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Brief Report

## **Money? Money! Money\$ or Creative Funding: You Can Write Fee for Service Contracts as an Income Source**

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**Diane Jones & Steven R. Sligar**

Many organizations are in need of funds to continue to meet the needs of a diverse and changing population of consumers who are deaf or hard of hearing. One way to find these funds is in the area of a fee for service contract. This is a formal agreement between a contractor, usually a government agency like vocational rehabilitation, and a private vendor like a community rehabilitation program. The contractor has a specific need or mandate, and in order to meet their objective they can either provide the service directly or outsource it via a contract. This paper describes actual experiences of the authors in the process of contracting with a state agency as well as some of the political realities.

The process can be viewed in three parts. The first involves gathering data from persons who are in need of the potential service, i.e., consumers, service delivery personnel, and agency staff. This first part also requires an analysis of the agency from an insider's view. Second is the actual writing of the contract and lastly comes implementation and revision. At the end, consumers receive a needed service, the contractor meets mandates or requirements and the agency has funds to fulfill its mission.

There is one important up-front note to all potential contractors. As you begin this process be prepared to explain not only your program but also to give information about deafness to other professionals and administrators. These individuals may be quite skilled in their respective field but have very little knowledge on the many needs of persons who are deaf or hard of hearing. Most contract reviewers will understand the need for an interpreter or a TTY but may not realize the need for a one to one training ratio or the highly individualized services that you intend to provide. It is up to you to explain fully this need in terms of expected benefits or outcomes to the contractor.

### **Determining Need**

Informal chats with stakeholders are a great place to begin this process. Some of the people to be approached may include: vocational rehabilitation counselors, consumers, state administrators, top bureaucrats, and staff from your agency. These meetings may be in the form of informal one-on-one discussion(s), a formal focus group, or any

opportunity to gather input from concerned persons. The information is then boiled down and written as an easy to understand statement of need. Why is it important to make these contacts? One reason is the development of rapport and establishment of lines for communication once the contract is underway. As often happens, the stakeholders can assist with the implementation, and one of the agency personnel interviewed may later become the contract project officer. This can prove to be a most beneficial contact.

At the same time, the agency needs to answer the questions of *What are your resources and vision? Where are you now? and Where do you want to be?* As each of these questions is addressed, a clearer picture of the organization's Strengths and Weaknesses can be seen. The agency then needs to determine potential Opportunities and Threats to the organization to plan thoroughly for the process.<sup>1</sup> This SWOT analysis must also include factors related to the accreditation status of the agency and both the real and perceived credibility of the organization by the contracting agency. For example, an agency may have the capability to provide a service but due to previous poor performance the contractor may not see its ability to deliver and consequently be resistant to contracting with the organization.

### **The Process of Contracting**

After all your efforts to establish need and your ability to produce, the actual forms will arrive, usually in the mail and usually with a due date that is closer than you anticipated. This is where your homework pays off as you have most of the information you need to complete the application. Before you start writing, consider the following tips.

- Note the DUE date and where and to whom it is to be delivered. Make sure everyone involved knows this!
- Read the entire application packet BEFORE you start writing. If you do not understand something or where you are to put items on the document – CALL and ask the contract managers for an explanation. Be sure to speak with the contract staff and not program staff (the latter know programs but may be unfamiliar

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<sup>1</sup>It is beyond the scope of this article to address the strategic planning process. The interested reader is referred to texts on organizational development and strategic planning for additional information.

## Brief Report

with these forms so be sure you get the right person for the information you need).

- Use guidelines from the application as your outline to write the proposal. Be sure to USE the instructions provided. Look in the instructions for suggested length of any particular section and use that suggestion as your guideline, for example a statement of...*maximum of 2 pages for program narrative* means just that – NO MORE than 2 pages.
- Frequently included with the packet is a checklist used by reviewers to rate each contract area. Remember these reviewers are busy people and do not want to hunt through the document to find your great ideas and budget information. FOLLOW THIS CHECKLIST and think like a reviewer as you write. It is also a time and opportunity for you to demonstrate to the reviewers that you are capable of following their guidelines. If you write a clear proposal in their format, this says a great deal about your ability to deliver what you promise.
- Before you start the writing, answer the following questions: *Who is going to write this? Who is lead author and coordinator? Who needs to be involved (in-house & out)?*
- As you prepare the document – be sure to use the AutoSave feature on your computer, save the document frequently to a back-up disk, and keep a hard copy. Computers do crash and floppies are corruptible.
- Before you submit the contract, ask an outside reader to review the application for both content and grammar. Also, make sure your numbers match with the application cover sheet and line items throughout the document.
- Send a cover letter with the application and know to whom it is sent and to which office — double-check the address. Include statements that reflect the following ideas: *We can do it! We want the opportunity to provide this service! We shall deliver what we promise!*

## Writing the Contract

Each contractor will have their own forms with a corresponding unique way of organizing the presentation of data, narrative, justification and budget for your ideas. You can almost be assured that your current

budget categories and methods of costing will NOT match the way the information is presented in the contract.

*Be flexible.* You will need to rearrange your existing data and budget information in a way that matches the application.

### **Implementation**

Once you are awarded the contract take a minute and celebrate! Then invite your stakeholders and review what you plan to do. Now, it is time to deliver the service! Though implementation is a great deal of work, you do have a blue print to use. Because you stated your objectives in the proposal, you only need to follow what you wrote. The caveat is do not add, subtract, multiply, or divide from your services to be delivered. If you need to make changes, then communicate this clearly and often (and on paper) with the contract officer. Get approval before you deviate from your well-written and documented path.

### **Reporting**

Reporting is a necessary procedure because you bill from your reports. So no report equals no income, a deficit equation for an agency. Be sure to USE FORMS provided by the contractor and meet deadlines as prescribed.

### **Conclusion**

Contracting can be a viable way to accomplish an agency's mission and provide a valuable service for its constituency. The process is both technical as in filling out forms correctly and political as power and people are involved. A successful agency looks at both of these realities to become a contract award recipient.

Good luck!

*Diane Jones  
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