



## Gay orgs cut staff to cope with recession

Many nonprofits struggling to weather economic crisis

By AMY CAVANAUGH, Washington Blade  
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Many gay advocacy organizations are scaling back services and cutting staff, as the nation's recession takes a toll on nonprofits.

At Lambda Legal, 10 positions were cut last month. The Gay & Lesbian Alliance Against Defamation laid off several staff members Nov. 21. **The National Gay and Lesbian Task Force** has left open unfilled positions, and the National Lesbian & Gay Journalists Association recently reduced its national staff from seven to two.

GLAAD President Neil Giuliano said the cuts at his organization "touched all departments," but did not reach "double digits."

"We looked at the work we're doing and the mission we have and we had to make a strategic plan to make reductions," he said. "Fundraising has slowed dramatically and the non-profit sector is not immune to what's going on, and sometimes we're impacted more."

He said a reduction in donations coupled with the nation's ongoing financial crisis meant that GLAAD had to make job cuts to stay within budget and prepare for 2009.

"The way I look at it is that it is the responsible thing to do to protect the long-term health of the organization, and be good stewards of the revenue that donors have provided," Giuliano said.

Kevin Cathcart, Lambda Legal's executive director, said the 10 job cuts at his organization came from each of its four departments: legal, education, administration and development.

The jobs, which were all full-time positions, represented 10 percent of the organization's staff.

"Like many non-profits, we've been hit hard over the last several months by the decline in the stock market, the decline in the real estate market, and the decline in consumer confidence," Cathcart said.

"We started a new fiscal year at the beginning of November and as we closed last year, it was clear that it would have been unrealistic to assume that we were going to grow in the year ahead and that we needed to be certain that we were going to be able to protect our core mission. Therefore in this economy and this giving climate, we needed to reign in expenses early."

Cathcart said Lambda Legal's financial plight was "not unique" among national groups.

"It's happening in the broader non-profit world and with LGBT organizations," he said. "Like other organizations, we don't have an endowment, and we have to raise our income every year."

Cathcart said he started noticing donations slowing during the summer months.

“With the economic news over the fall, things kept getting worse and worse,” he said. “In our case, there were funders like law firms that supported us that went out of business, and corporate sponsors who were sold during the last couple months of the economic decline.”

The economic downturn has curtailed the operations of other gay groups in different ways.

David Steinberg, president of the National Lesbian & Gay Journalists Association, said in an e-mail to members Dec. 3 that “financial support from corporations and foundations in and outside of the media industry has decreased,” and the organization’s national staff had been reduced from seven to two.

Human Rights Campaign President Joe Solmonese said in a statement that the organization “has been monitoring the economic climate closely for the past few months and has managed expenses accordingly. Contributions have slowed in the last quarter and we will continue to proactively manage our budget and expenses. HRC has no (current) plans to lay off employees.”

**The Task Force also is tightening its belt, according to Rea Carey, the organization’s executive director.**

**“Like many other organizations, whether LGBT or not, we are looking at ways to act responsibly and make responsible actions given the economy,” she said. “For us, that means that in some areas where we can, we are spending less. We’re cutting back on travel and things we had planned.”**

**Carey also noted that the organization has decided to leave open unfilled positions.**

**“We are already a lean and mean organization, and for a long time the Task Force has accomplished a lot on relatively few resources,” she said.**

### **Regional groups also challenged**

Regional groups aren’t immune to troubles stemming from the nation’s worst financial crisis since the Great Depression.

Dan Furmansky, executive director of Equality Maryland, said his organization “definitely noticed a bit of a downturn in the last two quarters of 2008.”

“We’re financially sound, but we certainly had difficulty in achieving the attendance numbers we’ve had at previous events,” he said. “This is a tough economic climate to be fundraising in.”

He said that the organization remains “on track” and that they have “not had to cut back in any material way.”

But Carl Siciliano, the executive director of the Ali Forney Center in New York City, which provides housing for homeless LGBT youth, said that since September, their “corporate donations and foundation grants have completely dried up.”

“We’re already in a place where our bank account is depleted, our line of credit is depleted and we’re struggling from payroll to payroll,” Siciliano said. “We’re struggling with how to pay December rent.”

Siciliano said that the organization received fewer grant and donation dollars than expected.

"We budgeted that we were going to receive about a million dollars this year in non-government money, which comes from foundation grants, corporate donations, individual donations and revenue from special events," he said. But he noted that a more realistic expectation now is \$700,000.

Siciliano said Ali Forney Center has cut or made plans to cut eight positions, which represents 10 percent of the organization's staff.

"We rent apartments and we had to shut some down during the day and only open them at night," he said. "We work hard to help kids get into schools and jobs, but in the winter having to tell kids to leave? I don't like it. When there are hundreds of kids on the waiting list, the last thing I want to do is think about scaling back, but people can't give what they don't have. We have to think of ways to be creative."

Siciliano said one approach the organization has tried is raising awareness through gay bloggers. Joe Jervis, who writes Joe My God, reached out to Siciliano to write a post for his site.

"Within 36 hours, we received 50 donations online," Siciliano said. "I think that what we're going to have to do is think about different strategies to generate non-government money. Those of us who are creative and make a compelling case are going to scrape by."

"I have a feeling that a lot of people will go under, but as far as I'm concerned, we're going under over my dead body. The kids need us too badly."

On Dec. 3, the Ali Forney Center announced that the funds needed to operate its drop-in center were reinstated.

According to the organization, the New York City Ryan White Planning Council offered the needed funds after the New York City Department of Health & Mental Hygiene told the Ali Forney Center that the grant it was receiving would end in July 2009.

### **'Everyone is concerned'**

Michael Adams, executive director of Services & Advocacy for GLBT Elders (SAGE) in New York City, said his organization is in "healthy shape" overall, but had seen a reduction in government funding, the largest source of funding for senior services.

"We were just notified two weeks ago that our largest city contract has been cut by 37 percent, which is a very significant cut," he said. The cut of \$250,000 comes from money that SAGE uses to buy groceries, pay for prescriptions and cover utility bills.

"We're scrambling to find ways to cover those things, since we have to do that stuff," Adams said. "We've got to transfer funds that were assigned to other work, because people need these things to survive."

Adams said a smaller contract also was eliminated, and SAGE is looking at a loss of \$310,000 in city funding for 2009, which he described as "a lot of money for an organization of our size."

SAGE provides services to 2,000 elders in New York each month, and employs 32 staff members, including about six part-time employees.

Adams said SAGE is trying to fight the cutbacks in funding, but has made a number of non-personnel cuts to the budget.

"We've had to cut back on communications and the public-education activities we engage in," he said. "We're trying hard not to cut back on core services, and we've been able to avoid those cuts. Our plans to expand programs have been cut or pushed off to next year in the hopes that things will be better next year. I feel fortunate that we'll be able to absorb those cuts without having to eliminate any staff positions."

Roey Thorpe, director of state services at the Equality Federation, a national alliance of state-based gay advocacy groups, said, "everyone is concerned" about the health of their organization amidst the economic downturn.

"In some regions where the economic crisis has caused people to leave their jobs, we've seen some organizations really concerned that major donors may no longer be able to give as much as they wish they could," she said.

"We've seen this in the Northeast, where people work on Wall Street or are affected by the financial industry, and then in other areas where manufacturing jobs have been affected."

Thorpe said many state advocacy groups are evaluating whether or not to change their plans for next year.

"Many of our organizations are used to doing an incredible amount of work with very little resources, so resourcefulness is second nature to these organizations," she said. "I have not heard about any organizations who have had to lay off staff yet as a result of the economic crisis, but I think everyone is treading carefully and thinking about their priorities very seriously."

Some organizations told the Blade they were awaiting year-end donations — which is when many people make their charitable donations in an effort to offset taxes — before finalizing their 2009 plans.

Siciliano said Ali Forney Center receives 40 percent of donation money between Thanksgiving and New Year's Day, and he was consequently hopeful that more donations would yet arrive.

But many activists noted that year-end donations could be curtailed for reasons other than the economic downturn.

"We just finished an election year that was interesting and challenging and enormous amounts of money were donated by the LGBT community and friends of the LGBT community," Cathcart said.

"Money went to the presidential election and a range of national and statewide elections and to referendum battles, particularly in California. It was a perfect storm of significant amounts of money going to politics in an important political year and the U.S. economy declining significantly over the last several months."

Cathcart said the outcome of the elections means "there is a lot of potential and possibilities out there for the community," but noted that, "it's ironic and sad to have both potential and cut backs at the same time."