

## Jewish Multi-service Agencies

### *Greater demand and fewer resources*

**R**ecent national, state, and local surveys of nonprofit organizations show that the demand for many kinds of assistance is increasing just as donations are declining. This troubling trend is particularly acute for human service organizations. A national Giving USA survey shows that over half of human service organizations are seeing more demand, but losing financial support—a 16% decline between 2007 and 2008. It should be no surprise that 60% of human service nonprofits said they were cutting back on services and staffing.

The Foundation has a long history of supporting a range of human service organizations in the Twin Cities, Denver, Boulder, San Francisco, and Los Angeles. In all of these communities, the leading Jewish multi-service organizations—such as Jewish Family and Children’s Services, Jewish Family Service, or Jewish Vocational Service—receive our continuous and generous support. This reflects both the consistently high quality of their work and the Foundation’s abiding commitment to Tikkun Olam, the Jewish moral mandate to repair the world.

Today, like all social service providers, these organizations must meet rising community needs with fewer resources. Unlike their secular peers, however, these nonprofits have a special role in serving their local Jewish community. Kosher food pantries, resettlement aid for Jewish refugees, and specialized senior services are often part of their program mix. The economic crisis has also forced a broader segment of the Jewish community to seek help from these organizations. During a time of scarce and diminishing resources, Jewish social service organizations are now confronted with tough choices about what is “core”, what is “nonessential”, and the extent to which the particular needs of the Jewish community help distinguish the two.

This issue of the Foundation newsletter focuses on four of our Jewish multi-service grantees: what they’re experiencing, how they’re coping, and what they see on the horizon. We hope it provides insight into this very important part of our work.

The Foundation’s Giving to Jewish Organizations  
2007–2009



## A New Reality

### *The great recession, a crisis, a perfect storm—tough times for Jewish agencies*

**D**espite the many labels applied to the current economic downturn, no pithy phrase can sum it all up—the damage is too widespread, the long-term impact still unfolding.

The crisis is already well-documented. The unemployment rate has doubled since December 2007 and now stands at 10.2%. There are 8.2 million more unemployed people than two years ago. Home foreclosures have tripled over the last three years, and the national poverty rate is pushing toward a 20-year high.

These trends have led to dramatic changes for Jewish human service organizations on the frontlines.

“Demand for emergency financial assistance is up 250 to 300%,” says Mari Forbush, COO at Jewish Family and Children’s Service (JFCS) of Minneapolis.

“Our three food pantries have gone from assisting 3,000 visitors a month to 10,000 a month,” says Paul Castro, CEO of Jewish Family Service of Los Angeles.

“We’ve provided emergency assistance to 3,500 more families than we otherwise would have over the past 18 months,” adds Dr. Anita Friedman, executive director of JFCS of San Francisco, the Peninsula, Marin and Sonoma Counties.

Many now seeking help from these agencies used to be in far better financial shape. Interviewees noted the startling reality that some of their former donors are now clients. “People who never dreamed that they would come to our agency are coming now,” says Yana Vishnitsky, CEO of Jewish Family Service of Colorado.

Triggering concerns about long-term fundraising, this trend also means organizations must now adapt their services to meet the needs of formerly middle-class families. For example, San Francisco’s JFCS recently added staff to help people threatened by foreclosure, and began offering workshops on stress management and financial planning.

### *Another alternative—legal action*

JFCS in **San Francisco** and JFS in **Los Angeles** are both supporting a class action lawsuit filed by citizens who stand to lose in-home healthcare services if approved cuts to California’s Adult Day Health Care program are implemented. This is just one of many lawsuits—filed in state and federal courts—aimed at stopping or stalling aspects of California’s budget-cutting plan. In September, an Oakland judge ordered a halt to the proposed cuts to these services, which assist more than 8,000 Californians. The Governor may appeal this ruling, but for now these services continue to be provided by the two Jewish services and other similar agencies.

Recently, six low-income **Minnesotans** filed a similar lawsuit challenging the Governor’s power to “unallot” funding for a special medical diet program in which they participate. At issue is whether the Governor overstepped his executive powers when he eliminated funding for this (and other) programs after he had signed the spending bills that originally funded them. State law gives him the ability to reduce approved state budgets if unanticipated revenue shortfalls occur. In the past, this power has been used on occasion to adjust spending in the middle of a two-year budget cycle and when the legislature was not in session. This time, however, the Governor used it in concert with his line-item veto ability at the end of the 2009 session. Hearings are now under way on this case, which has the potential to reestablish funding for several medical programs that collectively assist tens of thousands of Minnesotans. ■



*Volunteers from JFS of Los Angeles help professional staff manage an increased demand for client services.*

### **Funding for the first wave, worries about the second wave**

Support for emergency services has come from many sources. Jewish Federations in San Francisco, Los Angeles, Minneapolis, and Colorado all provided additional resources to help allied agencies respond to rising needs. Some of this money has gone back into the community as emergency grants to families. Other funds have helped create resources such as the San Francisco workshops mentioned above, and a new inter-agency referral system in Los Angeles that allows various Jewish organizations with different specializations to help families receive holistic help.

Federal stimulus funding also provided a boost to some. JFCS of Minneapolis is currently spending down a \$200,000 federal grant to cover clients' basic needs. These grants, along with stable individual giving over the past year, have allowed Jewish multi-service agencies to step up their assistance with basic needs in the short term. However, their ability to maintain these services into the future is questionable.

Even though the first wave has not subsided, a second wave of client needs is already hitting frontline agencies. Requests for mental health services, career counseling, domestic violence intervention, and chemical dependency treatment are all on the rise. Emergency response funding will help address these challenges, but ongoing public and private resources

### ***The squeeze on mental health care***

A recent survey of Minnesota nonprofits shows that mental health providers were the most likely to report increased demand for their services. As of May 2009, 67% noted higher needs. Anecdotal evidence from the four agencies featured in this newsletter supports this trend.

Despite these indications, funding from many sources seems to be slipping away. JFS of Colorado lost a grant to provide mental health services in Denver public schools, requiring them to pull out of two schools. Minneapolis's JFCS lost its Greater Twin Cities United Way support for mental health services, forcing it to lay off 1.5 staff. New clients now have to wait over 30 days to see a counselor. Several organizations also say that more patients are paying at the bottom end of their sliding fee scale, creating a need for greater agency subsidies.

The four organizations featured here have significant mental health programs—a common core competence for Jewish multi-service agencies. As the gap between needs and resources grows, these organizations and other mental health providers must champion this issue as both an integral part of our national economic recovery, and a key priority for government support. ■

also will be needed—and those are likely to be in very short supply in coming years. “We were fortunate to get a significant response to the first wave of basic needs. The second wave will be harder,” says Paul Castro in Los Angeles.

Recent emergency grants for basic needs came from a variety of one-time or short-term sources. Federations conducted special fundraising campaigns or spent from their endowments. Stimulus money is scheduled to end in 2011 at the latest. These resources will not provide for ongoing community needs.

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Nationally, individual and foundation giving dropped 5.7% last year and it seems likely to dip again this year. Research from past recessions indicates that it may take a few years for giving to reach pre-recession levels.

This hits home for Jewish organizations, both through fewer donations and smaller allocations from federated giving campaigns. The Jewish Federations in Minneapolis, Colorado, and Los Angeles all experienced 12-17% lower campaign giving this year. The impact of this decline on individual agencies varies, but it can be severe. Los Angeles saw its Federation allocation cut \$740,000 between 2007 and 2008. Emergency grants in 2009 have only partially filled this hole.

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Declining donations present an unwelcome, but manageable challenge. The real nightmare is sudden, deep cuts to publicly funded programs. California’s fiscal woes are resulting in painful cuts at agencies like JFCS in San Francisco. It recently lost a \$1 million contract to provide in-home services to help severely disabled adults live independently. Even so, the agency is trying to sustain such services through private resources and increased use of volunteers.

The full impact of public funding cuts for human services is still emerging, and it may take some time to cascade through local levels of government and the court system. But the impacts are likely to be far-reaching for Jewish and other multi-service organizations.

## Coping and regrouping

Even in this climate of uncertainty, these agencies are taking bold actions. All have reduced staffing and pared back spending. Many have taken other measures such as freezing salaries and discontinuing nonessential services. There is a general consensus that more cuts are coming, and all four organizations featured here are engaged in serious planning efforts to guide the looming tough decisions.

“We are looking at all 50 active programs based on financial sustainability, fit with our mission, impact, and uniqueness,” explains Yana Vishnitsky in Colorado. “We’re putting together contingency plans that we can implement in the first six months of next year.” “We’re looking at all of our services,” echoes Paul Castro in Los Angeles. “We want to shift resources to those serving the people with the greatest needs.”

So, is there a light at the end of this long, dark tunnel? Some see it and others don’t. When asked how her organization will be different in a year’s time, Mari Forbush in Minneapolis says, “We’ll be stronger. These challenges have stirred up a lot of creativity. It’s a hard time, but an exciting time.” Paul Castro isn’t as optimistic. “We will have to ratchet down. We’ve already made some hard decisions about non-critical services, but the ongoing strategic conversation will be about preserving the most critical, core services.”

Regardless of the short-term outlook, all of these institutions are in comparatively strong positions to make it through lean times and remain key resources within and beyond the Jewish community. Although most of their efforts right now are devoted to crises at hand, Jewish multi-service organizations can still regroup to pursue long-term positive social change. “We don’t want to just be an emergency room,” says Dr. Anita Friedman. “We hope to have both emergency and preventive services. We are good at putting band aids on wounds, but we want to get back to the work of preventing these wounds from occurring.” ■

## At-a-Glance

The four agencies featured in this issue.

### Jewish Family and Children's Service of Minneapolis

Founded: 1910

Service area: Minneapolis and its suburbs

People served: **14,000 annually**

Annual budgets: **\$14.7 million** (2008-2009) \$11.5 million (2009-2010)

Signature programs: Senior services, vocational services, mental health counseling

Foundation funding since 2007: **\$782,867**

### Jewish Family and Children's Services of San Francisco, the Peninsula, Marin and Sonoma Counties

Founded: 1850

Service area: San Francisco Bay area

People served: **60,000 annually**

Annual budgets: **\$30 million** (2009) \$30 million (2010)

Signature programs: Services to adults with disabilities, help for seniors at home, parenting and children's services, and emergency family assistance

Foundation funding since 2007: **\$575,000**

### Jewish Family Service of Colorado

Founded: 1872

Service area: Greater Boulder-Denver metropolitan area

People served: **22,000 annually**

Annual budgets: **\$8 million** (2008-2009) \$8.9 million (2009-2010)

Signature programs: Case management, mental health services, vocational services, and home-based services

Foundation funding since 2007: **\$1,054,968**

### Jewish Family Service of Los Angeles

Founded: 1854

Service area: Los Angeles County

People served: **60,000+ annually**

Annual budgets: **\$26.9 million** (2008-2009) \$25.7 million (2009-2010)

Signature programs: Family counseling, support for the elderly, housing for the homeless, food for the hungry, assistance for the disabled, and the empowerment of survivors of violence

Foundation funding since 2007: **\$271,000**