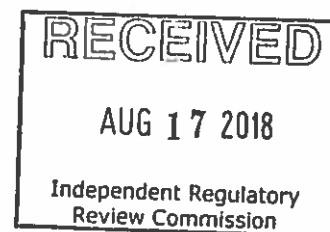


# 3202



Comments on PA Department of Labor and Industry (DLI) proposed regulations to amend the PA Minimum Wage Act (PMWA) submitted by Carson Valley Children's Aid (CVCA)

Carson Valley Children's Aid (CVCA) is a private, non-profit 501 (C) (3) registered charitable organization serving at-risk children, youth and families in Philadelphia, Montgomery and Delaware Counties. CVCA's mission is "to deliver services to children, youth and families that ensure their safety, build on their strengths, honor their differences and empower them to achieve their goals for success in life."


CVCA offers an array of services in prevention and early intervention; residential and community-based placements; behavioral health including residential treatment; and education including a private academic licensed school. More than 14,000 individuals are served each year at CVCA centers as well as in the home, at school and throughout the community.

CVCA is dependent on government funding which makes up more than 99% of the agency's budget of \$30M. Most of the budget consists of personnel costs which includes 562 employees. CVCA like other non-profit agencies is underfunded for most of the services delivered. Funding deficits have already caused the closure of several non-profits, and many others including CVCA experience ongoing operating deficits on extremely lean budgets with only 10% allowable overhead. Some agencies have endowments, but CVCA does not and its philanthropic donations account for just a fraction of a percent of CVCA's total funding and cannot supplement the shortfalls. Meanwhile the operating expenses including wages go up every year, and in the past two years insurance rates have skyrocketed for child welfare providers and more than quadrupled for CVCA. This financial strain is compounded by delays in payments by most payers which creates cash flow challenges. It has become increasingly difficult to meet regulatory standards and pay for quality programming.

CVCA is opposed to the proposed rules because it would result in additional expense which the organization would be unable bear. The cumulative cost to CVCA through 2022 would be \$230,566 with \$152,732 per year thereafter. The added expense of overtime as per the proposed rules will not be covered through increases in funding from the state and city/county governments. Unless adequate funding can be provided to cover existing and additional costs, the financial burden to CVCA and other agencies will be too great.

Therefore, we request that the proposed regulations not be implemented. However, if the proposed rules are approved despite the concerns of CVCA and other human service providers, non-profits should be afforded the option of a waiver from these rules.

Diane Kiddy, Chief Executive Officer, Carson Valley Children's Aid



On behalf of Diane Kiddy, CEO of Carson Valley Children's Aid

Elvira Torres  
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