



*ACS supports Howard County nonprofits in the achievement of their missions
because strong nonprofits improve the quality of life for all*

**FY 2023 Resident's Budget Hearing
Testimony
March 14, 2022**

On behalf of the Association of Community Services and our over 150 member organizations and community advocates, I am offering this testimony to advocate for a budget that more fully supports Howard County nonprofits.

ACS has been advocating, connecting, and strengthening our nonprofit sector for almost 60 years. During this time, our members have ensured that community members in need are fed, housed, clothed, and supported when faced with health challenges (inclusive of mental health). They have reliably demonstrated their ability to work collaboratively with County government, for-profit businesses, and fellow nonprofits to meet the needs of our residents quickly, effectively, and creatively. This has been particularly evident in the past two plus years as they played a critical role in addressing the impact of the pandemic. However, despite all of our best efforts to leverage donations, grants, and volunteers to supplement their budgets, many of our nonprofits are struggling financially.

The hard truth of the matter is that nonprofits have been struggling financially for a long time and we have arrived at a point of facing very difficult decisions. Even as nonprofits have done and continue to do tremendous work with limited resources, we must call attention to the ever-growing unmet needs arising because we can no longer get by with so little. More than that, the short-term influx of support throughout the pandemic has run out or is about to run out, therefore we are facing tough decisions ahead about if programs and even entire organizations can continue to stay open. Now is the time to rethink the way we fund services so that they are truly sustainable for our future, or we stand to lose critical programs and/or partners in the Howard County community.

As I am sure you are aware, the Spending Affordability Advisory Committee noted in its recent report for FY 2023 that our nonprofits:

deserve increased investment and support from the County to help provide needed service to residents and mitigate increased challenges posed by not only the pandemic but also minimum wage impact and recruitment difficulties. Such a valuable partnership and a robust nonprofit community, not enjoyed by many other jurisdictions, save the County from providing services directly at a potentially much higher cost.

Like other businesses in our community, nonprofits are coping with the effects of record inflation and are experiencing high staff turnover. Unlike for-profit businesses, nonprofits must largely absorb increased costs and try to fundraise, seek grants, etc. to cope because reimbursement rates are determined by government, there are limitations on passing on costs to the people we serve, and there are very few grants that will fund general operational expenses. Moreover, because wages are low and benefits are often limited or nonexistent, we struggle to recruit new employees and maintain current employees. Our community deserves fully staffed and well-resourced service providers, *and* our nonprofit workforce deserves wages and benefits that value the critical work that we do.



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As I did In December, I once again ask that you:

- 1. Dedicate funds for operational and program support for nonprofits without onerous application and reporting requirements.**
- 2. Increase funding for the Community Service Partnership grants and one-time grants, particularly since they have been level funded for many years.**
- 3. Use our current surplus to help address nonprofit infrastructure and operational needs and release the gridlock that has prevented federal and State dollars from getting to nonprofits.**

We also urge you to invest in a Housing Opportunities Trust Fund (HOTF) that can make a meaningful contribution to affordable housing in Howard County. Affordable housing is an economic first tier infrastructure issue that also directly impacts our ability to keep a steady workforce. Above all, it is an issue of equity that disproportionately impacts Black and Brown residents, seniors, and people with disabilities. Too many people in our community struggle to stretch their fixed, or low, and even moderate incomes to stay in their homes and still pay for food, medicine, transportation, childcare, and other basic necessities. A robust HOTF can be a significant force in moving the housing equity needle forward efficiently and effectively, but to do so will require a major investment. We strongly urge you to use FY 2022 county and federal and state pandemic-related surplus revenues to invest new monies to seed and jump start the HOTF.

Thank you for this opportunity to speak on behalf of our nonprofit community. We value the strong partnership that we have with County government and now is the time for us work to ensure that community members have equitable access to the resources that they need to thrive.

Sincerely,

Joan Driessen,
Executive Director