

Kathleen Hasegawa

CED Project

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FINANCING THE WORCESTER COMMITTEE ON HOMELESSNESS AND HOUSING,
INC.

Worcester, Massachusetts, the "Heart of the Commonwealth", has recently been described as the best kept secret in New England. A city of approximately 160,000 people, it remains in the shadow of Boston and is little known in its own light. Most of the people in Worcester seem to prefer it that way. Retaining much of a small town atmosphere in a medium sized city has many advantages. Politicians are easily accessible, networks are well known and unemployment is currently close to the lowest in New England.

In spite of this, Worcester residents are currently experiencing a major crisis - a housing crisis. In July of 1983 a survey conducted by the Office of Planning and Community Development sparked community concern when it revealed a drastically low 1.5% vacancy rate in housing. Since that time fires, demolitions, condemnation of buildings, and the purchase of buildings by developers from Boston, Providence, Framingham and Worcester for speculation have added to an overall decrease in housing. The latest survey, in July of 1985, showed a vacancy rate of only 1%. Many argue that for low income people the

vacancy rate is closer to 0%.

A frequent and tragic result of this inability to find housing has been a rapidly increasing problem of homelessness. In 1984, approximately 5,000 people requested shelter in Worcester. Of that number more than three quarters were women and children. In 1985, family shelters increased more than 60 beds and still had to turn people away on a daily basis.

The Worcester Committee on Homelessness and Housing was convened in January of 1983 in response to the rapidly increasing numbers of homeless people. The Committee is a loose-based coalition of approximately 100 organizations and other concerned individuals who are committed to working together to understand and eliminate the problems of homelessness.

The Committee on Homelessness has identified four goals which became the objectives of four working sub-committees which are: 1) Prevention of Homelessness, 2) Emergency Shelter, 3) Transitional Housing and 4) Long Term Housing. In addition it has formed four support committees which are: 1) Research, 2) Legislation, 3) Public Relations and 4) Fund Raising (Ad Hoc).

In its first two years the Committee met with tremendous success in obtaining state and local funds to open new shelters and new shelter programs, in completing surveys, getting excellent media coverage and in convincing both organizations and

concerned individuals to work together. However, it was in a constant and exceedingly draining state of financial crisis. When this project was begun in January of 1985 I was the only staff member paid by the Committee, through grants from two foundations. Other staff were a VISTA volunteer and a state funded part-time staff person, both provided through the Mass. Coalition for the Homeless. The total expenditures for the previous year were only \$8,569.70 and at that our operating expenses had gone more than \$800 into monies allocated for salary. There was no money for rent, telephone or any other general operating expenses, working conditions were highly depressing and staff morale was low.

Financing the operation of the Committee on Homelessness and Housing was considered low priority as compared to the other work we did. To a large extent this was an intentional decision on the part of the staff and the steering committee. First priority was given to finding funding for ongoing and new shelters and for innovative or practical housing solutions. The Committee on Homelessness did not have an operating budget and worked on a cash flow basis, when there was cash. By January of 1985 we were in a financial crisis and planning to embark on a fundraising campaign in February which we hoped would meet our most immediate operating and program needs.

As the coordinator and chief administrator of the Worcester Committee on Homelessness and Housing I realized that we must

develop a practical budget and fundraising plan. It was clear that these needed to be successfully implemented or our time as an innovative and active force for change in the city would have ended. Consequently I regretfully chose to put aside several much more attractive, to me, project possibilities and concentrate on guaranteeing the continuance of this vitally important organization.

The goals and methods I proposed for my CED PROJECT were the following:

M I N I M U M

1. Have new staff develop initial program plans with financial and resource needs attached. (Jan. 85)
2. Convert plans into an operational budget for 85. (Feb.)
3. Prepare an actual budget on a quarterly basis.
4. Set up a reasonable accounting system. (March 85)
5. Develop a financing plan based upon the budget. (April)
6. Train and supervise newly hired fundraiser (Commonwealth Service Corp volunteer) to raise money for both the Committee and the shelter programs. (Jan. & Feb.)
7. Organize the AD Hoc fundraising committee into an active and ongoing committee. (April)
8. Increase Board involvement in fundraising. (June)
9. Supervise the planning and implementation of fundraising projects. (Feb.-Dec. 85)

M A X I M U M

1. Develop a staffing plan for 1985-86. All positions are scheduled to end between June and October 1985. Secure resources for continued staffing.

2. Meet goals of operational budget for 1985. (Dec.)

3. Prepare budget for 1986. (Dec)

The above goals, both minimum and maximum, were all goals which I did not know how to achieve as of September 1984. Their intended purpose was to stabilize the financial future of the organization through determining how much money was needed, preparing a budget and fundraising plan and successfully meeting the financial needs as expressed through the budget.

Though I was not looking forward to this project it became both interesting and challenging as it proceeded. Its success has had great impact upon my work and the work of our entire organization. Funding the work of the Committee turned out to be more hopeful and easier than I had expected. Some of my goals were very realistic and easy to carry out once I knew how. Others were more difficult or just didn't fit the nature of the organization and had to be modified. In the end I surprised myself by being able to achieve all of my maximum goals.

Many of the goals were met by trial and error or at what I consider a very slow pace. Nonetheless most of them were accomplished well before the end of the year. Below is a brief description of how I approached each.

1. In January of 1985 I carried out a three session staff training in program planning and budgeting as part of our weekly staff meetings. Plans which included financial and resource needs of each staff were requested and submitted.

2. Staff plans as well as previous expenditures were studied and discussed with the staff. Priorities were determined in both staff and board meetings. A tentative flexible operating budget was presented to the Board in February.

3. A fiscal year was set to begin in July 1985. The attached budget was prepared. We elected to do a six month rather than quarterly review. The six month budget and actual ending December 31, 1985 is attached. It will be presented at the Board meeting on January 28.

4. Setting up a "reasonable accounting system" has been difficult to define and to carry out. Having budgets for both the first six months of 1985 and the fiscal year July 1, 85-June 30, 1986 has made the financial process much more accountable. Bookkeeping is still based on simple income and expenditure. The accrual method is not yet used though it would be especially helpful when showing foundations our income. I made arrangements to work with the financial manager of WCCI to decide if we needed to set up a new accounting system. However, organizational connections have deteriorated somewhat and it became more

difficult for me to ask for this assistance. I asked the Board for help and they decided to ask a certain person to do our book keeping on a volunteer basis. However, they have not carried this out. On January 28 I will request that they allow me to hire a bookkeeper to assist with our bookkeeping. Since all of the records are up to date and it is midway through the fiscal year the transition should not be difficult.

5. Developing a financing plan and carrying it out entailed several different parts over a period of months. I began by listing the foundations we were likely to be funded by and the deadline for applications. I applied to all of them, except the Jr. League contingency fund, and received funding from each.

Meetings were held with representatives of foundations, companies and the United Way. On January 31 I met with management, staff and the promotional director of WFTQ radio station to discuss a fundraiser. They agreed but it has been slow in happening. Will probably be carried out in May, 1986. In Feb. I met with the Employee Advisory Committee of Norton Company at their request to discuss funding priorities. As a result they chose homelessness as one of two priorities for the year. On Feb. 21, the statewide Fund for the Homeless and Norton Company sponsored a luncheon for the Worcester business community. I was invited to attend and made some good contacts. On March 19 I met with the Director of Development of United way to discuss possible United Way funding in 1986. Discussed funding homeless

related initiatives with State Mutual in April and again in June. On April 12 I met with Kay Seivard, director of the Greater Worcester Community Foundation to discuss funding needs related to homelessness and housing in general and the Committee on homelessness in specific.

Other funding related meetings included meeting with Paul Morgan, President of Morgan Construction Company, who introduced me to Paris Fletcher, a key trustee of three local foundations, and talking with Cindy Pitcher, President of Worcester's Junior League. I also helped Kay Seivard of Greater Worcester Community Foundation prepare an application to her committee for computers for homeless related programs, through which we and the shelters may be able to receive computers, and answered questions which helped her evaluate grant applications.

In September I prepared a marketing plan for the Committee on Homelessness as my paper for the Marketing class. (see attached) In October I attended a local grants workshop and was fortunate to meet some of the chairmen of local foundations. My fundraising outreach has been so successful that I was asked this summer to be on a panel about fundraising for homeless related programs.

In addition to fundraising I also greatly increased the contributions of in-kind donations. This year we received a Canon 200NP copier with a one year service contract, a reconstructed

IBM Selectric II typewriter, a used Smith Corona electric typewriter, two file cabinets, six desks, chairs, two cabinets and other items of furniture.

In 1985 we had our first three fundraisers. A raffle during House the Homeless Week raised \$480 in February. Approximately \$8,700 was raised in the May WALK FOR THE HOMELESS which we sponsored. Expenses plus one third went to us. The rest was contributed to Youville House Family Shelter and Habitat for Humanity. Iandoli Supermarkets did a December fundraiser, LIGHT FOR THE HOMELESS, for us which brought in over \$2,000.

6. A volunteer fundraiser was hired, trained and carried out the February raffle. She resigned the last week in February for a full time direct service job in a shelter. Since that time I have been unable to recruit another volunteer fundraiser. However, a recently hired administrative assistant was extremely helpful in carrying out our part of the LIGHT FOR THE HOMELESS fundraiser and has already begun planning this year's WALK FOR THE HOMELESS

7. The ad hoc fundraising committee became very active prior to and during the WALK FOR THE HOMELESS. They did a terrific job. Several new people were brought onto the committee and they were very enthusiastic about their work. A major problem that we ran into was that the new members all held jobs which made it impossible for them to meet during the day while continuing and

board members worked for non-profits and preferred day meetings. As a result I couldn't get a balanced committee of those who knew what was going on and those who were new and eager to help.

Another problem was that I did not yet have a clear sense of our needs or a budget for them to work with. I believe this would have worked out okay by summer if our fundraiser had stayed on to meet with them and if we had decided upon a meeting time when more people could attend. Perhaps 5 pm. would have been possible. Without a fundraiser to chair the meetings I found myself with too much to do and let the committee resume an ad hoc position rather than try to make it ongoing.

Both House the Homeless Week and Walk for the Homeless will be in early May this year. In February I intend to reconvene this committee and ask for their help with the Walk and another fundraiser.

8. Increasing Board involvement in fundraising has been the most difficult of all my goals. They have been willing to take on specific tasks such as selling raffle tickets and buttons. One board member solicited funds from individuals and churches to help us get through February 85 and to enable us to get our own phone. Another has proposed some means by which we might market ourselves. It has taken me a long time to discover that they are very willing to do what makes sense when directly asked. My mistake was in somehow believing that they would provide guidance

or come up with their own plan of action. What I must learn to do is to plan out a number of ways they can assist in fundraising and then ask them to do specific tasks. Some of them have already volunteered to do certain things for House the Homeless Week. My task is to see that they are reminded to follow up and to decide with them and the staff what the next steps will be.

9. Supervising the planning and implementation of fundraising projects is ongoing. I'm beginning to feel comfortable with it as I realize that its not only possible but can also be enjoyable.

When I developed the maximum goals for this project they seemed both necessary and overwhelming. At that time I was afraid that I would lose the rest of the staff within a year and I did not feel confident that I could find the finances to keep the program going let alone meet the goals of a reasonable operating budget. As it turned out when the minimum goals were accomplished the maximum goals were the easiest to carry out and the ones I felt best about.

1. Knowing that the two other staff members were funded through the Mass. Coalition for the Homeless by grants from VISTA and EOCD and were only funded until June and August caused me to feel very insecure. We had not found it easy to find funds for my position and those ran out in November. Step by step I worked through securing each position for the rest of the 85 year and into 1986.

VISTA was the easiest position to continue as the Mass. Coalition was prepared to request another year and were willing to leave the position with us. The position was continued until August 1986. A staffing problem which arose for us was that after the position was renewed the Mass. Coalition changed their staffing plan and requisitioned half of the work hours of this staff member reducing the position from 30 hours per week to 15 hours per week. The Mass. Coalition has been notified by VISTA that their contract will not be renewed again. This March I will apply to VISTA for a position for the Committee on Homelessness to begin in August of 1986. With luck that position will continue.

The Shelter Assistance Program Coordinator was initially funded as a half time position for one year through the EOCD Special Projects program. It was one of several similar positions funded through a grant application submitted by the Mass. Coalition for the Homeless. About midway through the year the position became full time because another coordinator had resigned. With a full time person the position expanded significantly. By May we had not been able to obtain funding through a request to the Campaign for Human Development and the position was clearly in jeopardy. In June the Mass. Coalition came up with a grant to begin a month later and we carried the position from our budget for a month. This winter the Coalition was able to receive full time funding from the Department of

Public Welfare to carry the program from November through April. We have received a grant from the Greater Worcester Community Foundation to continue the position under our budget from April 86-October 86 when we hope it will again be picked up by the Department of Public Welfare.

The coordinator position is secured until July 1986 through three separate grants which we hope will be renewable.

Three new positions have been added. We hired a part time typist through the Senior Employment Service which pays her salary. We also hired one person to work half time on research and housing policy and half time as my administrative assistant. These two positions were also covered by two grants from general operating expenses.

Most of the grants for staff salaries expire this July. However, I was able to carry them forward a full year beyond what I had expected when this project began and I have reason to believe a number of those grants will be renewed. With luck they may increase. In the next year's budget I would like to include a full time secretary.

2. Goals for the operational budget for 1985 were met and exceeded. The tentative budget was then revised in June and a new fiscal year with a larger budget began in July. The income on this budget has also been exceeded by more than \$9,000 as you

can see in the 6 month actual column. This occurred when we received the \$7,500 grant from the Greater Worcester Community Foundation which had denied us twice before. Our general donations rose from an expected \$500 to \$2,262. Furthermore, in the first 15 days of January we have received another \$3,500 in donations which were unexpected toward the second six month actual. This means we now have approximately \$12,500 above expected income which we can apply toward our budget for July 86 - June 87.

3. When our budget was revised it covered the first six months of 1986. Though I haven't yet prepared a budget for July 86-June 87 the staff is already discussing it. In March we will begin with step 1 again - having each staff member develop program plans with financial and resource needs attached.

In September we moved from a cold, dismal location to a bright, sunny office with four rooms, a bathroom and a kitchen. We are renting it for the low price of \$4 per square foot including heat and custodial services. Rent only a few blocks away is going for \$9 a square foot to non-profit organizations and higher to others. Staff productivity has gone up significantly and many tensions have disappeared. With our own space we have been able to regularize staff meetings and work hours. We also have use of a beautiful conference room and have begun holding meetings of our steering committee and the many

organizations and committees we have formed in our own space rather than running all over town looking for a place to meet.

The most satisfying result of this project has been to see the excellent work which has been done by the Committee staff in the last six months which would not have been done otherwise. The shelter assistance program expanded its donation clearinghouse to provide furniture for homeless individuals and families moving into apartments, we began the Redevelopment Task Force, the New City Development Corporation and incorporated the Worcester Community Loan Fund. We also successfully applied for and received Venture Grants from the United Way for initial operating expenses for the Loan Fund and the Development Corporation.

Though it took a lot of planning and work this project was not as difficult as I had anticipated. A number of courses offered in the CED program helped me gain the information needed to strategize and carry out the various elements of the project. Some of these courses were: Accounting, Introduction to CED, Financial Management, Financing Community Development, Marketing and Business Development. A number of community contacts and board members were also helpful.

I was however surprised at the ease with which we were funded after having been turned down a number of times earlier. Part of that was due to the excellent press we had received, part to having met some of the right people and part to good planning. I

found that there is a genuine concern in the community about the increasing numbers of homeless people. While many people who head up local foundations were often not aware of the magnitude of the problem they were concerned and asked sensible questions. They also responded very generously. I learned that much of fundraising is an educative process and approached funders as caring people who wanted to learn more about the problem and how they could help.

I learned two very important things doing this project. One was the nuts and bolts of how to develop a working budget and market an organization. This will be exceedingly helpful for the Committee on Homelessness and Housing and any other organization I work for. The other was that it is possible for a small non-profit organization doing important work in the community to find funding even in this time of cutbacks. I am much more hopeful than I was a year ago when this project began. It gave me the courage to initiate new organizations to tackle specific aspects of the problem even when other programs are retrenching and fear for the future. My attitude now is that if it meets the need in a concrete and well planned way I can sell it to the community to fund.

The one thing I would have done differently is to have learned all of this many years ago.