

# Indirect Rate Implementation Briefing

October 7, 2019



Mayor's Office of  
Contract Services

&

Mayor's Office of  
Management and Budget

**Jennifer Jones Austin, Executive Director**  
Federation of Protestant Welfare Agencies

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NYC Council Finance Division

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**Dan Symon, Director**  
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# City of New York Health and Human Services

Cost Policies and Procedures Manual

As of March 5, 2019

## AGENDA

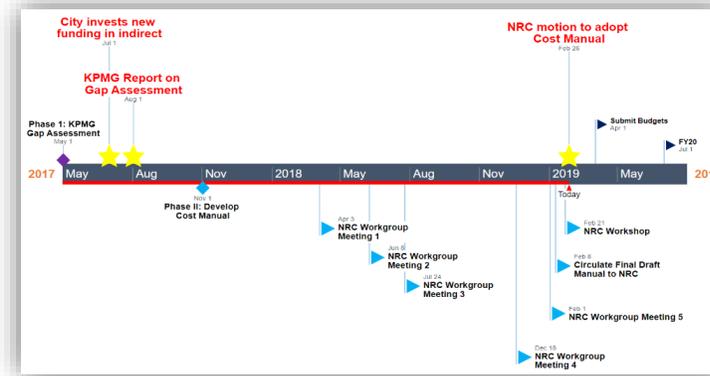
- I. Welcome and Introductions
- II. Cost Manual and Indirect Rate Funding Initiative Background
- III. Overview of Cost Manual
- IV. Workgroups and Outreach
- V. Entryways and Timeline
- VI. Process
- VII. Resources and Technical Assistance
- VIII. Key Takeaways and Next Steps

Have a Question? [help@mocs.nyc.gov](mailto:help@mocs.nyc.gov)

# City of New York FY20 Indirect Rate Initiative Background



**FY17**  
Nonprofit Resiliency Committee formed.



**FY18**  
\$106m Indirect Investment.

**FY19**  
Adopted HHS Cost Manual.



**FY20**  
City Council/Mayoral FY20 initiative to fund indirect rates for HHS organizations with current City contracts.

# Cost Manual and Rate Initiative

## 1. Cost Definitions and Treatment

- Cost Categories: Direct, Indirect, Allowable, Unallowable
- Commonly Incurred Costs

## 2. Indirect Cost Rate Calculation

- Simplified Allocation Methodology

## 3. Indirect Cost Rate Claiming Options

- 10% de Minimis
- NICRA
- CPA Letter

## 4. FAQ

- Answers to common questions
- Help Desk

# Gearing Up: Planning, Outreach and Workgroups

## CIT



- MOCS/OMB CO-LED
- PROVIDER SURVEY
- IMPLEMENTATION PLANNING AND INITIATIVE MANAGEMENT
- COORDINATE WORKGROUPS
- REPORTING

## PROVIDER WORKGROUP



- MEETINGS EVERY THREE WEEKS
- SHARING CIT DEVELOPMENTS
- FEEDBACK + PLANNING
- FINANCIAL LEADER MEETINGS
- PROCESS TESTING

## HHS PROVIDERS



- 10/7 CONVENING
- EMAIL + WEBSITE UPDATES
- TA SESSIONS + WEBINARS
- MANUAL + FAQ

## CITY AGENCIES



- 10/7 CONVENING
- FINANCIAL LEADERSHIP MEETINGS
- TECHNICAL ASSISTANCE
- PROCESS TESTING

## CPA FIRMS



- CPA BRIEFINGS
- TECHNICAL ASSISTANCE
- FEEDBACK SESSIONS

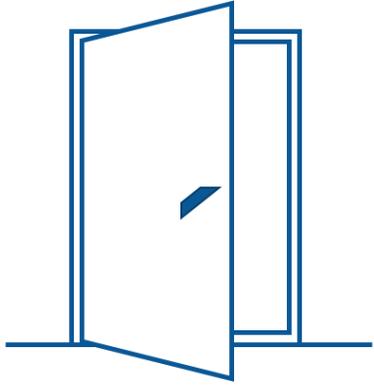
## MOCS HELP DESK



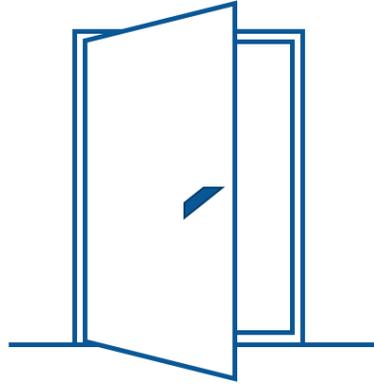
- PROVIDER + AGENCY ASSISTANCE

# Entryways and Timeline

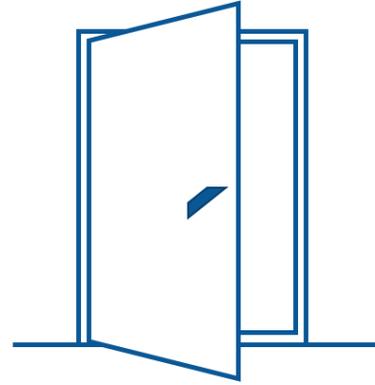
# Provider Entryway Options



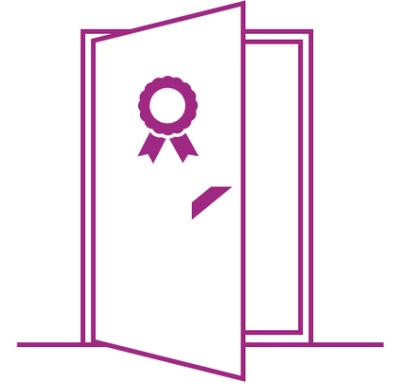
**10% de Minimis**



**Federal NICRA**



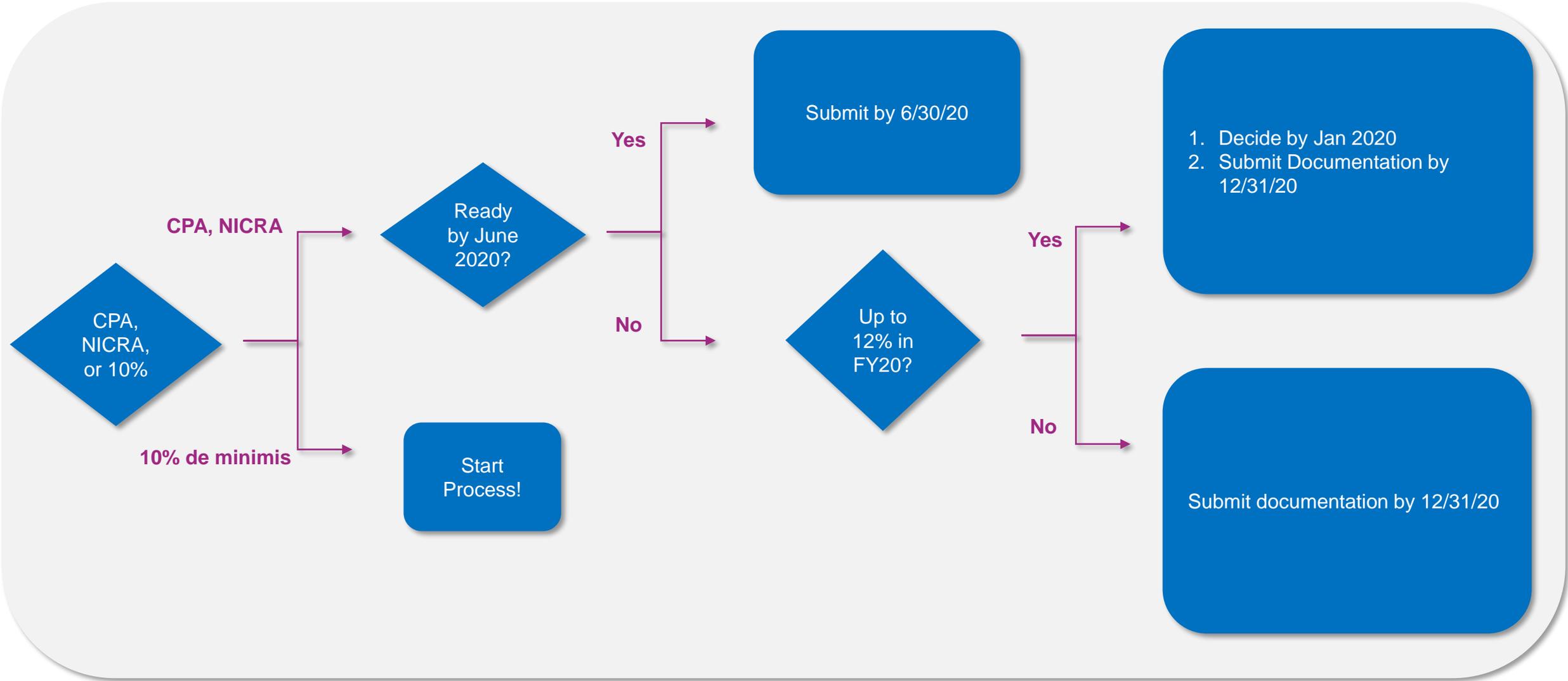
**CPA Rate**



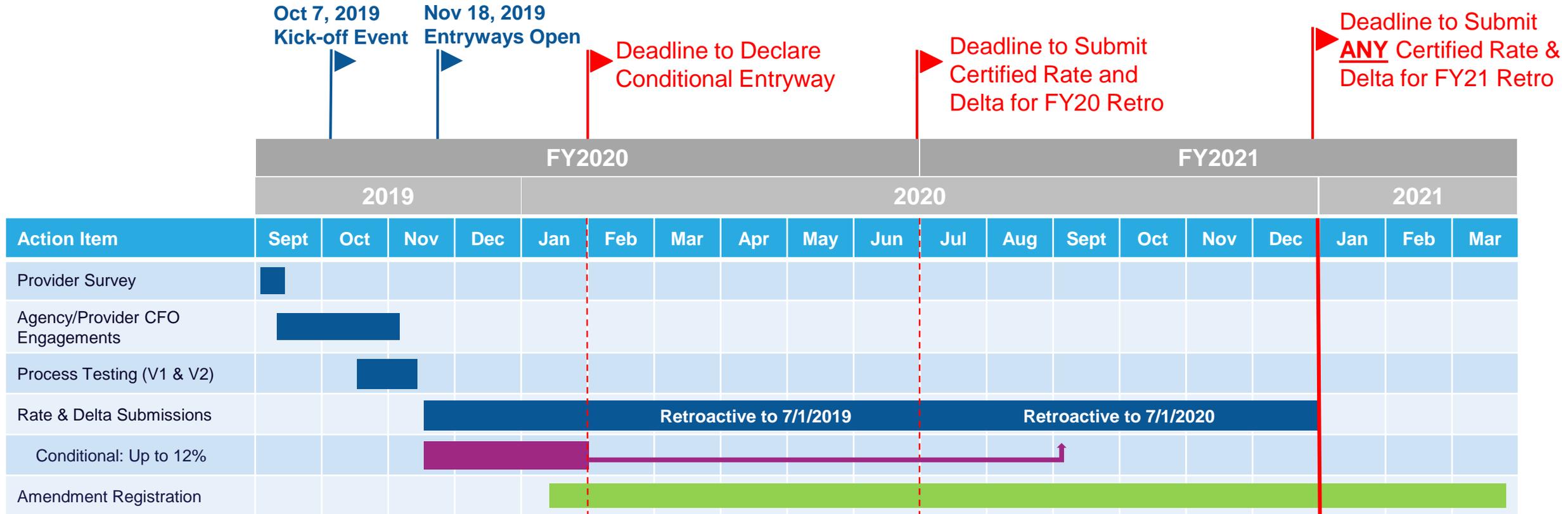
**One-Year (FY20)  
Conditional Option**

**Up to 12%**

# Provider Decision Tree

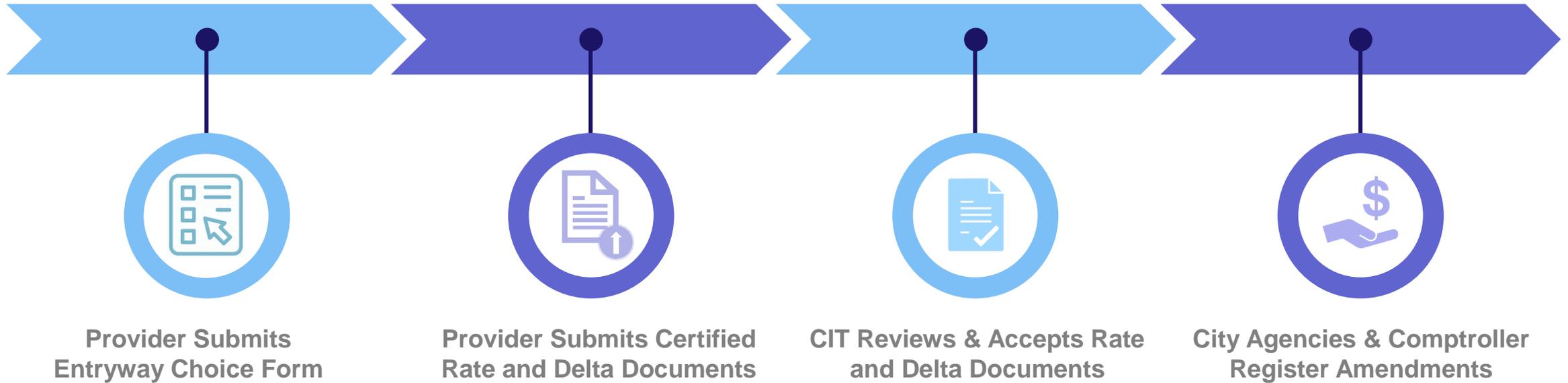


# Entryway Timeline



# Process

# Implementation Process



# Resources and Technical Assistance

# Resources and Technical Assistance



Inform



Website



Webinars



MOCs Help  
Desk



Cost Manual



FAQ

# Key Takeaways & Next Steps

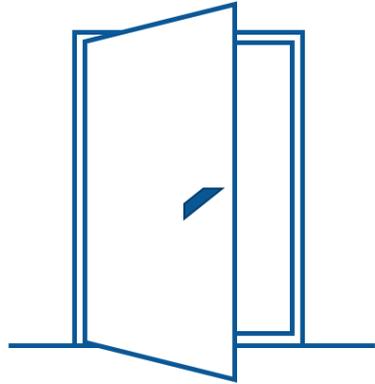


## Key takeaways

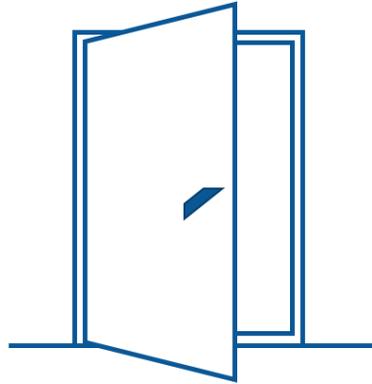
- **Designed for and with providers**
- **Read the Cost Manual**
- **Three ways to establish a rate**
- **Centralized process**
- **Generous Timeframes**

**RESOURCES**  
[nyc.gov/nonprofits](https://nyc.gov/nonprofits)  
[help@mocs.nyc.gov](mailto:help@mocs.nyc.gov)

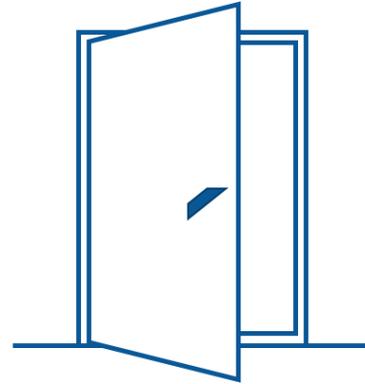
# Next Step



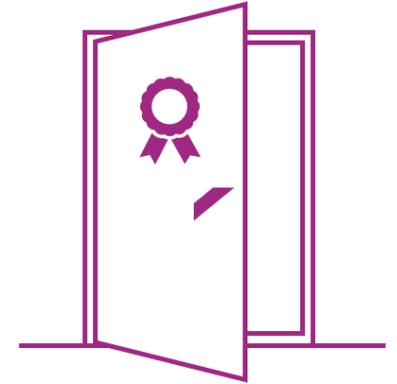
**10% de Minimis**



**Federal NICRA**



**CPA Rate**



**One-Year (FY20)  
Conditional Option**

**Next Step: Choose Entryway**

**Entryways Open on November 18<sup>th</sup>**

**NYC.GOV/NONPROFITS**

