

What keeps community-based organizations from contracting with child welfare agencies, and what can be done about it?

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Small community-based organizations (CBOs) are particularly well-positioned to advance child and family well-being and provide prevention and family strengthening and support services, thanks to their accessibility, established presence in communities, and on-the-ground knowledge of the strengths and needs of local families. Yet they have been under-represented among recipients of government funding in many jurisdictions.

As a result of the historical and ongoing consequences of systemic racism and disinvestment, families of color are disproportionately impacted by poverty. This intersection of poverty and racism negatively impacts families' ability to access relevant family strengthening services and supports, while straining their trust in the child welfare system overall. Increasing government funding to CBOs, especially CBOs trusted by families of color, is critical to ensure that prevention supports and services are delivered by the full range of high-quality providers that community members are comfortable turning to for support.



STRATEGY BRIEF

HEALTHY ORGANIZATIONS

LESSONS FROM OTHER FIELDS:

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This brief shares insights from ideas42's behaviorally informed research in New York City, centered on learning from leaders of small and medium-sized nonprofits, as well as government officials and other human service experts, about the barriers CBOs face in the contracting process and strategies for addressing them. While the approach to contracting may vary widely across the country depending on state and local laws, the barriers and strategies elevated in this document are worth considering in a broad array of contracting environments.

Barriers

In making decisions about applying for government-sponsored contracts, CBOs draw on a combination of their own experiences, organizational precedent, word-of-mouth, and the content of requests for proposals (RFPs). These considerations often lead to reasonable decisions not to apply for the contracts, given the organizations' priorities, capacities, and external systemic realities. Barriers that keep CBOs from contracting with child and family services agencies include:

- Insufficient organizational capacity to take on the work
- Insufficient funds to do the work properly
- Onerous application processes
- Discrepancies between contract requirements and CBO mission
- Mistrust of government child welfare agencies
- Skepticism about their chances of securing a contract

Barrier 1: Insufficient organizational capacity to take on the work

Many CBOs already are stretched thin and cannot fill existing vacancies, especially given pandemic-related staffing shortages. Not surprisingly, they then feel reluctant to expand or add new programs, given [concerns about capacity](#) for applying for as well as staffing them. Government-sponsored contracts introduce a number of pressures on CBO capacity, including:

- Hiring new staff with the appropriate skills — especially at the wage levels covered by contract funding.
- Navigating complex procurement systems, which is especially challenging for smaller CBOs that lack dedicated financial, administrative, and/or project management staff.
- Increasing workload of front-line staff due to the administrative burden of federal and state reporting requirements and other regulations, which is especially true for programs supported by [public child welfare funding streams](#).

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Barrier 2: Insufficient funds to do the work properly

The funding awarded in government contracts is rarely enough to cover the array of operating costs required to achieve desired outcomes. Most organizations that regularly contract with government have other resources they can deploy to fill the gaps in funding and to bridge those created by delayed payments, but small CBOs often lack these resources. As one CBO leader stated, “If you don’t have other funds to cover start-up and service delivery before you are reimbursed — which can take a very long time — you can’t operate well.”

Barrier 3: Onerous application processes

Onerous application processes and shortened timeframes can keep CBOs that are well-positioned to deliver services from applying. Simply understanding an RFP can be a time-consuming process. Most RFPs require close examination to fully understand the expectations of the contract and what is needed to apply. “The application process is just so overwhelming,” one provider shared. “Not the questions in the RFP, but the additional requirements and supporting documents called for in the RFP.” Limited staff bandwidth and/or proposal preparation skills makes putting together a proposal laborious (and consequently costly) and leads many CBOs to doubt that they can submit a competitive application. In addition, many organizations do not learn about available funding opportunities with adequate time to prepare a competitive proposal.

Barrier 4: Discrepancies between contract requirements and CBO mission

CBOs develop and refine their programs based on their understanding of the needs of their constituents and opportunities to enhance their well-being. Most of the CBO staff that ideas42 interviewed are willing to consider government funding and take on a new program area if it is aligned with their mission and constituent needs. For example, one CBO leader described that when she looks at RFPs, she asks herself and her staff: “What needs are not being met by our current services? Would this RFP address those needs?”

When an RFP’s goals are mission-aligned, even providers who have a generally negative perception of government contracts — or are concerned about certain requirements of a particular RFP — are willing to apply. Learning that agencies were seeking providers who have meaningful connections to the community and commitment to constituent engagement has led some CBOs to respond to RFPs that they might not have in the past.

Another key consideration for leaders of smaller CBOs in assessing mission alignment is the extent to which an RFP’s requirements will allow them to tailor services to best serve their clients. The constraints of [evidence-based models](#) do not always support — and sometimes can undermine — the ability of a CBO to respond to individual client needs and changing circumstances. This is particularly challenging when there isn’t research supporting the model’s efficacy across different communities.

Barrier 5: Mistrust of government child welfare agencies

Providers opposed to contracting with government child and family services agencies often cited concerns about the message it would send to their clients and community members

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who have had negative experiences with the child welfare system. Several advocates and practitioners mentioned their own or others' concerns about a perceived tension between the mandate of child protection and its impact on communities, and the mission and philosophy of family support prioritized by CBOs. Broader community concerns about racial, ethnic, and class disparities in the child welfare system also are important to consider, as well as the significant role that poverty plays in determining which children are deemed to be at risk of maltreatment, and the harm to families caused by child welfare surveillance and inappropriate interventions. Strained trust in the child welfare system can influence CBOs' perceptions of mission alignment, and their willingness to engage with publicly funded preventive services programs, especially if they are administered by the same agencies responsible for child protection investigations and foster care. Even as these agencies change their goals and approach, it can take time to build (or rebuild) trust — and for these mental models to shift. Prevention and family support programs may be more appealing to providers and community members if funded outside of child welfare agencies in order to delink from the stigma and fear that may be connected to the agency.

Barrier 6: Skepticism about their chances of securing a contract

Given how much work it takes to respond to an RFP, CBOs often give significant weight to their perceived chances of getting the grant or contract when deciding whether to apply, including assessing the potential competition. A recurring theme was skepticism that they would be considered fairly in a competition with other applicants, especially larger organizations with more experience in government contracting and resources to put together more polished proposals.

“There’s a hierarchy of agencies: some are considered the ones that should be getting a contract,” one CBO leader said. “For those of us who are smaller, there’s a prevailing attitude that we may not know how to do it. Or if we get it, we won’t be able to be objective enough, because we’re too close to the community.” These perceptions are rooted in direct experiences. This leader reported that when she was considering applying for a government contract, several people at other nonprofits and agency staff told her, “You won’t be able to handle it, you don’t have the capacity, you don’t have the know-how.”

In addition, several nonprofit leaders stressed the importance of applying a racial equity lens when considering what factors influence whether CBOs get government contracts. [Government spending is not distributed equitably](#) and organizations led by people of color have faced explicit and implicit exclusionary barriers that limit their access to government contracting dollars and may make it easier for larger organizations led by white people to win awards. One leader of color noted that she wrote several successful proposals when she was on staff at a large organization headed by a white man, yet comparable ones she wrote as director of her current, smaller organization were unsuccessful. She attributed this difference in responses to her proposals to bias against smaller organizations and/or their leaders. Government officials who ideas42 interviewed also highlighted the importance of applying a racial equity lens in procurement, acknowledging the perception that “race and size can play a factor in who has access [to funding], and existing systems may perpetuate the idea that small organizations can’t do the work.”

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While it is difficult to disentangle the relative impacts on contracting decisions of organizational size vs. race or gender of organizational leadership, it is possible that both play a role in these disparities. In any case, factors that impede the participation of all smaller organizations in government contracting end up disproportionately limiting funding for organizations led people of color dedicated to serving their communities, because the majority of these are smaller organizations.

Documentation and bureaucratic requirements often serve a “gating” function that advantages larger organizations. These range from requiring that similar paperwork be submitted through multiple channels to requiring submission of documents that many small CBOs don’t have, such as personnel manuals, whistleblower policies, and audits that meet certain specifications. In addition, smaller organizations may lack the infrastructure required to track and report community and program metrics.

RFPs often don’t capture the innovation and entrepreneurship taking place at small CBOs because they don’t have the data infrastructure or grant-writing capacity of larger organizations to best showcase their strengths. One CBO leader noted that government agencies are “used to big organizations that have bells and whistles ... (yet) we have a significant track record of program impact and service.”

Strategies to address these barriers

Four strategies can encourage smaller CBOs to respond to RFPs:

1. Invest in earlier, ongoing, and more collaborative dialogue and design
2. Reduce unwarranted child maltreatment reports and removals
3. Increase accessibility of government contracts
4. Provide assistance and capacity building

Invest in earlier, ongoing, and more collaborative dialogue and design

Often the [communities identified as in need of services do not have a say](#) in the design, implementation, and evaluation of services, “so proposals may appear non-responsive because of that disconnect between the CBO and government-preferred service model,” according to one sector leader. Human service providers and advocates have emphasized the importance of [ongoing dialogue between agency officials and the provider community](#) to address this disconnect. Many specifically recommended partnering with local organizations, local district and community officials, advocates, and private funders to share information and convene conversations with CBOs. Such collaboration would allow agencies to leverage these partners’ role as trusted messengers, more up-to-date communication networks, and knowledge of which opportunities might be a good fit for their constituents.

To have an impact, these conversations must be followed by attention to provider insights and recommendations when crafting agency regulations, procedures, and program initiatives. This combination can: 1) enhance CBO understanding of government priorities, awareness

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of funding opportunities, willingness to apply, and likelihood of success; and 2) contribute to the development and successful implementation of programs that are maximally effective in strengthening families and communities. While conversations can take many forms, two kinds of convening emerged as priorities: general conversations focused on information exchange and brainstorming, and targeted convenings regarding new initiatives. Both provide opportunities for government agencies to communicate their vision and goals for agency programs and community impact.

General ongoing conversations allow agencies to obtain providers' insights about their communities and challenges and successes implementing existing programs, and their ideas for new initiatives. To be most effective, these conversations should occur regularly. The goal is to create space for discussion of topics that are always important but never urgent, allow CBOs and agency staff time to explore often complex issues and experiences, and help agencies learn about the realities of service delivery over the lifecycle of a program. Agencies can take advantage of these opportunities to publicize open RFPs and answer questions about the application process, including where to get additional information and assistance, and what regulations and requirements are — and are not — applicable to the program. This transparency can encourage more CBOs to respond to RFPs and help them determine which opportunities are a potential fit for them. It can also help offset the information and access advantages typically reserved for larger service providers with dedicated government relations staff and existing relationships with agency officials.

Convenings focused on the design of specific new programs can generate ideas for what services to include and for whom; opportunities for coordination with other initiatives; and ways to make programs easier to administer. For example, a key part of CBOs' value to their constituents lies in their flexibility, responsiveness to individual circumstances, and holistic approach to individual and community development. To maximize the impact of contracting with these organizations, it is essential to preserve their ability to provide the kinds of support on which community members rely. Early conversations with providers can inform administrative elements of proposed initiatives and contract provisions in ways that enhance flexibility and facilitate coordinated service delivery.

Government officials may be cautious about engaging potential providers, particularly during the time when the RFP is being drafted, fearing their communications may violate the law or present as unfair. In most jurisdictions, however, there are several types of permissible outreach requiring contracting agencies to: circulate draft RFPs or new program concept papers for comment; allow adequate time for stakeholder response; and publicly summarize and respond to the feedback received before issuing an RFP.

Reduce unwarranted child maltreatment reports and removals

Racial disparities in maltreatment reports and child welfare involvement have been well documented [nationally](#) and in the country's [20 most populous counties](#). To increase the number of family support programs willing to contract with government agencies, it is important for government agencies to [address concerns about unnecessary over-surveillance and intrusion](#) that may result in [unwarranted child maltreatment reports](#) and ambiguity about when reports are mandated. This shift is critical for government agencies to build

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trust in communities, and helps assure CBO providers that collaborating with government is aligned with their mission to support families in their communities. Recommended approaches include:

- Provide ongoing education and regular reminders to all child and family service providers, mandated reporters, and the public about: the criteria used to determine whether an abuse or neglect report is warranted; how to avoid poverty-based reports by helping families secure essential resources; and alternative pathways for securing family support.
- Clarify maltreatment reporting protocols in concept papers, RFPs, bidder information sessions, and other outreach about new primary prevention programs and initiatives.
- Institute regular reviews by local child protective services officials of the decision cascade that leads to an investigation of abuse or neglect, with attention to the role of poverty, other contextual factors, and cognitive biases in shaping these decisions.

Increase accessibility of government contracts

CBOs' skepticism about their chances of getting a contract often is based on their knowledge or intuition that existing processes disadvantage them. To encourage more CBOs to apply, agencies can simplify and clarify the application process and modify evaluation criteria to ensure that they enable a broad range of organizations to showcase their capacity to manage the contract and deliver quality services. Recommended changes include:

- Incorporate strategies from Harvard Kennedy's School [Guidebook for Crafting a Results-Driven RFP](#), such as providing a submission template that clearly illustrates how to present all the required information.
- Revisit existing evaluation standards and documentation requirements that are not essential to program quality. Onerous requirements effectively favor larger nonprofits because they are more difficult for smaller CBOs to meet.
- Incorporate and increase weights for evaluation criteria that recognize the strengths of small and medium-sized CBOs, such as linguistic competence, leadership and staff members from the community, evidence of constituent engagement, and understanding of community assets and concerns.
- Interview applicants or finalists (as many private funders do) instead of relying only on written proposals and documents.
- Reconsider who is responsible for reviewing and scoring proposals to reduce the possibility of bias based on familiarity. One CBO leader recommended the federal practice of hiring independent reviewers rather than relying on agency staff who may have previously worked with certain applicants.
- Get the perspectives of those whom the program is intended to serve, such as by hiring community members as external reviewers.

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Larger organizations have information and access advantages that allow them to navigate the application and contracting process more easily. Changes that ensure more equitable access to such information and support navigating the process can mitigate this advantage and encourage a wider range of community organizations to apply. These can include:

- Posting open requests for information.
- Disseminating pre-RFP concept papers and invitations to pre-solicitation conferences in cooperation with sector organizations that serve smaller providers and those that have not previously been funded, to encourage them to consider applying.
- Offering easily accessible avenues, such as a dedicated RFP phone line or email address for prospective bidders to receive timely responses to questions and assistance with the application process.

Provide assistance and capacity building

When asked about barriers to applying for or securing contracts, most leaders interviewed cited operational issues — not gaps in programmatic experience or skill — as the main barriers. They highlighted challenges related to administrative capacity, such as fiscal and data management, understanding RFPs, and how to assemble a compelling proposal. There are several strategies to help close this gap and enhance CBOs' ability to secure public funding:

- Offer prompt, knowledgeable assistance to CBOs managing government contracts. “Agencies need to see themselves as representatives available to assist nonprofits and take time to answer their questions,” one former official said.
- Fund effective training, coaching, and consultations aimed at strengthening CBOs' administrative operations in general and their abilities to manage contracting tasks in particular. Such support would also help CBOs make a persuasive case for their ability to manage contracts.
- Create mechanisms for — and/or help defray the costs of — delegating certain administrative tasks or functions to specialized external contractors or larger nonprofit agencies, including fiscal sponsorship and contract management arrangements.
- Develop alternative partnership models beyond subcontracting — and government contract provisions that support them — that would make it easier for one nonprofit to allocate government funds to another, so that organizations can collaborate to provide more comprehensive and effective services to individuals and communities.
- Provide general support to grassroots community and family support programs for their ongoing work, rather than creating new programs based on government priorities or perceptions of what communities need.

The path forward

Small CBOs can successfully expand the reach and impact of their family support and primary prevention services through government contracting if they receive needed support. That

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support must include systemic changes to reduce obstacles they face and facilitate alternative partnership models, as well as investments in capacity building and more responsive customer service for contract applicants and awardees. In addition, government agencies should adopt processes and protocols to more clearly facilitate — and signal — equitable consideration of proposals submitted by a broad array of CBOs.

It is important that government agencies engage CBOs of all sizes in ongoing dialogue and collaborative program design to ensure that publicly funded programs are informed by realities on the ground, and manageable for providers to implement. In addition to enhancing CBO responsiveness to government RFPs, these strategies can have significant ripple effects in countering the legacy of racism and disinvestment by centering community priorities, infusing public resources in communities of color, and building on individual and community strengths to enhance the well-being of children and families.

- 1 This brief was authored by staff at ideas42, a Casey Family Programs partner in exploring potential improvements to the child welfare system through the enhanced use of behavioral science. This research drew heavily on 50 in-depth interviews conducted from October 2021-June 2022 with senior staff of: community-based service providers; NYC government agencies, including the Administration for Children's Services and Department of Youth and Community Development; local human service membership and advocacy organizations; TA providers; and foundations. Interviewees were asked about their experiences with contracting, their perceptions of the factors agencies consider when evaluating proposals and awarding contracts, and the obstacles providers face in applying for and managing contracts. The ideas42 team also reviewed sample RFPs from NYC ACS and DYCD; research reports; and publicly available information and guidance about city procurement procedures.



During 2021 and 2022, Casey Family Programs partnered with ideas42 — a nonprofit organization that uses behavioral science to address complex social problems — to learn how best to partner with community-based organizations to provide upstream support to families and promote diversity in service provision. ideas42's approach draws on behavioral science research highlighting the importance of the contexts in which decisions and actions occur, and the impact of quirks in cognitive processing on behavior. Applying a behavioral lens in this work helped reveal aspects of the contracting process that influence CBOs' decisions to apply and their likelihood of success in the process.

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