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# Getting by Rather than Getting Ahead: The Response of the Nonprofit Safety Net to Rising Suburban Poverty

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# Introduction

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- The majority of America's poor now live in suburbs
- This places heightened demand on the safety net—particularly social service programs
  - Substance abuse; mental health; employment assistance; food; housing; children and youth services; family services; emergency assistance; and homeless centers
- Availability of social services varies by place, with evidence of spatial mismatch between providers and clients (Allard 2009)
  - Provision of services is inherently local
- Little is known about the social service safety net in *suburbs*
  - Decreased funding at time of rising poverty suggest situation may be getting worse

# Research Questions

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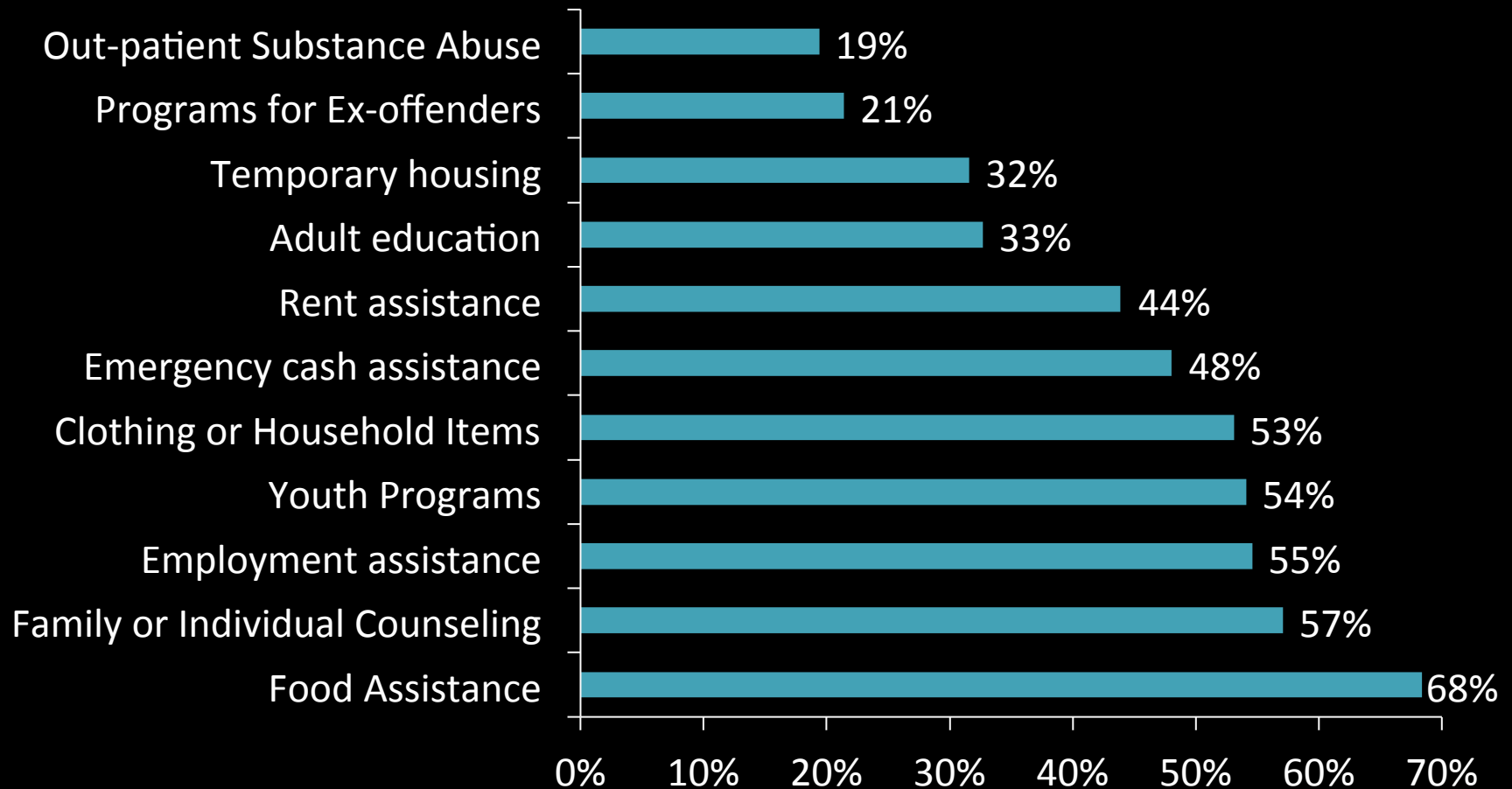
- *What is the demand for social services in the suburbs, and how is it changing?*
- *What challenges do service providers encounter to operating programs in the suburbs?*
- *How do nonprofits respond to these challenges?*

# Data and Methods

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- Four surveys with 98 suburban nonprofit social service organizations in three metropolitan areas
  - June 2009 – April 2010 with providers in Chicago, Los Angeles, and Washington, D.C.
  - Sampling frame of 225 from a database of nearly 4,000 organizations
  - 53% response rate
  - Follow-up every 2-3 months (1 phone, 3 web)
  - Survey questions: clients, funding, and responses to the recession
- Define “suburban” as counties and municipalities neighboring the principal city or primary central city in a metropolitan area

# Services Offered by Surveyed Providers



# Findings

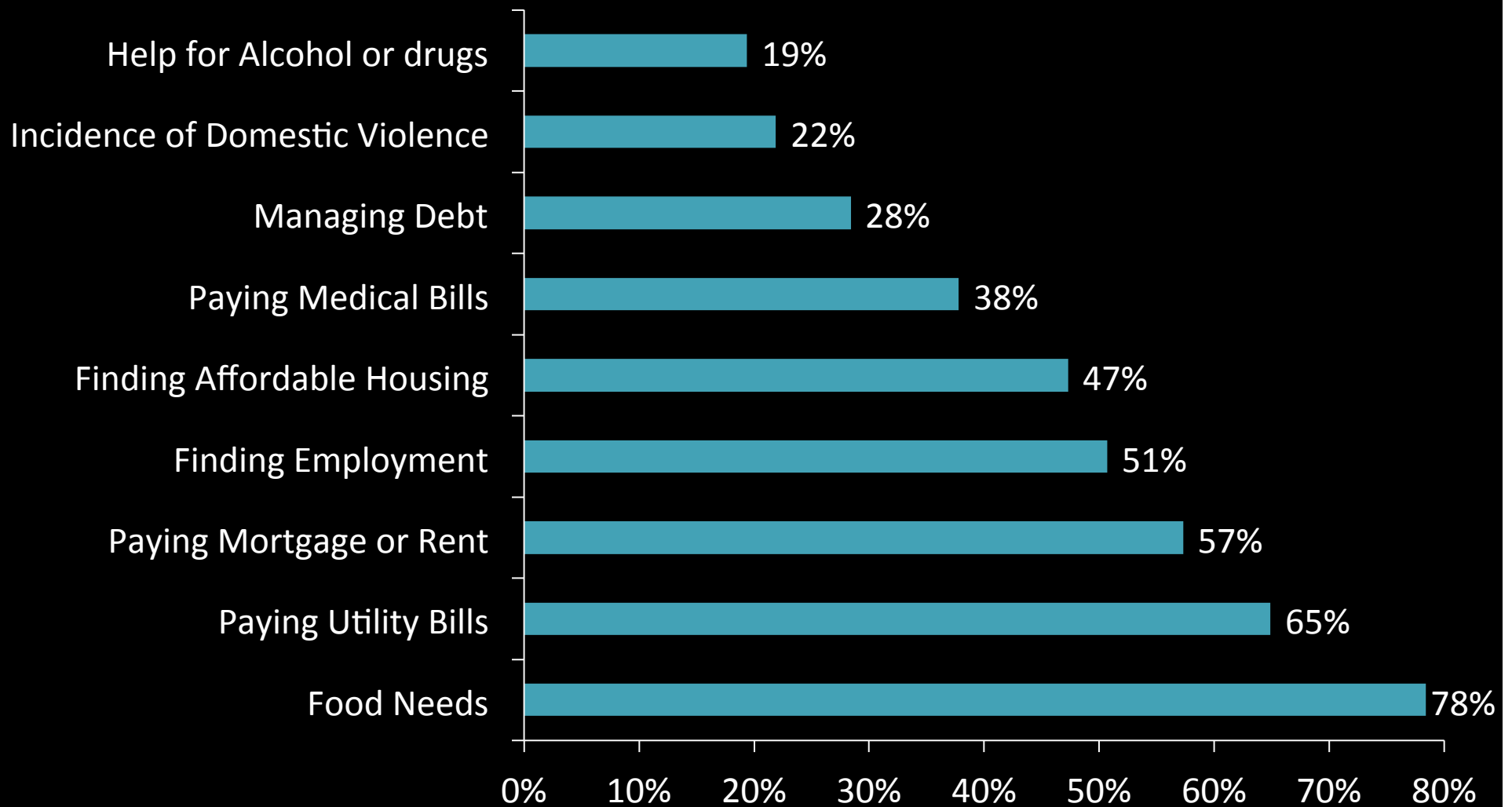
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# Finding 1: Increased Demand

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- Demand for assistance increased by about 30 percent on average from 2008 to 2009
  - 1/4 of nonprofits saw at least a 50% increase in demand
  - Workforce development organization in suburban Chicago reported that the number of clients seeking assistance increased from 50 to 500 per month

# Increase in Need by Type, 2009 – 2010



Source: Survey of Suburban Social Service Providers, Allard and Roth (2010)



## Finding 2: The “New Poor”

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- 45% of providers report that many clients come from households where one or both adults are working, but cannot work enough to make ends meet
- 41% indicated that more two-parent households were coming for help compared to previous years
- 73% are serving more clients who are accessing the safety net for the first time

# Finding 3: Serving More Immigrants

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- 40% of nonprofits reported serving more immigrants in 2009 than in the previous year
- “We are the only agency of our kind in the suburbs with a bilingual, bicultural staff tailored to the Hispanic community. We have people coming to us from [throughout the suburban metropolitan area]. For our immigration services they come in from Wisconsin and Indiana . . . There are no inter-agency coalitions among Latino-serving or immigrant-serving organizations in the suburbs.” A director from another suburban organization stated “There are no other organizations with cultural/language delivery for Korean population [in this region].”

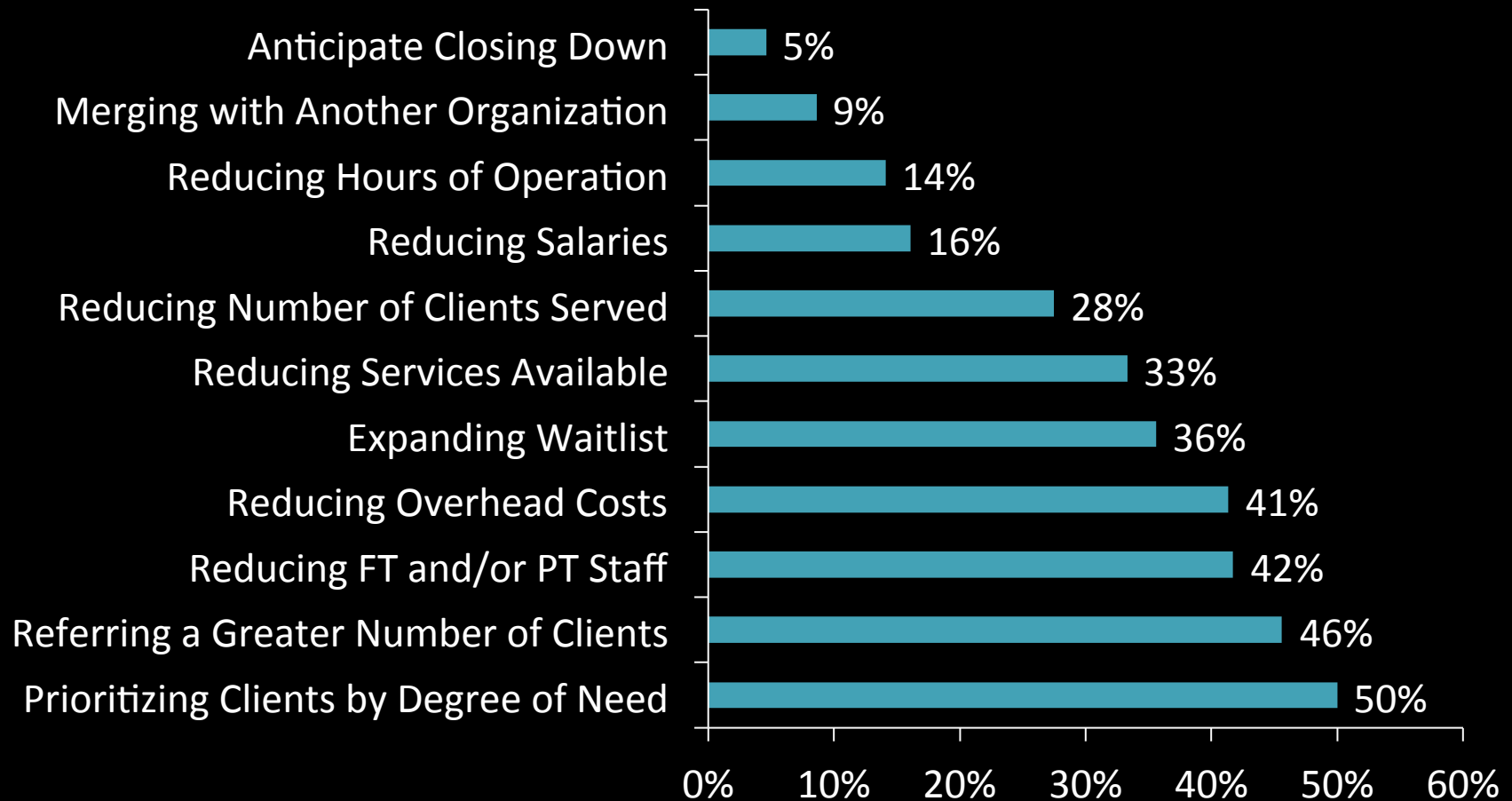
# Finding 4: Decreased Funding

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- Suburban nonprofits rely on a mix of public and private revenue sources
  - Heavily dependent on government funding
- Nearly 25% of survey respondents reported a drop in all 4 major forms of funding
  - Most funding reductions were “modest” (10 – 15%)
- Less than 40 percent of providers who reported cuts in one source of funding were able to find additional funding from another source
  - Providers struggle to make up lost dollars from other sources

# Nonprofit Response to Funding Cuts

*April 2010*



# Finding 5: Collaboration

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- Increased collaboration
  - 62% of providers operate programs in more than one municipality, creating opportunities (and need) for collaboration
  - 57% collaborate with other nonprofits
- Collaboration has benefits:
  - Developing new and more sustainable resources
  - Recruiting and dispatching volunteers
  - Networking among immigrant-serving providers
- “Our construction training program has taken a big hit because there are no jobs in the commercial sector. Our placement rates are down to 25%, [so] we pursued a relationship with a local community college to shift our focus to building maintenance.”

# Finding 5: Collaboration (cont'd)

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- However, collaboration cannot off-set the challenges of provide services in the suburbs
  - The possibilities for collaboration in the suburbs are limited because the pool of service providers is small
  - “...the problem is that there are only two other agencies in this area that provide utility or rental assistance—one of the major requests [from clients].”

# Just Getting By

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- Suburban nonprofits are creative and resilient...
  - “We have hired a Fund Development position so we hope we see some results,” explained one director. “We hope the new position will take us into larger gifts and a planned giving campaign—[it’s a] spend money to make money concept.”
- ...but many are just “getting by”
  - “Fewer new grants will be issued and competition for the ones that are will be greater... One of the Foundations that supported us for a number of years actually closed down.”
  - “it isn't always certain how foundations and organizations will re-assess their guidelines as (or when) funding ability changes.”

# Conclusion

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- Suburban social services are critical for helping low-income families and adults, but they face the dilemma of how to expand programs with less money for more people
- Research needs to expand to additional suburbs, gather different types of data, and examine how components of the nonprofit service sector interact with variable suburban contexts to meet the needs of the poor

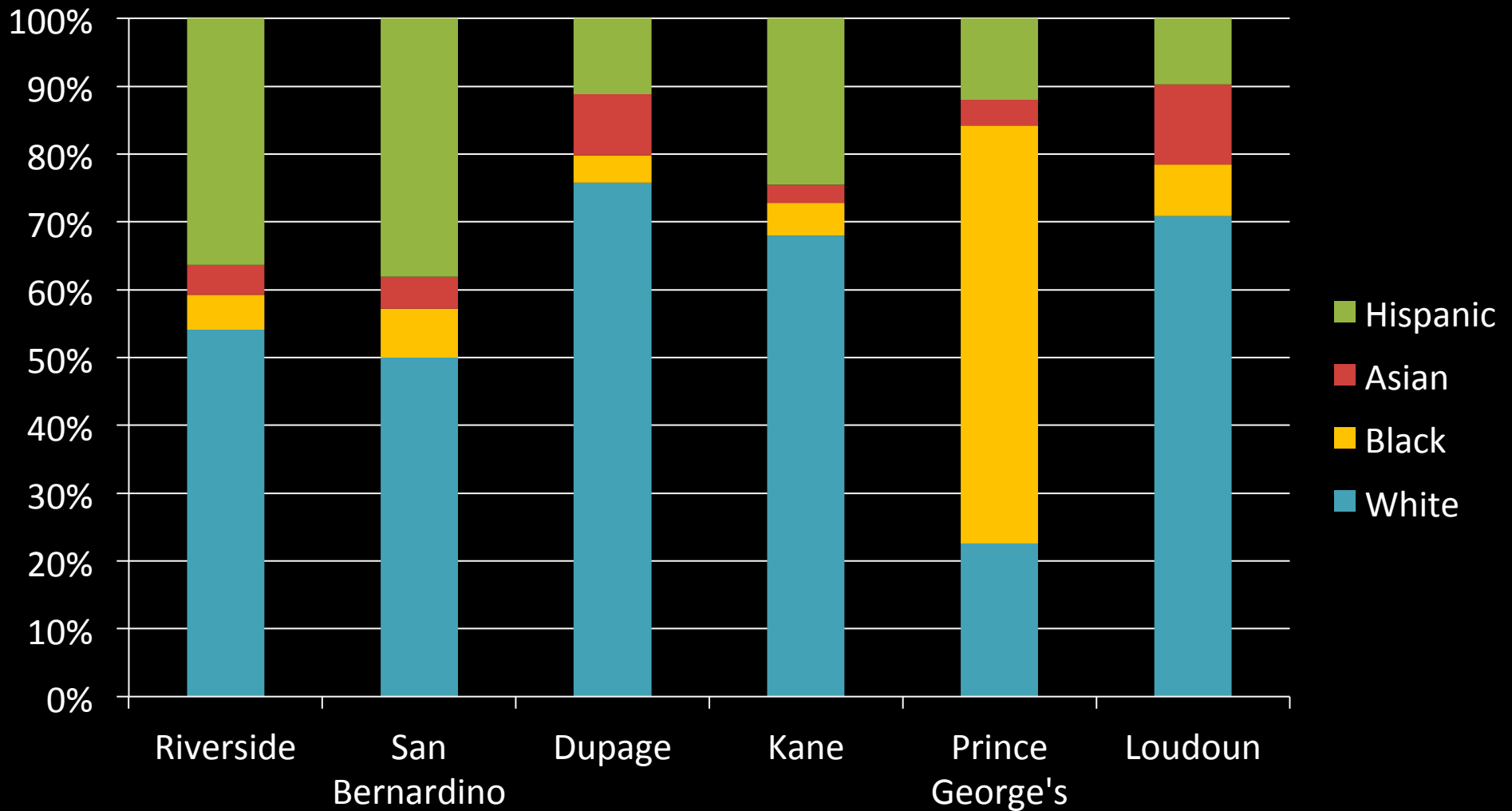


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Thank you

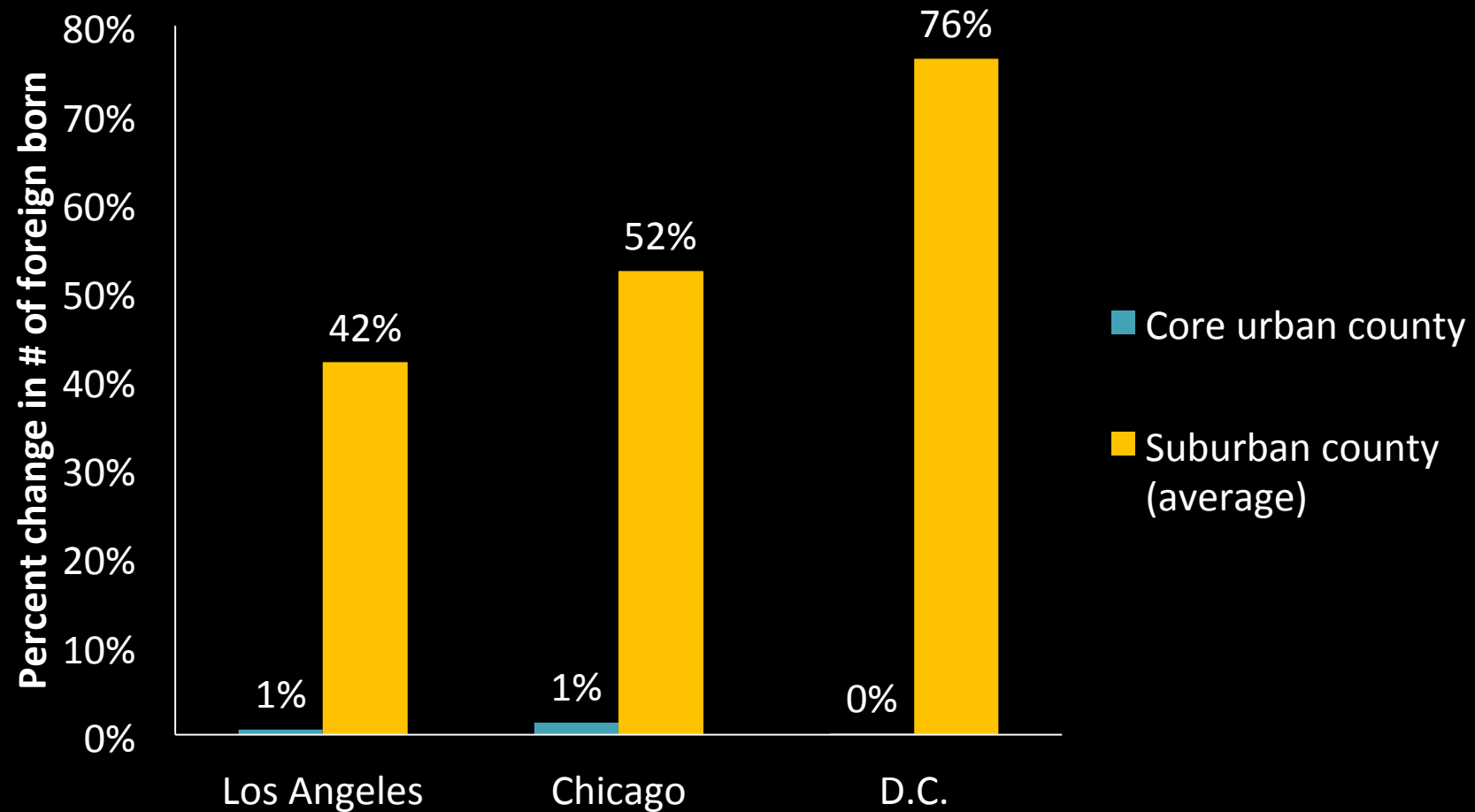
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# Race and Ethnicity in Select Suburban Counties



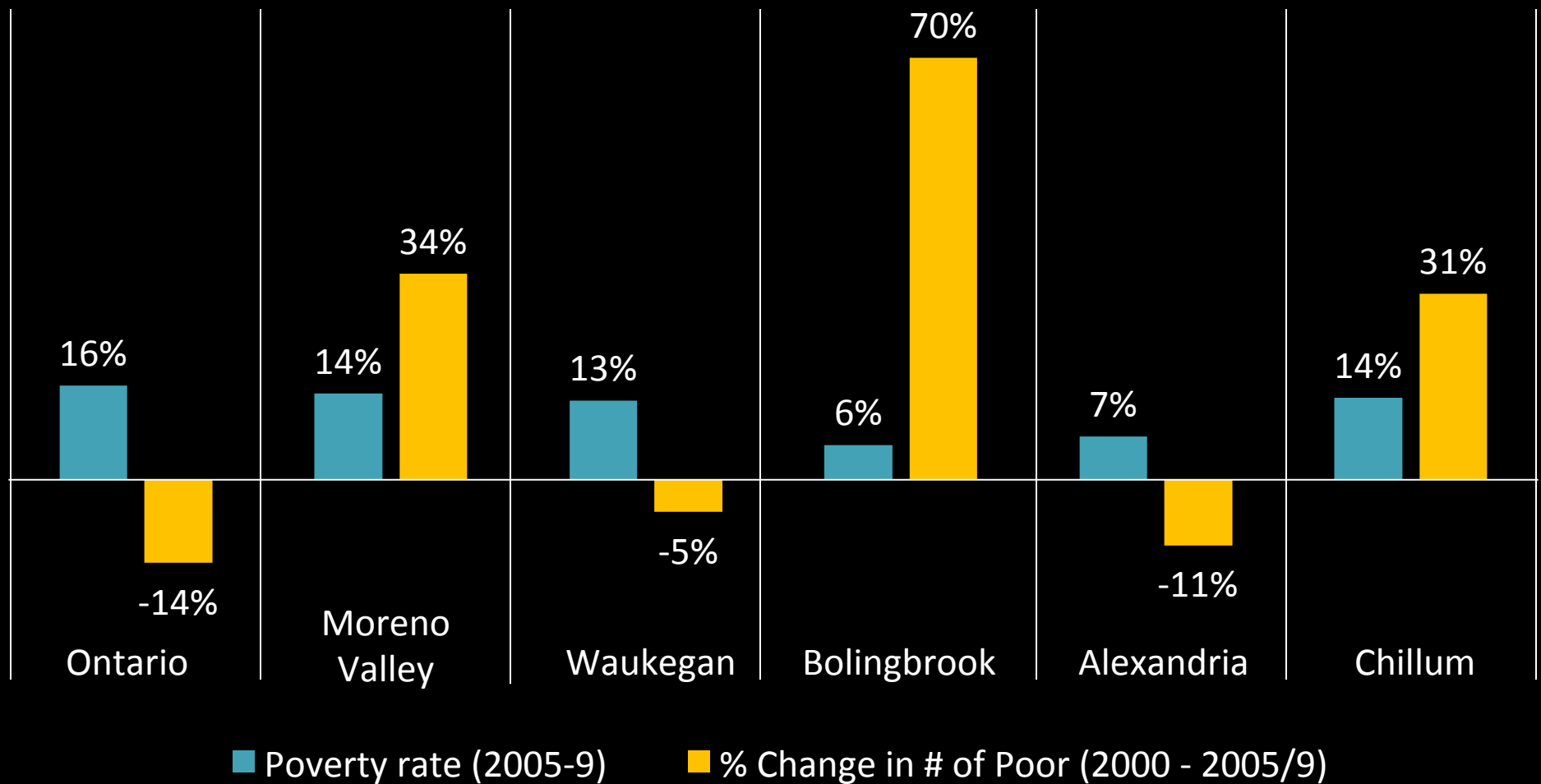
Source: Survey of Suburban Social Service Providers, Allard and Roth (2010)

# Change in Immigrant Population 2000 – 2005/9



# Poverty Rates and Change in the Number of Poor

*Select suburbs*



Source: Survey of Suburban Social Service Providers, Allard and Roth (2010)