

IMPACT STATEMENTS

IMPACT – HUMAN AND HEALTH SERVICES



Human service nonprofits support New Yorkers from all walks of life, and are the key to COVID-19 recovery, as more people will be in need of eviction prevention, job assistance, food security, and health services. Providers entered this pandemic at a breaking point, with underfunded contracts, high staff turnover rates due to stagnant wages, and limited or nonexistent cash reserves. State funding for human services has been slashed by twenty-six (26) percent since 2008, resulting in rates lower than in 1980. COVID-19 has had a profound impact on New Yorkers and has expanded the need for the human services sector to innovate and provide additional services to communities. Sixty-four (64) percent of surveyed nonprofit human services organizations believe they will have to start scaling back services, and over seventy (70) percent will need to lay off staff as a result of budget shortfalls. Lack of payment by the State is derailing the sector and will lead to agency and program closures.



ECLC represents the 35 Child Care Resource & Referral (CCR&Rs) programs across New York State. The CCR&Rs are on the front lines, providing direct assistance and support to parents, childcare providers, and employers in their communities. There are 19,000 regulated childcare programs in NYS and around 10,000 care currently open. Since the onset of the pandemic our network has worked to assist providers in serving the children of essential workers through the administration of CARES childcare scholarships. In addition, the CCR&Rs continuously work to ensure that children and parents have access to quality and affordable childcare. Office of Children and Family Services contracts each year with ECLC and its 35 member agencies for approximately \$22 million annually. Delays in quarterly payments will dramatically impact our network and its ability to support early childhood programs throughout the state as NY moves forward with reopening.



Behavioral health is a major public health issue and business and psychological recover go hand-in-hand. Our sector is struggling and simply cannot withstand additional financial challenges. New York cannot recover from COVID-19 without a strong behavioral health sector that is ready to help New Yorkers combat their anxiety, depression, grief and trauma as people are dealing with loss of loved ones, unemployment, fear and anxiety about their futures and the futures of

their families. This is leading to depression, increased alcoholism and substance use, trauma, and family dysfunction. The impact on adults and children alike is enormous.



New York Association of Alcoholism and Substance Abuse Providers (ASAP)

Heroic, essential workers in substance use disorders prevention, harm reduction, treatment, and recovery programs are working to address the Coronavirus pandemic AND, simultaneously, the addiction pandemic. The COVID-19 pandemic appears to be contained after months of hard work and a huge investment by the state and federal government. The addiction pandemic is still raging out of control without a sufficient investment of resources from the state or federal government. In spite of spiking rates of overdose (42% increase) during the Coronavirus pandemic, addiction program budgets are barely keeping pace with inflation. Delaying any part of the local assistance needed by addiction programs will make it harder for programs to save lives.



New York State Association for Rural Health (NYSARH)

NYSARH's members include numerous private, not-for-profit organizations engaged in health and human services, research, and education, all equally dedicated to the health and well-being of rural New Yorkers and their communities. Many of these not-for-profits are contracted with various NYS agencies to do the essential business of the State on a cost-reimbursement basis. Although these organizations have made a tremendous effort to continue meeting their contractual obligations during the pandemic, they have not been reimbursed for the costs associated with those efforts for many months, creating serious cash flow issues that are impacting their workforces and, in some cases, threatening their very existence. Moreover, there is a great deal of uncertainty about whether those NYS contracts will be renewed and in what amounts; while cuts are promised, the magnitude of those cuts and their timing remains unclear, which seriously hampers the ability of our not-for-profit members to plan and adjust.

NYSARH is concerned that the network of organizations serving NY's rural people and places, which has taken decades to develop and refine, will be significantly diminished should the key partner and funder of their efforts, NYS, continue to withhold reimbursement and delay contracting; already, many organizations are laying off or furloughing staff in the absence of clear and convincing evidence that payments and contracts are forthcoming. NYSARH hopes that the State's leadership will recognize that making its not-for-profit partners bear the brunt of the State's fiscal crisis will ultimately undermine its ability to adequately serve its rural residents for many years to come. Those not-for-profit partners must be sustained—by prompt repayment of expenses already incurred and by clear and timely communication about contracting—so they may continue to deliver the essential services of the State on its behalf.

The New York LGBT Network



The New York LGBT Network is one of the largest providers of health and human services, education and advocacy services for the lesbian, gay, bisexual and transgender community in the tri-state area. Its service region of over 6 million people serves as a home and a voice for LGBT people, their families, and support systems. The New York LGBT Network's community centers and affordable senior housing help LGBT people to be themselves, stay healthy, and change the world. Since 1993, the New York LGBT Network has been pioneering advocacy and social change to create safe spaces where LGBT people live, learn, work, play, and pray.

Since the onset of the pandemic in March, the New York LGBT Network has made sure to not waste a minute in helping LGBTQ families. We launched our Virtual LGBT Centers providing a variety of programs to help support the community, keep people connected and emotionally close while we were physically distancing, provided health insurance and census enrollment, hate crimes advocacy, COVID-19 information and support, HIV test at home kits and much more.

In addition to continuing and reinventing our services virtually, we also conducted a community study and collected data on the impact of the coronavirus on LGBTQ people and families. The data collected from hundreds of families, was startling and included the following alarming numbers: a) 67% were experiencing depression due to isolation; b) 42% were fighting anxiety; c) more than ¼ were facing immediate financial hardship; d) 25% identify as immune-suppressed; e) over 30% cannot treat other health conditions due to COVID-19; f) nearly 1/3 were facing food insecurity issues and g) 20% have immediate housing needs. This data demonstrates the need for additional resources for services and programs to be offered as nonprofits are providing essential services and are on the frontlines 365 days a year.

During the same time a national study was conducted on the impact on LGBT Community Centers nationwide including over a dozen from New York State. Due to slow and/or non-payment from government sources and the cancellation of fundraising events, nearly 1/3 of all LGBT Centers will close if no intervention happens by the end of July. If government funding does not pay or delays payments into late fall, over 90% of LGBT Centers will close their doors. This will be a tragic loss for all communities throughout New York State and we will be taking a giant leap backwards that will result in poor health outcomes, unsafe schools and communities, increase in hate violence and a lot of other conditions that will put our New York LGBT families at great risk.

We fully support all that is outlined in this letter and stand together in solidarity with our partners throughout the nonprofit sector. It is the nonprofits that are on the ground, on the frontlines and New York needs us. We urge New York State to deliver on its promise and responsibility to the nonprofit sector and work with us together as partners in developing and implementing the strategies needed to help those who need it most.

IMPACT - HOUSING

Supportive Housing Network of New York

The Supportive Housing Network of New York (the Network) represents more than 200 nonprofit organizations that collectively run more than 52,000 units of supportive housing – affordable housing with onsite services for formerly homeless people who also cope with disabling conditions including mental illness and HIV/AIDS. 100 of these 200 organizations are in the former COVID epicenter, New York City. Our nonprofit members were already financially strapped and coping with staff shortages due to underfunded and stagnant contracts. The pandemic compounded these issues: tenants and staff fell ill causing even greater staffing shortages while nonprofits had to find and fund PPE as well as computers and phones to effect telehealth, all with even less funding than usual due to cancelled fundraisers. Meanwhile, supportive housing workers were determined to be essential.

Our community – mission driven to care for New York’s most vulnerable -- is quite literally hanging by a thread. The state’s policy of deliberately slowing payments is fraying that thread. As an example, one Syracuse area nonprofit providing housing and services to formerly homeless individuals with HIV/AIDS has furloughed nearly 50% of their staff: they have not received payments on their state contracts -- which help pay rent on tenants’ apartments -- for over six months.

The supportive housing nonprofits that have consistently been operating throughout the pandemic feel they have a moral duty to keep the covenant with their staff and tenants; we feel the state has a similar covenant with our sector.

IMPACT - ARTS, CULTURE AND HERITAGE

Arts New York



Due to COVID-19, the arts, culture and heritage industries have experienced acute disruption to operations and service capacity. These venues, which often rely on engagement with a live audience, were among the first to close and most have not yet re-opened. As a result, earned income from audience attendance, admissions and membership fees is critically imperiled. Furthermore, contributed income ordinarily derived from grants, service contracts, and public support remains in jeopardy. Many of these organizations are owed money for work that has already been completed and are often unable to fulfill existing contracts with their collaborators. Cumulatively, the arts sector represents a \$114 billion-dollar statewide industry, and plays a central role to ensure the cultural and economic vitality of all New Yorkers.

Museum Association of New York (MANY)



New York's museums have an annual economic impact of \$5.4B and have shouldered a loss of more than \$455M in the last 130 days. The Paycheck Protection Program helped many through the first part of the pandemic health crisis, but the thousands of museum employee layoffs we now see reflect those funds running out. With the loss of two-thirds (2/3rds) of earned income, new expenses incurred to reopen safely under state guidelines, and little hope for restored visitation capacity in the near future, the financial picture for NY's museum sector is dire. As many as 20% of museums in our state will not be opening in 2020 and may never be able to reopen in the future. We envision a need for mergers, charter revisions, new partnerships, and new ways in which museums can safely and legally turn over to other museums the care of collections and facilities in which they are entrusted by the State of NY. The State needs to assist the Charter Office to prepare and increase their capacity to guide museums through these difficult transitions in the timely manner needed.

IMPACT - PHILANTHROPY

Philanthropy New York



Philanthropy New York is a trusted community of nearly 300 grant making organizations in the New York Metro area. In 2019, PNY members gave \$7billion in grants for local, national and global causes. Philanthropy New York and its members are committed to supporting the work of our nonprofit partners and asks that government take action to ensure adequate funding for the nonprofit sector.

Despite significant early and ongoing COVID relief funding and new substantial commitments of increased grantmaking over the next three years from the philanthropic sector in New York City, philanthropic efforts will not come close to meeting the urgent needs of a sector deprived of basic working capital. We urge New York State government to ensure on-time contracting and payments to nonprofits to ensure the sustainability of our safety net.

NY Funders Alliance



NY Funders of Alliance is a collaborative community of nearly 100 grantmaking organizations who serve local regions across New York State from Jamestown to Lake Placid to Westchester. Our grantmakers have responded to the health and economic crises associated with the coronavirus pandemic by leading the way in creating, supporting, and continuing to grow emergency COVID response funds in every county in New York State. Already, these funds

alone have contributed more than \$17 million to local nonprofits to address the immediate impacts of the pandemic.

These rapid response funds, most established during the very first days of the crisis, have assisted local nonprofits to secure PPE to stay open providing vital care, made sure childcare was available and safe for essential workers, that local food pantry shelves had food for the influx of new clients in communities across the state, and supported nonprofits as they transitioned to serve clients remotely.

New York nonprofit and philanthropic organizations represent a vital link in our communities' resiliency by mobilizing quickly when it was needed most and providing critical services in a time of crisis. Now, their continued existence is threatened by a significant loss in state revenue from unpaid contracts. We understand, completely, the perilous financial circumstances that New York State finds itself in. And we share your message that more must be done in Washington, D.C. to provide funding to our State and local governments who, themselves, have been on the front line of this crisis.

However, as we all begin to turn our attention to the breadth and depth of the health, economic and social crisis that we are facing, New York State's nonprofit partners are essential to our ability to sustain our communities through this time of need. Therefore, we urge you to please consider implementation of the recommendations herein to provide needed relief to these critical service providers.

We realize that these are challenging times for New York State. However, our local communities will not come through this crisis without support for our front-line nonprofit partners.



United Way of New York State (UWNYS)

UWNYS's membership is comprised of the 35 Local United Ways in our state. 211 New York State (211NYS), a subsidiary of UWNYS, is a statewide information and referral source offering web-based, text and telephone support for individuals seeking assistance, in addition to maintaining the largest directory of services in the state.

In response to COVID-19, Local United Ways (LUWs) have been in the forefront of tracking, supporting, surveying and meeting community needs throughout the state and raising more than \$30 Million to meet local community needs from COVID-19. 211 has handled nearly 178,000 calls outside of New York City in the first three months of the pandemic; a 160% increase in call volume for this time period. 211 tracks data on caller needs, available community resources and unmet needs. NYS is withholding payment on our contract for this work, causing cash flow hardships for us, our 10 lead organizations and 8 contact centers.

We and LUWs are finding that many nonprofits are struggling to fully assess their financial situation and plan for the future, due to lack of clarity on re-opening, conflicting guidance on safety protocol requirements, lack of communication from state agencies, and state contract

reimbursement and timing. This results in several human service agencies adopting a “wait and see” approach to assessing options beyond insolvency, which will ultimately limit their options for collaboration, affiliation, merger or dissolution. This will result in a late-notice rush for such options when funds run out.

General Operating Revenue for Local United Ways and other human services agencies is predicted to be “severely impacted” by the COVID-19 shut down, resulting in cuts to staffing, services and funding available for community programs.

IMPACT - NONPROFIT SUSTAINABILITY AND CAPACITY-BUILDING

New York Council of Nonprofits (NYCON)



The New York Council of Nonprofits (NYCON) has a membership of 3,000 community-based charities across the state. Through a family of affiliates, we provide education and direct training on best practices and direct technical assistance in the areas of governance, management and strategic matters; legal services; mergers, acquisitions and dissolutions; and insurance and other products to nonprofits of all missions. NYCON has a proven track record of partnering with the State of New York and philanthropy in addressing the immediate (crisis), short- and long-term organizational capacity of their grantees/contractors and nonprofits in general.

The nonprofit community is entering deeper into a state of crisis than the sector has never been experienced before. Nonprofits of every mission, type and scale is being dramatically affected. NYCON is on the ground working directly with individual nonprofits to help them navigate through this crisis to preserve mission, protect charitable assets, and pursue paths for sustainability. For virtually every nonprofit: business models, fundraising plans, and strategic plans have been up-ended; workforce, governance and operational processes have been seriously disrupted; the capacity to effectively perform and meet contractual obligations is diminishing; and financial viability is threatened. Many have closed their doors altogether and more closures are to come.

We anticipate a surge in nonprofit corporate dissolutions that community constituents, funders and regulatory stakeholders are not at all prepared for. Although program divestment, mergers and acquisitions may be a responsible strategic action for some, untimely and burdensome state regulatory and approval processes serve as significant and expensive barriers. State bureaucratic processes must be streamlined to adapt to these transformative times. The rapid erosion of community and civic infrastructure that is occurring tears into the core social, health and economic fabric of our communities, deepens the unacceptable economic and racial disparities that exist, and lessens the prospects of a timely recovery for all.

We urge the State of New York to recognize that community-based nonprofits are not merely vendors or contracting organizations, but are genuine partners serve the public’s interest. The nonprofit sector can bring tremendous talent, knowledge, innovative thinking, community connections and resources to the table. If we truly are all in this together, than it is imperative

that the State of New York honor its responsibility to its residents by working very closely with our sector in developing and implementing the effective strategies that are in this crisis to rebuild our communities.