

March 6, 2023

Senate Human Services Committee 900 Court St. NE Salem Oregon 97301

Dear Committee Members:

RE: SB 606 - Oregon Nonprofit Modernization Act

Adelante Mujeres asks you to pass SB 606, the Oregon Nonprofit Modernization Act. Your support is critical to the health of the nonprofit sector and the communities they serve.

Adelante Mujeres (Women Rise Up) has a rich history of successfully engaging the Latine and immigrant community by providing educational resources and acting as a forum for community advocacy for over 20 years. Our mission is to provide education and empowerment opportunities to Latine women and their families to ensure full participation and active leadership in the community. We served over 15,000 individuals in 2022 with comprehensive, life-changing services. Approximately 98% of participants are low or extremely low income, the majority identify as female, and an estimated 91% are first-generation immigrants. We serve families through three specific departments (Education, Microenterprise, and Leadership and Advocacy) that house a total of 11 programs.

Our staff reflects and is a part of the community we serve, out of our 115 staff members, 95% are Latine, 92% identify as women of color, 97% are women, and 100% of the direct program staff are bilingual.

Like so many other nonprofits, we are unable to provide our staff with a livable wage which results in regular turnover. We are not able to attract the best talent or retain people from our community because our wages are not competitive in comparison to government and corporate

jobs which allow individuals to build a sustainable future for themselves, their families, and communities. Nonprofits like ours are working to solve the greatest societal problems of our time. We are providing life-changing educational opportunities that make the difference between fully incorporating individuals into our society versus people falling through the cracks. We have been providing solutions to big problems like how to educate and empower low-income communities and it's frustrating to see that there is not a greater urgency to invest in nonprofit partners who are already doing this work. We could provide great impact faster if we had greater support, which means investing in salaries that are truly competitive with other sectors. The creation of the Nonprofit Workforce Retention Fund is a great place to start to help us maintain and prevent employee turnover.

An additional challenge to Nonprofit Sustainability that the Nonprofit Modernization Act addresses is eliminating reimbursement as a form of payment for state grants and requiring disbursement of contract funds within 30-days of signed contract. With the current system, after we are awarded a governmental grant or contract, we are expected to float the cost of running of services and paying our employees indefinitely until the government provides us with our first financial report that often takes place quarterly or semi-annually. It is often the case that these financial reports are delayed for a variety of reasons. This system of reimbursement disadvantages smaller organizations that do not have the budget to pay staff before they get reimbursed. It has prevented us from growing as quickly as we could have to meet the critical needs for early childhood education classrooms in our community. We strongly advocate for removing this barrier and paying nonprofits up front when contracts are awarded so that they are not in the position of having to scramble to find funds to pay staff up front before the reimbursements can be submitted and received.

While we don't have space to discuss all the challenges of the current system, we do believe that the Nonprofit Modernization Act attempts to address the most pressing challenges. Lastly, the act will begin the creation of the state task force to implement these reforms and continue this valuable work. Please join us in supporting this monumental legislation for our industry.

We appreciate your consideration of SB 606. Please don't hesitate to contact us if you have any questions.

Sincerely,

Bridget Cooke

Co-Founder and Executive Director

Adelante Mujeres 2030 Main St, Ste A Forest Grove, OR 97116

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