

The Impact of Decreased State Funding on Delaware Nonprofits

The Delaware nonprofit sector is a vital partner in delivering services on behalf of state government. Significant funding cuts to the Delaware nonprofit community were realized in the FY 2018 state budget and grant-in-aid bill. It is estimated that collectively across state grants, contracts and grant-in-aid over \$25 million was reduced for community services.

Of those who reported* **MORE THAN 2,700** clients were **impacted by impaired services** because of the funding cuts.

Some of these services included:

reduced hours for  **crisis hotlines,**  **transportation cuts,**  **and increased wait times.**

What did nonprofits do to offset the lost revenue?

Nonprofit employees were **greatly impacted** by the funding cuts.



9% reduced contractor resources

62% reduced work hours or laid workers off

73% reduced or eliminated employee benefits (including professional development)

81% planned to seek additional funding from other sources

Long-term Strategies to Address Reduced Government Funding



* DANA survey fielded Fall 2017. Total organizations responses of 79, with 42 agencies reporting decreased funding. 22 respondents outlined service impact.