



Fair Chance
EVERY CHILD SUCCEEDS

Coalition for Nonprofit Equity's
**Briefing on Non Profit Fairness Act &
Prep for Agency Performance Hearings**

January 11, 2022

Coalition for Nonprofit Equity Steering Committee

Name	Organization
Lori Kaplan	Nonprofit Extraordinaire
Gretchen Van der Veer	Fair Chance
Melissa Millar	Community of Hope
Deborah Shore	Sasha Bruce
Nechama Masliansky	So Others Might Eat (SOME)
Scott Bruton	The Coalition for Nonprofit Housing & Economic Development (CNHED)
Adam Maier	Pathways to Housing DC
Maggie Riden	Consultant for Coalition for Nonprofit Equity

Agenda

Time	Topic	Who
9:30 am - 9:35 am	Welcome & Introduction	Gretchen
9:35am – 9:45 am	Updates from the Compliance & Findings from the Nonprofit Fair Compensation Act Survey	Maggie
9:45 am – 10:05 am	Nonprofit Stories	Neel
10:05am – 10:15am	Talking Points	Maggie & Melissa
10:15am – 10:20am	DC Agency's Performance Oversight Hearings	Adam
10:20am – 10:30pm	Next Steps	Debby & Melissa

Purpose of the Meeting

- Update on Steering committee's activities including research, meeting with Council and agency staff and to set stage for next phase of work – oversight and performance hearings
- Gather additional stories
- Recruit and prepare people for testimony
- Review talking points
- Bring equity to nonprofits – opportunity to re-set the relationship between DC government and its nonprofit partners.

Compliance & Findings from the Nonprofit Fair Compensation Act Survey

- We reviewed a broad sample of Agency RFP's:
 - **3 RFPs correctly allowed nonprofit grantees** to use their federally negotiated indirect cost rate (NICRA) without issue. However, 2 of these Agencies had a pre-existing policy of recognizing a nonprofit's NICRA.
 - **1 RFP was amended after lengthy discussions with a nonprofit** to reflect the correct language; and did ultimately accept the NICRA rate.
 - **9 either made no mention of indirect cost rate allowances** or capped their indirect rate at 10%.
 - **One agency capped a specific RFP rate at 8%**

In NO RFP:

- was there any mention of the 5 ways nonprofits can establish an indirect cost rate. At best, RFP's noted the NICRA or 10% de minimis.
- were grant awards increased to accommodate the indirect cost rates.

Compliance & Findings from the Nonprofit Fair Compensation Act Survey

- **Big Nonprofits are at an advantage:** In nearly all instances where the correct rate was eventually provided by the agency, nonprofits had to negotiate hard with agency staff. Smaller nonprofits lack capacity for the level of negotiation required and/or fear reprisal if they try to negotiate with an agency.
- **There is deep confusion on what happens to federal overhead allowances across all agencies,** but most specifically, in OSSE, which has wildly different approaches to indirect rates depending on the grant and the organization applying. One organization might receive 2 different rates.



Big picture takeaway...

- **Agencies and EOM Offices need clear Directions and training on the legislation.**
- **OCP needs to conduct the analysis of federal funding; and provide guidance based on the findings of that analysis.**



Stories from Nonprofits



1. Raise your Hand and share your experiences with DC Agencies.
2. Share your experience in the chat
3. Add a Sticky Note with your experience to the JamBoard:
https://jamboard.google.com/d/1tJDXljvb75onlbzcGYFW6_A4ZhEyhkr_gushlf0vtsGM/edit?usp=sharing

Question: If it's true that folks can use their full indirect rate but there's no new money - what services are people cutting? What's the impact?

Speaking at a Public Hearing or Roundtable

1. We'll sign you up to testify – put your information here to join a panel for testimony:

https://docs.google.com/spreadsheets/d/1GPlqctPJJNjxyLqFjlo4o7SE_zCR44asyh9XN0GYb2w/edit?usp=sharing

2. Prepare Testimony. Need support ? Contact nonprofitequity@fairchancedc.org
3. When it is your turn to testify, your name will be called by the committee chair.
4. Witnesses generally receive 3-5 minutes to present testimony.



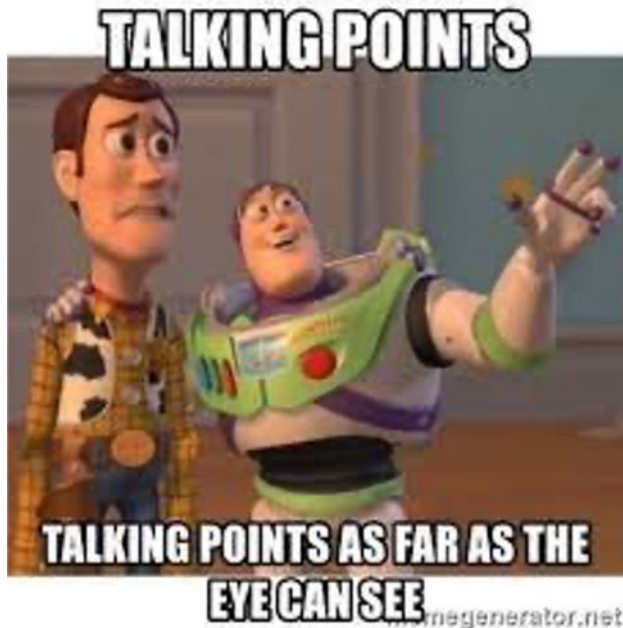
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<https://dccouncil.us/wp-content/uploads/2021/01/Guide-to-testifying-CP24.pdf>

Upcoming Hearing Dates

Date	Agency	Time
1/19/22	Dept. of Housing and Community Development	12:00pm
1/24/22	Dept. of Behavioral Health	10:00am
1/27/22	Office of Victim Services & Justice Grants	9:30am
2/14/22	Dept. of Employment Services	11:00am
2/16/22	Dept. of Youth Rehabilitative Services	12:00pm
2/17/22	Office of Contracts & Procurement	12:00pm
2/17/22	Child & Family Services Administration	9:00am
2/23/22	Dept of Health	10:00am
2/24/22	Department of Human Services & ICH	9:00am
3/22/22	Office of the State Superintendent	10:30am

Full List of Hearing: <https://dccouncil.us/2021-2022-performance-oversight-fy-2023-budget-schedules/>

High Level Talking Points



The Role of Nonprofits in the District and the Challenge We're Facing

- DC relies on nonprofits to provide vital community based services
- Nonprofits are a major employer in the District and leverage over a 1.3 billion in private funding
- Any retraction in our sector would have a direct and immediate impact on the District and it's residents

The Opportunity to Act

- The Nonprofit Fairness Act is an important first step, and we appreciate Council's leadership. But the failure to implement it fully undermines its utility and impact.

High Level Talking Points

Key Recommendations

- Require OCP to provide training to all grant officers in all District Agencies and Executive Branch Offices that manage grant funds and 3rd party pass through entities.
- Require OCP to do the mandated study of how federal funding and indirect cost rates translate in the District.
- Councilmembers, Committee Staff should consider adjusting agency budgets to allow for the adequate funding to nonprofit partners.
- Agencies should consider annual adjustments to their nonprofit partners grants and contracts to account for inflation and COLA.

High Level Talking Points

Given the revised revenue forecasts, and the practical reality that DC has made constant investments in our rainy day funds, it is clear that the District has the resources to ensure that our already strained first responders have the resources they need to support our most vulnerable residents.

For Detailed Talking Points Visit:

https://docs.google.com/document/d/1cCiwx9q4O9p3731iShI_zuen-m_lqk-5m6jYi2UyCDE/edit?usp=sharing

Letter Submitted to Council and EOM:

https://docs.google.com/document/d/1X-0KehhEMhO7_A1ip-Bcq4iln6sasujDeoAbNjW6ijQ/edit?usp=sharing

What's Next?

1. Testify – give us your name, put the hearing on your calendar
2. Continue to document your experiences and tell us your stories
3. Prepare your testimony. We're happy to help! Email nonprofitequity@fairchancedc.org and ask for help if you need it.

*This is your legal right, we need to speak with one voice.
Larger organizations need to be a face of this in particular to cover for the
smaller organizations. Solidarity is the thing.*

United we Stand!

January 11, 2022

