

Dear Provider Partner,

The City of New York continues to keep you apprised of updates on the Indirect Cost Rate (ICR) Funding Initiative. Please see important updates below based on the Fiscal Year 2021 Adopted Budget and our [August 11 communication to providers](#). We are planning a webinar for next week to provide more information and answer questions that we have received from providers. Please look for more information and the registration link in the coming days.

UPDATES

- **ICR Funding Status.** The FY21 Adopted Budget resulted in changes to the Initiative. Key details are summarized in the [August 11 communication](#) to the sector. Questions may be directed to CIT@mocs.nyc.gov.
- **FY20 Amendments.** As per the [August 11 communication](#), the FY21 Adopted Budget resulted in a funding cut for FY20 ICR amendments.
 - If your organization elected the 10% de minimis option and has an Accepted ICR, the City is fully funding the FY20 value of your amendment(s), as determined in your organization's Accepted Delta Template.
 - If your organization has an Accepted Conditional ICR or an ICR based on an Independent Accountant's Report or Negotiated ICR Agreement (NICRA), the City is funding 60% of the FY20 value of your amendment(s), as determined in your organization's Accepted Delta Template.

UPCOMING DEADLINE

- **Priority Time Sensitive: Tomorrow – August 19, 2020 – is the Last Day to Finalize Pending FY20 Delta Template Revisions.** Failure to submit an accurate Delta Template by the August 19 deadline will cause you to miss out on FY20 funding. CIT has notified each provider that has a pending Delta Template for FY20 contract budgets that their deadline to submit a complete and accurate template has been extended to August 19, 2020. This deadline cannot be extended.
 - If you are not sure whether you received a notification, please reach out immediately to CIT@mocs.nyc.gov.
 - If you are not sure that you have accurately responded to requests for Delta Template revisions, please reach out immediately to CIT@mocs.nyc.gov. After August 19, there will be no additional opportunities to further correct an FY20 Delta Template.
 - An organization that has been notified about a pending FY20 Delta Template and does not submit an accurate Delta Template by August 19 will not be eligible for FY20 funding. You may submit a new [Entryway Choice Form](#) for FY21 processing. If you have any questions about your organization's status, please reach out to CIT@mocs.nyc.gov.

BACKGROUND ON INITIATIVE

In February 2019, the City of New York adopted the [Cost Manual](#) to standardize cost allocation practices for health and human service providers contracting with the City. The Fiscal Year 2020 Adopted Budget established an indirect cost rate funding initiative based on the Cost Manual. The Fiscal Year 2021 Adopted Budget, passed during the COVID-19 pandemic, maintained the ICR Funding Initiative at an adjusted level of funding. The Mayor's Office of Management and Budget and [Mayor's Office of Contract Services](#) form the City Implementation Team (CIT), tasked to design and manage the implementation and roll-out of the indirect initiative. The CIT established a Provider Workgroup that includes City Council representation to advise them. For more information on how to establish and claim your ICR and important timelines, please visit the [ICR Funding Initiative Webpage](#), which is regularly updated. The CIT is available for questions at the Mayor's Office of Contract Services.

**Sincerely,
The City Implementation Team**


