

# **Procedure to Request Written Consent Under NYC Anti-Nepotism Policy**

Adoption Date: March 15, 2024

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## **I. POLICY**

The purpose of this Procedure is to provide human services Contractors with a standard procedure to request written consent from the Commissioner of the Department of Housing Preservation and Development for any Immediate Family relationship between Employees or between Employees and members of the Board of Directors that would otherwise violate the NYC Anti-Nepotism Policy and anti-nepotism provision found in Section 6.05 of the New York City Human Services Standard Contract.

The NYC Anti-Nepotism Policy is intended to guide Contractors to ensure compliance as described in “NYC Anti-Nepotism Policy and Guidance for Not-for-Profit Contractors of Human Services.”

## **II. DEFINITIONS**

All Capitalized terms in this Procedure are defined in “NYC Anti-Nepotism Policy and Guidance for Not-for-Profit Contractors of Human Services.”

## **III. PROCEDURES FOR CONTRACTORS**

Contractors are required to submit a REQUEST FOR WRITTEN CONSENT to the Commissioner of the Department of Housing Preservation and Development for each instance where an Employee of the Contractor holds a job or position over which a member of their Immediate Family exercises any supervisory, managerial, or other authority, including as a member of the Board of Directors.

This REQUEST FOR WRITTEN CONSENT must be completed whether the relevant familial relationships predate issuance of this procedure or arise later.

This REQUEST FOR WRITTEN CONSENT must be completed by an Authorized Person as defined in “NYC Anti-Nepotism Policy and Guidance for Not-for-Profit Contractors of Human Services.”

### **A. When to Submit:**

1. Contractors that are requesting written consent for an otherwise prohibited relationship shall submit the REQUEST FOR WRITTEN CONSENT within thirty (30) calendar days of:
  - a. The issuance date of this Procedure, if contracts are in effect at the time this Procedure is issued.
  - b. The contract start date, for contracts that are executed any time after the date this Procedure is issued.

- c. The date of any new hires, job transfers, or other workplace changes that require consent due to otherwise prohibited relationships.

**B. How to Submit:**

1. Contractor's Authorized Person shall submit the REQUEST FOR WRITTEN CONSENT, an online form.
2. After the form is submitted, the Contractor will receive a confirmation that a request was submitted. A copy of this confirmation should be retained for the Contractor's records.
3. The Mayor's Office of Contract Services Vendor Integrity Unit (MOCS VIU) may ask for clarification regarding any parts of the REQUEST FOR WRITTEN CONSENT and additional documentation via email.
4. Contractor's Authorized Person is required to submit additional information within the time period requested by MOCS VIU.

**C. During the Review:**

1. All requests for written consent will be reviewed in the order they are received. Incomplete submissions may result in delays.
2. If the Authorized Person changes, MOCS VIU must be notified immediately.
3. The Contractor need not take any other action regarding the Immediate Family members following submission of a REQUEST FOR WRITTEN CONSENT and prior to the Department of Housing Preservation and Development determination.

**D. If Written Consent is Provided:**

1. If written consent is provided, the Commissioner of the Department of Housing Preservation and Development will communicate this decision via a letter, which may include conditions.
2. Contractor should comply with any requirements and retain the letter as proof of compliance with their contracts with the Department of Housing Preservation and Development.

**E. If Request for Written Consent is Denied:**

1. If a request for written consent is denied, the Department of Housing Preservation and Development will communicate this decision in writing.
2. The Contractor will have 30 calendar days from the date of the agency's communication to remediate the employment relationship that has been determined to violate Section 6.05 of the New York City Human Services Standard Contract and submit a statement of compliance to the Department of Housing Preservation and Development indicating how the contract violation was remediated.
  - a. Remediation may include transferring or dismissing one of the Immediate Family members from their current position, to ensure no Employee of the

Contractor holds a job or position over which a member of his or her Immediate Family exercises any supervisory, managerial, or other authority, including as a member of the Board of Directors.

3. If the contract violation is not remediated, the Contractor will be out of compliance with their contract, and the Department of Housing Preservation and Development reserves the right to exercise penalties referenced in the Department of Housing Preservation and Development “NYC Anti-Nepotism Policy and Guidance for Not-for-Profit Contractors of Human Services.”

#### **F. Reasons Agency May Deny Written Consent**

The Commissioner of the Department of Housing Preservation and Development may deny requests for written consent based on, but not limited to, the following reasons:

1. Contractor has failed to implement a written anti-nepotism policy with clear disclosure requirements after agency direction to do so.
2. Employee or Director with Immediate Family relationship has direct access to view, edit, change, and/or amend payroll/payroll decisions.
3. Employee or Director with Immediate Family relationship has access to Contractor’s bank account(s) or accounting records.
4. Employee or Director with Immediate Family relationship approves disbursements, third party agreements, payroll processing, and/or changes in employment.
5. Employee or Director with Immediate Family relationship is a Key Person and one of the Immediate Family members received a significant pay increase or receives a salary that raises questions of reasonableness.
6. An Immediate Family relationship was not disclosed to the board or the agency when known to one or more Authorized Persons.

#### **G. Statement of Compliance Submission:**

In the event a REQUEST FOR WRITTEN CONSENT is denied or that written consent is provided with conditions, Contractors must submit a statement of compliance to the Department of Housing Preservation and Development.

1. Contractor’s Authorized Person must email a statement of compliance to [HPDProcurements@hpd.nyc.gov](mailto:HPDProcurements@hpd.nyc.gov).
  - a. The statement of compliance must include certification by an Authorized Person of the actions the Contractor took to re-establish compliance with the Human Services Standard Contract Section 6.05. The statement of compliance should include an explanation and documentation of how the contract violation was remediated, dates of the Contractor’s specific actions, and any other reports requested by the agency.
  - b. the Department of Housing Preservation and Development has full discretion to determine whether the actions the Contractor took to comply with the New York City Human Services Standard Contract are sufficient.

2. the Department of Housing Preservation and Development will confirm receipt and may contact the Contractor directly for clarification or additional information.