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**Testimony of Marla G. Simpson,
City Chief Procurement Officer & Director,
Mayor's Office of Contract Services
Before the Campaign Finance Board**

April 18, 2006

Good morning Chairman Schwarz and board members. My name is Marla Simpson. I am the Director of the Mayor's Office of Contract Services (MOCS), and in that capacity serve as the City's Chief Procurement Officer. With me today is David Karnovsky, General Counsel of the Department of City Planning, and Terri Matthews, Counsel to the Deputy Mayor for Administration. Mr. Karnovsky will address the land use process, and if there are additional questions, concerning licenses, Ms. Matthews is available to address those. Thank you for the opportunity to testify before you today.

Pursuant to Executive Order 48 of 2004, I serve as the Mayor's designee to exercise his various oversight and approval powers in the procurement arena, as detailed in the City Charter, local laws and the rules of the Procurement Policy Board (PPB). In that role, my staff and I review and approve a wide array of draft solicitations and proposed contract awards from more than 40 Mayoral agencies that are governed by these laws and regulations. In areas where we do not typically review individual proposed solicitations or awards, such as those let by competitive sealed bids, my office nonetheless exercises broad general oversight responsibilities.

One aspect of the process mandated by § 2-08 of the PPB Rules, is the determination agencies are required to make that the vendors they do business with are responsible. As part of that responsibility determination, agencies are required to consult and consider the information maintained on the City's Vendor Information Exchange System, a database called "VENDEX."

Section 6.116.2 of the NYC Administrative Code requires the City to maintain and make public this system, and specifies that the database is to contain information relating to the business integrity, financial capability and performance of every city contractor and subcontractor receiving awards in excess of \$100,000, on a cumulative annual basis. Under the VENDEX statute, my office administers that system – all filings and data entry are centralized with us, and we maintain a Public Access Center allowing members of the public to view and obtain VENDEX records on a walk-up basis during business hours. Pursuant to the statute, policy oversight of the VENDEX system is shared with the Comptroller.

As you know, Mayor Michael R. Bloomberg is committed to improving public access to procurement information, so during this Administration we have made a number of technological advances aimed at ensuring the transparency of our contract process. As a result of one of those initiatives, the "Doing Business Searchable Database" was developed last year, as a tool to assist this Board in implementing the 1998 Charter amendment, which required the promulgation of regulations governing campaign contributions from entities and individuals that "do business" with the City. The Doing Business database is located at <http://www.nyc.gov/html/bizsearch>.

In addition to the lobbyist registration information added more recently, this database already provides access to the detailed information contained in VENDEX. The public may now search VENDEX records from any desktop, both by the vendor's name and by the last name of

the vendor's principals – *i.e.*, individuals such as the chief executive officer, chief financial officer, chief operating officer, Board Chair and the like.

While our focus in discussions with this Board last year was on the procurement arena, as Director of MOCS, EO 48 also assigns me parallel oversight and approval responsibilities for all of the City's franchises, concessions and revocable consents. I have brought with me today copies of our FY 2005 annual report, which includes, at pages 15-16, a section detailing the annual volume of such actions. By way of example, our current franchise docket includes the City's recently-announced street furniture award, and our concession docket includes a range of items such as Parks Dept. food carts, the recently-approved Randall's Island water park and the variety of marketing agreements.

All franchises, regardless of value, and all significant concessions, *i.e.*, those valued at more than \$100,000, are also subject to VENDEX filing requirements under the Administrative Code. We thus collect the same data from franchisees and concessionaires as we do from contractors and subcontractors, and this information is captured and searchable in VENDEX in exactly the same way. Therefore, when we populated the Doing Business Searchable Database with the VENDEX data, all of the information concerning holders of franchises and concessions, their related entities and principal owners and officers was also included.

Finally, as noted above, I act as the Mayor's designee to approve revocable consents, which are items such as sidewalk cafes. While data from revocable consents is not contained in the Doing Business Searchable Database, as it falls outside the scope of the VENDEX statute, it is publicly available.

Thank you for your time today, and I am available to answer any questions that you may have.