

## The City of New York Office of the Comptroller Scott M. Stringer

March 15, 2020

Dean Fuleihan First Deputy Mayor City of New York City Hall New York, NY 10007

Dear First Deputy Mayor Fuleihan:

As the impacts of COVID-19 are starting to be felt more acutely in New York, my office has heard escalating concerns from the human service sector about their financial stability. Client participation rates in social service programs are dropping and non-profit organizations are realizing they will not meet the unit of service requirements established in their contracts. Senior centers have seen decreased attendance as older New Yorkers stay home, and I understand that some have already suspended operations. However, even if senior centers are not serving meals, they must still pay their staff, rent, and utility bills. Many non-profit organizations are already confronting this challenge, and I fear many more will be in the weeks ahead.

To stabilize the sector and ensure non-profits will remain able to serve New Yorkers through this crisis, it is essential that they be held harmless for missed contract deliverables that are directly attributable to COVID-19. This would include declines in client participation due to the public health guidance that New Yorkers avoid crowds and curtail activities, particularly if they are older, have underlying health conditions, or have flu-like symptoms. I hope the City is already exploring this, and urge your Administration to communicate with the sector about it immediately.

Beyond forgiving missed contractual obligations if they are related to COVID-19, there are other steps that could be taken to lessen the financial burden on non-profits at the time. For example, a number of non-profit leaders have suggested to my office that City agencies delay their efforts to recoup contract advances until the end of the Fiscal Year, in an effort to preserve the cash on hand that these organizations have. I hope you will consider this, as well as any other innovative solutions the sector leadership may put forth, to help them stay afloat and serving New Yorkers through this crisis.

I would appreciate your immediate attention to this pressing issue, and thank you in advance for your response.

Sincerely,

Scott M. Stringer New York City Comptroller

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