

MEMORANDUM OF UNDERSTANDING BETWEEN THE NEW YORK CITY HUMAN RESOURCES ADMINISTRATION AND THE NEW YORK CITY DEPARTMENT OF SMALL BUSINESS SERVICES

In an effort to set forth the responsibilities of each Agency under the City's Business Link program, this MEMORANDUM OF UNDERSTANDING ("MOU") dated as of _____, 20____, is agreed upon by the New York City Human Resources Administration ("HRA"), with offices at 180 Water Street, New York, New York 10038 and the New York City Department of Small Business Services ("SBS"), with offices at 110 William Street, New York, New York 10038 (each a "Party" and collectively the "Parties"). This MOU contains the complete understanding of the Parties' agreement to partner in connecting Public Assistance Recipients ("PA Recipients") with employment opportunities with private-sector Client/Human Service providers ("Contractors") that contract with SBS.

1. The effective date of this Agreement will be October 1, 2015.
2. SBS Duties
 - A. SBS will insert the language contained in the Public Assistance Hiring Commitment Rider (attached as **Exhibit 1**) in all Client/Human Service contracts (as defined by the New York City Procurement Policy Board Rules) that are solicited after the effective date of this Agreement, including published Notices of intent to Enter into Negotiations. This provision does not apply to discretionary contracts and contracts valued less than \$250,000 ("Contract(s)").
 - B. SBS will work with HRA to promote awareness among its Contractors of the Public Assistance Hiring Commitment Rider and HRA Business Link program's role in assisting Contractors to meet the requirements set forth in **Exhibit 1**.
 - C. If a Contractor of SBS fails to hire the specified number of PA Recipients by the later of either (i) the timeframe mutually agreed upon between HRA and Contractor or (ii) six (6) months from the commencement date of the Contract; or fails to pay and retain PA Recipients in accordance with the requirements specified in the Rider, SBS will assess liquidated damages in accordance with the formula set forth in **Exhibit 1** if the Contractor fails to remedy its noncompliance with **Exhibit 1** and in accordance with its Corrective Action Plan to the satisfaction of HRA and SBS.
3. HRA Duties
 - A. HRA will administer the Business Link program to connect PA Recipients with SBS's Contractors, who will be the prospective employers.
 - B. HRA, through its Business Link program, will enter contract registration data into the Business Link program database.
 - i. From this data, HRA will calculate the required number of hires for each of SBS's Contractors.

- ii. Prior to the Contract commencement date, HRA will provide written notice to each of SBS's Contractors of their annual Contract amount and the number of PA Recipients they are required to hire through the Public Assistance Hiring Commitment program. The notice will also instruct each Contractor to submit a human resources contact to HRA within ten (10) calendar days of receipt of the notice and an implementation plan within thirty (30) calendar days of receipt of the notice.
 - iii. For any Contractor that demonstrates compliance with its implementation plan, the Parties agree that an implementation plan will not be required from that Contractor for the subsequent year. However, in the event that the Contractor fails to meet its annual hiring requirements and is determined to be ineligible for a reduction or exemption (as discussed in **Paragraph E(ii)** below), HRA will require the Contractor to submit a new implementation plan.
- C. HRA will assign an Account Manager (AM) to each Contractor. When job openings arise, the AM, in consultation with SBS, will meet with a Contractor for information on the position(s) and the requirements.
- i. The AM will refer job seekers based on the criteria established by each Contractor.
 - ii. The AM will work with each Contractor to obtain feedback on referral outcomes.
- D. In the event a Contractor hires a PA Recipient without the assistance of the Business Link program, HRA will work with the Contractor to obtain monthly new hire reports to demonstrate the Contractor's compliance with its hiring requirements.
- E. HRA/Business Link will send SBS quarterly reports indicating each Contractor's compliance with the hiring requirements.
- F. HRA, in consultation with SBS, will determine if the hires made by a Contractor qualify toward the Public Assistance Hiring Commitment program goals and will credit the Contractor accordingly.
- i. If a Contractor does not achieve the required number of annual hires, it may apply for a reduction or exemption, based on the Contractor's job vacancies, demonstrated efforts in recruiting PA Recipients, and engagement with the Business Link program. For each Contractor of SBS seeking a full or partial exemption from its PA Recipient hiring requirements, HRA will assess if the exemption should be approved or denied and notify SBS of its initial determination. Upon request of SBS, HRA will make final determination in consultation with the SBS.
 - ii. If HRA determines, in consultation with SBS, that a Contractor is not

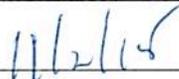
eligible for a reduction or exemption in the number of annual hires, HRA will inform SBS who will assess liquidated damages against the Contractor based on the process detailed in **Paragraph G of Exhibit 1.**

- iii. If a Contractor achieves the required number of annual hires, HRA will send the Contractor a notice with the final outcomes. HRA will provide a copy of this notice to SBS.
 - G. HRA will provide monthly reports to SBS in the format illustrated in **Exhibit 2.** These reports will compare the year to date performance of SBS's Contractors in achieving the required number of annual hires as established by HRA.
 - H. HRA will notify a Contractor of SBS whether the Contractor's hiring requirements were met. HRA will consult with SBS to determine whether the vendor is eligible for a waiver of these unmet requirements, based on the level of efforts demonstrated by the vendor.
- 4. Contact Person. Each Party will designate a principal representative with regard to this MOU to facilitate the successful administration of the Business Link program.
 - 5. Modification. This MOU may be modified only through the mutual, written consent of the Parties.
 - 6. Termination. Either Party may terminate the MOU by giving thirty (30) calendar days written notice to the other Party.
 - 7. Entire Agreement. This MOU sets forth the entire agreement between the Parties, superseding all prior agreements and understandings, written or oral, and may not be altered or modified except by a writing signed by both Parties.

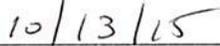
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IN WITNESS WHEREOF, the Parties hereto have executed this MOU on the dates appearing below their respective signatures.

NEW YORK CITY HUMAN RESOURCES ADMINISTRATION

BY: 
TITLE: 
DATE: 

NEW YORK CITY DEPARTMENT OF SMALL BUSINESS SERVICES

BY: 
TITLE: 
DATE: 

STATE OF NEW YORK)

:ss:

COUNTY OF NEW YORK)

On this 2nd day of November 2015, before me personally came Vincent Pullo, to me known and known to me to be ACCO of the Human Resources Administration/Department of Social Services of the City of New York, the person described in and who executed the foregoing instrument, and she/he acknowledged to me that she/he executed the same for the purpose therein mentioned.



Sharon James-Leonce

NOTARY PUBLIC

SHARON JAMES-LEONCE
Commissioner of Deeds
City of New York No. 2-13026
Certificate Filed in New York County
Commission Expires May 01, 2016

Exhibit 1

Public Assistance Hiring Commitment Rider for HRA, DHS, ACS, DYCD, DFTA, DOHMH and SBS

- A. The Public Assistance Hiring Commitment is an initiative administered by the Human Resources Administration (“HRA”) through its Business Link program, and seeks to match employers with qualified job-seekers. For the duration of this Contract, and subject to any qualified exceptions listed in **Subsection H** below, Contractor shall hire at least one (1) Public Assistance Recipient (“PA Recipient”) for each two hundred fifty thousand dollars (\$250,000.00) in annual value of this Contract. If Contractor believes it should be exempted from the requirements of this Rider, Contractor may submit a request for an exemption based on the reasons outlined below in **Subsection H**.
- B. Contractor shall hire PA Recipients for employment of at least twenty (20) hours per week for the duration of at least one (1) year.
1. Contractor shall pay hired PA Recipients at least the legally mandated minimum wage.
 2. Contractor may meet the requirements of this Rider through the hiring of PA Recipients by its subcontractors.
 3. Positions of employment may be at any site or within any program operated by the Contractor.
 4. In the event a PA Recipient hired by a Contractor is not retained for one (1) full year, the Contractor must hire and retain another PA Recipient for the remainder of the year in order to be credited for making one (1) required hire. When the Contractor replaces a hired PA Recipient before one (1) year has passed, this replacement will not count as an additional employee toward fulfilling Contractor’s hiring requirement.
 5. Contractor shall seek to retain hired PA Recipients beyond the one (1) year requirement of this Rider. In accordance with **Subsection H(3)** below, if Contractor retains a PA Recipient hired pursuant to this Rider beyond one (1) year, Contractor may qualify for a full or partial exemption of its hiring requirements in the subsequent year.
- C. Business Link will consult with Contractor to assess Contractor’s employment needs and minimum job qualifications, as determined by Contractor. Business Link will make referrals appropriate to those needs. Within ten (10) calendar days of the commencement date and any subsequent anniversary date of the start date of this Contract, the Contractor shall submit (i) all Contract information where the counterparty is HRA, DHS, ACS, DYCD, DFTA, DOHMH or SBS; and (ii) contact information for the Contractor’s primary human resources contact and his/her supervisor; an organization chart, job titles, duties and qualifications for the last three years of hires in Contractor’s organization; and the estimated volume of annual hires.
- D. Within thirty (30) calendar days of: (i) the commencement date of the Contract; or (ii) the date of program start (e.g., shelter opening), whichever date is later, and any subsequent anniversary date of the commencement date of this Contract, Contractor shall submit an implementation plan detailing how Contractor will meet the hiring requirements of this Rider. If necessary, Contractor may request the assistance of Business Link in developing its implementation plan; however, Contractor must still submit its implementation plan within thirty (30) calendar days of the Contract commencement date and subsequent anniversary dates. If Contractor is determined by HRA, in consultation with SBS, to be in compliance with this Rider during the previous Contract year, HRA will notify Contractor that it is not required to submit a new implementation plan.

- E. Contractor shall send all documentation to: HRA's Business Link – Contractor Hiring Unit, located at 348 West 34th Street, New York, New York 10001. Documents may also be emailed to the Contractor Hiring Unit of Business Link at businesslink@hra.nyc.gov. Contractor shall submit any additional relevant information within ten (10) calendar days of a request from HRA. In consultation with SBS, HRA will review Contractor's documentation to determine the required number of PA Recipients Contractor shall hire and the allocated timeframe in which to hire these PA Recipients.
- F. Contractor shall begin instituting the implementation plan within ninety (90) calendar days of the Contract commencement date and shall notify HRA of potential job openings and their minimum job qualifications as determined by Contractor. As other job openings arise, Contractor shall send appropriate listings to HRA for the life of this Contract. Contractor may request the assistance of HRA in identifying potential employees. In such case, HRA will refer PA Recipients who meet Contractor's minimum qualifications as determined by Contractor for employment interviews.
- G. If Contractor fails to hire the specified number of PA Recipients by the later of either (i) the timeframe mutually agreed upon between HRA and Contractor or (ii) six (6) months from the commencement date; or fails to pay and retain PA Recipients in accordance with the requirements specified above, HRA in consultation with SBS will notify Contractor in writing, indicating what deficiencies are to be remedied. Within ten (10) calendar days of its receipt of this notice, Contractor shall respond to SBS and HRA in writing, and must include a corrective action plan identifying with specificity the steps Contractor intends to take to remedy any deficiencies identified. HRA will investigate Contractor's compliance with its corrective action plan and shall inform SBS as to the Contractor's performance with its CAP. If the identified deficiencies are not addressed to the satisfaction of HRA and SBS, SBS shall assess the agreed upon liquidated damages based on the calculation in Paragraph G(1) for each day and for each PA Recipient not hired or compensated in accordance with the provisions of this Rider.
1. Daily liquidated damages per PA Recipient will be calculated as the quotient of:

$$\frac{\text{[(current minimum wage as of the commencement date and any subsequent anniversary date) * 20 hours per week * 52 weeks per year]}}{365 \text{ days}}$$
 2. SBS retains the option to require Contractor to directly pay to SBS, or to deduct from any payment due or to become due to Contractor, such amount as may be assessed for liquidated damages.
- H. No later than ten (10) calendar days after the Contract commencement date and, for subsequent years, no later than the subsequent anniversary date of the commencement date of this Contract, Contractor may apply to HRA, for a complete or partial exemption from the requirements of this Rider. Any exemption granted will be effective for one (1) year only. Any application for an exemption must be in the form specified by HRA, accompanied by supporting documentation.
1. Contractor may qualify for a complete exemption if one (1) of the conditions below is demonstrated:
 - a. The annual Contract amount is less than two hundred fifty thousand dollars (\$250,000.00) in annual value of personnel costs, excluding fringe benefits and other-than-personal-services (OTPS);

- b. Contractor's workforce within New York City is less than twenty (20) employees;
 - c. Contractor possesses no vacancies and can demonstrate that no positions are reasonably foreseen to be available within one (1) year of the commencement or anniversary date of this Contract;
 - d. Contractor is a party to a valid collective bargaining agreement covering all of Contractor's entry-level positions and such agreement limits Contractor to a hiring pool which does not include PA Recipients; or
 - e. Complying with the hiring requirements of this Rider in any manner will cause extreme hardship.
2. Contractor may qualify for a partial exemption if one of the conditions below is demonstrated:
- a. The specified number of PA Recipients to be hired exceeds 10% of Contractor's workforce located within New York City; or
 - b. A valid collective bargaining agreement covers some but not all entry-level positions and limits Contractor to a hiring pool which does not include PA Recipients.
3. Beginning with Year 2 of the Contract, Contractor may qualify for either a full or partial exemption from its yearly hiring requirements to the extent that Contractor can demonstrate that it hired the required number of PA Recipients during the previous year and that these hires remain employed by Contractor as of the anniversary date. Contractor shall submit all appropriate documentation when seeking an exemption based on a retained PA Recipient, including, but not limited to: payroll reports, pay stubs, and any other documentation HRA may require.
4. HRA will review Contractor's exemption request and will, in consultation and agreement with SBS, notify Contractor whether its exemption request is approved or denied. If Contractor's request is denied, Contractor shall: (i) within ten (10) calendar days of its receipt of notice from HRA, submit all documentation in accordance with **Section C**; and (ii) within thirty (30) calendar days of its receipt of notice from HRA, submit an implementation plan in accordance with **Section D**.
- I. At the end of each fiscal year, the Contractor Hiring Unit of Business Link will in consultation with SBS, notify Contractor as to whether the hiring requirements were met. Where the Contractor has failed to meet the requirements, Contractor may seek a modification to waive its unmet requirements if Contractor can demonstrate that it has made best efforts to meet the hiring requirements of this Rider. Evidence that Contractor utilized best efforts to meet the hiring requirements of this Rider include, but are not limited to:
1. Contractor contacted Business Link for assistance in identifying potential employees and cooperated with Business Link to identify possible openings within Contractor's organization;
 2. Contractor made efforts to interview PA Recipients for open positions; documentation of these efforts must include at a minimum:

- a. The names, addresses, and telephone numbers for each PA Recipient interviewed, and whether they were referred to Contractor by HRA;
- b. Job description and specifications of the position a PA Recipient was interviewed for; and
- c. An explanation detailing why any PA Recipients interviewed were rejected for that position.

Exhibit 2

FY 15 CONTRACTOR HIRE COMPLIANCE REPORT

NAME	REQUIRED HIRES	ACTUAL HIRES	REDUCTION	NET REQUIRED	SHORTFALL	EXEMPTION/REDUCTI ON	REASON
Vendor 1	147	214	0	147	-67		
Vendor 2	53	114	0	53	-61		
Vendor 3	12	63	0	12	-51		
Vendor 4	17	63	0	17	-46		

[AGENCY] HIRENYC: HUMAN SERVICES COMPLIANCE REPORT 01-Q-FY'15

Vendor	Lead Agency	Required Hires	Actual Hires	Exemption/Reduction Requested	Reason For Exemption/Reduction Request	Exemption/Reduction Request Outcome	Best Efforts Exemption/Reduction Requested	Best Efforts Exemption/Reduction Request Outcome	Net Hires Required	Shortfall	Plan Submitted	Implementation Plan Submitted	Shared Job Vacancy Information (Y/N)	Interviewed Business Link Referrals	Identified PA Recipients Interviewed and Referral Source	Provided Interview Feedback	Hires Shortfall Submitted	Overall Compliance
Vendor 1	ACS	14	0	HO					14	14	Y		Y	Y	Y	Y	Y	Y
Vendor 2	HRA	17	2	REDUCTION	Collective Bargaining Agreement	Approved			2	0	Y		Y	Y	Y	Y	Y	Y
Vendor 3	ACS	4	0	HO					4	4	N		N	N	N	N	N	N
Vendor 4	ACS	25	5	HO					20	20	Y		Y	Y	Y	Y	Y	Y