

ACALL TO CARE

THE IMPACT OF THE ECONOMIC CLIMATE ON LUTHERAN HEALTH AND HUMAN SERVICE ORGANIZATIONS

While the economic climate seems to be improving in some sectors, nonprofit organizations will be slow to see sunnier days. The Lutheran health and human service organizations that comprise Lutheran Services in America (LSA) report a range of consequences of the economic recession.

Some have seen large gains in the number of individuals and families seeking assistance. For some, state budget cuts and a drop in charitable donations has threatened their ability to provide services effectively. Many have had to close programs or reduce staff positions. But many organizations have seen staff come together to find creative ways to cut costs and provide services to new and existing clients and communities. Some are receiving increases in charitable contributions. All are learning how best to navigate the realities of a prolonged contraction of the economy.

In January 2010, LSA organizations reported a range of recession-related impacts. This report highlights:

- Demand for Services
- Government Funded Services
- Private Funding
- Financial Issues
- Steps Taken in Light of Economic Changes

As efforts are made to stimulate the economy and to promote recovery, LSA strongly believes investments must be made in health and human services. The good news is that such investments – in services, in communities and in people – can return benefits of exponential rather than arithmetic proportions.

The CEO of one LSA member shared, “There’s a lot of compassion in this organization. And, it has competence to match. That’s why we are so wildly committed to our biggest possibilities – there’s growing need, and we have abilities to inspire hope, change lives, and build community.”

We at LSA would venture to say this sentiment is shared by LSA organizations across the country. The theme for 2010 is “Abundant Life Together,” and together we are inspiring hope, changing lives, and building community for millions of people across the country.

LSA’S PUBLIC POLICY PRIORITIES RELATED TO THE ECONOMIC CLIMATE

Initiatives should assist those struggling to meet their basic human needs as well as help vital nonprofit organizations remain viable:

- Assist states to remain solvent and meet basic needs
- Support services and programs to best match client needs, choices and services; including home and community based services and long term supports and services
- Stimulate collaboration between federal, state and local governments, the business community, philanthropic community and nonprofit organizations to meet growing needs
- Include nonprofits in job creation/ retention measures
- Build nonprofit capacity to engage volunteers
- Provide relief from defined pension benefit plan funding mandates
- Integrate health and human service providers in new initiatives



Jill A. Schumann
President and CEO
Lutheran Services in America

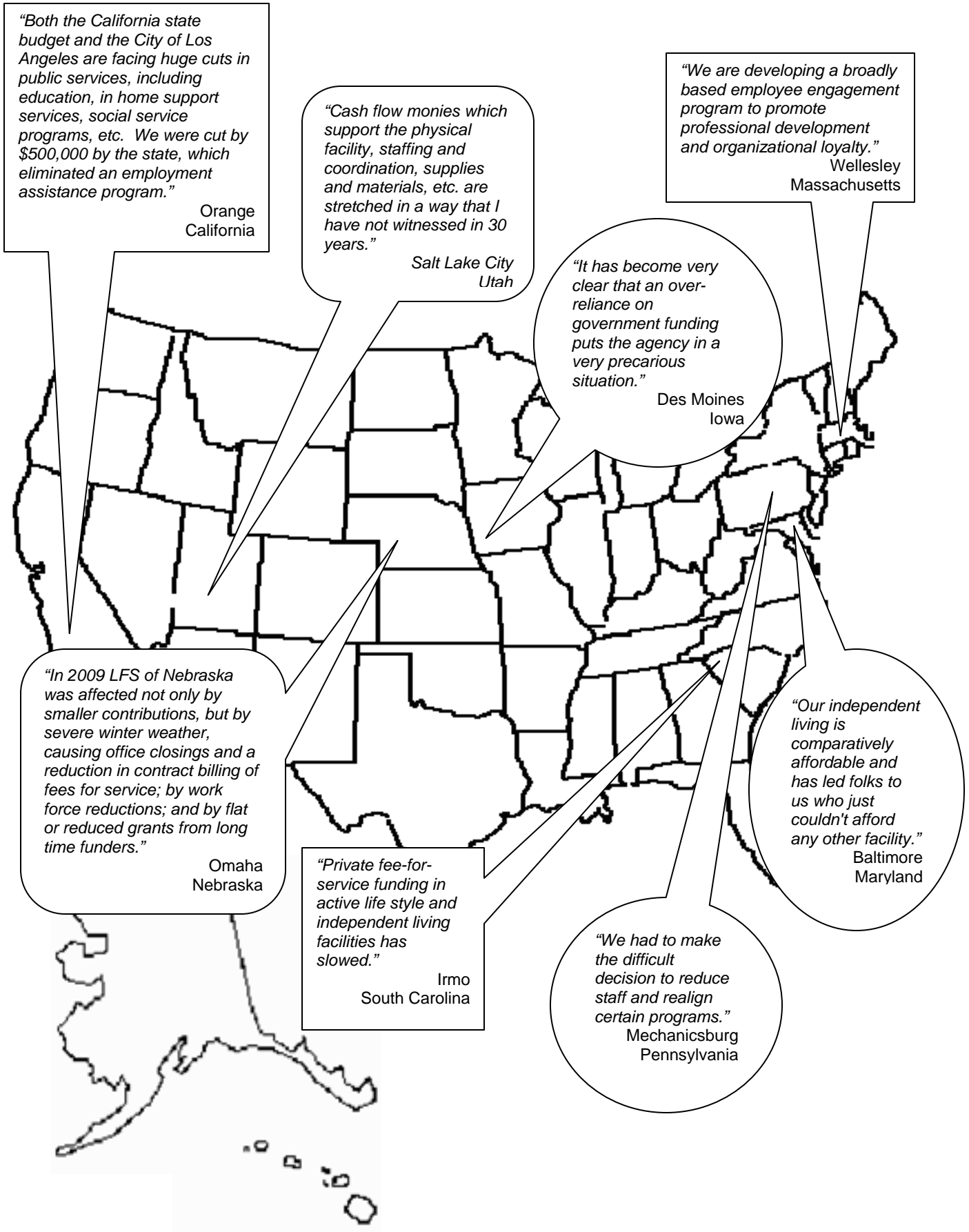
Lisa Hassenstab, AM, MA
Director of Advocacy and Policy
Lutheran Services in America

RESPONSIBILITY FOR SELF AND RESPONSIBILITY FOR THE NEIGHBOR.

LUTHERANS BELIEVE THAT ALL PEOPLE ARE BELOVED CHILDREN OF GOD ENTRUSTED WITH GIFTS TO SHARE. GOD ASKS THAT ALL USE THOSE GIFTS FOR THE BENEFIT OF OTHERS. PEOPLE MUST ASSUME PERSONAL RESPONSIBILITY FOR CONTRIBUTING TO THEIR OWN WELL-BEING. THEY ALSO HAVE RESPONSIBILITY TO CARE FOR OTHERS – TO CONTRIBUTE TO THE GOOD OF THE WHOLE BY USING THEIR UNIQUE GIFTS AND SKILLS. LUTHERAN PUBLIC POLICY ASKS, “WHAT SORTS OF POLICIES EQUIP PEOPLE FOR THESE DUAL ROLES OF CARING FOR SELF AND CARING FOR OTHERS?”

Working neighbor to neighbor

LUTHERAN SERVICES IN AMERICA (LSA) creates opportunities with people in thousands of communities in all 50 states and the Caribbean as an alliance of the Evangelical Lutheran Church in America, The Lutheran Church–Missouri Synod, and their over 300 health and human service organizations. **Working neighbor to neighbor** through health care, aging and disability supports, community development, housing, and child and family strengthening, these organizations touch the lives of more than six million people every year - or one in 50 Americans - and have aggregated annual incomes over \$16.6 billion. Through these efforts LSA is on the front lines of building self-sufficiency and creating hope in millions of lives. More information about LSA and its member organizations is available at www.lutheranservices.org.



"Both the California state budget and the City of Los Angeles are facing huge cuts in public services, including education, in home support services, social service programs, etc. We were cut by \$500,000 by the state, which eliminated an employment assistance program."
Orange
California

"Cash flow monies which support the physical facility, staffing and coordination, supplies and materials, etc. are stretched in a way that I have not witnessed in 30 years."
Salt Lake City
Utah

"We are developing a broadly based employee engagement program to promote professional development and organizational loyalty."
Wellesley
Massachusetts

"It has become very clear that an over-reliance on government funding puts the agency in a very precarious situation."
Des Moines
Iowa

"In 2009 LFS of Nebraska was affected not only by smaller contributions, but by severe winter weather, causing office closings and a reduction in contract billing of fees for service; by work force reductions; and by flat or reduced grants from long time funders."
Omaha
Nebraska

"Private fee-for-service funding in active life style and independent living facilities has slowed."
Irmo
South Carolina

"Our independent living is comparatively affordable and has led folks to us who just couldn't afford any other facility."
Baltimore
Maryland

"We had to make the difficult decision to reduce staff and realign certain programs."
Mechanicsburg
Pennsylvania

1. DEMAND FOR SERVICES

SOME EXAMPLES

Demand for basic supports is up

- We have had a 48 percent increase in service demand for homebound seniors, first generation and refugee family needs, and low-income needs over the last 18 months. – Lutheran Social Service of Utah, Salt Lake City, UT
- We more than doubled the number of people served in 2009 over 2008, aiding perhaps as high as 450,000 individuals last year. We provided \$14.5 million in uncompensated care in 2009, serving those who could not pay the full cost of service or whose financial assets had run out. – Diakon Lutheran Social Ministries, Allentown, PA
- Child welfare demand is up about 20 percent. The biggest demand is in grandparents seeking guardianship of grandchildren. We also have had a strong increase in single mothers lacking resources to care for their children. – Lutheran Family and Children's Services of Missouri, St. Louis, MO
- In Contra Costa County, food shelves have experienced a 64 percent increase in demand from 2006 and food stamp applications have doubled from May 2008 to October 2009. – Lutheran Social Services of Northern California, Concord, CA
- The waiting lists at our two HUD 202 affordable elder housing residences in Middletown, Connecticut and Worcester, Massachusetts have grown as seniors' resources have dwindled. – Lutheran Social Services of New England, Wellesley, MA
- The Central Oregon area has been rocked by unemployment rates in the high teens (18 percent) for the last 8 months. – Lutheran Community Services Northwest, SeaTac, WA

Sharp increase in numbers of people seeking counseling

- Demand for counseling services is up 25 percent in 2009 from 2008. Twenty-two percent of the case load was unemployed folks or people going through foreclosure. – Lutheran Family and Children's Services of Missouri, St. Louis, MO
- Demand for case management and counseling services has grown exponentially in the last two years. – Lutheran Social Services of South Central Pennsylvania, York, PA
- There is greater stress in homes. We have supported more teenagers who have been kicked out of their homes due to relational stresses with parents or guardians. – Peace Community Center, Tacoma, WA
- In the fall of 2009 we had a four-week waiting list for outpatient mental health services in Omaha. – Lutheran Family Services of Nebraska, Omaha, NE
- In Central Oregon we have seen an influx of children coming into foster care and requiring mental health services as a result of physical abuse and sexual assault

LSA MEMBERS SAY

"More than a quarter of the adults assisted (27%) have a college or technical school education.

They never expected to be coming for food."

Pat Digre
Lutheran Social Services
of Southern California
Orange, CA

Bright Spot

"I have been witness to counselors who make themselves available on weekends, at all hours, to families experiencing great trauma. I have seen the results of our work on the streets loving vulnerable, tough homeless teenagers. I see the compassion inside the hearts of managers as they implement cost reduction strategies to make sure we stay financially sound and yet maintain quality.

The midnight oil burns late for administrative staff."

Mark Peterson
Lutheran Social Service of
Minnesota
Minneapolis, MN

and a significant spike over the last ten months in clients needing anger management and domestic violence classes. – Lutheran Community Services Northwest, SeaTac, WA

Where financial pressures have reduced demand

- There has been a sharp decline in requests for home studies for both infant and international adoption. – Lutheran Service Society, Pittsburgh, PA
- There has been increased demand for most of our services. The exception is group foster care, which the state is making a conscious decision to utilize less. Our daily rate for group care went down five percent. – Lutheran Services in Iowa, Des Moines, IA
- Referrals to fill existing vacancies in existing programs or services, as well as incremental growth, have slowed dramatically. In some cases, this is due to the reluctance of states to commit to funding they are not sure they can sustain; in others, it is a direct reaction to budget cuts they have been handed. In either case, it affects our ability to fully fund services and results in increased waiting lists. – The Mosaic Collaborative, Omaha, NE

2. GOVERNMENT FUNDED SERVICES

LSA MEMBERS SAY

Federal, state and local budget pressures are adding to the strain on LSA members across the country.

- Our program for transitional youth from foster care is on the state cut list. – Lutheran Social Services of Northern California, Concord, CA
- The budget crisis in Pennsylvania and the continued threat of decreases in Medicaid funding has dictated that we take action to ensure the fiscal stability of the agency and our ability to serve over 10,000 persons. – Lutheran Social Services of South Central Pennsylvania, York, PA
- The likely Medicaid cuts in Maryland for 2010 will put some pressure on Augsburg and for the first time, we are having a little trouble filling independent living apartments. – Augsburg Lutheran Home, Baltimore, MD
- In Arizona, our reimbursement rate was cut by ten percent, which is five percent more than we knew about when we created this year's budget. In Utah, our rates were cut by 3.5 percent this year with an additional 4.5 percent reduction coming soon. In Colorado, we received a 2.5 percent rate reduction, which is one percent more than budgeted, and an additional two percent cut on the table for next year. Additionally, many states are not allowing people to enter the service delivery system, so any vacancies we have remain unfilled and we are not able to grow existing services. – The Mosaic Collaborative, Omaha, NE
- Our reimbursement has been decreased significantly (up to seven percent in each 2008 and 2009 budgets). In 2009 the Federal Government increased the FMAP rate for Ohio from about 62 percent to about 74 percent. At the same time, none of that increase was spent on existing health care services. The funds were used by the state to rebalance their budget and for non-health related areas. – Filling Memorial Home of Mercy, Napoleon, OH
- We've provided \$2.6 million of benevolent care (difference between our charge versus Medicaid reimbursement) – Lutheran Life Villages, Fort Wayne, IN
- Medicaid is being cut five to eight percent in Maine, where we have more than two dozen homes for clients who are deaf, disabled or mentally ill. – Lutheran Social Services of New England, Wellesley, MA
- Governmental agencies in the State of Utah, which used to contract out to NGOs, are now using their own created not-for-profit agencies. For example, the Utah Foster Care Foundation is a direct connection to the Department of Child and Family Services, State of Utah. – Lutheran Social Service of Utah, Salt Lake City, UT

"The already enacted cuts will mean a loss of nearly a million dollars a year in revenue ... We can weather a year of operating losses, but we must move quickly during 2010 to define and transition to a new operating model that is sustainable."

Doug Johnson
Lutheran Services in Iowa
Des Moines, IA

Bright Spot

"There is a trend toward shifting funds to our agency because we have more capacity to manage contracts. Almost all our grants are written by program and area managers, with our 2008-11 Strategic Vision of 'Growth through Collaboration' as a key motivating factor. As a result, we are able to maintain overall revenues and, in some offices, achieve significant growth."

Roberta Nestaas
Lutheran Community
Services Northwest
SeaTac, WA

3. PRIVATE FUNDING

SOME EXAMPLES

Relationships get stronger

Several members report that relationships that have been nurtured with donors over the years have resulted in steady or increased giving during this challenging time. Meanwhile, foundation gifts have become rarer.

- Individual contributions to our foundation have maintained at previous years' levels. – Lutheran Homes of South Carolina, Irmo, SC
- We have been able to garner nearly \$350,000 in support which has allowed us to implement two of the three programmatic initiatives of our strategic plan and make major progress in our development and evaluation capacity building initiative. In the next six months we will hear on another \$340k in funding requests, which would allow us to implement fully the five year strategic plan within three years. –Peace Community Center, Tacoma, WA
- We had budgeted and achieved a ten percent increase over last year (in undesignated income). We're confident that we'll have another strong year in philanthropic support. – Lutheran Social Service of Minnesota, Minneapolis, MN
- Our annual giving program is currently ahead of budget. We are equally happy to report that our planned giving program (written estates) is 100 percent ahead of FY 10 projections. – The Mosaic Collaborative, Omaha, NE
- In-kind donations and volunteerism at LSS has never been higher. In fact, we are scrambling with the same staffing patterns to meet: 1) 32 percent increase in volunteerism; 2) 76 percent increase in donation of gently used goods; 3) 48 percent increase in service demand; 4) 80 percent increase in Holiday Essentials basics distribution; 5) Extended hours to cover holidays, weekends, special need times. – Lutheran Social Service of Utah, Salt Lake City, UT
- Churches (both ELCA and LCMS) have changed their emphasis to more community outreach and service rather than just maintaining their traditional services and activities, and this has helped us grow. We have been approached by several congregations in the past year who want to get involved and look to us for leadership. – Lutheran Social Services of Southern California, Orange, CA

Foundation support is variable

Other organizations are experiencing reductions in both individual and foundation giving.

- Foundation funding has dropped significantly and individual giving has also been down. – Glade Run Lutheran Services, Zelienople, PA
- 2009 saw almost a one-third loss of revenue both from foundational resources which we received almost no

LSA MEMBERS SAY

“Our donors have remained very loyal. We have four board members who are supporting grown children who have lost jobs.

Foundation giving has become much more focused and reduced. We did receive 100 percent restoration of funding from our United Way in St. Louis.”

Rev. Alan Erdman
Lutheran Family and Children's
Services of Missouri
St. Louis, MO

“Individual giving continues to increase. Our Christmas appeal netted an 18 percent increase over last year – a combination of less expense, more donations, and an eight percent increase in the average gift.”

Roberta Nestaas
Lutheran Community Services
Northwest
SeaTac, WA

Bright Spot

“As foundations have become active again in the improving economy, we've reenergized our grant writing efforts and are achieving about a 60% success rate in grants received.”

Heather Feltman
Lutheran Social Services
of New England
Wellesley, MA

response, to individual gifts, basically at a flat giving level. Clearly, this loss of income will reveal itself in a reduction of our retreats in 2010 and reduction in our already small staff and total freeze on salaries, probably with reductions in salaries. – Grace Place Retreat Ministries, St. Louis, MO

- As foundations have become active again in the improving economy, we've reenergized our grant writing efforts and are achieving about a 60 percent success rate in grants received. – Lutheran Social Services of New England, Wellesley, MA

4. FINANCIAL IMPACT

Financing issues

- We are working with our bank to renew a construction loan that terms on April 30. So far it appears that this will occur without a problem, but the bankers are saying the federal rules on credit and lending have changed. – Lutheran Homes of South Carolina, Irmo, SC
- We are in the midst of a building project that was very difficult to finance, but fortunately we found a bank and got a favorable deal. This could have gone either way, so we were very lucky. – Augsburg Lutheran Home, Baltimore, MD
- The Lehman Brothers bankruptcy in 2008 caused us to have to replace several financing vehicles at considerable added cost. Now the bankruptcy court is attempting to make us pay for a worthless Lehman guarantee product. – Shepherd of the Valley Lutheran Retirement Services, Inc., Austintown, OH
- We have a shovel ready expansion project, but are unable to obtain financing. National and regional banks refuse to discuss options, so we're limited to local banks which are being bombarded with opportunities. Our \$1.5 Million line of credit was eliminated in February; we've since switched banks and now have a \$750k line of credit. – Lutheran Life Villages, Fort Wayne, IN
- Lines of Credit are more difficult to secure. Our bank was recently sold. We have not yet found another bank that is willing to extend a line of credit. - Lutheran Service Society, Pittsburgh, PA
- The collapse of several financial institutions resulted in challenges in the cost and remarketing of tax-exempt bonds. Diakon successfully restructured two interest-rate swap agreements into one new agreement, the final component of the debt refinancing. The rate of interest on the swap agreement is estimated to save the organization approximately \$600,000 in interest expenses in 2010. – Diakon Lutheran Social Ministries, Allentown, PA
- The economic challenges that exist within the United States continue to adversely impact Mosaic and the work that we do. While we have significantly mitigated what was projected to be an operating loss of over \$3 million for the current fiscal year (FY 2010), additional rate reductions, combined with increased costs, create a grim outlook for Mosaic for FY 2011. – The Mosaic Collaborative, Omaha, NE

LSA MEMBERS SAY

“Cash flow monies which support the physical facility, staffing and coordination, supplies and materials are stretched in a way that I have not witnessed in 30 years of social ministry service.”

*Leslie Whited
Lutheran Social Service of Utah
Salt Lake City, UT*

“Whether we consider the pressure on our government during this recession as an external factor or not, this is not the time to hunker down.

We must find ways to gain access to the national agenda and the state agenda, and capitalize on support at the grassroots level.”

*Sharon Walters
The Mosaic Collaborative
Omaha, NE*

Bright Spot

“Financial results for 2009 were positive, but only because of the decisions we made over the last 15 months and several one-time gains.”

*Mark Pile
Diakon Lutheran Social
Ministries
Allentown, PA*

“On a positive note, the home buyer tax credit has positively affected the ability of seniors to sell homes and move into our retirement communities where they can receive the care they need.”

*Robert Rundle
Lutheran Social Services
of South Central Pennsylvania
York, PA*

- ***Financial issues***
- Because of the drop in occupancy, flat rates, and weak development returns, we ended last year with a deficit around \$640,000. – Glade Run Lutheran Services, Zelienople, PA
- There is a rising debate over how to assist our public schools to be more effective. This has raised awareness of the importance of organizations like that of Peace Community Center. I think this has mitigated some of the financial challenges for the Community Center because of our alignment with this national and local focus. – Peace Community Center, Tacoma, WA
- Our financial issues continue to be the challenge of raising operational costs for unfunded administrative and director salaries which can't be fully covered by grants and government contracts. We do not apply for funds which require cash match anymore. – Lutheran Social Services of Southern California, Orange, CA
- The state of Illinois is behind in paying Lutheran Social Services of Illinois and other providers more than \$43 million - in its substance abuse programs alone. Many treatments centers are having to close their doors. – Lutheran Social Services of Illinois, Des Plaines, IL

Extra stress on those who are aging

- We have had nine Independent Living apartments on hold for the last nine months as the housing glut continues to hurt individuals and couples waiting on their house or condo to sell. – Lutheran Life Villages, Fort Wayne, IN
- We have many open independent living units. Low housing sales and general economic uncertainty continue to prevent seniors from moving in. – Shepherd of the Valley Lutheran Retirement Services, Inc., Austintown, OH
- There has been a decrease in older persons moving into our active life style and independent living communities. This decrease is related to the stock market drop and the housing market. Demand for assisted living has also dropped slightly. We think that this change also relates to the uncertain economy. People are not willing to move into assisted living as they have been in the past and are continuing to live at home. Assisted living – memory support, however, is full. I believe that families will continue to use this service regardless of the economy. – Lutheran Homes of South Carolina, Irmo, SC
- We've seen explosive growth in our consumer-directed In-Home Care program because people cannot afford any type of institutional care. We're providing upwards of 66,000 hours of care a month. – Lutheran Social Services of New England, Wellesley, MA

5. STEPS TAKEN IN LIGHT OF ECONOMIC CHANGES

LSA MEMBERS SAY

SOME EXAMPLES

Reductions in services and lean operations

- LSS has made the difficult decision to close Learning Tree Child Care, an early education preschool. – Lutheran Social Services of South Central Pennsylvania, York, PA
- We will be making some difficult decisions, the first of which was to close our refugee resettlement program. – Lutheran Services in Iowa, Des Moines, IA
- Jobs for the most vulnerable—refugees, immigrants and the undereducated have decreased substantially as restaurants, meat packing plants and construction have downsized. Requirements to get refugees a job within 30 days have not been changed. – Lutheran Family Services of Nebraska, Omaha, NE
- As a staff, we are all more conscious of the smallest ways to save monies e.g. turning off lights/computers, etc. Our best way has been to use mentors in the final matching of clients with employment which slightly increases our insurance, yet ultimately, increases support, makes a long-term difference, stretches staff time and cultivates volunteerism. – Lutheran Social Service of Utah, Salt Lake City, UT
- Renegotiated all major contracts (Natural Gas, Food, Therapy, Workers Comp, Liability Insurance, Health Insurance, Audit Fees) – all with 10 percent or more savings. – Lutheran Life Villages, Fort Wayne, IN
- We asked staff members throughout the organization for their ideas on how to be better stewards of organizational resources. – Diakon Lutheran Social Ministries, Allentown, PA
- Our second phase of our plan, Standing Strong, Looking Ahead, is built on five strategies: We will achieve an additional \$1 million in corporate savings; We will achieve agency losses of not more than \$2.5 million for fiscal year 2010-2011; We will suspend the employer match for the 403(b) retirement plan; We will reduce merit increases across the organization to 1-2 percent; We will achieve smart, strategic growth for a total of \$70 million additional annual revenue by June 30, 2013, with \$18 million of growth coming in the next twelve months. – The Mosaic Collaborative, Omaha, NE

Workforce impact

- We have had a hiring freeze for the last two years. There have been no pay raises. We have also had to do some reductions in staff positions. – Lutheran Family and Children's Services of Missouri, St. Louis, MO
- We froze all staff salaries throughout 2009 and lost good employees with commitment to our mission to higher paying jobs in the for profit sector where they were able to maintain the ability to continue to feed and educate their own children. – Lutheran Family Services of Nebraska, Omaha, NE
- This is our second fiscal year with no cost of living

"We no longer even try to do more with less. We do less with less."

Ruth Henrichs
Lutheran Family
Services of Nebraska
Omaha, NE

Bright Spot

"We are focused on getting much better with the effectiveness and efficiency of all our programs. We have already experienced the upside of having programs that are stronger than those of our competitors. We are now working to establish that reputation throughout all of our services."

Marc Bloomingdale
Lutheran Service Society
Pittsburgh, PA

increases, no employer contribution to the pension except for matching, and doubling the employee contribution for medical coverage. –Lutheran Community Services Northwest, SeaTac, WA

- Diakon's health-care premium costs rose by \$1 million in 2010; Diakon then contributed an additional \$200,000 toward the cost increase to reduce the impact on staff. However, that additional contribution will remain a one-time event and the organization is examining ways to tie wellness programming to premium costs. – Diakon Lutheran Social Ministries, Allentown, PA
- In Sacramento County, county union staff have been allowed to replace nonprofit staff resulting in less qualified and experienced staff, replacing six FTE's with only one or two workers. – Lutheran Social Services of Northern California, Concord, CA

Investing in growth

- In 2010, LSS of Utah will take ten administrative hours to network, and provide tours, with key government officials. It is hoped that the visible, tangible connection to our every day reality at the worksite will assist with awareness. – Lutheran Social Service of Utah, Salt Lake City, UT
- Increased our marketing budget and added two community liaison positions for business development. – Lutheran Life Villages, Fort Wayne, IN
- We have expanded our marketing efforts, added an autism specialty in our school, hired an individual to market in school services to expand our educational continuum, have developed several modified proposals for residential services, and have targets to increase community services. – Glade Run Lutheran Services, Zelienople, PA
- We have increased our foundation staff to increase our fundraising potential for success. We've added one fulltime position in marketing to increase awareness and enhance the quality and effectiveness of the LSS brand. We have two "shovel ready" capital projects and campaigns occurring. – Lutheran Social Services of New England, Wellesley, MA
- We were able to add several new programs for seniors living in their own homes (minor home repairs, and connection to senior services in their own communities). There is new interest and several new programs related to transitional services for families without a place to live. We hope to hire a part time area director in two more of our areas within the next six months. – Lutheran Social Services of Southern California, Orange, CA

Collaborating with partners, creating alliances, merging back office operations

- Our collaborations have increased in number and quality by 28 percent. Examples: Corporation for National and Community Service (CNCS) AmeriCorps*VISTA and RSVP Programs; Ecumenical Networks, Individual Homeopathic and Health Professionals, Salt Lake Public

School System, Horizonte Instruction & Training Center, Salt Lake Lutheran High School, Utah Food Bank, and Utah State University Extension System. – Lutheran Social Service of Utah, Salt Lake City, UT

- Because the Center and Church share a facility and see our ministry as one, we share a lot of costs as well. We have shared insurance costs, equipment costs, facility costs, administrative costs, etc. In a real way we have a shared back office and we understand that when the Center thrives it is good for the Church and when the Church thrives it is good for the Center. – Peace Community Center, Tacoma, WA
- Plymouth Christian Youth Center is part of the Metropolitan Alliance of Community Centers, a strategic partnership of 27 Twin Cities community organizations that have joined together to leverage their collective resources and voice. MACC members have more than 80 sites across the Twin Cities, serve 315,000 metro area residents, and employ more than 1,000 Twin Cities residents, primarily from the communities that MACC members serve. – Plymouth Christian Youth Center, Minneapolis, MN
- LATCH (Lutheran Alliance to Create Housing) and The Compass Center merged as of January 1, uniting two important services in the Puget Sound area. Together we can provide a continuum of service for those in need in our area; increase financial strength and have greater opportunity for obtaining funds; recommit to our relationship with the Lutheran Church and create a stronger presence in the community at large. – Compass Housing Alliance, Seattle, WA

ABUNDANT LIFE TOGETHER

Now is the time for people to come together to create communities where everyone can thrive. Family members can lend a hand to one another when it is needed. Congregations can reach out to their communities. LSA organizations can come together for even greater impact. Communities can engage people of good will who want to make a difference. When we work together we find that there is more than enough to share.

The government plays a significant role, too. Lutheran health and human services organizations, like many other nonprofits, are important partners with government in providing ongoing supports and services to children and adults with disabilities, the frailties of age, or other circumstances beyond their control. As the economy continues to struggle, these organizations provide supports and services to people who have lost their jobs, who are struggling to pay for food, housing, health care and other basic needs, or who need opportunities for fresh starts.

The high unemployment rate exacerbates issues of domestic violence including child abuse and neglect, homelessness, and mental health crises creating even more need.

As Congress and the Administration consider efforts to create and maintain jobs, stabilize states' fiscal health and reinvigorate the economy, LSA believes it is important for the federal government to assist individuals and families struggling to meet their basic human needs and also to help vital nonprofit organizations remain viable.

As states make difficult budget decisions, this is the wrong time to allow the health and human service infrastructure and capacity to collapse. Rather, investments in that capacity are catalytic in returning families to health, getting people back to work, and mitigating the human toll of recession.

Governments have the scale, scope and authority to encourage people to work together. The nonprofit health and human service sector will play its own significant role in employment, purchasing, and stimulating philanthropic contributions that also alleviate recession.

Indeed, even in times of scarcity, we can create abundant life together.

LSA'S PUBLIC POLICY PRIORITIES RELATED TO THE ECONOMIC CLIMATE

Initiatives to address the impacts of the economic downturn should assist those struggling to meet their basic human needs as well as help vital nonprofit organizations remain viable. LSA asks the following be included:

- Provide assistance to states to ensure their financial solvency, which, in turn, will provide job retention and creation as well as continuity of service provision for people in need.
- Support services and programs which enable organizations to best match the needs of the individual or family with services available; this includes home and community based services and long term supports and services.
- Stimulate collaboration between federal, state and local governments, the business community, the philanthropic community and nonprofit organizations to meet the needs of individuals and families.
- Include nonprofit organizations in job creation and retention measures. Employees of nonprofit organizations represent 14 percent of our nation's workforce.
- Support nonprofit capacity building efforts to engage a greater number of volunteers more effectively.
- Pass legislation to provide relief to nonprofit organizations with defined pension benefit plans impacted by drops in the stock market.
- Integrate health and human service providers in new initiatives such as Choice Neighborhoods, Promise Neighborhoods and the Race to the Top.

RESPONSIBILITY FOR SELF AND RESPONSIBILITY FOR THE NEIGHBOR.

LUTHERANS BELIEVE THAT ALL PEOPLE ARE BELOVED CHILDREN OF GOD ENTRUSTED WITH GIFTS TO SHARE. GOD ASKS THAT ALL USE THOSE GIFTS FOR THE BENEFIT OF OTHERS. PEOPLE MUST ASSUME PERSONAL RESPONSIBILITY FOR CONTRIBUTING TO THEIR OWN WELL-BEING. THEY ALSO HAVE RESPONSIBILITY TO CARE FOR OTHERS – TO CONTRIBUTE TO THE GOOD OF THE WHOLE BY USING THEIR UNIQUE GIFTS AND SKILLS. LUTHERAN PUBLIC POLICY ASKS, “WHAT SORTS OF POLICIES EQUIP PEOPLE FOR THESE DUAL ROLES OF CARING FOR SELF AND CARING FOR OTHERS?”

LSA PUBLIC POLICY ADVOCACY AGENDA FOR 2010

The following overview of key policy issues is supported by specific legislative and regulatory priorities that may not be included here, but are available in other documents.

AGING SERVICES

Many LSA members provide housing and health care services for older adults in a wide range of settings, from acute to home care, from nursing homes to home and community based services. In 2010, LSA will continue to focus on legislation and regulations regarding long term supports and services, as well as passage of the Community Living Assistance Services and Supports (CLASS) Act and the upcoming reauthorization of the Older Americans Act.

AFFORDABLE HOUSING

LSA supports public policy that increases the preservation and production of affordable housing for people with low-incomes, particularly older adults and people with disabilities. Public policy should ensure that people who are without homes are offered shelter and supportive services to help transition into permanent housing. Shelter and supportive services should be available to all populations including single adults and adults with children. Resources should be made available for people with low-incomes to have access to rental vouchers and other sources for subsidizing their rents as homeownership is not a viable option for all people.

LSA is focusing its legislative efforts on bills that would reform and expand housing for seniors and people with disabilities. LSA's regulatory efforts are focused on implementation of the National Housing Trust Fund program signed into law in 2008. LSA asks that Congress and the Administration support increasing the amount of affordable housing units available for low-income renters.

CHILD WELFARE

LSA supports public policy that facilitates the ability of community and government to keep children safe in the case of abuse or neglect and provides children in out-of-home placements the same access to health care, educational opportunities and recreational activities as other children. LSA also supports assisting parents or caregivers with adequate and appropriate resources to be able to care for children and to prevent abuse and neglect.

LSA requests that Congress and the Administration support the reauthorization of the Child Abuse Prevention and Treatment Act (CAPTA), allowing for funding of programs essential to slowing the number of children who enter the child welfare system as a result of abuse and neglect. The reauthorization of CAPTA should also include reauthorization of the Adoption Opportunities Act, allowing financial support for improvement of adoption services.

NONPROFIT SECTOR ISSUES

Nonprofit organizations make up 14 percent of the nation's workforce, but issues unique to nonprofits are often overlooked in the development of legislation and regulations. With over 300 member organizations which are impacted by federal legislation and regulations on many levels, LSA believes it important to be a voice for Lutheran health and human services organizations on these issues. Some key issues LSA will be focusing on this year include defined benefit pension relief, reestablishment of the IRA charitable rollover, and volunteerism and national service.

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