

A Sample of Over 100 Comments Provided to the New York State Comptroller's Office by NYCON Members and other NYS Nonprofits

"We serve over 17,000 meals per year, perform over 11,000 acts of advocacy for the disenfranchised and provide technical assistance to over 150 groups and organizations throughout the state. A late payment means people go hungry, an increase in psychiatric crisis and annihilation of the people trying to climb up from the fringes of society."

"We in the nonprofit world understand the need to manage cash flow. It is disturbing, however, that the State has decided to withhold payments to nonprofit service providers so that they would be able to make debt payments to the banks. This seems unfair considering the special treatment that the banks have already received."

"Delayed NYS payments and the interest fees on our credit line may kill us altogether. The interest NYS pays on delayed payments is tiny compared to the interest we have to pay our bank."

"The issue is not just delayed payments but the delay in the processing of actual contracts - our state group was awarded a grant in October and still doesn't have a contract (and) we have been providing services since 7/1/09 with NO PAYMENT!"

"We are about to ask our Board to increase our line of credit because delays have become so severe. We are owed \$464,500 as of Dec 31 2009."

"I will be forced to lay-off at least 3 employees within three weeks, if State contracts are not approved."

"Late state payments have cost (the organization), and I'm sure, many non-profits, thousands of dollars in vendor interest and overdraft fees-the bank does not want to hear any more excuses about why there is no money. We have a line of credit that we can't pay off because of the uncertainty of timing of payments. The late payments put a huge strain on an already struggling non-profit, and again, I'm sure there are many of us in the same predicament."

"Most of our grants reimburse after the fact. What little amount of cash we hold in reserve goes to pay our staff. With late payments, the time will come that we cannot meet payroll obligations as well as vendors. This is a critical situation. Most non-for -profits are small and do not have large cash balances. Last year the state was late in paying us almost \$300k. We struggled to meet payroll and held all other payments. It not only affects payroll but all our credit with our vendors."

"When contracts are delayed, agencies cannot start programs on time and, their program goals cannot be achieved. Budget lines end up being incorrect as salaries and expenses don't line up and then, we have to do budget amendments, which involves another process and causes extra work for everyone. Many contracts do not allow carryover and the customers end up missing out on program services as well."

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