



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BRAD LANDER

September 15, 2023

Commissioner Adolfo Carrión Jr.  
Department of Housing Preservation and Development  
100 Gold Street  
New York, NY 10038

**Re: Contract No. 20248801671**

Dear Commissioner Carrión,

Thank you for your response to my September 5, 2023 letter regarding the Department of Housing Preservation and Development (HPD)'s contract with Rapid Reliable Testing NY, LLC, commonly known as DocGo.

We acknowledge that the Mayor has the authority to proceed with contracts over the objection of the Comptroller's office, pursuant to the City Charter. Our Bureau of Contract Administration has therefore reflected your decision to proceed with contract number 20248801671 in the City's Financial Management System.

Nonetheless, we continue to have serious concerns about the selection of this vendor and its performance of contract duties. Therefore, my office is immediately commencing an audit of the Department of Housing Preservation and Development's oversight of the operations and invoices incurred by DocGo, Inc. The audit engagement letter is attached. We appreciate your team's prompt cooperation with requests for information and documentation.

The contract with DocGo also raises broader concerns regarding the Adams Administration's utilization of emergency procurement. The City Charter and NYC Procurement Policy Board (PPB) rules allow agencies to enter into contracts quickly to meet the needs of an emergency. However, the emergency procurement process does not absolve agencies of the responsibility to select vendors carefully, attend to cost considerations, and perform vendor oversight throughout the duration of the contract.

As our Bureau of Audits reminded agencies in a [July 3, 2023 memo on containing emergency costs](#), even when using emergency procurement methods, agencies must seek to obtain as much competition in vendor selection as is practicable given the conditions of the emergency. Agencies must ensure that selected vendors have the requisite expertise and wherewithal to perform as required under the contract, and the use of sub-contractors should be pre-approved and appropriately vetted before engaged by vendors. Given the concerns that have already been raised about several DocGo subcontractors by the New York Department of State, I was disappointed to see you minimize the importance of clear procedures for vetting and overseeing subcontractors.

As you are aware, under Section 3-06(c)(2) of the PPB rules, agencies must seek prior approval from the Bureau of Contract Administration as well as the Law Department, provide a written determination to the

Comptroller's Office and the City Council describing the selection of the vendor, contract prices, and services to be performed, and subsequently submit the finalized contract to the Comptroller's Office.

Prior approval represents permission to utilize the emergency procurement method to procure goods or services that can otherwise not be met through normal procurement methods in order to procure those items necessary to mitigate an emergency condition. But it is not a "blank check." It does not preclude further scrutiny by our office of the procurement process, including vendor selection and responsibility determination, cost, and oversight of the procedures and of the basis for the determination of the need for an emergency procurement.

On July 29, 2022, the Comptroller's Office granted the Administration prior approval to utilize emergency procurement to create an Asylum Seeker Service Referral Center and one or more housing facilities, rather than seek specific prior approval for each individual contract. However, it was not intended as a blanket approval of any contract that any agency wishes to enter into.

There remains a clear and demonstrated need for flexibility and urgency as City agencies respond to the continued arrival of thousands of people here each month. However, after 18 months, this is no longer an unexpected situation that merits the broad suspension of due diligence processes to ensure that City funds are being spent wisely and with integrity. Please be advised that my office is currently reviewing whether there is a need to revoke the July 29, 2022 prior approval authorization to ensure agencies follow appropriate emergency procurement procedures on an individual contract basis.

Thank you for HPD's work to promote quality and affordability in the city's housing, and diversity and strength in the city's neighborhoods.

Sincerely,



Brad Lander  
New York City Comptroller

CC:

Deputy Mayor Anne Williams Isom  
Deputy Mayor Maria Torres Springer  
Speaker Adrienne Adams