



**Chief Diversity Officer,
Public Pension System
Investments, and
Corruption and Conflicts
of Interest**

CHIEF DIVERSITY OFFICER

How It Is Now

- In 2005, the Mayor created the Minority and Women-Owned Business Enterprise (M/WBE) program to promote contracting opportunities for minority and women-owned businesses.
- The city aims to award a certain percentage of contracts to M/WBE—for example, there's an annual goal for the city to award 8% of its construction contracts to black-owned businesses.
- In recent years, the city has not been reaching these goals.
- In 2018, the city established the Office of Diversity and Inclusion - and a Chief of the Office - within the Department of Citywide Administrative Services (DCAS).

Why Should You Care?

- Some argue that in order to fully meet the Mayor's M/WBE goals, and to increase the diversity of city employees, structural reforms are necessary.

Proposals

- Establish a Chief Diversity Officer within the Office of the Mayor and a Chief Diversity Officer within each agency to oversee the M/WBE program(s) and increase diversity within the city's workforce.

PUBLIC PENSION SYSTEM INVESTMENTS

How It Is Now

- NYC has five public employee pension plans that together cover more than 250,000 retirees and more than 350,000 current city employees. Their total value is approximately \$195 billion.
- Each pension plan has a separate board of trustees tasked with overseeing investment strategies. Each board has a different membership organization and votes, required by law. The pension funds' portfolios are managed predominately by external investment managers.

Why Should You Care?

- Some argue that having five separate boards may be an inefficient governance method.
- Generally, there are concerns that the current model isn't facilitating the best long-term performance.

Proposals



- Create an independent body to manage investment of pension funds.
- Consolidate the five pension boards into a single pension board that oversees all five pension systems.
- Compensate the city's pension managers based on performance, instead of the current flat fee.

CORRUPTION AND CONFLICTS OF INTEREST

How It Is Now

- There are Charter provisions that address corruption and conflicts of interest, the Conflicts of Interest Board (COIB), and lobbying by former public servants.

CORRUPTION & CONFLICTS OF INTEREST CURRENT LAW

FORMER PUBLIC SERVANTS	May not lobby a City agency that employed them for one year following the end of their service.	
CONFLICT OF INTEREST BOARD	Enforces certain ethics laws and rules concerning the city's public servants. The Mayor designates the COIB Chair and appoints members with the Council's advice and consent.	

CHARTER
2019 NYC

Why Should You Care?

- Standards against corruption, and making sure those standards are upheld, can help ensure that agency commissioners and employees are operating in the best interest of the public, and not for political or monetary gain.

What Experts and Advocates are Proposing

- In order to create more independence for COIB, government entities besides the Mayor might appoint Board members.
- Some proposals recommend increasing the gap between when a former public servant leaves office and may lobby an agency that previously employed them.