OCTOBER 2013

FAR FROM HOME:
NONPROFITS ASSESS SANDY RECOVERY AND DISASTER PREPAREDNESS

Photo Credit: Harlem RBI (top, bottom right)
Good Shepherd Services (bottom left)

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HUMAN SERVICES COUNCIL OF NEW YORK
130 EAST 59TH STREET
NEW YORK, NEW YORK 10022
212.836.1230
www.humanservicescouncil.org

RESEARCH CONDUCTED BY:
SCHOOL OF PUBLIC AFFAIRS AT BARUCH COLLEGE, CUNY
CENTER FOR NONPROFIT STRATEGY AND MANAGEMENT
AND BARUCH COLLEGE SURVEY RESEARCH

AUTHORS:
JACK KRAUSKOPF, MICHELINE BLUM,
NICOLE LEE, JACQUELINE FORTIN,
ALLISON SESSO AND DANNY ROSENTHAL

BARUCH COLLEGE, CUNY SCHOOL OF PUBLIC AFFAIRS
ONE BERNARD BARUCH WAY, D–901
NEW YORK, NEW YORK 10010
646.660.6700
www.baruch.cuny.edu/spa/researchcenters/nonprofitstrategy/reports.php

Baruch COLLEGE SCHOOL OF PUBLIC AFFAIRS CUNY

HSC Human Services Council

INTRODUCTION AND SUMMARY

Human service organizations continue to support victims in the hardest hit areas…. Housing, economic, and personal needs are projected to last several years.

On October 29, 2012, Superstorm Sandy struck New York, New Jersey, and Connecticut, causing widespread damage, loss of life, and what has proven to be long-term and devastating impacts on communities throughout the region. The storm displaced thousands of residents, small businesses, and nonprofit organizations in addition to critically damaging power lines, transportation, and other infrastructure. Although President Obama declared the tri-state area a disaster, enabling residents to apply for federal assistance money, the federal government did not approve an emergency measure granting federal money for Sandy victims until January 2013. Meanwhile, human services organizations and other nonprofit community groups stepped in to play a vital role in immediate relief and recovery efforts.

As the first anniversary of the storm approaches, human services organizations continue to intensively support victims in the hardest hit areas, including Coney Island, Red Hook, Breezy Point and the Rockaways, Lower Manhattan, Staten Island, and other parts of the region. Housing, economic, and personal needs are projected to last several years, as communities and residents continue to struggle with the ongoing impacts from Sandy.

In conjunction with the Human Services Council of New York (HSC), the School of Public Affairs at Baruch College conducted a survey this summer to assess the work and impact of organizations active in Sandy relief efforts. The goal was to better understand the role of human services organizations in Sandy recovery and the kinds of services they have provided, and to obtain their assessment of unmet needs, quality of coordination on the ground, and the strategies necessary to accelerate recovery. The survey also asked about the damage these organizations themselves sustained, financial consequences as a result of providing services, their assessment of preparedness for another disaster, and their perspectives about the work of city, state, and federal agencies, and private insurers.

Responding to the survey were representatives of 104 organizations that identified themselves as being engaged in Sandy relief and recovery efforts. (See the Methodology section at the end of the report for details about how the survey was conducted.) It is our hope that these findings can lead to continuing support for communities recovering from Sandy and improved planning and preparation among government, the nonprofit sector, and others for future storms and disaster events, which are widely anticipated. The views and roles of New York's nonprofit human services organizations are vital to those efforts.

Key Survey Findings:

- Organizations are serving both the general population and vulnerable groups, including children, disabled, unemployed, homebound, and undocumented people, as well as business owners;

- Of the 47 organizations that responded to a question about serving their communities, fewer than 28% feel that the needs of half the people in the communities they serve have been met;

- Nearly three-quarters of the organizations' clients required housing assistance, and housing issues have impeded their ability to provide other essential services;

- The organizations are providing case management, crisis counseling, financial assistance, housing aid, and other services; significantly, many are forecasting ongoing need for these services for up to three years, and sometimes longer;

- At the time of the survey, only about 20% of the organizations expected full reimbursement for the cost of providing these services;

- More than half of the organizations suffered damage to their own facilities, and 60% expect less than full reimbursement for the related expenditures;

- Although clear direction after a disaster is essential, there is no consensus among nonprofit responder organizations about which government agencies played the central coordinating role;

- Most organizations said they had a disaster plan before Sandy, and more than half say they are prepared for future disasters, but it is primarily the larger organizations that claim they are ready, and most of the responding organizations report that they have neither reserved funding for these efforts nor formed formal partnerships with organizations with which they would coordinate in the event of a disaster.

Key Recommendations (see “Conclusion: Going Forward” at the end of this report for more details):

- The ongoing needs of people affected by Sandy should be recognized and supported by adequately financing the services that meet their needs. Of particular concern are widespread housing problems, the expiration of the state’s Disaster Case Management program in approximately a year, and the complications associated with serving immigrants, especially those who are undocumented;

- Human services organizations should be fully reimbursed both for expenses incurred for Sandy-related service provision as well as for damages incurred to property and facilities;

- In planning for response to future disasters, government and philanthropy should develop a stand-by funding mechanism to reimburse nonprofit organizations in a timely manner for the costs of their services;

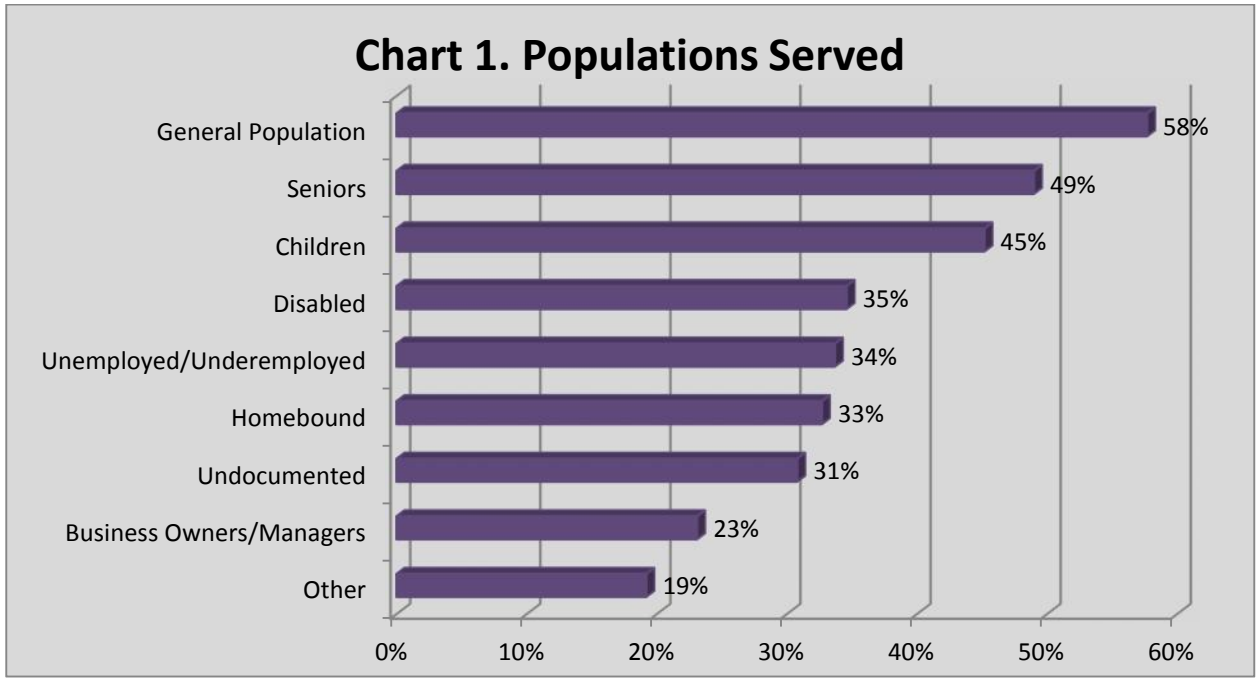
- Government and human services agencies should undertake joint planning that leads to an infrastructure for preparedness, training of organizations’ staff, assistance in development of their disaster plans, permanent vehicles for inter-sector cooperation, and clear identification of which agency will take the lead coordinating role in different types of disasters.

BACKGROUND: ORGANIZATIONS AND THEIR ACTIVITIES

The nonprofit organizations that participated in the survey reported that their efforts in response to Sandy included the most affected neighborhoods in the city. They provided, and many continue to provide, a wide range of services to residents and their communities more generally.

Populations Served

Of the 104 organizations that responded to the survey, 57.7% served the general population. Nearly half (49%) served seniors and 45.2% served children -- the vulnerable populations that were most frequently served. Disabled, unemployed/underemployed, homebound, and undocumented people were each served by approximately one-third of the organizations. Business owners/managers were served by 23.2% of the organizations. Other groups served with special needs included homeless women, LGBTQ youth and their families, refugees, and veterans. In many cases, nonprofit human services organizations are serving these population groups on behalf of or in lieu of official government agencies. (See Chart 1)

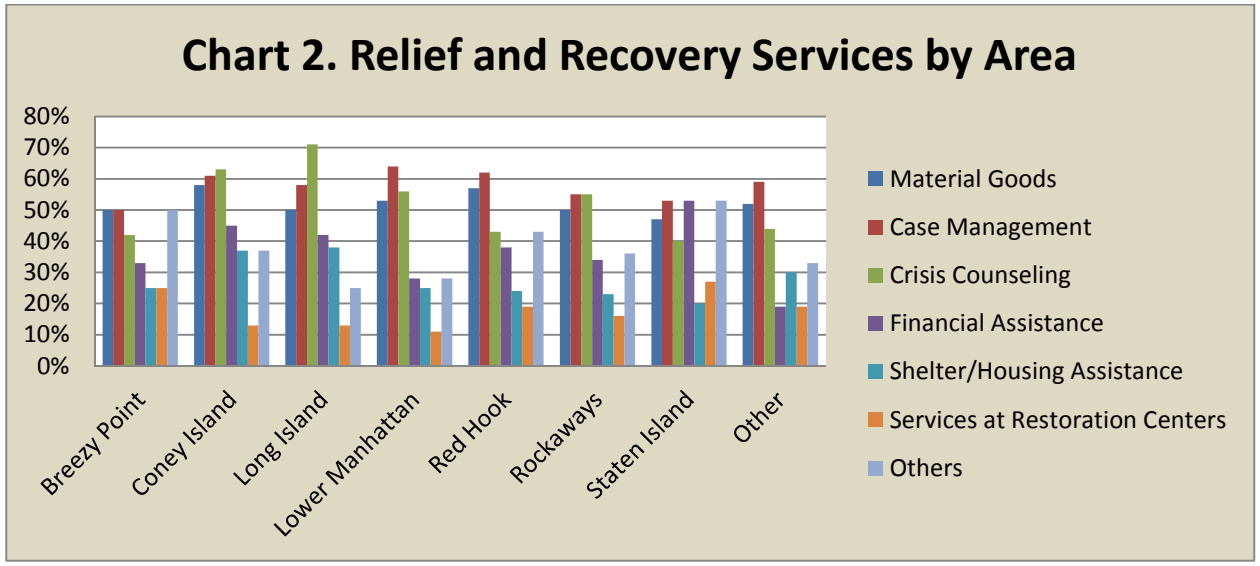


Services Provided

Approximately one-half of the responding organizations provided case management, crisis counseling, and material goods. Nearly 29% provided financial assistance, 21.2% provided shelter/housing assistance, and 13.5% provided services in the New York City government's restoration centers. About 27% provided other services spread over more than 20 types, including medical and mental health, food, day care, and legal assistance. Fewer than 10% of responders said they provided no services. Nearly two-thirds of the 90 responding organizations (63.3%) served more than 100 cases, while less than one-quarter of those 90 organizations (23.4%) served fewer than 50 cases. These services provided by the human services organizations are vital for immediate relief and long-term recovery, and the organizations have long track records of reaching people in need in their communities.

Geographic Areas Served

Nearly two-thirds of the Sandy responders served multiple geographic areas. More than 20% served several boroughs or counties, and 41.3% served all of New York City. Only 9.6% served one neighborhood, and another 9.6% served a single borough or county. The geographic areas most frequently served by the organizations were, in descending order: the Rockaways (42.3%), Coney Island (36.5%), Lower Manhattan (34.6%), Long Island (22.1%), Red Hook (20.2%), Staten Island (14.4%), and Breezy Point (11.5.%). About 41.3% of the organizations served other areas that were widely spread, including Sheepshead Bay, Gerritsen Beach, and Howard Beach. (See Chart 2)



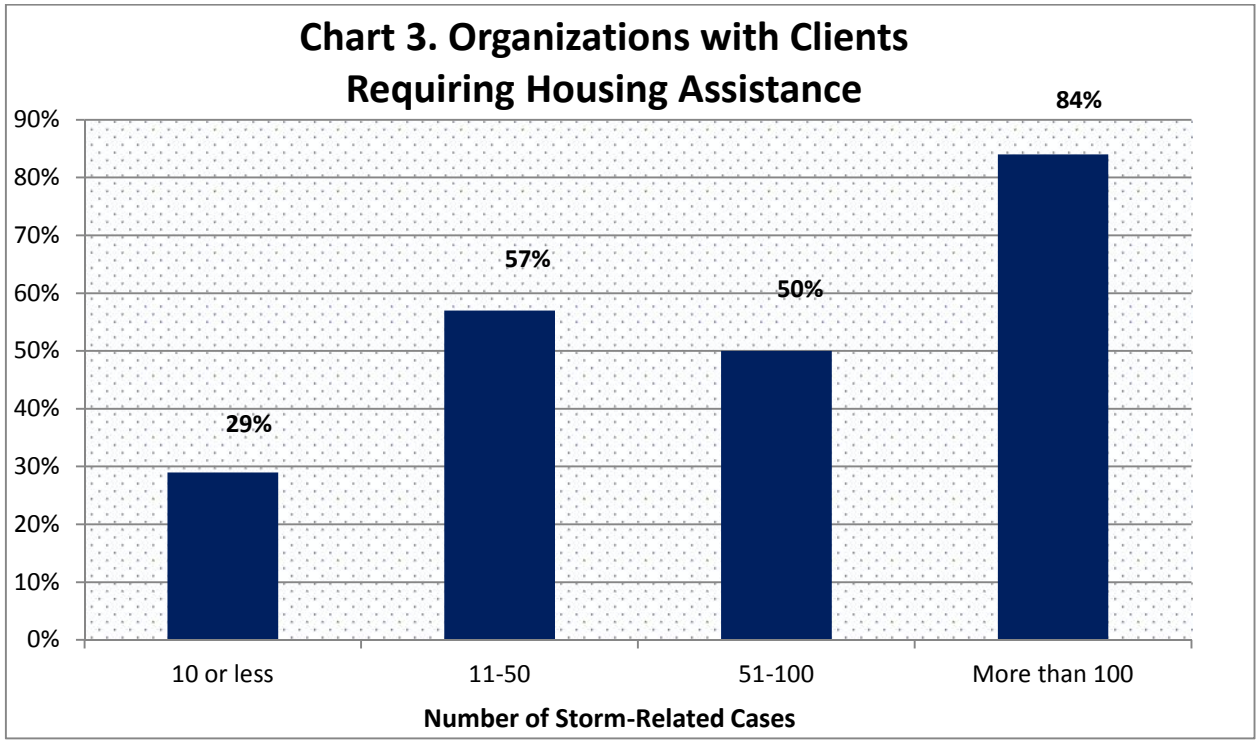
UNMET NEEDS AND CHALLENGES TO RECOVERY

The needs generated by the storm were wide-ranging, have been challenging to meet, and, in some cases, are long-lasting. Only 27.7% of the 47 responding organizations felt that they or any other organization met the relief/recovery needs of more than one-half of the people in their neighborhoods. Despite this strong indicator of ongoing need, the governmental support for case management—the broadest of the services and the one that enables coordination of multiple services—is scheduled to end in approximately a year.

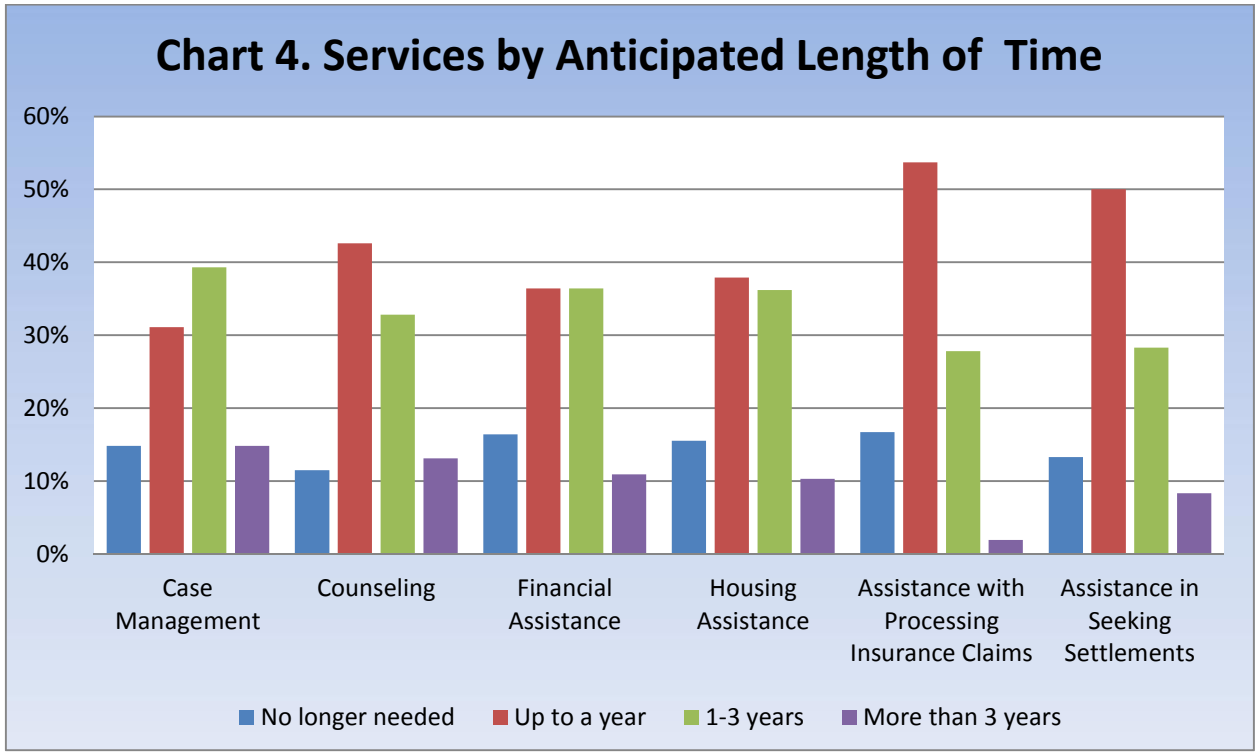
The needs generated by the storm were wide-ranging, have been challenging to meet, and in some cases are long-lasting.

Nearly three-quarters of the 94 responding organizations' clients required housing assistance after becoming displaced or homeless, and 58.1% of these organizations said that housing issues impeded their ability to provide other services. Nearly one-half of the 78 responding organizations served primarily renters. Housing needs are projected to last for multiple years, and many residents will continue to require assistance from nonprofit human services organizations while they wait for housing needs to be met. (See Chart 3)

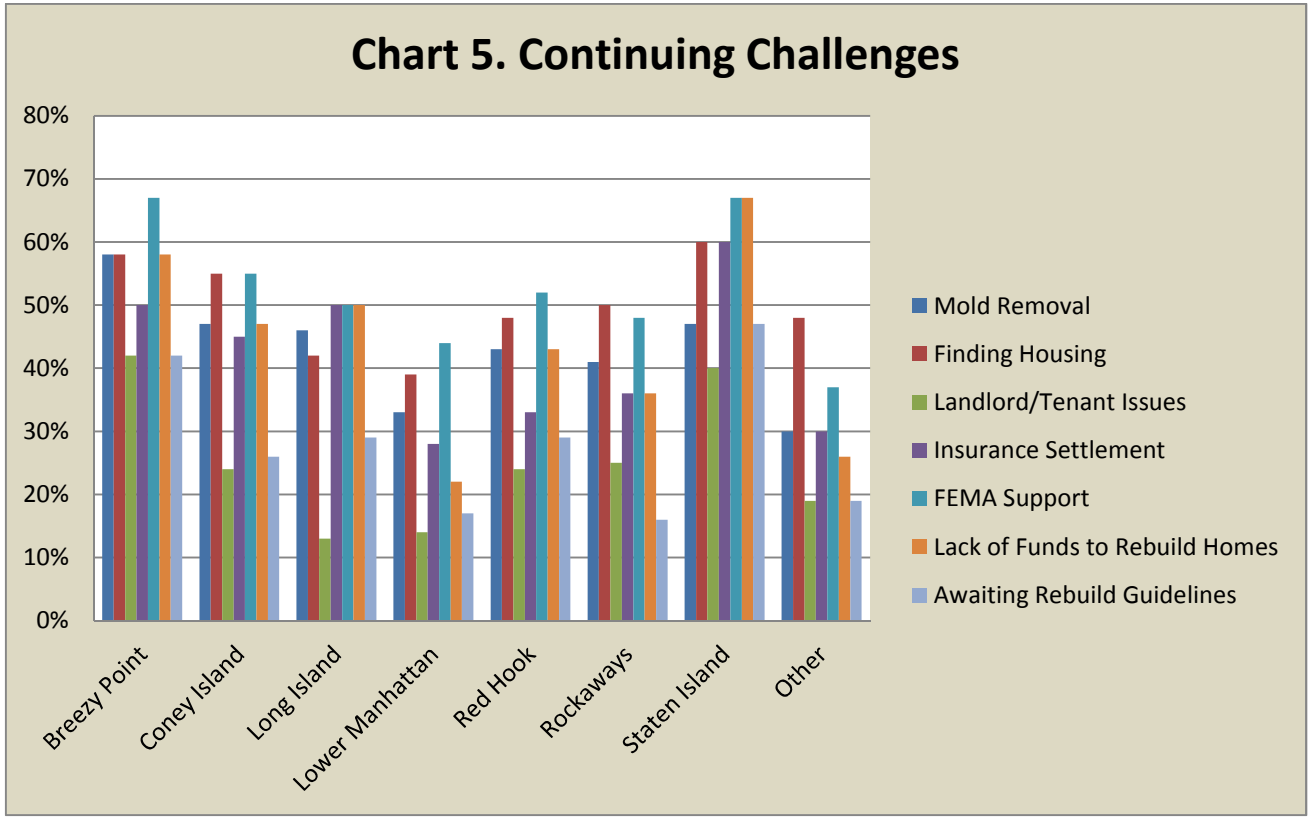
Another major challenge in Sandy recovery is the policy regarding undocumented people and federal funding programs. Since undocumented people are ineligible to participate in federally funded housing programs, human service organizations often experience greater difficulties in attempting to support them.



Twenty-nine organizations anticipate that assistance with processing insurance claims and assistance in seeking settlements will be needed for up to a year, and another 16 expect such assistance will be needed for one to three years or longer. More than 54.1% of 61 responding organizations anticipate that people will have case management (33 organizations), housing assistance (27 organizations of 58; 46.5%), and financial assistance (26 organizations of 55; 47.3%) needs for one to three years or longer. (See Chart 4)



Ongoing problems affecting significant portions of the caseloads of one-third or more of these organizations include: insufficient FEMA support, finding housing, insufficient insurance settlements, mold removal, and lack of sufficient funds to rebuild homes. Because it is essential to have informed workers to assist victims, continuing case management services are vital for effective long-term recovery. (See Chart 5)



In summary, nearly a year after the storm, needs remain unmet and human services organizations anticipate that they will persist for the long-term.

DAMAGES AND REIMBURSEMENT TO NONPROFIT ORGANIZATIONS

As a result of the recession, withdrawal of government funds and reduction in private grants and gifts, human services organizations were operating at a financial disadvantage prior to Sandy (The Helpers Need Help: New York City's Nonprofit Human Services Organizations Persevering in Hard Times, School of Public Affairs, Baruch College, 2009). With the devastation of Sandy, the capacity of these recovering human services organizations and their ability to participate in current and future relief efforts was impeded further.

One nonprofit reported being "displaced for more than 10 weeks due to lack of power and inability to access the building."

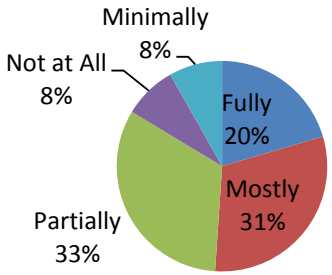
Many organizations themselves suffered damage of various kinds from the storm, and financial reimbursement for losses and services is still in process. In many cases, organizations utilized their own funds to respond to needs quickly, and reimbursement is not guaranteed for many of these expenditures.

Almost half of the 90 responding organizations reported facilities or infrastructure damage, 6.7% of which suffered destruction of buildings. In addition, loss of power (36.5%) and communication (29.8%) were the effects most frequently felt. One nonprofit "was displaced for more than 10 weeks due to lack of power and inability to access the building." Another reported "damage to our IT infrastructure (server hard drives and power supplies)," and a third said that although there was "minimal damage relative to our location—we were back and running with power 48 hours after the storm," there was no phone or internet service for weeks.

Of the 45 organizations that suffered damages, 40% expect to be reimbursed fully or substantially for damages to their facilities, but the other 60% expect reimbursement to be partial, minimal, or not at all.

To finance their relief and recovery efforts, 65 of the 104 organizations (62.5%) have used existing funds, more than one-third (39 organizations) received foundation grants; while another one-third (35 organizations) received donations from individuals. One-third of the organizations have applied to FEMA for reimbursement, 25% from foundations, and lesser numbers from insurance companies and city and state governments. About 29% of the organizations reported not applying for reimbursement.

Chart 6. Expected Level of Reimbursement for Relief and Recovery Services



Only 20.4 % of the organizations are anticipating that they will be fully reimbursed, and 16.4% expect minimal or no reimbursement for the services they have provided. (See Chart 6)

Nearly half, 48.9%, of the 43 responding organizations are expecting delays of six months or longer in receiving reimbursement, and 67.3%, of 49 responding organizations are expecting financial losses overall.

COORDINATION AND PREPAREDNESS

One responder called for a more centralized approach to coordinating and disseminating information and resources.

A disaster of this magnitude calls for human services organizations to work in collaboration with other nonprofits as well as with government. Effective coordination is vital, and clear leadership needs to be established quickly. Information from this survey about organizational coordination after Sandy provides important findings to inform the approach to future disaster events.

Organizations collaborated most frequently with other nonprofit organizations (53.8%), FEMA (52.9%), foundations (40.4%), the mayor's office (37.5%), and places of worship (37.5%). Another 43.3% of the organizations collaborated with other city or state agencies. The organizations listed a wide range of groups with which they collaborated, including large social services agencies, community-based organizations, and grassroots groups.

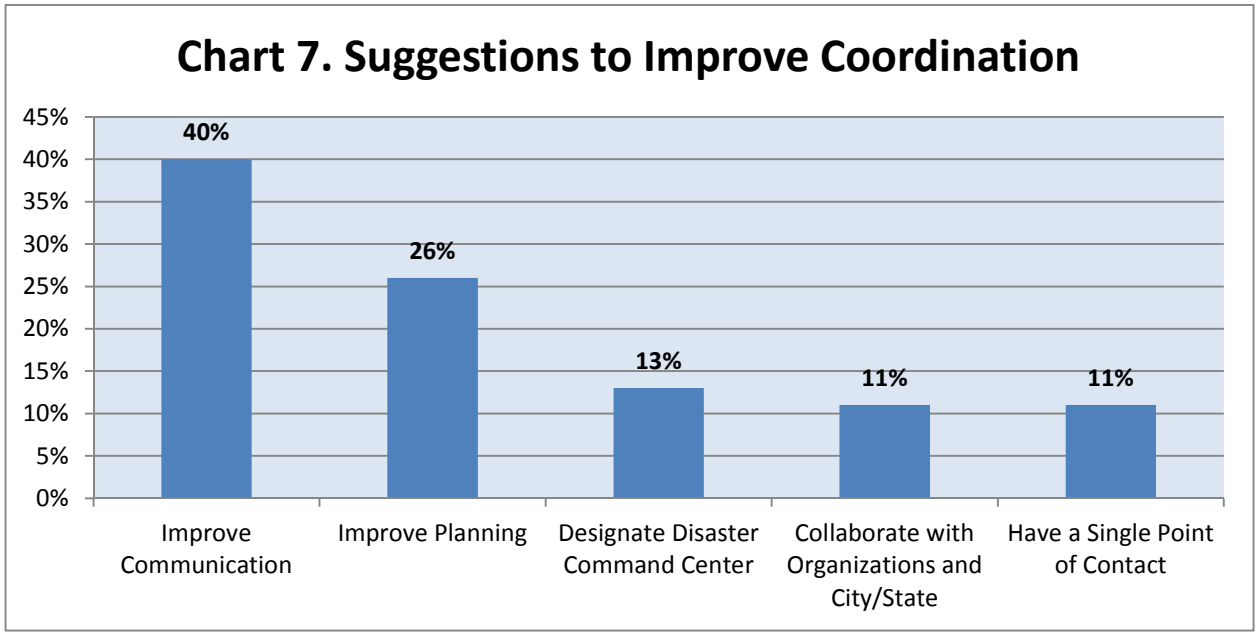
Loss of communications hindered local collaboration efforts. As one organization put it, "A major challenge after Sandy was the collapse of infrastructure in many neighborhoods. Without electricity and phone service, coordination was extremely difficult to achieve." More direction by official agencies, it seems, was needed.

Organizations perceived that FEMA (39.4%) and the mayor's office (30.8%) most frequently played the leading coordinating roles. However, a quarter of the organizations saw other nonprofit organizations playing the leading coordinating role and identified more than 15 different organizations as doing so. It is important to have clear direction after a disaster, and it is a point of concern that nonprofit responders had varying perceptions about who played the central coordinating role.

When asked to name one agency that played *the* leading coordinating role, there was still no consistent point of view. More than 35% of those responding identified the mayor's office as doing so, followed by 27% identifying FEMA. The New York City Office of Emergency Management was identified by 18.9% for this coordinating role. One responder called for "a more centralized approach to coordinating and disseminating information of resources; who was doing what, etc." Another said, "Eliminate duplication of efforts, better communication, [designate] ONE lead entity, better coordinate resources and eligibility requirements (rules…were changing minute by minute, causing tremendous frustration to community members)."

In addition to establishing a single location for coordinating recovery activities following a disaster such as Sandy, government and nonprofit organizations must come to agreement on how to define the task and agency to play particular roles. As one organization stated, "There was no existing disaster response protocol in place [which hindered] initial coordination efforts. We found it very effective to have worked to build collaboration among nonprofits in Rockaway before the storm….Building resiliency cuts across several potential crises these neighborhoods face. We also found that the city and state were looking for single agencies with so-called capacity to do the work, and this impeded progress because they did not know the geography, much less having existing relationships with local people and grassroots leadership. There was an overt undervaluing of what these local individuals and organizations bring to the table in this situation."

Forty-seven percent of the 83 responding organizations rated the quality of coordination as “Adequate” or “Poor,” while 45.8% characterized it as “Good” and 7.2% as “Excellent.” Electronic systems, clarity about roles, better training and preparation, better utilization of volunteers, and more information on availability of benefits were mentioned most frequently as the means to improve coordination. “Advance strategizing and planning for disaster events and the roles of discrete organizations in the future, particularly with regard to case management,” was cited. Another source recommended “development of a borough-wide coordinating command center/coalition that would interface with local government, the NFP [not for profit] sector and faith-based organizations and provide a liaison function to NYC, NYS and Federal agencies.” (See Chart 7)



Regarding their own preparedness, more than 70% of the 86 responding organizations reported having had a disaster management or recovery plan in place before Sandy. However, considering budget as a proxy for size and experience, it is primarily the larger organizations – with budgets of $2 million to $15 million and especially those larger than $15 million – that were prepared, while the smaller organizations – with budgets under $500 thousand – reported having no plan. (See Chart 8)

Looking ahead, more than one-half of the 87 responding organizations say they are prepared for a future disaster. In particular, half of all 104 organizations have put a disaster management plan in place, and fewer than 10% have taken no action toward future disaster preparation. A further cause for concern is that only about 19% of all 104 organizations have set up contingency reserve funds, and less than one-third have formed mutual assistance partnerships with other organizations -- both key elements to preparedness. (See Chart 9)

It is also important to note that the organizations responding to this survey represent only a small portion of nonprofit organizations in the area, and there is reason to expect that many not taking part in the survey, especially those of smaller size and without disaster management experience, may not be prepared to cope with disasters.

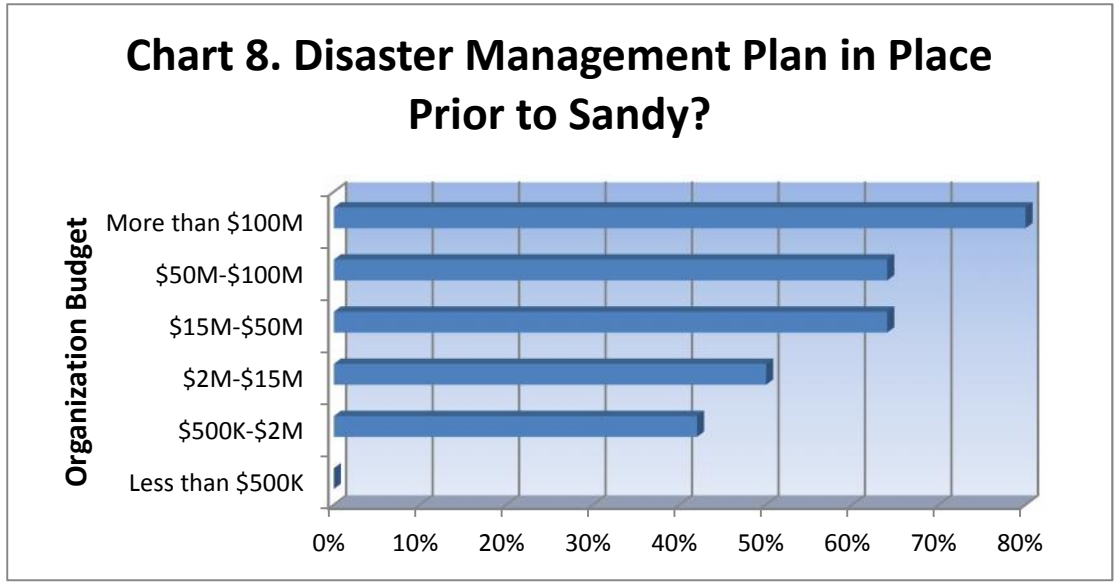


Chart 8. Disaster Management Plan in Place Prior to Sandy?
Organization Budget
More than $100M
$50M-$100M
$15M-$50M
$2M-$15M
$500K-$2M
Less than $500K
0%
10%
20%
30%
40%
50%
60%
70%
80%

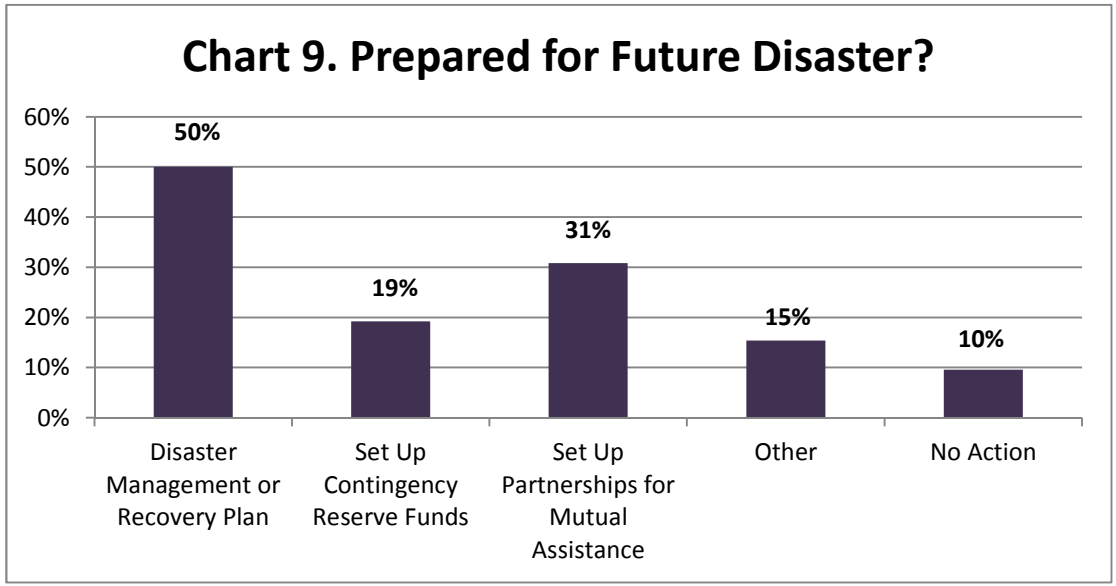


Chart 9. Prepared for Future Disaster?
60%
50%
40%
30%
20%
10%
0%
50%
19%
31%
15%
10%
Disaster Management or Recovery Plan
Set Up Contingency Reserve Funds
Set Up Partnerships for Mutual Assistance
Other
No Action

CONCLUSION: GOING FORWARD

Human services organizations played a crucial role in responding to the needs generated by Superstorm Sandy when it struck a year ago, and they have since been indispensable sources of support to those affected. As the responses to this survey strongly suggest, their efforts will remain necessary well into the future, likely for far longer than current programs and policies permit. In the interests of victims of Sandy, the welfare of the organizations supporting them, and our city's and state's readiness to contend with what regrettably seem to be the near certainty of future disasters, we go beyond the findings in this report and offer the following initial recommendations:

- As stated, it appears very likely that the need for services will persist for several years. Addressing very complex and expensive housing problems must remain at the center of the recovery and, so long as these issues are outstanding, the efforts of human services organizations will remain necessary. The needs of immigrants, and especially the undocumented, also present challenges that are unlikely to be solved quickly. As such, it is important that policy-makers recognize the need for an extended recovery and design programs and make funding available accordingly.

- While government and philanthropy have attempted to reimburse human services organizations for expenses incurred as a result of damage from the storm and services provided, the findings of this survey reveal that these efforts have been insufficient. Human services organizations, which commonly cope with financial constraints under ordinary circumstances, are not in a position to absorb these costs. Government and philanthropy should work to rectify this.

- In planning for response to future disasters, government and philanthropy should develop a stand-by funding mechanism to reimburse nonprofit organizations in a timely manner for the costs of their services so that they are able to quickly attend to the needs of those impacted in the communities they serve.

- An infrastructure for preparedness that includes, training of organizations' staff, assistance in development of their disaster plans, permanent vehicles for inter-sector cooperation, and clear identification of which agency will take the lead coordinating role in different types of disasters should be developed jointly by government and human services agencies.

While the response of both the human services and public sectors to Sandy was substantial, the findings of this survey indicate that these efforts would have been strengthened had a plan to react been in place. Taking into account lessons learned from the Sandy experience, it is imperative that the two sectors come together to establish the infrastructure and engage in the planning necessary to ensure that the response to another disaster is optimal, while taking precautions to minimize both the human and financial costs of disaster.

METHODOLOGY

Baruch College Survey Research (BCSR) and the Center for Nonprofit Strategy and Management conducted a survey of 104 nonprofit organizations involved in Superstorm Sandy relief efforts from June 24 - August 12, 2013.

An email invitation was sent by BCSR on behalf of the Human Services Council to pre-identified contacts at 417 organizations. The invitations included a link to the survey, which could be forwarded, if necessary, to a more appropriate respondent at the organization. The invitation was followed up by five email follow-up reminders over six weeks.

HSC identified 53 organizations as priorities because they were known to be deeply involved in Sandy recovery. It was considered particularly important that we get responses from these organizations, so in order to maximize their cooperation level, these priority organizations received follow-up telephone calls in addition to the original email invitation and follow-up reminder emails sent to the entire sample,

Of the 364 organizations in the original non-priority sample, 76 responded, 23 were screened out as ineligible, and 265 did not respond. Of the 53 priority organizations, 28 responded and 25 did not. Of the total 417 organizations in the original sample, 104 responded. Using the AAAPOR Response Calculator to determine the response rate #3 (RR3) for the various samples, the response rate for the priority sample was 52.8%, the RR3 for the non-priority organizations was 27.2%, and the overall RR3 for the combined sample was 29.45%.

These response rates are conservative estimates of the true response rates. It was not possible to determine the true response rates for several reasons, including the following: 1. The open link did not allow tracking of particular respondents, 2. The person receiving the original email invitation and reminders may not have been the correct person, may not have forwarded the email, or may no longer be at the organization; 3. An unknown number of organizations, including umbrella organizations, which did not provide direct post-Sandy services may have determined that they were not eligible; and 4. The storm damage to the responding organizations may indicate that more severely damaged organizations may have closed or may have been unable to respond. For these and other possible reasons, the true response rates may be higher than the estimates calculated based on the available information.