



The Voice of the Human Services Community

PUBLIC HEARING TESTIMONY TO THE NYS DIVISION OF THE BUDGET IN PREPARATION FOR THE 2008-09 BUDGET

ABOUT HSC

The Human Services Council of NYC (HSC) is a member organization of nearly 150 not-for-profits representing the not-for-profit human service federations and umbrella organizations, as well as advocacy groups and direct service providers. As the voice of the human services sector, HSC promotes the collective interests of our constituents and agencies in partnership with government and its elected leadership. The mission of HSC is to build broad recognition and support for the substantial and essential contributions of the not-for-profit human service sector to the citizens and the fabric of New York City.

This testimony focuses on our top two budget priorities:

1. Cost-of-Living-Adjustments for not-for-profit human service providers; and
2. \$500,000 in funding to implement coordinated not-for-profit disaster preparedness in this high-risk area of the State.

COLAs

HSC asks that you ensure that the current multi-year cost-of-living adjustments (COLAs) are again provided to the human services sector this year and that they be extended for an additional three years to prevent a lag in the provision of COLAs to this critical sector. The FY06-07 Enacted Budget included provisions for a three-year Consumer Price Indexed COLA effective, October 1, 2006, and each April 1st for the two succeeding years, 2007 and 2008.

We also ask that the COLA be extended to a few key programs that have been overlooked, including youth services and a few programs serving the elderly. Recruiting and retaining qualified staff to work with clients is one of the most difficult challenges NFP human service providers face. With few additional resources available for salaries, not-for-profit (NFP) agencies continually experience high leave rates among employees which not only impede the delivery of quality services, but also result in efficiency losses. When a program

has a high turnover rate, it suffers from indirect costs that result from reduced supervision, employee burnout, and the learning curves of new employees, as well as the direct costs, which include expenditures on overtime pay and job advertisements.

Extension of Current COLAs

Recognizing the importance of regular adjustments, we are grateful the FY07-08 Enacted Budget supported the continuation of multi-year COLAs for a number of social service programs. HSC offers the following recommendations for the continuation of these important COLAs:

- A continuation of the current COLAs should be reset to the most recent CPI and reset each subsequent year.
- Providers should receive 100% of COLAs, indexed exactly to the CPI. In some areas, the full amount of the enacted COLA was not passed on to providers.
- Implementation flexibility must be maintained. Providers as well as City and State agencies agree that the current COLA was executed easily and efficiently because the implementation guidelines were not overly cumbersome.

Additional COLA Needs

While we are thankful for the many service areas already covered, several key areas did not benefit from the FY06-07 Enacted Budget adjustments. To ensure that workers across the human services sector are treated equitably, the following additional program areas necessitate COLA investments this year, in addition to the continuation of the current COLAs in future years:

- Runaway and Homeless Youth, Youth Development and Delinquency Prevention, and Special Delinquency Prevention programs.
- Social Adult Day Care and NORCs.
- SRO and Family Homeless Services (state match).

Additionally, Early Intervention (EI) programs have not received the first two years of the three-year COLA that was approved in the FY06-07 budget. COLAs should be provided to EI programs for the past two fiscal years, as well as the current year.

NFPs Are Losing Staff To Better Paying Employers...

Not-for-profits (NFPs) are losing staff to employers that are able to provide salaries that have kept up with the rate of inflation. These employers include City and State agencies, 1199 and other unionized contracted agencies, hospitals, and other for-profit companies with similar career paths and educational attainment requirements. It is imperative that NFPs be able to offer COLAs to their workers too. COLAs enable NFPs to remain competitive in the job market

and also ensure that services are delivered efficiently and produce the best outcomes. An informal survey of 21 NFP human service organizations of varying sizes found the following starting salaries for direct care workers and case managers:

2007 Starting Salaries of NYC NFP Human Service Providers

SERVICE AREA	JOB TITLE	EDUCATION LEVEL	STARTING SALARY RANGE	STARTING SALARY AVERAGES
Youth Services	Direct Care	H.S./Accreditation/Some College (PT)	\$3,900-\$11,100*	\$6,300
		H.S./Accreditation/Some College (FT)	\$20,750-\$30,650	\$25,625
		Bachelor	\$26,000-\$32,000	\$29,475
	Case Manager	Bachelor	\$27,300-\$32,350	\$32,925
		Masters	\$37,900-\$50,000	\$40,175
Adult Social Day Care & NORCs	Direct Care	H.S. Diploma	\$14,430-30,000	\$20,800
		Bachelor	\$24,000-\$32,000	\$25,375
	Case Manager	Bachelor	\$25,000-\$32,000	\$28,500
		Masters	\$38,000-\$45,000	\$41,000
SRO & Family Homeless Services	Direct Care	H.S. Diploma	\$16,380-\$22,000	\$19,200
		Bachelor	\$18,200-\$34,000	\$28,500
	Case Manager	Bachelor	\$32,000-\$35,000	\$34,600
		Masters	\$35,000-\$40,000	\$37,500

*Part Time salaries ranged from \$7-15/hr. Salary based on 15 hours per week during the average 37 week school year.

In some cases, salaries of direct care workers in the NFP human services sector are so low they near or fall below the federal poverty level. As of January 2007, the threshold of poverty for an individual is \$10,210, a family of three is \$17,170, a family of four is \$20,650, and a family of five is \$24,130.

The chart below shows like employee salaries in government, hospitals, and private practices/firms:

2007 Starting Salaries for Government and For-Profits in NYS*

JOB CATEGORY	GOVERNMENT	HOSPITAL	PRIVATE PRACTICE/FIRM
Social/Human Service Assistant	\$33,223	\$33,296	\$33,652
Case Manager/Social Services	\$33,846	\$35,124	\$35,511
Substance Abuse Counselor	\$34,529	\$35,754	\$36,170
Social Worker (Children & Families)	\$40,377	\$41,699	\$56,996

*Data was acquired from <http://www.payscale.com>.

This data helps demonstrate the significant salary differential between the NFP human service sector and its industry counterparts. When NFP workers do not receive regular COLAs, their salaries lose value. These financial constraints force many to leave jobs they would otherwise prefer to stay in.

Finally, NFPs are losing staff to employers that are able to provide salaries that have kept up with the rate of inflation. These employers include City and State agencies, 1199 and other unionized contracted agencies, hospitals, and other for-profit companies with similar career paths and educational attainment requirements. It is imperative that NFPs be able to offer COLAs to their workers too. COLAs enable NFPs to remain competitive in the job market and also ensure that services are delivered efficiently and produce the best outcomes.

Please consider extending the current multi-year COLAs for an additional three years and include human service programming previously left out.

Disaster Preparedness

HSC also asks that you ensure the ability of human services agencies to meet the needs of people affected by major disasters, whether natural or man-made. New Yorkers know how important the services provided by not-for-profit agencies were after 9/11, and we have seen in the Gulf Coast how devastating it can be if there are not adequate services. It is critical that when considering the impact on infrastructure and how to restore bridges and roads, we also consider the impact on people and how to rebuild lives. We encourage the State of New York to provide funding of \$500,000 annually over three years to the Human Services Council of New York City (HSC) to implement coordinated not-for-profit disaster preparedness in this high-risk area of the State.

Collaboration among not-for-profit agencies and between those agencies and government is essential to providing quality, comprehensive disaster-related services to New Yorkers. In recent years, increased focus and attention on the not-for-profit sector has forced greater levels of collaboration. Although great strides have been made, funding has not kept pace with the increased level of responsibility. With the necessary financial resources, the not-for-profit sector will be able to help New Yorkers when they need it most. Funds are also being sought from local government and philanthropic sources, but State support is essential.

In the weeks, months, and years after the initial impact of a disaster, human services (including case management, mental health counseling, information and referral, financial assistance, and more) need to be linked together in an overall recovery effort, supported by critical systems such as assessment, technology, volunteers, and financial resources. A coordinated recovery effort on the part of the not-for-profit sector requires detailed, advanced, and coordinated planning, and it requires that the human services agencies have the capacity to respond.

We know that not-for-profit agencies can and will respond to assist in a large-scale disaster in New York City. A multi-agency response will be much more effective if not-for-profit agencies both participate in coordinated planning and preparedness efforts and prepare their own agencies to cope with disaster.

HSC continues to work in partnership with government and other not-for-profit human services agencies to implement mechanisms for collaborative planning. Agencies in New York are much better prepared to coordinate services for people impacted by disaster than we were two years ago. Nonetheless, much remains to be done. Comprehensive disaster planning cannot be implemented without the time and resources of dedicated staff, knowledgeable in the areas of emergency management and disaster planning and recovery. With sustained funding to HSC from New York State, not-for-profit agencies could ensure not only that they coordinate with each other, but also that their efforts are integrated into state and local government planning. It is critical that a public/not-for-profit partnership be sustained to help New Yorkers recover from major disaster.

Together with our not-for-profit partners, we ask that you consider funding for HSC that will:

- Ensure that the not-for-profit human services sector is prepared to provide effective, efficient, and compassionate recovery services after disaster, through collaborative planning.
- Enhance the capacity of not-for-profit service providers to cope with, respond to, and recover from disaster, through expanding the participation of community-based organizations in collaborative disaster planning and in developing agency-based continuity plans.

We know that the sector will need to respond after the next major disaster in conjunction with New York State and local authorities. We must also ensure that the sector has the capacity to meet that need.

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