

THE REALITY **AND** THE EFFECT

Reality: **State employees doing similar work have received increases** creating a rapid growth in the gap between public and private employee wages.

Effect: Nonprofits struggle to maintain a quality workforce, as many providers experience high turnover with employees considering state employment or similar jobs providing higher wages and better benefits.

Reality: State Government has not acted to remedy the chronic underfunding of nonprofit providers **over the past two decades.**

Effect: The future viability of nonprofit organizations are being placed in jeopardy.

Reality: The ongoing underfunding compounded with gubernatorial rescissions and budget cuts over the past several years has **left Connecticut with a delivery system on the verge of unraveling.**

Effect: In the absence of adequate funding, nonprofits will continue to face high turnover, layoffs, program closures and more. It is not rhetoric to state, without equivocation, that **the state's system of care for its most vulnerable is facing destabilization if current funding trends continue.** Without adequate funding, individuals, families, communities and the state economy will suffer enormous losses.

WE MUST ASK THE QUESTION

Is the state truly prepared for the ramifications of the loss of nonprofit service providers?

Excerpts from: CCPA "Prioritizing Community Based Services in CT" February 2015; Nonprofit Human Services Alliance Report on "Why the State of Connecticut Must Adequately Fund Nonprofit Providers: A Blueprint for Increasing Quality of Life and Economic Growth."

THE KENNEDY CENTER LEGISLATIVE BREAKFAST

FRIDAY, MARCH 6

7:30AM - 9:00AM

CHIP'S IN TRUMBULL
57 MONROE TURNPIKE

**HEAR THE STORIES
FROM FAMILIES & INDIVIDUALS
AFFECTED BY THE CUTS TO SERVICES
FOR PEOPLE WITH DISABILITIES**

**DISCUSS THE ISSUES
WE ALL FACE**

**LEARN
THE FACTS**



OUR CONCERNS / THE FACTS

The Kennedy Center provides services to **over 2,300 individuals with disabilities**, employ **800 taxpaying staff members** and together they live in **100 townships** in CT. We operate **16 group homes** and have **26 day support programs** throughout New Haven and Fairfield counties.

50% of DDS funding goes to public settings that serve 25% of the clients. **Nonprofits receive the other 50% and serve 75% of the clients.**

Without nonprofits, the cost to taxpayers would be **2.5 x greater** to provide a public community living arrangement.

Cost per person at **public CLA \$338,730**

Cost per person at a **nonprofit \$129,114**

Price Index increased 8.52% over the past 5 years, **nonprofit COLA increased 1%.**

73% of Nonprofits with budgets of \$1million or more ended with a deficit in 2009.

In many nonprofits supporting people with disabilities, **more than 65% of employees** are earning **\$12/hr or less.**

In addition to generating economic activity, **nonprofits increase savings to the state as they provide services that are both cost-effective and efficient.**

The Legislative Program Review and Investigations (PRI) Committee found that even when adjusting for client level of need, **annual costs for services provided in private settings are about one-half the cost of the same services provided in public settings.**

Excerpts from the Nonprofit Human Services Alliance Report on "Why the State of Connecticut Must Adequately Fund Nonprofit Providers: A Blueprint for Increasing Quality of Life and Economic Growth."

BOTTOMLINE

More than half of nonprofits are operating dangerously close to their margin and likely would not be able to maintain operations if they experienced unforeseen increases in expenses or a financially detrimental incident.

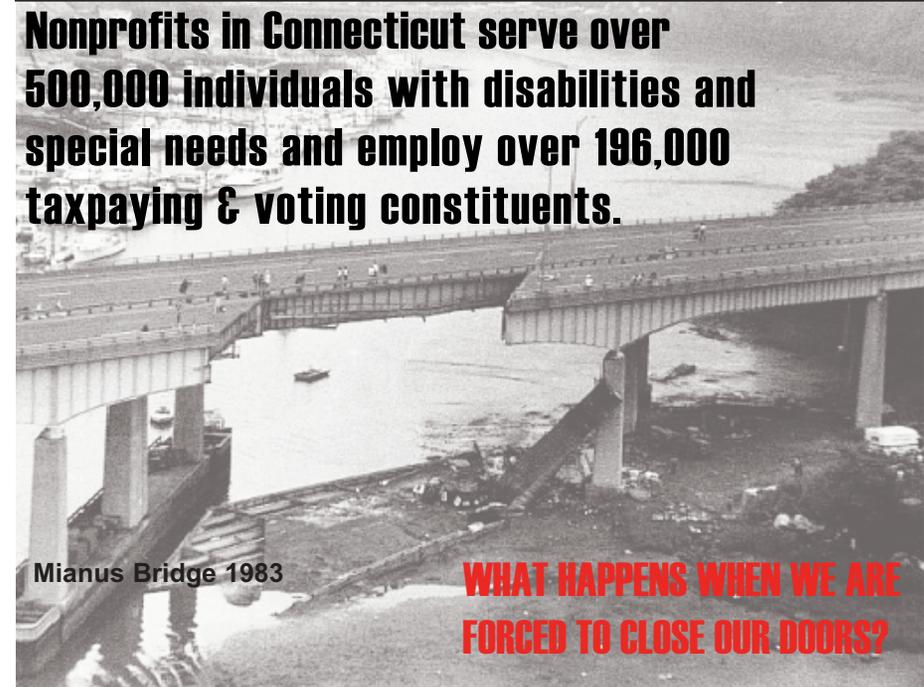
Excerpt from Program Review and Investigations Committee, Staff Briefing: Sept. 27, 2011

RECOMMENDATIONS

Plan for Connecticut's Future, not for the moment.

Restructure the State/Private Provider Service Delivery System and maximize cost effectiveness

Ensure nonprofits receive annual, adequate increases indexed to the cost of living or annual adjustments of state employees



Nonprofits in Connecticut serve over 500,000 individuals with disabilities and special needs and employ over 196,000 taxpaying & voting constituents.

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WHAT HAPPENS WHEN WE ARE FORCED TO CLOSE OUR DOORS?