



When Connecticut needs us most, this is what we need to be there for Connecticut.

It's no secret that nonprofits have been struggling for years. With no COLA for the current fiscal year, it brings the 20 year average cost-of-living-adjustment for nonprofits to an abysmal 1.1%. It has come to be expected that we will do more with less. And while we have often lived up to that expectation, it simply cannot last forever. As energy and healthcare costs continue to skyrocket, it is growing increasingly difficult to provide the level of service that the state has become accustomed to and that the residents deserve. Now, with a grave downturn in the economy, more Connecticut residents are showing up on doorsteps asking for assistance and we are unsure of how we will be able to help.

How nonprofits across the state are coping with continued underfunding*:

- **Turnover:** This continues to be a problem within the nonprofit sector as quality employees are consistently lost to higher paying state jobs where they can earn approximately 50% more to perform the same duties. In 2008, the average turnover in our member agencies among full-time employees was 19%; among part-time employees it was 28%.
- **Consolidating Responsibilities:** Instead of filling vacancies created by turnover or layoffs, agencies are consolidating those job responsibilities among existing staff, creating more work with no additional compensation possible. 48% of member agencies have already begun consolidating in the current fiscal year.
- **Waiting Lists:** Without funding for additional staff many agencies simply do not have the capacity to meet increased demands for service, resulting in 45% of member agencies creating waiting lists in the current fiscal year.
- **Eliminating Programs:** In some cases, programs must be eliminated altogether. Currently, 27% of our member agencies have begun eliminating programs.

What we need:

- **Meaningful Cost Increases:** 1.1% over 20 years simply won't do. Nonprofits that contract with the state to provide health and human services on its behalf are often the foundation of their communities. The services they provide help to prevent larger, more costly problems for taxpayers.
- **Long-term Solutions:** The year-in-year-out cycle of wondering whether or not nonprofits will receive a cost-of-living increase is a rollercoaster that no one enjoys. It takes up significant amounts of time of both advocates and government officials. A meaningful, long-term solution that ensures nonprofits receive annual, adequate increases equal to the cost of providing services is urgently needed.
- **Healthcare Reform:** One of the largest costs that nonprofits face is health insurance. Many agencies continue to see percentage increases in the double digits, often having to pass some of that increase onto their employees, only worsening the problem of under-compensation. Despite the hardship, few nonprofits are willing to eliminate this benefit and jeopardize the health and safety of their employees.

* Results of CT Nonprofits' Impact Survey; Sept. 2008; n=44