

## PRESS ADVISORY

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# Kentucky Ranks Among Worst States in Government-Nonprofit Contracting Issues, According to New Reports

*Kentucky Nonprofit Network Ready to Work with Government Leaders on Proven Solutions*

LEXINGTON, KY - According to new data from the Urban Institute, Kentucky is among the worst states in the nation for midstream changes in government contracts with nonprofit organizations. Kentucky nonprofits contracting with all levels of government report significant problems as a result of needlessly complex contract reporting requirements, such as a lack of consistency in the process and requirements across different government agencies. These and other contracting issues waste time and add costs to nonprofit contractors, governments and taxpayers. Yet solutions that will improve communities and save taxpayers money exist according to new reports from the Urban Institute and the National Council of Nonprofits.

The Urban Institute report, *National Study of Nonprofit-Government Contracts and Grants 2013: State Profiles*, provides essential nationwide and Kentucky-specific data on contracting practices and documents the serious and widespread problems experienced by nonprofit organizations contracting with local, state and federal government. The report ranks states on several areas of concern that ultimately impact individuals in need of services, taxpayers and entire communities.

Seventy-four percent of Kentucky nonprofit respondents said that the complexity of and time required by the contract/grant reporting process was a problem, ranking the Commonwealth 14th worst among states. Fifty-two percent of respondents said that government changes to contracts/grants midstream was a problem, ranking Kentucky 10th worst among states with this issue.

"The Urban Institute report identifies some areas where Kentucky is doing well with regard to government and nonprofit contracts. Unfortunately, the report also identifies some very serious concerns that are costing nonprofit organizations and all levels of government valuable time and money at a point when resources are scarce and the needs of our communities are great," said Danielle Clore, executive director, Kentucky Nonprofit Network - Kentucky's state association of nonprofits.

The National Council of Nonprofits' report, *Toward Common Sense Contracting: What Taxpayers Deserve*, recommends a number of solutions successfully implemented in other states. Among these is the establishment of a government-nonprofit task force to bring government and nonprofit leaders together to solve the time consuming, complex and often repetitive reporting requirements facing nonprofits contracting with state government. Kentucky Nonprofit Network will advocate in the 2015 legislative session for the creation of a task force to identify the problems that need solving immediately, craft appropriate solutions and outline the action steps to implement need changes.

"Kentucky Nonprofit Network looks forward to the opportunity for government and nonprofits to work together to increase efficiency, generate financial savings and let nonprofits focus more attention on doing what they do best - serving communities and our most vulnerable citizens," said Clore. "If corrected, we can save the state AND nonprofit organizations time and money without reducing accountability."

"The new data demonstrate what Kentucky's nonprofits and nonprofits across the nation already know; the system is broken," said Tim Delaney, President and CEO, National Council of Nonprofits. "We've been encouraged by progress in other states with implementing solutions outlined in our report and hope government leaders in Kentucky will work in partnership with Kentucky Nonprofit Network and its members to correct these issues."

**New reports:**

- [\*Toward Common Sense Contracting: What Taxpayers Deserve\*](#) (National Council of Nonprofits)
- [National Study of Nonprofit-Government Contracts and Grants 2013: Kentucky](#) (Urban Institute)

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**About the Kentucky Nonprofit Network, Inc.:**

Kentucky Nonprofit Network, the state association of nonprofits, exists to serve, strengthen and advance Kentucky's nonprofit organizations through a unified public policy voice, education, networking opportunities, technical assistance and sharing of best practices and resources to provide nonprofits with access to the resources needed to effectively meet community needs.