

Prioritizing living wages for staff, despite a \$2.7 million deficit

Linda P. Foster – President & CEO

Aaron Hyatt – Board Chair



Linda P. Foster, President & CEO

Linda joined Jewish Family Service of Colorado (JFS) as its president & CEO in November 2018. Applying her vision, passion, and experience she is leading JFS through program optimization and new service opportunities throughout Colorado. Linda has been a leader of both nonprofit and for-profit organizations in a variety of industries, ensuring mission fulfillment and sound financial viability.

She currently serves on the Denver Nonprofit Engagement Commission and the Network of Jewish Human Service Agencies Diversity, Equity, and Inclusion Committee.

Aaron Hyatt, Board Chair

Aaron Hyatt is a Shareholder at Brownstein Hyatt Farber Schreck, and the former chair of the firm's Real Estate Department. His practice focuses on the acquisition, financing, leasing, development, and disposition of various real estate assets, including apartment and office buildings, hotels, shopping centers, casinos, and vacant land.

He has been Board Chair of JFS since June 2020 and joined the board in 2016.



Agenda

- About JFS of Colorado
- Equity Analysis & Why
- Workforce Investment
- Board & Stakeholder Buy-In
- Staff & Board Reception
- FY2024 & Beyond

About JFS Colorado

151-Year-Old Human Services Agency

- \$19.6 Budget
- 161 Current Staff & 15 Open Positions
- July 1 – June 30 FY

Over 30 Programs & Services

- Food Security & Housing Stability
- Mental Health Counseling
- Aging Care & Connections
- Employment Support
- Disability Programs
- Refugee Resettlement
- Jewish Community Chaplaincy Program

Budget & Staffing Trends

	FY2020 Budget	FY2021 Budget	FY2022 Budget	FY2023 Budget
Total Revenue	\$12,087,991	\$11,743,957	\$16,729,366	\$16,947,331
Total Expenses w/allocations	\$12,577,881	\$13,447,070	\$18,288,782	\$19,696,415
OPERATING SURPLUS/(DEFICIT)	(\$489,890)	(\$1,703,113)	(\$1,559,416)	(\$2,749,084)

DEFICIT as a % of BUDGET	4%	13%	9%	14%
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Staff (FYE)	124	136	166	190
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Clients	25,945	31,247	28,949	
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Why We Did Equity Analysis

Aligns with JFS Values & Culture

Employee Retention & Recruitment

- 30% Turnover Rate November 2020 – November 2021

Colorado Equal Pay for Equal Work Act
– January 2021

- Requires compensation & benefits in job postings

Post-COVID Environment



Why We Did Equity Analysis

Program Expansion:

- HIAS Refugee Resettlement
- Vocational Training & Apprenticeships
- Mobile Food Pantry
- Mental Health Counseling in Boulder



Why We Did Equity Analysis

Growth & Response to Increased Community Needs

- Program Expansion
- Inflation
- Workforce Changes

FY23 Staffing Budget: 16 new positions

- Staff Size
 - FY23: 190
 - FY22: 166
 - FY21: 136
 - FY20: 124



Results of Equity Analysis in FY23



120 Job Descriptions Changed



75 Staff Salary
Adjustments

16 Therapists Salary
Adjustments - \$108,000

59 Salary Adjustments -
\$225,780



Budget Implications of All Equity Based
Salary Adjustments - \$333,780

Workforce Investments

Changes to Employee Benefits

- Dependent Subsidy for Health & Dental – \$206,00
- 401K JFS contribution 3% from 2% –\$137,000

New Colorado Family and Medical Leave Insurance (FAMLI) Law – JFS Covering 100%

- \$50,000 for 6 months in 2023
- Increasing to \$100,000 in FY24



Workforce Investments

- Commitment to Living Wage
 - Moved our internal JFS minimum wage to \$20 an hour
 - Denver - \$17.29
 - Colorado - \$13.65
- Overall, 4% annual increase for staff – \$180,355
- Continued Commitment to Increasing Professional Development – \$73,000



**How did we
get to \$2.7
million**

Equity Adjustments	\$333,780
Dependent Subsidy	\$206,000
3% 401K Match	\$137,000
FAMLI	\$50,000
Annual Increases	\$180,355
Professional Development	\$73,000
New Positions	\$916,329
TOTAL INVESTMENTS	\$1,896,464
Program Expansion/Direct Service	\$852,620
TOTAL DEFICIT	\$2,749,084

Board Agreement

- Commitment to budget transparency
- Frequent topic in Executive Committee, Budget & Finance, & Board of Directors meetings
- Board members related to own organizations recruitment & retentions challenges



Board Reception

- Board shares strong commitment to be competitive & ability to respond to crises
 - COVID, Natural disasters like Marshall Fire, next-pandemic, inflation/rising costs = client needs
- Trust in leadership that this investment was necessary
- Values alignment





Stakeholder Education

Discussions with funders

Grant Budget Transparency

- Footnote in Operating Budget
- Explained in budget narratives
- Upfront with donors/grantors as to why we have a \$2.7 deficit

Staff Reception

- Appreciative, felt their individual contribution was finally recognized.
- We practice what we advocate for our clients
- Acknowledged the inflation and high cost of living in Metro Denver

"The equity adjustments and salary increases mean a lot to us and create positivity and increase staff morale."

"I am truly blessed to be a part of such a wonderful organization under your leadership. JFS is an amazing agency to work for and I am always grateful to be a part of such great work we do for so many. I would also like to share that I was told recently by staff that there seems to be a positive shift in the organization, and it seems people are collaborating more in a positive way as well as showing each other more respect. I agreed!"

FY2024 & Beyond

- Fewer Equity Adjustments
- Increased Earned Revenue
- Program Optimization
- Fundraising and Revenue Diversification
- Increased Salaries Covered by Grantors
- NICRA



Outcomes

- Current turnover rate decreased to 22% from 30%
- Nimble in addressing increases in client demand
- Job candidates no longer declining job offers due to dependent health coverage
- Fundraising off this investment – highlighted at our recent fundraising event
- Increased Board engagement – more empathetic to staff and clients
- Staff morale is up!

Reflections & Questions



Next Steps

Facilitated Small Groups Conversations

- What are barriers they face to putting a plan together for an Equity Analysis?
- What is your first 3 steps to start moving towards a plan for pay equity?
- Who in your organization would you need you need to get buy-in from? Externally?
- Brainstorm ways to fund equity adjustments?
- What benefits are missing from your agency that would be meaningful to your staff?

Report Back