

# PENNSYLVANIA ASSOCIATION OF NONPROFIT ORGANIZATIONS

BUILDING TRUST, CONNECTIONS AND RELATIONSHIPS

2040 Linglestown Road, Suite 302, Harrisburg, PA 17110  
Phone: 717-236-8584 | Fax: 717-236-8767 | [www.pano.org](http://www.pano.org)

**FOR IMMEDIATE RELEASE**

**DATE:** 11/10/2015

**CONTACT:**

Lauren Henicle, Communications Coordinator  
Phone: 717-236-8584 | [lauren@pano.org](mailto:lauren@pano.org)

## NONPROFIT WORKFORCE NEGATIVELY AFFECTED BY THE BUDGET IMPASSE

The Commonwealth of Pennsylvania has been operating for over 130 days without a budget. As a direct result of this impasse, nonprofit organizations have laid off or furloughed employees or reduced staff hours. Some individuals have been working without pay and hundreds of employees have lost access to employee benefits.

According to survey results released by United Way of Pennsylvania in mid-October, nearly 16% of the 282 participating organizations had already laid off or furloughed 95 full-time and part-time staff. Another 17% stated they would need to make similar decisions through the end of December. At that time, 522 employees were working with reduced hours. 73 individuals were working without pay and 510 people had lost access to employee benefits.

During the November 5<sup>th</sup> Weekly Advocacy Call hosted by the Pennsylvania Association of Nonprofit Organization (PANO), 50 members joined the conversation about employment law, facilitated by John Myers and Chad Flores, labor attorneys with Montgomery, McCracken Walker and Rhoads, LLP. Questions raised included the legal ramifications related to asking staff to voluntarily cut back hours, asking staff to work without pay or without benefits, laying off staff vs. furloughing staff and eligibility for unemployment. [Click here](#) to listen to this question and answer session, facilitated by Anne Gingerich, PANO's Executive Director.

One PANO member reports:

### ***SHLOW CENTRE REGION LIBRARY (Centre County)***

*Catherine Alloyway, Library Director, states, "We are using cash reserves to cover salaries of 2.8 FTES whose pay is covered by state aid to public libraries. This aid should have arrived in August. By December, we will need a bank loan to meet payroll. Library use is high and closures and layoffs would be a last resort. We will be challenged to pay loan interest and costs, especially if the Federal Reserve raises interest rates. Layoffs will occur if January 2<sup>nd</sup>'s expected state aid check does not arrive."*

Nonprofit employees make up 13.3% of Pennsylvania's workforce, a workforce dedicated to improving the quality of life in big and small communities around the state. Without income, these employees, their families and the places with whom they do business will all be impacted.

The time has come for bi-partisan solutions. Pennsylvanians must come together from all sides to negotiate and pass a final responsible budget into law.

###

### **About PANO**

PANO amplifies the impact of the community benefit sector through advocacy, collaboration, learning and support. PANO, a statewide membership organization serving over 865 nonprofits, walks alongside organizations and individuals working to improve the quality of life in communities throughout Pennsylvania. To learn more about PANO, please visit: [www.pano.org](http://www.pano.org).