

Half of L.A. human-services nonprofits are struggling, new UCLA report shows

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Roughly half of Los Angeles County's 6,300 human-services nonprofits — which provide such services as emergency shelter, food, hospice care, and support for foster children, at-risk youth and the elderly — are struggling in the wake of the deep recession, according to a new study by the Center for Civil Society at the UCLA's Luskin School of Public Affairs.

"Stressed and Stretched: The Recession, Poverty, and Human Services Nonprofits in Los Angeles 2002–2012," which will be presented Jan. 31 at UCLA, reveals that nonprofits' capacity has been significantly diminished by cutbacks in government funding, delays in reimbursement, decreases in private giving and a corresponding increase in demand that came with rising unemployment and poverty during the economic downturn. Nonprofits serving the lowest income neighborhoods, and those serving African Americans in particular, have been hardest hit.

"This report shines a light on the new face of poverty," said lead author Zeke Hasenfeld, a professor of social welfare at the Luskin School of Public Affairs. "We are starting to see inner-city nonprofits that provide basic services cutting programs and closing their doors."

"Stressed and Stretched," which was supported by the James Irvine Foundation, follows up on the Center for Civil Society's 2002 survey of Los Angeles human-services nonprofits. By returning to the participants in the first survey, the UCLA researchers have been able to better gauge



the effects of the recession on the nonprofit community.

"This survey confirms many of the things we have been hearing anecdotally," said Bill Parent, acting director of the center. "It is distressing news on two levels. First, there is a decline in assistance for the poorest and most vulnerable. Second, there is a deep and persistent weakening of the nonprofit sector, which in terms of employment numbers, is almost as large as the entertainment industry in Los Angeles County."

In September 2011, the latest date for which data is available, there were 31,600 registered 501(c)(3) public charities in Los Angeles County, generating more than \$35 billion in economic activity and employing over 230,000 people. About 6,300 nonprofits classify themselves as human-services nonprofits.

Highlights from the report's findings include:

- 15 percent of the human-services nonprofits surveyed in 2002 no longer exist.
- 81 percent reported significant staff turnover in the past three years.
- 41 percent had cut programs.
- 10–20 percent of the surviving nonprofits surveyed in 2002 were so understaffed and stressed that they had trouble finding the time and the data needed to complete the current survey.

The report makes a number of recommendations for the sector and region, including better data collection and tracking of the work and



value of human-services nonprofits, a call for increased private charitable giving in the region, greater focus on nonprofits' work with low-income families and families in poverty, strengthening the capacity of nonprofits for advocacy, and encouraging more partnerships, collaborations and mergers with similar nonprofits.

"What is most disturbing is that the state and federal governments are continuing to make cuts in human services to balance their budgets," Parent said. "The safety net as we know it is smaller and weaker, particularly for those most in need."

"Stressed and Stretched: The Recession, Poverty, and Human Services Nonprofits in Los Angeles 2002–2012" will be presented Jan. 31 at the Center for Civil Society's annual conference on the state of the Los Angeles nonprofit sector, to be held at Covel Commons on the UCLA campus. The report will be available on the Center for Civil Society website: civilsociety.ucla.edu.

Provided by University of California Los Angeles

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