



A Covenant for Success

Working in Partnership to Strengthen
New York City's Neighborhoods

February 2014

Overview

In Cooperstown, NY, in early October of 2013, fifty leaders of New York City's nonprofit and philanthropic communities came together to envision a new partnership with a new city administration.

We envision a partnership with government that is founded on a shared vision. One that is responsive to the needs of all New Yorkers. One that tackles the challenges we face at scale, and across all communities. A partnership that maximizes the value we bring as nonprofit service providers, community anchors, job-creators, local businesses, and resource generators. We are committed to bring the full value and weight of our resources to bear on the most pressing issues affecting New Yorkers.

As we came together in Cooperstown, we asked ourselves these questions: "In order to achieve our vision for New York City, what must our partnership with government look like if the goal is to improve outcomes for the city's residents and communities?" ... "What would we ask of such a partnership and what must we bring to it for it to succeed?" ... "What can we, the nonprofit sector together with our partners in philanthropy, bring to advance these goals and what value can we add in constructing solutions to the challenges we face?"

We think of this partnership as a **Covenant for Success**. A covenant of shared responsibility to care for those in need, support those challenged by life circumstances, and create more opportunities for success. To that end, we welcome a conversation with the key members of the de Blasio administration to identify a specific and concrete set of short-, medium-, and long-term goals (in the spirit of the United Nations Millenium Development Goals) for expanding economic and social opportunity, increasing social inclusion and participation, reducing poverty, and reversing inequality.

In order to realize these goals, we recognize that publicly-funded services, benefits, and amenities must function more effectively for all New Yorkers. And while we affirm that there is much that the government-nonprofit partnership does well, we also know that there is much we can do better.

We offer the following as a starting point for constructing a Covenant for Success:

- A set of clearly articulated and agreed-upon goals driven by the needs of individuals and communities.
- Collaboratively developed solutions, with contracting processes that share risks, aligned with these goals.
- Shared information that supports program design, implementation, and monitoring.
- Co-ownership of measurable results.



Background

For over a century, New York City’s nonprofit human services sector has been government’s primary partner in fighting poverty and creating pathways to achievement, upward mobility, and quality of life for New York City’s residents.

Today, New York City’s nonprofits stand firm as a ready ally in addressing the economic, educational, social service, health, welfare, and safety goals of current and future generations of New Yorkers.

The nonprofit sector is both partner and powerful economic engine: it is one of New York State’s largest employers and itself a substantial consumer of goods and services.

- Human service contracts account for a significant part of citywide procurements at 33%, or \$5.5 billion (Agency Procurement Indicators Fiscal Year 2013, City of New York Mayor’s Office of Contract Services, p. 27).
- Nonprofits leverage substantial private dollars from philanthropy, corporations, and individual donors and blend these resources with government funding to provide more comprehensive, enriched, and innovative programs and services.
- The nonprofit sector is a major employer: As of October 2013, the “Health Care and Social Assistance” industry employed 464,900 or 11.6% of all New York City employees; this does not include hospitals (“[NYC Current Employment Statistics \(CES\) Latest Month](#),” New York State Department of Labor 2013).
- The nonprofit sector is also a substantial consumer of goods and services. The City contracts with over 1,300 Client and Community Based service Providers. These contracts support services to clients and communities, as well as the acquisition of equipment and facilities and the provision of construction services valued in total between \$2.5 billion and \$4 billion (Negotiated Acquisition

Solicitation for Group Purchasing Organization for Goods and Services for Human Service Providers 2010).

The nonprofit sector provides a neighborhood infrastructure that anchors and builds community and serves as an on-the-ground “first responder” both to the daily challenges facing communities as well as in times of disaster, as seen in the immediate response to and ongoing recovery from Superstorm Sandy. We understand the importance of engaging local citizens in the effort to achieve the vision outlined in the One New York Plan and the goals of our shared partnership.

Why a nonprofit-governmental partnership?

Because of growing social and economic complexity, what could be handled at an earlier time, however imperfectly, by a combination of self-reliance, spontaneous neighborliness, ad hoc coalitions and family ties has required more structured responses in modern times. ... In short, nonprofit organizations perform an important service function by: addressing unmet needs; fostering innovation; providing ‘collective goods’; adapting publicly-funded general policies and programs to local circumstances and needs. In addition ... nonprofit organizations also play a vital role [in advocacy] as mechanisms for mobilizing broader public attention to societal problems and needs.

From America’s Nonprofit Sector: A Primer (third edition) by Lester M. Salamon

Summary of Top-Line Recommendations for Partnership

This document represents a starting-point for what we hope will be a robust and continuing conversation in a shared and measureable effort to leverage the assets of our great city in the interest of all of its residents and communities.

- Within the first 180 days, convene a “summit” with the key leaders of the administration and the nonprofit and philanthropic sectors to develop a set of shared short-, medium-, and long-term goals.
- Work collaboratively to tackle the challenges facing our city at scale, limiting the use of pilot projects and small-scale efforts with limited impacts.
- Make multi-year and at-scale investments in proven existing services and promising new initiatives.
- Bring solution-based decision-making to other areas of the contracting realm, building upon current innovations like those included in the HHS Accelerator initiative.
- Develop a plan for identifying and implementing new ways to share critical information, agreed-upon data-sharing methodologies, and a shared commitment to use evidence and outcomes to inform quality improvement efforts.
- We commit to being held to and holding ourselves accountable for results. This commitment comes hand-in-hand with a resolve to share responsibility for using the results of our work in partnership with government to drive continuous learning, to improve program practice, to inform policy development, and to strengthen the governmental and nonprofit processes and procedures that impact on service delivery.
- We also commit to working harder to engage our participants and the residents of the communities we serve in the effort to achieve our shared vision and the goals of the partnership.



- Finally, we believe a new structure is needed for the interface between government and the nonprofit sector. Whatever form this takes, we believe it too must be held accountable for results, and we welcome the opportunity to explore these possibilities together.

We embrace the vision of New York City as a city of neighborhoods where all families can live, work, and raise their children. We identify ourselves as leaders ready to join in a renewed partnership to build together the One New York that resonated with our communities and voters: one of fairness, safety, and commitment to providing opportunity and access to all.

To us, this means better focusing programs, procurements, policies, and funding priorities for impact at the community level. We must link our efforts in the drive both to raise the bar of what we can achieve and foster the conditions necessary to tip the scales in favor of success.

Covenant for Success

In order to realize our shared vision of One New York, we know that we all must work more efficiently, more effectively, and with greater clarity of mission and purpose. The success of the de Blasio administration is our success.

Building upon the partnership framework we introduced at the start, the following outlines some areas in which we believe our work together can be strengthened:

A Partnership based on a set of specific and agreed-upon goals driven by the needs of individuals and communities

There are a number of areas in which the partnership between government, nonprofits, and philanthropy can be more strategically and powerfully leveraged to drive better outcomes for our city's residents and communities.

We understand the obstacles that stand in the way: the austere fiscal environment; siloed funding streams, services, government agencies and nonprofit sub-sectors; the short-term funding of short-sighted interventions that produce short-lived results... and the list goes on. Some factors are beyond our control, but many can be controlled locally and we voice our commitment to look beyond the current challenges and seek solutions.

We are eager to work with the administration to identify a specific and concrete set of short-, medium-, and long-

term goals and we challenge ourselves to summon the sector courage and organizational fortitude to be a partner in achieving them.

A Partnership focused on collaboratively developed solutions with contracting processes that share risks

Most important to us is a partnership that engages us in a process of strategy development that ensures existing resources are used most efficiently and that new initiatives are innovative, effective, and responsive to the needs of the individuals and communities served and continuously used to inform shared decision-making and quality improvement.

We embrace a continued commitment to innovation and the testing out of new ideas and creative strategies for addressing intractable challenges. This includes developing new ways to work together: building bridges across sectors, agencies, and silos and finding avenues out of the constraints of current rules, regulations, policies, and practices that hinder success.

Solving a social problem at the magnitude [at which] it exists requires ... a shift from focusing on short-term incremental progress to focusing on long-term transformational change. The latter is risky, hard to measure, and even harder to achieve, but it provides the inspiration that generates motivation, resources, and a new sense of what is possible. This means

developing a goal so bold that achieving it means a social ill has been eradicated.

Excerpted from "*When Good Is Not Good Enough*"; Shore, Hammond, and Celep; Stanford Social Innovation Review, 2013

At the same time, we seek to minimize the extent to which innovative work is limited to pilot projects and small-scale initiatives. Rather, we believe that in order to achieve transformative and lasting results we must have a commitment to what Shore, Hammond, and Celep describe in *“When Good Is Not Good Enough”* (Stanford Social Innovation Review, 2013) as “tackling problems at the magnitude [at which] they exist”. This is a pivotal moment of opportunity to focus on improving the core of our work together and to make lasting and transcendent reforms for New York City’s residents and communities. This includes multi-year funding to support core services, cross-agency and multi-agency efforts to create more-comprehensive community-level responses, empowering commissioners to launch substantial new goal-aligned initiatives, fully-funding the implemented programs at scale and at the level required by the model or models utilized, and holding all parties — governmental and nonprofit — accountable to achieve results.

As veterans of many budget battles we recognize that public funding is constrained and most likely will be for the near term. Most of all, what we are asking for — even in the near term — is for current public resources to be better allocated so that we can succeed to the fullest extent possible and properly serve and care for the two million New Yorkers at or below the federal poverty line.

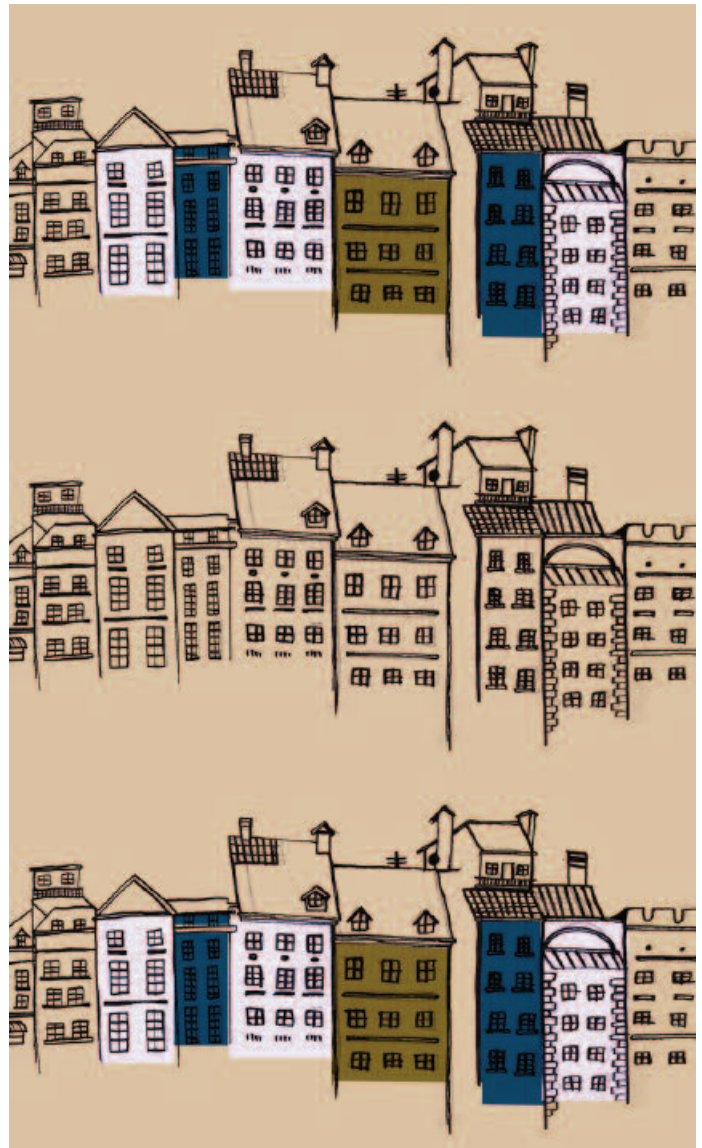
We believe that tremendous gains can also be achieved by moving further toward solution-based decision-making in the contracting realm. While compliance and oversight can hinder innovation and best practices, creative contracting strategies can seed new ideas and ways of doing business. There are a number of recent achievements in the area of contracting that can be built upon, most notably the work of the HHS Accelerator initiative.

A Partnership informed by shared information that supports program design, implementation, and monitoring

Good data is the key to planning and measuring success. We strive to move forward with you in creating a culture of shared data — this includes data about the populations and communities we serve, the research base that drives the development of new program models and initiatives, information on our services and their outcomes, and how data systems, funding streams, program and service

We can acknowledge the significant accomplishments of the departing administration while also acknowledging some of its limitations. The [deBlasio administration does] not necessarily have to believe that bigger is better, that all accomplishments lend themselves to easily definable or quantifiable performance measures, that the "business" model approach is always appropriate in some program areas or even makes any sense in critical situations. The quality that should be considered is one that encourages risk taking, the search for innovative ideas, and the acceptance of multiple strategies for addressing complex problems.

Michael Zisser, CEO, University Settlement



structures, contracting mechanisms, and system goals can all be organized and shared differently in order to achieve better outcomes.

We share a commitment to evidence-based service and evidence-informed practice, but also know that not every effective intervention meets these bars and that there must always be room for innovation and discovery. Similarly, too often the data that is collected and gathered is not used to inform continuous learning and quality improvement efforts and we believe that for our partnership to be successful, transparent sharing of data must be realized.

To that end, we are eager to identify and implement new ways to share critical information, develop agreed-upon data-sharing methodologies, and build a shared commitment to use evidence and outcomes to drive continuous learning.

A Partnership that embraces co-ownership of measurable results

We believe in measurable results and commit to being held to and to holding ourselves accountable for them. We commit to using the results of our work to drive continuous learning, to improve program practice, to inform policy development, and to strengthen the governmental and nonprofit processes and procedures that impact on service delivery. We also commit to working harder to engage our participants and the residents of the communities we serve in this effort.

In order to realize these goals, we believe a new structure is needed for the interface between government and the nonprofit sector. This could take the form of a mayoral office liaison with knowledge of and ability to leverage nonprofit and philanthropic expertise and “value-add”, a committee or task force comprised of public, nonprofit and philanthropic stakeholders, or other arrangement. Whatever form this takes, we believe such a structure or office must also be held accountable for results and we welcome the opportunity to explore these possibilities together.

Though it may seem counterintuitive for a sector already struggling to support, sustain, and scale up its impact — our approach calls for nonprofits to embrace a much heavier lift. We must look beyond short-term achievements that please funders, staff, and stakeholders but yield only incremental change, and instead hold ourselves accountable for the harder-to-achieve long-term outcomes that will ultimately solve social problems.

Excerpted from “*When Good Is Not Good Enough*”; Shore, Hammond, and Celep; Stanford Social Innovation Review, 2013

We believe that in working together the whole of what can be accomplished through a New Covenant between government and the nonprofit sector will be greater than the sum of its parts. Too often what has existed to date is more akin to a vendor relationship that strives but often falls short of maximizing the value-add of either partner. We have an opportunity to move from the transactional to the inspirational, to step beyond the status quo and push toward a better, stronger, more flexible, efficient, and effective way of working together toward a shared vision. We look forward to embarking upon this effort.

Convening Committee for the NYC Social Services Leadership Summit

Douglas B. Bauer,
Executive Director, The Clark Foundation

Richard R. Buery, Jr.,
President and Chief Executive Officer, The Children's Aid Society
(newly appointed Deputy Mayor for Strategic Policy Initiatives, NYC Office of the Mayor)

Charles Buice,
President, The Tiger Foundation

Jess Dannhauser,
President & CEO, Graham Windham

Yancy R. Garrido,
Senior Program Officer, The Clark Foundation

David Garza,
Executive Director, Henry Street Settlement

Sr. Paulette LoMonaco,
Executive Director, Good Shepherd Services

Gail B. Nayowith,
Executive Director, SCO Family of Services

Jilly Stephens,
Executive Director, City Harvest

Sheena Wright,
President and Chief Executive Officer, United Way of New York City

Michelle Yanche,
Assistant Executive Director for Government and External Relations,
Good Shepherd Services

Cooperstown Attendees

Jennifer Jones Austin, Federation of Protestant
Welfare Agencies

Juanita Ayala, United Way of New York City

Douglas B. Bauer, The Clark Foundation

Joel Berg, New York City Coalition
Against Hunger

Charles Buice, The Tiger Foundation

Gary Carter, Little Sisters of the Assumption
Family Health Service

Joel Copperman, CASES

Jess Dannhauser, Graham Windham

Betsy Dubovsky, The Staten Island Foundation

Katherine Eckstein, The Children's Aid Society

Laurel Eisner, Sanctuary for Families

Marty Forth, YMCA of Greater New York

Yancy R. Garrido, The Clark Foundation

David Garza, Henry Street Settlement

Arlene Goldsmith, New Alternatives for Children

Joan Haffenreffer, Citigroup

Ken Jockers, Hudson Guild

Jeremy Kohomban, Children's Village

Sr. Paulette LoMonaco, Good Shepherd Services

John MacIntosh, SeaChange Capital Partners

Elizabeth McCarthy, Episcopal Social
Services/Safe Space

Gail B. Nayowith, SCO Family of Services

David Nocenti, Union Settlement

Joanne Oplustil, CAMBA

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Margaret Purvis, Food Bank for New York City

Irma Rodriguez, Queens Community House

Margarita Rosa, Grand Street Settlement

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Kevin Ryan, New York Foundation

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Michael Stoller, Human Services Council

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