

## **Agencies will feel brunt of United Way shortfall** ***Pledges are more than \$2 million short of 2009-2010 goal***

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The Alliance for Living typically gets about \$80,000 a year from the United Way of Southeastern Connecticut, but this coming year the agency will get less.

And that will hurt.

Like many agencies that run social-service programs to help the ill and the poor, the Alliance for Living will be stung by an overall 22-percent dropoff in projected pledges announced Wednesday by United Way.

Estimated pledges for the 2009-10 fiscal year fell just short of \$6.9 million, far below the target of \$9.1 million and last year's total of \$8.8 million, the agency said at a luncheon for volunteers at The Spa at Norwich Inn.

Volunteers paid for their own lunches at the event, whose cost was also defrayed by sponsors and the Mashantucket Pequots, said United Way President Ken Hinrichs.

"It's very painful for them (United Way) because they work so hard, and it's painful for us," said Sandy Brindamour, executive director at the Alliance, which advocates for people suffering from HIV/AIDS. "They give us close to \$80,000 for the year. That's almost a month's operating costs."

Besides dipping into three months' worth of operating reserves and writing more local and federal grants, Brindamour said her organization is "going to have to try to maneuver money around to compensate. Everyone is looking at laying people off. Everyone is looking at taking pay cuts. All of those options have to be on the table."

Hinrichs emphasized that it is "very unlikely" that the agency would make across-the-board 22-percent cuts to all of the 34 agencies with which it partners.

The United Way started Tuesday reviewing programs offered by each agency, an exercise that will take two months, before it will award actual funding in June - in time for the 2009-10 fiscal year.

United Way funding represents "a different percentage of every agency's budget," said Hinrichs.

For the Riverfront Children's Center in Groton, which provides child care to working families, that percentage is about a third of its entire revenue stream, said Susan Corrice, its financial director. A hoped-for 2009-10 allocation of \$900,000 could well come in much lower, perhaps at around \$700,000, she said.

"We are totally funded through nonprofits," Corrice said. "And the economy is not in a good place for a lot of reasons, so our contingency plan is to keep as much of the program open and operating as is possible. It really depends on how much gets cut."

The United Way celebrated the money it did raise Wednesday by presenting a list of accomplishments within various “portfolios” organized by different fund-raising leaders and companies.

Top winners of the Million Dollar Society Award raised prodigious funds. Electric Boat raised \$1,549,580 in pledges and Pfizer Inc. raised \$2,343,315 for the United Way campaign.

Still, those and many individual stellar performances from more than 300 participating companies and 17,000 individuals could not lift the total of \$6,890,751 to the hoped-for \$9.1 million goal.

As a result, the United Way is cutting about \$600,000 from its own budget. Immediate layoffs of two employees are being followed by pay and benefit concessions from the agency's five executives and a reduction in central office costs.

Like other agencies, Catholic Charities Diocese of Norwich Inc. is bracing for cutbacks in United Way funding, which currently amounts to \$300,000 for New London County alone, said Executive Director Marek Kukulka.

Catholic Charities' entire budget for New London, Middlesex, Tolland and Windham counties totals about \$2.2 million, he said.

Kukulka said he hopes a basic-needs program that helps pay for food, clothing, shelter, medication and transportation for the needy will remain as close to intact as possible. Mental-health services and substance-abuse programs for adults and children is another critical area to fund, he said.

“I'm assuming United Way will look at the hierarchy of needs,” and award funding accordingly, he said. “Is mental health a priority? In my eyes, it is. I hope it would be in the eyes of the United Way.”

Catholic Charities' reserves are “quite depleted,” but Bishop (The Most Rev. Michael R.) Cote “has made it clear to me the diocese will help us as much as they can within their means to meet the gap,” Kukulka said.

“We're all in the same boat and we know the United Way is doing the best they can to raise the money that helps the community,” he said. “It's the result of the economy; it's a global crisis. It is something beyond our control - or the United Way's control.”

The United Way review process for the Riverfront Children's center is this morning.

“We're ready,” Corrice said. “We'll show them what we do. We have thought this through. We have a plan as we lose money from different sources, and we'll just follow through with it.”