20 | \$117,222 | 13 | \$318,118 | |
| DOHMH | 72 | \$113,097 | 43 | \$222,971 | 73 | \$442,965 | |
| DOI | 3 | \$58,731 | 3 | \$71,023 | 4 | \$77,578 | |
| DOP | 2 | \$51,968 | 2 | \$98,305 | 5 | \$71,486 | |
| DORIS | 4 | \$48,964 | 1 | \$63,390 | 2 | \$100,877 | |
| DOT | 61 | \$124,339 | 97 | \$228,446 | 106 | \$258,761 | |
| DPR | 47 | \$147,969 | 32 | \$328,901 | 30 | \$373,725 | |
| DSNY | 43 | \$158,789 | 58 | \$265,856 | 36 | \$553,757 | |
| DSS/DHS | 9 | \$206,250 | 14 | \$369,366 | 2 | \$500,000 | |
| DSS/HRA | 30 | \$120,610 | 43 | \$110,849 | 28 | \$148,682 | |
| DYCD | 20 | \$88,617 | 18 | \$83,502 | 22 | \$133,649 | |
| FDNY | 56 | \$104,097 | 41 | \$138,067 | 55 | \$254,591 | |
| HPD | 12 | \$96,841 | 27 | \$215,525 | 16 | \$276,821 | |
| LAW | 4 | \$185,300 | 10 | \$285,629 | 2 | \$97,450 | |
| LPC | 0 | \$0 | 1 | \$44,730 | 1 | \$54,234 | |
| MAYOR | 25 | \$94,885 | 20 | \$143,018 | 29 | \$229,749 | |
| NYCEM | 10 | \$89,873 | 13 | \$145,386 | 5 | \$64,519 | |
| NYPD | 24 | \$168,893 | 13 | \$216,073 | 24 | \$368,666 | |
| OATH | 8 | \$68,601 | 13 | \$116,637 | 5 | \$70,924 | |
| ΟΤΙ | 99 | \$172,790 | 137 | \$222,918 | 146 | \$272,253 | |
| SBS | 24 | \$207,713 | 16 | \$112,959 | 11 | \$119,978 | |
| TLC | 4 | \$117,303 | 5 | \$168,643 | 14 | \$263,271 | |

This additional layer of analysis shows how each agency's registrations via the M/WBE Small Purchase method were distributed across unique vendors. For example, OTI registered 146 contracts using the M/WBE Small Purchase method in FY24, but these contracts were only to 55 different M/WBEs.

| | FY22 | | FY23 | | FY24 | |
|-------------------|------------------------|-------------------|------------------------|-------------------|------------------------|-------------------|
| Agency | # of Unique Vendors | % Share Unique | # of Unique Vendors | % Share Unique | # of Unique Vendors | % Share Unique |
| Total Citywide | 371 | 40.37% | 403 | 39.55% | 400 | 35.78% |
| ACS | 25 | 59.52% | 33 | 73.33% | 32 | 66.67% |
| BIC | 2 | 66.67% | 1 | 100.00% | 1 | 100.00% |
| CCHR | 5 | 100.00% | 3 | 100.00% | 0 | 0.00% |
| CCRB | 3 | 100.00% | 3 | 75.00% | 2 | 40.00% |
| COMP | 13 | 92.86% | 11 | 64.71% | 12 | 66.67% |
| DCAS | 40 | 74.07% | 42 | 85.71% | 54 | 79.41% |
| DCLA | 6 | 85.71% | 8 | 88.89% | 6 | 100.00% |
| DCP | 1 | 100.00% | 1 | 100.00% | 9 | 90.00% |
| DCWP | 4 | 57.14% | 2 | 100.00% | 4 | 40.00% |
| DDC | 18 | 69.23% | 13 | 76.47% | 3 | 100.00% |
| DEP | 33 | 67.35% | 42 | 76.36% | 45 | 60.00% |
| DFTA | 5 | 100.00% | 4 | 80.00% | 5 | 100.00% |
| DHS | 6 | 66.67% | 12 | 85.71% | 2 | 100.00% |
| DOB | 10 | 83.33% | 10 | 71.43% | 4 | 57.14% |
| DOC | 15 | 65.22% | 25 | 65.79% | 25 | 75.76% |
| DOE | 8 | 88.89% | 5 | 38.46% | 23 | 56.10% |
| DOF | 10 | 76.92% | 13 | 65.00% | 8 | 61.54% |
| DOHMH | 51 | 70.83% | 32 | 74.42% | 52 | 71.23% |
| DOI | 3 | 100.00% | 2 | 66.67% | 3 | 75.00% |
| DOP | 1 | 50.00% | 2 | 100.00% | 4 | 80.00% |
| DORIS | 3 | 75.00% | 1 | 100.00% | 2 | 100.00% |
| DOT | 38 | 62.30% | 70 | 72.16% | 56 | 52.83% |
| DPR | 22 | 46.81% | 21 | 65.63% | 23 | 76.67% |

Table 42: M/WBE Small Purchase Method Unique Vendors, FY22-24

| | FY | 22 | FY | 23 | FY | 24 |
|---------|----|---------|----|---------|----|---------|
| DSNY | 31 | 72.09% | 36 | 62.07% | 25 | 69.44% |
| DSS/HRA | 22 | 73.33% | 28 | 65.12% | 22 | 78.57% |
| DYCD | 15 | 75.00% | 15 | 83.33% | 20 | 90.91% |
| FDNY | 35 | 62.50% | 31 | 75.61% | 36 | 65.45% |
| HPD | 10 | 83.33% | 20 | 74.07% | 14 | 87.50% |
| LAW | 4 | 100.00% | 8 | 80.00% | 2 | 100.00% |
| LPC | 0 | 0.00% | 1 | 100.00% | 1 | 100.00% |
| MAYOR | 24 | 96.00% | 18 | 90.00% | 21 | 72.41% |
| NYCEM | 7 | 70.00% | 9 | 69.23% | 5 | 100.00% |
| NYPD | 18 | 75.00% | 11 | 84.62% | 21 | 87.50% |
| OATH | 6 | 75.00% | 7 | 53.85% | 5 | 100.00% |
| ΟΤΙ | 38 | 38.38% | 52 | 37.96% | 55 | 37.67% |
| SBS | 20 | 83.33% | 14 | 87.50% | 8 | 72.73% |
| TLC | 3 | 75.00% | 4 | 80.00% | 10 | 71.43% |

Mayoral Agencies

Administration for Children's Services (ACS)

The LL 174 totals below represent just 8% of ACS' total procurement portfolio, as ACS predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. ACS' \$61.8 million in LL 174-eligible value represents roughly 1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 487 | 100.00% | \$740,050,303 | 100.00% |
| M/WBE | 161 | 33.06% | \$66,384,286 | 8.97% |
| Non-Certified | 326 | 66.94% | \$673,666,017 | 91.03% |
| LL174 Contracts and POs | 193 | 100.00% | \$61,801,581 | 100.00% |
| M/WBE | 130 | 67.36% | \$55,725,233 | 90.17% |
| Non-Certified | 63 | 32.64% | \$6,076,348 | 9.83% |
| LL174 Subcontracts | 2 | 100.00% | \$684,304 | 100.00% |
| M/WBE | 2 | 100.00% | \$684,304 | 100.00% |
| Non-Certified | 0 | 0% | \$0 | 0% |

Table 43: FY24 LL 174-Eligible Contracts and POs

Chart 19: FY24 Value of LL 174-Eligible Prime Contracts and POs

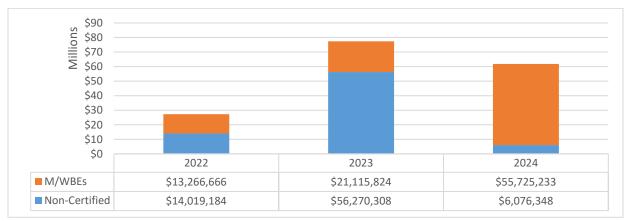


Chart 20: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

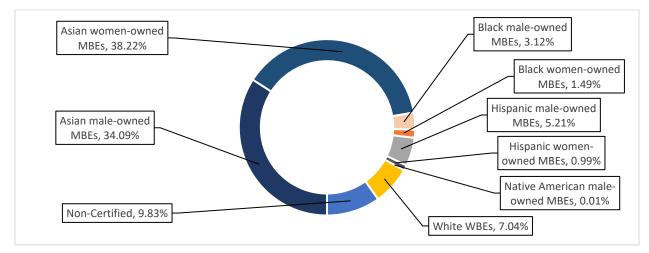
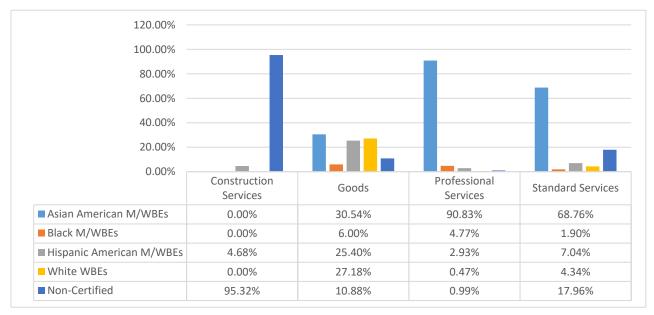


Chart 21: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Business Integrity Commission (BIC)

Although roughly half of BIC's procurement portfolio was subject to LL 174 participation goals in FY24. BIC's \$60,368 in LL 174-eligible value represents less than .002% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 31 | 100.00% | \$125,175 | 100.00% |
| M/WBE | 5 | 16.13% | \$50,529 | 40.37% |
| Non-Certified | 26 | 83.87% | \$74,645 | 59.63% |
| LL174 Contracts and POs | 26 | 100.00% | \$60,368 | 100.00% |
| M/WBE | 4 | 15.38% | \$15,798 | 26.17% |
| Non-Certified | 22 | 84.62% | \$44,570 | 73.83% |
| LL174 Subcontracts | 0 | 0.00% | 0 | 0.00% |
| M/WBE | 0 | 0.00% | 0 | 0.00% |
| Non-Certified | 0 | 0.00% | 0 | 0.00% |

Table 44: FY24 LL 174-Eligible Contracts and POs

Chart 22: FY24 Value of LL 174-Eligible Prime Contracts and POs



Chart 23: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

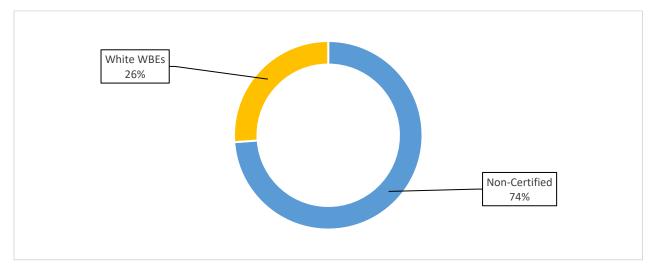
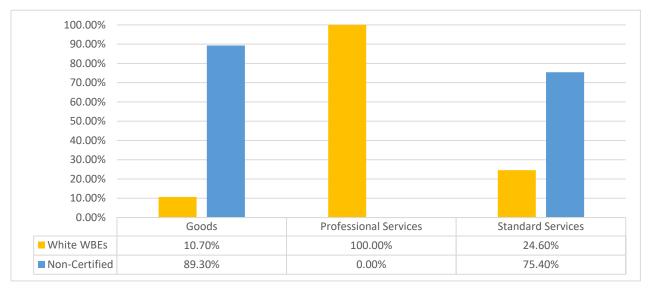


Chart 24: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



City Commission on Human Rights (CCHR)

The LL 174 totals below represent a large portion of CCHR's procurement portfolio. CCHR's \$479,730 in LL 174-eligible value represents less than .01% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 76 | 100.00% | \$670,583 | 100.00% |
| M/WBE | 27 | 35.53% | \$238,298 | 35.54% |
| Non-Certified | 49 | 64.47% | \$432,285 | 64.46% |
| LL174 Contracts and POs | 70 | 100.00% | \$479,730 | 100.00% |
| M/WBE | 27 | 38.57% | \$238,298 | 49.67% |
| Non-Certified | 43 | 61.43% | \$241,432 | 50.33% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 45: FY24 LL 174-Eligible Contracts and POs

Chart 25: FY24 Value of LL 174-Eligible Prime Contracts and POs

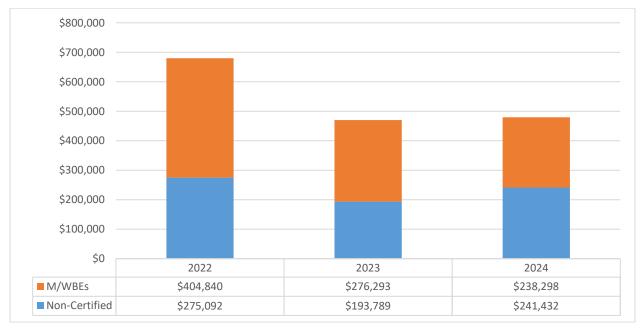


Chart 26: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

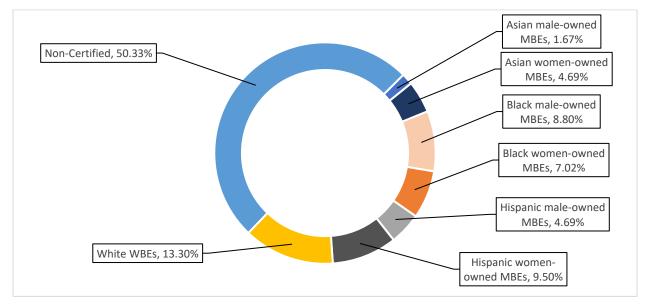
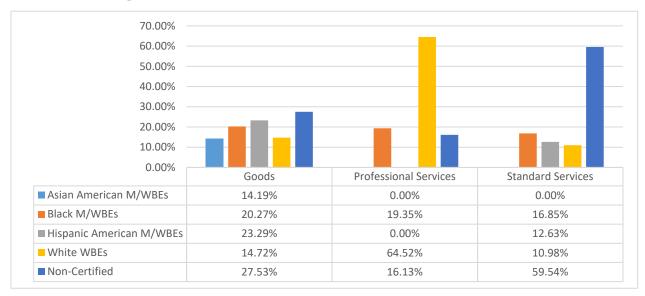


Chart 27: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Civilian Complaint Review Board (CCRB)

Most of CCRB's procurement actions in FY24 were subject to LL 174 participation goals (85%). These account for less than 0.02% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|----------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 81 | 100.00% | \$982,841 | 100.00% |
| M/WBE | 15 | 18.52% | \$496,238 | 50.49% |
| Non-Certified | 66 | 81.48% | \$486,603 | 49.51% |
| LL174 Contracts and POs | 77 | 100.00% | \$841,196 | 100.00% |
| M/WBE | 15 | 19.48% | \$496,238 | 58.99% |
| Non-Certified | 62 | 80.52% | \$344,958 | 41.01% |
| LL174 Subcontracts | 0 | 0% | \$0 | 0% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0% | \$0 | 0% |

Table 46: FY24 LL 174-Eligible Contracts and POs

Chart 28: FY24 Value of LL 174-Eligible Prime Contracts and POs



Chart 29: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

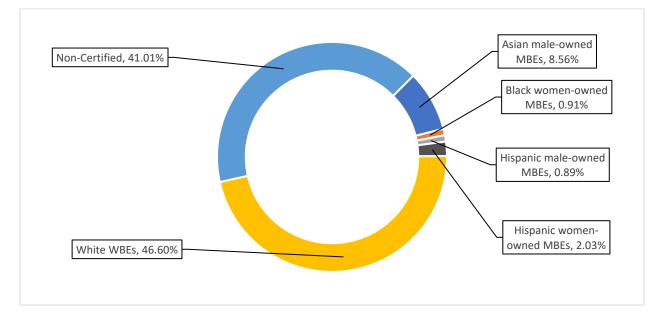
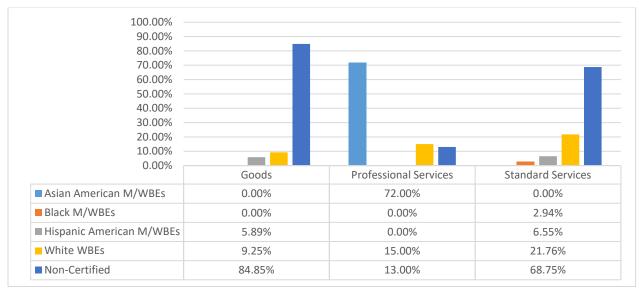


Chart 30: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Citywide Administrative Services (DCAS)

The LL 174 data below represents a relatively small share of DCAS' total procurement portfolio (16%), as DCAS manages high-value contracts with vendors for goods (over \$1 million) which are exempt from LL 174 participation goals. DCAS' \$164.8 million in LL 174-eligible value represents 3.1% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 773 | 100.00% | \$1,036,226,044 | 100.00% |
| M/WBE | 336 | 43.47% | \$127,409,723 | 12.30% |
| Non-Certified | 437 | 56.53% | \$908,816,321 | 87.70% |
| LL174 Contracts and POs | 557 | 100.00% | \$164,845,697 | 100.00% |
| M/WBE | 317 | 56.91% | \$76,127,497 | 46.18% |
| Non-Certified | 240 | 43.09% | \$88,718,200 | 53.82% |
| LL174 Subcontracts | 1 | 100.00% | \$50,000 | 100.00% |
| M/WBE | 1 | 100.00% | \$50,000 | 100.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 47: FY24 LL 174-Eligible Contracts and POs

Chart 31: FY24 Value of LL 174-Eligible Prime Contracts and POs

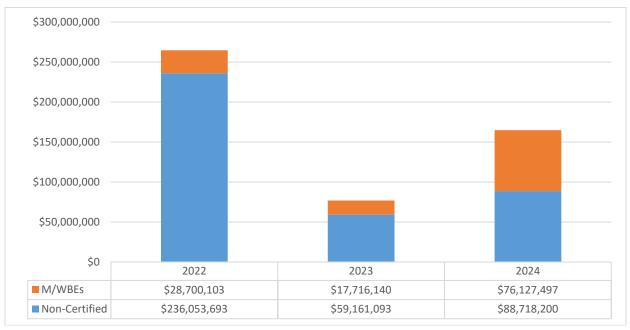


Chart 32: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

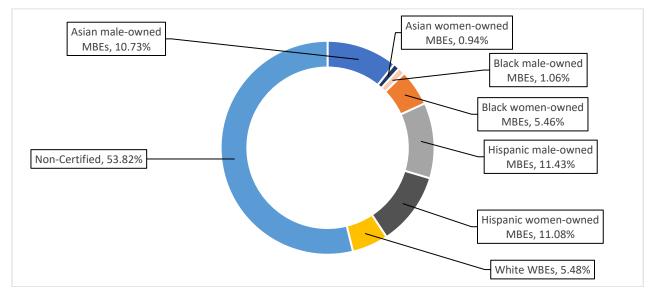
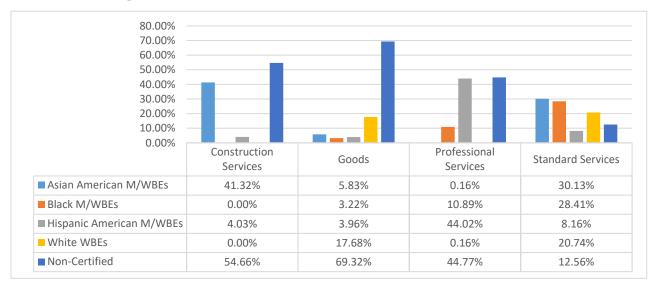


Chart 33: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Cultural Affairs (DCLA)

The LL 174 data below represents about half of DCLA'S total procurement portfolio in FY24. DCLA has a relatively small procurement portfolio that includes some high value City Council Discretionary-funded contracts which are exempt from LL 174 participation goals. DCLA's \$2.3 million in LL 174-eligible value represents less than 0.05% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 75 | 100.00% | \$4,699,612 | 100.00% |
| M/WBE | 13 | 17.33% | \$2,240,510 | 47.67% |
| Non-Certified | 62 | 82.67% | \$2,459,101 | 52.33% |
| LL174 Contracts and POs | 70 | 100.00% | \$2,348,189 | 100.00% |
| M/WBE | 13 | 18.57% | \$2,240,510 | 95.41% |
| Non-Certified | 57 | 81.43% | \$107,678 | 4.59% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0% |
| M/WBE | 0 | 0.00% | \$0 | 0% |
| Non-Certified | 0 | 0.00% | \$0 | 0% |

Table 48: FY24 LL 174-Eligible Contracts and POs

Chart 34: FY24 Value of LL 174-Eligible Prime Contracts and POs

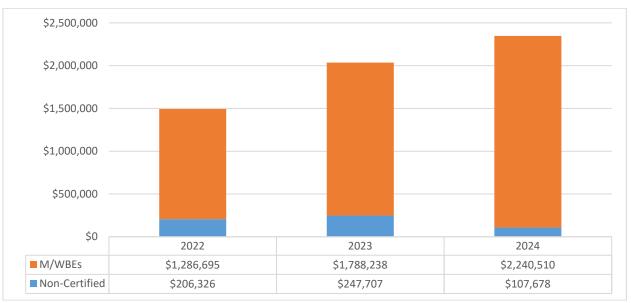


Chart 35: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

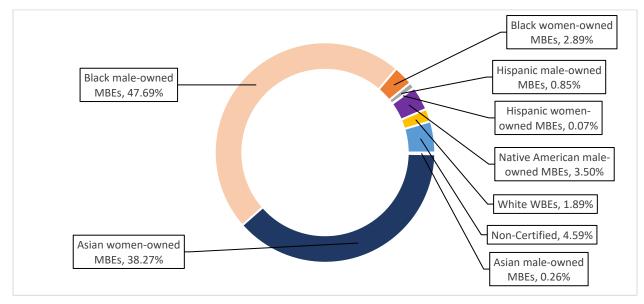
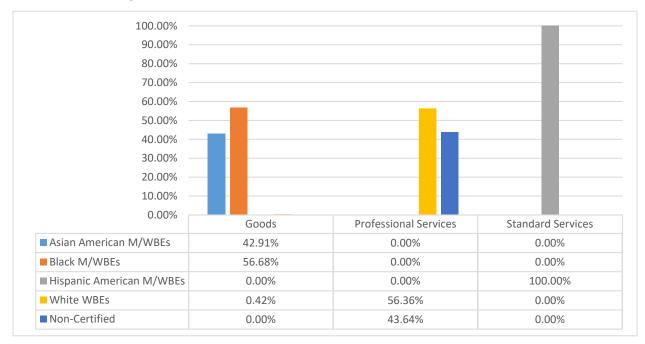


Chart 36: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of City Planning (DCP)

Most of DCP's procurement portfolio in FY24 was subject to LL 174 participation goals (75%). Its \$1.2 million in LL 174-eligible value accounted for 0.02% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 136 | 100.00% | \$1,636,818 | 100.00% |
| M/WBE | 88 | 64.71% | \$1,025,724 | 62.67% |
| Non-Certified | 48 | 35.29% | \$611,094 | 37.33% |
| LL174 Contracts and POs | 126 | 100.00% | \$1,219,933 | 100.00% |
| M/WBE | 88 | 69.84% | \$1,025,724 | 84.08% |
| Non-Certified | 38 | 30.16% | \$194,209 | 15.92% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0% |
| M/WBE | 0 | 0.00% | \$0 | 0% |
| Non-Certified | 0 | 0.00% | \$0 | 0% |

Table 49: FY24 LL 174-Eligible Contracts and POs

Chart 37: FY24 Value of LL 174-Eligible Prime Contracts and POs

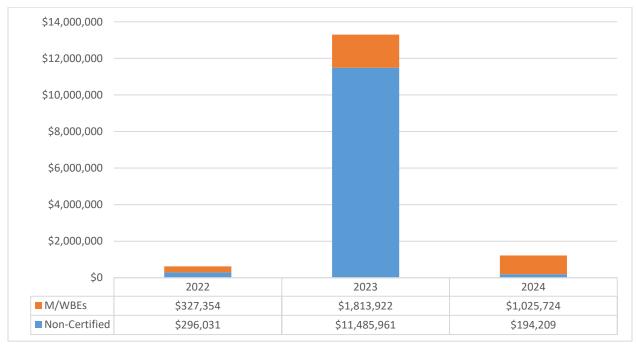


Chart 38: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

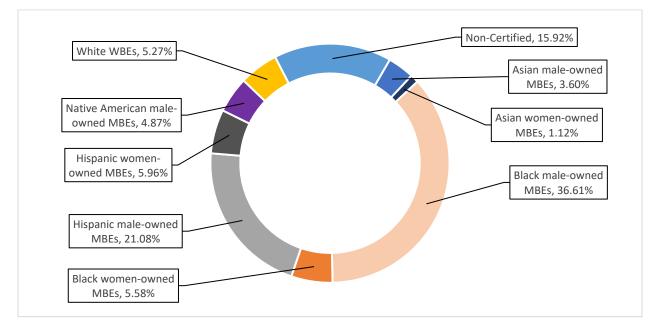
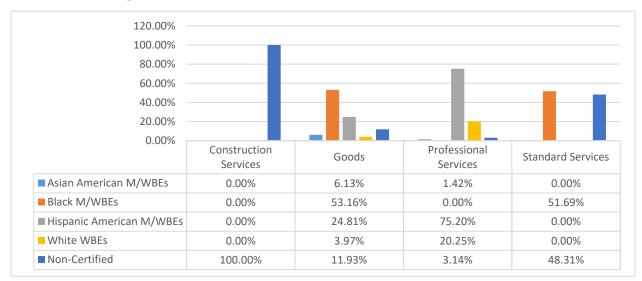


Chart 39: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Consumer and Worker Protection (DCWP)

The LL 174 totals below represent only a small share (15%) of DCWP's procurement portfolio, as DCWP predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. DCWP's \$3 million in LL 174-eligible value represents less than 0.06% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 125 | 100.00% | \$20,020,395 | 100.00% |
| M/WBE | 49 | 39.20% | \$2,485,472 | 12.41% |
| Non-Certified | 76 | 60.80% | \$17,534,922 | 87.59% |
| LL174 Contracts and POs | 103 | 100.00% | \$3,020,814 | 100.00% |
| M/WBE | 49 | 47.57% | \$2,485,472 | 82.28% |
| Non-Certified | 54 | 52.43% | \$535,341 | 17.72% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0% |
| M/WBE | 0 | 0.00% | \$0 | 0% |
| Non-Certified | 0 | 0.00% | \$0 | 0% |

Table 50: FY24 LL 174-Eligible Contracts and POs

Chart 40: FY24 Value of LL 174-Eligible Prime Contracts and POs

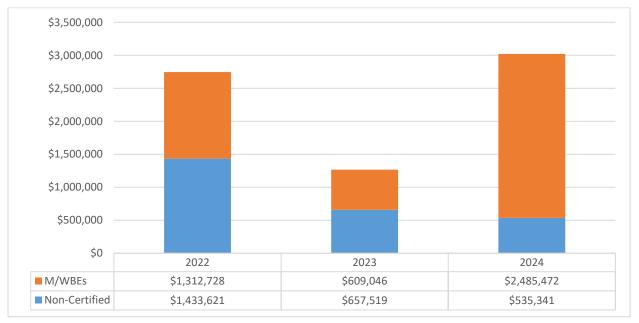


Chart 41: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

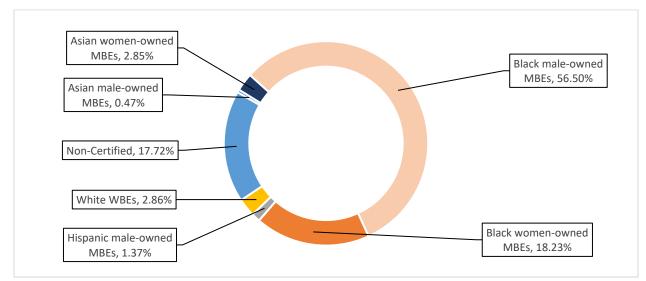
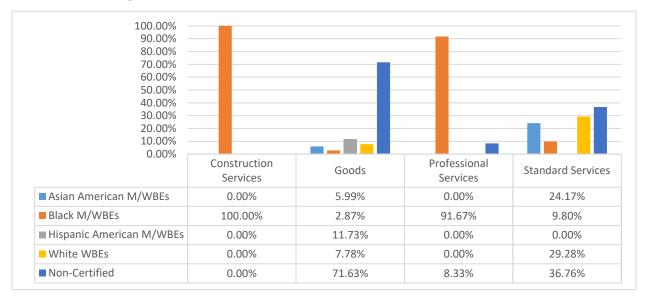


Chart 42: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Design and Construction (DDC)

DDC has one of the largest procurement portfolios across the City and about half of its contract registered value is subject to LL 174 participation goals. In FY24, DDC registered \$665 million in Renewals and \$421 million in Emergency contracts which are exempt from M/WBE participation goals. DDC's \$1.2 billion in LL 174-eligible contracts accounts for nearly a quarter of the City's overall LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 389 | 100.00% | \$2,403,979,406 | 100.00% |
| M/WBE | 87 | 22.37% | \$269,553,395 | 11.21% |
| Non-Certified | 302 | 77.63% | \$2,134,426,011 | 88.79% |
| LL174 Contracts and POs | 245 | 100.00% | \$1,198,563,809 | 100.00% |
| M/WBE | 68 | 27.76% | \$145,723,370 | 12.16% |
| Non-Certified | 177 | 72.24% | \$1,052,840,439 | 87.84% |
| LL174 Subcontracts | 687 | 100.00% | \$199,063,645 | 100.00% |
| M/WBE | 486 | 70.74% | \$147,252,608 | 73.97% |
| Non-Certified | 201 | 29.26% | \$51,811,037 | 26.03% |

Table 51: FY24 LL 174-Eligible Contracts and POs

Chart 43: FY24 Value of LL 174-Eligible Prime Contracts and POs

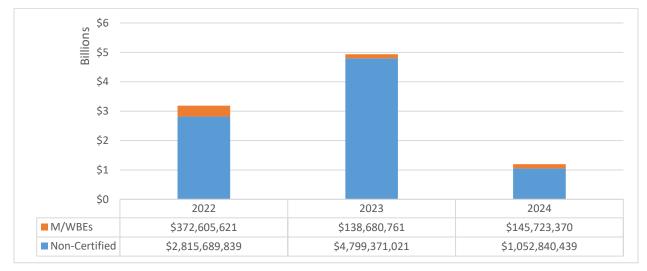


Chart 44: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

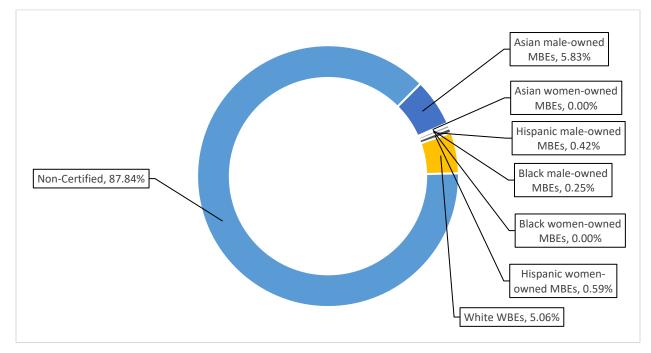
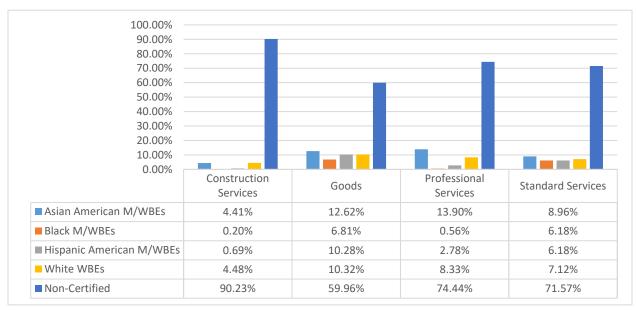


Chart 45: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Environmental Protection (DEP)

The majority of DEP's FY24 procurement portfolio is subject to LL 174 participation goals. However, many of DEP's contracts are funded, at least in part, by non-City sources, which are excluded from the local law.⁵¹ DEP represents nearly 43% of the City's total LL 174-eligible contracting portfolio (acknowledging that this total may include some excluded contracts).

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 1,953 | 100.00% | \$2,559,583,910 | 100.00% |
| M/WBE | 1,218 | 62.37% | \$156,469,337 | 6.11% |
| Non-Certified | 735 | 37.63% | \$2,403,114,573 | 93.89% |
| LL174 Contracts and POs | 1,852 | 100.00% | \$2,233,665,081 | 100.00% |
| M/WBE | 1,209 | 65.28% | \$135,581,392 | 6.07% |
| Non-Certified | 643 | 34.72% | \$2,098,083,688 | 93.93% |
| LL174 Subcontracts | 288 | 100.00% | \$276,202,339 | 100.00% |
| M/WBE | 222 | 77.08% | \$134,695,904 | 48.77% |
| Non-Certified | 66 | 22.92% | \$141,506,435 | 51.23% |

Table 52: FY24 LL 174-Eligible Contracts and POs

⁵¹ LL 174 stipulates that contracts subject to federal or state funding requirements are excluded from the M/WBE participation goals program. City procurement systems are limited and do not include the necessary data to confirm if a contract is in fact funded by State or Federal funds. Due to these limitations, LL 174-eligible data in this Report includes some contracts that may actually be excluded from LL 174.

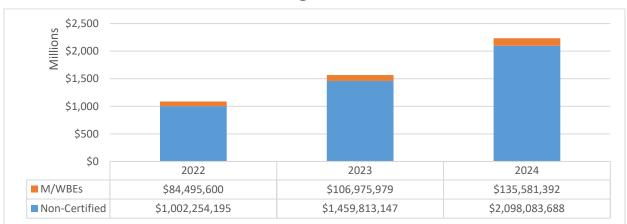


Chart 46: FY24 Value of LL 174-Eligible Prime Contracts and POs

Chart 47: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

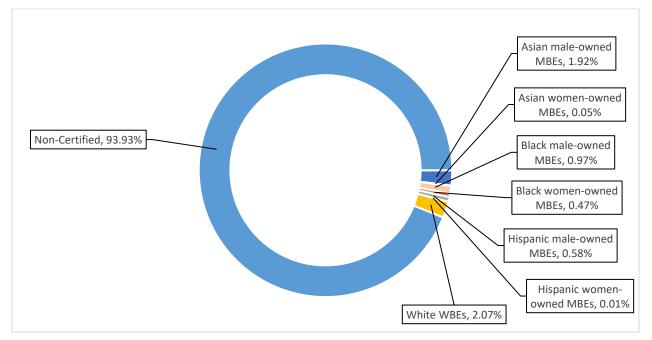
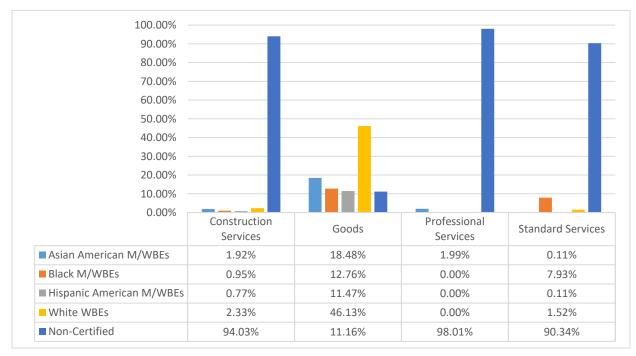


Chart 48: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department for the Aging (DFTA)

The LL 174 totals below represent a very small share of DFTA's total procurement portfolio, as DFTA predominantly contracts for human services, which are exempt from LL 174 participation goals. DFTA's \$1 million in LL 174-eligible value represents less than .02% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 558 | 100.00% | \$327,975,132 | 100.00% |
| M/WBE | 91 | 16.31% | \$2,273,446 | 0.69% |
| Non-Certified | 467 | 83.69% | \$325,701,686 | 99.31% |
| LL174 Contracts and POs | 168 | 100.00% | \$1,017,874 | 100.00% |
| M/WBE | 89 | 52.98% | \$687,053 | 67.50% |
| Non-Certified | 79 | 47.02% | \$330,820 | 32.50% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 53: FY24 LL 174-Eligible Contracts and POs

Chart 49: FY24 Value of LL 174-Eligible Prime Contracts and POs

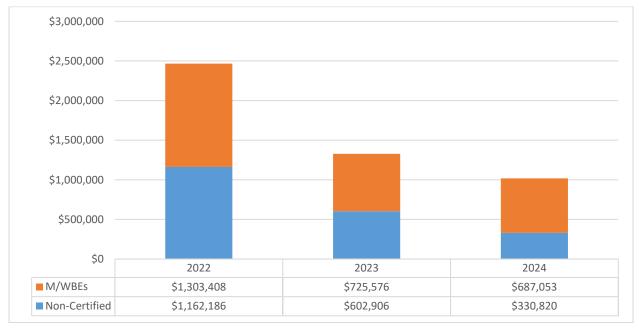


Chart 50: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

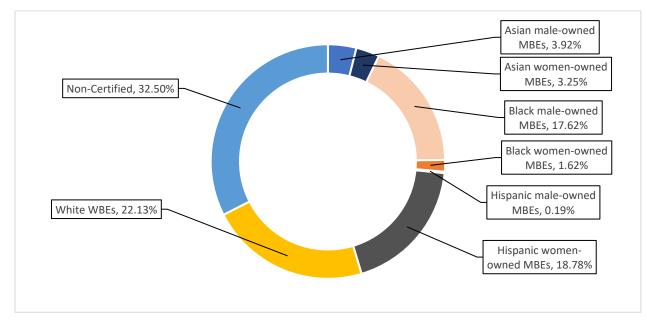


Chart 51: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Buildings (DOB)

Nearly half of DOB's FY24 procurement portfolio was subject to LL 174 participation goals (41%). DOB registered \$4.9 million in Renewal contracts, which are excluded from this analysis. DOB's \$4.5 million in LL 174-eligible value represents less than 0.1% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|----------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 153 | 100.00% | \$10,876,480 | 100.00% |
| M/WBE | 63 | 41.18% | \$2,053,993 | 18.88% |
| Non-Certified | 90 | 58.82% | \$8,822,487 | 81.12% |
| LL174 Contracts and POs | 134 | 100.00% | \$4,551,730 | 100.00% |
| M/WBE | 60 | 44.78% | \$2,045,551 | 44.94% |
| Non-Certified | 74 | 55.22% | \$2,506,179 | 55.06% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0% |
| M/WBE | 0 | 0.00% | \$0 | 0% |
| Non-Certified | 0 | 0.00% | \$0 | 0% |

Table 54: FY24 LL 174-Eligible Contracts and POs

Chart 52: FY24 Value of LL 174-Eligible Prime Contracts and POs

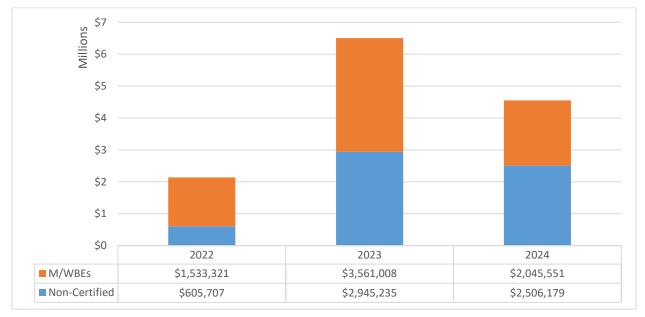


Chart 53: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

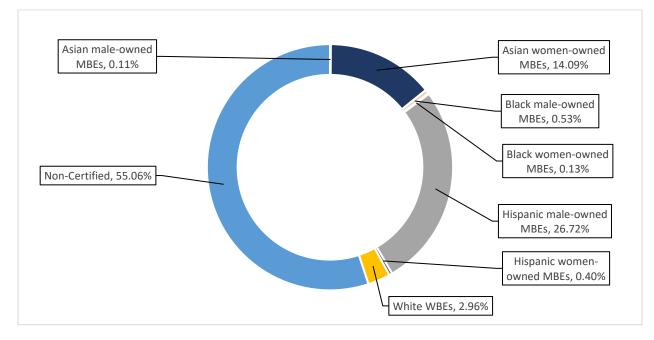
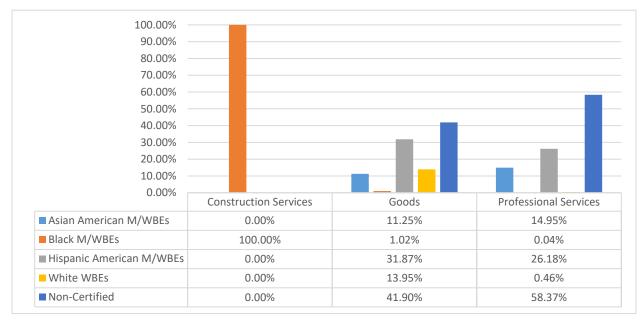


Chart 54: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Correction (DOC)

The LL 174 totals below represent just over one third of DOC's total contracting portfolio. In FY24, DOC registered valuable Renewals and contracts for human services, which are exempt from M/WBE participation goals. DOC's \$34.9 million in LL 174-eligible value represents less than 1% of the City's LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|---------------------------------|
| All Contracts and POs | 622 | 100.00% | \$95,360,709 | 100.00% |
| M/WBE | 382 | 61.41% | \$15,964,483 | 16.74% |
| Non-Certified | 240 | 38.59% | \$79,396,225 | 83.26% |
| LL174 Contracts and POs | 565 | 100.00% | \$34,944,376 | 100.00% |
| M/WBE | 372 | 65.84% | \$15,509,077 | 44.38% |
| Non-Certified | 193 | 34.16% | \$19,435,299 | 55.62% |
| LL174 Subcontracts | 6 | 100.00% | \$3,065,185 | 100.00% |
| M/WBE | 3 | 50.00% | \$1,363,000 | 44.47% |
| Non-Certified | 3 | 50.00% | \$1,702,185 | 55.53% |

Table 55: FY24 LL 174-Eligible Contracts and POs

Chart 55: FY24 Value of LL 174-Eligible Prime Contracts and POs

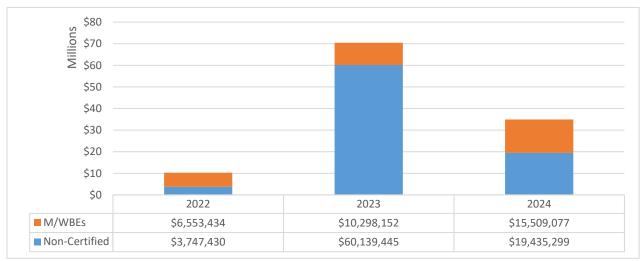


Chart 56: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

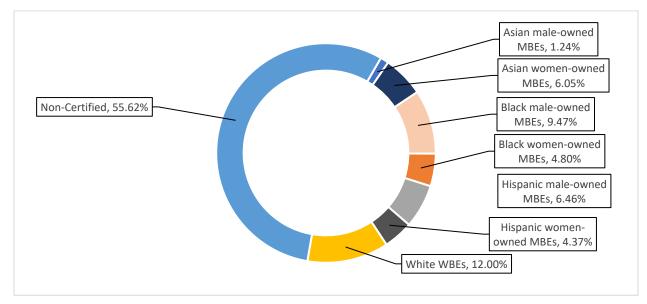
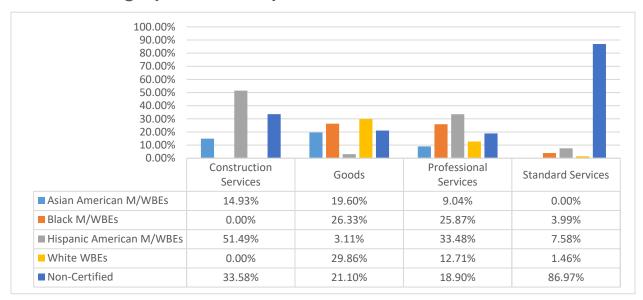


Chart 57: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Finance (DOF)

The LL 174 totals below represent less than a third of DOF's procurement portfolio. In FY24, DOF registered valuable contracts via Sole Source and Intergovernmental procurement methods which are not subject to LL 174 participation goals. DOF also registered valuable Renewals in FY24, which were excluded from this analysis. The \$10.4 million in LL 174-eligible value accounts for less than 0.2% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 219 | 100.00% | \$37,351,739 | 100.00% |
| M/WBE | 79 | 36.07% | \$4,596,194 | 12.31% |
| Non-Certified | 140 | 63.93% | \$32,755,545 | 87.69% |
| LL174 Contracts and POs | 177 | 100.00% | \$10,420,892 | 100.00% |
| M/WBE | 79 | 44.63% | \$4,596,194 | 44.11% |
| Non-Certified | 98 | 55.37% | \$5,824,699 | 55.89% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0% | \$0 | 0% |

Table 57: FY24 LL 174-Eligible Contracts and POs

Chart 58: FY24 Value of LL 174-Eligible Prime Contracts and POs

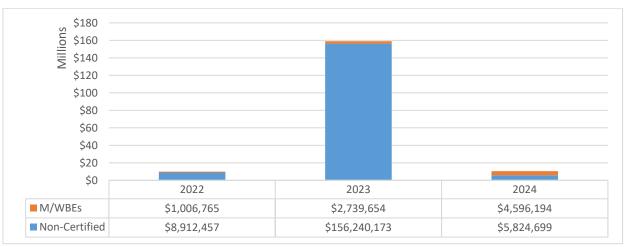


Chart 59: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

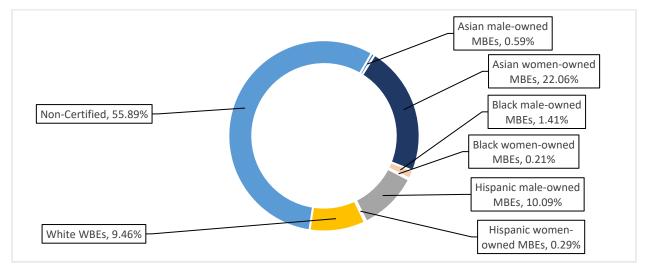
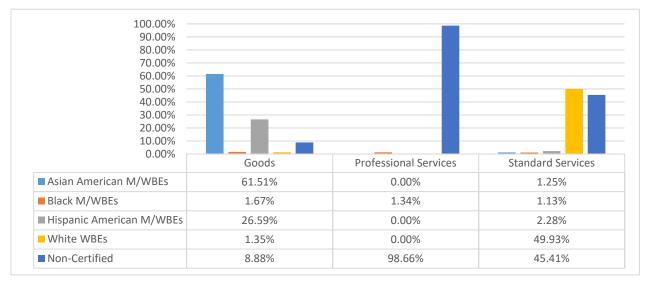


Chart 60: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Health and Mental Hygiene (DOHMH)

The LL 174 totals below represent only a very small portion (2.3%) of DOHMH's total procurement portfolio, as it predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. DOHMH's \$36.4 million in LL 174-eligible value accounts for less than 1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 1,417 | 100.00% | \$1,529,463,176 | 100.00% |
| M/WBE | 516 | 36.41% | \$72,881,068 | 4.77% |
| Non-Certified | 901 | 63.59% | \$1,456,582,108 | 95.23% |
| LL174 Contracts and POs | 962 | 100.00% | \$36,428,706 | 100.00% |
| M/WBE | 457 | 47.51% | \$23,537,070 | 64.61% |
| Non-Certified | 505 | 52.49% | \$12,891,636 | 35.39% |
| LL174 Subcontracts | 6 | 100.00% | \$1,523,000 | 100.00% |
| M/WBE | 4 | 66.67% | \$1,243,000 | 81.62% |
| Non-Certified | 2 | 33.33% | \$280,000 | 18.38% |

Table 58: FY24 LL 174-Eligible Contracts and POs

Chart 61: FY24 Value of LL 174-Eligible Prime Contracts and POs





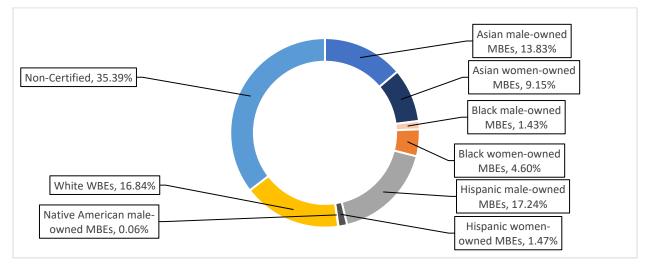
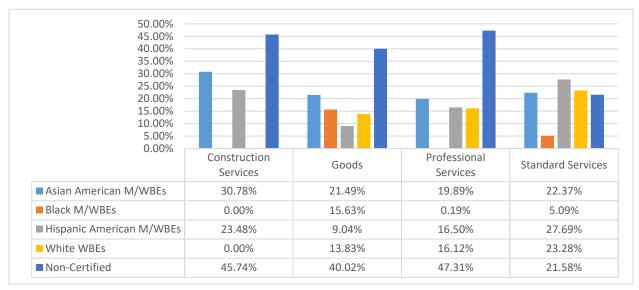


Chart 63: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Investigation (DOI)

One fifth of DOI's FY24 procurement portfolio was subject to LL 174 participation goals in FY24. In FY24, DOI registered one \$6.9 million contract via the Emergency procurement method, which is exempt from LL 174 participation goals. Its \$2.23 million in LL 174-eligible value represents less than 0.05% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 213 | 100.00% | \$10,560,319 | 100.00% |
| M/WBE | 85 | 39.91% | \$1,118,714 | 10.59% |
| Non-Certified | 128 | 60.09% | \$9,441,606 | 89.41% |
| LL174 Contracts and POs | 198 | 100.00% | \$2,234,594 | 100.00% |
| M/WBE | 85 | 42.93% | \$1,118,714 | 50.06% |
| Non-Certified | 113 | 57.07% | \$1,115,880 | 49.94% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 59: FY24 LL 174-Eligible Contracts and POs

Chart 64: FY24 Value of LL 174-Eligible Prime Contracts and POs

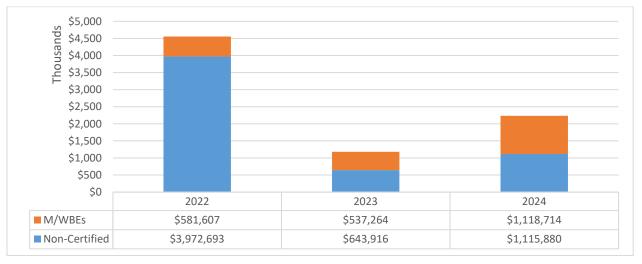


Chart 65: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

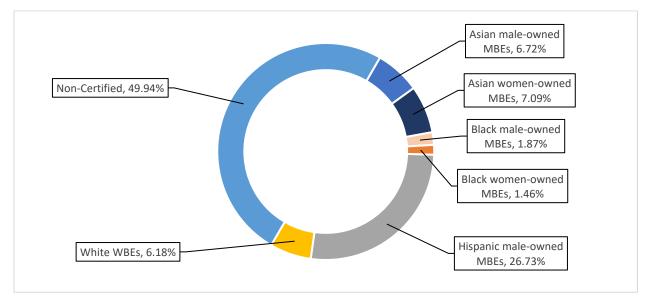
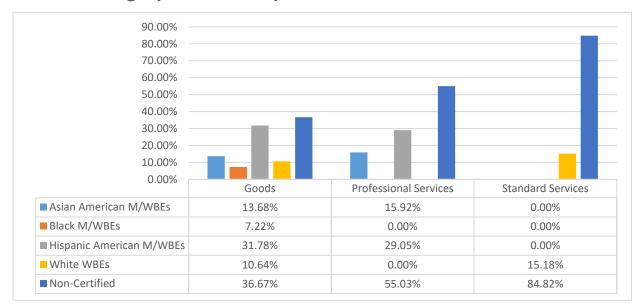


Chart 66: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Probation (DOP)

The LL 174 totals below represent a small share of DOP's total procurement portfolio, as DOP predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. Its \$1.25 million in LL 174-eligible value represents just 0.02% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 200 | 100.00% | \$21,373,413 | 100.00% |
| M/WBE | 56 | 28.00% | \$1,091,301 | 5.11% |
| Non-Certified | 144 | 72.00% | \$20,282,112 | 94.89% |
| LL174 Contracts and POs | 140 | 100.00% | \$1,252,715 | 100.00% |
| M/WBE | 54 | 38.57% | \$610,831 | 48.76% |
| Non-Certified | 86 | 61.43% | \$641,883 | 51.24% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 60: FY24 LL 174-Eligible Contracts and POs

Chart 67: FY24 Value of LL 174-Eligible Prime Contracts and POs

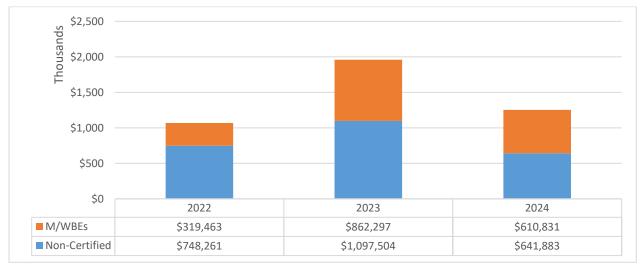


Chart 68: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

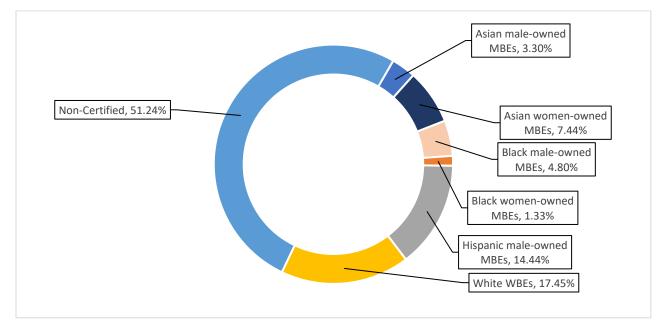
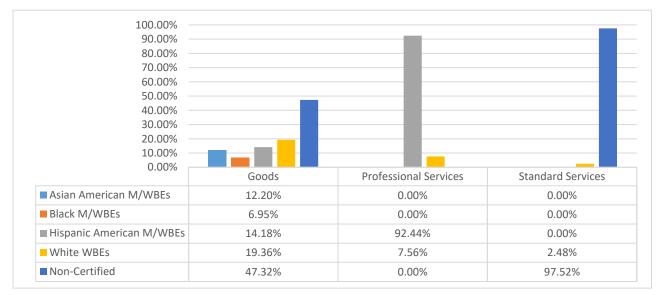


Chart 69: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Records and Information Services (DORIS)

Most of DORIS' procurement portfolio was subject to LL 174 participation goals in FY24. DORIS' \$552,296 in LL 174-eligible value represents 0.01% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 95 | 100.00% | \$615,559 | 100.00% |
| M/WBE | 17 | 17.89% | \$253,529 | 41.19% |
| Non-Certified | 78 | 82.11% | \$362,031 | 58.81% |
| LL174 Contracts and POs | 90 | 100.00% | \$552,296 | 100.00% |
| M/WBE | 17 | 18.89% | \$253,529 | 45.90% |
| Non-Certified | 73 | 81.11% | \$298,768 | 54.10% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 61: FY24 LL 174-Eligible Contracts and POs



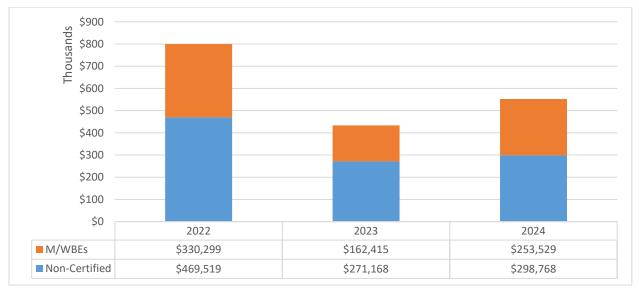


Chart 71: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

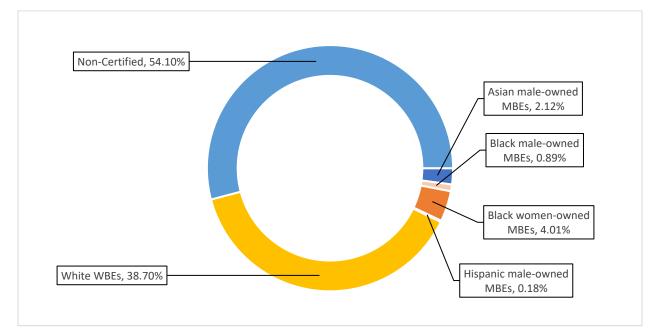
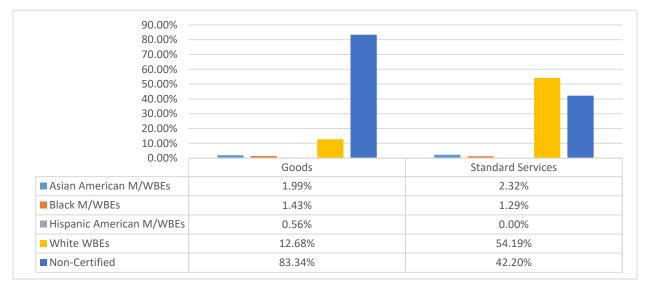


Chart 72: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Transportation (DOT)

The majority of DOT's FY24 contract portfolio is subject to LL 174 participation goals. However, many of DOT's contracts are funded, at least in part, by non-City sources, which are excluded from the local law.⁵² Its \$380.4 million in LL 174-eligible value accounts for 7.2% of the City's total LL 174-eligible contracting portfolio (acknowledging that this total may include some excluded contracts).

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 833 | 100.00% | \$498,453,003 | 100.00% |
| M/WBE | 420 | 50.42% | \$36,190,085 | 7.26% |
| Non-Certified | 413 | 49.58% | \$462,262,918 | 92.74% |
| LL174 Contracts and POs | 679 | 100.00% | \$380,427,050 | 100.00% |
| M/WBE | 416 | 61.27% | \$33,566,855 | 8.82% |
| Non-Certified | 263 | 38.73% | \$346,860,195 | 91.18% |
| LL174 Subcontracts | 30 | 100.00% | \$23,661,755 | 100.00% |
| M/WBE | 27 | 90.00% | \$22,401,545 | 94.67% |
| Non-Certified | 3 | 10.00% | \$1,260,210 | 5.33% |

Table 62: FY24 LL 174-Eligible Contracts and POs – FY23

⁵² LL 174 stipulates that contracts subject to federal or state funding requirements are excluded from the M/WBE participation goals program. City procurement systems are limited and do not include the necessary data to confirm if a contract is in fact funded by State or Federal funds. Due to these limitations, LL 174-eligible data in this Report includes some contracts that may actually be excluded from LL 174.



Chart 73: FY24 Value of LL 174-Eligible Prime Contracts and POs

Chart 74: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

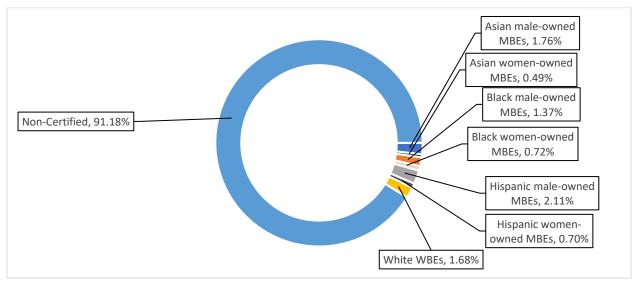
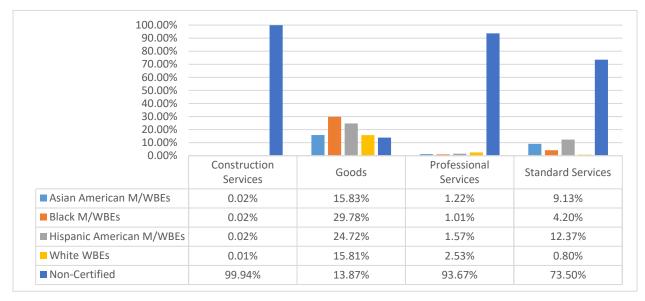


Chart 75: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Parks and Recreation (DPR)

About half of DPR's contract portfolio was subject to LL 174 participation goals in FY24. In FY24 DPR registered 3 contracts via the Sole Source award method, which is excluded from LL 174 participation goals. These three contracts total \$302.5 million and represent the majority of the excluded value. Its \$320.6 million in LL 174-eligible value represents 6.1% of the City's total LL 174-eligible contracting portfolio. Notably, DPR recorded 405 subcontracts in PIP, significantly more than most agencies, and 66% of subcontract value was registered to M/WBEs.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|----------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 1,320 | 100.00% | \$666,019,082 | 100.00% |
| M/WBE | 451 | 34.17% | \$166,793,099 | 25.04% |
| Non-Certified | 869 | 65.83% | \$499,225,982 | 74.96% |
| LL174 Contracts and POs | 1,196 | 100.00% | \$320,570,627 | 100.00% |
| M/WBE | 448 | 37.46% | \$161,418,225 | 50.35% |
| Non-Certified | 748 | 62.54% | \$159,152,402 | 49.65% |
| LL174 Subcontracts | 405 | 100.00% | \$47,794,254 | 100.00% |
| M/WBE | 197 | 48.64% | \$31,381,216 | 65.66% |
| Non-Certified | 208 | 51.36% | \$16,413,038 | 34.34% |

Table 63: FY24 LL 174-Eligible Contracts and POs

Chart 76: FY24 Value of LL 174-Eligible Prime Contracts and POs

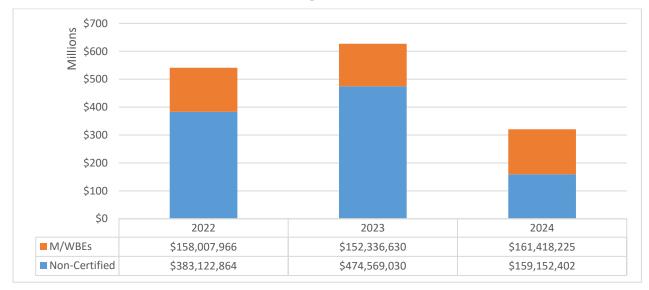


Chart 77: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

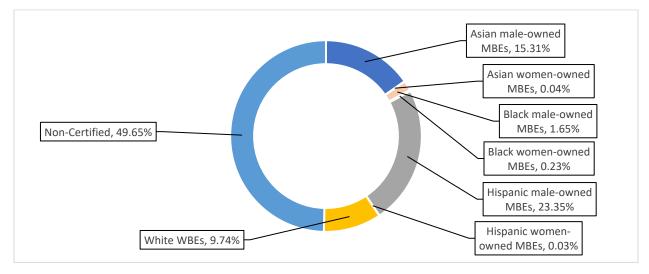
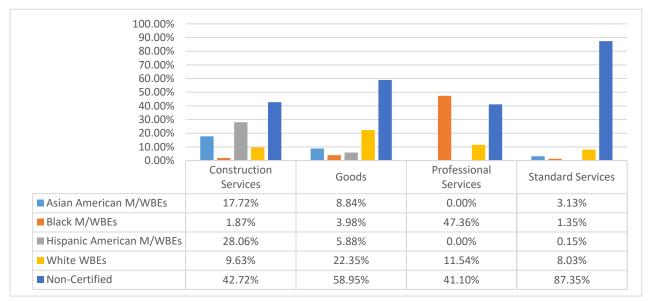


Chart 78: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Sanitation (DSNY)

Two thirds of DSNY's procurement portfolio were subject to LL 174 participation goals. The LL 174 value below does not include large Renewals, which were excluded from this analysis. Its \$60.6 million in LL 174-eligible value accounts for about 1.1% of the City's total LL 174-eligible procurement portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 827 | 100.00% | \$91,498,821 | 100.00% |
| M/WBE | 307 | 37.12% | \$32,090,938 | 35.07% |
| Non-Certified | 520 | 62.88% | \$59,407,883 | 64.93% |
| LL174 Contracts and POs | 781 | 100.00% | \$60,634,919 | 100.00% |
| M/WBE | 296 | 37.90% | \$27,533,835 | 45.41% |
| Non-Certified | 485 | 62.10% | \$33,101,084 | 54.59% |
| LL174 Subcontracts | 18 | 100.00% | \$17,252,666 | 100.00% |
| M/WBE | 12 | 66.67% | \$6,882,401 | 39.89% |
| Non-Certified | 6 | 33.33% | \$10,370,264 | 60.11% |

Table 64: FY24 LL 174-Eligible Contracts and POs

Chart 79: FY24 Value of LL 174-Eligible Prime Contracts and POs

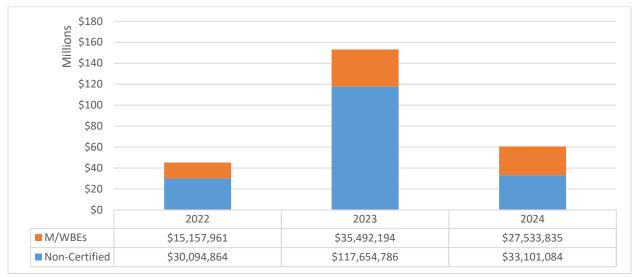


Chart 80: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

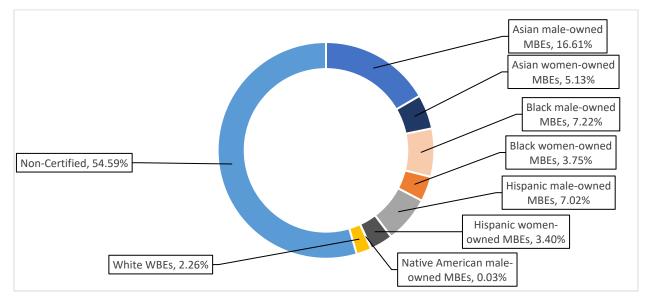


Chart 81: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Homeless Services (DSS/DHS)

The LL 174 totals below represent a very small share of DHS' total procurement portfolio, as DHS predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. Its \$19.2 million in LL 174-eligible value accounts for less than 0.4% of the City's total LL 174-eligible portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 215 | 100.00% | \$6,015,488,346 | 100.00% |
| M/WBE | 51 | 23.72% | \$124,210,910 | 2.06% |
| Non-Certified | 164 | 76.28% | \$5,891,277,436 | 97.94% |
| LL174 Contracts and POs | 67 | 100.00% | \$19,234,203 | 100.00% |
| M/WBE | 43 | 64.18% | \$16,168,711 | 84.06% |
| Non-Certified | 24 | 35.82% | \$3,065,492 | 15.94% |
| LL174 Subcontracts | 3 | 100.00% | \$608,000 | 100.00% |
| M/WBE | 1 | 33.33% | \$193,000 | 31.74% |
| Non-Certified | 2 | 66.67% | \$415,000 | 68.26% |

Table 65: FY24 LL 174-Eligible Contracts and POs

Chart 82: FY24 Value of LL 174-Eligible Prime Contracts and POs

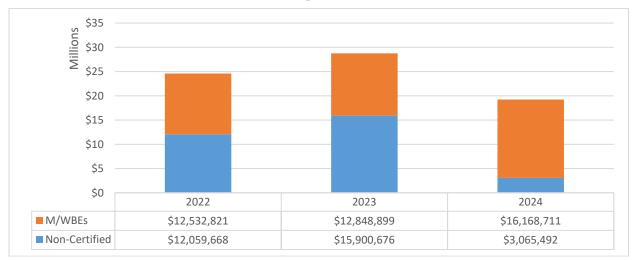


Chart 83: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

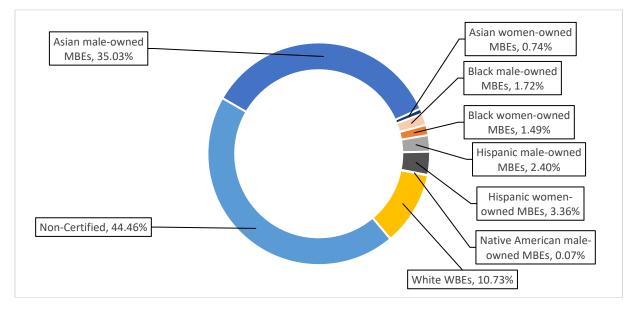
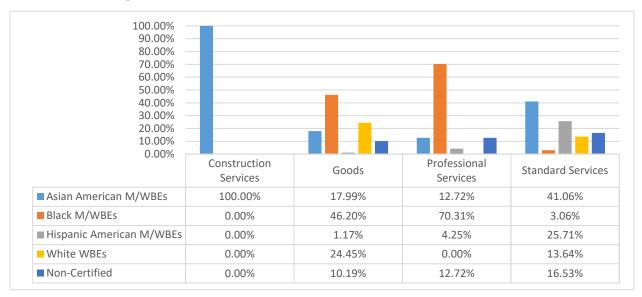


Chart 84: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Human Resources Administration (DSS/HRA)

The LL 174 totals below represent a small share of HRA's total procurement portfolio, as HRA predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. Its \$49.6 million in LL 174-eligible value accounts for less than 1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 647 | 100.00% | \$2,449,770,764 | 100.00% |
| M/WBE | 298 | 46.06% | \$73,012,087 | 2.98% |
| Non-Certified | 349 | 53.94% | \$2,376,758,677 | 97.02% |
| LL174 Contracts and POs | 340 | 100.00% | \$49,596,218 | 100.00% |
| M/WBE | 247 | 72.65% | \$27,545,897 | 55.54% |
| Non-Certified | 93 | 27.35% | \$22,050,321 | 44.46% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 66: FY24 LL 174-Eligible Contracts and POs

Chart 85: FY24 Value of LL 174-Eligible Prime Contracts and POs



Chart 86: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

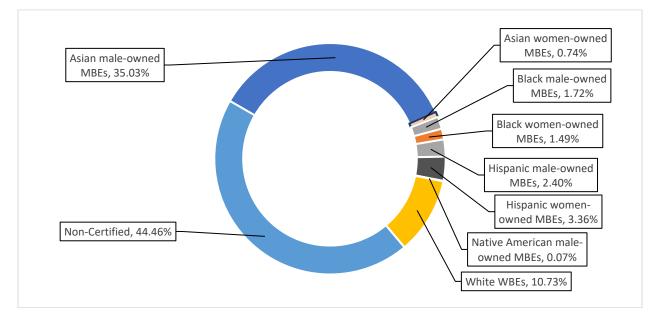
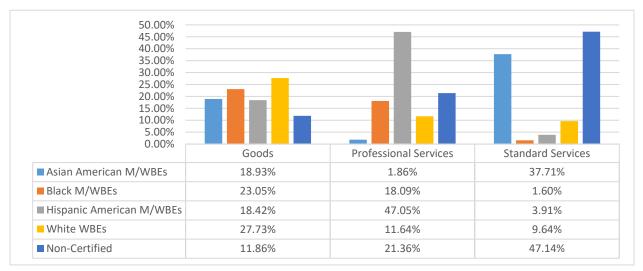


Chart 87: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Youth and Community Development (DYCD)

The LL 174 totals below represent a very small portion of DYCD's total procurement portfolio, as DYCD predominantly contracts with vendors for human services, which are exempt from LL 174 participation goals. Its \$4.1 million in LL 174-eligible value reflects less than 0.1% of the City's total LL 174- eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 1,912 | 100.00% | \$1,356,714,080 | 100.00% |
| M/WBE | 185 | 9.68% | \$27,353,483 | 2.02% |
| Non-Certified | 1,727 | 90.32% | \$1,329,360,596 | 97.98% |
| LL174 Contracts and POs | 245 | 100.00% | \$4,134,877 | 100.00% |
| M/WBE | 182 | 74.29% | \$3,627,702 | 87.73% |
| Non-Certified | 63 | 25.71% | \$507,175 | 12.27% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 67: FY24 LL 174-Eligible Contracts and POs

Chart 88: FY24 Value of LL 174-Eligible Prime Contracts and POs



Chart 89: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

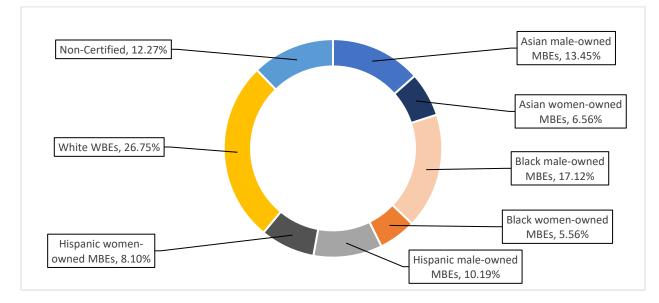
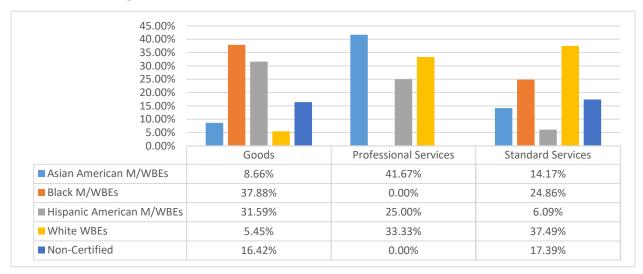


Chart 90: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



New York City Fire Department (FDNY)

The LL 174 data below excludes nearly half of FDNY's FY24 procurement portfolio. A large share was for contracts procured via Assignment, Emergency, and Intergovernmental procurement methods which are exempt from LL 174 participation goals. FDNY also procured valuable Renewals, which are excluded from this analysis. FDNY's \$128.5 million in LL 174-eligible contracts represents almost 2.5% of the City's overall LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 282 | 100.00% | \$272,907,530 | 100.00% |
| M/WBE | 102 | 36.17% | \$43,986,578 | 16.12% |
| Non-Certified | 180 | 63.83% | \$228,920,952 | 83.88% |
| LL174 Contracts and POs | 196 | 100.00% | \$128,567,299 | 100.00% |
| M/WBE | 90 | 45.92% | \$26,375,551 | 20.51% |
| Non-Certified | 106 | 54.08% | \$102,191,748 | 79.49% |
| LL174 Subcontracts | 16 | 100.00% | \$5,555,349 | 100.00% |
| M/WBE | 10 | 62.50% | \$3,665,350 | 65.98% |
| Non-Certified | 6 | 37.50% | \$1,889,999 | 34.02% |

Table 68: FY24 LL 174-Eligible Contracts and POs

Chart 91: FY24 Value of LL 174-Eligible Prime Contracts and POs

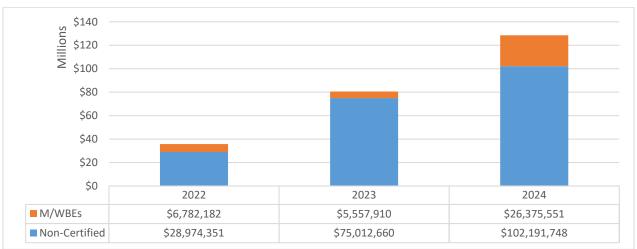


Chart 92: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

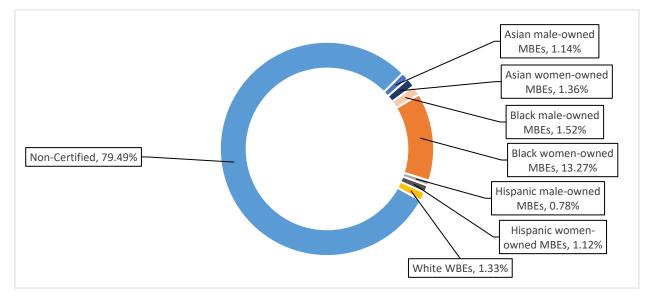
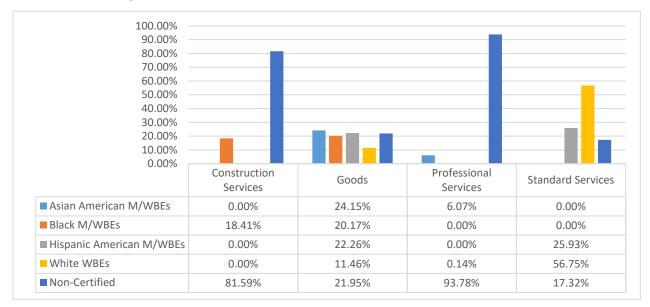


Chart 93: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Housing Preservation and Development (HPD)

The LL 174 totals below represent a small share of HPD's total procurement portfolio, as HPD manages high-value emergency procurements and condemnations which are exempt from LL 174 participation goals. Notably, HPD's total registered contract value includes \$1.8 billion in contracts associated with the New York City Housing Authority (NYCHA), which are exempt from M/WBE participation goals. Its \$151.2 million in LL 174-eligible value accounts for under 3% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 16,574 | 100.00% | \$5,333,085,235 | 100.00% |
| M/WBE | 12,029 | 72.58% | \$62,605,067 | 1.17% |
| Non-Certified | 4,545 | 27.42% | \$5,270,480,168 | 98.83% |
| LL174 Contracts and POs | 16,079 | 100.00% | \$151,202,591 | 100.00% |
| M/WBE | 12,002 | 74.64% | \$42,246,881 | 27.94% |
| Non-Certified | 4,077 | 25.36% | \$108,955,710 | 72.06% |
| LL174 Subcontracts | 64 | 100.00% | \$3,676,112 | 100.00% |
| M/WBE | 44 | 68.75% | \$3,437,130 | 93.50% |
| Non-Certified | 20 | 31.25% | \$238,982 | 6.50% |

Table 69: FY24 LL 174-Eligible Contracts and POs

Chart 94: FY24 Value of LL 174-Eligible Prime Contracts and POs

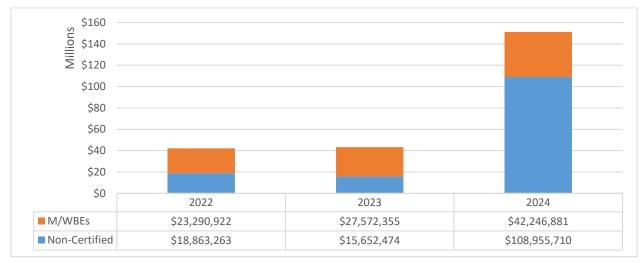


Chart 95: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

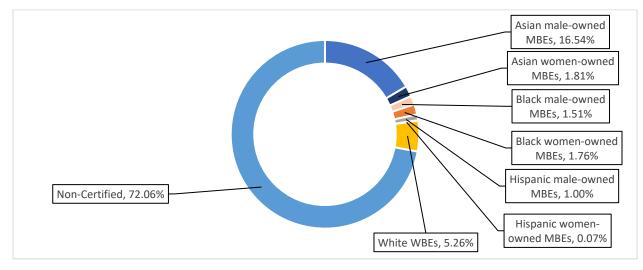
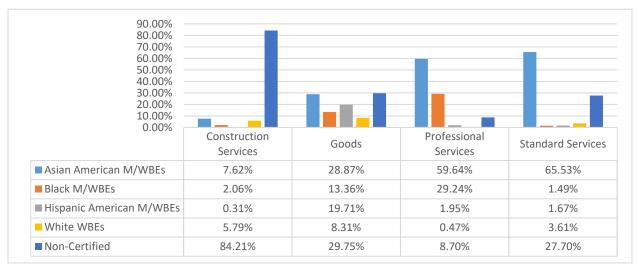


Chart 96: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Law Department (LAW)

Almost half of the Law Department's FY24 procurement portfolio was subject to LL 174 participation goals. In FY24 LAW registered one \$15 million contract via the Emergency procurement method, which is exempt from LL 174 participation goals. Its \$25.8 million in LL 174-eligible value represents less than 0.5% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 811 | 100.00% | \$53,315,601 | 100.00% |
| M/WBE | 160 | 19.73% | \$7,533,523 | 14.13% |
| Non-Certified | 651 | 80.27% | \$45,782,078 | 85.87% |
| LL174 Contracts and POs | 773 | 100.00% | \$25,823,557 | 100.00% |
| M/WBE | 157 | 20.31% | \$5,642,527 | 21.85% |
| Non-Certified | 616 | 79.69% | \$20,181,031 | 78.15% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 70: FY24 LL 174-Eligible Contracts and POs

Chart 97: FY24 Value of LL 174-Eligible Prime Contracts and POs

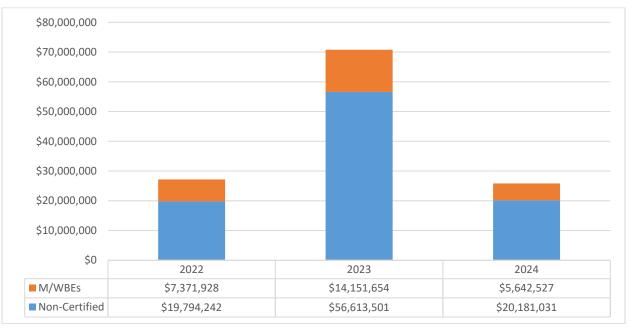


Chart 98: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

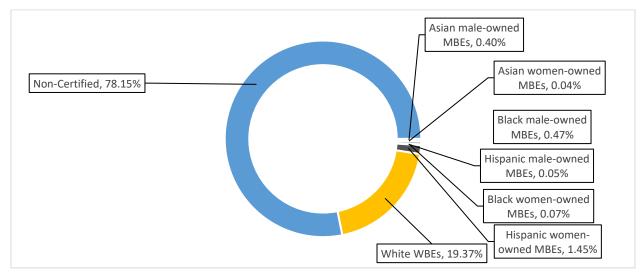


Chart 99: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Landmarks Preservation Commission (LPC)

The vast majority of LPC's FY24 procurement portfolio was subject to LL 174 participation goals. Its \$557,923 in LL 174-eligible value represents 0.01% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 62 | 100.00% | \$570,673 | 100.00% |
| M/WBE | 22 | 35.48% | \$199,317 | 34.93% |
| Non-Certified | 40 | 64.52% | \$371,356 | 65.07% |
| LL174 Contracts and POs | 60 | 100.00% | \$557,923 | 100.00% |
| M/WBE | 22 | 36.67% | \$199,317 | 35.72% |
| Non-Certified | 38 | 63.33% | \$358,606 | 64.28% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 71: FY24 LL 174-Eligible Contracts and POs





Chart 101: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

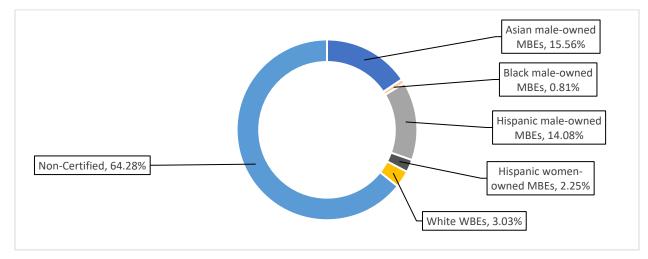
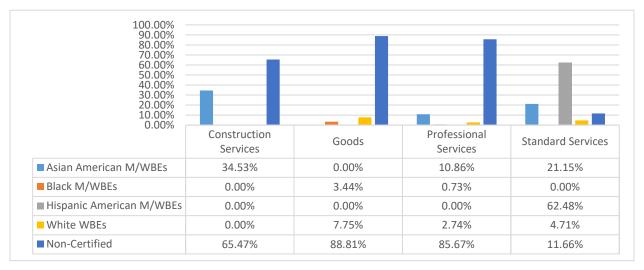


Chart 102: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Mayoralty (MAYOR)

The LL 174 totals below represent a small portion of the Mayoralty's total procurement portfolio, as it largely contracts with vendors for human services, which are exempt from LL 174 participation goals. Its \$55.4 million in LL 174-eligible value accounts for 1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 566 | 100.00% | \$1,193,443,670 | 100.00% |
| M/WBE | 168 | 29.68% | \$7,488,062 | 0.63% |
| Non-Certified | 398 | 70.32% | \$1,185,955,608 | 99.37% |
| LL174 Contracts and POs | 308 | 100.00% | \$55,375,077 | 100.00% |
| M/WBE | 140 | 45.45% | \$6,737,504 | 12.17% |
| Non-Certified | 168 | 54.55% | \$48,637,573 | 87.83% |
| LL174 Subcontracts | 11 | 100.00% | \$288,698 | 100.00% |
| M/WBE | 2 | 18.18% | \$28,260 | 9.79% |
| Non-Certified | 9 | 81.82% | \$260,438 | 90.21% |

Table 72: FY24 LL 174-Eligible Contracts and POs

Chart 103: FY24 Value of LL 174-Eligible Prime Contracts and POs

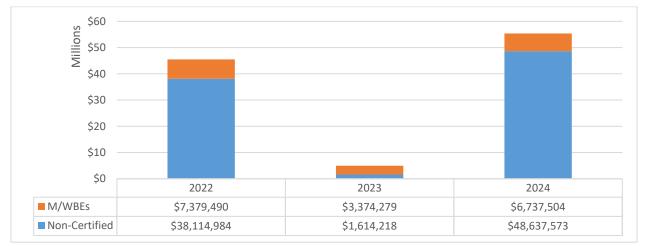


Chart 104: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

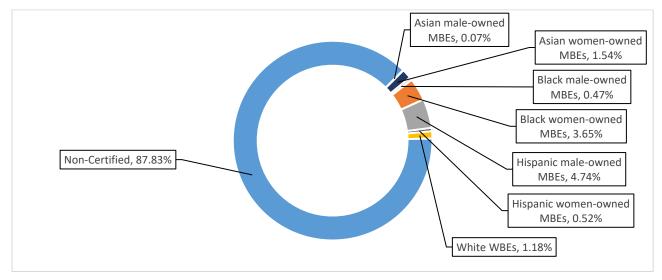
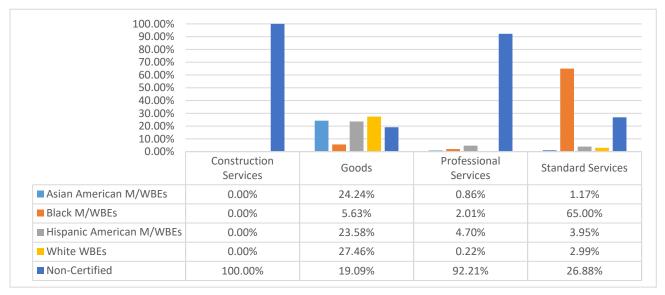


Chart 105: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



NYC Office of Emergency Management (NYCEM)

The LL 174 totals below here represent a relatively small share of NYCEM's total procurement portfolio (23%), as NYCEM manages high-value Emergency procurements which are exempt from LL 174 participation goals. Its \$2.1 million in LL 174-eligible value accounts for less than 0.05% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 293 | 100.00% | \$9,160,757 | 100.00% |
| M/WBE | 113 | 38.57% | \$5,293,165 | 57.78% |
| Non-Certified | 180 | 61.43% | \$3,867,592 | 42.22% |
| LL174 Contracts and POs | 270 | 100.00% | \$2,103,436 | 100.00% |
| M/WBE | 111 | 41.11% | \$1,193,165 | 56.72% |
| Non-Certified | 159 | 58.89% | \$910,271 | 43.28% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 73: FY24 LL 174-Eligible Contracts and POs

Chart 106: FY24 Value of LL 174-Eligible Prime Contracts and POs

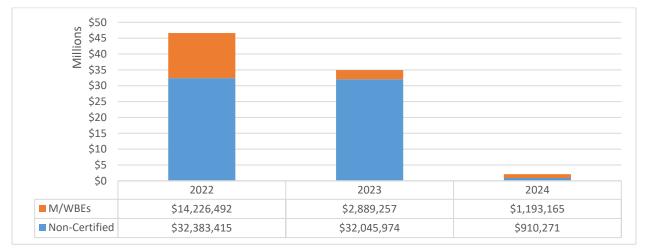


Chart 107: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

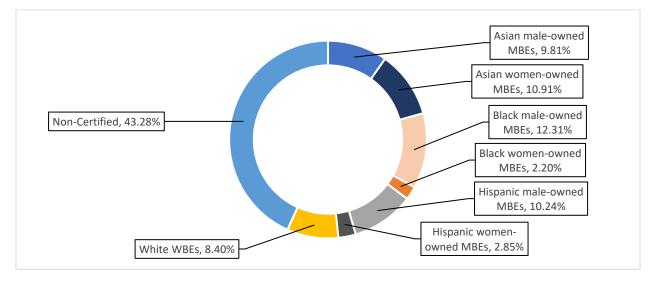
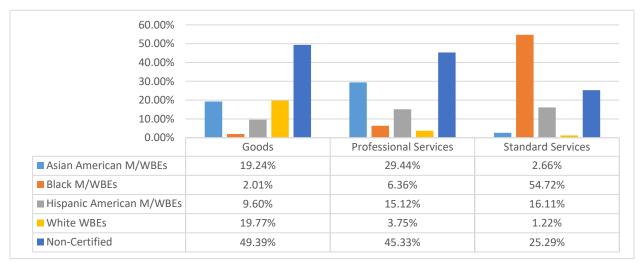


Chart 108: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



New York Police Department (NYPD)

Nearly half of NYPD's FY24 procurement portfolio was subject to LL 174 participation goals. The LL 174 data below does not include valuable Assignments, which accounted for a large share of NYPD's FY24 procurement portfolio. NYPD's \$37.8 million in LL 174-eligible value accounts for less than 1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 2,719 | 100.00% | \$86,392,060 | 100.00% |
| M/WBE | 884 | 32.51% | \$24,587,264 | 28.46% |
| Non-Certified | 1,835 | 67.49% | \$61,804,796 | 71.54% |
| LL174 Contracts and POs | 2,614 | 100.00% | \$37,783,140 | 100.00% |
| M/WBE | 879 | 33.63% | \$24,373,558 | 64.51% |
| Non-Certified | 1,735 | 66.37% | \$13,409,582 | 35.49% |
| LL174 Subcontracts | 1 | 100.00% | \$480,000 | 100.00% |
| M/WBE | 1 | 100.00% | \$480,000 | 100.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 74: FY24 LL 174-Eligible Contracts and POs

Chart 109: FY24 Value of LL 174-Eligible Prime Contracts and POs

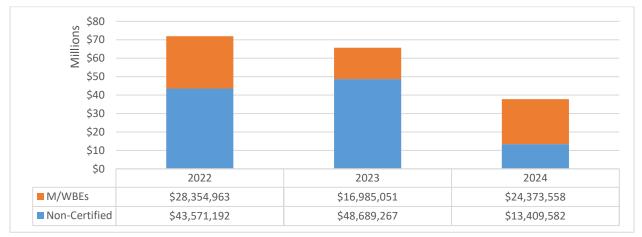


Chart 110: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

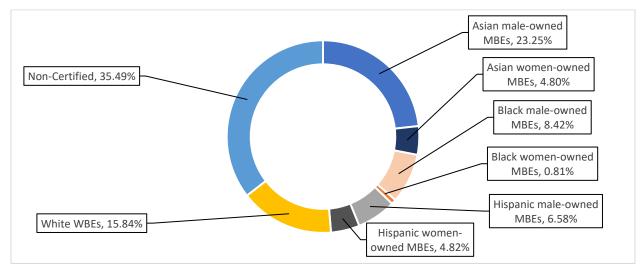
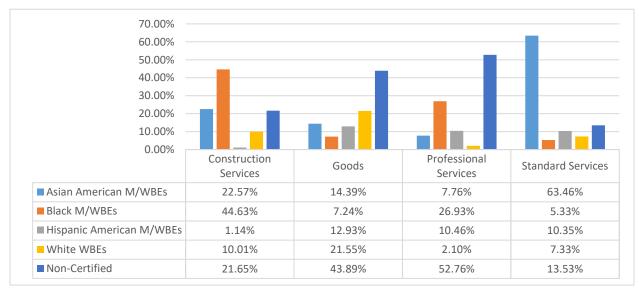


Chart 111: FY24 Share of LL 174-Eligible Contracts and PO Value by M/WBE Category and Industry



Office of Administrative Trials and Hearings (OATH)

A quarter of OATH's procurement portfolio was subject to LL 174 participation goals in FY24. In FY24 OATH registered valuable Renewals, which are exempt from M/WBE participation goals. Its \$669,409 in LL 174-eligible value represents 0.01% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 90 | 100.00% | \$2,726,813 | 100.00% |
| M/WBE | 51 | 56.67% | \$511,542 | 18.76% |
| Non-Certified | 39 | 43.33% | \$2,215,271 | 81.24% |
| LL174 Contracts and POs | 82 | 100.00% | \$669,409 | 100.00% |
| M/WBE | 51 | 62.20% | \$511,542 | 76.42% |
| Non-Certified | 31 | 37.80% | \$157,867 | 23.58% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 75: FY24 LL 174-Eligible Contracts and POs

Chart 112: FY24 Value of LL 174-Eligible Prime Contracts and POs

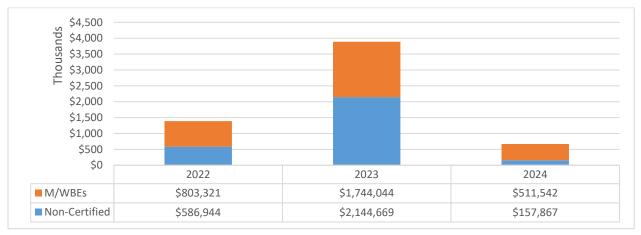


Chart 113: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

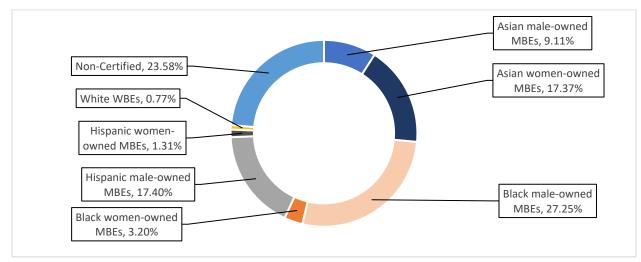
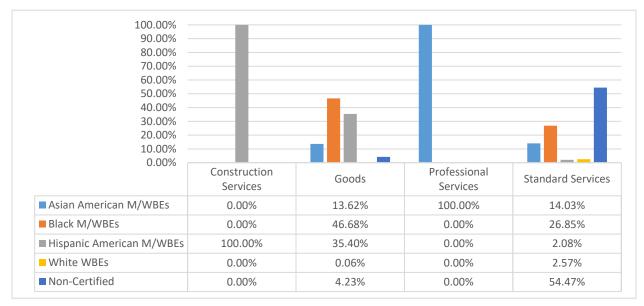


Chart 114: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Office of Technology and Innovation (OTI)

OTI has a relatively large procurement portfolio, and the LL 174 data below only represents about 37%. In FY24, OTI procured high-value contracts via the Intergovernmental award method that are exempt from LL 174 participation goals, as well as valuable Renewals that were excluded from this analysis. That said, OTI's \$209 million in LL 174-eligible value still represents nearly 4% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 455 | 100.00% | \$562,985,964 | 100.00% |
| M/WBE | 254 | 55.82% | \$219,482,204 | 38.99% |
| Non-Certified | 201 | 44.18% | \$343,503,760 | 61.01% |
| LL174 Contracts and POs | 360 | 100.00% | \$209,003,692 | 100.00% |
| M/WBE | 239 | 66.39% | \$39,194,214 | 18.75% |
| Non-Certified | 121 | 33.61% | \$169,809,478 | 81.25% |
| LL174 Subcontracts | 5 | 100.00% | \$15,000,000 | 100.00% |
| M/WBE | 4 | 80.00% | \$12,000,000 | 80.00% |
| Non-Certified | 1 | 20.00% | \$3,000,000 | 20.00% |

Table 76: FY24 LL 174-Eligible Contracts and POs

Chart 115: FY24 Value of LL 174-Eligible Prime Contracts and POs

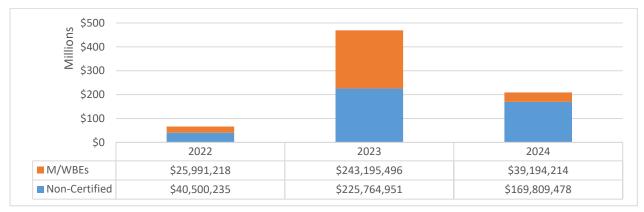


Chart 116: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

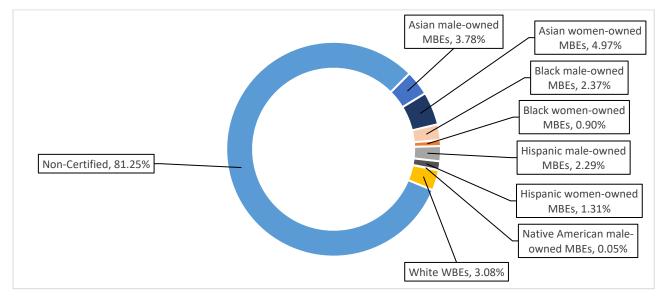
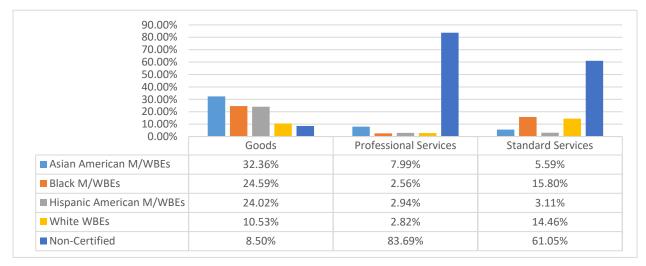


Chart 117: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Small Business Services (SBS)

SBS has one of the City's largest procurement portfolios by value due to high-dollar Sole Source agreements with the New York City Economic Development Corporation (NYCEDC) to function as a development consultant and provide economic development-related services on behalf of the City. NYCEDC is a nonprofit organization incorporated under the Not-for-Profit Corporation Law of the State of New York, and as such these contracts are not subject to LL 174 participation goals.⁵³ As such, LL 174 contracts represent a small share of SBS' FY24 procurement portfolio. SBS' \$26.4 million in LL 174-eligible value represents 0.5% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 260 | 100.00% | \$2,359,193,614 | 100.00% |
| M/WBE | 32 | 12.3% | \$1,837,659 | 0.8% |
| Non-Certified | 228 | 87.7% | \$2,357,355,955 | 99.2% |
| LL174 Contracts and POs | 103 | 100.00% | \$26,381,914 | 100.00% |
| M/WBE | 29 | 28.16% | \$1,311,135 | 4.97% |
| Non-Certified | 74 | 71.84% | \$25,070,779 | 95.03% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 77: FY24 LL 174-Eligible Contracts and POs

⁵³ NYCEDC has its own Minority, Women-Owned, and Disadvantaged Business Enterprises (M/W/DBE) program that is not included in this Report.



Chart 118: FY24 Value of LL 174-Eligible Prime Contracts and POs

Chart 119: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

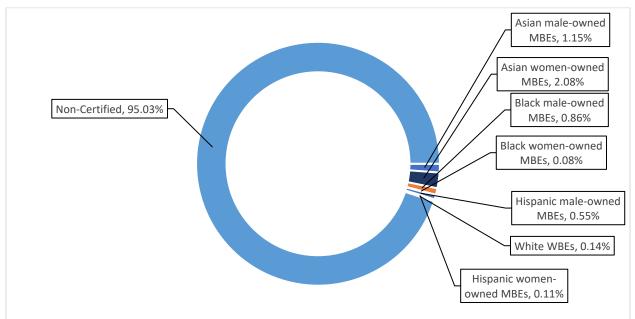
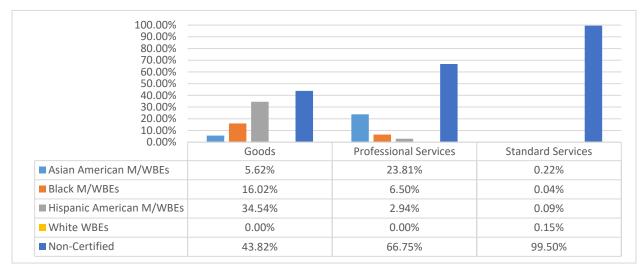


Chart 120: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Taxi and Limousine Commission (TLC)

The vast majority of TLC's FY24 procurement value was subject to LL 174 participation goals. TLC's \$4.8 million in LL 174-eligible value represents less than 0.1% of the City's total LL 174-eligible contracting portfolio.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 179 | 100.00% | \$5,389,093 | 100.00% |
| M/WBE | 80 | 44.69% | \$4,152,488 | 77.05% |
| Non-Certified | 99 | 55.31% | \$1,236,605 | 22.95% |
| LL174 Contracts and POs | 175 | 100.00% | \$4,795,355 | 100.00% |
| M/WBE | 80 | 45.71% | \$4,152,488 | 86.59% |
| Non-Certified | 95 | 54.29% | \$642,867 | 13.41% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 78: FY24 LL 174-Eligible Contracts and POs

Chart 121: FY24 Value of LL 174-Eligible Prime Contracts and POs

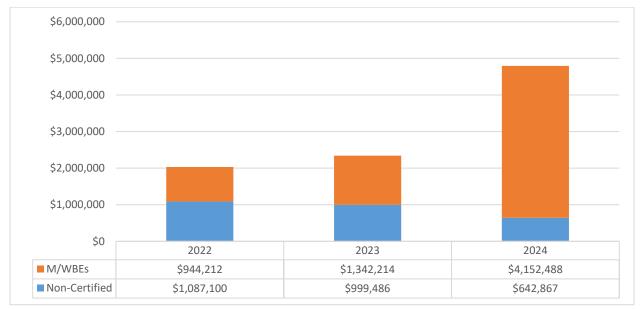


Chart 122: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

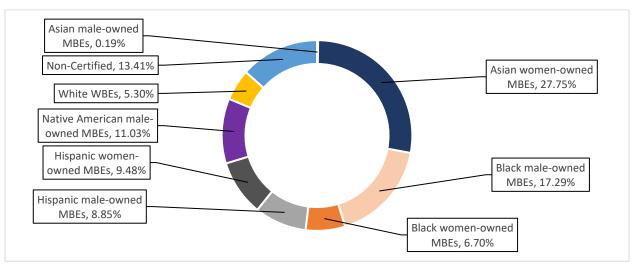
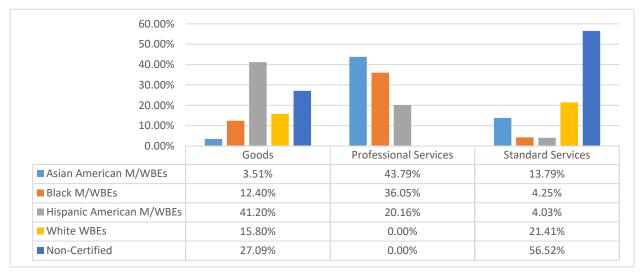


Chart 123: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Department of Education

The DOE is not a mayoral agency, but it implemented its own M/WBE participation goals program in FY23. Since then, this Office has included a focused analysis on DOE's M/WBE utilization and compliance with LL 174 goals. As in last year's report, this Office was not able to fully assess the DOE's compliance with M/WBE goals, as DOE failed to record any subcontract records in PIP at the time data for this Report was pulled.⁵⁴

The LL 174 totals below represent half of the DOE's total procurement portfolio. The DOE has one of the largest procurement portfolios in the City—its \$1.1 billion in LL 174-eligible value represents over 21% of the City's total LL 174-eligible contracting portfolio.

Table 79: Volume of DOE Contracts and POs Subject to LL 174 Participation Goals, FY22-24

| | F | Y22 | FY23 | | FY24 | |
|-----------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|
| Certification Type | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts |
| M/WBE | 6,319 | 7.80% | 9,377 | 9.98% | 14,881 | 14.25% |
| Non-Certified | 74,667 | 92.20% | 84,565 | 90.02% | 89,523 | 85.75% |
| Grand Total | 80,986 | 100.00% | 93,942 | 100.00% | 104,404 | 100.00% |

14.25% of DOE contracts subject to LL 174 participation goals were registered to M/WBEs. Interestingly, these contracts represent nearly 24% of the value of eligible contract registrations. This is unique – on average, Citywide, the M/WBEs share of the count of contracts is typically larger than the relative M/WBE share of contracted value. This may be because 72.40% of the DOE LL 174-eligible value in FY24 (for both M/WBEs and Non-Certified vendors) was from master agreements (MA1s). The largest of these contracts, accounting for nearly a third of the value going to all DOE M/WBEs in FY24, was an \$82.46 million agreement to 22nd Century Technologies Inc for staffing services.⁵⁵ This Report includes a Specialized Focus on Master Agreements that finds the registration value of Master Agreements often inflates the amount of business the City is actually doing with M/WBEs.

⁵⁵ MA1-040- 20249470760

⁵⁴ PIP is the managed by FISA and is the system of record for approved subcontracts and subcontractor payments.

Table 80: Value of DOE Contracts and POs Subject to LL 174 Participation Goals, FY22-24

| | FY22 | | FY23 | | FY24 | |
|-----------------------|------------------------------|---------------------|------------------------------|---------------------|------------------------------|---------------------|
| Certification Type | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value | Total Registered Value | % Share of Value |
| M/WBE | \$89,950,940 | 16.40% | \$129,131,778 | 22.62% | \$264,491,813 | 23.69% |
| Non-Certified | \$458,580,160 | 83.60% | \$441,745,142 | 77.38% | \$852,202,795 | 76.31% |
| Grand Total | \$548,531,100 | 100.00% | \$570,876,920 | 100.00% | \$1,116,694,609 | 100.00% |

Chart 124: FY24 Value of LL 174-Eligible Prime Contracts and POs

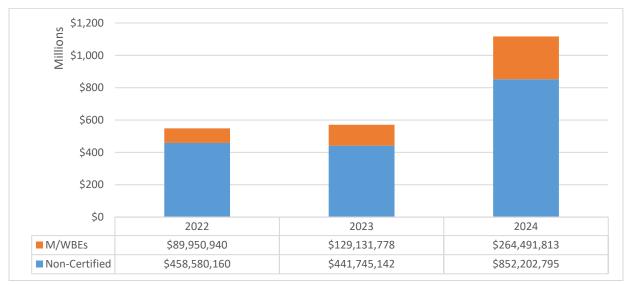


Chart 125: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

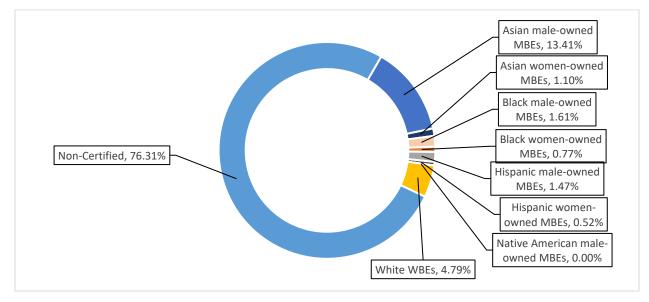
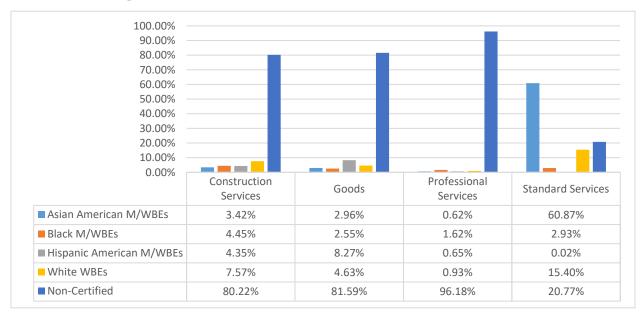


Chart 126: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Independently Elected Officials

Independently Elected Officials are subject to the LL 174 participation goals program and this Report includes individual analyses for each of these Offices. Generally speaking, these Offices manage relatively small procurement portfolios.

Brooklyn Borough President (BKBP)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 116 | 100.00% | \$1,042,160 | 100.00% |
| M/WBE | 8 | 6.90% | \$68,251 | 6.55% |
| Non-Certified | 108 | 93.10% | \$973,910 | 93.45% |
| LL174 Contracts and POs | 69 | 100.00% | \$405,332 | 100.00% |
| M/WBE | 8 | 11.59% | \$68,251 | 16.84% |
| Non-Certified | 61 | 88.41% | \$337,081 | 83.16% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 81: FY24 LL 174-Eligible Contracts and POS

Chart 127: FY24 Value of LL 174-Eligible Prime Contracts and POs

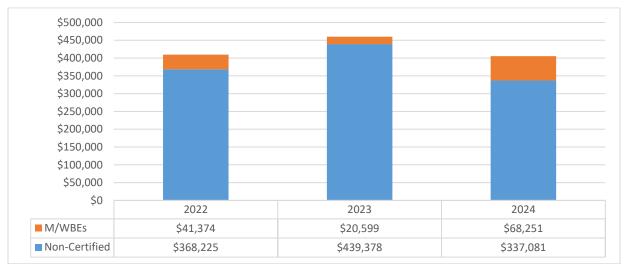


Chart 128: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

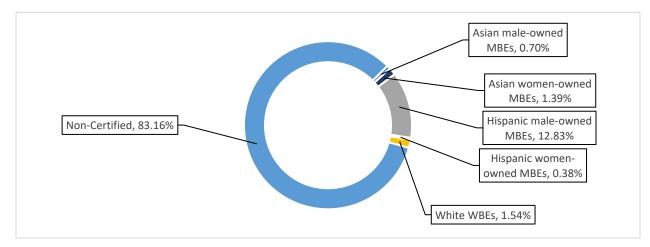
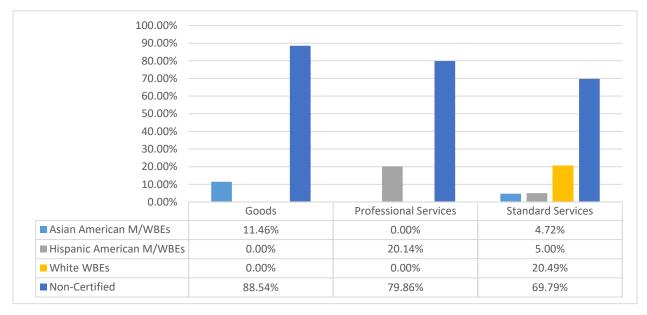


Chart 129: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Bronx Borough President (BXBP)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 381 | 100.00% | \$1,186,268 | 100.00% |
| M/WBE | 64 | 16.80% | \$120,303 | 10.14% |
| Non-Certified | 317 | 83.20% | \$1,065,964 | 89.86% |
| LL174 Contracts and POs | 372 | 100.00% | \$553,517 | 100.00% |
| M/WBE | 64 | 17.20% | \$120,303 | 21.73% |
| Non-Certified | 308 | 82.80% | \$433,213 | 78.27% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 82: FY24 LL 174-Eligible Contracts and POs

Chart 130: FY24 Value of LL 174-Eligible Prime Contracts and POs

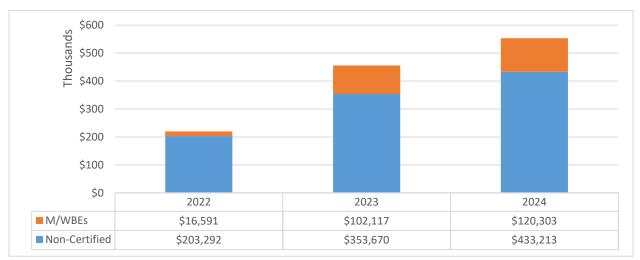


Chart 131: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

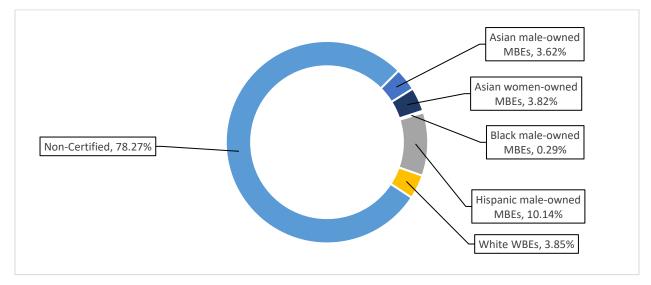
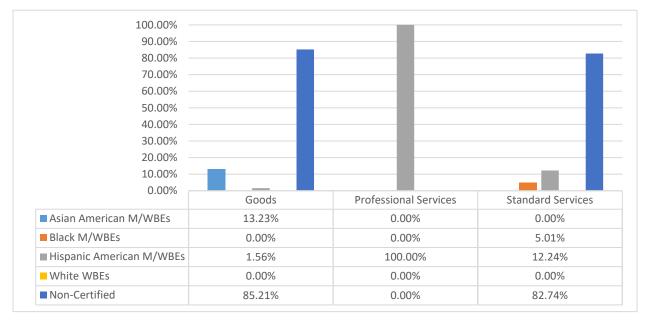


Chart 132: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Manhattan Borough President (MBP)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 119 | 100.00% | \$700,713 | 100.00% |
| M/WBE | 23 | 19.33% | \$296,251 | 42.28% |
| Non-Certified | 96 | 80.67% | \$404,462 | 57.72% |
| LL174 Contracts and POs | 112 | 100.00% | \$692,827 | 100.00% |
| M/WBE | 23 | 20.54% | \$296,251 | 42.76% |
| Non-Certified | 89 | 79.46% | \$396,576 | 57.24% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 83: FY24 LL 174-Eligible Contracts and POs

Chart 133: FY24 Value of LL 174-Eligible Prime Contracts and POs

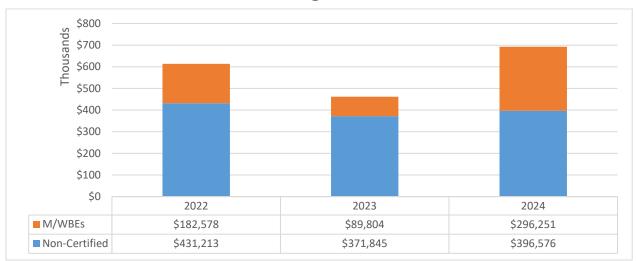


Chart 134: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

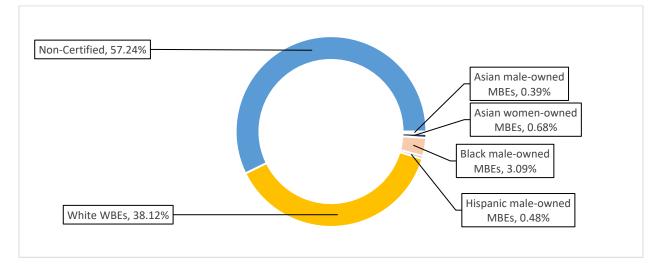
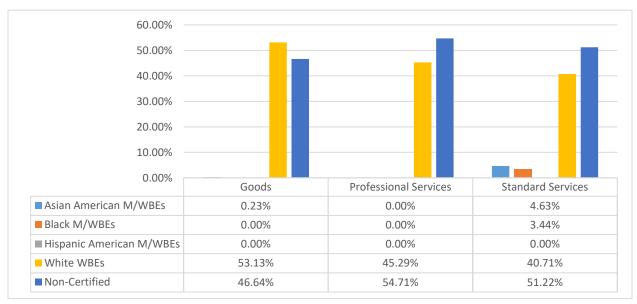


Chart 135: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Queens Borough President (QBP)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 123 | 100.00% | \$375,559 | 100.00% |
| M/WBE | 4 | 3.25% | \$25,948 | 6.91% |
| Non-Certified | 119 | 96.75% | \$349,611 | 93.09% |
| LL174 Contracts and POs | 52 | 100.00% | \$210,659 | 100.00% |
| M/WBE | 4 | 7.69% | \$25,948 | 12.32% |
| Non-Certified | 48 | 92.31% | \$184,711 | 87.68% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 84: FY24 LL 174-Eligible Contracts and POs

Chart 136: FY24 Value of LL 174-Eligible Prime Contracts and POs



Chart 137: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

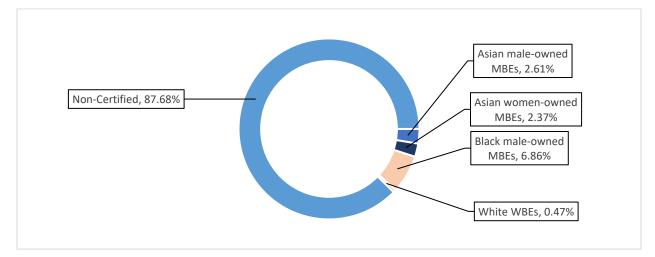
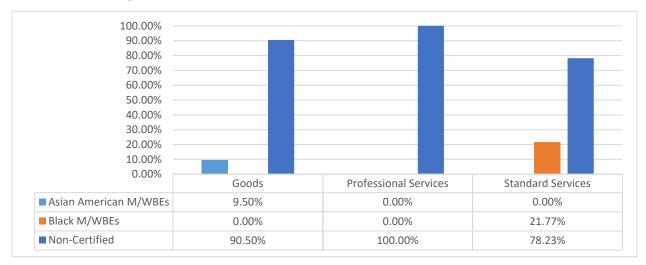


Chart 138: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Staten Island Borough President (SIBP)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 187 | 100.00% | \$1,332,094 | 100.00% |
| M/WBE | 15 | 8.02% | \$4,352 | 0.33% |
| Non-Certified | 172 | 91.98% | \$1,327,742 | 99.67% |
| LL174 Contracts and POs | 81 | 100.00% | \$70,322 | 100.00% |
| M/WBE | 15 | 18.52% | \$4,352 | 6.19% |
| Non-Certified | 66 | 81.48% | \$65,970 | 93.81% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 85: FY24 LL 174-Eligible Contracts and POs

Chart 139: FY24 Value of LL 174-Eligible Prime Contracts and POs

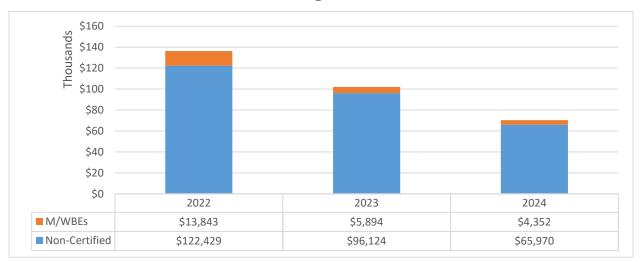
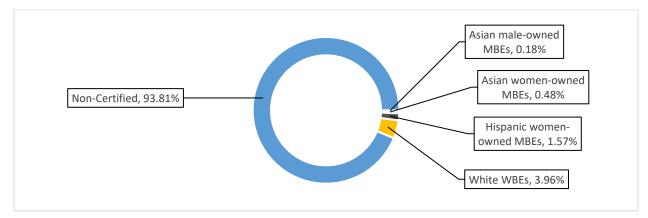
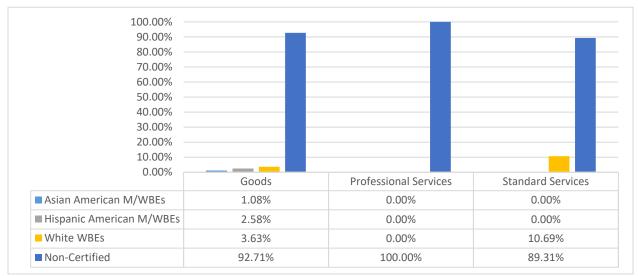


Chart 140: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender







City's Clerk Office (CLERK)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 22 | 100.00% | \$68,042 | 100.00% |
| M/WBE | 2 | 9.09% | \$3,600 | 5.29% |
| Non-Certified | 20 | 90.91% | \$64,442 | 94.71% |
| LL174 Contracts and POs | 21 | 100.00% | \$67,472 | 100.00% |
| M/WBE | 2 | 9.52% | \$3,600 | 5.34% |
| Non-Certified | 19 | 90.48% | \$63,872 | 94.66% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 86: FY24 LL 174-Eligible Contracts and POs



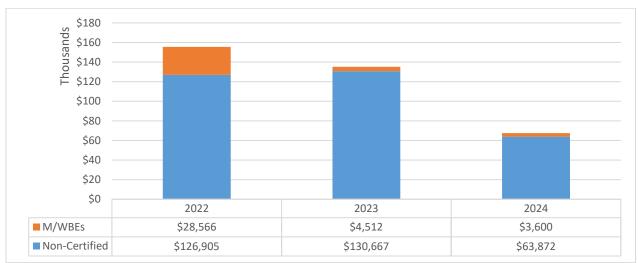


Chart 143: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

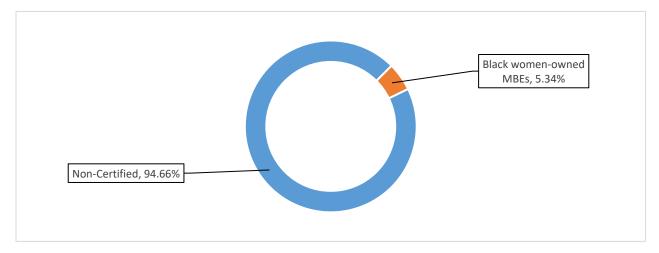
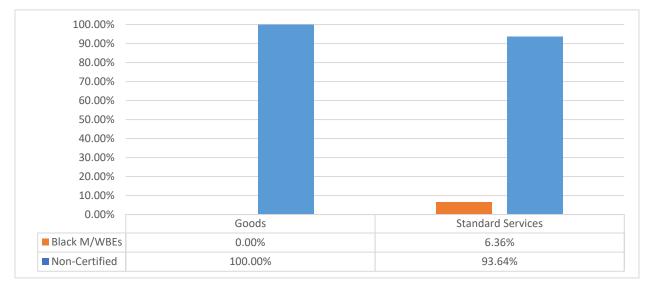


Chart 144: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Comptroller (COMP)

The LL 174 data below represents a small share of COMP's total procurement portfolio, which includes Corpus Funded Agreements (which function as a mechanism to finance investment management services related to the City's five pension funds), which are exempt from LL 174 participation goals. Its \$25.4 million in LL 174-eligible value represents less than 0.5% of the City's total LL 174-eligible contracting portfolio.

The M/WBE and Emerging Manager Pension Investments Report released by the Comptroller's Office in November 2024 (included as Appendix B of this Report) showed that the New York City Retirement Systems had a total of \$23.08 billion in investments with or committed to M/WBE managers as of June 30, 2024. Those investments amount to 13.3% of U.S.-based actively managed assets, or approximately 8% of the total assets under management.

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 631 | 100.00% | \$290,436,404 | 100.00% |
| M/WBE | 180 | 28.53% | \$10,342,190 | 3.56% |
| Non-Certified | 451 | 71.47% | \$280,094,214 | 96.44% |
| LL174 Contracts and POs | 330 | 100.00% | \$25,433,057 | 100.00% |
| M/WBE | 179 | 54.24% | \$10,327,236 | 40.61% |
| Non-Certified | 151 | 45.76% | \$15,105,821 | 59.39% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 87: FY24 LL 174-Eligible Contracts and POs

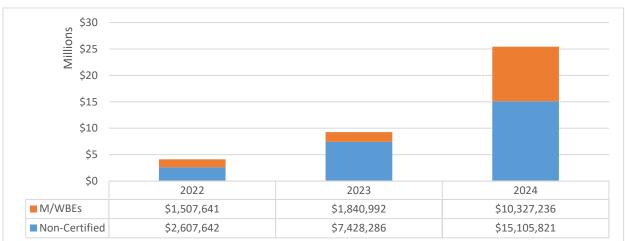


Chart 145: FY24 Value of LL 174-Eligible Prime Contracts and POs

Chart 146: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

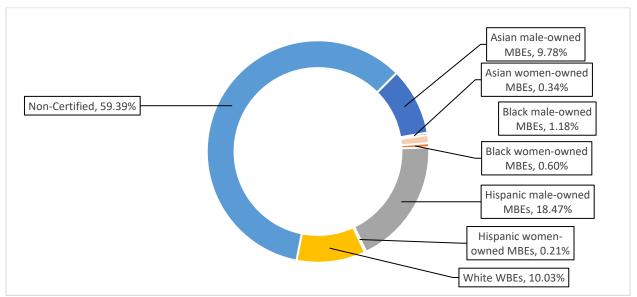


Chart 147: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



City Council (COUNCIL)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 1,378 | 100.00% | \$6,308,428 | 100.00% |
| M/WBE | 293 | 21.26% | \$1,457,209 | 23.10% |
| Non-Certified | 1,085 | 78.74% | \$4,851,219 | 76.90% |
| LL174 Contracts and POs | 1,100 | 100.00% | \$3,807,239 | 100.00% |
| M/WBE | 280 | 25.45% | \$1,213,760 | 31.88% |
| Non-Certified | 820 | 74.55% | \$2,593,479 | 68.12% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 88: FY24 LL 174-Eligible Contracts and POs

Chart 148: FY24 Value of LL 174-Eligible Prime Contracts and POs

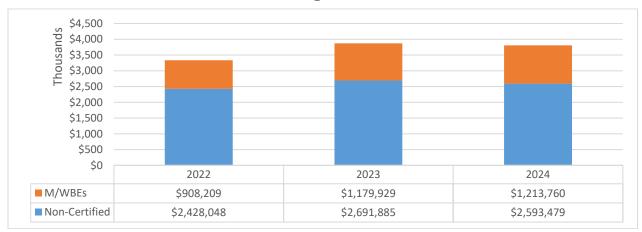


Chart 149: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

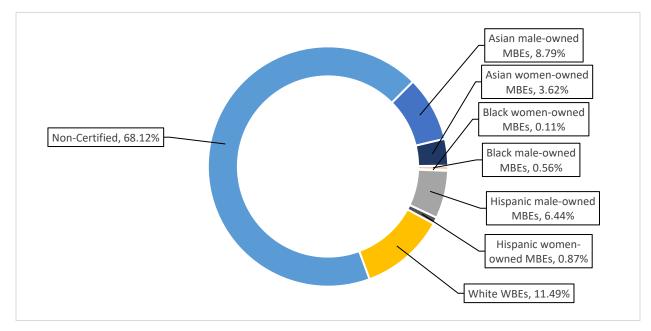
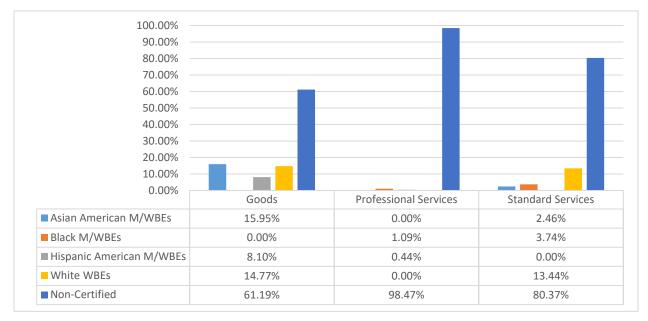


Chart 150: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



District Attorney Bronx (DABX)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 314 | 100.00% | \$5,273,438 | 100.00% |
| M/WBE | 53 | 16.88% | \$1,712,103 | 32.47% |
| Non-Certified | 261 | 83.12% | \$3,561,335 | 67.53% |
| LL174 Contracts and POs | 307 | 100.00% | \$3,773,878 | 100.00% |
| M/WBE | 53 | 17.26% | \$1,712,103 | 45.37% |
| Non-Certified | 254 | 82.74% | \$2,061,775 | 54.63% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 89: FY24 LL 174-Eligible Contracts and POs

Chart 151: FY24 Value of LL 174-Eligible Prime Contracts and POs

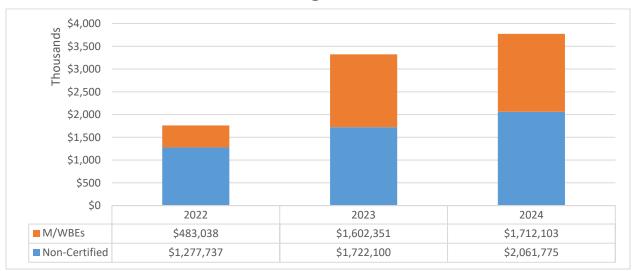


Chart 152: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

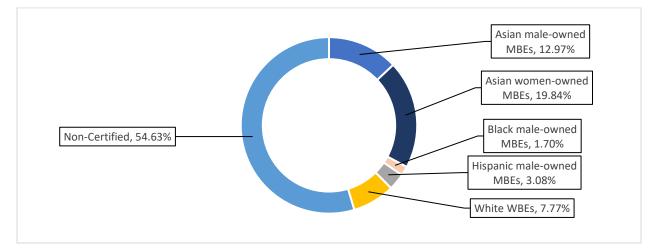
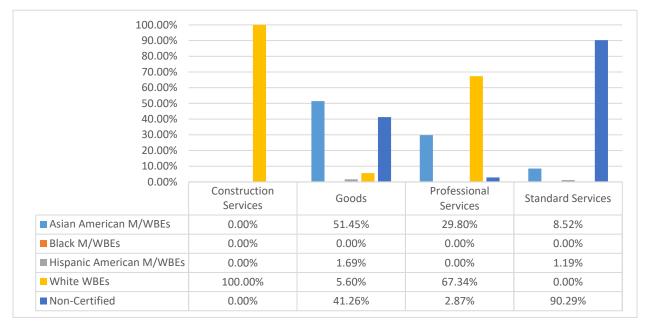


Chart 153: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



District Attorney Brooklyn (DAKINGS)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 294 | 100.00% | \$5,323,039 | 100.00% |
| M/WBE | 62 | 21.09% | \$2,863,511 | 53.79% |
| Non-Certified | 232 | 78.91% | \$2,459,528 | 46.21% |
| LL174 Contracts and POs | 286 | 100.00% | \$4,313,293 | 100.00% |
| M/WBE | 60 | 20.98% | \$2,593,703 | 60.13% |
| Non-Certified | 226 | 79.02% | \$1,719,590 | 39.87% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 90: FY24 LL 174-Eligible Contracts and POs

Chart 154: FY24 Value of LL 174-Eligible Prime Contracts and POs

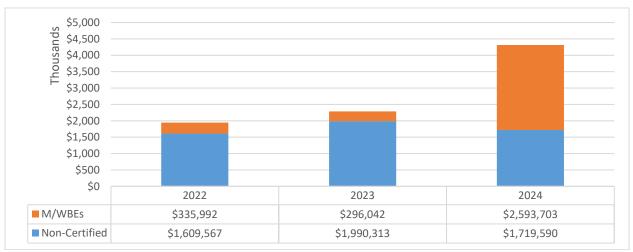


Chart 155: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

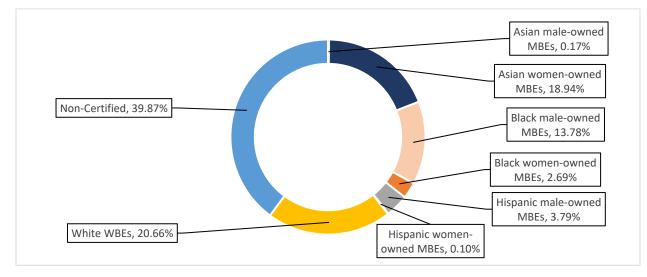
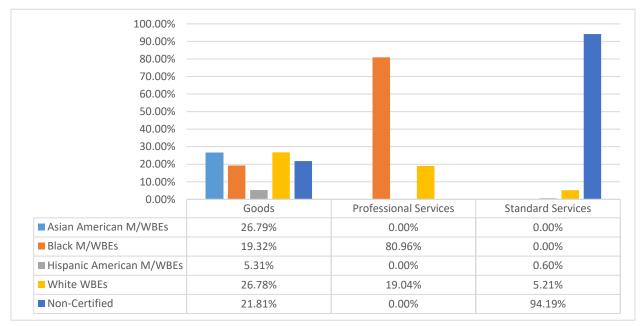


Chart 156: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



District Attorney New York (DANY)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 523 | 100.00% | \$15,078,019 | 100.00% |
| M/WBE | 123 | 23.52% | \$3,889,440 | 25.80% |
| Non-Certified | 400 | 76.48% | \$11,188,579 | 74.20% |
| LL174 Contracts and POs | 484 | 100.00% | \$9,336,088 | 100.00% |
| M/WBE | 120 | 24.79% | \$2,578,660 | 27.62% |
| Non-Certified | 364 | 75.21% | \$6,757,428 | 72.38% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 91: FY24 LL 174-Eligible Contracts and POs

Chart 157: FY24 Value of LL 174-Eligible Prime Contracts and POs

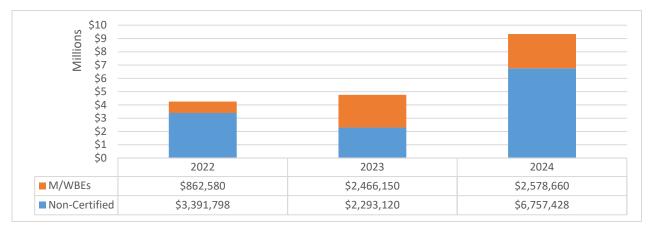


Chart 158: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

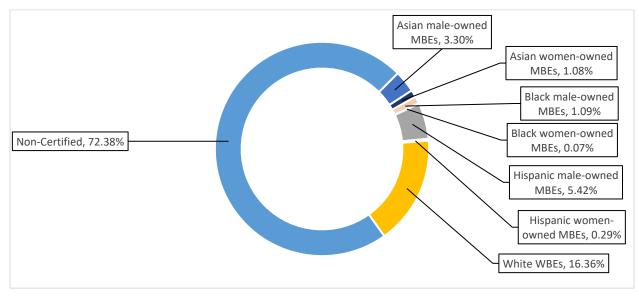
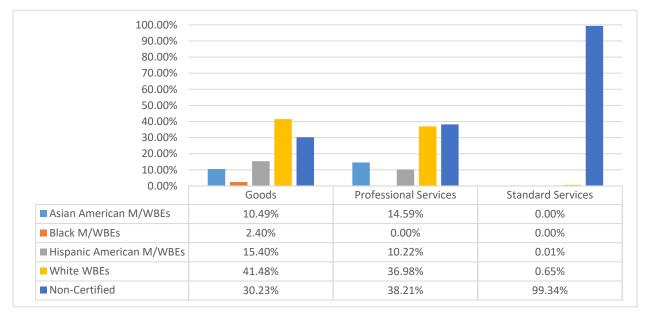


Chart 159: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



District Attorney Queens (DAQ)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 363 | 100.00% | \$4,194,239 | 100.00% |
| M/WBE | 80 | 22.04% | \$2,051,650 | 48.92% |
| Non-Certified | 283 | 77.96% | \$2,142,589 | 51.08% |
| LL174 Contracts and POs | 348 | 100.00% | \$3,226,604 | 100.00% |
| M/WBE | 77 | 22.13% | \$1,886,686 | 58.47% |
| Non-Certified | 271 | 77.87% | \$1,339,918 | 41.53% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 92: FY24 LL 174-Eligible Contracts and POs

Chart 160: FY24 Value of LL 174-Eligible Prime Contracts and POs

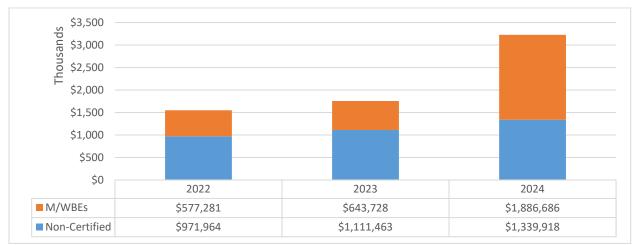


Chart 161: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

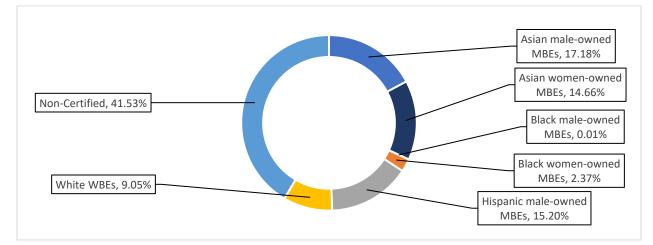
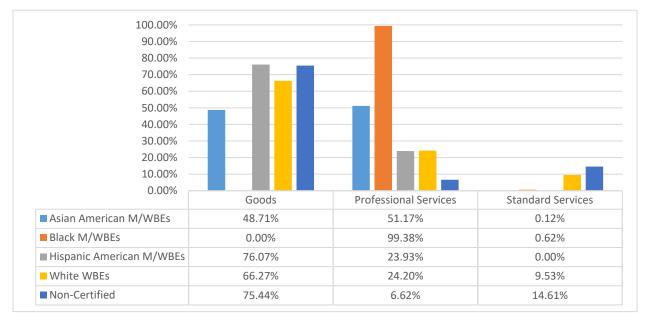


Chart 162: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



District Attorney Staten Island (DARICH)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 153 | 100.00% | \$4,725,706 | 100.00% |
| M/WBE | 52 | 33.99% | \$2,384,788 | 50.46% |
| Non-Certified | 101 | 66.01% | \$2,340,918 | 49.54% |
| LL174 Contracts and POs | 140 | 100.00% | \$1,806,086 | 100.00% |
| M/WBE | 50 | 35.71% | \$1,207,783 | 66.87% |
| Non-Certified | 90 | 64.29% | \$598,303 | 33.13% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 93: FY24 LL 174-Eligible Contracts and POs

Chart 163: FY24 Value of LL 174-Eligible Prime Contracts and POs

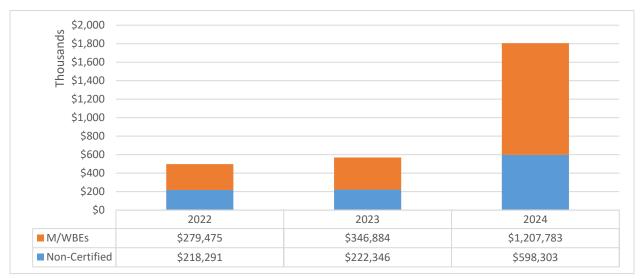


Chart 164: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

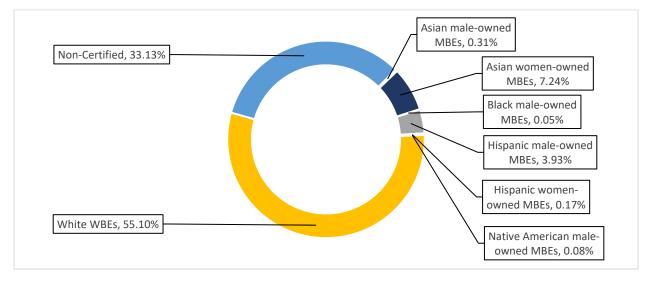
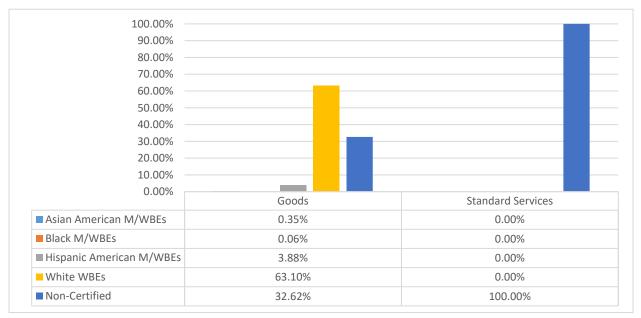


Chart 165: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



Public Advocate (PUB ADV)

| Certification Status | # of Contracts | % Share of Contracts | Total Registered Contract Value | % Share of Contract Value |
|-------------------------|-------------------|-------------------------|------------------------------------|------------------------------|
| All Contracts and POs | 49 | 100.00% | \$175,414 | 100.00% |
| M/WBE | 6 | 12.24% | \$25,524 | 14.55% |
| Non-Certified | 43 | 87.76% | \$149,890 | 85.45% |
| LL174 Contracts and POs | 46 | 100.00% | \$170,260 | 100.00% |
| M/WBE | 6 | 13.04% | \$25,524 | 14.99% |
| Non-Certified | 40 | 86.96% | \$144,736 | 85.01% |
| LL174 Subcontracts | 0 | 0.00% | \$0 | 0.00% |
| M/WBE | 0 | 0.00% | \$0 | 0.00% |
| Non-Certified | 0 | 0.00% | \$0 | 0.00% |

Table 94: FY24 LL 174-Eligible Contracts and POs

Chart 166: FY24 Value of LL 174-Eligible Prime Contracts and POs

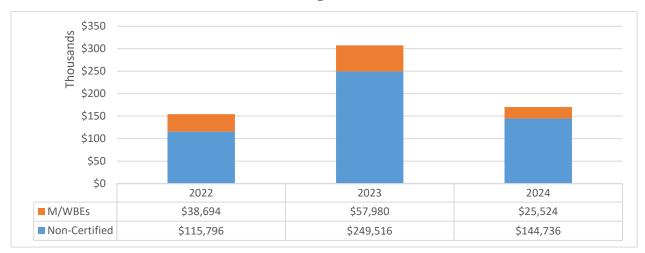


Chart 167: FY24 Value of LL 174-Eligible Contracts and POs, by Race and Gender

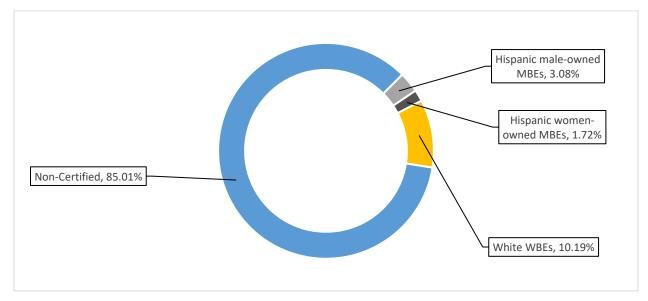
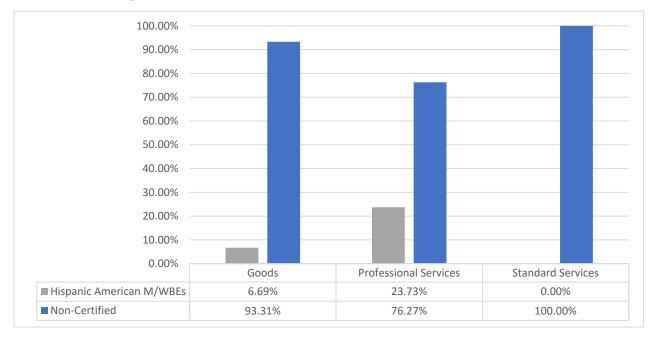


Chart 168: FY24 Share of LL 174-Eligible Contracts and PO Value, by M/WBE Category and Industry



M/WBE Utilization by Industry

M/WBE utilization varies across different industries. M/WBEs receive the highest relative volume share of contracts and POs in Standard Services procurements, then in goods. This is consistent with prior fiscal years.

Table 95: FY24 Count of LL 174-Eligible Contract Registrations and POs, by Industry

| | M/WBE | | Non-Certified | |
|-----------------------|----------------|-------------------------------------|----------------|-------------------------------------|
| Industry | # of Contracts | % of Industry Specific Contracts | # of Contracts | % of Industry Specific Contracts |
| Construction | 192 | 43.34% | 251 | 56.66% |
| Goods | 4,857 | 55.96% | 3,823 | 44.04% |
| Professional Services | 548 | 36.08% | 971 | 63.92% |
| Standard Services | 12,673 | 68.67% | 5,782 | 31.33% |
| Grand Total | 18,270 | 62.79% | 10,827 | 37.21% |

These analyses also highlight places where a large share of contracts are registered to M/WBEs, but those contracts are for low-dollar-value items. This contrast is particularly stark for standard services (where M/WBEs represent nearly 70% of the contract volume, but only about 30% of the contract value) and construction services (where M/WBEs represent 43.34% of contract volume, but only 12.89% of the value).

Table 96: FY24 Value of LL 174-Eligible Contract Registrations and POs, by Industry

| | M/WBE | | Non-Certified | |
|-----------------------|--------------------------------|-------------------------------------|--------------------------------|-------------------------------------|
| Industry | Total Contract and PO Value | % Share of PO and Contract Value | Total Contract and PO Value | % Share of PO and Contract Value |
| Construction | \$395,216,876 | 12.89% | \$2,670,766,630 | 87.11% |
| Goods | \$122,186,964 | 63.71% | \$69,603,241 | 36.29% |
| Professional Services | \$216,424,917 | 14.74% | \$1,251,721,947 | 85.26% |
| Standard Services | \$145,948,456 | 30.27% | \$336,141,130 | 69.73% |
| Grand Total | \$879,777,213 | 16.89% | \$4,328,232,948 | 83.11% |

The average value of contracts subject to LL 174 participation goals in goods are closest to parity between M/WBE and Non-Certified firms relative to all other industries (roughly \$90,000 vs \$70,000). While this signals that the City is more effectively utilizing M/WBEs in the goods industry, contracts in this category of procurement are typically the lowest value given that LL 174 caps goals on goods purchases up to and including \$1 million. Still, the average value of contracts for M/WBEs across all other industries are significantly lower than the average value of non-certified firms.

Table 97: FY24 Average Value of LL 174-Eligible Registered Contracts, by Industry

| Industry | M/WBE Average Value | Non-Certified Average Value | Ratio of Avg Value: M/WBE to Non-Certified |
|-----------------------|------------------------|--------------------------------|---|
| Construction | \$3,103,188 | \$16,277,215 | 19.06% |
| Goods | \$90,017 | \$69,516 | 129.49% |
| Professional Services | \$643,241 | \$6,360,297 | 10.11% |
| Standard Services | \$446,082 | \$976,735 | 45.67% |

Construction

PPB Rules define the construction services industry as dealing in the planning, design, or construction of real property or other public improvements.⁵⁶ In addition to engineering and construction work, this industry also includes contracts for painting, carpentry, plumbing and electrical installation, asbestos and lead abatement, carpet installation and removal, and demolition.

Disaggregated disparities are especially stark for construction services contracts. This is particularly true for women-owned firms. Only 4.78% of the value of construction services contracts were registered businesses owned by women. Worse, virtually 1% of the value of contracts for construction services registered in FY24 were registered to businesses owned by women of color. Of the 443 contracts and POs registered for construction services in FY24, only 20 were registered to businesses owned by women of color (4.51%).

Table 98: FY24 Construction Industry LL 174-Eligible ContractRegistrations and POs, by Race and Gender

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁵⁷ |
|---|------------------------------|------------------------------------|--------------------------------|--|--|
| ALL M/WBEs (Excluding Non-Certified) | 192 | 43.34% | \$395,216,876 | 12.89% | \$3,103,188 |
| Asian American male-owned MBEs | 74 | 16.70% | \$150,835,669 | 4.92% | \$2,687,629 |
| Asian American women-owned MBEs | 7 | 1.58% | \$381,478 | 0.01% | \$65,320 |
| Black male-owned MBEs | 19 | 4.29% | \$10,559,665 | 0.34% | \$1,305,461 |
| Black women-owned MBEs | 8 | 1.81% | \$29,199,111 | 0.95% | \$4,858,394 |
| Hispanic American male-owned MBEs | 30 | 6.77% | \$87,386,378 | 2.85% | \$4,360,950 |
| Hispanic American women-owned MBEs | 5 | 1.13% | \$8,051,850 | 0.26% | \$2,673,385 |
| White WBEs | 49 | 11.06% | \$108,802,726 | 3.55% | \$3,739,236 |

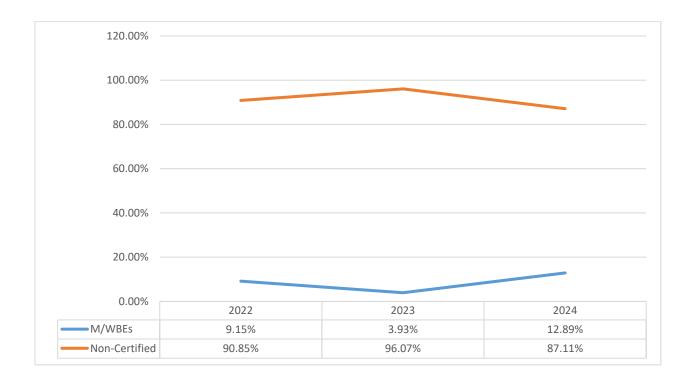
⁵⁶ 9 RCNY § 1-01(e)

⁵⁷ The average PO value for the Construction Industry was \$15,891.

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁵⁷ |
|----------------|------------------------------|------------------------------------|--------------------------------|--|--|
| Non-Certified | 251 | 56.66% | \$2,670,766,630 | 87.11% | \$16,277,215 |
| Grand Total | 443 | 100.00% | \$3,065,983,506 | 100.00% | \$10,527,725 |

This M/WBE share of construction contract value is the higher than the relative share in prior fiscal years.

Chart 169: Share of Construction Contract and PO Value, FY22-24



Goods Under \$1 Million

The goods industry is made up of contracts for physical items and personal property, including but not limited to equipment, materials, printing, and insurance.⁵⁸ Procurements related to consumables such as food and fuel may also fall into the Goods industry. Absent directives to delegate this authority, DCAS is mandated under the Charter to purchase, inspect, store, and distribute all goods, supplies, materials, equipment, and other personal property required by any City agency.⁵⁹ In some circumstances, including for the use of the M/WBE Small Purchase method, DCAS may delegate this authority to agencies in furtherance of allowing agencies to use their discretion to award contracts to M/WBEs.⁶⁰

Agencies most effectively utilize M/WBEs to purchase goods under \$1 million, though it is noteworthy that these purchases are not very lucrative and individual purchases don't necessarily have as much power to support a growing M/WBE. The highest share of goods contract registrations going to M/WBEs went to businesses owned by white women.

| Registrations and P | | • | | | | |
|---------------------|------|------------|-------|------------|-----|--|
| | # of | % Share of | Total | % Share of | AVG | |

Table 99⁻ FY24 Goods (Under \$1 Million) 11 174-Fligible Contract

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁶¹ |
|---|------------------------------|------------------------------------|-----------------------------------|--|--|
| ALL M/WBEs (Excluding Non-Certified) | 4,857 | 55.96% | \$122,186,964 | 63.71% | \$90,017 |
| Asian American male-owned MBEs | 663 | 7.64% | \$14,808,540 | 7.72% | \$79,274 |
| Asian American women-owned MBEs | 298 | 3.43% | \$15,546,960 | 8.11% | \$148,737 |
| Black male-owned MBEs | 606 | 6.98% | \$20,008,275 | 10.43% | \$105,194 |

⁶¹ The average PO value for the Goods (under \$1 Million) industry was \$2,983.

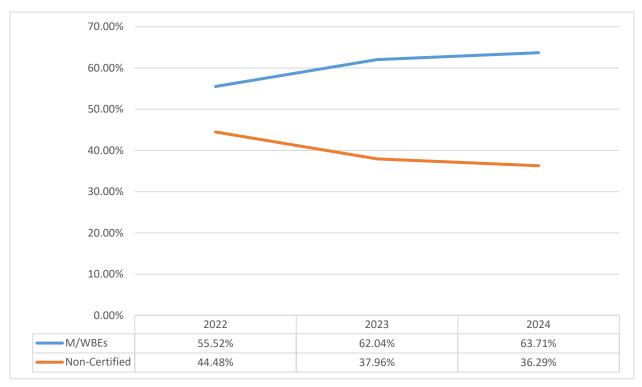
^{58 9} RCNY § 1-01(e)

⁵⁹ NYC Charter §823(a)

⁶⁰ As of December 15, 2023, DCAS, the Comptroller, and MOCS have authorized agencies to make purchases of goods using the M/WBE Small Purchase method up to \$1,500,000 without involving DCAS. Notwithstanding the above, the DCAS Office of Citywide Procurement (OCP) shall continue procuring all fuel, furniture, and vehicles regardless of dollar value. Agencies may continue procuring non-bulk (e.g., event catering) and public health/safety goods (e.g., commodities used to protect the general welfare of the public including, but not limited to, medical supplies, law enforcement equipment, emergency response supplies/equipment and fire/life safety equipment) at values not to exceed \$100,000 per twelve-month period.

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁶¹ |
|---------------------------------------|------------------------------|------------------------------------|-----------------------------------|--|--|
| Black women-owned MBEs | 219 | 2.52% | \$6,192,236 | 3.23% | \$87,705 |
| Hispanic American male-owned MBEs | 681 | 7.85% | \$18,734,774 | 9.77% | \$83,218 |
| Hispanic American women-owned MBEs | 189 | 2.18% | \$5,695,791 | 2.97% | \$116,567 |
| Native American male-owned MBEs | 8 | 0.09% | \$196,796 | 0.10% | \$70,763 |
| White WBEs | 2,193 | 25.26% | \$41,003,592 | 21.38% | \$72,464 |
| Non-Certified | 3,823 | 44.04% | \$69,603,241 | 36.29% | \$69,516 |
| Grand Total | 8,680 | 100.00% | \$191,790,205 | 100.00% | \$81,653 |

Chart 170: Share of Goods (Under \$1 million) Contract and PO Value, FY22-24



Professional Services

The professional services industry includes contracts for the provision of various kinds of expert advice and consulting, including legal services, medical services, and information technology and construction-related consulting.⁶² 36.08% of LL 174-eligible professional services contracts were registered to M/WBEs – representing 14.74% of the contract value. This is a 17% decrease in value from FY22. The disaggregated analyses of this sector show trends that are consistent with Citywide totals.

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁶³ |
|---|------------------------------|------------------------------------|--------------------------------|--|--|
| ALL M/WBEs (Excluding Non-Certified) | 548 | 36.08% | 216,424,917 | 14.74% | \$643,241 |
| Asian American male-owned MBEs | 81 | 5.33% | \$53,676,858 | 3.66% | \$1,006,167 |
| Asian American women-owned MBEs | 111 | 7.31% | \$41,470,383 | 2.82% | \$513,692 |
| Black male-owned MBEs | 86 | 5.66% | \$13,503,116 | 0.92% | \$217,845 |
| Black women-owned MBEs | 33 | 2.17% | \$14,712,207 | 1.00% | \$665,346 |
| Hispanic American male-owned MBEs | 76 | 5.00% | \$36,296,115 | 2.47% | \$799,994 |
| Hispanic American women-owned MBEs | 32 | 2.11% | \$23,273,291 | 1.59% | \$1,155,841 |
| Native American male- owned MBEs | 8 | 0.53% | \$671,345 | 0.05% | \$313,451 |
| White WBEs | 121 | 7.97% | \$32,821,601 | 2.24% | \$642,147 |
| Non-Certified | 971 | 63.92% | \$1,251,721,947 | 85.26% | \$6,360,297 |
| Grand Total | 1,519 | 100.00% | \$1,468,146,863 | 100.00% | \$2,761,470 |

Table 100: FY24 Professional Services LL 174-Eligible Contract Registrations and POs, by Race and Gender

^{62 9} RCNY § 1-01(e)

⁶³ The average PO value for the professional services industry was \$7,403.

Chart 171: Share of Professional Services LL 174-Eligible Contract and PO Value, FY22-24



Standard Services

The standard services industry is composed of services other than professional services and human services such as custodial services, security guard services, stenography services, and office machine repair.⁶⁴ Analyses of standard services contracts show clear evidence that M/WBEs are winning less lucrative contracts than non-certified firms. Nearly 70% of LL 174-eligible standard services contracts were registered to M/WBEs, but these contracts only represent about 30% of the value. Furthermore, the average value of a standard services contract registered to a M/WBE is approximately \$446,000 whereas the average value for non-certified firms is nearly two times larger at \$976,735.

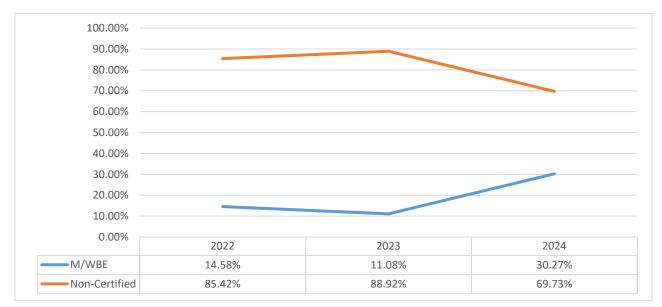
^{64 9} RCNY § 1-01(e)

Table 101: FY24 Standard Services LL 174-Eligible Contract Registrations and POs, by Race and Gender

| M/WBE Category | # of Contracts and POs | % Share of Contracts and POs | Total Contract and PO Value | % Share of Contract and PO Value | AVG Contract Value ⁶⁵ |
|---|------------------------------|------------------------------------|--------------------------------|--|--|
| ALL M/WBEs (Excluding Non-Certified) | 12,673 | 68.67% | 145,948,456 | 30.27% | \$446,082 |
| Asian American male-owned MBEs | 10,549 | 57.16% | \$71,352,821 | 14.80% | \$1,425,248 |
| Asian American women-owned MBEs | 641 | 3.47% | \$4,114,731 | 0.85% | \$105,431 |
| Black male-owned MBEs | 286 | 1.55% | \$22,520,174 | 4.67% | \$545,609 |
| Black women-owned MBEs | 108 | 0.59% | \$4,409,660 | 0.91% | \$85,613 |
| Hispanic American male-owned MBEs | 169 | 0.92% | \$14,763,881 | 3.06% | \$559,496 |
| Hispanic American women-owned MBEs | 98 | 0.53% | \$5,575,062 | 1.16% | \$158,385 |
| Native American male- owned MBEs | 1 | 0.01% | \$1,277 | 0.00% | \$0 |
| White WBEs | 821 | 4.45% | \$23,210,851 | 4.81% | \$264,458 |
| Non-Certified | 5,782 | 31.33% | \$336,141,130 | 69.73% | \$976,735 |
| Grand Total | 18,455 | 100.00% | \$482,089,587 | 100.00% | \$731,351 |

⁶⁵ The average PO value for the standard services industry was \$1,934. Notably Black and Hispanic American women had the highest average PO value.

Chart 172: Standard Services LL 174-Eligible Contract and PO Value, FY22-24



Industry Analysis of the M/WBE Small Purchase Method

Agencies most frequently use the M/WBE Small Purchase method to purchase goods and professional services. Agencies don't frequently use this method for construction services. This is likely because such contracts typically exceed the M/WBE Small Purchase method threshold (\$1 million or \$1.5 million), or, because construction services contracts often utilize federal funding that precludes agencies from utilizing this method for contracts over \$250,000.⁶⁶

⁶⁶ Federal Acquisition Rules cap the usage of the M/WBE Small Purchase method at \$250,000 for contracts funded with federal dollars.

Table 102: Volume of M/WBE Small Purchase Method Registrations, by Industry, FY22-24⁶⁷

| | FY22 | | FY23 | | FY24 | |
|--------------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|
| Industry | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts | # of Contracts | % Share of Contracts |
| Construction | 28 | 3.05% | 35 | 3.43% | 34 | 3.04% |
| Goods | 403 | 43.85% | 430 | 42.20% | 508 | 45.44% |
| Professional Services | 337 | 36.67% | 403 | 39.55% | 347 | 31.04% |
| Standard Services | 109 | 11.86% | 103 | 10.11% | 125 | 11.18% |
| Unclassified Contract | 42 | 4.57% | 48 | 4.71% | 104 | 9.30% |
| Grand Total | 919 | 100.00% | 1,019 | 100.00% | 1,118 | 100.00% |

Table 103: Value of M/WBE Small Purchase Method Registrations, by Industry, FY22-24⁶⁸

| | FY22 | | FY23 | | FY24 | |
|--------------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|
| Industry | Total Value | Share of Value | Total Value | Share of Value | Total Value | Share of Value |
| Construction | \$7,670,267 | 6.18% | \$13,409,614 | 7.18% | \$18,603,076 | 6.81% |
| Goods | \$42,542,347 | 34.26% | \$62,132,498 | 33.25% | \$84,637,364 | 30.96% |
| Professional Services | \$49,387,892 | 39.77% | \$72,356,491 | 38.72% | \$90,811,176 | 33.22% |
| Standard Services | \$15,994,070 | 12.88% | \$28,297,436 | 15.14% | \$42,267,056 | 15.46% |
| Unclassified Contract | \$8,582,159 | 6.91% | \$10,678,709 | 5.71% | \$37,025,880 | 13.55% |
| Grand Total | \$124,176,736 | 100.00% | \$186,874,748 | 100.00% | \$273,344,551 | 100.00% |

⁶⁷ This table does not include M/WBE Small Purchase method contracts registered to firms that were not listed as certified in FMS as of July 2024.

⁶⁸ This table does not include M/WBE Small Purchase method contracts registered to firms that were not listed as certified in FMS as of July 2024.

Conclusion

M/WBEs are disproportionately excluded from their fair share of City contracting in nearly every essential metric: their contracts represent a small share of the nearly \$35 billion in the city's FY24 contracted value; their contracts are, on average, a sliver of the value of contracts won by non-certified firms; and only 20% of certified M/WBEs benefitted from a new City contract in FY24. There have been several modest areas of growth and improvement, but most M/WBEs are still jumping over higher hurdles to compete with businesses owned by white men that have historically dominated the City contracting market. The City must commit to implementing policy reforms that will modernize its procurement policies, practices, and tools. These reforms will level the playing field for M/WBEs and create a procurement portfolio of vendors that matches the diversity of the City itself.

Appendix A: Procurement Methods, Tools, and Laws at Play

As detailed in the Annual Report, contracts are vehicles by which City agencies are able to provide critical goods and services to the public. Agencies make the determination of what contracts are needed to support their programmatic missions. These may be contracts to support essential agency operations (e.g., securing office supplies or IT services for its staff) or contracts that enable the agency to fulfill certain policy initiatives like expanding 5G access. The Comptroller's Officed released an updated <u>Contract Primer</u> in January 2024 that in greater detail illustrates the process from identifying the need from a procurement through registration of a contract with the Comptroller's Office. ⁶⁹ For purposes of this Report, this review includes the most prevalent procurement methods, tools and laws that govern the ways in which the City contracts with M/WBEs.

In general, a combination of relevant Executive Orders, Local Laws and other applicable rules and laws, set forth the procedural requirements for each procurement method available to City agencies. This section of the Report will highlight key components of the City's contracting processes that impact M/WBE utilization across mayoral agencies as well as the Department of Education ("DOE") and the Office of the Comptroller.⁷⁰ The independent City agencies (such as DOE), or other agencies (such as state agencies, boards, libraries, and other corporations that perform public functions in the City) may have their own independent procurement procedures, laws, and regulations and M/WBE programs.

- **Procurement Methods with Discretion** that provide flexibility to City agencies to make direct contract awards to M/WBEs without formal competition.
- Other Procurement Methods that on their own or supported by supplemental procurement tools are designed to provide exclusive or more advantageous opportunities by which the City can award contracts to M/WBEs.
- **Goal Based Program** which requires that for procurements covered by LL 174, agencies establish participation goals that yield M/WBE prime and/or subcontracting contracts.

⁶⁹ https://comptroller.nyc.gov/reports/contract-primer/

⁷⁰ N.Y.C. Admin. Code §6-129(i)(6)(a) defines "Agency" as a "city, county, borough, or other office, position, administration, department, division, bureau, board or commission, or a corporation, institution or agency of government, the expenses of which are paid in whole or in part from the city treasury."

Procurement Methods with Discretion

The PPB Rules authorize agencies to choose from multiple procurement methods that allow contracting agencies latitude to make direct contract awards to M/WBEs without formal competition.

Small Purchases: "5+10" Rule

Small Purchases enable agencies to procure goods, services, and construction above the Micropurchase method limits without formal competition or public advertisement as long as the amount of the contract is below a "small purchase limit" set by the PBB and the City Council, currently \$100,000.⁷¹⁷²

The PPB Rules outline a competition objective for the award of Small Purchases, currently known as the "5+10" method, that aims to facilitate M/WBE participation by limiting the number of Non-Certified vendors that can compete for opportunities while enabling agencies to include as many M/WBEs in the competition pool as it wishes.⁷³ Specifically, contracting agencies are required to solicit bids from a list of five randomly selected Non-Certified vendors and at least ten M/WBE vendors when making awards for goods and services (over \$20,000) as well as construction (over \$35,000), as long as the total value of the contract, including future modifications, does not exceed \$100,000. The "5+10" procurement method is not supported by PASSPort; rather agencies seeking to utilize this method must access FMS, which is a separate containing a module that facilitates the solicitation and award. Through this system, vendors are randomly selected from the citywide bidders list based on FMS commodity codes (discussed in more detail later in this section) selected by the contracting agency. Agencies may proceed even if only one responsive bid or offer is received, as long as the ACCO determines the price to be fair and reasonable, the vendor responsible and that other vendors were given an opportunity to respond.

Small Purchases: M/WBE Small Purchase Method

First introduced in 2017 and since amended, the M/WBE Small Purchase method, codified under Section 3-08 of the PPB Rules, is designed to increase M/WBEs' share in City contracts by providing contracting agencies with a tool to make direct contract awards up to thresholds authorized by the State with limited, targeted competition. Initially, in 2017 the Small Purchase method threshold was only up to \$150,000 and limited to goods and services, but not construction procured using only City dollars. In November of 2019, pursuant to additional State legislative authority, the PPB unanimously voted to amend the City's Rules to both increase the

73 9 RCNY §3-08

⁷¹ 9 RCNY §3-08

⁷² The M/WBE Small Purchase method is an exception to this threshold

threshold up to \$500,000 and expand the eligible industries to include construction. The NYC Law Department subsequently issued guidance to agencies that now permits the use of the method for federally funded procurements up to \$250,000 and with certain procedural limitations. In general, contracting agencies leverage this method by soliciting at least three (3) quotes from certified M/WBEs and then award the contract to a responsible vendor that offers a fair and reasonable price.

In 2022, New York State enacted new legislation increasing the dollar threshold for eligible procurements from M/WBEs from \$500,000 to \$1 million.⁷⁴ In 2023, as a result of advocacy from the <u>Capital Process Reform Task Force</u> (including the Comptroller's Office), New York State increased the dollar threshold yet again to \$1.5 million.⁷⁵ This increased \$1.5 million threshold became effective in December 2023, therefore procurement data for this FY24 Report reflects a transition across expanded thresholds – the maximum threshold for this method was \$1 million for the first two quarters of FY24 and \$1.5 million for the third and fourth quarters of FY24. This Office celebrates this threshold increase and expect it to help M/WBEs more effectively compete for larger contracting opportunities.

In FY24 the M/WBE Small Purchase method yielded a substantial share of registered M/WBE contracts (34.81%). Surpassing both the count and value totals from FY23, in FY24 city agencies registered 1,118 contracts via the M/WBE Small Purchase method, valued at \$273,344,551.⁷⁶

Micropurchase Procurement Method

Set within the Small Purchase Rule, Micropurchase procurements are those that do not exceed \$20,000 for most goods and services, or up to \$35,000 for construction. Unlike Small Purchases, which require limited competition but offer discretion in choice, when not exceeding the micropurchase thresholds (inclusive of future modifications) agencies may buy from *any* available responsible vendor at a fair price, *without any competition*. Despite this discretion, the Rules require that agencies making micropurchases ensure that the purchases are distributed appropriately, including to M/WBEs.

Other Procurement Methods

The PPB Rules also provide City contracting agencies with many other methods to contract with M/WBEs, even if they offer agencies less discretion when selecting a vendor. While these methods often have longer and more detailed procedures and cycle times, they generally yield

⁷⁴ Assembly Bill A10459: https://www.nysenate.gov/legislation/bills/2021/A10459

⁷⁵ Governor Hochul signed NY State Senate Bill 2023 – S7563 on December 8, 2023

⁷⁶ Table 19 of this Report

larger contracts. City agencies must deliberately and more effectively utilize these award methods to increase the share of lucrative contracts awarded to M/WBEs.

Competitive Sealed Bid Method

The CSB is the default award method under the PPB Rules, General Municipal Law ("GML") 103 and most other municipal procurement rules.⁷⁷ It functions to award contracts to responsive and responsible vendors that provide the lowest price point for a particular good, service, or construction while still meeting the agency's programmatic requirements and needs. Agencies must specify their requirements and criteria for vendors, which may include contractual terms and conditions, as well as minimum qualifications that must be met by the vendor, by issuing an invitation for bid ("IFB").⁷⁸ CSBs are most often used for contracts pertaining to goods and construction. In fact, absent specific directives from other legal authority, CSBs are the required method for any contracts pertaining to public work contracts.⁷⁹

Agencies may also solicit CSBs by sending notice to a list of prequalified vendors. Agencies may establish PQLs for multiple different types or sizes of projects. While opportunities for vendors to join an agency's prequalified group must be continuously available to the public, and notice placed at least annually in the City Record, these lists are intended to save time by ensuring that prospective vendors have already been determined to hold the requisite experience, or to otherwise be capable of meeting the City's needs.⁸⁰ While vendors must still be found responsible by an agency before being awarded a new CSB contract, agencies can conduct a preliminary background check on vendors while establishing a PQVL to reduce the risk of complications.

When properly implemented, dedicated PQLs are a tool that must be effectively deployed to direct larger dollar contracts to M/WBE prime vendors.

Competitive Sealed Proposal (CSP) Method

The CSP method is another competitive method whereby agencies solicit for goods, services, or construction-related services via a Requests for Proposal ("RFP"). RFPs are generally used with the scope of a need is not well defined, and an agency needs to understand an applicant vendor's approach in order to make an award determination. Agencies must award proposals that are determined to be the most advantageous to the City, and may take into consideration price and other criteria, whose relative weight must be set forth in the RFP relating to technical approach, organizational capability, organizational capacity, and M/WBE status.⁸¹ Other factors outside of

81 PPB Rules §3-03(a)

⁷⁷ GML §103 and applicable sections of the Code of Federal Regulations (CFR)

⁷⁸ NYC Charter §313

⁷⁹ GML § 100(5)

⁸⁰ NYC Charter §324

the RFP cannot be considered by agencies when making award decisions, although there are generally multiple rounds of evaluation and opportunities for vendors to interview or present their proposal to an agency.⁸² Like with CSBs, agencies can also issue an RFP notice to a PQVL list.

CSPs are also the tool most often used to establish service master agreements. This Report includes a Specialized Focus on Master Agreements that includes analyses that find that high-dollar-value Master Agreements are often not used up to their registered contract value and in many instances are not used at all. Additional information on master agreements can be found later in this Section. As discussed earlier in this Report, it is critical that agencies ensure that M/WBEs that are awarded master agreements that are ultimately awarded task orders.

Best Value Preferences for M/WBEs

In January 2020, the City adopted amendments to the PPB Rules allowing contracting agencies to consider M/WBE status when evaluating bids and proposals.⁸³

Specifically, for a CSB that is typically awarded to the lowest responsible bidder, contracting agencies are authorized to give an M/WBE bidder a 10% price preference. This means that an M/WBE's bid price will be evaluated as if it were 10% lower, which may result in more awards to M/WBEs that maintain competitive pricing. In June 2024, the City issued a CCPO Directive that modified guidance and requiring agencies to utilize best value bids in all cases where a best value bid can be used (for purchases of goods or standardized services).

Alternatively, for a CSP, the City must provide either a 10%-point preference or, if the proposal score meets or exceeds a minimum threshold for quality, either a 10% price preference or a 10%-point preference to an M/WBE's proposal score. These quantitative preferences are required to be applied to CSP's for goods, standard services, and professional services. Note that for construction-related consulting services, rather than 10%, M/WBEs must receive a 5%-point preference. As noted in the prior iterations of this Report, contracting agencies can increase M/WBE utilization by leveraging best value tools when using the CSB and CSP methods of procurement. However, analyses in earlier sections of this Report find that most RFBs and RFPs still result in awards to non-certified firms.

Negotiated Acquisition Contracts

Under section 3-04 of the PPB rules, agencies can move to limit competition via a negotiated acquisition procurement when the ACCO determines, with CCPO approval, that:

⁸² NYC Charter §319

⁸³ See PPB Rules §1-01(e), 3-02(o)(1)(iv), 3-03(a)(1), 3-03(g), and 3-03(g)(6)

- 1. There is a time-sensitive situation where a vendor must be retained quickly to meet the terms of a court order or consent decree, to avoid loss of available funding, to ensure continuity of services, or similar.
- 2. There are a limited number of vendors available and able to perform required work.
- 3. There is a compelling need to extend a contract beyond the typical twelve-month limit
- 4. There is a need to procure legal services or consulting services in support of current or anticipated litigation, investigative or confidential services.
- 5. There are previously unforeseen or unforeseeable construction-related service needs, typically after construction has begun, that cannot be addressed by a change order or other contract modification.

Negotiated acquisition extensions are typically used when agencies have exhausted all contractual renewals, as well as contract extensions permitted by other sections of the PPB Rules, because goods or services were needed for a longer time than originally anticipated, or because the agency has not been able to procure a replacement contract in a timely manner.

In spite of the fact that Negotiated Acquisition contracts are supported by a particular need that may dictate a preferred vendor, the LL still mandates that agencies make reasonable efforts to meet participation goals by requiring that they engage in outreach activities that encourage M/WBEs to complete for these procurements.⁸⁴

In FY24 there were 899 negotiated acquisitions registered in FY24 for a total value of \$2,308,520,601.⁸⁵

Emergency Procurement Contracts

The Charter and PPB rules define an emergency condition as "an unforeseen danger to life, safety, property, or a necessary service" which creates an immediate and serious need for goods, services, or construction that cannot be met quickly enough through normal procurement methods.⁸⁶ Agencies seeking to utilize this procurement method must solicit and receive prior approval from the Comptroller's Office and Corporation Council. They must also seek to obtain as much competition in vendor selection as is possible and practical given the conditions of the emergency.

Agencies then submit a formal emergency declaration to the Comptroller's Office and Corporation Counsel for approval, and to the City Council for notice. The emergency declaration must include information about the emergency itself, the goods or services or construction

⁸⁴N.Y.C. Admin. Code §6-129(h)(2)(a)(e)

⁸⁵ NYC Office of the Comptroller Annual Summary Contracts <u>Report</u> Section "Group 2: Limited or Non-competitive Methods"

⁸⁶ NYC Charter §315 and 9 RCNY §3-06

needed, the projected cost, the vendor selected in the emergency procurement, and basis of the awarded vendor's selection. While work can begin under the framework of the emergency declaration prior to a contract's registration, agencies must still submit contract packages to the Comptroller's Office for registration before funds are made available to pay vendors.

On August 8, 2023, Mayor Adams issued Executive Order 34 ("EO 34") to encourage better accountability and outcomes for M/WBEs. Among other mandates, EO 34 requires mayoral agencies to consider at least one quote from an M/WBE on all emergency procurements. EO 34 builds upon a previous Executive Order 59 ("EO-59") issued by Mayor DeBlasio on July 28, 2020 in response to the ongoing State of Emergency due to the threat of COVID-19. EO-59 stated that agencies "shall not categorically exempt Emergency contracts from M/WBE participation goals, and shall instead, to the extent practicable in light of the nature of the procurement, follow the procedures set forth in Section 6-129(h) and (i) of the N.Y.C. Administrative Code to set goals for the contract." Even absent a policy directive to engage with M/WBEs, and similar to Negotiated Acquisitions, the LL mandates agencies to conduct outreach encouraging M/WBE to compete for Emergency procurement contracts.⁸⁷

This Office released "<u>Rethinking Emergency Procurements</u>" on November 30, 2023, which included a focused analysis on M/WBE utilization in emergency procurements. M/WBEs were awarded just 15% of the count of contracts included in the Report's lookback period, amounting to only 3.45% of the total emergency procurement value. This Report can be found at this link: <u>https://comptroller.nyc.gov/reports/rethinking-emergency-procurements/</u>

Master Agreements

Master Agreements enable City Agencies to streamline the typically lengthy process for making purchases by establishing an "on-call" relationship with vendors under pre-arranged contractual terms. These contracts are typically used by the City in situations where the agency has projected a future need, but the volume and frequency of City purchases can't be determined. Master Agreements benefit vendors since they have the potential to reach a wider customer base and agencies that can use these contracts to procure goods or services in a timelier manner.

There are two types of Master Agreement contracts:

- 1. Master Agreements (MA1s) seek to leverage the City's greater buying power and get the best possible price for a good or service. Only Department of Citywide Administrative Services (DCAS), the Office of Technology and Innovation (OTI), and the Department of Education (DOE) are authorized to register MA1 contracts.
- 2. Multiple Master Agreements (MMA1s) allow a City agency to establish a common set of contractual terms ahead of time with a pre-selected group of vendors, which they can later call upon to provide a good or service in the future.

⁸⁷ N.Y.C. Admin. Code §6-129(h)(2)(a)

This Report includes a special focus on Master Agreements in the 'Master' Contracts of Disguise Section..

M/WBE Certification

City-certified M/WBEs are certified by SBS.⁸⁸ A business seeking M/WBE certification must meet the following eligibility requirements:

- 1. The business is legally authorized to transact business in New York State.
- 2. The business has been in operation (i.e., selling goods and/or services) for at least one year.
- 3. At least 51% of the business is owned, operated and controlled by a U.S. Citizen(s) or U.S. permanent resident(s) who are women and/or members of designated minority groups including:
 - Black
 - Hispanic
 - Asian-Pacific
 - Asian-Indian
 - Native American
- 4. The business has one of the following legal structures:
 - Sole proprietorship
 - Limited Liability Company (LLC)
 - Corporation
 - Limited Liability Partnership (LLP)
 - Limited Partnership (LP)
 - General Partnership
- 5. The business' principal office, place of business or headquarters is located within the five boroughs of New York City or in one of the following counties in New York and New Jersey:
 - Nassau
 - Putnam
 - Rockland
 - Westchester
 - Suffolk
 - Bergen
 - Hudson
 - Passaic

⁸⁸ Chapter 11(B) of Title 66 of the Rules of the City of New York lays out the City's M/WBE Certification Program within SBS' division of economic and financial opportunity.

Note: a business located outside of New York City and outside of the designated counties noted above may qualify for M/WBE certification if the applicant can prove a substantial presence in the geographic market of New York City. Substantial presence can be demonstrated by providing documentation that satisfies at least two of the following conditions:

- Maintenance of a bank account for at least six (6) months in the City, or engagement in other banking transactions in the City, and/or
- Possession of a license (i.e., by the business or by at least one owner) issued by a New York City agency supporting its ability to transact business in the City, and/or
- Proof of business transactions, or attempted business transactions, in or with the City more than once over the past three (3) years

Additional information about M/WBE certification, including required documentation, can be found on SBS' website: <u>Minority and Women-owned Business Enterprise (M/WBE) Certification</u> <u>Program | City of New York (nyc.gov)</u>

Participation Goals Program

Separate from the independent tools outlined above that can support the award of higher dollar value contracts to M/WBE prime vendors, agencies have a legally mandated responsibility to include M/WBE participation goals when using many of those methods as sourcing vehicles. As discussed below, when used effectively, participation goals ensure maximum M/WBE utilization even in circumstances where the chosen procurement method does not result in a contract award to an M/WBE prime.

The inception of the City's M/WBE program was borne out of a disparity study which is discussed further along in this Report. Currently, the City's Program is currently governed by Section 6-129(b) of the Admin Code, which codifies Local Laws <u>174</u> and <u>176</u> enacted by the City Council in 2019. ⁸⁹⁹⁰ This legislation outlines mandated M/WBE participation goals for mayoral agencies and those of Elected Officials. As of this most recently amended guidance, contracting agencies are expected to establish and ensure that M/WBE participation goals are met for all eligible procurements in:

- Standard services;
- Professional services;
- Construction services;

⁸⁹ https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3776475&GUID=140B19AA-8A79-4DF1-9A21-BB277797201F&Options=ID%7CText%7C&Search=1293-B

⁹⁰ https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3872955&GUID=391F7DE2-91E6-4D0C-9CAC-2AC8A166BF0E&Options=Advanced&Search=

• Goods (up to \$1 million)

There are some specified exceptions, including but not limited to:⁹¹

- Emergency procurements;
- Intergovernmental (NY State Office of General Services (OGS)/ U.S. General Services Administration (GSA)) procurements;
- Sole source contracts;
- Government-to-government procurements;
- Contracts subject to federal or state funding requirements that preclude the City from imposing M/WBE participation goals or impose their own Disadvantaged Business Enterprise (DBE), MBE, or WBE goals;
- Human services procurements;
- Any procurement that results in an award to a not-for-profit entity; and
- Any procurement that is not competitively awarded (i.e., Required Authorized Source, etc.)

On all eligible procurements, agencies are required to establish M/WBE participation goals that maximize M/WBE utilization. If an eligible procurement results in the establishment of master agreement with task/work orders that are individually registered, goals are not set on the prime contract, as the scopes of work may not yet be known. Rather, the task orders issued pursuant to the master agreement may be subject to goal setting. In establishing participation goals, the City is required to ensure that substantial progress is made toward attaining the citywide goals set forth in the LL in as short a time as practicable. It is important to note that the discretionary procurement methods discussed earlier are not excluded from the LL 174 requirements, making it all the more critical that the City consider all eligible procurement methods as critical vehicles by which to attain higher M/WBE utilization.

These goals include specific contracting participation goals for each individual M/WBE category: "Black Americans, Asian Americans, Hispanic Americans, Native Americans, Women, and Emerging". While the LL permits agencies to set an "unspecified goal," which a vendor may meet by using an M/WBE regardless of certification category, when setting participation goals, agencies are required to consider the potential for the purchase to provide opportunities for specific categories of M/WBEs to develop greater capacity and to increase competition for city procurements.⁹² In fact, Agency annual utilization plans, which are submitted to the speaker of

⁹¹ The data analyses pertaining to LL 174 participation goals included in this report use exclusions that align with these specified exceptions, detailed further in Appendix C.

⁹² N.Y.C. Admin. Code §6-129(g)(2)

the council and publicly posted, must include an explanation if any goal is different than the participation goal for the relevant group and industry classification as set forth in the LL.⁹³

Monitoring a vendor's compliance with the contractually required goal is outside the scope of this Report, though subcontractor compliance challenges are addressed earlier in this Report. It is important to understand that both an agency and the vendor's compliance with goals is based on the dollar amount that is paid or obligated to be paid to an M/WBE. Therefore, the goal sets the legal benchmark for utilization, but prime and subcontract expenditures ultimately measure actual compliance and success. Much of the analyses in this Report focus on procurements subject to the City's participation goals program.

Disparity Studies

New York City's M/WBE program was created in 1992 in response to an initial disparity study that analyzed the availability and representation of M/WBEs in City contracting. The City is required to conduct this review at least once every two years.⁹⁴ To date, the City has produced only three disparity studies, the most recent of which was published in 2018, which analyzed data from July 2006 through July 2015. This 2018 disparity study found sufficient evidence of disparity and recommended that the City continue its M/WBE program in supporting of closing the gap. The 2018 disparity study supported the City's goal of 30% utilization for M/WBEs, and informed the metrics used for disaggregated goals (by M/WBE category and by industry).

Prior iterations of this Report included a recommendation that the City swiftly proceed with the procurement of an updated disparity study to better reflect the state of the current economy. As of the date of the publishing of this Report, the City still has not yet released a solicitation to pursue an updated disparity study. Visit this link to access a copy of the 2018 disparity study: https://www.nyc.gov/assets/mwbe/business/pdf/NYC-Disparity-Study-Report-final-published-May-2018.pdf

Resources

New York City agencies and vendors leverage many systems, platforms, and resources that support its contracting functions. This Report references many key technology resources that are particularly relevant when discussing contracting with M/WBEs. This Report identifies problems and recommends changes and enhancements that would make these, individually and collectively more valuable tools to support the increase to M/WBE utilization.

⁹³ N.Y.C. Admin. Code §6-129(g)(1)

⁹⁴ Pursuant to §11-61(d)(4)(a) of the Rules of the City of New York

FY24 Annual Summary Contracts Report for the City of New York

The Comptroller's Office is required to publish an annual summary report of contracts and agreements assumed by New York City during the previous fiscal year in accordance with section 6-116.2 of the Administrative Code. This "Annual Summary Contracts Report" was released on January 30, 2025, and aims to provide better transparency into what the city is buying and how these purchases are being made. The Annual Summary Contracts Report includes plain data on over 12,000 registered procurement actions made by the City, representing a value of over \$32 billion. This M/WBE utilization report is a follow-up to the Annual Summary Contracts Report that will focus on the share of City registered contracts going to M/WBEs, subject to LL 174 participation goals.

A copy of the report can be found at: <u>https://comptroller.nyc.gov/reports/annual-summary-contracts-report-for-the-city-of-new-york-fiscal-year-2024/</u>

Financial Management System (FMS)

FMS is the City's computerized accounting and financial data management system that is jointly administered by the Mayor and Comptroller and managed by the Financial Information Services Agency (FISA). FMS is the central repository of the accounting, budgetary and contracting activity for all city agencies. To properly track expenses and revenues, agencies are required to specifically identify the type of contract submitted for registration by selecting from a list of predetermined contract type codes in FMS. Award method categories indicate how the City selects vendors for a particular contract. This Report also references "Industry classifications" which are not entered by agencies into FMS but are instead derived from various FMS data points to reveal procurement trends by sector.

The majority of the data analyses in this Report pertaining to registered contracts were sourced from FMS.

Payee Information Portal (PIP)

Until recently, agencies were required to record all subcontract and subcontract payment records in PIP. Starting September 2024, PASSPort has replaced PIP as the new system of record. However, this system integration took place after FY24 had ended. Therefore, the data covered in this Report uses subcontract data from the Payee Information Portal (PIP) which was the system of record through FY24. In FY24, all vendors were required to register and create an account in <u>PIP</u> to do business with the City of New York. PIP is managed by FISA and enables vendors to view financial transactions, register for Electronic Funds Transfer (EFT) payments, enroll in citywide bidders' lists, report on subcontractors, and record payments made to subcontractors among other features.

Checkbook NYC

In July of 2010 the Comptroller's Office launched <u>Checkbook NYC</u>, an online transparency tool that for the first time placed the City's day-to-day spending in the public domain. Using an intuitive dashboard approach that combines a series of graphs and user-friendly tables, Checkbook NYC provides up-to-date information about the City's financial condition.

Checkbook NYC has been ranked the top transparency tool in the nation for tracking government spending by the United States Public Interest Research Group and was named New York City 2013 "Best External Application" by Government Technology Magazine.

Checkbook NYC also contains a majority of the City's contract data. This tool enables users to examine data on its "Contracts" tab by fiscal year (or other date ranges), procurement category, contract types, and more. Visit this link to access Checkbook NYC: <u>https://www.checkbooknyc.com/</u>

Online Directories of Certified Vendors

SBS Online Directory of NYC Certified Businesses

The SBS Online Directory of NYC Certified Businesses is a searchable list of M/WBE, Locally-based enterprises (LBE), and Emerging Business Enterprises (EBE) businesses certified by the City of New York. It includes contact information for these firms, as well as details regarding their expertise, experience, and more. As of June 30, 2024 (the end of FY24), the SBS Online Directory of Certified Vendors included 11,115 M/WBEs. Visit this link to access the SBS Online Directory: https://sbsconnect.nyc.gov/certification-directory-search/

Empire State Directory

There is a separate certification process for becoming a New York State certified M/WBE, defined by <u>Article 15-A</u> of the New York State Executive Law. The New York State M/WBE Directory is a searchable list of State certified M/WBEs, searchable by commodity code, location, work region, industry, and business size.

- Visit this link to access more information about the New York State M/WBE certification process: <u>https://esd.ny.gov/doing-business-ny/mwbe/mwbe-certification-eligibility-requirements</u>
- Visit this link to access the NYS M/WBE directory of certified firms: <u>https://ny.newnycontracts.com/</u>

PASSPort

This online vendor management and procurement system is managed by MOCS. PASSPort is where vendors and mayoral Agencies exchange information to create and manage vendor

accounts, make determinations for contract awards, and complete performance evaluations. This platform is designed to increase transparency, reduce administrative burdens, and build more collaborative relationships for positive financial impact.

Until recently, agencies were required to record all subcontract and subcontract payment records in PIP. Starting September 2024, PASSPort has replaced PIP as the new system of record. However, this system integration took place after FY24 had ended. Therefore, the data covered in this Report does not reflect any information from PASSPort's Subcontractor Management actions.

Visit this link to access PASSPort: https://passport.cityofnewyork.us/

PASSPort Public

PASSPort Public is a portal that is designed for data transparency and provides the public with insight into the City procurement system. The portal provides up-to-date information and status updates concerning vendors, solicitations, and contract registrations. Visit this link to access PASSPort Public: <u>https://a0333-passportpublic.nyc.gov/</u>

MOCS M/WBE Reporting

As of FY14, MOCS is required to publish quarterly reports on the progress of the M/WBE Program. The M/WBE Reports page on the MOCS website shares current and historical M/WBE reports and M/WBE Small Purchase Compliance Report. Visit this link to access the M/WBE Reports Page: <u>https://www.nyc.gov/site/mocs/opportunities/m-wbe-reports.page</u>

City Record Online (CROL)

The City Record Online (CROL) is a fully searchable database of notices published in the City Record newspaper which includes but is not limited to public hearings and meetings, public auctions and sales, solicitations and awards and official rules proposed and adopted by city agencies. Visit this link to access CROL: <u>https://a856-cityrecord.nyc.gov/</u>

M/WBEs are encouraged to use CROL to receive notice and learn about current and upcoming procurement opportunities.

Agency Procurement Plans (LL-1 and LL-63)

Under Local Law 1, SBS and MOCS are required to publish an annual plan and schedule listing anticipated contracting opportunities for the coming fiscal year. These plans include the following information for each solicitation: the specific type and scale of the services to be procured, the term of the proposed contract, the method of solicitation the agency intends to utilize, and the anticipated fiscal year quarter of the planned solicitation. Similarly, under Local Law 63 of 2011, amended by Local Law 85 of 2024, MOCS is required to publish a plan and schedule detailing the anticipated contract actions (for certain categories of procurement) of each City agency for the

upcoming fiscal year. This requirement applies to contracts valued at more than \$1 million providing standard or professional services, including against agency task orders. This amended legislation newly excludes contracts procured via the M/WBE Small Purchase method.

Both contracting plans may be useful tools to give vendors notice about potential upcoming procurement opportunities with each agency. However, last year's Report examined these plans in-depth and found that navigating these lists is tedious – the City must do more to help connect M/WBEs to the agencies who are looking for them.

These plans are available on the MOCS website. Visit: <u>https://www.nyc.gov/site/mocs/resources/standard-prof-services-ll63.page</u>

Appendix B: M/WBE Asset Managers & Public Finance

The NYC Office of the Comptroller Bureau of Asset Management and Bureau of Public Finance released the M/WBE and Emerging Manager Pension Report in November 2024 detailing the share of pension investments with M/WBE asset managers and emerging managers & the role of M/WBEs in public finance. The New York City Retirement Systems had a total of \$23.08 billion in investments with or committed to M/WBE managers as of June 30, 2024. Those investments amount to 13.3% of U.S.-based actively managed assets, or approximately 8% of the total assets under management.

The report is available at: <u>https://comptroller.nyc.gov/reports/mwbe-and-emerging-manager-pension-investments-fiscal-year-2024/</u>

Appendix C: LL 174 Exclusions

In order to analyze the City's utilization of M/WBEs in areas subject to LL 174 participation goals, this report excluded contracts and spending that fell into one of the following categories, pursuant to § 6-129(q) of the Administrative Code.

Award Method LL 174 Exclusions

| Award Method Code | Award Method |
|-------------------|-------------------------------------|
| 5 | Sole Source |
| 6 | Emergency |
| 7 | Lessee Negotiation |
| 8 | Loan Negotiation |
| 9 | Rental Subsidy Negotiation |
| 10 | Renewal of Contract |
| 11 | Determined by Legal Mandate |
| 12 | Boro Needs/Discretionary Fund |
| 13 | Petition Private Use/Franchise |
| 14 | Concessionaire by Procedure |
| 15 | Renewal Franchise/Concession |
| 16 | Exempt Concession – Public Bid |
| 17 | Government-to-Government |
| 18 | Non-Procurement Transaction |
| 24 | Contract Conversion |
| 25 | Intergovernmental Procurement |
| 26 | Determined by Government Mandate |
| 28 | Buy Against |
| 29 | Assignment |
| 40 | DOE Listing Application |
| 41 | Cable Service Negotiation |
| 42 | Professional Membership Negotiation |

| Award Method Code | Award Method |
|-------------------|---|
| 43 | Subscriptions Etc. per PPB |
| 44 | Public Utility |
| 45 | Small Purchase – Public Utility |
| 51 | Grants |
| 61 | Small Purchase – Renewal |
| 62 | Small Purchase – Intergovernmental |
| 68 | Force Account Negotiation |
| 78 | Real Estate Sales and Purchases |
| 79 | Watershed Land Negotiation |
| 99 | Miscellaneous |
| 100 | Small Purchase – Subscription etc. |
| 101 | Small Purchase – Professional Membership |
| 102 | Small Purchase – Grants |
| 103 | Small Purchase – Government-to-Government |
| 104 | Small Purchase – Assignment |
| 105 | Condemnations – Exempt OCA Processing |
| 106 | Small Purchase – Buy Against |
| 107 | Small Purchase Watershed Land Acquisition |
| 251 | Intergovernmental Procurement Renewal |
| 511 | Grant Renewal |

Industry LL 174 Exclusions⁹⁵

Industry

Human Services

Goods (Over \$1 million)

Vendor-Related 174 Exclusions

| Vendor |
|---|
| NYC Economic Development Corporation |
| NYC Housing Authority |
| All vendors with 1099 Non-Profit Status |

Contract Type LL 174 Exclusions

| Contract Type Code | Contract Type | |
|--------------------|---|--|
| 15 | Franchises | |
| 17 | Revocable Consents | |
| 18 | Permits | |
| 20 | Concessions | |
| 25 | Corpus Funded | |
| 26 | Compensating Balance from Proceeds | |
| 29 | Other Expense Contract or Revenue Related | |
| 30 | Miscellaneous Revenue – No Expense | |
| 35 | Lessee | |
| 36 | Miscellaneous Property Rental | |
| 39 | Lessor – Revenue | |

⁹⁵ The data in this report uses rules employed by Checkbook NYC to assign industry classifications based on contract characteristics such as award category, contract type, and expense category. Expense categories may change over time based on the code selected by agencies when issuing new disbursements. Contracts that could not be mapped to the Construction, Goods, Professional Services, or Standard Service industries using these rules were labeled as "unclassified contracts."

| Contract Type Code | Contract Type |
|--------------------|---|
| 40 | Lessor – Accounting Lines Exist |
| 41 | Cable Service |
| 42 | Professional Membership |
| 43 | Subscriptions |
| 44 | Public Utility |
| 46 | Requirements – Goods (Over \$1 million) |
| 65 | Loans |
| 68 | Force Account Agreement |
| 70 | Programs |
| 72 | Programs (Not Tax Levy Funded) |
| 78 | Real Estate Sales and Purchases |
| 79 | Watershed Land Acquisition |
| 83 | Condemnations – Exempt OCA Processing |
| 85 | Intra-Agency Fund Agreements |
| 88 | New York City Bond Financing |

Appendix D: Z-Scores

In an effort to assess agency performance more fairly, this year's analysis examined how much LL 174-eligibile business (as a function of value and volume) each agency did with M/WBEs relative to their peers with similar-sized LL 174 portfolios.

Z-Scores

This analysis employed a statistical tool known as a Z-Score to measure how much business each agency did with M/WBEs as compared to their cohort average. First, volume and value totals were calculated for each agency in a given fiscal year. Next, those volume and value totals were compared for each agency to their respective cohort averages (e.g. the total value of all LL 174-eligible M/WBE contracts and POs for a "Tier 1" agency was compared to the average value of all LL 174-eligible M/WBE contracts and POs across "Tier 1" agencies, and the total number of LL 174-eligible contracts and POs for a "Small Volume" agency was compared to the average number of LL 174-eligible contracts and POs across all "Small Volume" agencies). Finally, Z-Scores for volume and value were combined for each agency into a unified score, giving greater weight to the value portion. The cohort system allows for standardized assessment across different agency sizes, ensuring that agencies are compared with their peers who handle a similar volume and value of LL 174-eligible contracts and POs. The result tells us if an agency is performing above, below, or at the average level compared to its peers within the same operational scale. Comparing Z-Scores within Cohorts ensures that each agency, is measured against a relevant and comparable standard.

Cohorts

Value and volume cohorts were established by aggregating LL 174-eligible contract and PO data for each agency over a four-year period (FY21-24). The extended timeframe accommodates the fluctuations in each agency's procurement cycle, accounting for both heavier and lighter years. The cohorts were established as follows:

Value Cohorts

- Large: total aggregated value over \$100 million
- Medium: total aggregated value between \$50 million and \$100 million
- Small: total aggregated value between \$10 million and \$50 million
- Micro: total aggregated value under \$10 million

Volume Cohorts

- Large Volume: Over 10,000 contracts and POs
- Moderate Volume: Between 1,000 and 10,000 contracts and POs

- Small Volume: Between 100 and 1,000 contracts and POs
- Micro Volume: Less than 100 contracts and POs

All Ranked Agency Z-Scores, FY22-FY24

| Agency | Value Cohort | Volume Cohort | FY22 Combined | FY23 Combined | FY24 Combined | YOY 23-24 |
|--------|----------------------|----------------------|------------------|------------------|------------------|-----------|
| ACS | Between 10M- 50M | Small Volume | 083 | -0.25 | 1.23 | 1.47 |
| BIC | Under 10M | Very Small Volume | -1.07 | -1.04 | -1.12 | -0.08 |
| CCHR | Under 10M | Small Volume | -0.59 | -0.80 | -0.82 | -0.03 |
| CCRB | Under 10M | Very Small Volume | -1.11 | -0.80 | -0.77 | 0.03 |
| COMP | Under 10M | Small Volume | -1.09 | -0.84 | 0.08 | 0.93 |
| DCAS | Between 50M- 100M | Small Volume | 0.14 | -0.62 | -0.24 | 0.38 |
| DCLA | Under 10M | Very Small Volume | 0.08 | 0.10 | 0.17 | 0.07 |
| DCP | Under 10M | Small Volume | -0.22 | -0.47 | 0.06 | 0.53 |
| DCWP | Under 10M | Small Volume | 0.33 | -0.39 | 0.57 | 0.96 |
| DDC | Over 100M+ | Small Volume | 1.04 | 0.27 | 0.22 | -0.06 |
| DEP | Over 100M+ | Moderate Volume | -0.10 | 0.48 | 0.35 | -0.14 |
| DFTA | Under 10M | Small Volume | 0.83 | -0.07 | -0.12 | -0.05 |
| DHS | Between 50M- 100M | Very Small Volume | -1.02 | -0.99 | -1.14 | -0.15 |
| DOB | Under 10M | Small Volume | 1.21 | 1.91 | 0.41 | -1.50 |
| DOC | Between 10M- 50M | Moderate Volume | 0.89 | 0.96 | 1.03 | 0.08 |
| DOE | Over 100M+ | Moderate Volume | -0.24 | -0.10 | 0.19 | 0.29 |
| DOF | Between 10M- 50M | Small Volume | -1.35 | -0.87 | -0.75 | 0.12 |
| DOHMH | Between 50M- 100M | Moderate Volume | 1.53 | -0.43 | -0.18 | 0.25 |
| DOI | Under 10M | Small Volume | -0.29 | -0.37 | 0.09 | 0.46 |

| Agency | Value Cohort | Volume Cohort | FY22 Combined | FY23 Combined | FY24 Combined | YOY 23-24 |
|---------|----------------------|----------------------|------------------|------------------|------------------|-----------|
| DOP | Under 10M | Small Volume | -0.73 | -0.17 | -0.42 | -0.25 |
| DORIS | Under 10M | Small Volume | -0.84 | -0.94 | -0.89 | 0.05 |
| DOT | Over 100M+ | Moderate Volume | -0.65 | -0.53 | -1.08 | -0.55 |
| DPR | Over 100M+ | Moderate Volume | 0.01 | 0.45 | 0.65 | 0.21 |
| DSNY | Between 50M- 100M | Moderate Volume | -0.51 | 1.12 | -0.16 | -1.28 |
| DSS/HRA | Between 10M- 50M | Small Volume | 1.04 | 0.54 | 1.82 | 1.29 |
| DYCD | Under 10M | Small Volume | 2.00 | 1.68 | 2.18 | 0.50 |
| FDNY | Between 10M- 50M | Small Volume | 0.34 | -0.39 | -0.22 | 0.18 |
| HPD | Between 50M- 100M | Small Volume | -0.06 | -0.58 | -0.33 | 0.24 |
| LAW | Between 10M- 50M | Small Volume | 1.05 | 1.69 | -0.40 | -2.09 |
| LPC | Under 10M | Very Small Volume | -1.24 | -0.95 | -0.88 | 0.06 |
| MAYOR | Between 10M- 50M | Small Volume | -0.29 | -0.59 | -0.36 | 0.23 |
| NYCEM | Between 50M- 100M | Small Volume | 1.21 | 1.70 | 0.32 | -1.37 |
| NYPD | Between 50M- 100M | Large Volume | 1.12 | 0.43 | 0.42 | -0.01 |
| OATH | Under 10M | Small Volume | 0.19 | 0.37 | -0.50 | -0.87 |
| ΟΤΙ | Over 100M+ | Large Volume | -0.43 | 0.73 | 0.08 | -0.65 |
| SBS | Between 10M- 50M | Small Volume | -0.60 | -0.49 | -1.21 | -0.72 |
| TLC | Under 10M | Small Volume | 0.24 | 0.24 | 1.71 | 1.47 |

Appendix E: Award Method Analysis Categories

This appendix provides additional information about the types of contracts and POs included in the analysis reflected in Table 10 and Table 11.

| Award Method Analysis Category | Award Method Codes (Unless Otherwise Specified) |
|---------------------------------------|--|
| Competitive Sealed Bid Contracts | 1, 3 |
| Competitive Sealed Proposal Contracts | 2, 22 |
| Accelerated Procurement Contracts | 27 |
| Demonstration Project Contracts | 23 |
| Innovative Procurement Contracts | 20 |
| Micropurchase Contracts | 30, 38, POs less than or equal to \$20k, POs greater than \$20k but less than or equal to \$35k (CT 5 or CT 48 only) |
| Negotiated Acquisition Contracts | 21, 211 |
| Small Purchase Contracts – General | 31, 32, 35, 36, 37, 109, 111, 112, 113, POs greater than 35k, POs greater than \$20k but less than or equal to \$35k (except for CT 5 and 48). |
| Small Purchase Contracts – M/WBE | 72 |

Appendix F: Summary of Agencies in This Report

This Report measures M/WBE utilization among mayoral agencies. Specified sections of this Report include additional analyses for the Department of Education and non-mayoral Elected offices (including the Comptroller's Office).

| Agency | Agency Short Name |
|--|-------------------|
| Administration for Children's Services | ACS |
| Borough President – Bronx | BXBP |
| Borough President – Brooklyn | ВКВР |
| Borough President – Manhattan | MBP |
| Borough President – Queens | QBP |
| Borough President – Staten Island | SIBP |
| Business Integrity Commission | BIC |
| City Council | CC or Council |
| Civilian Complaint Review Board | CCRB |
| Commission on Human Rights | CCHR |
| Department for the Aging | DFTA |
| Department of Buildings | DOB |
| Department of City Planning | DCP |
| Department of Citywide Administrative Services | DCAS |
| Department of Consumer and Worker Protection | DCWP |
| Department of Correction | DOC |
| Department of Cultural Affairs | DCLA |
| Department of Design and Construction | DDC |
| Department of Education | DOE |
| Department of Environmental Protection | DEP |
| Department of Finance | DOF |
| Department of Health and Mental Hygiene | DOHMH |
| Department of Homeless Services | DSS/DHS |
| Department of Investigation | DOI |

| Agency | Agency Short Name |
|--|-------------------|
| Department of Parks and Recreation | DPR |
| Department of Probation | DOP |
| Department of Records and Information Services | DORIS |
| Department of Sanitation | DSNY |
| Department of Small Business Services | SBS |
| Department of Transportation | DOT |
| Department of Youth and Community Development | DYCD |
| District Attorney – Bronx County | DABX |
| District Attorney – Kings County | DAKINGS |
| District Attorney – New York County | DANY |
| District Attorney – Queens County | DAQ |
| District Attorney -Richmond County | DARICH |
| Fire Department of New York | FDNY |
| Health and Hospitals Corporation | ННС |
| Housing Preservation and Development | HPD |
| Human Resources Administration (Department of Social Services) | DSS/HRA |
| Landmarks Preservation Commission | LPC |
| Law Department | LAW |
| Mayoralty | MAYOR |
| New York City Emergency Management | NYCEM |
| New York Police Department | NYPD |
| Office of Administrative Trials and Hearings | OATH |
| Office of Technology and Innovation | ΟΤΙ |
| Office of The Comptroller | COMP |
| Taxi and Limousine Commission | TLC |

Appendix G: FY24 LL 174-Eligible Prime and Subcontracts by Agency⁹⁶

This appendix shares the total number of each agency's prime contract registrations subject to LL 174 participation goals and the total number of those prime contracts that have approved subcontractors in PIP.

| Agency | # of LL 174 Contracts | # of LL 174 Contracts with PIP Approved Subcontracts |
|--------|-----------------------|---|
| ACS | 99 | 5 |
| CCHR | 1 | 0 |
| CCRB | 14 | 0 |
| СОМР | 39 | 0 |
| DCAS | 215 | 2 |
| DCLA | 9 | 0 |
| DCP | 13 | 0 |
| DCWP | 3 | 0 |
| DDC | 134 | 118 |
| DEP | 198 | 0 |
| DFTA | 14 | 0 |
| DHS | 30 | 1 |
| DOB | 19 | 0 |
| DOC | 61 | 0 |
| DOE | 1,097 | 0 |
| DOF | 40 | 4 |

⁹⁶ Includes COMP and DOE

| Agency | # of LL 174 Contracts | # of LL 174 Contracts with PIP Approved Subcontracts |
|-------------|-----------------------|---|
| ООНМН | 620 | 0 |
| DOI | 5 | 0 |
| DOP | 9 | 0 |
| DORIS | 1 | 0 |
| DOT | 196 | 40 |
| DPR | 335 | 95 |
| DSNY | 80 | 8 |
| DSS/HRA | 62 | 1 |
| DYCD | 14 | 0 |
| FDNY | 62 | 22 |
| HPD | 114 | 5 |
| LAW | 59 | 0 |
| LPC | 2 | 0 |
| MAYOR | 26 | 4 |
| NYCEM | 29 | 0 |
| NYPD | 231 | 3 |
| ОАТН | 15 | 0 |
| ОТІ | 190 | 0 |
| SBS | 21 | 0 |
| TLC | 6 | 0 |
| Grand Total | 4,063 | 380 |

Appendices H-L: Additional Data

Appendix H: PIP Approved Subcontract Records for LL 174-Eligible Primes, FY22-24 (Mayoral Agencies Only)

- This appendix contains a summary of subcontract records (count and value) by agency and M/WBE Category for the past three fiscal years
- Visit this link to view data: <u>https://comptroller.nyc.gov/wp-content/uploads/2025/02/Appendix-H.xlsx</u>

Appendix I: Summary of Contract and PO Totals, Subject to LL 174 Participation Goals

- This appendix contains a summary of contract and PO data (count and value) by agency and M/WBE Category
- Visit this link to view data: <u>https://comptroller.nyc.gov/wp-</u> <u>content/uploads/2025/02/Appendix-I-Summary-of-Contract-and-PO-Totals-Subject-to-</u> <u>LL-174-Participation-Goals.xlsx</u>

Appendix J: Summary of Spend Data, Subject to LL 174 Participation Goals

- This appendix contains summary data displaying spend by year, agency, and prime/sub contract type
- Visit this link to view data: <u>https://comptroller.nyc.gov/wp-content/uploads/2025/02/Appendix-J.xlsx</u>

Appendix K: Summary of M/WBE Small Purchase Method Registrations

• This appendix contains a summary of M/WBE Small Purchase method registration data (count and value) by agency and M/WBE Category.

• Visit this link to view data: <u>https://comptroller.nyc.gov/wp-</u> content/uploads/2025/02/Appendix-K-Summary-of-MWBE-AM72-Registrations.xlsx

Appendix L: M/WBE Retroactivity by Agency, FY22-24

- This appendix contains a summary of all registered procurement contracts (not just subject to LL 174 participation goals) by agency and retroactivity status
- Visit this link to view data: <u>https://comptroller.nyc.gov/wp-</u> content/uploads/2025/02/Appendix-L-MWBE-Retroactivity-by-Agency-FY22-24.xlsx

Acknowledgments

Kerri Nagorski, Director of Procurement Policy and Partnerships, and Dan Roboff, Director of Procurement Research Analysis and Reporting, were the lead authors of this report with support from Charlette Hamamgian, Deputy Comptroller, Michael D'Ambrosio, Assistant Comptroller for the Bureau of Contract Administration, Daphnie Agami, Senior Advisor & Counsel to the Deputy Comptroller, James Leidy, CUNY Fellow, Rabia Akram, CUNY Fellow, Yifeng Zheng, CUNY Fellow, and Sadye Campoamor, Chief Equity Officer. Report design was completed by Archer Hutchinson, Creative Director & Digital Inclusion Officer and Addison Magrath, Graphic Designer. Priyanka Thomas, Data Architect, and Denia Zaman, IT Project Manager from the Comptroller's Bureau of Information Systems and Technology, as well as REI Systems Inc, provided consulting and other support for this Report. The Comptroller's Office of the General Counsel has reviewed portions of this report.

Thank you to the M/WBE community and advocates for important contributions to this report.





NEW YORK CITY COMPTROLLER

1 Centre Street, New York, NY 10007 www.comptroller.nyc.gov ♥ @NYCComptroller (212) 669-3916