



Quality Services. Adequate Funding. Measurable Results.

FOR IMMEDIATE RELEASE

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## ILLINOIS BUDGET FALLS SHORT

(Chicago, IL). The budget passed by the Illinois General Assembly puts thousands of Illinois families in immediate jeopardy without resolving the state's larger financial crisis, state human service providers said today.

"This budget forces providers to operate with contracts and funding levels that can be changed or cut at any moment, but it does nothing to resolve the state's greater fiscal crisis. Putting in jeopardy the services that help people live independently, get and keep jobs, and pay taxes won't resolve the state's budget crisis. We need a comprehensive long term solution to our state's financial crisis. Meanwhile this budget is likely to force us to eliminate services that save the state costs in the long run, and create more unemployed residents." said George Jones, Illinois Partners for Human Service, and CEO and president for Ada S. McKinley Community Services, Inc.

More than a half million Illinois families have used state-funded human services in the last fifteen years and approximately 400,000 Illinoisans work in human service organizations. These services include child care; after-school programs for teens; skills training or help finding jobs; counseling for victims of sexual or domestic abuse; assistance for the mentally ill and developmentally disabled; in-home care for the elderly.

Illinois Partners for Human Service representatives say the budget continues to dismantle state help to its vulnerable residents – mostly provided by nonprofit organizations – in several ways.

**Uncertain Funding.** Funding for DHS, DCFS and other agencies that fund human services is at FY10 levels. But nonprofit providers won't know if or when they will receive a contract, or how much that contract will be for several weeks, perhaps after they are due to start on July

1. Two years ago, in a similar situation, providers continued providing services only to find out their contracts had been cancelled. If it occurs, this situation will result in quick shut downs, the cost of which will be born by communities, clients, and staff.

***Unprecedented Powers through the Emergency Budget Act.*** This act makes funding even more uncertain by giving the Governor unprecedented power to make additional cuts at will. It may also force agencies to put some of their allocation into reserves, further reducing operating funds. It also mandates that prior bills must be paid first, but allows delay until December 2010. This makes it likely that no new contracts beginning July 1 will be paid until after December 2010, and that there will be further delays for many organizations with existing contracts, due to the backlog of late payments.

Moreover, the failure to enact a comprehensive fiscal solution sends a clear signal to providers and clients, there is no end in sight to fiscal disruption in the human services sector, making it increasingly fiscally irresponsible even for nonprofit organizations to accept state contracts.

“Even after a budget has been finalized, it’s hard to say how it will effect individual organizations,” says Bill Steinhauser, President/CEO of Bethany for Children & Families, “The disbursement of funds will not actually take place until we get closer to the beginning of fiscal year 2011 and the uncertainty of funding for specific programs in area human service agencies is very unsettling.”

Human service programs have been under-funded for several years in Illinois. Between 2003 and 2010, The Center on Budget and Tax Accountability estimates that human services were under-funded by \$4.4 billion after both inflation and growth in demand are taken into account.

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Illinois Partners for Human Service was established in 2008 and is a growing statewide network of approximately 525 organizations that advocate for high quality, responsible, and sustainable approaches to providing human service in Illinois.