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62% of nonprofit workers in Santa Cruz County need to work more than one job to survive

Survey finds wage disparity among nonprofit employees is pervasive

The 2019 Human Care Alliance (HCA) Nonprofit Wage and Benefit survey report identifies key trends in wage inequality found in government funded and contracted nonprofit service providers in Santa Cruz County. Both the 2019 survey, and the first HCA nonprofit wage survey conducted in 2016, found concerning trends of underpaid workers and the impact on basic standard of living.

Across every survey indicator, nonprofit workers fall short in comparison to county wage data, especially when you consider that nonprofit workers are more educated than the average county resident. More than half of all nonprofit workers are struggling to continue working for nonprofits. 59% of all nonprofit employees were found to be earning less than \$23.00 an hour and 74% are earning less than 40K a year, which is far less than what is needed for a family of three to survive in our county (based on the United Way real cost measure).

The escalating costs of housing and persistent low wages heavily influence nonprofit workers and result in implications distinctive to this sector. 56% of nonprofit employee respondents surveyed spend more than 50% of their take home pay on rent or housing costs, while economists indicate that a healthy budget for housing is 30% of your take home pay. A nonprofit employee notes, "We live day by day, crossing our fingers that nothing happens to change our rental situation. If so, we would have to move out of Santa Cruz County. My fiancé and I argue over what to do." The stress of these demanding budgets is causing many employees to leave nonprofit work or find additional work to make ends meet.

According to the survey, 62% of nonprofit workers report that they must have more than one job to support their families. "I am living paycheck to paycheck. I need a second job and I am exhausted," explains a nonprofit employee. Over half (55%) of those surveyed report that their households and families are going without basic needs to survive due to financial hardship. Nonprofit employees are having to make difficult choices on where to spend their restrictive wages. "I have to decide if I can afford food for the week or wait until all bills are met. Although healthcare coverage is provided at my job, I can't afford the deductibles and co-pays," says a nonprofit employee. Ironically, this wage inequality is contributing to the systems of poverty that nonprofits are working to alleviate. However, the most troubling result of wage disparity is that nonprofits must consider shifting their business models to reduce services where government funding levels do not provide enough support to serve both clients and their employees.

"Government's inaction to address the growing poverty problem in Santa Cruz County is only contributing to the growing statistics. "says Community Bridges Chief Executive Officer Raymon Cancino. "As a sector of nonprofits trying to alleviate these conditions, we have limited ways to manage this growing crisis and, at times, are powerless due to the limited resources we have at our disposal to make meaningful impact."

Full survey results and additional information on the wage equity campaign can be found at www.communitybridges.org/news.

About HCA Wage Equity Study

The Human Care Alliance (HCA), with the financial support of Community Bridges and the Volunteer Center completed the 2019 Wage Equity survey and found disparities among nonprofit service workers that contract with local jurisdictions to provide services to county residents compared to county established benchmarks. The survey was administered by Applied Survey Research in April 2019 and includes data from 214 Santa Cruz County employees from 30 nonprofits. Survey topics included impact of low wages on nonprofit organizations, impact of minimum wage increase on nonprofit organizations, housing, ability to meet basic needs and effect of wages on employees and their households. Survey results allow stakeholders such as government, funders and social services agencies committed to maintaining services to identify and examine pervasive wage inequity on a broader scale and examine the significant fiscal and societal impacts this plays on our community and service outcomes.

In 2016 and 2019 the HCA conducted nonprofit wage surveys to gain a deeper understanding of the status of local nonprofit wages, impacts on our staff and their households, and the implications of the increasing minimum wage.

INTERVIEWS

Interviews are available with Community Bridges CEO, Raymon Cancino and Executive Director of the Volunteer Center of Santa Cruz, Karen Delany. Also available are supplementary stories from individual nonprofit workers and nonprofit program directors with a hands-on view of the impact of wage inequality on services delivered.

ABOUT HUMAN CARE ALLIANCE

The Human Care Alliance (HCA) is a 501 (c)(3) membership organization made up of nonprofit agencies that provide health and human services throughout Santa Cruz County. HCA's mission is to:

- To educate the public and advocate for health and human services.
- To ensure effective and efficient services by promoting diversity, communication, collaboration and mutual assistance among nonprofit providers.
- To maintain service through cooperative cultivation of public and private funding and support.

HCA's policy agenda centers around three primary areas; strong and safe neighborhoods throughout Santa Cruz County, economic and social justice for all, and health equity for all.

ABOUT COMMUNITY BRIDGES

Community Bridges envisions a thriving community where every person has the opportunity to unleash their full potential. Together, our family of programs delivers essential services, provides equitable access to resources, and advocates for health and dignity across every stage of life. To learn more, please visit <u>www.communitybridges.org</u>.

The Community Bridges family of programs includes the Child & Adult Care Food Program, Child Development Division, Women, Infants and Children (WIC), La Manzana Community Resources, Live Oak Community Resources, Mountain Community Resources, Nueva Vista Community Resources, Elderday Adult Day Health Care, Lift Line and Meals on Wheels for Santa Cruz County.

ABOUT VOLUNTEER CENTER

The Volunteer Center connects people and partners to resources that transform our community and our lives for good. Connections are how people create healthy, meaningful lives, how nonprofits fulfill their

missions and how communities thrive. Through our family of Impact Programs, we connect 8,000 local people each year to volunteers and tools to power Mental Health Recovery, Restore Justice, Support Seniors, Engage Youth and Promote Economically Sustainable Families. 15,000 local volunteers are connected to causes they care about each year, contributing \$10 million in labor and \$500,000 in crowdsourced funding each year. Online at <u>www.scvolunteercenter.org</u> or through our local centers, connect for good today.

ABOUT APPLIED SURVEY RESEARCH

Applied Survey Research (ASR) uses data to help build better communities through social research, evaluation, and strategic planning. ASR partners with organizations and agencies to assess needs, evaluate efforts, and identify strategies for success. Since the founding of the organization in 1980, ASR has focused on issues that impact the wellness of vulnerable populations, including school readiness, youth development, juvenile justice, domestic violence, child welfare, mental health, substance abuse, homelessness, and health care. We work closely with agencies of all sizes, including federal, state, and local government agencies, private foundations, and non-profit organizations, in both California as well as many other states across the nation. To learn more, please visit <u>www.appliedsurveyresearch.org</u>.

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