

Coming Soon: The Winter Issue of The Voice, VOR's quarterly newsletter. VOR Members watch your mailboxes!

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VOR Weekly E-Mail Update
December 5, 2008

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1. Remembering VOR this Holiday Season

Dear VOR Friends,

Cars or people? Who should be our priority?

This seems like a simple question with a simple and obvious answer.

Yet, across the country states have cut funds for social programs and the federal government has failed enact its budget for Health and Human Services, including programs for people with developmental disabilities. However, instead of calling a special session to complete the appropriations process, Congress instead is hearing the cries of the nation's auto industry.

The article below details the incredible tragedy facing service agencies for our nation's most vulnerable citizens. The author puts the question plainly: Nonprofit are asking, "where's our bailout?"

Don't get me wrong. Thanks to the financial generosity of VOR's membership throughout 2008, VOR is doing OK. We are worried, however, that economic news and related distractions, like the auto industry bailout, may leave donors uneasy about giving to VOR this Holiday season.

Your gifts are desperately needed. We have big plans for 2009. We will be collectively facing (finally) the DD Act Reauthorization. We'll be pursuing again class action reform. We'll continue bringing the ONLY

voice for residential choice to our nation's lawmakers, while continuing to empower our membership to fight their state battles in the legislatures, before Governors and in the courts.

Every VOR member has received our Holiday letter from President Robin Sims, which provides a recap of VOR's effective advocacy in 2008. Please heed her call for generous year end contributions to VOR. Your donation will help VOR fight your important battles across the country in the year to come. For your convenience, a form is included at the end of this Weekly Update.

Thank you in advance for your generosity. Happy Holidays!

Julie Huso

VOR Director of Resource Development

2. Nonprofits in a faltering economy: Where's the bailout for agencies that help our neediest?

By Teresa DeCrescenzo, Executive Director, GLASS Youth and Family Services
Copyright 2008 Los Angeles Times
December 1, 2008

I am a social worker, not an economist, and what I know is this: The stock market is in free fall, financial organizations are being bailed out and the Detroit automakers may yet get financial help from Washington. But what about those of us in the nonprofit world? Where's our bailout?

Nonprofits depend on government funding and the generosity of business and individual giving, and those of us in the healthcare field are facing the bleakest of landscapes. Where is the storm of media coverage, the persuasive rhetoric, the public outcry to save critically needed services, such as child care, assisted living, home healthcare and hospital services? Who is documenting our agony? Where are the desperately needed cash infusions to help us restructure in this troubled economy?

My child-care agency, supported largely by government contracts -- federal and state dollars partially matched by county funds -- went nine years without an increase in the rate of funding it receives. During those years, the cost of a child-care worker rose from \$23,000 a year to \$29,000 a year. Multiply that figure by our 100 child-care workers, and we are facing a \$600,000 shortfall in just one job category. No industry in the public or private sector could have survived nine years of flat funding.

How will we make up that shortfall? Fundraising? Unlikely, in this economy. And investment losses have had a profoundly negative effect on endowed organizations. We need a bailout.

Furthermore, California is facing a projected \$28-billion budget deficit by the middle of 2010. Gov. Arnold Schwarzenegger used his line-item veto power to cut more than \$510 million in social service funds from the recently adopted state budget. Los Angeles County in-home workers had their already meager wages cut by 30% in the latest budget. A hugely successful program for homeless adults who suffer from

persistent mental illness -- which had already cut back on psychiatric hospitalizations -- also fell to the veto pen. No group was spared in the budget slashing, including children, the homeless, the elderly, the blind and the disabled.

The tsunami of recession churned by a state unemployment rate of 8.2% (and probably headed higher) threatens to swamp nonprofits that care for the most vulnerable among us.

Earlier this year, the venerable River Oak Center for Children in Northern California announced the closure of its 42-year-old residential facility. Calling the closure heartbreaking, River Oak President Mary Hargrave said that the nonprofit agency has lost money on the residential care facility for years -- \$1 million last year alone. In October, Kids First Foundation closed its residential child-care site in Van Nuys; Hathaway Children's Village, Vista del Mar, Hollygrove and other local agencies have either eliminated or cut back the number of residential beds available.

State and county officials claim that foster homes and kinship care can absorb the children no longer in residential care. However, a national study found that foster parents are paid less than the cost to kennel a dog, according to a 2007 lawsuit filed in U.S. District Court in San Francisco on behalf of foster parents and the children they serve. Another study by the University of Maryland, released the day the lawsuit was filed, found that California has fallen behind in caring for its most fragile wards. California Department of Social Services authorities dispute the Maryland study's analysis and conclusions. However, in October, U.S. District Judge William Alsup ruled in the 2007 case that California is violating federal law by failing to provide adequate reimbursement to foster parents.

Unlike some of the executives whose companies are getting bailed out, I have never received a bonus, although I did lend my pension money to my agency a few years ago to stave off insolvency. That money is all gone now. Maybe I could serve as a role model for the guys getting the \$20-million golden handshakes. They could give back a couple of million to help their companies survive.

American Express has just informed me that the \$100,000 balance on my corporate credit card is now my personal responsibility. That balance represents payments to house homeless children in \$40-a-night motels while case managers searched for permanent housing for them. American Express said something about all corporate chief executives being personal guarantors of the company charges. I never really thought of myself as a corporate CEO. They even took away my accumulated points, despite the fact that the points were earned from fully paid card balances. Those miles are the only way I can afford to travel. Unlike the Big Three automakers, I don't have a corporate jet.

Sometime soon -- probably within the next 60 days -- our agency will file for bankruptcy protection. Nearly 200 employees, including child-care workers, case managers and social workers, could lose their jobs. The hundreds of children we serve will lose the protection we have provided for them. They are homeless, abused, abandoned and neglected. It would take \$3 million to \$4 million to save the day. That's million, not billion.

Where's my bailout?

3. Holiday Contribution Form

Happy Holidays VOR! Here's my contribution in support of VOR's effective advocacy on behalf of people with mental retardation.

My CONTRIBUTION is: __\$1,000 __\$500 __\$250 __\$100 __\$50 __\$25 \$___Other

A check made payable to VOR is enclosed. Or please charge to my:

___ Mastercard

___ Visa

Card Number: _____

Expiration Date: _____

Signature: _____

Amount to Charge: \$ _____

Name

Address

City St Zip

Phone Fax

E-Mail

Family/Professional Organization Affiliation (if applicable)

Mail the completed form with payment to:

VOR
836 S. Arlington Heights Rd., #351

Elk Grove Village, IL 60007
847-253-0675 fax (for referrals or credit card payments)
husoj@sio.midco.net (for referrals or credit card payments)

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THANK YOU FOR YOUR SUPPORT!!!