Guide to Collaborative Communication with Human Services Providers

To accompany
Civic Service Design
Tools + Tactics

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Civic Service Design
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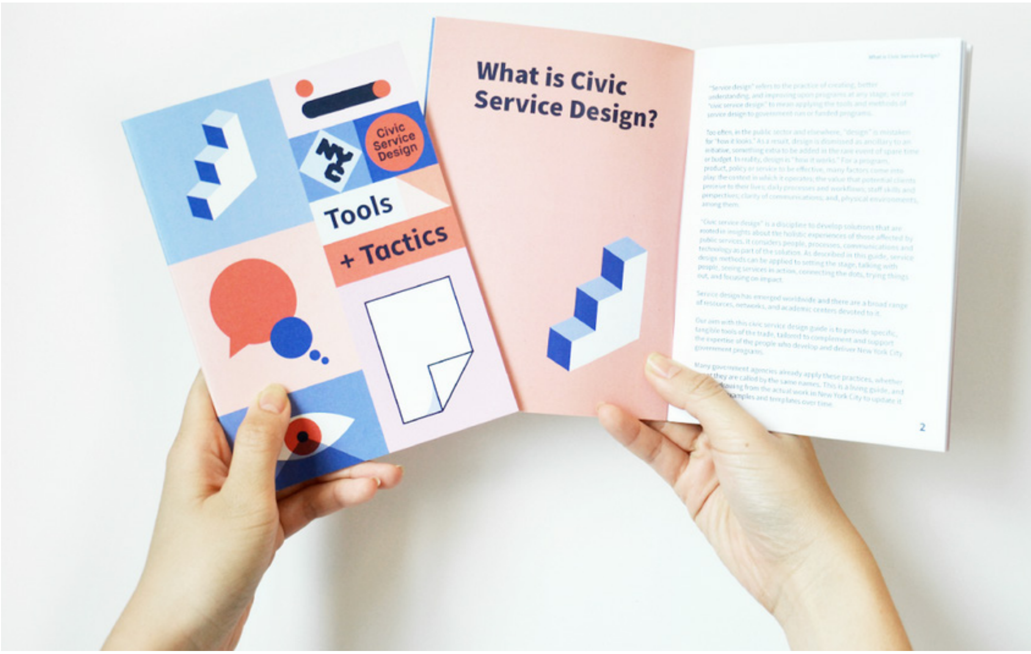
Background

Mayor Bill de Blasio launched the Nonprofit Resiliency Committee on September 28, 2016 to offer opportunities for collaboration and to expand lines of communication between the City and nonprofit human service sector.

The Committee is charged with identifying, designing and launching solutions to support the sector in the areas of streamlining administrative processes, increasing collaboration among stakeholders in program service design and building organizational infrastructure.

The Nonprofit Resiliency Committee is comprised of City agencies, Mayoral offices and members of the nonprofit human service sector invited to represent the diversity of the sector, including direct service providers, coalitions, academia and philanthropies.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Companion Guides for Collaborative Program Design for Resilient Nonprofits

There is expertise across New York City on the needs of community members and how to serve them, developed over decades through a robust social service history. Engaging experts and stakeholders in program and policy development helps identify and close service gaps, share innovations, and target services efficiently, thereby increasing the efficiency and performance of City agency services.

To enable such engagement, the Nonprofit Resiliency Committee produced written recommendations on how government and the nonprofit sector can work together to design City services and achieve maximum impact. This work contributed to two products.

Civic Service Design Tools + Tactics

The first is **NYC Civic Service Design Tools + Tactics,** available at nyc.gov/servicedesign. Civic Service Design Tools + Tactics is an introduction to service design for public servants, and a set of practical ways to include design methods in their work.

“Service design” refers to the practice of creating, better understanding, and improving upon programs at any stage; “civic service design” is used to mean applying the tools and methods of service design to government-run or funded programs. Civic service design is a discipline to develop solutions that are rooted in insights about the holistic experiences of those affected by public services. It considers people, processes, communications and technology as part of the solution. The goal of the civic service design guide is to provide specific, tangible tools of the trade, tailored to complement and support the expertise of the people who develop and deliver New York City government programs.

Guide to Collaborative Communication with Human Services Providers

The second product is this **Guide to Collaborative Communication with Human Services Providers**. City agencies have an obligation to conduct procurements with human services contractors in the most efficient, responsible, and effective manner possible. In addition to designing programs for maximum impact, this also means complying with the requirements of the Procurement Policy Board of the City of New York (PPB Rules) to ensure procurements are in the best interest of the taxpayers and that competition for contracts is fair, transparent, and guards against favoritism.

With the Nonprofit Resiliency Committee and Tools + Tactics recommending increased, wider communication with more feedback loops between government and services providers, the Guide to Collaborative Communication aims to help agencies understand their various options for communicating with key stakeholders while complying with the PPB Rules. To ensure fairness, agencies sometimes limit channels of communication with potential providers out of concern for the possibility of appearance of favoritism or influence. Some agency officials may be reluctant to engage in these exchanges out of fear of protests by potential providers that were not engaged or fear of binding the agency in an unauthorized manner; others may be unaware of effective strategies that can help agency human service contracting and program staff make the best use of their time and resources. Similarly, providers may be concerned that talking with an agency may create a conflict of interest that will preclude them from competing on future procurements, or providers may be apprehensive about engaging in meaningful conversations in the presence of other potential applicants. However, there are flexibilities within the PPB Rules that allow for meaningful communication and collaboration. The Guide to Collaborative Communication supplements Tools + Tactics with practices and protocols confirmed to comply with PPB Rules. The content features examples of agencies that have already implemented some of these recommended best practices.

The Guide to Collaborative Communication is a living document that the Nonprofit Resiliency Committee will continue to update. City officials and members of the non-profit community are encouraged to collaborate with the Committee on future edits or additions as needed. If you have any feedback or suggestions to provide, please contact your agency's Mayor's Office of Contract Services (MOCS) representative.

The Tools + Tactics and the Guide to Collaborative Collaboration complement a suite of supports the City offers to agencies and providers through HHS Accelerator.

HHS Accelerator was launched in 2013 to simplify and speed the contract process for client- and community-based service providers. Through deliberative and collaborative multi-year planning process with providers, redundant paper based requirements were removed, processes reengineered, and contract documents standardized allowing the City and providers to focus more on mission critical activities. HHS Accelerator continues to lead support for human services contracting Citywide and its team is available as a resource to all City agency staff.

Overview

Communicating with Potential Providers

Tools + Tactics recommends mapping out stakeholders to identify all of the people you may want to talk to when designing a program or service. These people may include:

- Potential providers
- Target clients and other stakeholders
- Other City agencies and elected officials
- Experts
- Coalitions and advocacy groups working in the impacted area
- Philanthropy
- Academics

Soliciting feedback from a wide variety of perspectives on program or service design can make an RFP stronger by unearthing information that an agency may not have considered, such as gaps in existing services, challenges with delivering existing or past services, previous successes to expand upon, considerations specific to targeted communities or boroughs, and goals that the community might have. These conversations can increase the likelihood of effective service delivery, intended impact and sustainable programs. Yet, agencies may be overly cautious about engaging the first group: potential providers, particularly during the time when the RFP is being drafted, fearing their communications may violate the law or give rise to protests of unfairness by vendors. This section—informed and approved by the Mayor's Office of Contract Services and the Law Department and shaped by agency feedback—explains when and how an agency can engage potential providers.

Recognizing the strong expertise and unique insights among stakeholders in multiple domains, all contributors to this guide agree that active communication and open channels for feedback critical for effective service design. The following guidance will provide strategies to ensure that the communication with potential providers can be active, yet not so narrow or detailed that those providers could be ineligible to respond to an RFP.

PPB Rules

Agencies must make sure that their communications with potential providers comply with state and local law (and federal law, if the contract is federally funded). The Agency Chief Contracting Officer ("ACCO") at each City agency ensures that the agency's communications and other procurement activities comply with the PPB Rules.

Agencies can "Talk With People" (see: Civic Service Design Tools + Tactics)—including potential providers—to improve their solicitations and contracts so that the City and taxpayers receive the best value from a contract.[1]

The law requires that agencies' procurements be in the best interest of taxpayers and that competition for contracts is fair, transparent, and guards against favoritism. Specifically, New York State law provides that service contracts:

> *"must be procured in a manner so as to assure the prudent and economical use of public moneys in the best interests of the taxpayers… to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption."*[2]

And City law provides that agencies shall:

> *"encourage competition, prevent favoritism, and obtain the best value in the interest of the City and the taxpayers" and "ensure fair competitive access to City procurement opportunities to a broad cross-section of responsible vendors."*[3]

Likewise, federally funded contracts must be procured in a manner "providing full and open competition." [4]

1 With respect to procurements by the state and other entities covered by New York State Finance Law Section 139-j, the New York State Legislature has recognized that "the free flow of information about the procurement process and about the goods and services available that may meet the needs of government is crucial to the effective operation of government." N.Y. Laws of 2010, Ch. 4 § 1 (Mar. 20, 2010).

2 N.Y. General Municipal Law § 104-b.

3 N.Y.C. Procurement Policy Board (PPB) Rule § 1-03(a)(1)(i)&(iii).

4 2 CFR § 200.319(a).

Using this Guide

This guide is divided into four sections that outline permissible communications and best practices for communicating with potential service providers throughout the Request for Proposal process. The guidelines outlined in each of these sections have been reviewed and approved by the Mayor's Office of Contract Services and the Law Department.

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Before the issuance of a concept paper[5] and/or request for proposals[6] ("RFPs").

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While preparing the concept paper and/or RFP for issuance.

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After the issuance of a concept paper and/or RFP and before proposals are due.

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After the issuance of a concept paper and/or RFP and after proposals are opened but before award.

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5 A concept paper is referred to as a "concept report" in the PPB Rules. This is a document outlining the basic requirements of a client services RFP, including the purpose of the RFP, the planned evaluation method, the proposed contract term, the procurement timeline, the funding information, program information, and proposed vendor performance reporting requirements. At least 45 days prior to issuing an RFP for a new client services program, the agency must release a concept report regarding services to be solicited by the RFP.

6 An RFP is "[a]ll documents, whether attached or incorporated by reference, used for soliciting competitive proposals." It is the City's primary vehicle for presenting the design of a program service model to potential providers. Preparation of an RFP typically takes from three to nine months, while the agency carries out the procedures required by the PPB Rules. During the time leading up to the release of an RFP, agencies carefully craft the program design to ensure the services ultimately contracted for will meet the needs of New Yorkers.

1

Communicating with Potential Providers:

Prior to the Issuance of a Concept Paper and/or a RFP

Before issuing a concept paper and/or RFP, there are several opportunities to communicate with potential providers while still adhering to PPB Rules. This section will share strategies for collecting feedback and cover best practices and recommendations for writing a concept paper or RFP.

This phase could also be described as the period when there is no active solicitation in circulation. It is a best practice for agencies to maintain robust communication with current vendors and relevant stakeholders to understand how well services are meeting needs and if there are innovations that could increase impact (see Agency Example). However there are protocols for engaging with potential providers when developing a new solicitation; the following pages describe some of the do's and don'ts.

Agency Example: Permissable Communications

ACS's Division of Prevention Services Communities of Practice (CoP)

The Administration for Children's Services (ACS) has worked to strengthen the connective tissues and communication channels between ACS Prevention's Community-Based Strategies team, contracted nonprofit service partners, and the communities served. The CoP will leverage existing forums and networks to formalize how and when information is shared, solicit insights from contracted nonprofit service providers to inform systems-level decision making, and bolster continuous quality improvement capacity. This kind of ongoing, inclusive communication strategy ensures nonprofits and key stakeholders have a voice in decision making, ensures the City agency is collecting program-related feedback in real time, and provides a strong foundation for future program-specific communications to build upon.

Laws and Principles

With the aim of eliminating unfair competitive advantage and ensuring that the quality of the contractor's performance is measured objectively, the PPB Rules prohibit a provider that participated in the drafting of specifications from responding to a solicitation utilizing such specifications. PPB Rule Section 2-05(b) says:

> *Any vendor participating in the drafting of specifications* ***shall not participate****, in any manner, in a response to any subsequent solicitation utilizing such specifications, in whole or in part, unless, after reviewing the specifications, the ACCO determines, with City Chief Procurement Officer ("CCPO") approval, that the specifications do not favor a vendor or such vendor's good, service, or construction, and it is in the City's best interest to allow such participation and the basis thereof. Such prohibited participation shall include, but not be limited to, participating as a contractor or a subcontractor, or as a consultant to any contractor or subcontractor, responding to the solicitation using the specifications. The provisions of this subdivision* ***shall apply to any vendor that has drafted any portion of the specifications used in a procurement****, regardless of whether such vendor's services were procured specifically for the drafting of those specifications, were procured as general consulting services, or were donated.*

*A*nd similarly, rules for federally funded contracts provide that:

> *"contractors that* ***develop or draft specifications****, requirements, statements of work, or invitations for bids or requests for proposals* ***must be excluded from competing*** *for such procurements."*[7]

7 2 CFR § 200.319

Tools

Recognizing the restrictions described above, there are many tools that can help agencies avoid generating too-narrow language for a solicitation and instead transparently seek more general recommendations on elements of program design. These tools include, for example:

- Open requests for information;
- Pre-solicitation conferences with potential providers; and
- One-on-one meetings and focus groups with potential providers; and
- Draft requests for proposals for comment.

These tools are applicable for the procurement of services for both new programs and for program renewals. Each tool is described below.

1. Requests for Information

A request for information is one of the more efficient tools an agency has to collect information from potential providers. It could take the form of a survey or an open distribution of key questions that solicit written input. Agencies are encouraged to distribute requests for information to both HHS Accelerator prequalified providers (which can be obtained from the agency’s HHS Accelerator contact, see page 16 for more details) and providers that are not currently on the HHS Accelerator prequalified list. Agencies should consider whether requests for information may be completed anonymously.

Topics that may be addressed in requests for information include the following:

- **Service Gaps: Undeserved populations:** Potential providers, advocates, and others can offer information about where service gaps exist and describe populations that are underserved by existing City programs.

  Consider a wide array of potentially underserved populations that may be defined by race, gender, ethnicity, income, age, geography, sexual orientation, or other demographics. For example, take care not to exclude low-income communities within higher-income areas such as New York City Housing Authority (NYCHA) developments which are located in otherwise wealthier neighborhoods. To do this, agencies could either evaluate NYCHA communities separately from their neighboring communities or utilize smaller geographic parameters such as census tracts. The Department of City Planning has Neighborhood Tabulation Areas which may be utilized when identifying contract catchment areas and competitions.

- **Service Gaps: Programmatic design:** Potential providers, advocates and others can describe gaps that could be filled through adjustments to program design.

- **Fiscal Viability of the Existing Programs:** Potential providers, advocates and others can provide information without identifying their organization on the fiscal impact of operating a contract, including any need for loans or challenges with the reimbursement structures. Providers could also have the opportunity to report anonymously any program requirements that were not met because of fiscal constraints. See also: "Conduct a Cost Analysis (based on Prior Experience and True Costs)."

- **Appropriate Program Metrics:** Potential providers can provide input on outputs and outcomes related to meaningful impacts for program participant, how to measure them, and the associated costs per output/outcome. They, as well as advocates and other stakeholders, should have the opportunity to propose metrics that will be used to manage the program's performance.

HHS Accelerator Prequalified Providers List

To access the list, agency staff can email their specific HHS Accelerator contact at MOCS and request a list of pre-qualified vendors that have self-identified under the following populations listed as applicable (see chart below for an example). The agency would then distribute the survey. At this time, HHS Accelerator does not have the capacity to distribute the survey on behalf of the agency.

Populations

Does your organization offer specialized programs for any of the following populations?

Please check all that apply. If your organization provides specialized programs for other populations, please select "Other," and specify those populations. Once complete, click the "Save" button.

☑ Adults (Age Range from 16 to 60)	☑ Individuals with HIV/AIDS
☐ Aging	☑ Individuals with Mental Illness
☑ Caregivers	☐ Individuals with Physical Disabilities
☑ Children (Age Range from 5 to 15)	☑ Individuals with Substance Abuse Issues
☑ Criminal Justice Involved	☑ Juvenile Justice Involved
☑ English Learners	☑ LGBTQ Individuals
☑ Homeless	☑ Parents
☑ Immigrants	☐ Runaways
☐ Individuals with Alzheimer's Disease	☑ Veterans
☐ Individuals with Blindness or Visual Impairment	☑ Victims/Survivors
☐ Individuals with Deafness or Hearing Impairments	☑ Young Adults (Age Range from 14 to 24)
☐ Individuals with Developmental Disabilities	

Options for Refining the Prequalified Vendor List by Population Served in HHS

Agency Example: HHS Accelerator

Mayor's Office of Immigrant Affairs

Following the release of the ActionNYC capacity-building concept papers, the Mayor's Office of Immigrant Affairs (MOIA) sent a survey to the HHS Accelerator pre-qualified vendors list, as well as posting the survey to their website and sharing it with the Nonprofit Resiliency Committee. By developing a survey that asked specific questions about each section of the concept paper, MOIA was able to solicit highly specific feedback on its concept that could be easily incorporated into the RFP draft, including a revision to the example budget based on vendor input. Additionally, they found the survey lowered the barriers for providing feedback by making it a clear, simple process. With this more user-friendly strategy, MOIA received input from over 40 New York City nonprofits and advocacy groups.

2. Pre-solicitation conferences with potential providers

Pre-solicitation conferences (prior to the release of a concept paper and/or RFP) are beneficial because they (i) help potential providers understand the services that the government is seeking, (ii) help the City improve the RFP based on the feedback from potential providers, and (iii) provide a forum for potential subcontractors to meet potential providers.

Pre-solicitation conferences must be conducted in accordance with PPB Rules, Sections 3-03(f)(1) and 3-02(h). Written notice of a conference must be provided to all potential providers, a transcript of the conference shall be prepared, made available, and posted on the City's website, and a record of attendance shall be made and posted on the City's website. When appropriate and practical, agencies should consider broadcasting pre-solicitation conferences as webinars with live streaming to maximize participation.

3. One-on-one meetings with potential providers

Prior to issuance of a concept paper and/or RFP, agency staff may meet with potential providers to exchange general information and conduct market research. Although agencies must be cautious not to violate the principle barring favoritism, there is no requirement that meetings include all potential providers, and one-on-one meetings are allowed.[8] Any information that is discussed in a meeting with a potential provider(s) that could directly shape the RFP must be shared in a timely manner with all potential providers to avoid providing a potential provider with an unfair advantage.

4. Draft requests for proposals for comment

Agencies may release a draft RFP to potential providers to receive feedback on whether instructions are clear, to communicate the agency's intentions and needs to potential providers, and to solicit comments, suggestions, and corrections that can improve the final RFP. The draft RFP should, at a minimum, include the scope of work, and where possible, it should include planned evaluation criteria and performance schedules. If there will be a pre-solicitation conference along with a draft RFP, the draft should be released at least two weeks before the conference so that potential providers have an adequate opportunity to read it ahead of time. Also, the draft RFP must be distributed as broadly as the final RFP to ensure that no provider receives an unfair advantage concerning the time needed to prepare a response.

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8 The federal government's guidance to federal agencies expressly allows for one-on-one communications with vendors. Memorandum from Daniel I. Gordon, Administrator for Federal Procurement Policy to Chief Acquisition Officers, Re: "Myth-Busting": Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process 5 (Feb. 2, 2011), http://www.darpa.mil/attachments/OFPPPolicyMemo.pdf.

Helpful Tip:

Conduct a Cost Analysis

(Based on Prior Experience and True Costs)

Following the recommendations of the Nonprofit Resiliency Committee, in the FY18 Adopted Budget OMB committed to undertake a rate adjustment (or “model budget”) process for program areas whose budgets have not been systematically assessed against programmatic outcomes and cost, in addition to standardizing rates across targeted programs.

Four new program areas will receive additional funding for the next phase of rate adjustments: Adult Protective Services (HRA/), Preventive Services (ACS), Runaway and Homeless Youth Shelters (DYCD), and Senior Centers (DFTA).

Agencies and programs not participating in the FY18 model budget may still assess their own programs in order to make adjustments to their budget models. Service providers will have information on costs for their respective organizations. Contracts that recognize and are transparent about the true costs needed to operate a program will be better equipped to achieve the contract’s goals. In addition, OMB works with agencies to review contracts and make adjustments for increased expenses during the contract term when needed. Agencies should regularly seek input on and assess the expenses required to support desired service levels.

When looking at the true costs of a program being renewed, agencies could consider if any additional funding supported the program (in addition to the contracted budget). Additional funding could include private funds, bridge loans, city council funds, etc. With a full sense of what funding sources were needed, agencies should also understand what costs were incurred. Costs can be split into two categories: Personal Services or PS (salaries and fringe), and Other Than Personal Services or OTPS (all non-staff costs, such as rent, supplies, computers, etc.).

Some considerations for analysis of true costs:

- **Competitive Salaries for Positions Required** Agencies should examine the salaries for all positions that are part of a contracted program – including any mandated and non-mandated salary increases (increases may be due to minimum wage adjustments and collective bargaining wage increases as well as changes to the market impacting competitive salaries in each field). Agencies can look at comparable salaries for similar positions in fields outside of contracted human services such as the rates for certified teachers in public schools and for social workers in hospitals and other medical settings. Information on these salaries can be found in New York City-specific data from the Occupational Employment Statistics survey[9] and the Quarterly Census of Employment and Wages[10], as well as in the quarterly borough labor market briefs from the NYC Labor Market Information Service.[11]

- **Indirect Costs** In the FY18 Adopted Budget, the City announced a commitment to fully fund an indirect rate of 10%. Indirect costs are the shared costs for activities that benefit more than one program and for which it is difficult to determine how much each program should pay.[12] These costs are typically covered through funding in the budget line called the "Indirect Rate." This rate estimates the value of indirect costs using a percentage of the total budget costs. Setting this kind of rate is not always precise, but it is used in the public and private sectors to avoid unnecessarily burdensome direct billing of overhead expenses.

- **Occupancy Costs** Agencies should look at occupancy costs, which would include the amount of space needed, type of space, location, ownership of space, etc.

Note that the Nonprofit Resiliency Committee is coordinating work by OMB to examine policies related to many of the cost elements listed above. Agencies should contact OMB or MOCS for updates on City policy and practice. Programs should document and save this analysis. It can inform the budget that the agency includes in the concept paper and in the final RFP that is released.

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9 Quarterly Census of Employment and Wages, developed through a cooperative program between the State of New York and the US Bureau of Labor Statistics. https://www.labor.ny.gov/stats/lsqcew.shtm

10 Occupational Employment Statistics Survey. https://www.labor.ny.gov/stats/lswage2.asp

11 NYC LMIS Quarterly Borough Labor Market Overview. Center for Urban Research, The Graduate Center, CUNY. https://www.gc.cuny.edu/lmis/information/jobs_reports

12 Indirect costs: A Guide for Foundations and Nonprofit Organizations, RAND Corp., https://www.rand.org/content/dam/rand/pubs/reports/2005/R3376.pdf

2

Best Practices & Recommendations:

Preparing the Concept Paper and the RFP for Issuance

Issuing a concept paper and/or RFP is the next stage in communicating with potential providers. Successful concept papers and RFPs are clear, comprehensive, and widely distributed. This section will cover best practices and recommendations for writing and releasing a concept paper or RFP.

Preparing Concept Papers

Concept papers are required at least 45 days before the release of an RFP if funds will support new or significantly re-designed services. Agencies should issue and widely distribute a concept paper providing adequate time for feedback from potential providers based on the scope of the procurement. Important distribution channels for a concept paper include the following:

- Leverage HHS Accelerator pre-qualification contact list by requesting that list from HHS Accelerator and then emailing the concept paper directly from the agency to the potential providers. Currently, concept papers are made available on the internal and external HHS Accelerator Roadmaps via a link. (MOCS provides trainings to providers on how to navigate the Roadmap. MOCS recommends that providers check the Roadmap frequently to stay up to date on all new concept papers.) A provider has access to the link for a concept paper even if it is not prequalified in a service area.
- Post in the City Record by the agency.
- On the agency website in a procurement section.
- Through email to relevant coalition and advocacy groups.
- Through email to members of the City Council.

Synthesize Concept Paper Feedback and Adjust Program Design in RFP

Using input from the surveys, interviews, and concept paper responses, agencies should incorporate changes to the program design as they draft the RFP. Agencies should write a summary of the concept paper responses (and other input not in the concept paper's summary of feedback from the stakeholder engagement) and explain why or why not the agency is pursuing recommendations made through these processes in the final program design.

Preparing Request for Proposals

Employing the recommendations of the pre-RFP section will help agencies present informed, responsive program models in an RFP. The RFP should incorporate feedback gathered through the engagement process and the agency should communicate how stakeholder input, evidence, and cost analyses shaped program design.

It could also, when appropriate, include an example budget. An example budget in the RFP can help demonstrate how an agency expects funds to support program outcomes expectations about key program components. Such a tool is particularly useful for programs with significant program model requirements – for example, a minimum number of staff with certain credentials or location requirements that would shape occupancy costs.

Acknowledging that there are some cases in which it is not useful or practical for an agency to include an example budget in an RFP, the recommendations below provide guidance on how the example budget could be employed when appropriate. When not including it, agencies should document and communicate assumptions and methodologies in the narrative as comprehensively as possible.

Example Budget

An example budget in an RFP can be an important tool to communicate anticipated costs of running a program to potential bidders, allowing them to compare cost-

Check List

Concept Paper

When creating a concept paper be sure to include the following:

- **Summary of feedback from the stakeholder engagement.** The concept paper should summarize all stakeholder engagement, including the results of surveys when appropriate (without identifying providers), and explain why recommendations were or were not followed in the proposed design.
- **Flag areas of the concept paper that are not able to be changed.** This will allow respondents to focus recommendations on areas with flexibility, if they prefer to do so.
- **Budget parameters, if they are known.** As concept papers share ideas for new service designs with stakeholders, the agency may not know enough detail to include an example budget in the concept paper. However, if such details are known an example is helpful to share so that potential providers may offer feedback. See also: "Conduct a Cost Analysis (Based on Prior Experience and True Costs)" and "Example Budget".
- **Program expectations.** The concept paper should make clear what program metrics potential providers will be expected to collect and what targets they will be expected to meet, as well as the support and funding that programs will have to meet each metric.

allocations to their program models. The example budget should use the budget format that bidders are asked to submit, while also detailing other costs or revenues assumed to arrive at the rates contained in the RFP. Note that an example budget shows one way that costs could be allocated in a contract, but would not typically be used to score potential providers on how closely their funding mirrors the agency's model; providers have many different program models and funding resources that will create variations in their submissions.

When determining costs through the "Cost Analysis (Based on Prior Experience and True Costs)" process described above in this document, both the City agency and the provider should provide an estimation of the unit costs of each service provided. The agency should also take account of the intended populations' needs when developing the budget. This can be done through an analysis of the current services offered to that population and where there are gaps in services.[13] When determining costs in all areas, particularly related to salaries, insurance prices, and the cost of materials, the City agency should use comparable information and price indexes to reflect current costs in the market. Again, through the Nonprofit Resiliency Committee, OMB is reviewing City policies and practices related to rate standards, occupancy costs, and indirect rates.

13 Wendy Abramson, Partnerships for Health Reform project, Partnerships between the Public Sector and Non-governmental Organization, http://www.paho.org/hq/documents/partnershipsbetweenthepublicsectoransnongovermentalorganizationscontractingforpr-EN.pdf

Checklist

Example Budget

An example budget for an RFP could contain many line items, including the following, as applicable:

General:
- Rate setting methodology
- Assumption of resources/start-up costs
- Performance measurements assumptions

PS:
- Salary and types of positions (justification)
- Fringe rates
- Staffing ratios

OTPS:
- Licensing/training requirements
- Evaluations costs
- Indirect rates

3

Communicating with Potential Providers:

After the Issuance of an RFP and Before Proposals are Received

Communications with Potential Providers after the RFP is issued is more limited by PPB Rules, but agencies still have an opportunity to incorporate feedback into the RFP and contract. Pre-proposal conferences and the publication of Q&A documents are two tools that may be helpful at this step of the procurement. This section will offer an explanation of those two tools.

1. Pre-proposal conferences

Pre-proposal conferences must be conducted in accordance with PPB Rules, Sections 3-03(f)(1) and 3-02(h). Written notice of a conference must be provided to all potential providers, a transcript of the conference shall be prepared, made available, and posted on the City's website, and a record of attendance shall be made and posted on the City's website. When appropriate and practical, agencies should consider broadcasting pre-proposal conferences as webinars with live streaming to maximize participation.

If the agency decides to amend the RFP based on the pre-proposal conference, the agency shall follow the requirements in PPB Rules, Sections 3-03(f)(2) and 3-02(i), which require that amendments be distributed to all potential providers known to have received the RFP and that amendments be distributed with adequate time for potential providers to address them in their proposals.

2. Q&A Document

In the RFP, agencies can invite potential proposers to submit questions about the RFP and then answer those questions in an addendum to the RFP that is issued to potential providers. It is helpful to provide answers as quickly as is practical so that providers are not delayed in preparing their proposals.

4

Communicating with Potential Providers:

After the Issuance of an RFP and After Proposals are Received

Once an RFP is issued and proposals are received, the opportunity for communication with potential providers is significantly limited. Communications with potential providers after the receipt of proposals must be made in accordance with PPB Rules, Section 3-03(g)(3).

This rule allows the agency's evaluation committee to enter into discussions with proposers *"whose proposals are acceptable or are reasonably likely to be made acceptable."* The rule provides that these discussions may be conducted for any or all of the following purposes:

- Promoting understanding of the City's requirements and the providers' proposals and capabilities;
- Obtaining the best price for the City; and/or
- Arriving at a contract that will be most advantageous to the City taking into consideration price and other evaluation factors set forth in the RFP.

As a result of the discussions, if there is a need to substantially clarify the RFP or change the RFP, the agency must amend the RFP and provide it to all proposers.[14] If the changes are so substantial that they could have affected a provider's decision to submit a proposal, it may be necessary to re-issue the RFP altogether.

14 PPB Rule §3-03(g)(4).

Get in Touch!

Agencies who have questions or need support on how to implement these strategies can reach out to their agency's MOCS representative.

Mayor's Office of
Contract Services

Mayor’s Office of Contract Services

nyc.gov/mocs

The Mayor’s Office of Contract Services (MOCS) works with agencies, vendors, and providers to ensure that the contracting process is fair, efficient, transparent, and cost effective to the City. MOCS’s mission is to: provide leadership in the procurement process through knowledge, teamwork, and communication; support city agencies’ policy and programmatic goals; ensure integrity, accountability, and vendor responsibility; safeguard public funds; increase efficiencies and monitor costs; and maintain and oversee vendor information systems.

Mayor's Office for
Economic Opportunity

Mayor’s Office for Economic Opportunity

nyc.gov/opportunity

The Mayor’s Office for Economic Opportunity (NYC Opportunity) uses evidence and innovation to reduce poverty and increase equity. We advance research, data and design in the City’s program and policy development, service delivery, and budget decisions. Our work includes analyzing existing anti-poverty approaches, developing new interventions, facilitating the sharing of data across City agencies, and rigorously assessing the impact of key initiatives. NYC Opportunity manages a discrete fund and works collaboratively with City agencies to design, test and oversee new programs and digital products. It also produces research and analysis of poverty and social conditions, including its influential annual Poverty Measure, which provides a more accurate and comprehensive picture of poverty in New York City than the federal rate. Part of the Mayor’s Office of Operations, NYC Opportunity is active in supporting the de Blasio administration’s priority to make equity a core governing principle across all agencies.

Mayor's Office of Contract Services | Mayor's Office for Economic Opportunity | Nonprofit Resiliency Committee