

**Testimony of Michael Owh,  
Director of the Mayor's Office of Contract Services, and  
City Chief Procurement Officer  
Before the New York City Council Committee on Contracts  
"Oversight - HHS Accelerator"**

**October 6, 2016**

Good afternoon Chair Rosenthal and members of the City Council Committee on Contracts. My name is Michael Owh and I am the Director of the Mayor's Office of Contract Services (MOCS) and the City Chief Procurement Officer (CCPO). I am joined by Dan Symon, First Deputy Director at MOCS and Jenne Russo Rennie who oversees many aspects of Operations at the Health and Human Services Accelerator (HHS Accelerator). Thank you for the opportunity to testify about the progress we have made strengthening the procurement system for human services providers through the implementation of HHS Accelerator.

The HHS Accelerator system was launched in 2013 to simplify and expedite the contract process for client and community-based services providers. Through a deliberate and collaborative multiyear strategic plan with agencies and providers, we removed redundant paper-based requirements, reengineered processes, and standardized contract documents. These reforms have reduced administrative burdens and allow the City and providers to focus on providing essential services to New Yorkers. The HHS Accelerator team oversees competitions for health and human services funding opportunities and provides a platform for financial transactions. In Fiscal Year 2016, HHS Accelerator merged with MOCS. The merger provides the opportunity to combine processes and incorporate best practices throughout both offices.

HHS Accelerator is dedicated to reducing administrative burdens and improving the business relationship between providers and City agencies through a series of activities:

- Collaborating with City agencies to standardize and simplify Requests for Proposals (RFPs);
- A prequalification process where providers share their basic organizational profile and submit critical background documents once every three years;
- Electronic issuance of RFPs and submission of proposals;
- Electronic submission of budgets and invoices;
- A consolidated view of contract financial data and provider activity; and
- Increased transparency for providers and agencies, allowing providers to track the status of all procurements, proposals, contracts, budgets, invoices, payments, and amendments in the HHS Accelerator system.

These activities are enabled by four major components of HHS Accelerator:

- Document Vault: storage and sharing of electronic documents.
- Prequalification: collection of organization information and documentation as part of a standard Business and Service application. Prequalification is valid for 3 years.
- Procurement Roadmap: central location where all health and human service RFPs are published. Providers download all documents associated with the RFP, submit proposals, and track award status via the roadmap.
- Financials: electronic management of financial transactions. Providers and participating agencies manage budgets and invoices and track payments in the system.

MOCS and HHS Accelerator are at the core a service organization committed to providing support to its users and stakeholders. Since the launch of HHS Accelerator in 2013, system users have grown to more than 7,000. We have increased the vendor pool of organizations prequalified to compete for RFPs through HHS Accelerator to over 2,500 providers, mostly nonprofits. This diverse pool of strong and innovative programs is available to provide quality services to New Yorkers.

In Fiscal Year 2016, the HHS Accelerator Team hosted 127 Provider Trainings and presented at more than 75 Information Sessions and other forums for the human services provider community. In total, the HHS Accelerator Team presented at nearly 300 events in the fiscal year. These numbers continue to grow as we offer ongoing training in person and online. The HHS Accelerator Team is also present at each agency RFP pre-proposal conference to ensure providers are aware of what is necessary to compete. In addition to the provider trainings, the Team has hosted 65 internal trainings for agency staff, including procurement and financial teams.

The City has issued 164 RFPs through the HHS Accelerator system since its creation in 2013. In Fiscal Year 2016, HHS Accelerator released 44 RFPs for 12 agencies (ACS, DCA, DCAS, DFTA, DHS, DOE, DOP, DYCD, HPD, HRA, MOCJ and NYPD) resulting in 780 awards. Many of the awards made through HHS Accelerator in Fiscal Year 2016 were from DYCD, who leveraged the system to get programs like Comprehensive After School System of NYC (COMPASS NYC) up and running quickly. Some agencies issued procurements for the first time. For example, in Fiscal Year 2016, the NYPD issued its first human services RFP through HHS Accelerator; placing trained trauma counselors in police precincts to support crime victims.

In addition to RFPs, HHS Accelerator provides a paperless process for managing budgets, invoices, and payments for the City's health and human services contracts through Financials and usage by agencies and providers continues to rise. In Fiscal Year 2016, nine agencies (ACS, DHS, DOP, DOE, DYCD, HPD, HRA, MOCJ and SBS) managed budgets and payments for 684 contracts valued at \$1.1 billion, speeding payment processing and providing greater transparency to providers. This shift to the standardized management of human services contract budgets, invoices, and payments not only reduces administrative burden for both the City and nonprofits by removing paper and providing financial controls, but also provides tremendous transparency for providers as they manage their City funding portfolio. In Fiscal Year 2017, with the addition of nearly half of DYCD contracts, including

COMPASS, Cornerstone, and RHY, as well as ACS Early Care and Education contracts, nearly \$2.1 billion is being managed in HHS Accelerator Financials.

We look forward to continuing to work with the Council to streamline and improve the procurement process through initiatives such as HHS Accelerator. Thank you again for the opportunity to testify today. I would be happy to answer any questions the committee may have.



TESTIMONY  
New York City Council  
Committee on Contracts  
Oversight Hearing on HHS Accelerator  
Thursday, October 6, 2016

Tracie Robinson  
Senior Policy Analyst  
Human Services Council of New York

Thank you for this opportunity to testify regarding the City's online human services procurement portal, HHS Accelerator. I am Tracie Robinson, Senior Policy Analyst for the Human Services Council of New York ("HSC"). As you know, Accelerator is the backbone of New York City's human services system. It has streamlined the way government agencies identify and engage qualified partners to deliver essential services to communities. HSC is especially grateful for Chairwoman Rosenthal's leadership in calling for this hearing, I am happy to speak about the positive impact of Accelerator and the need for continued resources to support this important system.

### About the Human Services Council

HSC is a membership association representing more than 160 of New York's leading nonprofit human services organizations, including direct service providers and umbrella and advocacy groups. Our members foster well-being and uplift communities by providing essential supports to a broad spectrum of New Yorkers, including children, the elderly, the homeless, people with disabilities, individuals who are incarcerated or otherwise involved in the justice system, immigrants, and individuals coping with substance abuse and other mental health and behavioral challenges. We help our members better serve their clients by addressing matters such as government procurement practices, disaster preparedness and recovery, government funding, and public policies that impact the sector. As explained below, HHS Accelerator is an example of our work with government to streamline policies and procedures that affect nonprofits.

### Impact of HHS Accelerator

HSC's members agree that Accelerator has transformed the City's procurement process. The City government relies heavily on nonprofit human services organizations to deliver essential supports to New Yorkers of all backgrounds. Unfortunately, the process by which the government engages nonprofits has not always been smooth or consistent. Ten distinct agencies develop concept papers, issue requests for proposals ("RFPs"), evaluate responses,

and enter into contracts with providers.<sup>1</sup> Thus, it is easy to understand how there could be a myriad of differences in procurement and contracting practices among government entities. Furthermore, within large agencies, there may be different staff members assigned to specific program areas or contracts. When these individuals fail to coordinate their procurement procedures with each other, they engender inconsistency *within* their agency. For the many nonprofits that have contracts with multiple City agencies, even minor variations in agency practice can create significant administrative burdens as providers struggle to do the same thing many times in many different ways. In fact, until the launch of HHS Accelerator in March 2013, this was the reality. Accelerator is a marked improvement over the former siloed, paper-driven procurement process.

#### *Increased Efficiency*

Accelerator has greatly reduced redundancy and inconsistency in procurement, saving providers time and resources. Documents that are required by *all* City agencies can now be uploaded a single time to the Document Vault, rather than being printed and incorporated into multiple voluminous proposals to be mailed or hand delivered to agencies.<sup>2</sup> Once shared in the Document Vault, these materials can be accessed by the relevant City agencies at any time. The Financials module also has the potential to streamline contract management, but not all agencies are using it yet. Furthermore, once a provider is prequalified in Accelerator—a one-time process with periodic updates—that provider will automatically receive notifications of relevant RFPs. Our members have indicated that in the past, they relied on a patchwork of email distribution lists, Web announcements, and even paper mailings to learn about RFPs, so the centralized notification system built into Accelerator is a dramatic improvement. Overall all, Accelerator has increased efficiency and reduced paper usage and anxiety for providers.

#### *Streamlined Customer Service*

In addition to streamlining procurement, the Accelerator team has streamlined customer service. Their response times are very short—usually under an hour—and they are focused on making providers' work easier. They also offer trainings throughout the year to help providers master the system. The assistance that the Accelerator team provides extends beyond technical support, however, as they use their relationships with government agencies to meet clients' needs. When a provider informs the Accelerator team that a particular agency is requesting copies of documents that are already in the Document Vault, the team contacts the agency to rectify this behavior. With ten City agencies managing relationships with roughly 1,200 nonprofits, providers experience a wide range of customer service interactions, so it is helpful that Accelerator's support is consistent, timely, and client-focused.

#### *A More Even Playing Field*

Accelerator has also evened the procurement playing field for human services providers. Identifying and responding to RFPs is time-consuming, and smaller organizations may not have the resources necessary to go about these activities in a strategic or consistent way. With Accelerator, notifications are streamlined so that qualified providers receive relevant notifications at the same time, via the same medium. Furthermore, reducing the amount of time spent submitting certain forms greatly helps smaller organizations, whose staffs might have both programmatic and administrative duties. The less time they spend on RFPs, the more time they can spend serving their communities. Accelerator's equalizing effect is especially strong with

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<sup>1</sup> Contracts must be registered by the Comptroller, which adds another layer of uncertainty.

<sup>2</sup> Printing, mailing, and courier services all cost money, and these costs add up quickly.

respect to Council discretionary funds (“CDF”), because in the past, the CDF application was extremely time-consuming and had to be repeated annually. Now providers large and small can prequalify once through a more intuitive, user-friendly system.

## Agency Use

By far, the greatest challenge related to Accelerator is that City agencies are not using the system to its full potential. Many providers have reported that they continue to receive requests from agency staff for electronic or paper copies of documents that they have already shared in Accelerator.<sup>3</sup> Some are not comfortable insisting that the documents are available in Accelerator, so they honor these redundant requests. HSC believes that this is due in part to agency culture. Accelerator is still relatively new, and it is not always easy to move large entities in a new direction. We believe it is critically important, however, that agencies use Accelerator as required by the Procurement Policy Board Rules. Only then can it live up to its potential. Agency use of Accelerator will require a culture shift, and this is one issue that we think can be addressed via the Mayor’s newly created Nonprofit Resiliency Committee.

## Ongoing Collaboration

HHS Accelerator is a product of genuine collaboration between HSC and the City, with ongoing input provided by system users. The spirit of collaboration continues to this day. HSC has hosted several provider focus group sessions in which our members have given feedback directly to the Accelerator team. In every instance, the team has listened and responded. They have made almost all of the changes that providers have suggested, and in the instances where they have not made a suggested change, they have justified their decision. Accelerator is a perfect example of the type of collaboration we would like to see between government and the nonprofit sector because it reflects a true sense of partnership, rather than a mere buyer-seller relationship. Through partnership, we have overhauled what was once an overwhelming inefficient process.

## Conclusion

HSC is proud to partner with the HHS Accelerator team to improve the City’s human services procurement process, and we are excited about the results so far. We encourage you to read our report on the initial impact of Accelerator for more details.<sup>4</sup> We believe that if *all* human services agencies use Accelerator from the procurement stage through the contract management stage, the positive impact will be further amplified. We also believe that Accelerator could be a good vehicle for VENDEX modernization, as well as a model for other kinds of procurement. Accordingly, we ask that the Council continue to invest in Accelerator. Again, we are grateful to Chairwoman Rosenthal for her unwavering support of Accelerator and for her long-standing commitment to our sector in general, and we look forward to working with

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<sup>3</sup> The City’s procurement rules authorize the use of electronic documents and electronic signatures in the procurement process. Section 1-04(b) provides: “To the extent permissible under applicable law and these Rules, agencies may store the contents of agency contract files electronically, and may use and may allow vendors to use, electronic documents and signatures in the course of procurements.” Thus, in most cases, the rules do not require original documents or signatures.

<sup>4</sup> <http://www.humanservicescouncil.org/documents/Reports/HSC%20HHS%20Accelerator.pdf>

the Council and the Nonprofit Resiliency Committee to improve the business of uplifting communities.

Thank you.

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October 12, 2016

Written Testimony of Lawyers Alliance for New York to  
the New York City Council Contracts Committee

for the October 6, 2016 Oversight Hearing on HHS Accelerator

by Laura Abel, Senior Policy Counsel

On behalf of Lawyers Alliance for New York, I respectfully submit this testimony to urge the City to post human services RFPs online, without restricting access to entities that are pre-registered.

Lawyers Alliance is the leading provider of business and transactional legal services to nonprofit organizations that are improving the quality of life in New York City neighborhoods. Each year our legal staff, joined by more than 1,500 volunteer attorneys from more than 125 law firms and corporate legal departments, serves thousands of nonprofits working in all five boroughs.

While the HHS Accelerator has introduced many efficiencies into the City's contracting process, it also impairs the transparency of that process in certain ways. In particular, human services RFPs are now available online only to organizations that have been prequalified to provide that particular type of service. As the Accelerator states, "RFPs will ONLY be released to prequalified providers through the HHS Accelerator System..."<sup>1</sup> Not only must an organization be prequalified in order to view an RFP, but the provider must be approved to provide the particular service that is the subject of the RFP. For instance, the publicly available "Procurement Summary" for the Department of Youth and Community Development's "Comprehensive Services for Immigrant Families" RFP states, "To receive this RFP in the HHS Accelerator system, you must have an approved Service Application for at least one of the following:..."<sup>2</sup> Organizations that are not prequalified are told that they may request hard-copy RFPs in person at an office in Brooklyn.<sup>3</sup>

We understand that requiring prequalification before a nonprofit *applies* for an RFP ensures that City agencies are not flooded with RFPs from unqualified entities, and "enables more focus in the RFP on quality of experience versus establishing basic competence."<sup>4</sup> However that same rationale does not justify restricting the ability to *view* an RFP online. Indeed,

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<sup>1</sup> NYC HHS Accelerator, Procurements, <http://www1.nyc.gov/site/hhsaccelerator/funding/procurements.page>

<sup>2</sup>

<http://www1.nyc.gov/assets/hhsaccelerator/downloads/pdf/DYCDComprehensiveServicesforImmigrantFamilies.pdf>

<sup>3</sup> <http://www1.nyc.gov/site/hhsaccelerator/funding/procurements.page>

<sup>4</sup> NYC HHS Accelerator, Service Application, <http://www1.nyc.gov/site/hhsaccelerator/funding/service-application.page>

restricting online access to RFPs in this way runs contrary to best practices in government contracting and to the practices of other large government entities. For instance, the National Institute for Government Procurement includes as a best practice posting RFPs on publicly available websites.<sup>5</sup> Likewise, the Sunlight Foundation recommends that “[s]olicitations or tenders for contracts, as well as any accompanying documents that justify or explain exemptions from regular procedures and requirements, should be made available to the public and should remain publicly available even after the solicitation period has ended,” and that these documents should be available online with no registration requirement.<sup>6</sup> New York State makes RFPs available on line, as does the City of Philadelphia.<sup>7</sup>

Restricting access to RFPs to those providers who are already prequalified makes it unduly burdensome for small providers trying to decide whether to start contracting with the City or to start providing that particular type of service. How can an organization know whether it is worthwhile to spend time prequalifying without viewing the terms that the City sets for contracts of that type? In this way, the HHS Accelerator’s secrecy impedes access for new providers.

The restricted access also impairs Lawyers Alliance’s ability to understand the City’s procurement process. Lawyers Alliance provides legal assistance to help nonprofit corporations negotiate government contracts and comply with their contractual obligations. We also run workshops and webinars to educate nonprofit executives and staff about government procurement practices. Sometimes, we are even funded by City agencies to engage in this work. Access to the City’s RFPs helps us stay up to date about current government procurement procedures and provide better service to our clients.

Restricting access to RFPs also interferes with the public’s ability to provide oversight over the City’s contracting process. The media and watchdog groups are unlikely to be able to prequalify to obtain access to human services RFPs because they do not provide those types of services themselves. Without that access, they are unable to determine whether RFPs seem to be tailored to favor a particular service provider, comply with applicable laws, or are a wise use of taxpayer funds. As the Sunlight Foundation describes, “More transparency in procurement can reduce corruption, make procurement more efficient and effective, and allow for more accountability.”<sup>8</sup>

For these reasons, we recommend that the City post all of its human services RFPs online, without requiring preregistration.

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<sup>5</sup> See National Institute for Government Procurement, Transparency in Public Procurement, Element 1.1, <https://www.nigp.org/docs/default-source/New-Site/global-best-practices/transparency.pdf?sfvrsn=2>

<sup>6</sup> Sunlight Foundation, Procurement Open Data Guidelines 2, 15, 16, <http://sunlightfoundation.com/procurement/opendataguidelines>

<sup>7</sup> See N.Y. State Grants Gateway, Welcome to the Grants Gateway, [https://grantsgateway.ny.gov/IntelliGrants\\_NYSGG/module/nysgg/goportal.aspx](https://grantsgateway.ny.gov/IntelliGrants_NYSGG/module/nysgg/goportal.aspx) <http://www.phila.gov/rfp/Pages/default.aspx> (“The Grant Opportunity Portal is online and available to the public, providing a one-stop shop for anyone interested in locating grant funding opportunities with State agencies.”); City of Philadelphia, Request for Proposals, <http://www.phila.gov/rfp/Pages/default.aspx>

<sup>8</sup> Sunlight Foundation, Procurement Open Data Guidelines, *supra*.

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

☐ in favor ☐ in opposition

Date: 10-6-16

(PLEASE PRINT)

Name: Jenne Russo Rennie

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I represent: Mayor's Office of Contract Services

Address: 253 Broadway New York NY

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Date: \_\_\_\_\_

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Date: 10.6.16

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☒ in favor ☐ in opposition

HHS Accelerator

Date: \_\_\_\_\_

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Name: Tracee Robinson

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I represent: Human Services Council

Address: 130 East 59th St., New York, NY

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