

March 15, 2023

Dear Senator Kitchel,

Nonprofit organizations represent a critical component of the human services system for the State of Vermont, yet we are fracturing under the weight of the pandemic, level-funding of programs over many years, and a diminishing workforce that is finding higher-paid, less stressful employment elsewhere.

This “perfect storm” of adverse factors is impacting the nonprofit agencies that partner with the State to create well-functioning community-based system of care for youth.

It is well-established that Vermont youth did not fare well during the pandemic and continue to struggle with increasingly negative outcomes. National research indicates that an array of educational deficits has resulted, as well as a rise in mental health challenges and substance abuse. Yet youth and youth programming has not been prioritized as the State of Vermont considers efforts to restructure services and the system of care post-Covid.

Effective immediately, we are asking for an 8 percent COLA to be applied to all existing grants and contracts between nonprofit providers and the Vermont Department of Children and Families. This will allow providers to keep pace with increasing costs at the current rate of inflation.

Specifically, we are calling for permanent increased funding to providers of the Youth Development Program (YDP) for youth transitioning out of foster-care; and the Compass program for community-based supports to prevent deepening involvement with the child welfare and juvenile justice systems.

Prior to the pandemic, funding for these programs has been subjected to years of level-funded budgets, in some cases for more than a decade. All the while, program costs rose, while funding to the nonprofit organizations doing this important work did not.

At current funding levels, we are not keeping pace with rising costs, and we are unable to offer qualified and caring staff the salary and benefits that their work warrants. We fear losing a generation of experienced human service workers unless we can offer competitive compensation and hire more workers to meet growing service demand and decrease overall stress for all. Without this workforce, already grounded in our communities, Vermont’s ability to provide vital services to youth in need would be crippled severely.

While funding from the American Rescue Plan Act offered some relief over the last three years, we are budgeting in an uncertain environment with no certain promise that one-time funding will continue into the future. We find ourselves making important decisions about how best to support staff when it’s becoming increasingly common for them to find better options working outside of the nonprofit sphere, despite admirable desires to be employed in the helping field.

We again request an 8 percent COLA to be applied to all existing grants and contracts for these programs between nonprofit providers and the Vermont Department of Children and Families beginning July 1, 2023. This will allow us to keep pace with the rising need of youth in crisis. We would further ask that the State adopt approaches to ongoing COLA's for grants and contracts that reflect COLA's received by State Employees.

We understand that the challenges that youth service providers face are echoed across the human service field. However, the youth services field is additionally challenged by the fact that other forms of supplemental income (i.e. billable medical services & childcare subsidies) do not typically cover services provided to youth and young adults. Our only option for meeting the expense side demands we're experiencing is to request the increase we're asking for.

We would be happy to meet with you or provide testimony to the potential impact of losing key elements to Vermont's youth service landscape. Inquiries of the group and undersigned can be relayed through the Washington County Youth Service Bureau by contacting Kreig Pinkham at kpinkham@wcysb.org. The risk of losing significant capacity within Vermont's youth service landscape is real and we are running out of time to prevent this from happening.

Sincerely,

Easter Seals of Vermont, Lamoille Family Center, North East Kingdom Community Action, North East Kingdom Youth Services, Spectrum Youth & Family Services, Sunrise Family Resource Center, United Counseling Services, Valley Court Diversion Programs, Washington County Youth Service Bureau, Windsor County Youth Services, Youth Services, Inc.

