



ACTION MEMO

A Better Contract for New York: A Joint Task Force to Get Nonprofits Paid On Time

February 2022



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Letter from the Task Force's Co-chairs

Dear New Yorkers,

We are delighted to submit this Action Memo to Mayor Adams and Comptroller Lander on behalf of the Joint Task Force to Get Nonprofits Paid On Time.

As a former nonprofit executive director of a small arts organization and current Chief Impact and Strategy Officer at the United Way of NYC, and a former policy and budget director at the New York City Council, we know all too well the challenges that human services nonprofit organizations face when doing business with the City. We also know that the overwhelming majority of nonprofit organizations serve in the best interest of the City and the New Yorkers that they serve. We saw this endless commitment at the height of the pandemic when nonprofit workers showed up to make sure that residents were fed, housed, and had their most fundamental needs met when our City was in crisis. They were there for us and we need to be there for them.

We are confident that the renewed commitment of Mayor Adams and Comptroller Lander to advance these substantial reforms—and get nonprofits paid on time—will pave the way for a stronger future for our City and the work we all do together. We know that with a sense of shared accountability, greater transparency, and the right leadership and management structures we can implement the recommendations set forth in this action memo to solve these problems once and for all.

Thank you for engaging in this work and sharing in our commitment to strengthen the nonprofit sector and continue to enrich the lives of New Yorkers.

Sincerely,



Amy Sananman and Annie Levers, Task Force Co-Chairs

Acknowledgements

We are endlessly grateful to the Task Force members who volunteered their time to contribute to this work and the many more committed public servants and nonprofit staff who participated in the focus groups and helped shape our final recommendations.

Thank you to Bennett Midland and Jeremy Cherson who provided staff level support to manage our Task Force meetings, lead the research, and help with the drafting of this report.

And lastly, thank you to the nonprofit sector that shows up day in and day out to serve New Yorkers. We are indebted to you.

Task Force Members

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Executive Summary

Nonprofit human services organizations provide essential services to millions of New Yorkers each year. They care for our children, our seniors, and our fellow New Yorkers by providing critical social services. They operate our shelters, childcare centers, afterschool programs, and food pantries, and most recently they have heeded the call to help keep our streets safe by partnering with our communities and law enforcement to reduce gun violence.

Nonprofit human service workers stepped up in unprecedented ways during the COVID-19 pandemic, working tirelessly to provide a safety net for New Yorkers—often putting their own lives at risk. They distributed millions of meals to those experiencing food insecurity, provided emergency shelter placements to houseless New Yorkers, created safety for domestic violence survivors, and ensured that our communities had their most fundamental needs met during a time of global crisis.

For years, the City's onerous and slow procurement process has created considerable registration delays that hinder nonprofits' ability to get paid on time and meet their obligations. In Fiscal Year 2022, over three-quarters of the City's contracts with nonprofit organizations were registered after the start date.¹ As a result, nonprofits were forced to take out loans and incurred substantial costs to keep their organizations afloat, putting themselves—and the New Yorkers that they serve—at risk.

Committed to making substantial reforms and working collaboratively to prioritize and address these challenges, Mayor Adams and Comptroller Lander co-convened "A Better Contract for New York: A Joint Task Force to Get Nonprofits Paid On Time" as a part of their Administrations' transition processes—signaling an urgency by leaders at the highest levels of city government.

The Task Force developed five recommendations to reform the City's procurement process and ensure that nonprofits are paid on time, in full, and with certainty so they can keep doing their jobs of meeting the needs of New Yorkers. The Task Force recommends that the City:

1. Create new processes and routines to hold City stakeholders accountable for timely procurement and contracting procedures and make information about the process transparent to nonprofit providers and the public.
2. Establish new processes to streamline and modernize the procurement and contracting process to reduce inefficiencies and delays.
3. Increase fairness and equity by reducing costs incurred by nonprofits when contracting with the City.
4. Establish leadership and management practices at the highest levels of city government to demonstrate a renewed commitment to timely nonprofit contracting and registration.
5. Strengthen the capacity of nonprofit organizations' administrative and contracting capabilities and enhance the skills of the City's contracting workforce.

Background

The City of New York (City) depends heavily and directly on nonprofit organizations to provide essential services to New Yorkers. They care for our children, our seniors, and our fellow New Yorkers by providing critical social services. Never has the City relied more on the nonprofit sector than it has in the past several years. Nonprofits helped usher the City through the darkest days of the pandemic. They distributed tens of thousands of meals to those experiencing food insecurity, provided emergency shelter placements to houseless New Yorkers, created safety for domestic violence survivors, and ensured that our communities had their most fundamental needs met during a time of global crisis.

Despite these efforts, nonprofits face substantial financial burdens when doing business with the City and have few mechanisms to hold the City accountable. The City's historically onerous and slow procurement process has created considerable contract registration delays that hinder nonprofits' ability to get paid on time. In Fiscal Year 2022, over three-quarters of the City's contracts with nonprofit organizations were registered after the start date² resulting in delayed payments that represent a significant portion of nonprofits' annual budgets. As a result, nonprofits are forced to take out loans and incur substantial costs to keep themselves afloat.

Given the size of city government and its reliance on nonprofits to deliver critical services, the scale of human services contracting is massive. Last year, the City procured \$30.4 billion in goods and services, with \$12 billion—40 percent—in human services alone.³ The nonprofit sector is a substantial part of the City's economy, employing over 500,000 people, a majority of whom are women and people of color.⁴ These nonprofit workers are paid less than their private or public sector counterparts, raising important concerns of equity and fairness.⁵

Description of the Task Force

Despite repeated efforts at reform, the timeliness of nonprofit contract registration and payments have continued to worsen in recent years.⁶ Mayor Eric Adams and Comptroller Brad Lander set out to change this trajectory for the nonprofit sector. Committed to making substantial reforms early on in their administrations and working collaboratively to address these challenges, Mayor Adams and Comptroller Lander announced the establishment of the Task Force on Nonprofit Contracting (“Task Force”) convened as a part of the transition process. Composed of nonprofit leaders, city agencies, oversight agencies, and funders, the Task Force was charged with developing actionable recommendations for each administration to implement.

The Task Force met three times between December 1, 2021 and January 31, 2022 to take stock of the current state of nonprofit contracting, identify opportunities for reform, and to surface the most promising and actionable recommendations. The Task Force engaged in a discovery process involving focus groups and interviews with Task Force members and other key stakeholders with direct experience with the City’s contracting process. In total, 12 focus groups were convened involving 35 organizations, including two health and human service agencies, three oversight agencies, three funder organizations, and 27 direct service providers and affiliate organizations that represent a diversity of services, organization sizes, and leadership.

Findings

Findings from the discovery process emerged across five key issues: (i) accountability and transparency; (ii) efficiency and streamlining; (iii) fairness and equity, (iv) leadership and management practices; and (v) capacity building. The findings are outlined in detail below.

Accountability and Transparency

1. **There are no timeframes to guide the City's procurement process.** Without having any parameters or expected timeframes, it is difficult for nonprofit providers to hold city agencies accountable for delays. Aside from the 30-day review period that is mandated for the Comptroller once contracts have been submitted for registration, city agencies involved in the procurement process are not subjected to any explicit timeframes, making it difficult for nonprofit providers to estimate the time to contract registration, properly plan for the implementation of services, and hold the City and themselves accountable.
2. **The City's performance indicators regarding procurement and contracting are insufficient.** Procurement indicators made publicly available through the Mayor's Office of Contract Services' Indicators Report are incomplete, and do not include nuanced metrics regarding timeliness or factor in the qualitative variation in contracting portfolios across city agencies (e.g., volume of contracts and contract type).⁷ A performance measurement system—with a comprehensive set of performance indicators—is needed to inform internal management practices and provide the public with full transparency of the procurement process.

Efficiency and Streamlining

3. **The implementation of PASSPort—the City's digital procurement management tool—has helped to streamline aspects of the procurement process, but additional functionality, training, and integration is needed.** PASSPort is far more advanced technologically and affords the City's contracting staff and nonprofit providers with a variety of efficiency improvements not available in prior procurement management systems. However, additional system enhancements are needed to ensure full integration and system-wide use. Contracting staff at city agencies still rely on legacy systems, requiring them to enter contract information into multiple systems, creating inefficiencies and delays. Others such as the Department of Education (DOE) only partially use PASSPort, or in the case of the Comptroller's Office, have not adopted the system at all. This patchwork of applications creates inefficiencies for nonprofit partners that are often asked to provide the same documentation to multiple City partners.

4. **The reliance on contract amendments to expand or modify initiatives creates bottlenecks that further compound delays.** Only one amendment can be executed at a time and cannot be approved if the base contract is pending. In addition, amendments with budget modifications of more than 10 percent require approval from the Office of Management and Budget (OMB). The City requires an amendment for routine cost increases such as COLAs or modifications to indirect cost rates, even when these increases are anticipated from one year to the next. These issues collectively compound delays and create workload issues for an already overburdened system.
5. **Despite their size and relative simplicity, discretionary awards are notoriously delayed.** Each year, the New York City Council awards discretionary funds to nonprofit organizations to meet local needs. The allocation of discretionary funding is determined at the end of each fiscal year directly before budget adoption. Discretionary awards are therefore inherently retroactive, awarded on the day that they are expected to begin, without providing up-front time for the contracting and registration process. Some Council awards are not allocated until even later in the fiscal year, long after budget adoption. The nature of the discretionary awards is such that they are typically renewed from one year to the next, and while some can include large funding amounts, most do not. Nonetheless, discretionary awards are subjected to the same review and approval process, but without the same level of importance, which creates an environment that deprioritizes these contracts and further delays their registration.
6. **Procurement and contracting requirements vary by agency—and in some instances by individual—making it difficult for nonprofit providers to understand and navigate the process.** Despite the use of a standardized health and human services contract template, procurement practices differ from one agency to the next. Documentation requests and templates vary across agencies, creating a lack of certainty and frustration among providers. These inconsistent practices result in delays as contracting agencies and nonprofit providers sort out what information and documentation is needed for a given contract.

Equity and Fairness

7. **Nonprofit organizations incur considerable costs when contracting with the City.** Delays in registration and payment often lead nonprofits to take out private loans to fund operating costs and meet payroll while they work at risk. The interest from these loans is not reimbursable, creating financial burdens for nonprofits that are already operating with limited resources. The financial implications of these delays came into stark focus during the height of the COVID-19 pandemic when nonprofits were stepping up to provide critical services in new ways. According to a survey commissioned by the Human Services Council, 46% of nonprofit organizations reported that they were forced to take out loans or draw on a line of credit during the pandemic. The average annual cost of interest on interest-bearing loans was reportedly \$223,000.⁸

The City's efforts to provide financial resources to help nonprofits alleviate cash flow concerns, while well-intentioned, fall short. The loan program administered by the Fund for the City of New York is not sufficiently funded relative to the need and only allows for loans to be provided when a contract is pending registration at the Comptroller's Office, the final stage of an often months- or year-long process. Similarly, the policy around advances does not address all cash flow needs since advances are only allowed on registered contracts.

8. **Smaller community-based organizations are less resourced to meet the complex requirements involved in competing for contracts and navigating the bureaucratic challenges involved in the contract registration process.** While some larger nonprofit organizations invest in methods to manage delays by taking out loans, hiring lobbyists and consultants, and increasing the size of their administrative staff, smaller—often BIPOC-led community-based organizations—do not have the resources or administrative bandwidth to navigate the City's bureaucracy and are precluded from competing for contracts, further exacerbating issues of access and equity.

Leadership and Management Practices

9. **There is no official and empowered procurement executive for the City of New York to coordinate and plan procurement activities.** While the City establishes a Chief Procurement Officer who is also the Director of the Mayor's Office of Contract Services (MOCS), this role is not empowered to resolve systemic contracting issues experienced by human services nonprofits, including unraveling and moving bottlenecks within oversight agencies, forging alignment across contracting agencies, and planning and coordinating priority initiatives. The newly enacted legislation to create the Mayor's Office for Nonprofits presents an opportunity to build this coordination and leadership function at the highest levels of city government.
10. **Despite being relied on to deliver critical services on behalf of the City, nonprofit providers do not always feel valued as allied partners.** Nonprofit organizations are asked to deliver critical services to millions of New Yorkers each year, but are not often brought into the process early on to help determine what services are most needed. Nonprofits know their communities best, understand and witness need, and could contribute greatly to the design of new programs. In addition, once awarded a contract, nonprofits experience a lack of trust by the City when engaging in contracting matters and perceive contracting agencies as overly cautious in carrying out their oversight functions, despite nonprofits overwhelmingly acting as responsible stewards of city funds.

Capacity Building

11. **Nonprofits are not provided with sufficient training or resources to meet the complex requirements involved in the City's contracting process.** The contract registration, financial reconciliation, and auditing processes required of nonprofits alone account for a significant portion of executive leadership's time and require significant investment in systems, tools, and staff time. Oftentimes, nonprofits do not have the resources required to effectively carry out these administrative functions. Unlike the private sector where resources are offered through the Department of Small Business Services, there are few resources to help nonprofits build this capacity and navigate these bureaucratic processes.

12. **There is insufficient professional development for Agency Chief Contracting Officers (ACCOs) who play a critical role in the procurement process and require specialized skills and training.** There is rarely a pipeline of staff from the City's oversight agencies who become ACCOs and few public policy or public administration programs provide training or highlight the importance of the procurement process in helping residents and improving access to services. Training and professional development opportunities also vary by agency, creating differences in ways of working across city agencies and inconsistent retention practices.

Recommendations

This section outlines the recommendations that surfaced from the Task Force's work and are guided by the findings described in the previous section. The recommendations are organized around the same five key issue areas: (i) accountability and transparency, (ii) efficiency and streamlining, (iii) fairness and equity, (iv) leadership and management practices, (v) and capacity building, and include a goal by which impact can be assessed. A chart outlining each recommendation, responsible party, and the implementation timeframe is included in the Appendix.

Accountability and Transparency

Goal: Create new processes and routines to hold City stakeholders accountable for timely procurement and to make information about the process transparent to nonprofit providers and the public.

1. **Establish timeframes for each stage of the procurement and contracting process.** Timeframes should be established for each stage of the procurement and contracting process to hold contracting agencies, oversight agencies, and nonprofits accountable for delays. In the event that timeframes are not effective at holding stakeholders accountable, the City should implement other accountability measures to maintain strict adherence to an efficient procurement process.
2. **Establish and publish a set of key performance indicators (KPIs) to assess citywide and agency-specific performance.** Informed by the timeframes for each stage of the process (described above), key performance indicators should be developed and published in real time to drive accountability and transparency. KPIs should include metrics related to timely procurement, timely payments, the reliance on advances and loans, and should also factor in qualitative differences in contract types and monetary values. The City should also determine how each KPI will be measured, ensuring that the data is captured in PASSPort. A plan for collecting, verifying, and validating the data should also be developed.
3. **Create a performance management system including "Contract-stat" to hold agencies accountable and collectively engage in a process of continuous improvement.** Performance management is widely accepted by the public and private sectors as an organizational best practice for building data into decision-making and communicating progress.⁹ "Compstat" is one of the most widely recognized performance management systems in government, lauded in the field of policing as a highly effective management tool for reducing crime.¹⁰

Modeled after this system, the City should create “Contract-stat”—a system of performance management that involves a routine meeting of senior representatives from city agencies, oversight agencies, the Comptroller’s Office, City Council, and nonprofit providers—where data relevant to the procurement process is discussed and analyzed. Stakeholders involved in Contract-stat must recognize that it is more than just a meeting; it is a performance management system that empowers the contracting workforce and City leaders to continuously focus on reviewing and analyzing performance metrics to identify problems and develop solutions.

4. **Develop the functionality to allow providers to track the status of their contracts.** The City should enhance the functionality that exists within the milestone tracker in PASSPort to allow providers to see the status of their contract(s). This level of transparency will provide visibility into how long a contract has been at a certain stage, and allow for proper planning.

Efficiency and Streamlining

Goal: Establish new processes to streamline and modernize the procurement and contracting process to reduce inefficiencies and delays.

5. **Conduct a comprehensive assessment of the procurement and contracting process to streamline and modernize the process.** The PPB Rules were established decades ago and have not undergone significant revisions other than to add new provisions. The rules are complex and in some instances arcane (e.g., the reliance on in-person public hearings, posting notice of a new solicitation in the City Record). The PPB Rules are not consistent with common practices used in the 21st century such as leveraging technology. The City should conduct a comprehensive assessment of the procurement process, and the PPB Rules in particular, using the principles of Lean Six Sigma to root out unnecessarily complex or inefficient practices and modernize the procurement process.
6. **Fully fund and invest in further system enhancements to PASSPort to allow for full integration and use across the City.** The City has made significant strides in streamlining the procurement process with the implementation of PASSPort. The City should fully invest in the system and ensure complete integration and use of the tool. Specific recommendations include:
 - Implementation by the Comptroller’s Office;
 - Broader adoption by the DOE;
 - Feeding data from agency legacy systems into PASSPort to avoid duplication of data entry and use of multiple systems; and
 - Expanded training of the City’s contract workforce and nonprofit staff on use of the tool to build proficiency.

7. **Standardize documentation templates across human services agencies.** The City should create a consistent set of templates for all documentation requirements when contracting for health and human services across city agencies. These templates will create certainty for providers and therefore reduce the need for multiple exchanges between the nonprofit organizations and the contracting agency, which cause delays and frustration. The standardized template should be downloadable and easily accessible from a City website.
8. **Engage the City Council to identify opportunities to streamline the procurement process for discretionary awards.** The City and the City Council should explore new contracting mechanisms for discretionary awards for low monetary value contracts and contracts that are renewed each year. One potential path forward to explore is whether a first tranche of discretionary funding could be issued earlier in the budget process or if some aspects of the contract review process could be initiated prior to an appropriation, including possibly including renewal clauses in contracts.
9. **Review the standard human services contract to identify opportunities to make it easier to do business with the City.** The City's standard human services contract was developed nearly a decade ago and has not been revised since 2017.¹¹ Furthermore, "Appendix A," which includes the terms of the agreement, has not undergone a full review with sector feedback. Both the standard contract template and Appendix A contain clauses that were identified in 2017 as opportunities for better alignment with operating realities and reduced administrative challenges for nonprofit contractors. Reconvening the sector for a full-scale review could provide opportunities for meaningful reforms. As the City continues to prioritize opportunities for smaller, grassroots organizations, consideration should be given to how and whether to streamline the terms in the standard human services contract to accommodate the needs of these organizations.

Equity and Fairness

Goal: Reduce the costs incurred by nonprofit organizations when contracting with the City and promote equity and access in the contracting process.

10. **Expand access to and financing available through the Returnable Grant Fund administered by the Fund for the City of New York.** The Returnable Grant Fund plays a vital role in keeping nonprofit organizations afloat as they reach the end of the procurement process. The City should fully fund the loan program to meet demand and expand eligibility. The loan program's eligibility should be expanded to allow for nonprofits to seek loans earlier in the procurement process. Loans are only granted when a contract is pending registration at the Comptroller's Office, typically 30 days prior to registration and well after most nonprofits have begun working at risk. Recognizing that the vast majority of contracts that are awarded end up getting registered, the City would not inherit considerable risk if bridge loans were granted further upstream in the process.

11. **Explore the feasibility of reimbursing interest on private loans borrowed to cover operating expenses for unregistered, retroactive contracts.** Nonprofits often seek out private loans to cover operating expenses while their contracts are pending registration with the City. To lessen the financial burden of contracting with the City, officials should reimburse interest incurred from these loans. One method could involve adding contingency funding to human services contracts that allows for interest costs to be reimbursed on top of the base value of the contract. In addition to other considerations, interest reimbursements should only be permitted when contractors are not eligible to receive a loan from the Returnable Grant Fund, and are operating at risk.
12. **Commit to maintain the indirect cost rate initiative to fully fund organizations' indirect cost rates and deliver on the City's promise to increase funding to nonprofits and human service providers.** The City's commitment to increase indirect cost rates for nonprofits was a ground-breaking initiative thwarted by the COVID-19 pandemic. Despite the City's inability to deliver on its promise, human service providers worked relentlessly to support residents during the pandemic. Now, as the City's recovery has begun in earnest, officials should ensure that funding for the ICRs is maintained and sustained over time, and that any backlogged ICR amendments are registered.
13. **Create contingency funding in human services contracts to reduce the need for amendments in connection with known escalating costs.** Certain anticipated budgetary increases such as COLAs, changes in indirect cost rates, and new funding initiatives trigger the amendment process, which are a considerable source of delay. The City should modify the human services contract and create a contingency funding provision so that such increases can be approved without having to undergo a contractual change.

Leadership and Management Practices

Goal: Establish leadership and management practices at the highest levels of City government and demonstrate a renewed commitment to timely nonprofit contracting and registration.

14. **Create a plan and commit publicly to clearing the backlog of unregistered retroactive contracts and amendments, including Indirect Cost Rate amendments.** The Mayor's and Comptroller's Offices should work directly with City agency procurement teams and oversight agencies to create an actionable and efficient plan for clearing the existing backlog. Prioritization should be given to contracts and amendments with larger budgets to ensure that nonprofits who are owed considerable funds can begin invoicing as expeditiously as possible.

15. Establish the Mayor’s Office for Nonprofits to advance citywide human services procurement priorities and recommendations from this Task Force.

The recent enactment of [Intro 1784-2019](#) sponsored by Councilperson Farah Louis created the Mayor’s Office for Nonprofits to build dedicated capacity to support nonprofits on issues related to contracting and other priority areas. This effort provides a significant opportunity to design and build this office around the findings surfaced by the Task Force and in a way that positions the office to both have the authority to oversee the implementation of the recommendations outlined here and serve as the coordinating body responsible for managing the various City stakeholders involved in procurement and contracting and liaising with the nonprofit sector.

16. Shift the oversight functions of the Comptroller’s Office toward a risk-based approach, auditing a small number of contracts post-award that raise legitimate concerns of waste, fraud, or corruption.

The Comptroller plays a critical role in the contract registration process, closely examining each contract to make sure that corruption has not tainted the award process or the vendor. Yet so much of the corruption, fraud, and abuse that we see among City contractors occurs during the administration of the contract, long after the contract has been reviewed and registered. By shifting its focus toward post-award audits, the Comptroller’s Office will help speed the contract registration process for the vast majority of nonprofit actors with a strong record of responsible contract administration. Through such post-award audits, the Comptroller’s Office will target a small number of vendors that raise legitimate concerns of corruption to root out the fraud and abuse that the City’s contract review process too often misses. Through such audits, the Comptroller and Administration can work collaboratively to prevent such abuses moving forward, including but not limited to the tightening of the Policy and Procurement Board (PPB) rules around third-party contractors and nepotism. The Adams Administration will also continue the work of the [Nonprofit Resiliency Committee](#) to standardize its audits and enhance shared audit practice.

Capacity Building

Goal: Strengthen the capacity of nonprofit organizations’ administrative and contracting capabilities and expand the skills of the City’s contracting workforce.

17. Establish a training and technical assistance fund to support the back-office procurement operations of nonprofit organizations and help build internal capacity.

Strengthening the capacity of nonprofits improves service delivery and increases impact.¹² As the City increasingly relies on the nonprofit sector to deliver essential services to local residents—and is seeking out smaller community-based organizations with less administrative capacity—the City should support nonprofits to enhance their internal capacity.

This type of training and technical assistance could include topics such as implementing financial management tools, building internal financial controls, creating payroll systems, understanding the City's contracting requirements, obtaining bridge loans, *etc.* The City should create dedicated funds for smaller nonprofits with operating budgets of less than \$3 million to make capacity building for these organizations an explicit goal of this work.

18. **Expand training opportunities for City agency contracting staff.** Building the skills of the City's contracting workforce is essential to having a high-functioning procurement process. The City should explore whether certifications should be required for certain positions or aspects of the job. Potential topics could include training on the basics and advanced features of PASSPort; understanding the PPB Rules, designing and launching new programs, including diversifying sourcing and establishing effective timelines for procurement and rollout, *etc.*
19. **Create a "MOCS residency" or fellowship program to create a pipeline of Agency Chief Contracting Officers (ACCOs) for the advancement of procurement professionals.** Creating a cohort of world-class procurement leaders will put New York City's procurement practice at the forefront of city government innovation. The residency should consider placements in participating nonprofits to allow for the City's procurement professionals to be exposed to the inner workings of the nonprofit sector. The City should explore establishing a partnership with the City University of New York (CUNY) to develop the fellowship program and attract graduating students.

Conclusion

With input from dozens of organizations and agency stakeholders, this Action Memo presents an extraordinary opportunity for the City of New York to implement and sustain reforms that will help get nonprofits paid on-time, in-full, and on a predictable schedule, while preserving appropriate oversight to prevent abuses. The recommendations set forth will require continued coordination between Mayoral agencies, the soon-to-launch Mayor's Office for Nonprofits, the nonprofit sector, philanthropic support partners, the Comptroller's Bureau of Contract Administration, and the City Council. The renewed commitment of the Adams and Lander Administrations paves the way for the City to advance these reforms and best positions the nonprofit sector to make meaningful impact on the lives of New Yorkers.

Appendix

The table below summarizes the recommendations of the Task Force, designates the entity responsible for advancing the recommendation, and outlines a broad timeframe by which the work should begin based on what the Task Force believes are reasonable. Timeframes are divided into **short-term**, which will be completed prior to the end of FY22; **medium-term** recommendations, which will be implemented during FY23, and **long-term** recommendations, which will be implemented during FY24.

Goal I. Create new processes and routines to hold City stakeholders accountable for timely procurement and to make information about the process transparent to nonprofit providers and the public.		
<i>Recommendation</i>	<i>Responsible Party</i>	<i>Timeframe</i>
1. Establish timeframes for each stage of the procurement and contracting process	Mayor’s Office	Short-term
2. Establish and publish a set of key performance indicators (KPIs) to assess citywide and agency-specific performance	Mayor’s Office and Comptroller’s Office	Short-term
3. Create a performance management system including “Contract-stat” to hold agencies accountable and collectively engage in a process of continuous improvement	Mayor’s Office	Medium-term
4. Develop the functionality to allow providers to track the status of their contracts	Mayor’s Office	Short-term
Goal II. Establish new processes to streamline and modernize the procurement and contracting process to reduce inefficiencies and delays.		
5. Conduct a comprehensive assessment of the procurement and contracting process to streamline and modernize the process	Mayor’s Office	Medium-term
6. Fully fund and invest in further system enhancements to PASSPort to allow for full integration and use across the City	Mayor’s Office	Medium-term
7. Standardize documentation templates across human services agencies	Mayor’s Office	Short-term
8. Engage the City Council to identify opportunities to streamline the procurement process for discretionary awards	Mayor’s Office and City Council	Medium-term
9. Review the standard human services contract to identify opportunities to make it easier to do business with the City	Mayor’s Office	Medium-term

Goal III. Reduce the costs incurred by nonprofit organizations when contracting with the City and promote equity and access in the contracting process.		
<i>Recommendation</i>	<i>Responsible Party</i>	<i>Timeframe</i>
10. Expand access to and financing available through the Returnable Grant Fund administered by the Fund for the City of New York	Mayor's Office	Medium-term
11. Explore the feasibility of reimbursing interest on private loans borrowed to cover operating expenses for unregistered, retroactive contracts	Mayor's Office	Long-term
12. Commit to maintain the indirect cost rate initiative to fully fund organizations' indirect cost rates and deliver on the City's promise to increase funding to nonprofits and human service providers	Mayor's Office	Long-term
13. Create contingency funding in human services contracts to reduce the need for amendments in connection with known escalating costs	Mayor's Office	Long-term
Goal IV. Establish leadership and management practices at the highest levels of City government and demonstrate a renewed commitment to timely nonprofit contracting and registration.		
14. Create a plan and commit publicly to clearing the backlog of unregistered retroactive contracts and amendments, including Indirect Cost Rate amendments	Mayor's Office and Comptroller's Office	Short-term
15. Establish the Mayor's Office for Nonprofits to advance citywide human services procurement priorities and recommendations from this Task Force	Mayor's Office	Short-term
16. Shift the oversight functions of the Comptroller's Office toward a risk-based approach, auditing a small number of contracts post-award that raise legitimate concerns of waste, fraud, or corruption	Comptroller's Office	Medium-term
Goal V. Strengthen the capacity of nonprofit organization's administrative and contracting capabilities and expand the skills of the City's contracting workforce.		
17. Strengthen the capacity of nonprofit organizations' administrative and contracting capabilities and expand the skills of the City's contracting workforce	Mayor's Office	Long-term
18. Expand training opportunities for City agency contracting staff	Mayor's Office	Long-term
19. Create a "MOCS residency" or fellowship program to create a pipeline of Agency Chief Contracting Officers (ACCOs) for the advancement of procurement professionals	Mayor's Office	Long-term

Endnotes

¹ Data produced by the Mayor's Office of Contract Services.

² Ibid.

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