



Law Department Contract Reviews

What questions did the audit look at?

- ▶ Did the New York City Law Department review procurement contracts in a timely manner?

Why does it matter for New Yorkers?

The Law Department plays a critical role in New York City's contracting process, reviewing billions of dollars in agreements each year. Prompt contract review is necessary to prevent disruption of city operations and services, ensure that vendors are paid on time, and the City's compliance with legal mandates.

The audit found that the Law Department's contract reviews often exceeded the expected four-week timeframe, which caused or contributed to delays in executing contracts. During the audit scope period, the Law Department took more than four weeks to review approximately 38% of non-Mayoral and Mayoral contracts processed outside of PASSPort.

In one glaring example, the Queens County District Attorney's Office experienced delays in renewing a secure file-sharing software contract essential for compliance with New York State Discovery Law. Despite repeated urgent requests, the Law Department did not approve the renewal until nearly two months after the contract expired, putting agency operations at risk.

By not consistently monitoring requests and tracking review milestones, the Law Department has allowed delays to persist. Without stronger oversight, New Yorkers face potential service disruptions and reduced efficiency in how government functions, and vendors may wait longer to be paid.

What changes did the agency commit to make following the audit?

- ▶ The Law Department agreed to improve contract reviews by adding some additional milestone data in its new tracking system, LegalStratus.
- ▶ The Law Department agreed to work with the Mayor's Office of Contract Services (MOCS) to enhance database functionality and address known glitches and reporting capabilities.
- ▶ The Law Department agreed to assess its staffing resources to improve the timeliness of contract reviews.

AUDIT FINDINGS



It took the Law Department more than four weeks to review approximately 38% of non-Mayoral and certain Mayoral contracts.



The Law Department did not adequately oversee the contract review process.



A lack of reporting and a glitch in the City's contract system hindered the Law Department's ability to track contract processing.

Audit Recommendations		Agency Response
1	Record key milestones in Law Manager or LegalStratus or otherwise track them. Milestones should include, but not be limited to, the dates that: agencies submit contracts for review; Law Department attorneys are assigned to review contracts; attorneys return contracts to requesting agencies for revision, provide feedback, or make inquiries; agencies respond to the Law Department; attorneys initially approve contracts and submit for secondary review; senior attorneys are assigned to review contracts; and senior attorneys approve contracts.	PARTIALLY AGREED¹
2	Request that MOCS create canned aging reports and reports of closed contracts detailing key milestone dates.	AGREED
3	Use Law Manager, LegalStratus, and PASSPort to: <ul style="list-style-type: none"> a) generate bi-weekly aging reports, monitor pending requests, and flag requests approaching or past expected timeframe for review; and b) generate historical reports of closed requests to analyze and determine whether and to what extent contracts were not reviewed in a timely manner, identify the causes of the delays, and take appropriate corrective action, as necessary. 	PARTIALLY AGREED²
4	Assess the adequacy of staffing levels.	AGREED
5	Continue to address issues with MOCS including, but not limited to, the PASSPort glitch related to the Law Department returning contracts and agencies resubmitting them, and reporting capabilities.	AGREED

¹ The Law Department stated, "Some key milestones are already recorded in Passport and Law Manager. In fact, we have begun to record Passport contracts within the division so that we can produce our reports. And we agree that we should include some additional milestones. However, recording every single interaction would become unduly burdensome and would likely delay review, rather than improve review times."

² The Law Department stated, "While we agree that some additional reports would be useful, as cited above, excessive recording of activities would become very time consuming and defeat the purpose of reducing review times."