



Voices of New York's



Human Services Sector





WHO WE ARE

Restore Opportunity Now is a newly launched campaign to bring together human services organizations from across New York State to call for increased investment and systems changes needed to ensure nonprofits can continue to effectively serve communities in New York State.

The campaign recognizes that while the breadth of services provided by the sector varies tremendously, the misalignment of resources and expectations is a common thread. As poverty and rising inequality suggest, need is going unmet in communities. To address this, programs must be fully funded to cover the true cost and must support an adequately compensated workforce. These crucial investments will allow human services providers to continue to deliver essential services efficiently and effectively, and to recruit and retain qualified staff.

The campaign advisory committee is comprised of the following:

STATEWIDE

COFCCA
 The Fiscal Policy Institute
 Mental Health Association
 in New York State
 New York State Council of
 Catholic Charities Directors
 New York Council of
 Nonprofits
 New York State Community
 Action Association
 New York State
 Rehabilitation Association

CENTRAL NEW YORK

Human Services Leadership Council of
 Central New York

FINGER LAKES

Arbor Housing and Development

NEW YORK CITY

FPWA
 The Human Services Council
 SCO Family of Services
 Urban Pathways

WESTCHESTER

Nonprofit Westchester

CAPITAL REGION

Northern Rivers Family of
 Services

WESTERN NEW YORK

Cattaraugus Community Action
 LifeSpan
 Western Region Hillside Family
 of Agencies
 Syracuse Model Neighborhood
 Facility

SOUTHERN TIER

Southern Tier Independence
 Center

The campaign is supported by more than 270 organizations, and continues to grow rapidly.

As a first step to the development of this campaign the Restore Opportunity Now coalition embarked on a three month research study to assess specific challenges the nonprofit human service sector faces across the State. As research tools, we conducted a meta-analysis of existing data on the sector, 15 in depth interviews, 21 focus groups with more than 300 participants, and an online survey with a sample size of 70. Research was conducted across New York State, and included the following cities: Albany, Binghamton, Buffalo, Elmsford, Ithaca, New York City, Rochester, Syracuse, Utica and their surrounding counties.



EXECUTIVE SUMMARY

The human services sector has been chronically under-resourced for decades and is reaching a critical juncture. New York State has an opportunity to begin to correct this trend by investing in and strengthening the sector. **As a progressive national leader on issues like minimum wage and paid family leave, the State government can again lead in investing in the human potential of its residents by shoring up these crucial services, and the organizations that provide them.**

Poverty and other social indicators point to both the intensifying need for human services, and the increasingly challenging environment in which they operate. Human services are the State's first line of defense in combating these pressing issues. The human services delivery system is the cornerstone in promoting wellbeing, in successful health and education programs, and a crucial partner in building the economy. The erosion of funding, coupled with antiquated systems that make it difficult for nonprofits to operate effectively, has led to a sector on the brink of collapse. Critical changes are needed, both in the ways nonprofits are funded and in the structure of how nonprofits work with government to deliver essential services.

Rising costs coupled with continued needs and a lack of investment have undermined the health of the sector which is now at a breaking point. Underinvestment is exacerbated by systems and processes that do not leverage nonprofits expertise in communities.

The research study yielded three main areas in which the State must make critical changes and key investments to strengthen the sector and the communities they serve:

1. **Contracts that cover the real cost of providing services, permitting nonprofits to be innovative, efficient, and effective;**
2. **Appropriate, competitive compensation for the workforce, allowing for recruitment and retention of quality staff;**
3. **Investments in core programs necessary to lift up communities.**

This report and the following county profiles detail how these issues play out in New York communities and how the State's partnership is essential in overcoming them.

To move towards the goal of investment and positive change in the sector during the next fiscal year, Restore Opportunity Now has developed recommendations in the following key areas:

(1) Contracts

- (A) **Institute the federal definition of "indirect costs", expanded to include Medicaid rates.**
- (B) **Establish and fund a 15 percent de minimis for indirect costs for all State contracts, and encourage local pass through entities to adopt the same standards.**
- (C) **Allow nonprofits the option to negotiate a higher individualized indirect rate to reflect real costs, using the same process as Federal rate negotiations.**

(D) Create a process to analyze the gap between current rates and the real cost of providing services and meeting regulatory requirements, while committing to allocating funding to close the gap.

(E) Commit to continued investment in the Nonprofit Infrastructure Capital Improvement Program.

(2) Workforce

(A) Fund the minimum wage increase by amending all direct human services contracts, and ensure timely implementation of minimum wage funding for Medicaid reimbursements.

(B) Create a mechanism for New York nonprofits to access cost effective and high quality health and retirement benefits for their employees.

(C) Begin to address chronic low payment throughout the sector, by making salaries competitive with the private and government sector.

(3) Programs

(A) Reverse the trend of defunding, and increase funding for human services programs.

(B) Expand mechanisms to assess community needs, like the Antipoverty Task-forces, and provide necessary resources to implement the resulting recommendations

New York State can begin to turn back the tide on chronic underfunding of the human services sector and the communities they serve. With committed investment in the sector, coupled with key systems changes so nonprofits can better partner with government, we will ensure that New Yorkers have access to opportunities and that our communities thrive.

INTRODUCTION

“People feel hopeless, reluctant, that we’re stuck in a rut and things won’t get any better. That concerns me because if we don’t have a community that thinks that things can get any better, then maybe they aren’t going to get any better,” said one human services provider in western New York, one of more than 300 providers who attended a series of meetings on the New York State human services sector.

New York State has an opportunity to begin to lift up our communities by investing in and strengthening the human services sector. As a progressive national leader on issues like minimum wage and paid family leave, the State government can again lead by investing in the human potential of its residents through a new approach to human services.

As need for human services increases across New York State, government funding for organizations providing such services has remained flat or declined, even as the cost of doing business increases. Simultaneously, the workforce that is on the front lines of fighting poverty and providing services is chronically underpaid and under-resourced, yet expected to manage increasingly larger caseloads and challenging work. These issues are inextricably related: lack of a living wage for the workforce is tied to underfunding of indirect expenses, which is tied to the rising cost of rent and insurance, among many other expenses. These challenges play off and exacerbate one another, making service delivery increasingly difficult. Despite the many mergers, affiliations, and consolidated back office support that have occurred since the recession, these organizations are struggling. While existing contracts continue to be underfunded, impacting quality and efficiency of service delivery, they only scratch the surface of need in New York’s communities, as demonstrated by waitlists and unreached populations.

THE HUMAN SERVICES SECTOR PROVIDES CRITICAL SERVICES

Contracting nonprofits to deliver critical and often legally mandated services to New Yorkers, New York State government is essentially out of the business of directly providing human services. This partnership between government and community-based nonprofits allows services to better reflect the needs of specific communities and populations. When given proper resources, nonprofits are able to respond nimbly to changing needs, with efficiency and cultural competence.

Human services touch New Yorkers across the lifespan and from every walk of life. Child care, prekindergarten, and afterschool programs help low to middle income families sustain their place in the workforce. Those programs also give youth a strong social and academic foundation, helping to impact the generational nature of poverty. Adult literacy, re-entry services and job training assist individuals in creating pathways to jobs with living wages, and independence for themselves and their families. Housing supports, legal services, and child welfare provide crisis interventions for individuals and families in crisis. Services for older adults or individuals with disabilities allow people to overcome obstacles and live full and independent lives.

In addition to service provision, nonprofit human services organizations are a major economic driver in New York State. The New York nonprofit sector accounts for 18 percent of private sector jobs throughout the State, with human services providers making up a large portion of those nonprofits. Hundreds of thousands of people are employed across the State in the human services sector.

Government is the primary funder of human services. Across New York State, 68 percent of human services providers receive State government funding and 71 percent received local government funding.

POVERTY AND NEED ARE MAJOR ISSUES IN NEW YORK STATE

When discussing human services it is important to put these organizations in the context of pressing need around the state. While the most recent poverty numbers have shown a small decline over the last year, poverty has been trending up in recent years. In 2011, New York's poverty rate was 14.9 percent.¹ It reached its peak at 16 percent, the highest rate since at least the 1950's, in 2014.² Data from 2016 show that rates have fallen slightly to 15.4 percent.³ These numbers become more startling when disaggregated by a variety of variables, such as race and gender. (Table 1)

	Poverty Rate
Women	16%
Men	12.2%
Black	22.5%
Latino/Latina	25.5%
Asian	16.4%
Native American	24.9%
TABLE 1: Poverty Rates by Gender/Race	

Child poverty has also reached an all-time high in recent years, reaching 22.8 percent in 2013. The current child poverty rate is 21.7 percent. Even more alarming, many cities including Syracuse, Rochester, Binghamton and Utica report child poverty rates greater than 50 percent.⁴ (Chart 1)

There are still further indicators that human services are essential to New Yorkers. In 2015, 14 percent of New Yorkers experienced food insecurity and compared to other states, New York ranks 45th in availability of affordable housing.⁵

¹ "American Fact Finder, American Community Survey." United States Census Bureau, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_DP03&prodType=table, 2016.

² "American Fact Finder, American Community Survey." United States Census Bureau, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_DP03&prodType=table, 2016.

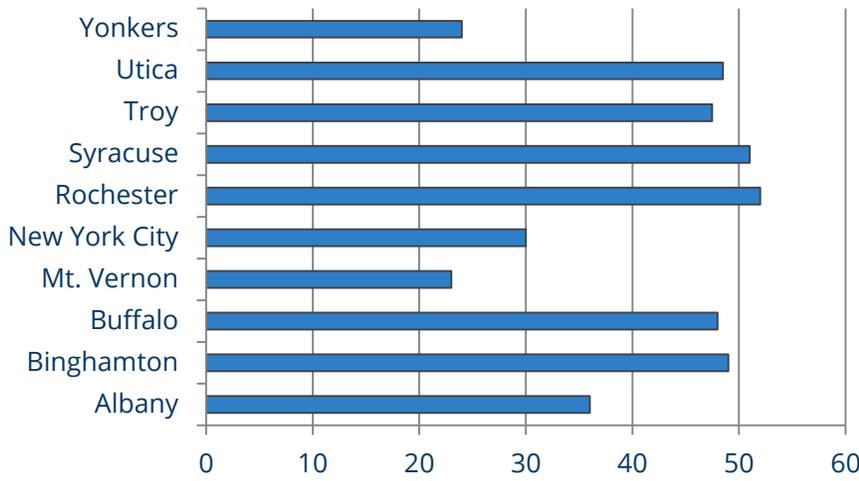
³ "Poverty By State Report, 2015." Talk Poverty, <https://talkpoverty.org/state-year-report/new-york-2016-report/>, 2016.

⁴ "Poverty By State Report, 2015." Talk Poverty, <https://talkpoverty.org/state-year-report/new-york-2016-report/>, 2016.

⁵ "Poverty By State Report, 2015." Talk Poverty, <https://talkpoverty.org/state-year-report/new-york-2016-report/>, 2016.

New York's population is aging rapidly, with the number of residents over 65 years old expected to grow by nearly 40 percent by 2030. This changing demographic will require increasing services to age in place, with dignity. Additionally, 22.9 percent or more than 3.41 million New Yorkers grapple with physical or developmental disabilities, and require targeted, committed services to live full, independent lives.⁶

Chart 1: Percent of Children Living Below the Federal Poverty Line



Across the state, providers also report dealing with increased levels of client trauma, especially around issues of mental health and addiction. The rate of mental illness in youth in New York State is estimated to be between 13 and 20 percent.⁷ Another area where these issues are apparent is in the severe heroin epidemic impacting many parts of the State. In 2014, the 825 deaths from heroin overdose were a 24 percent increase over the previous year, and 25 times the number recorded ten years earlier.⁸

These factors all point to both the intensifying demand for human services, and the increasingly challenging environment in which human services providers operate. By ensuring nonprofits are themselves on financially sound footing, the State can ensure they can be relied upon to address these new dynamics effectively.

INVESTMENT IN THE HUMAN SERVICES SECTOR IS DECLINING

The Governor and Legislature have made some significant efforts in recent years to assist the nonprofit human services sector through initiatives like Grants Gateway and the Nonprofit Infrastructure Capital Improvement Program, but there is still a tremendous area of opportunity for the State to make major gains in correcting decades of disinvestment.

⁶ "Limitation and Disability Status New York State Adults." BRFSS, https://www.health.ny.gov/statistics/brfss/reports/docs/1601_brfss_disability.pdf, 2013.

⁷ "Children's Mental Health: The Basics" CDC, <http://www.cdc.gov/childrensmentalhealth/basics.html>

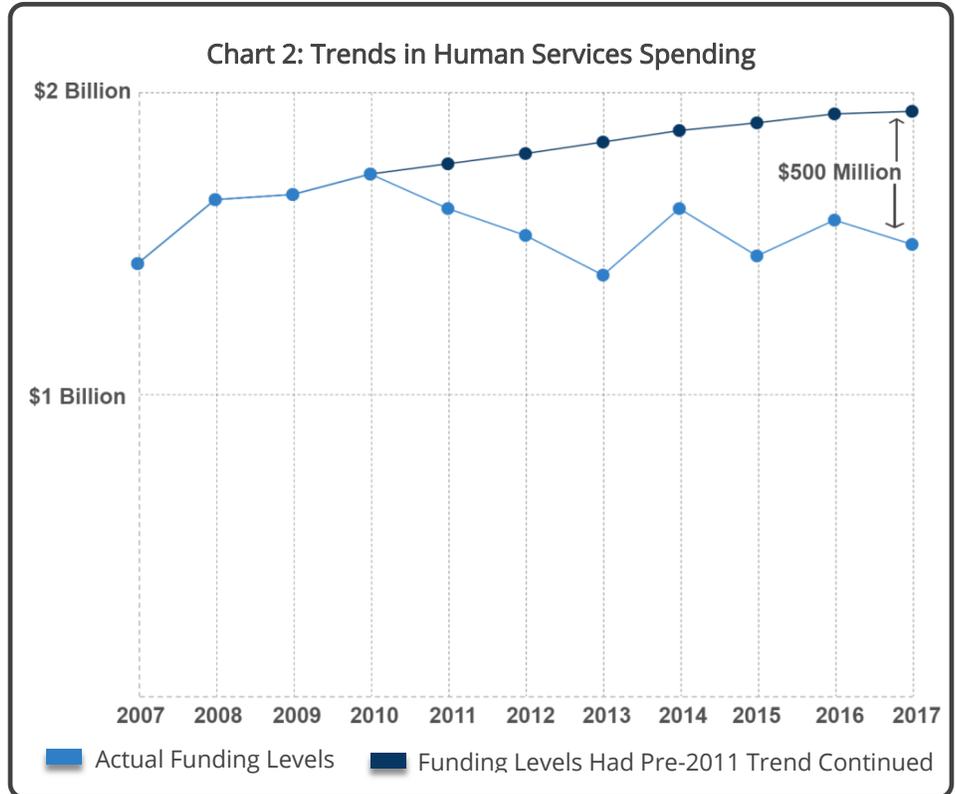
⁸ Thomas DiNapoli, "Prescription Opioid Abuse and Heroin Addiction in New York State. Office of the New York State Comptroller, https://www.osc.state.ny.us/press/releases/june16/heroin_and_opioids.pdf, 2016.

Rising costs coupled with ever present needs and declining investment has starved programs and organizations. As one focus group participant in Albany pointed out,

“We have cut all the low hanging fruit. What cuts we could make, we made during the recession, and now all that is left to cut are services.”

Underfunding in the human services sector has been particularly acute in the last five years.

Between 2007 and 2011, human services State government spending grew at a modest rate of 3 percent average per year, inflation adjusted. Though this increase in investment did something to defray the increased costs, it still fell short of fully covering rising costs, due to year-to-year increases of rent, insurance, materials, and more. Since 2011, human services sector spending in New York has decreased by an average of 1.3 percent per year, inflation adjusted. In real dollars, this means that the sector has \$500 million less in funding for the current fiscal year than it would have if growth had continued at the pre-2011 rate.



THE IMPACT ON NONPROFIT HUMAN SERVICES IS CRIPPLING

Across the State, human services providers are faced with an insurmountable lack of resources. Many providers expressed that they were unsure how long they could keep their doors open, or at minimum how long they could keep service levels consistent.

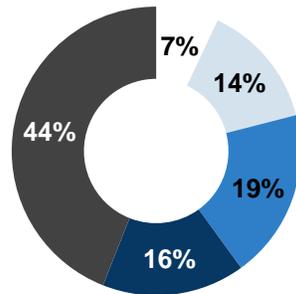
The research study yielded three main areas in which nonprofit human service organizations are impacted by underfunding in:

- (1) underfunded contracts and rates;
- (2) the inadequately compensated workforce; and
- (3) meeting community need through programs.

CONTRACTS AND RATES DO NOT COVER THE FULL COSTS

Chart 3: Percent of Providers Reporting Frequency of the State Covering Full Costs

Always Often Sometimes Rarely Never



Existing human services contracts are chronically under-resourced. The contracts and rates do not meet the full costs of sustaining programs. Overhead and indirect reimbursement rates are low or non-existent. Bureaucratic hurdles and unfunded mandates eat away at contract dollars. Seachange Capital Partners

found that a startling 18 percent of human services organizations in the State are financially insolvent, greatly attributable to the deficits they incur when contracts go underfunded.⁹ When providers experience the kind of instability and insecurity that underfunded contracts lead to, they are operating in crisis mode much like the clients they serve; one small misstep could mean cuts in services or closure.

Just as the clients of these organizations are living paycheck to paycheck, their organizations are living payroll to payroll. Per the 2015 State of the Nonprofit Sector Survey, 80 percent of New York human services nonprofits reported a deficit for 2014, ranging from 1 to 25 percent. For nearly half these organizations, the deficits were unplanned.¹⁰ As noted in Chart 3, New York nonprofits rarely report that State contracts cover their full costs.

Despite this, human services providers take contracts that are underfunded in order to provide crucial programs and services to clients. An administrator explained that these nonprofits' missions often compel them to disregard best business practices:

“Because we’re human services, we enter into agreements that other businesses would never. We take a contract that doesn’t even come close to covering the cost of services but we want to provide the services to people who need them.”

⁹ “New York Nonprofits in the Aftermath of FECS: A Call to Action.” Human Services Council, <http://www.humanservicescouncil.org/Commission/HSCCommissionReport.pdf>, 2015.

¹⁰ “2015 State of the Nonprofit Sector Survey.” Nonprofit Finance Fund, <http://survey.nonprofitfinancefund.org/>, 2016.

One of the most glaring areas of underfunding comes on the indirect¹¹ side of the contract, where administrative expenses imperative to running the program and the organization as a whole are not accounted for. Indirect expenses may seem mundane, but include core expenses like accounting, supervision, building maintenance, rent, heating and cooling, security, and a myriad of other components that any business needs to operate. These expenses are critical to fully functioning and successful human services programs, since they keep the backbone of the program and the organization itself strong and healthy. The Federal Office of Management and Budget (OMB) released a guidance in December 2013 requiring that when a contract has federal funds, government agencies should reimburse for indirect expenses at a rate of 10 percent de minimis, and honor a higher negotiated rate for organizations that have an established Federal rate.¹² However, providers reported consistently receiving indirect rates that were lower than the Federal guidance and that did not begin to meet their actual indirect rate. As one administrator stated,

“Our admin rate is 10 percent which is actually really good yet we are losing money on those contracts. They are being subsidized by other programs.”

This leaves a gap between the indirect expenses reimbursed and the actual indirect expenses incurred that the organization has to cover. Organizations often turn to private funders to attempt to fill this gap, or are forced to pull from other programs or run on reduced resources. Nonprofits piece together private dollars to make up the difference on government contracts, to cover both core program expenses as well as indirect, but private dollars are a much smaller pool of resources compared to government. Foundational giving and private fundraising are outmatched by the gap in government investment, and nonprofits have reached the point where this funding gap can no longer be bridged.

LOW WORKFORCE COMPENSATION PRESENTS SERIOUS CHALLENGES

Everyday across the state over hundreds of thousands of human services workers perform essential tasks in support of their fellow New Yorkers. Case managers, teachers, administrators, social workers, direct care professionals, and many more are committed to providing high quality services. Over 80 percent of this workforce are women, and more than half are people of color, groups which are already overrepresented in poverty and economic insecurity.¹³

¹¹ Shared organizational costs that cannot be attributed to a particular program or service but still comprise a portion of it.

¹² “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.” Federal Register, <https://www.federalregister.gov/documents/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>, 2013.

¹³ David Cooper, “Raising the New York state minimum wage to \$15 by July 2021 would lift wages for 3.2 million workers,” Appendix Tables A-5, 6 and 7. 2016.

Currently, more than half of the sector is paid under \$15 per hour.¹⁴ While this will change slowly over the coming years due to the State minimum wage increase, many of these positions should pay well above minimum wage. The work done in this sector requires compassion and skill. More than two-thirds of this sector has some level of post-secondary education, and is well qualified to do their jobs.

Anecdotally, this workforce often mirrors the client-base it serves. Providers talk about staff members standing in the same food pantry lines as their clients, or asking to apply for the housing benefits delivered by the organization that employs them. More than one human services organization director told the story of an employee asking to have their salary decreased by a small amount, because their minimal raise would result in the loss of SNAP benefits or other supports for their family. This year, a Berkeley study reported that 60 percent of those in the social assistance field were utilizing or had a family member utilizing at least one public assistance benefit.¹⁵

In addition to low salaries, surveyed providers report that fringe benefits become less affordable and lower quality with each passing year. Low levels of compensation, both salary and benefits, has led to a recruitment and retention crisis for many human services providers. Turnover rates continue to grow, along with vacant positions that are nearly impossible to fill. Even mid-level staff move to better paying positions in hospitals, universities, and government once they gain experience.

Recent legislation around the minimum wage has impacted these challenges. In areas outside of New York City, the minimum wage is not scheduled to rise above \$12.50 until 2020 or later, while earlier actions have already been implemented to raise the wages of fast food workers to \$15. With a choice between the daunting responsibilities of direct service or higher wages with less responsibility, recruitment and retention issues will be further exacerbated.

“We have a high turnover rate for entry level positions- direct support for the disabled, mentally ill, chemically dependent. Those positions are paying equivalent or less than those who work at Burger King. Do you want to work with diapers, colostomy bags, someone who is in the throes of their addiction or mental illness, or do you want to flip burgers? We have 200 staff and a 40 percent turnover rate.”

¹⁴ “A Fair Wage for Human Service Workers.” FPWA, HSC, FPI, <http://fpwa.org/wp-content/uploads/2015/12/FINAL-REPORT-15andFunding.pdf>, 2015.

¹⁵ Michael Reich, Sylvia Allegretto, Ken Jacobs and Claire Montialoux, “The Effects of a \$15 Minimum Wage in New York State.” Center on Wage and Employment Dynamics, <http://irle.berkeley.edu/cwed/briefs/2016-01.pdf>, 2016.

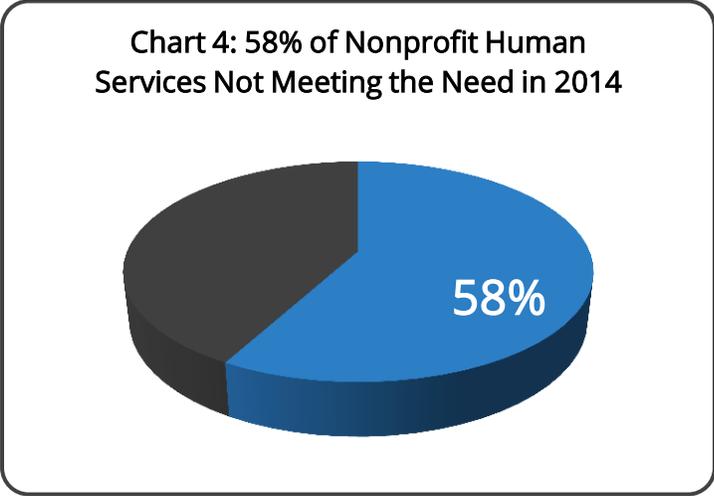
High staff turnover is extremely costly to the human services organizations. The sector works with individuals who have experienced trauma and have been marginalized by a variety of systems. Often forming trusting relationships with staff is extremely challenging for these clients; turnover creates an even greater barrier to the creation of these bonds. Turnover is also extremely expensive to organizations in terms of hiring and training new staff, impeding service delivery.

Human services are an extension of government work, often mandated by State or Federal law. Since these services are contracted out, they are not comparable to government wages or benefits. While government does not fund all human services positions, government funding is prevalent enough to be a major driver of sector wages. While most organizations want to pay living wages and provide quality benefits in principle, their government contracts do not fund them adequately to do so.

These issues continue to present challenges to struggling nonprofits. With these obstacles comes another set of difficult choices: cuts to service provisions, cuts in hours, cuts in staffing, increases in caseloads. However a nonprofit addresses these issues presents serious consequences for their staff and for the communities they serve.

LACK OF PROGRAM FUNDING CREATES VAST UNMET NEED

Across New York State, need is going unmet at least in part because of the lack of program funding. For example, less than a quarter of eligible families (those under 200 percent of the federal poverty line) are being served by child care subsidies statewide.¹⁶ There are over 9,700 older adults on the wait list for senior services in New York State,¹⁷ and that does not take into account older adults turned away for the services they really need like affordable housing. More than 1,000,000 children across New York State would utilize after-school programs but are not given the opportunity.¹⁸ In June 2016, there were



¹⁶ "Testimony to the New York State Senate Finance Committee and New York State Assembly Committee on Ways and Means." Citizens' Committee for Children of New York, Inc, <http://www.cccnewyork.org/wp-content/uploads/2016/02/CCCTestimony.StateBudgetHumanServices.Feb2016.pdf>, 2016.

¹⁷ "Testimony to the New York State Assembly." LiveOn NY, <http://198.106.60.78/files/LiveOn%20NY%20Testimony%20for%2011%2018%2015%20State%20Assembly%20Hearing%20on%20Senior%20Poverty%20FINAL.pdf>, 2015.

¹⁸ "2016-2017 State Budget Ask." New York State Network for Youth Success, <http://www.nysan.org/policy-priorities/state/state-budget/>, 2015.

60,042 homeless people, including 14,981 homeless families with 23,213 homeless children, sleeping each night in the New York City municipal shelter system.¹⁹

The list of circular referrals, waiting lists, and services not meeting the most pressing needs of New Yorkers is as broad as the human services sector. In 2014, 58 percent of surveyed New York human services providers reported not being able to meet the need in their communities (Chart 4), and 59 percent anticipated not meeting the community need in the following year.²⁰ Every focus group confirmed that this was their daily experience. A multi service human services provider lamented the inherent lack of compassion in a system that forced her to regularly turn away clients in need of services:

“It’s really about a question of compassion. Someone comes to us and says ‘I’m homeless,’ and we say fill out this form and we will call you in 10 months. How is that compassionate?”

When need goes unmet in communities due to underfunding, the consequences are dire for those who do not receive enough services or receive none at all.

“A few of our programs have waiting lists a few years long. We run out of emergency funding every single year. We would need triple the amount of money just to meet our demands. If we can’t serve people, people end up becoming homeless, they spend limited money on food, other bills don’t get paid, utilities get shut off, childcare doesn’t get paid for, medication doesn’t get paid for.”

RECOMMENDATIONS: IMMEDIATE INVESTMENT IS NEEDED

It is obvious that nonprofit human services are at a critical juncture. Across the State, the numbers and the stories garnered in our research paint a clear picture of communities in need of essential services, and a sector being asked to do far too much with far too little. The human services sector needs the appropriate resources to effectively support the wellbeing of New Yorkers and allow our communities to thrive. Restore Opportunity Now urges the State to take the first steps towards correcting decades of underfunding, taking this opportunity to be a progressive leader, just as it was around important issues like minimum wage and paid family leave.

¹⁹ “New York City Homelessness Factsheet.” Coalition for the Homeless, http://www.coalitionforthehomeless.org/wp-content/uploads/2016/08/NYCHomelessnessFactSheet6-2016_citations.pdf, 2016.

²⁰ “2015 State of the Nonprofit Sector Survey.” Nonprofit Finance Fund, <http://survey.nonprofitfinancefund.org/>, 2016.

To truly invest in the potential of New Yorkers, the State must provide the resources to meet the following long term goals:

1. Contracts that cover the real cost of providing services, permitting nonprofits to be innovative, efficient, and effective;
2. Appropriate, competitive compensation for the workforce, allowing for recruitment and retention of quality staff;
3. Investments in core programs necessary to lift up communities.

To move towards these goals in the next fiscal year, Restore Opportunity Now has developed recommendations in the following key areas:

(1) Contracts

- (A) Institute the federal definition of “indirect costs”, expanded to include Medicaid rates.
- (B) Establish and fund a 15 percent de minimis for indirect costs for all State contracts, and encourage local pass through entities to adopt the same standards.
- (C) Allow nonprofits the option to negotiate a higher individualized indirect rate to reflect real costs, using the same process as Federal rate negotiations.
- (D) Create a process to analyze the gap between current rates and the real cost of providing services and meeting regulatory requirements, while committing to allocating funding to close the gap.
- (E) Commit to continued investment in the Nonprofit Infrastructure Capital Improvement Program.

(2) Workforce

- (A) Fund the minimum wage increase by amending all direct human services contracts, and ensure timely implementation of minimum wage funding for Medicaid reimbursements.
- (B) Create a mechanism for New York nonprofits to access cost effective and high quality health and retirement benefits for their employees.
- (C) Begin to address chronic low payment throughout the sector, by making salaries competitive with the private and government sector.

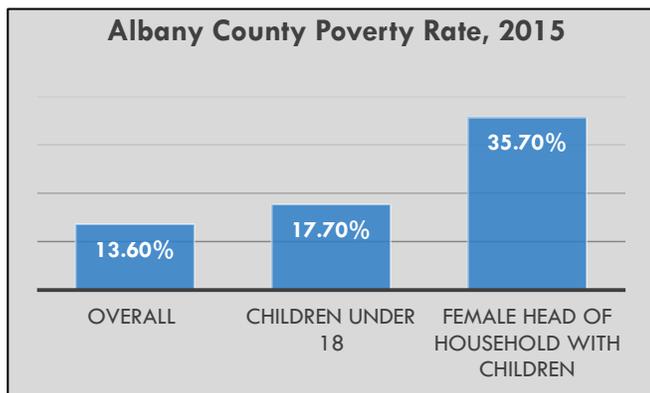
(3) Programs

- (A) Reverse the trend of disinvestment, and increase funding for human services programs.
- (B) Expand mechanisms to assess community needs, like the Antipoverty Taskforces, and provide necessary resources to implement the resulting recommendations.

By implementing these recommendations, New York State can begin to turn back the tide on chronic underfunding of the human services sector and the communities they serve. With process changes and key investments in the sector, we will ensure that New Yorkers have access to opportunities and that our communities thrive.

ALBANY COUNTY OVERVIEW

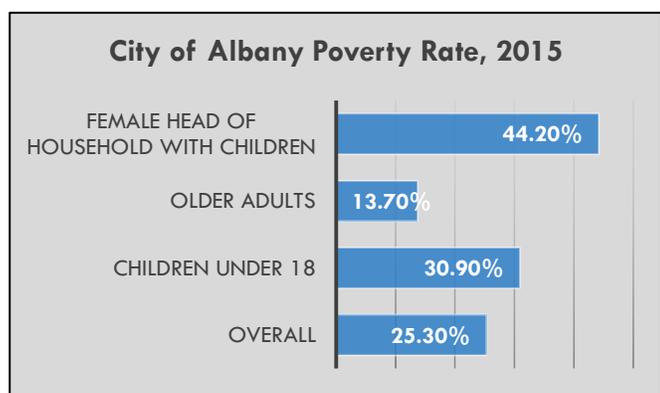
KEY STATISTICS



27.1% Percent of Population Under 200% of the Poverty Line

32.7% Households With Housing Costs Exceeding 30% of Household Income

11.2% Percentage of the Population with a Disability



VOICES FROM THE SECTOR

“We had a family last week where they decided that they wanted no more care, they asked for hospice...couldn't get a home care aid for two weeks and he died before that two weeks was up.”

“People aren't going to take our jobs. They're going to go to Wendy's and flip burgers and make more money. **People that take these jobs truly want to help people and want to live the mission, but it's only going to go so far.**”

“Whether people see the unmet need is very different upstate. Counts are not good outside of metro areas. **There's more hidden need.** National parks are becoming places where the homeless are living—who's counting? I keep coming back to the poverty piece—there are all these different commissions to “deal with poverty”, picking an issue, but isn't going to have a big impact. Not everyone can be trained for a tech job.”

“Our health care costs went up. The lowest increase went up 10%, 27% was highest increase. I had to charge more or pay for it. **I ended up cutting my retirement funding, and there was no extra money on the table.**”

“We talk about executive pay as it relates to minimum wage, but I have one member that said even if you **get rid of their whole executive team, it will cover a quarter of their minimum wage cost.**”

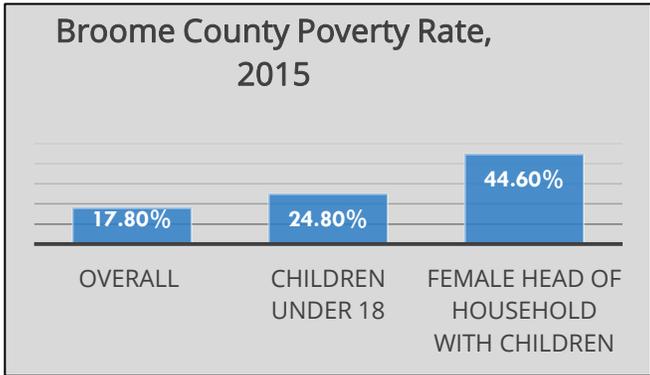
Sources: Albany County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Albany.pdf>, 2016.

“Economic Indicator Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.

“Food Environment Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD>,

BROOME COUNTY OVERVIEW

KEY STATISTICS



- 36.9%** Percent of Population Under 200% of the Poverty Line
- 31.3%** Households With Housing Costs Exceeding 30% of Household Income
- 14.0%** Percentage of the Population with a Disability

- 14.1% { **Overall Food Insecurity**
- 24.4% { **Food Insecurity for Children**

Sources: "Broome County Poverty Report." New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Broome.pdf>, 2016

"Economic Indicator Report." Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.

"Food Environment Report." Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD><http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD>

VOICES FROM THE SECTOR

"Lack of access to services is devastating. The wages that people make are not living wages. The agencies keep people on a part time status so they don't get benefits, and people aren't able to travel to provide services in the homes when we need people to be getting services in the homes."

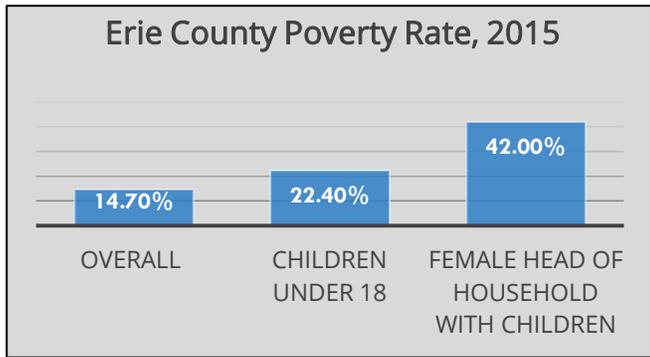
"We see people who have to pick between groceries and their pills. When you look at that demographic, the seniors are here because they grew up here, they built up this area, and they stay in this area. They are putting their money back into the economy. And for young people and students that are coming into the area, if caregivers could be paid and valued a little more, then there might be more people to take care of these people."

"We are not in a financial position to be able to bring everyone up [to the minimum wage threshold]. It's already going to cost us \$25,000 in just this year, out of \$1.5 million of our total budget. And here's part of the dilemma. Our tuition was set at a 5% increase before the mandatory wage was passed. And that 5% was a lot. Market rate is going up by 6% and minimum wage brings us up by 8%. **So unless we really want to hurt a lot of families, we won't be able to raise tuition until next September, which means we can't bring everyone up to where they deserve.**"

"I've called everybody. They say they'll try. It's nice to try but I have to make a payroll. The services you're providing are losing money. We're going to be like FEGS. I've told my staff this is gonna be a tough budget year. The cost of minimum wage for our org is \$200,000 per year. I don't know where to get that. There's no more low hanging fruit. We have no voice. We have half a dozen programs we are looking at right now saying, we just can't do it anymore. Something has got to change. **There's no way we are going to survive if something doesn't change.**"

ERIE COUNTY OVERVIEW

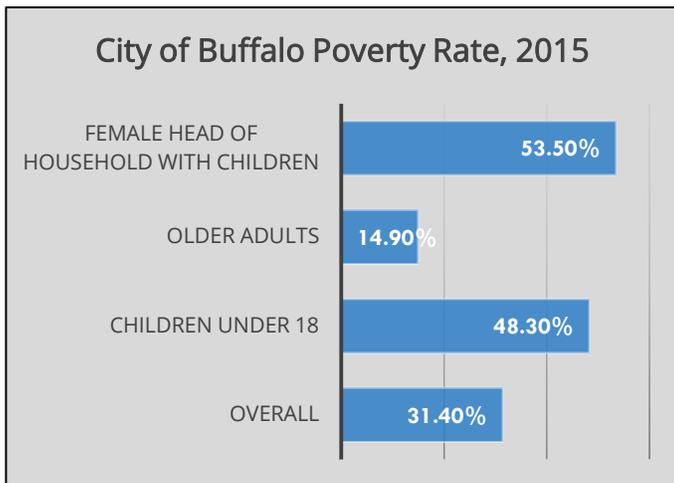
KEY STATISTICS



31.25% Percent of Population Under 200% of the Poverty Line

30.1% Households With Housing Costs Exceeding 30% of Household Income

13.0% Percentage of the Population with a Disability



VOICES FROM THE SECTOR

“I have staff that **should be making \$10,000-15,000 more a year because they are good and passionate**, but I can’t afford to pay them that. They are just on the cusp of poverty--\$400 over per year.”

“**The nonprofit sector loses people to government because those jobs pay more.** They fund us inadequately, and then they recruit our employees.”

“We’ve doubled our revenue. We’ve doubled the number our employees, but the administration is still the same as it was. While the agency is growing and able to meet more and more need, **it doesn’t come with the appropriate percentage of overhead.**”

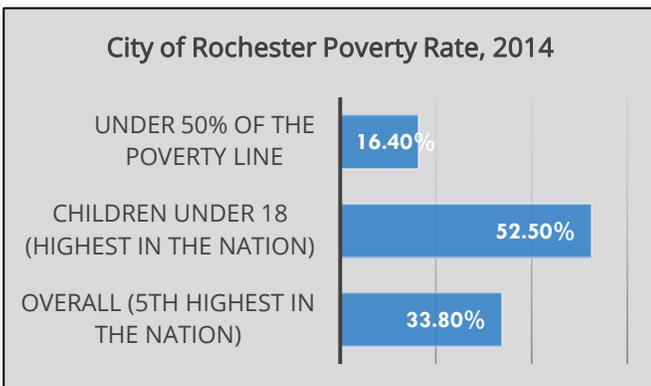
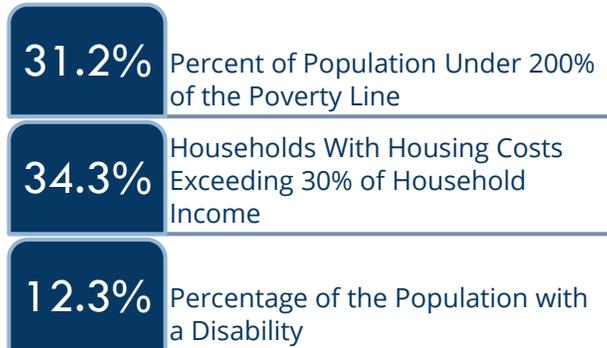
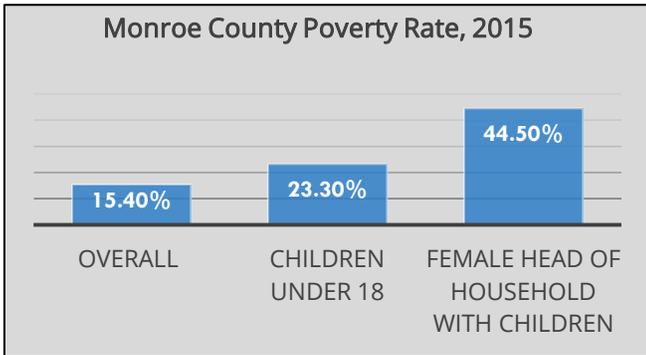
“In New York, if you want a subsidy, **you have to go on the waitlist.** Then if you go to DSS, they will say there's no money. So the process is that you are supposed to get denied and then go back and then you get placed on the waitlist.”

“**Child care in Erie County is more expensive than public state college.** We get loans because no one can afford to pay for college, but there are no childcare loans. Yet the organizations can't afford to charge any less, they are stretching it thin already.”

Sources: “Erie County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Erie.pdf>, 2016.
 “Economic Indicator Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.

MONROE COUNTY OVERVIEW

KEY STATISTICS



VOICES FROM THE SECTOR

“We are closing residential treatment, but that money isn’t going into the community. We could do really good work at the community level, but **we are underfunded so the youth are ending up back in institutions.**”

“There’s still a great need for housing. We are getting killed by the county reimbursement rate. We have to eat the cost of that. **We’ve lost hundreds of thousands of dollars.**”

“**We’re asking workers to provide a level of skill and understanding equal to an elementary teacher, and we are paying minimum wage.** We are asking families to cover some of that because there’s so little funding. It’s so hard to see quality decreasing. There’s a point where you can’t provide that.”

“Some of our kids **make more by flipping burgers than the people providing them with services.**”

“You start a MSW with student loans at \$27,000-30,000 per year...They can get double that at a hospital, so they just wait for that to open up. **We haven’t seen an increase in ten years, and your money is walking out the door.**”

Sources: “Monroe County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Monroe.pdf>, 2016
 “Economic Indicator Report.” Community Commons,
 “Food Environment Report.” Community Commons,
 “Poverty and Self Sufficiency Report.” ACT Rochester, <http://www.actrochester.org/sites/default/files/2016%20Poverty%20and%20Financial%20Self-Sufficiency%20Report.pdf>, 2016.
 ACT Rochester, <http://www.actrochester.org/sites/default/files/2016%20Poverty%20and%20Financial%20Self-Sufficiency%20Report.pdf>, 2016.

NEW YORK CITY OVERVIEW

VOICES FROM THE SECTOR

“They are already paying us too little, they are already capping our kids at a low rate and paying childhood education teachers as minimum wage workers.... and this is during a time when the economy is good, can you imagine what happens when it goes bad? And **we’re the ones that are supposed to be there if things go downhill, and if we aren’t still standing then who will be there?**”

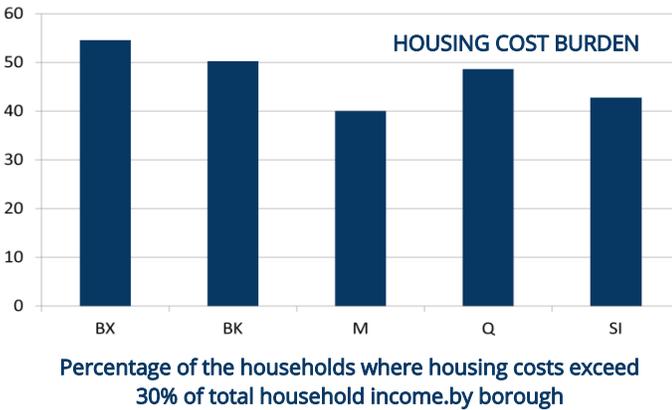
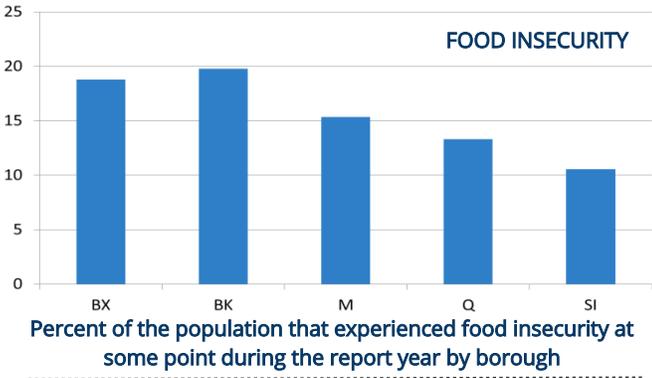
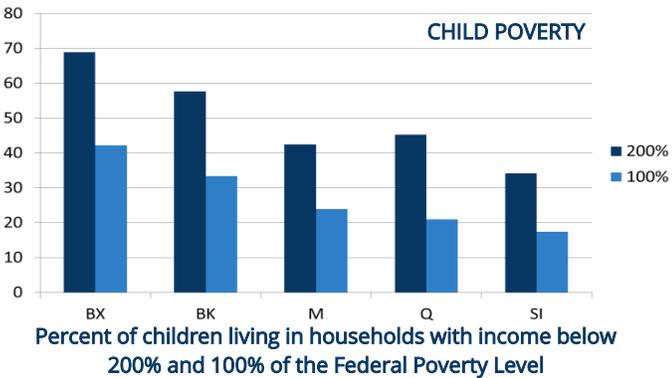
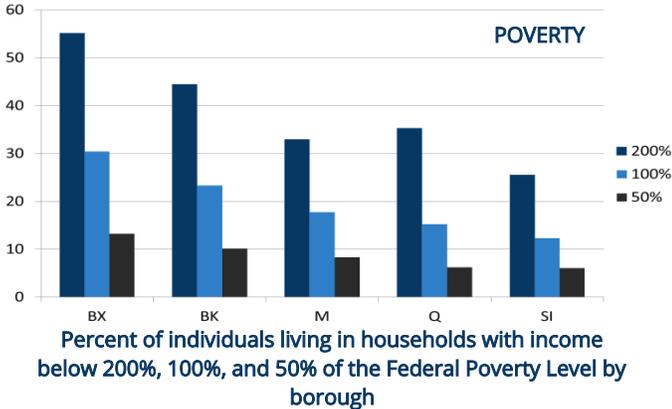
“There’s a huge disparity in the way the sector is treated, and I think it has to do with who we serve. **Its people who are disenfranchised, its poor people, people of color, people who don’t have political clout.** It’s seen as charity as opposed to a social obligation. Because of all of those reasons, they try to justify not picking up the total cost. A lot of services we provide are services that government is MANDATED to provide, and so if we didn’t do it they would have to do it.”

“When you talk about equity, that’s 60% of my work force, those are people you want to capture. **They are the working poor.**”

“If this was a bridge that hundreds of thousands went across every day, it had better look good. If the shelter isn’t totally clean, **there’s an element of ‘these services don’t matter’.**”

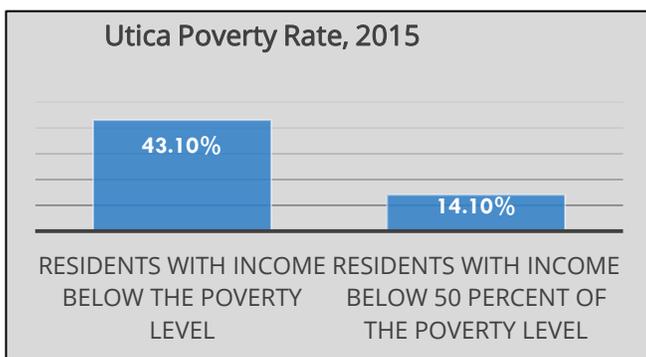
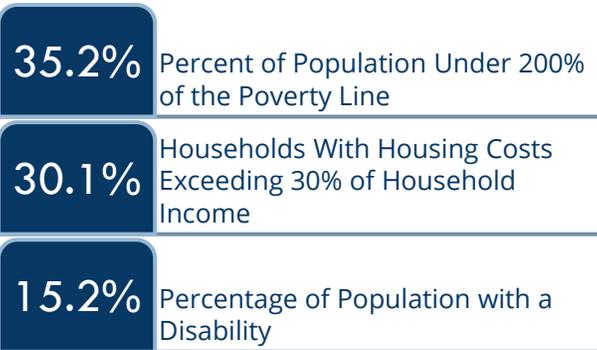
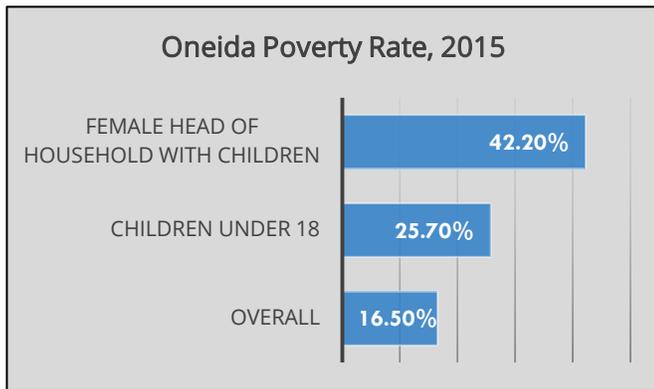
“We have gaps to close. Like the 30 million word gap where kids from high income families hear 30 million more spoken words by age 3. **These are serious gaps we have to close. And we’re doing this by starving the programs and paying the people way less than they are worth.**”

Sources: Albany County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Albany.pdf>, 2016.
 “Economic Indicator Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.
 “Food Environment Report.” Community Commons,



ONEIDA COUNTY OVERVIEW

KEY STATISTICS



VOICES FROM THE SECTOR

“We culturally undervalue these positions. **And they’re taking care of our seniors, our children, and our ill.** And we’re saying that work isn’t worth even \$15 an hour?”

“It can take all day to cobble together services because we don’t have resources available—getting a bus pass, a guaranteed night stay till tomorrow and a visit with a primary physician. And then it’s just for that one person, and it **only gets them through till tomorrow when it starts all over again for both of you.**”

“We had a contract for \$250,000 and **at the end of it we lost \$16,000 on it,** and that was without taking admin, without taking indirect, and we had one staff on it funded through another source.”

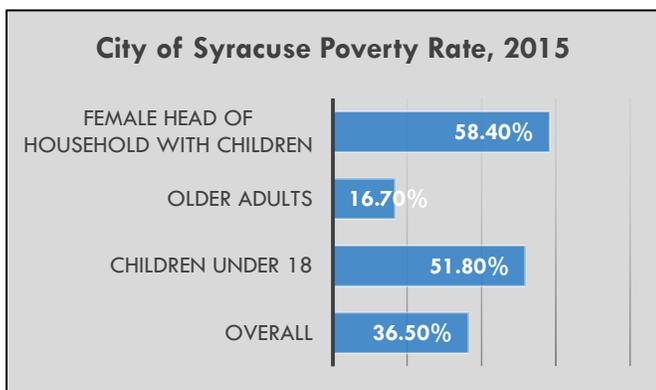
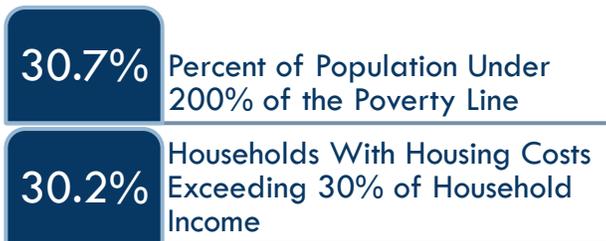
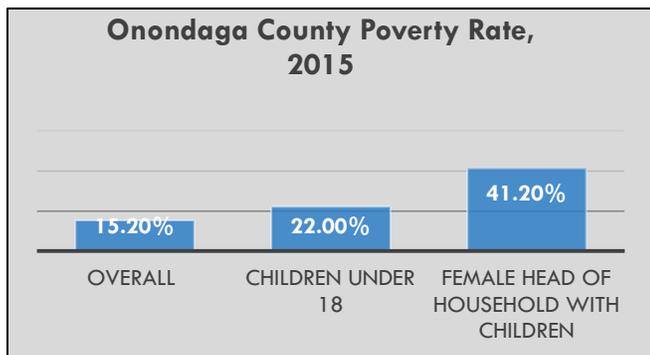
“We were talking about the turnover rate in our classrooms. **We don’t value “women’s professions” as men’s.** Why don’t childcare workers make the same as welders or truck drivers? People say because it’s more dangerous. Have you ever spent times in a preschool classroom?”

“**Direct care workers work extremely hard and are extremely committed,** and it’s unfair that they have different pay with state workers. **It’s a tough job.**”

Sources: “Oneida County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Oneida.pdf>, 2016.
 “Economic Indicator Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.
 “Food Environment Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD>, 2015.

ONONDAGA COUNTY OVERVIEW

KEY STATISTICS



Sources: "Onondaga County Poverty Report." New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Onondaga.pdf>, 2016.

"Economic Indicator Report." Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.

"Food Environment Report." Community Commons,

VOICES FROM THE SECTOR

"I noticed with my staff members and clients I'm filling out DSS forms for almost as many of my staff members as my clients. I've always known that we didn't pay well. **My 16 year old daughter just got a job at Burger King and she makes more than the staff members that work with the women at my program. She's 16 and it's her first job. It's wrong.**"

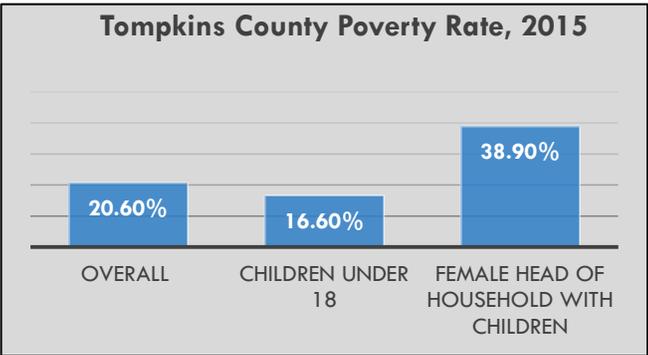
"You can deliver meals to someone's home but if they can't stand up how do they get it out of the refrigerator three times a day? What happens to that person? The person loses weight consistently, they get pressure sores, they get hospitalized. **We know it's cheaper to send someone to their home than hospitalization and we could prevent that if we could send people,** but we just don't have the staffing, we just don't have the resources."

"In childcare the highest turnover is among the least paid staff, the teacher's assistants, the turnover rate is 40% or more. **The expectations are becoming higher and higher for what they do and they can't meet them for such little pay.** It becomes frustrating for the teachers to have to retrain their staff, and it impacts the quality of the program."

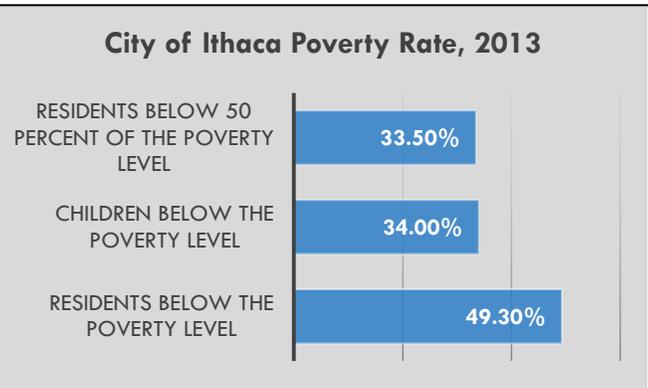
[On benefits] "We've had people who have asked for high deductible plans. They say I need the cash in my paycheck because I need to feed my kids. **They put off health and prevention and safety net because they need the immediate cash to meet basic needs.**"

TOMPKINS COUNTY OVERVIEW

KEY STATISTICS



- 34.5%** Percent of Population Under 200% of the Poverty Line
- 35.2%** Households With Housing Costs Exceeding 30% of Household Income
- 9.8%** Percentage of the Population with a Disability



VOICES FROM THE SECTOR

“People are forced to live in smaller rural communities but then services like transportation, technology, education, are not accessible there, so **it exacerbates the divide between those communities.** We are creating sprawl because people can’t afford to live in the city, and then it makes it even harder to get services to them.”

“There’s a real need for increases in all kinds of human services. **I don’t think there’s an agency here today that doesn’t have a wait list.**”

“The demand for record keeping and reporting out in so many different ways...That’s an overhead we never planned for. The time involved is unbelievable. **We have a person who works weekends, on top of their 40 hours, to keep up.**”

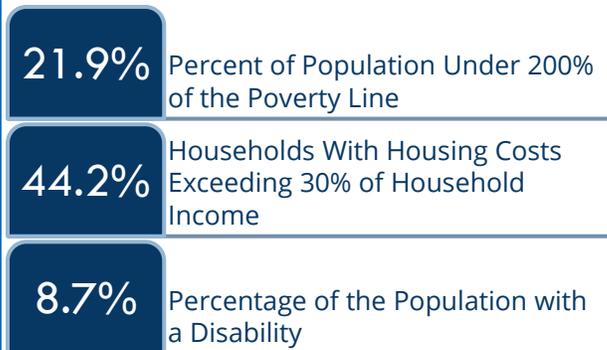
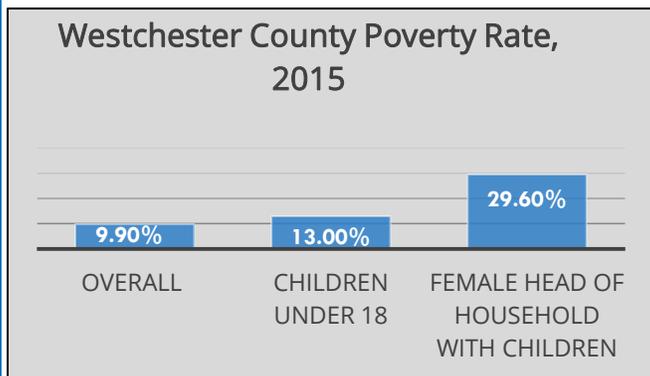
“I’ve been in the sector for a few years now; we have become so accustomed to saying ‘We just don’t have enough money.’ Like it’s become par for the course. We just accept it. **We have to get out in front of that and demand more.** We shouldn’t be competing for the funds to serve veterans, to serve youth. It should be how much money do you need? Now go do the work.”

“We got ingrained as a sector with a model that we are women working outside the home doing volunteer work. **We are a hard working sector. We don’t just do this for love. We have to pay the bills.**”

Sources: “Tompkins County Poverty Report.” New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2015/Tompkins.pdf>, 2016.
 “Economic Indicator Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.
 “Food Environment Report.” Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD>, 2015.

WESTCHESTER COUNTY OVERVIEW

KEY STATISTICS



Sources: "Westchester County Poverty Report." New York State Community Action Association, <http://nyscommunityaction.org/PovReport/2014/Westchester.pdf>, 2016
"Economic Indicator Report." Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&id=780&reporttype=ECON>, 2015.
"Food Environment Report." Community Commons, <http://assessment.communitycommons.org/CHNA/report?page=2&reporttype=FOOD>, 2015.

VOICES FROM THE SECTOR

"We have providers that haven't had a rate increase in a decade. They are losing money on every subsidy they take on. Salaries are very low. **Everyone believes minimum wage should go up, but they have no idea how we are going to pay for it.**"

"According to a formula that our organization uses, **we need about 80,000 slots more than what we have.** We also have a lot of childcare, even regulated, that is not funded to be the kind of quality that is going to benefit kids. This means we are part of the pipeline producing kids who won't be ready for school, and won't ultimately get good jobs."

There's need in the community, and there's need in the boots on the ground workforce. **If the people who are working for me aren't getting paid decently, what we do doesn't matter.** There will be turnover or lack of commitment, because they won't feel respected."

"**State law says one thing, but the direction of funding says another.** We need to attack the root causes of issues, but there's no funding for it. Our organization are running offender programs now, even though the State doesn't see offender programs as part of Domestic Violence and won't fund them. If you don't attack the root cause, the violence will continue. We can help her get out, but he will just find someone else."

