

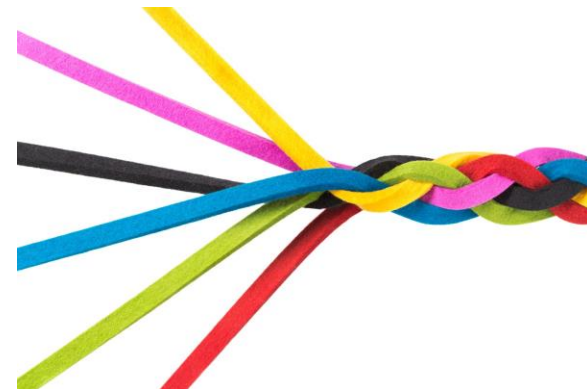
How Government Contracts Impact My Work



Gloria Kim, Senior Policy Analyst
July 2021

Community Agreements

- **Share** your questions. We will have time for questions after each section!
- **Speak** from your own experience.
- **Respect** confidentiality.
- **Spell** it out and avoid acronyms.



Introductions

Please put into the chat: your name, organization, and what's one thing that you're looking forward to this weekend.

Human Services Council

Mission statement:

HSC strengthens New York's nonprofit human services sector, ensuring New Yorkers from all walks of life, across diverse neighborhoods, cultures, and generations reach their full potential.

Organizing Academy

- **What is it?**
 - New training program designed to build key skills and knowledge to engage in HSC's advocacy efforts
- **Why now?**
 - Shifting political landscape at City and State
 - New pro-active, more intentional approach to advocacy
- **What is the goal?**
 - Build capacity of staff to engage in advocacy efforts
 - Build collective power and influence of the human service sector
 - Maximize impact of HSC's advocacy campaigns

Agenda

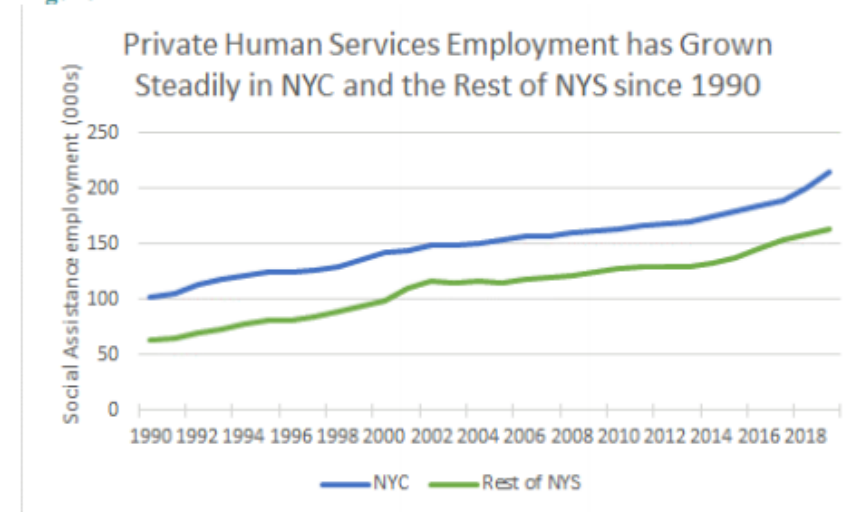
- **Procurement**
 - What is procurement?
 - What is the procurement process?
 - How are services procured?
 - What are the contents of an RFP?
 - How are services paid for?
 - What happens after an RFP is released?
- **Procurement issues**
 - What procurement issues does the sector face?
 - Delays in payment
 - Delays in registration
 - More issues
- **Contracting during COVID-19**
 - Government's response
 - Taskforce recommendations
- **Advocacy**
 - Workforce campaign
 - Upcoming workshops

Procurement

What is procurement?

- **Contracting** with external vendors to deliver goods or services.

Figure 1



Source: NYS Dept. of Labor, Current Employment Statistics. The series above ends in 2019.

What is the procurement process?

Figure 6: Simplified Procurement Process



How are services procured?

- Concept paper
- Request for information
- Request for comment
- Request for proposal (RFP) or Competitive sealed proposal



What are the contents of an RFP?

- Basic information
- Program background
- Scope of work
- Payment structure
- Basis for contract award and procedures
- Proposal budget instructions
- Instructions for responding to the RFP



How are services paid for?

- Performance-based contract
- Cost-based contract
- Hybrid contract



What happens after an RFP is released?

- Pre-proposal conference
- Vendors submit proposals
- Evaluation of bids
- Agency selects vendor
- Contract negotiation
- Contract review by oversight entities
- Comptroller registration
- Contract begins





Discretionary funding

- Discretionary funding is a duly appropriated sum of money in the City's expense budget allocated to an eligible not-for-profit organization by the Council or a Member of the Council.
- For more information:
 - [NYC Nonprofits City Council Discretionary Funding](#)
 - [Discretionary Funding Policies and Procedures](#)
 - City Council Discretionary Unit discretionary@council.nyc.gov.

Contracting During COVID-19

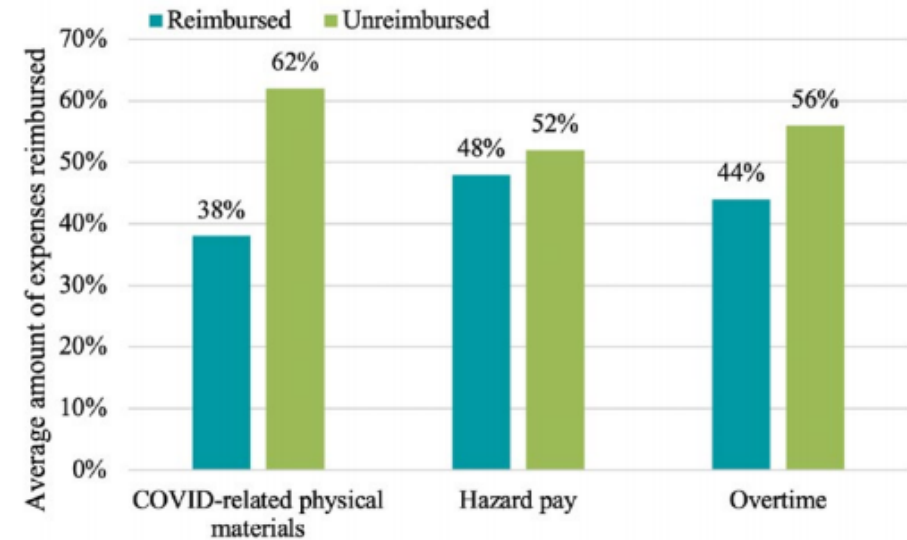
Question for the audience: Please put your answer in the chat

Describe your experience during COVID-19. What issues did you face while serving your communities?

Government often failed to reimburse for PPE, IT, and other physical protections needed to ensure staff safety and operations continuity.

- Nonprofits overwhelmingly had to turn to philanthropy (79%) and/or draw down their general operating funds (69%) to **pay for items** essential to maintaining operations and **keeping their workforce safe** during COVID-19.

Provider expense categories reported as reimbursed by government



Procurement Issues

Question for the audience

Please put your answer in the chat.



Describe an experience when you felt restricted in how you developed and implemented a program due to contract requirements.

What procurement issues does the sector face?

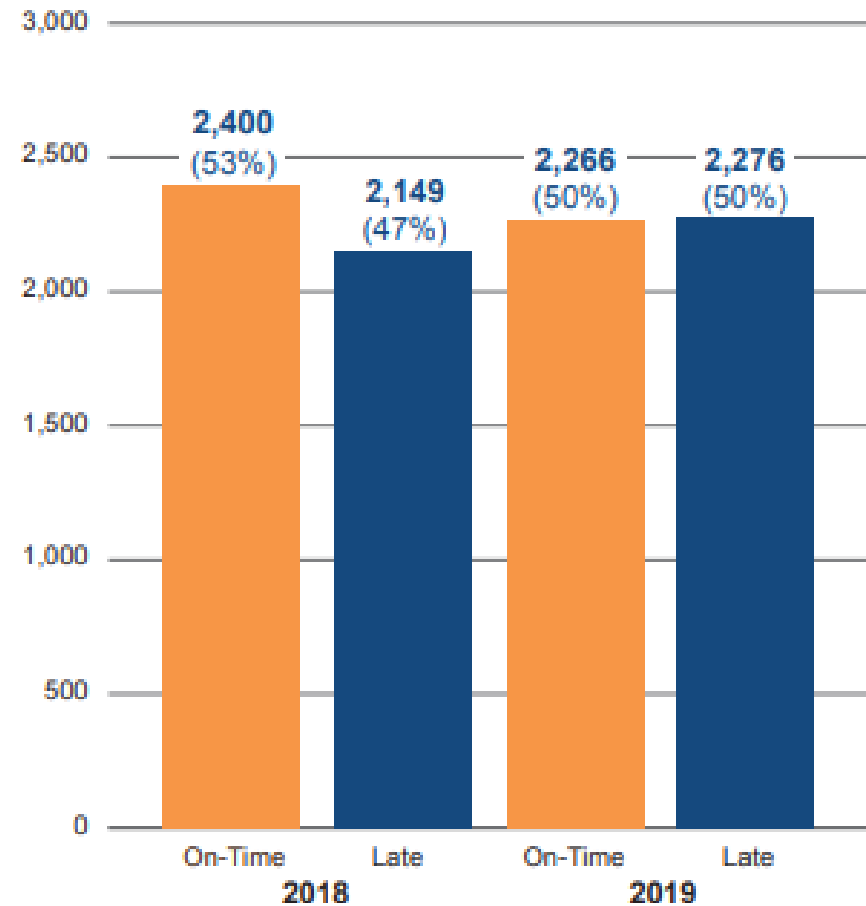
- **Lack of collaboration between government and nonprofits in program design, delivery and funding.**
 - Program design
 - Example: ACS Prevention Services RFP
 - Government payment rates
 - Example: DHS Safe Havens RFP
 - Workforce salary
 - Example: DFTA Older Adult Centers and Naturally Occurring Retirement Communities Supportive Service Programs RFP
 - Indirect rates
 - Example: OCFS Empire State After-School Program RFP
 - Cost escalators
 - Example: DOC Targeted Approach to Jail-Based Programs and Services RFP



Delays in registration

- [Report by NYS Comptroller](#) for CY2019 found 50% of the contracts in 2019 between Not-for-Profit (NFP) organizations and the State were not processed until after the contract start date.

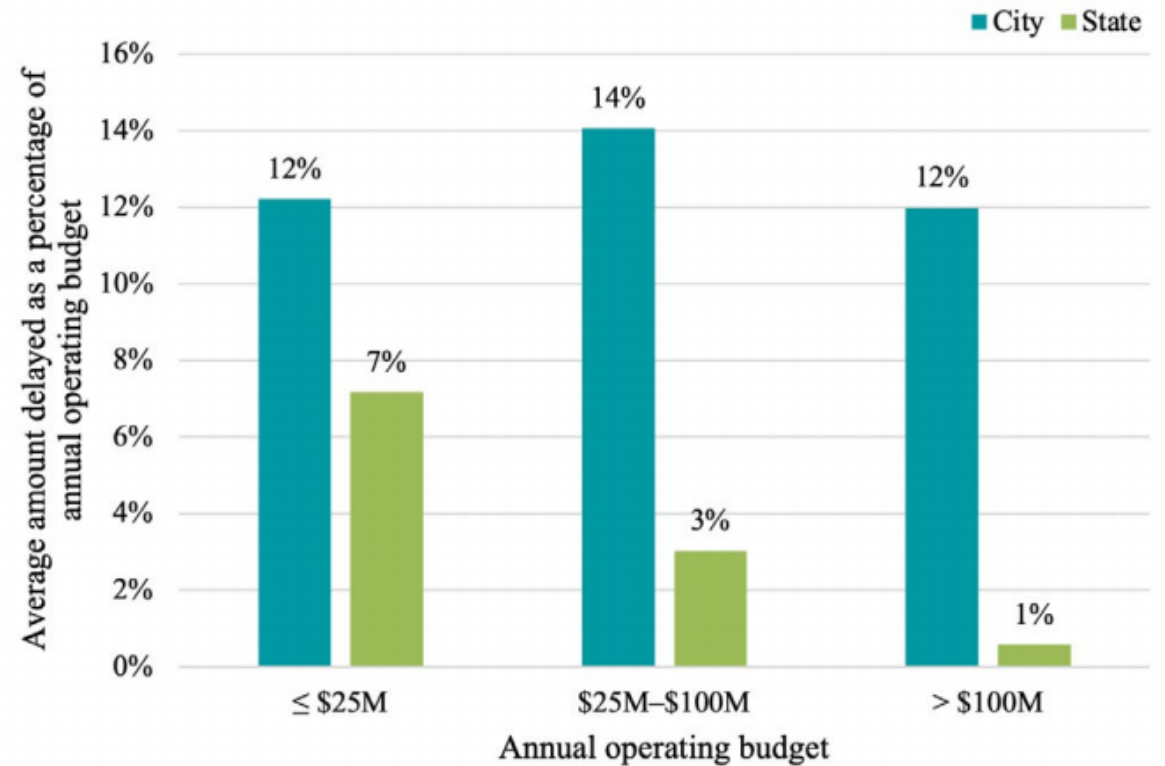
**Late Contracts and On-Time Contracts
2018 & 2019**



Delays in payment

- The average value of payments delayed in the last year from the City to organizations was \$8,025,000 (an average of 13% of annual operating budgets) compared to \$998,000 by the State (an average of 4% of budgets).

Average delayed payments from the City and State as a percentage of organizations' annual operating budgets, broken out by budget range



More issues...

- Unspent funds
- **Unfunded** mandates
- Technology infrastructure
- Audits



Advocacy

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Taskforce Recommendations

1. Emergency response & recovery
2. Recognize union peace agreement/prevaling wage bills are an added “wrinkle” in this conversation
3. Pay fully and on time
4. Procurement commission
5. Workforce investments

Procurement Commission

- Focus on **clients and outcomes**.
- Encourage **continuity and competition**.
- Guarantee timely payments that **cover the full cost of services**.
- Create **consistency and transparency**.
- Support **racial and social equity**.



Workforce Campaign

- **What is it?**
 - HSC's primary campaign to achieve pay equity for human services sector at the City AND State
- **Why now?**
 - Sector is now armed with key data from HSC Taskforce Report published in June 2021
 - Report offers key recommendations for government to enact to invest in the sector and workforce
- **What is the goal?**
 - Establish wage floor
 - Establish wage schedule
 - Establish annual COLA

Upcoming workshops from the Organizing Academy

• August

- 8/5 @2:00pm: [How to Engage the Media](#)
 - **Audience:** Executive Directors, Policy/Government Relations Staff, Communications Staff, Directors/Managers
- 8/12 @2:00pm: [When and How to Engage in Direct Action](#)
 - **Audience:** Executive Directors, Policy/Government Relations Staff, Communications Staff, Directors/Managers

• September

- 9/9 @2:00pm: How to use Social Media for Advocacy
 - **Audience:** Executive Directors, Policy/Government Relations Staff, Communications Staff, Directors/Managers

Additional resources

- [Essential or Expendable?](#) How Human Services Supported Communities Through COVID-19 and Recommendations to Support an Equitable Recovery
- [2019 Calendar Year](#) Not-For-Profit Prompt Contracting Annual Report
- [NYC Nonprofits](#) contracting basics
- [NYC Mayor's Office of Contract Services](#) website
- [The Guide to Collaborative Communication](#) with Human Services Providers
- [The Guide to Performance-Based Contracting](#) For Human Services Contracts

Questions?

Please put your **questions** in the Q&A box.

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Thank you!

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