



New York City Comptroller
Scott M. Stringer

NEWS

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COMPTROLLER STRINGER REVEALS 911 UPGRADE WAS PLAGUED BY EXCESSIVE OUTSOURCING AND MASSIVE COST OVERRUNS

*Review Urges Immediate Reforms, Better Controls, and Highlights Importance of
Comptroller's Directive 31*

NEW YORK—Comptroller Scott M. Stringer has found that the Emergency Communications Transformation Program (ECTP), aimed at upgrading the City's trouble-plagued 911 response system, was poorly structured, overly reliant on consultants and ineffectively monitored, leading to years of delays and hundreds of millions of dollars in additional costs. [The Comptroller's review](#) came on the heels of Mayor de Blasio's call for a 60-day review of the ECTP to examine the current state of the program, and offer recommendations on how to correct its management deficiencies.

“Instead of strong City governance, the project outsourced critical responsibilities to consultants who were insufficiently accountable to the City,” said Comptroller Stringer. “I commend Mayor de Blasio for initiating this much needed inter-agency review. ECTP has taken far longer than anticipated, stretching from the initial estimate of five years to the current estimate of fifteen years, with the end date now projected to be no sooner than 2018.”

The Comptroller's Review of the ECTP upgrade shows that in 2004, the ECTP's estimated capital cost was projected to be \$1.345 billion, but by last month, the estimated cost had soared 73 percent — to \$2.326 billion. The capital cost estimates were understated by at least \$39 million, which reflects two contracts that do not appear to have been included in prior cost estimates.

The analysis also found a lack of transparency regarding the City's expenses on the ECTP and its prior related emergency system technology upgrades. As a result, the project's complete cost was not fully disclosed to taxpayers. The possible understatement of the cost of the ECTP may be in excess of \$200 million. A full audit of the City's ECTP expenses would be required to identify the total program costs, which is beyond the scope of this 60-day review.

The absence of complete information and proper governance has hindered the City's ability to properly evaluate, plan for, and manage the ECTP, an extremely complex multi-billion dollar project. Further, full transparency is critical to ensure operational and management success going forward.

Comptroller Stringer's review recommends the City:

- Impose a new control structure on the ECTP that better reflects a single vision. Such authority should not be delegated or outsourced to consultants who are not answerable to the public.
- Employ appropriate technical experts to monitor the project to advise the contract's governance committee on the project's status and to make timely decisions. Those experts should be City employees and not outside consultants.
- Disclose and consider all costs associated with the project in order to make fully informed decisions about its scope and progress.
- Apply a better system to review consultant timesheets and vendor invoices, before authorizing payments to contractors.
- Implement Comptroller's Directive 31 on all future technology contracts. Additionally, in light of the historic difficulties with the ECTP, where feasible, the City should seek amendments of existing contracts for technology services to conform with the Directive.

"Layers of consultants, middle-men and outsourcing have resulted in 10 years of delays and hundreds of millions in cost overruns to the City's upgrade of its 911 system," said Comptroller Stringer. "This program produced an outrageous waste of funds due to the lack of oversight and accountability. "It's time to fix this boondoggle once and for all."

To read a copy of the Comptroller's Office Review, click [here](#).

