

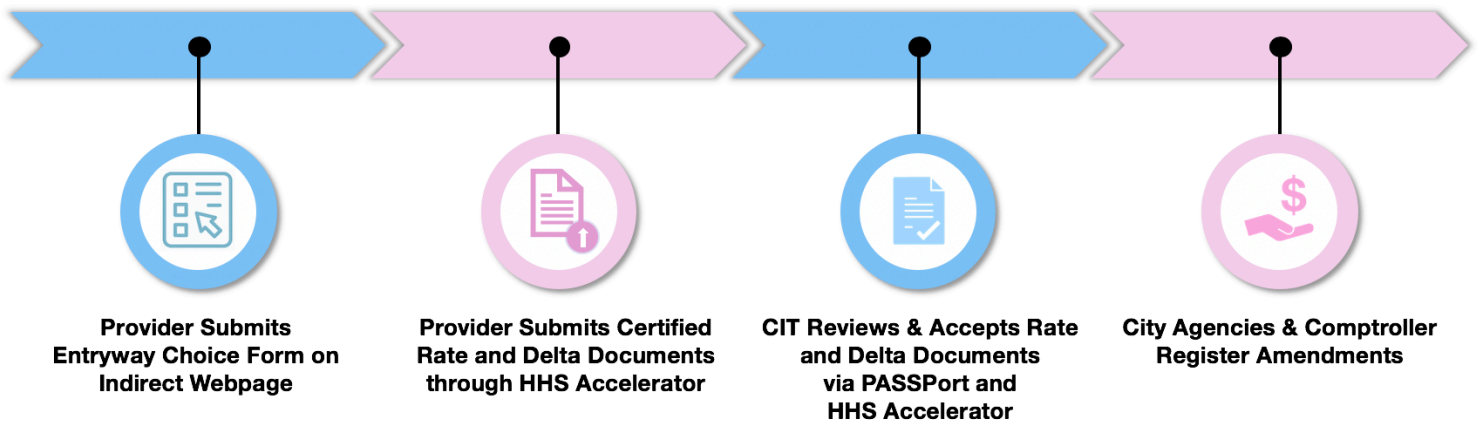
# NYC Indirect Cost Rate Funding Initiative

March 2020 Report to New York City Council

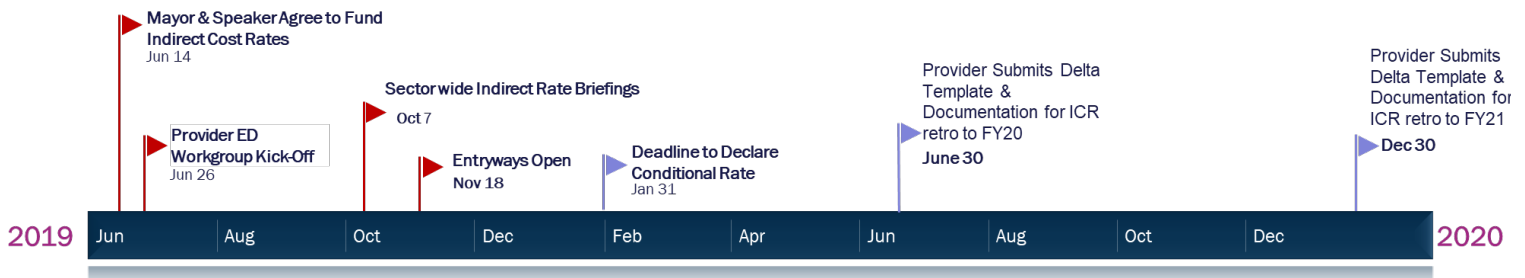
## BACKGROUND

In March 2019, the City of New York adopted the Health and Human Services Cost Policies and Procedures Manual (Cost Manual) to standardize cost definitions, indirect cost rate (ICR) calculations and ICR claiming policies for health and human service contracts. In June 2019, the Mayor and City Council reached an historic agreement and established an ICR funding initiative in the FY20 Budget. Within days of the “handshake,” a City Implementation Team (CIT), led by OMB and MOCS, was designated to operationalize the investment. The CIT co-designed the implementation plan and process steps with Council Finance, the Provider Executive Director Workgroup and Provider and Agency Financial Leadership Workgroups. On November 18, the CIT kicked off the process for providers to claim their ICR and additional funding.

## CLAIMING PROCESS



## INITIATIVE TIMELINE AND KEY DATES

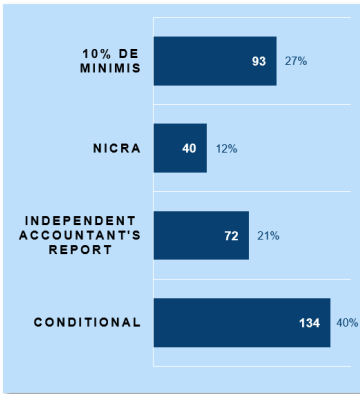


# STATUS OF ORGANIZATIONS UNDER REVIEW

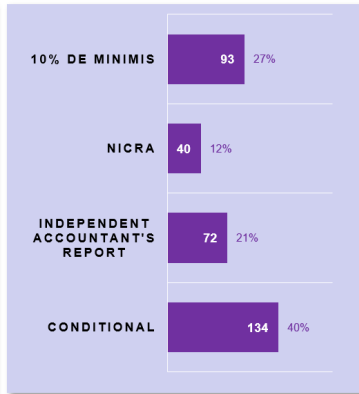
As of March 24, 2020, the process metrics are as follows. The Entryway Choice Forms submitted to date represent over 70% of FY20 funding. The CIT has responded to all 339 organizations that have submitted Entryway Choice Forms by uploading Delta Templates to HHS Accelerator’s digital platform. Only 42% of these organizations, however, have returned their Delta Templates and 22% have been accepted. This is due to providers working on reallocating their organizations’ expenses to align with the Cost Manual, calculating their ICRs and obtaining their ICR verification documentation through the Federal government (Negotiated Indirect Cost Rate (NICRA)) or an Independent Accountant’s Report. Providers are supported through this process through a digital, centralized resource center at [nyc.gov/nonprofits](http://nyc.gov/nonprofits) that includes videos, job aids and checklists. Additionally, the CIT sends weekly emails to providers, agencies and coalitions. The sector has also hosted workshops for the provider community, supported by the CIT.



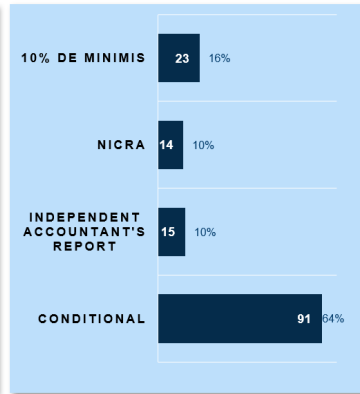
**PROVIDER:**  
Entryway Forms Submitted



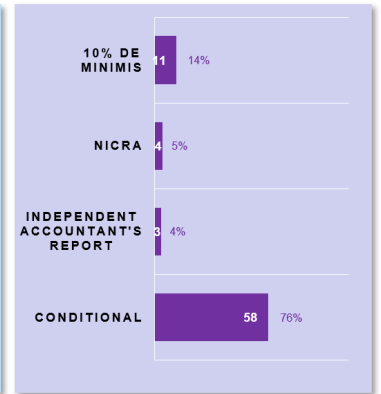
**CIT:**  
Delta Templates Shared



**PROVIDER:**  
Delta Templates Received



**CIT:**  
Accepted Indirect Rates



# STATUS OF CONTRACT AMENDMENTS

On average, each Delta Template contains 8 contracts. The current 76 accepted Delta Templates in circulation represent 524 contract amendments.

