



Dear Provider Partner,

Following up on our August 24th communication, the City is excited to share that we have completed apportioning funds for the baselined workforce enhancement. Over the last few months, the Office of Management and Budget (OMB) has identified Federal and State matching funds to build on the City's \$60 million investment. **We are even more excited to share that by leveraging an additional \$8 million in funds, we were able to further meet the sector's financial needs and add a total of \$68 million to HHS contracts.**

In November, you will be hearing from your contracting agencies with specific details pertaining to your contracts and the usage of these funds.

As we announced back in August, in furtherance of the recommendations of "[A Better Contract for New York - A Joint Task Force to Get Nonprofits Paid on Time](#)," the City will be including an allowance clause to HHS contracts. We have kicked off the process in PASSPort and will be working with your City contracting agencies to process these amendments. Through this new allowance clause, budgetary changes such as this workforce enhancement will be added faster and more efficiently to applicable HHS contracts.

The City would like to also affirm that we remain committed to honoring Accepted Indirect Cost Rates (ICR). As previously shared, the City will continue the ICR Application Process each year for expiring ICRs and new providers. If the re-certification process yields a rate change, the City will be making funding adjustments to your contract budgets to support these changes. Once the allowance amendments are registered, agencies will work with providers to make any budget-level changes to support ICR rate funding adjustments. As a reminder, the next ICR Application process will open in January. We encourage organizations to begin planning, especially if your organization will base its ICR off a NICRA or Independent Accountant's Report.

We will continue to provide more information about implementation as we progress. If you have any questions, please feel free to reach out to [CIT@mocs.nyc.gov](mailto:CIT@mocs.nyc.gov).

We appreciate your ongoing partnership and recognize your consistent commitment to our City.

Sincerely,

**Lisa Flores** Director, Mayor's Office of Contract Services and New York City Chief Contracting Officer

**David Greenberg** Deputy Director, New York City Office of Management and Budget

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