

# SUPPORT FOR NONPROFITS IS SUPPORT FOR DELAWARE

Delaware nonprofits are an essential component of a flourishing, healthy, and profitable Delaware. Nonprofits support communities, businesses, the State, and Delawareans. When nonprofits suffer, all these ecosystems suffer. The State of Delaware relies on nonprofits to conduct services that support the quality, health, and vitality of citizens across the state and in our neighborhoods.

Currently many nonprofits do not receive the level of financial support from the State that matches the impact the sector has on the state. This 2024 Legislative session, DANA is advocating for continued statewide grant and contract reform and sustainable investment in nonprofit workforce development.

## 1 CONTINUED STATEWIDE GRANT & CONTRACT REFORM

Many efforts, like fully funding the McNesby Act and modest Grant-In-Aid and Community Reinvestment Fund increases have been made to boost State investment in the nonprofit sector - but to ensure these efforts are longstanding, greater systemic reform is needed.

DANA IS PURSUING:

- Legislative action to address contracted service provider concerns with delinquent payments, delayed contract execution, and base contract language easing the renegotiation process.
- Standard cost-of-living adjustment (COLA) rate increases embedded in contracts statewide to cover the cost of inflation and other operational costs due to unfunded mandates such as the increased cost of minimum wage.
- Reform for the Grant-In-Aid system to be more transparent and equitable.
- The expansion of access to the State's health insurance to nonprofit service providers and grant recipients.



As the leader of the nonprofit sector, DANA's mission is to strengthen, enhance, and advance nonprofits and the sector in Delaware.

## 2

## SUSTAINABLE INVESTMENT IN NONPROFIT WORKFORCE DEVELOPMENT

The nonprofit sector is a key employment sector that is often overlooked when the State is designing economic development support initiatives. However, nonprofits face the same challenges as our for-profit counterparts to an exponential degree.

### DANA IS PURSUING:

- A \$400,000 line item in the Department of State's budget through the Division of Small Business for the continued support of DANA's Nonprofit Business Accelerator;
- The expansion of early childcare programs to support the nonprofit workforce.

Movement on the above issues is critical for Delaware nonprofits to continue to successfully execute the State's health, educational, and social wellness priorities. Nonprofits are a key component of the State's infrastructure, providing critical services on behalf of the State and contributing to Delaware's overall quality of life and economic development. Right now, businesses nationwide are struggling with workforce challenges and meeting the increased costs to serve, and the nonprofit sector is no exception.

As costs and demand for services increase, the percentage of nonprofit leaders that believe they can meet that demand or even continue services will decline. Allowing poor contractual terms that ignore the actual cost to provide quality services will result in fewer nonprofits being able to serve, and ultimately result in impediments to the State's larger goals for Delaware. We urge your support on these initiatives so nonprofits can continue to serve the constituents you serve, the communities you represent, and the State.



### ABOUT DANA

The Delaware Alliance for Nonprofit Advancement, DANA, is a membership organization dedicated to advancing nonprofit excellence in Delaware. To that aim, we provide consulting, training support to nonprofits, and bring them together to collectively advance social impact in the State. However, all these services cannot make up for the institutional barriers impeding the nonprofit sector from truly thriving. To this end, DANA advocates for larger sector-wide changes to improve the environment in which nonprofits operate so they can excel, offering the best to their constituents.



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