



New York City Comptroller
Scott M. Stringer

NEWS

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COMPTROLLER STRINGER AND HP SETTLE DISPUTE CONCERNING EMERGENCY COMMUNICATIONS CONTRACT FOR \$10.6 MILLION

HP also Embracing Comptroller's Directive 31

New York City – On Monday, New York City Comptroller Scott M. Stringer and HP announced that they had reached a settlement for \$10.6 million dollars to resolve a dispute over the City's contract with the company on systems integration for the Emergency Communications Transformation Project (ECTP).

"I am pleased that we were able to reach a settlement with HP that is in the best interests of both parties," Comptroller Stringer said. "This settlement resolves a long-standing dispute concerning billing for work to bring our emergency communications system into the 21st century. We rigorously analyzed all facts surrounding the City's claim and have recovered significant funds related to HP's work."

In 2005, New York City entered into a systems integration contract with HP to coordinate development of ECTP. Work was completed in 2012. Subsequently, New York City sought to examine why certain cost overruns had occurred and began to explore the possibility of litigation against various parties involved in ECTP. This settlement concludes that investigation into HP's conduct.

"We appreciate Comptroller Stringer's willingness to work through this complicated issue and are pleased that the differences have been resolved," said Brian Kitzmiller,

acting vice president, State, Local and Education Division, U.S. Public Sector, HP Enterprise Services.

In addition to the settlement, HP has agreed to adhere to [Directive 31](#) in any future contract that it enters into with the City. In May, Comptroller Stringer issued Directive 31 to standardize oversight of Information Technology (IT) contracts with New York City.

The directive requires:

- Contractors' time sheets to include a detailed description of the type of work completed and where it was performed. Time sheets must be submitted within one month of the work being performed and approved by the City no more than one month later;
- Agencies to verify an individual's qualifications for the rate at which the contractor is billing the City;
- A City employee to certify time sheets are accurate and an independent City employee to review these time sheets to ensure they correspond to contract parameters; and
- Agencies must verify the maximum allowable mark ups for personnel and material costs.

“As a major Information Technology vendor for the City, it is welcome news that HP embraces Directive 31. This directive provides structure, transparency and accountability to ensure that the City can properly oversee and manage IT contracts,” Comptroller Stringer said.

“HP fully supports Comptroller Stringer's efforts to ensure that all vendors understand the City's contractual expectations. Directive 31 is sensible policy and provides clarity for vendors,” Kitzmiller said.

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