



A PODCAST WITH RUSTY STAHL | S3 EP11

How NYC Human Service Workers Won #JustPay

WITH
Michelle Jackson
Human Services Council



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INTRO [00:00:03] You're listening to the Fund The People Podcast, I'm your host Rusty Stahl. On this show we serve up a healthy nutritious alternative to the nonprofit starvation cycle. If you work as a funder, a non-profit, or intermediary, we'll help you invest in America's nonprofit workforce to drive equity, effectiveness and endurance in our nonprofit and social justice community. So let's get going.

AUDIO FROM JUST PAY HIGHLIGHTS VIDEO: [00:00:44]

That's right, that's right Mr. Mayor, you're hearing us! The critical work of Human Services Nonprofits is undermined by the inadequate Government contracts, we are fighting to end government-sanctioned poverty wages for Human Service workers. Please just pay so we can work to end the cycle of homelessness! Why are we here again? Just Pay! Please support frontline workers. We are a collective, we are a force to be reckoned with!

RUSTY: [00:01:19]

Hi everybody! Welcome to the Fund The People podcast. I'm honored today to have **Michelle Jackson** with us. **Michelle was appointed Executive Director of The Human Services Council in May of 2020 and previously served for many years as the Deputy Executive Director and the Deputy Director. Human Services Council advocates for the nonprofit human services organizations that provide critical services for New Yorkers** and we're really happy to have you on the show today, Michelle, thanks for making time.

MICHELLE: [00:01:50]

Thanks for having me.

RUSTY: [00:01:52]

Tell us briefly about yourself and where you're coming from.

MICHELLE: [00:01:56]

As you mentioned, I took over as the head of The Human Services Council and 2020 right in the middle of the pandemic, but I have been at HSC for most of my professional career for 15 years. I started as a policy analyst there and really felt it would be a starter job out of law school. I knew I wanted to do policy and legislative advocacy and I really loved the organization and the organizations that we work with. So HSC, we represent about 170 Human Service nonprofits in New York City and the surrounding areas and we do advocacy on their behalf at the city and state level in New York about issues that really impact the way that they work with government and their ability to deliver quality services in communities. And those organizations range from childcare centers to senior services and everything in between and they're really doing incredible, transformative work, often in spite of the obstacles that they face.

RUSTY: [00:02:52]

Yeah. I mean such an important set of Institutions that go back, some of them go back hundreds of years in New York City...

MICHELLE: [00:03:00]

Yeah, some of them are celebrating like their 200th anniversary and like yeah just really huge institutions in New York who have been here since, honestly it seems near it was settled. There's some of their history in the Lower East Side and Queens, I mean it's really incredible.

RUSTY: [00:03:15]

Wow! And so, you all have been doing, I think incredible work, you in particular and the institution and your members of the Human Services Council, all those organizations you were just talking about have been doing really exemplary work, changing the relationship between these nonprofit Human Services institutions and the government. So before we kind of tell that story today, give us your big message. What is your message for government and for private funders as well?

MICHELLE: [00:03:50]

Yeah and I think, so this is a New York story and so I always think it's important to start out knowing that you have a national audience, in New York, in the city and state, government is really out of the business of doing Human Services, they contract it out to the tune of almost sixteen billion dollars between the city and state to mostly not-for-profits who do this work, which is to me the right perspective, the right way to do this because nonprofits can combine private resources like donors, philanthropy, with government dollars at the federal state and city level, and they can be innovative and creative and really combine and get the best use out of our

resources. So in New York, and I think that's true in many other places, the government really is the predominant funder of Human Services. And while that money is welcome, I think really the government relies on nonprofits and has underfunded them to a real crisis level and so I think our overarching message at the Human Services Council is: nonprofits should be doing transformative work and leading the charge to end poverty and lift up communities and they do that work in spite of government in many cases.

The system for nonprofits was really designed to eliminate the worst side effects of capitalism and white supremacy, not necessarily to solve those problems, and we see that in the way that government and sometimes foundations as well show up in funding. You know, they underfund contracts, they don't have the best metrics, they don't pay for quality staff, and they are also reliant on profits every day. And so my message to government it's, you know, definitely to do better, and my message to nonprofit is that we have to join together and push back against not just these funding practices because that makes it seem like it's like a business relationship, but really against the inequities that are built into the system that keep people from really achieving the best they can out of these programs that are really critical to them. So a light message...

RUSTY: [00:05:41]

Well, it's fascinating, thanks for offering the context of how social services are delivered in New York city and state on behalf of our elected government by nonprofit organizations and workers. And I just want to say that if folks want to hear more about that from a research and historic perspective in season 1 episode 5, we had on Dr. Lester Solomon, who talked about how since the 1930s, the federal government at least has been doing that kind of outsourcing of services largely through nonprofits. So I think it's an important aspect of our sector that doesn't get talked about enough or understood enough and an aspect of government as well.

Thank you for the light message, to government: do better, and nonprofits: unite. Now you've had this incredible campaign the Just Pay campaign #justpay and if anyone finds any Human Services institution on social media, that's a New York City one, you are likely to see that they've integrated the #justpay into their social media presence. And before we talk about the campaign, I want to play a little sound from one of the two great videos that Human Services Council has put out. This one is actually a musical, which was shocking to me, a musical about the nonprofit sector that actually, I think, is really well done and very powerful. So, let's hear a few lines from that. This is kind of set in, I guess, a food kitchen kind of setting...

AUDIO FROM STATE OF THE SECTOR VIDEO [00:07:33]

This is the state of the sector, this is the state of affairs, this is the state of the sector, this is the state now for anyone who cares... We provide services on behalf of the city and state, are funded at 70 cents on the dollar and paid late. But wait, do I get a loan as another person home, another service, another cost to make up for what we lost. And let's talk about safety. You're down with PPE? Yeah, you know me, you're down with PPE? Yeah, you know me, who's down with PPE? Every last ED? If only that shit was free. I don't need a pep talk, I need you to walk my block, you care about Equity, I'll save you the complexity, just start here. It's been another hard year praying for better days still, but still, I'm here. This is the state of the sector,

this is the state of affairs, this is the state of the sector, this is my neighborhood for anyone who cares...

RUSTY: [00:08:19]

There's a lot more good lines in there, but we'll leave it there. You want to say anything about the video, how it came to be or how it was part of the campaign or anything?

MICHELLE: [00:08:40]

Yeah, we a number of years ago, and you can find them on our website, we worked with this great studio, Key Ideas Productions, to do a video on like nonprofit contracting that's been now referred to as "the pizza video" when we kind of compared government contracting for nonprofits to running a pizza shop, and how absurd it would be to run a business the way government asked nonprofits to, and since then, we got a lot of attention for it and **the musical kind of carries on that legacy of: we're trying to deliver the message in new and creative ways.** I think the sector does incredible work, not just Human Services organizations with the nonprofit sector, and we're not necessarily known for our sense of humor or for taking risks. And you know, we're a little on the wonky side when we deliver our messages and that was really something we were trying to break away from. And when we think about the Human Services workforce, which I know you and I will talk way more about, we didn't want to do like another funny, kind of sarcastic video, **we really wanted to kind of demonstrate the heroic nature of the work that they're doing.** And so that was really the musical and then it took on a life of its own, became a much bigger production than we thought, including Candia Miller, who you heard sing was nominated for a Tony for other work that she's done. So, what's nice about New York is you can get really quality talent apparently. So yeah, **it was really like a love story to Human Services Workers during the height of the pandemic.**

RUSTY: [00:09:59]

Yeah, it's very clearly right in the height of the epidemic, based on the lines. And it is beautifully performed, I mean the singing and the dancing and the acting is really quite something, so that's just a part of the campaign. So tell us the story of the Just Pay campaign that the Human Services Council and your members have been running. How did it come to be, what's the problem it sought to address or seeks to address and what's happened?

MICHELLE: [00:10:26]

Yeah. So historically HSC has done workforce investment advocacy. **Government as I said is a prominent payer and therefore setter of Human Services wages and we historically have done advocacy around COLAS, cost-of-living adjustments, so that government contracts will automatically pay a 3% - 4% increase on contracts.** As anyone who works in the private sector, you expect a raise every year, it can either be performance based or it can just be a COLA based on inflation. And so while we've done that advocacy, successfully and unsuccessfully, for 20 years really even before the pandemic, our providers were really talking about the crisis in the workforce as the minimum wage went up, which as it should and to continue to go up, we were losing workers to Starbucks and, you know, other places that could pay 15, 16, 17 dollars an hour for work that didn't require a master's degree for example, and maybe wasn't as

stressful. You know, when we think of like home care workers, who are doing some of the most valuable work we can imagine, for people who are homebound, they're not paid fairly and that really is squarely on the shoulders of government who underpay on their contracts, and providers have not been able to keep pace in kind of making up the difference.

So, even before the pandemic, we were really at a crisis point and right before the pandemic with the support of one of our foundations, the Clarke Foundation, we brought a bunch of Human Service Providers and Coalitions up to Cooperstown, New York, and one of our members actually talked about, we should have a Just Pay campaign, and we had a laundry list of every issue under the sun, from late contracting to workforce, and the idea was like, just pay us. And also just, hey, in an equitable way.

And then the pandemic happened and that really crystallized the essential nature of Human Services workers. We were on the front lines, we weren't the ones that were getting cheered at that 7:00 clap, but certainly were essential. They were out and we had workers who lost their lives. I'm sure that's true of Human Service organizations across the country. You can't shut down home delivered meals, home care, homeless shelters during the pandemic and they were not rewarded for that work. They're overwhelmingly women, they're overwhelmingly people of color and they're the least paid workers in the city. In New York, Human Services workers overall are the lowest paid workers besides restaurant workers. So really low on the wage scale for the work that they're doing and so that really crystallized for us, you know, the sector can't continue the way that it has been and government needs to do better.

We knew that we needed to pull the campaign together around just workforce issues and so, took what we learned before the pandemic around the convening of our providers and came out with the Just Pay campaign, which is really to, you know, our tagline is "End the government sanctioned poverty wages for Human Services workers" and lift up in all the ways that we can at the city and state the need to make real investment in an essential and crucial workforce that isn't going anywhere. This will always be human centered work, at least when I think of the future, I can't imagine it being automated and so we need to invest in it appropriately.

RUSTY: [00:13:25]

Yeah. I don't think robots are going to be doing this work and you can't offshore it either, you can't have people in sweatshops around the world doing Human Services. This is an essential workforce.

So, what have been the components of the campaign? So you had the convening Clarke Foundation, a very good funder, who cares about New York City, I'm glad they were involved. And so then, what does the campaign do? I want you to share how you mobilized and united people in a way that's really different from what the sector usually does when we are advocating for ourselves, if we do...

MICHELLE [00:13:58]

Yeah, I think, first, we had to come up with a clear set of asks, and it had to be at the city and state because, you know, if you're a provider who's listening to this and you're like, you know, if you get a COLA or if you get investment at the city, but you also have a state contract, you know, you have workers who are on both like so we really need to target the city and state together.

So we came up with kind of three asks:

- One is around a wage floor, don't pay any worker less than what was \$21 on any Human Services contracts.
- We need automatic COLA (cost of living adjustments) at the city and state.
- And then we also need a system to create better parity. In New York, at least, Human Service workers are paid on average 30% less than they would make for doing the same or similar job in government. And that's not including benefits, that's wages alone. So, how do we get to this parity question.

We had to have a clear set of like, what are we fighting for? And I think that's the most important part of a campaign instead of just saying pay workers better. And so, having a clear set of asks that can be legislative and budget advocacy and then to your point, we mobilize differently. Like this isn't about 100 or so nonprofit executives writing a letter, having a meeting with our elected officials. We wanted to mobilize the Human Services workforce. I think the sector really underestimates the huge people power that we have at our disposal in terms of workers, volunteers, board members, program recipients, like there's just hundreds of thousands of people that you can mobilize, and we bit off a very small piece of that. In the first year of the campaign we did two rallies at City Hall each of about 1,500 people. So 3,000 thousand people turned out. That's huge for us, certainly bigger than anything we put together as a sector in New York because we were targeting workers. I think, a lot of times again, we tend to be a little wonky in what we're asking government for and this was like, pay workers better and hear from the workers themselves, I think that was the other component of our campaign.

At both rallies we did not have executives speak, you know, we had elected officials and we had workers tell their stories. So this is what the Just Pay campaign is really striving for and will continue to strive for, putting the worker voice forward and centering them because this is not just a budget advocacy campaign, this is an equity campaign. This is about people of color and women who are purposely paid less than they're worth systemically and we want to talk about gender equity and you know, ending the wage gap. We want to talk about lifting up communities of color, like that's workforce. So it's really important for us to center that as not just like we need money in the budget, but for elected officials who are really centering racial equity and gender justice this is their campaign. This is how you move the ball forward in a way that you control the purse strings to make it happen. And so by making that very crystal clear and organizing at a community level and not just kind of the high level advocacy that nonprofits tend to do, speaking very broadly, makes a big difference and so that was one of the things we really wanted to push for.

RUSTY: [00:16:43]

So let's hear a little sound from these rallies. We'll start with the MC, Maria Lizardo, who is an executive director of Northern Manhattan Improvement Corporation and a board member of Human Services Council.

AUDIO FROM RALLY VIDEO

Maria: Why do we want people? (Just Pay) When do we want it? (Now) What do we want? (Just Pay) When do we want it? (Now). I have a few more shoutouts, and these are the organizations that made it happen today and made sure that we had a lot of people out here. Because, guess what? This is the first and biggest action we've had in the last two years and we are here today to let the city know that we want Just Pay, that we deserve Just Pay, that the Human Services sector is essential. And guess what? Before covid, we were essential, during covid we are essential, it has been our workforce that has been out there, running food pantries so New Yorkers can have something to eat. It has been our workforce that has been providing childcare so essential workers and First Responders could go to work. It is our workforce that has been providing shelter services to the homeless and victims of domestic violence, it is our workforce that has delivered meals to seniors and called them to make sure that they were not isolated and hungry. Guess what, it is this sector that will be part of the recovery and essential to the recovery of New York City and New York State and we deserve Just Pay.

RUSTY: [00:18:35]

So why did you need two rallies and what happened after the first rally?

MICHELLE: [00:18:41]

Yeah. Well I think first, one of the important things and Maria Lazaro was such an incredible MC for us representing, you know, her community and the workers that she supports in her organization was that energy, right? I mean and Maria probably nailed it more than anyone else could. We need, we wanted to have a kickoff rally and make sure both the city and state knew that this campaign was here, we were able to engage the city council coming on the pandemic, you know 1500 people in one space outside safely, was you know a real like signal to government that we were going to act differently and that this wouldn't just be a strongly-worded letter, that we were coming out and, you know, united our workers in this ask. And so a lot of it was about, you know, the rally we did in march was about launching the campaign, having workers show up, be part of that community. So it's kind of that community building as well as the signal to government that this campaign was serious, and that we were engaged.

And then the second rally we did in May because the preliminary budget or the executive budget at the city did not include our ask of a cost of living adjustment. So we're like, okay, we'll do it again, we'll show up with even more people, more City Council members, great speakers, and make sure that our budget ask is clear and I think also, you know, so that was kind of why we did it from a local advocacy standpoint. But I think in terms of movement building, it was really important for us to show that we're not a one trick pony, right? Like this wasn't: we're going to show up once, we spent a year getting all these people in one place and see what we did. It was like we'll keep coming back and will turn out more people because this is a people-centered campaign.

So in that sense, you know, we're not going to continue to do those rallies at that level because we need to turn to other types of advocacy, but was also important and so you know, for people who are thinking about doing this too, doing one rally, showing people that's important, but we really wanted to demonstrate we'll keep coming back until we get all we want.

RUSTY: [00:20:33]

Amazing. And you didn't settle when you didn't get the ask, you came back. You know one thing you said to me in our preparation call was that a lot of the city council had been elected during the pandemic and so they hadn't had themselves had rallies and they hadn't seen rallies like this. So it was even more prominent, I guess, or effective. So, that was some interesting context I thought, and you actually had City Council Members come out and speak at the rally. How many city council members came out and how do you, how do you do that?

MICHELLE: [00:21:08]

Yeah, I definitely think an advocacy tip in general is, you know, using the resources that you have to the best of your ability. And, you know, for the sector 1500 people is incredible, right. At least in the local near community...

RUSTY: [00:21:21]

And not just people but social workers and the people who work in our organizations, it wasn't just a hey come out and support us anybody, it was the workforce of the organization's showing up.

MICHELLE: [00:21:31]

Exactly yes, this was workers who were making it happen for the day and moving things around to like come out and support this campaign and demonstrate how important it was to them. And I think for the city council, first definitely come out of the pandemic there weren't a lot of spaces where you can get in front of that many people, so we certainly use that to our advantage of course.

And then you know, this Council in New York City is newly elected, the biggest cohort of people of color, of women, which is really incredible to see. And so I think there's some new energy and we've long had champions in the city council, but it's a different Council and they were really supportive from day one of the campaign and we asked each, there's a number of caucuses in the New York City Council: progressive caucus, black, latino, asian, and so you know we really ask them, the women's caucus, to really send representatives. So all of the caucuses came and spoke, you know, how about someone come and speak? And between the two rallies we had about half of the council turnout and either speak or just come to support, which was also really nice too. They didn't have to have a speaking role to really show up and demonstrate that they were in support of the Human Services sector and I think especially in New York City, this Council has more people who come out of the sector. This branch has some council members whose previous jobs were working in nonprofits and so they certainly understand our issues on a deep and meaningful level, because they dealt with it firsthand.

RUSTY: [00:22:49]

Yeah. On that note let's hear from one of them. This is City Council member from the Bronx, Althea Stevens, who is as you said a former Human Services worker at a settlement house.

AUDIO FROM THE RALLY [00:23:02]

Althea: Listen, family we're here again. We was here not too long ago and we demanded and we said what we wanted, but it wasn't in the executive budget but now, we're here again to say it again. And I'm here to say that I'm fighting from the inside, I've worked in Human Services for over 20 years, serving our family, serving our children. We can't talk about having a safe city when we're not paying people what they deserve. We can't talk about anything unless we are making sure that we are able to feed our families. We can't talk about anything if we can't pay rent, that is what we are fighting for. This is about our dignity, this is about our pride. This is about paying us what we are worth. You are worth what we're asking for, you asked us for 86 million dollars in a nine billion dollar budget, that is a drop in the bucket. You should be asking for more. So let's be clear, we are fighting. We're going to continue to fight. Our colleagues have been at the table pushing back, saying we want this in our budget, because our budget is a moral contract and identifies what we believe is important in our society. And what is important in our society is our people. You guys are on the front line, when the covid hit you were essential because we needed you. But I'm not here to talk to you to tell y'all I'm not leaving out. We still need you. You're still essential. You guys are embarking on one of the biggest summers ever serving over 100,000 students at SIP and 100,000 students this summer camp, but we're not paying you is unacceptable. So we're gonna go continue to fight when I say Just you say Pay. Just! (Pay) Just! (Pay) Just! (Pay) Just! (Pay) Just! (Pay) Just! (Pay) Just! (Pay) We got to keep fighting. We're going to keep it till we get it.

Maria: And next, we will hear from Akeisha McGillvary, housing specialist at Urban Resource Institute. Let's go. Let's go!

Akeisha: As a college graduate with two degrees, working towards my third, I am forced to work two jobs in order to maintain my cost of living, not to mention, owing large amounts of student loans and credit cards debt, all as a means of survival, we call for your help for an increase in New York City contracts for Human Service workers, only New York City can increase these contracts. Mayor Adams, we are calling for your help. We need help. We Social Service workers are essential. We were essential enough when you had no one to go outside to do the work. So keep reminding yourself that we are always going to be essential. You will always need us because on holidays, when you are laid up with your family opening Christmas gifts, enjoying the holiday with your family, we are there with our family, which is the homeless services population trying to ensure that they feel loved and secure.

RUSTY: [00:26:06]

Alright, so that was obviously from the second rally. Man, you had some amazing speakers and leaders there. Okay, so you're fighting with city council, the mayor and the governor on like it's like a three front situation. You didn't get what you wanted in the budget the first time after the

first rally. So then what happens? I want people to understand, you already said why state and city were important. But what happened with the state, what happened with the city?

MICHELLE: [00:26:45]

Yeah. So we were really, you know, at the state level, we got 500 million dollars for a cost of living adjustment, a 5.4% increase in the state budget, without doing a rally actually, you know, governor Hochul in her real first budget as Governor included the COLA for the first time in 12 years. So, real break away from her predecessors and so that's five hundred million dollars going out to nonprofit workers across the state in a 5.4% increase. And then at the city as a result of that rally and support from the city council and inside the administration, we were able to get 60 million dollars in what's called the Workforce Investment. And so we went from zero to 60 as a direct result of that rally and the advocacy. So overall in our first year of the campaign, and I will say we have a lot more to do, and getting money from government even when they promised it, there's some hiccups in the process of course, but we were able to get five hundred and sixty million dollars in workforce investments in the first year of the campaign.

RUSTY: [00:27:43]

Wow. So what are some of the lessons you and your colleagues have learned from both: how you organize this, and the results you got, and the hiccups along the way?

MICHELLE: [00:27:54]

Well, I'll start with the hiccup. We knew this going in, you know, even when you get money allocated, and it doesn't have to be for workforce, it can be for anything, we all know that it goes slowly and there's a lot of procedural hurdles and do paperwork and confusion and we certainly are experiencing that you know, the COLA at the state left out some important programs, the city did not do a COLA, they're doing what's called the workforce investment. It took them a long time to get the money, you know, out to providers and it's still trying to get it out. And while we, when I say we as advocates, are familiar with that process, one of the biggest things I am learning as I'm leading this is we involved workers and so, therefore, we need to talk to workers and tell them what's going on.

So of course, we passed the budget we're like we're going home for the summer and the workers are waiting for their money, right? They want to know the fruits of their labor, of their hard work. And so, I would say to anyone running a campaign when you involve community, you need to make sure that you're communicating with them and we have been, and understandably they're frustrated with the government process and you know, we're doing trainings going forward around making sure they understand more about like, how long it takes for this money to go out and things like that. But we involved workers and so I would say, it wasn't just a hiccup, but we knew this going in was, you have to prepare and educate and stay in contact with the people that are advocating with you. So we have a great list server with all the workers that came to the rally, we make sure we send them regular updates but come September 1st. people were like, where's the money? We're like: oh it takes like six months to come out and I was like, oh no, they don't, that's not something they're familiar with. And so we're responsible for those next steps.

And so I think that's definitely a lesson learned and something to make sure you center, you don't just bring everyone, have them show up as warm bodies and send them home and keep moving. You really need to keep them engaged and keep them informed. That, you know, it's definitely a lesson learned from the work that we did on our first year and we have really great staff who are doing that community outreach, which is important.

I think the bigger lesson is that as a sector we have to take some risks and we need to center the people who are doing this work in our efforts. I can go a lot of times we, speaking for HSC, can get bogged down in like indirect cost rates and you know program metrics and late payments and these are all huge issues, but at the end of the day like we are a people centered industry and we are successful because of the people who we serve and the people who work for us, and so that's where we should be centering our advocacy.

And then I think the second thing that I'm really proud of about this campaign is that it's about equity and being transformative and taking risks, we didn't just do our typical write an angry letter, get a meeting with the mayor, cut a deal... It was really about movement building for the sector and building our own risk tolerance at our ability. Like we did that first rally and we weren't 100% sure how many people are gonna show up, but we're like we're going to do this on behalf of the people that need us in those communities. And if it doesn't work out, oh well, we'll figure something else out and I think the sector, you know, should take more risks and be a little bit bolder in the advocacy that we do.

RUSTY: [00:30:47]

How did doing these rallies and this sort of in-your-face approach, in the video you know, there's some cursing which is fine but it's not how we usually do our polite advocacy with our elected officials. So, how has it impacted the relationships that HSC has with these, you know, city council members, the mayor's office... I think it'll be interesting for people to hear, who might be scared of being more bold.

MICHELLE: [00:31:13]

Yeah. So, taking a step back, as kind of just an advocate who's done this for a while, I think first, you have to assess your local government and elected officials. We learned, this is not in any way a secret, Mayor de Blasio, our previous mayor, and Governor Cuomo did not get along. So the best way to get something done was to ask the other one to do it, right? Like pit them against each other. De Blasio's leading here and suddenly Cuomo would have an announcement. I don't think I'm saying anything that anyone who's read more than one article that's on NY politics would be surprised about.

So it's kind of knowing your elected officials, like what are the triggers, do they like press, do they like praise, do they respond to a little bit of shame? You know, what is the magic mix? I think that's always an important starting point. And you know for us we just had new electeds, not just city council and mayor, but we had a new governor and so, we were learning a little bit of that. And so we did take some risks, and I think for me, even listening to the rally clips you

played I get like emotional again, because Maria really captured what we were trying to do, which is like, we're trying to galvanize the sector to be proud of themselves and to fight for themselves and that's the most important thing.

And like, we don't respond to C-SPAN levels of testimony and like procedure, people want to feel seen and heard and that's what this campaign is going to do. And so you know, we have our just f***** pay masks, and you know, part of the video if you watch the musical, that's how it ends, and it's like that's because that's how rude people are. You know, we want to have a sense of humor, we want to laugh at, you know, when there's trials and tribulations, you have a sense of humor, you're sarcastic, it's not just all like dry language. And so we're building a movement for people, so it should be of people. I think that's first and foremost, the important thing.

And we want to also have fun at our work. I want to have fun. I'm doing this work to be a change agent, but also because I enjoy it, and that's an important part of it and also having some personality. And, you know, I have to say government has responded really well, the mayor's office and his team have been real partners. We know we have to push to get what we want because everyone else is pushing too, so by pushing, and I really respect our government partners in this case because they responded to pushing in an authentic way, they weren't just like how dare you. It's like we understand everybody in New York is asking for something and so we're going to ask for something too and we want to push a little harder and push a little louder and it was done in a really respectful way, and we got respect from our government partners. So I really value their role in appreciating why we do the advocacy that we're doing, you know, we had a lot of city council members show up, the governor was really supportive of our efforts and the mayor and his team were right there. You know, like they weren't part of the campaign but they responded in the budget and we have great partnerships with the mayor's office and the other work that we do.

RUSTY: [00:33:52]

I think you're right, government people understand. They know that they're being pushed in various directions and if you don't speak up you're not part of that. You're not at the table.

MICHELLE: [00:34:01]

Yeah, I mean one of my favorite sayings is "if you're not at the table, you're on the table". People are lobbying, people are doing fundraisers, individuals and other types of institutions have resources that nonprofits don't have and you know as 501(c)(3) we can't do campaign donations, we can't endorse candidates. And so what we have is our people and we have our voice and we need to use it and you can do it in ways that are funny, that are a little, you know, aggressive or, you know, use a couple of swear words, hold our government partners accountable and you can still do it in a respectful way. And I think that's something that the sector should really embrace and realize that you have to do this advocacy because if you just stay quiet and say we do good work, then you're on the table for sure.

RUSTY: [00:34:40]

And you all engage some, aside from the folks who helped produce the videos, you you worked with some PR or policy consultants.

MICHELLE: [00:34:48]

Oh, absolutely. Yeah, we have a really great, Moonshot Strategies is a really great political consulting firm and they did our communications as a PR firm. And I think that's also something that the sector should really think about. And I know everyone has limited resources. So I mean if you're listening and you roll your eyes because we have no budget for it, I would say understanding the political landscape and understanding press and like how to plug into that, whether it's op-eds or figuring out which outlets to use and things like that, is essential to this work. And using them really helped amplify our message and they're also really great at telling us: nobody cares about this wonky issue or the way that we frame things. You know, people get very hyper specific about programs and they're like, nobody cares, write it this way, appeal to the public, you know. And I think that's a really important piece of this. **You don't have to have all these fancy consultants, but you do have to think through, you have to use the press, you have to think about how to lobby, and how to engage with electives in a different way. And they really helped educate us and add that quality to the campaign.**

RUSTY: [00:35:50]

That's great. Thanks for sharing that. So what's next for HSC And the Just Pay campaign?

MICHELLE: [00:35:56]

Yeah, **we're going to do more and we're going to be bigger, I mean that's the goal.** I think, especially because as I mentioned, having the money from the COLA has kind of moved slowly and not be everything we wanted, which is part and parcel to, you know, advocacy in general. You know nobody walks away perfectly happy, we need to address the real systems. There was a city request for proposal, an RFP that came out a couple years ago, where it suggested that a social worker, which is a master's level degree, would have a salary of \$35,000, that's almost anywhere across the country not an acceptable wage, and it's certainly not an acceptable wage in New York City for a master's level position. And a COLA even if we got a 5.4 this year, we're looking at 8.5%, which is like the Consumer Price Index for this year, like what inflation looks like in December. That's 5% of 35,000 is not enough to get to real equity. They should be making two to three times that much, honestly in New York city.

So **we're really taking on legislatively and through like real systems reform, how do we force the government to pay real parity on those salaries.** So we're working at the state level and some legislation to think about how do we really capture who works in the Human Services sector, what they're paid and what they should be paid and really mandate government to pay them for the services that they provide. We should not be using taxpayer dollars to fund poverty level wages. That's really the essence of what we're pushing for. **So we'll continue to do our COLA advocacy because it's the system that works, you know, we know that mechanism, but really branching out to push for those real systems reform so that we can achieve better parity in the long term.**

RUSTY: [00:37:27]

That's terrific, going deeper with it, that's great. In the next season of the show, in 2023, we're going to feature some foundations that are actually increasing the amount they pay in, you know, what's called "non program-related", "overhead cost" that they allow grantees to utilize from program or project rent. So I wanted to ask you, because this is an issue both in government and foundations, this idea of indirect and direct cost that sort of has been made up and imposed on organizations in terms of those concepts and practices, do you have thoughts for how government ought to be thinking about that and also foundations in the coming years?

MICHELLE: [00:38:20]

Yeah, I mean, I think HSC's other portfolio work is really around procurement reform and how to get government to be a better partner in how these contracts are structured and function. And indirect, you know, indirect is certainly part and parcel to that because it's remarkably underfunded in the foundation world and even some of our, you know, nonprofit peers across nationally have really created this myth of like low overhead/indirect being better, like all money should go to program. And that's just so devoid from reality of, you know, what it takes to run an organization. You know everyone wants to pay for the kids to eat, but no one wants to pay for the gas to get the meal there, no one can pay for the lights to be on. And so this kind of taking on of indirect, I think is a really important part, because a lot of the advocacy that I just mentioned does not happen in the programmatic part of a non-profit, right? Like they need a policy person, they need a communications person, they need you know, a VP of programs, like they need those positions in order to advocate effectively for change. And also just to do the, you know, if you're not an advocate, you do want someone to care for those taxpayer dollars, so you need a good accountant and you need a good, you know, CFO and you need good auditors, and like you don't get that if you don't pay for any of it and we've seen, you know, in New York at least, a lot of government contracts and certainly philanthropy as well, they want to cap overhead or indirect to 10% which is ridiculous. Because in the private industry most businesses, we see 50% or more goes to overhead. And so, I think it's really important.

New York City made important strides, they had what's called the indirect cost rate initiative, which mirrors in some ways the federal, where you can get like an individual rate for your indirect, so an organization can go through an application process to prove that they have an individual indirect rate and then claim that on their contract, which is a huge first step. I think it's definitely something other localities should look at. And it's not without its own challenges, we still need to make sure it gets funded, that we're not asking providers to move money around and so that will continue to be our struggle to make sure that it's accepted and funded on contracts, but it's certainly a huge step in the right direction. And I would just say that you know, for both foundations and government who expect and demand outcomes, metrics, good reporting, solid audits, you don't get that when you pay people 10% or less for those costs. It's an absolute absurd position to expect organizations to do hundreds of individual program audits a year, to sign these 300-page contracts, to compete, you know. Some of these foundation's reports look just as bad as a government one. And then to be like, and by the way, keep your overhead really low because then there's no staff to do all of the work and mandated reporting that they want. So certainly **they should be paying for indirect and I think to your point, it's not**

indirect, it's all program. Everything that organizations do is to the benefit of the communities that they serve and the back office functions are just as important to make sure that people get those services.

RUSTY: [00:41:17]

Absolutely. And for folks who are listening who are interested in the story of these indirect costs in New York City, in season 2, episode 12, we had on Jennifer Geiling, who was at that time with the mayor's office on Contract Services, the city of New York, under the previous administration and I know that you all interacted with that office as part of that story. So we're not going to go and do it further here, but if people do want to learn more about that, you can check out season 2 episode 12.

MICHELLE: [00:41:50]

Great. And I would say it's a really important initiative and I'm grateful to the city and to Jennifer for her leadership in that area. You know, we've lived with the manual now for three years, so of course there are things that we would change about it and things we want to see. And unfortunately, initially did not come with new funding, but we were successfully advocated for that. But I do think that's something nonprofits across the country are looking into themselves, the New York City model it's a really good solid starting point.

RUSTY: [00:42:17]

Maybe we can get a link for that, for something related to that manual on overhead and all of that and put it in the show notes for folks to look at that as a model. And I have heard the folks in Californian were looking to the New York City effort as a model, so I hope that continues as well. So, based on the successes you've had as the Just Pay campaign, anything you want to kind of wrap up and say to nonprofit workers to nonprofit EDs, to nonprofit associations around the country about how to improve workplace conditions for nonprofit workers?

MICHELLE: [00:42:51]

Yeah I mean, I think, coming out of covid I don't think I'm alone in saying that people are really tired and really stressed out. I think that's easy national trend, not just a nonprofit trend. You know, we're certainly seeing people who are frustrated and tired and it's been a long going on three years, and the nonprofit sector is more important than ever. As we look at coming out of covid-19 but you know in NY there's asylum seekers who are here now in max and we're happy to welcome them, and they require a lot of services... as we think about maybe an economic downturn, maybe a self-prescribed economic downturn, we've all just decided there's going to be one, so there will be one. But you know whether it's real or imagined, it's certainly coming and nonprofits make New York work and I'm sure that's true in many other communities. We serve people, from all types of walks of life, and I think the pandemic bears that weigh more than anything else. You know we had seniors who certainly had plenty of funding, but were isolated for different reasons, who needed services and we're all one crisis away from needing Human Services.

Really, what the sector does is in spite of the challenges that they face. As I mentioned at the beginning, the system is functioning as designed, we're supposed to be paid last. Our workers are underfunded intentionally and yet as nonprofit leaders you are between a rock and hard place. If you turn back those contracts and say we're not working, and it doesn't have to be government, it can be foundations as well. If you say I'm not going to do this work anymore, you lay people off and you don't serve your community, and if you take this contract you are participating in a racist capitalist system that is designed to keep you from being as successful as you could be. And so, I think, you know, joining coalitions, being part of a movement to say, you know, we don't have to operate in this way, but no one provider can make that decision, it's an impossible decision to make. And so what we're trying to do is real movement building, it's not going to happen in one year, it's not going to happen with one budget, to say that the sector has real political power and we're real change agents, and we're going to push back against these really harmful practices that are institutionalized and purposeful to keep our communities from being successful.

And I think that's really the message of what we're trying to put out long-term and pivot away from like "we just need to fix the edges" to like: we need to really dismantle the system, but we need to dismantle the system while working in it because we can't stop because then our communities suffer more. And so I think the message is really to Human Services workers: we do value you and you're worth so much more than we're able to give, and we're going to do better by you with you at our sides. And I think to nonprofit executives and leaders who are really struggling with this every day, joining coalitions and being part of movements locally and nationally to really stand up is what it's going to take. Because there's not one provider who can do this on their own. And to my fellow non-profit associations I would say: take risks for those who can't. And luckily the mayor and his people have been great, so I'm speaking of government, you know, fictional government people, if they didn't like HSC and didn't want to work with us anymore they would work with someone else. And okay, so we're pushed out. You know, if we fail at our rally and no one wants to join us anymore, okay fine, services will still go on. And so it's really up to us to take risks on the behalf of the organizations who don't have the resources or the capital to take those risks. So I think, you know, nonprofit associations and advocates have to be a little braver and bold in the way that they tackle these issues on behalf of the communities that we serve and claim to support and represent. And I think that's really the biggest takeaway and something that we're trying to do at HSC.

RUSTY: [00:46:26]

Thank you, thank you for your work and the work of your colleagues and all those folks who came out to the rallies and have kept the pressure on, and congratulations on your successes of the Just Pay campaign. Where can people find info on HSC and Just Pay?

MICHELLE: [00:46:43]

Well, first thank you for having me, I really appreciate this conversation. And we're happy to connect with local leaders across the country who are trying to do this work and share what we've learned and as we join up to create a larger movement. And you can find us at humanservicescouncil.org, which has all the information about the Just Pay campaign. If you're

interested in just the campaign you can also go to justpayny.org to find more and all of our social media and stuff is on there as well.

RUSTY: Michelle Jackson, thank you so much.

MICHELLE: Thanks for having me.

(MUSIC FROM THIS IS THE STATE OF THE SECTOR)

OUTRO:

Thanks for listening to the Fund The People podcast where we help you cook up nutritious and delicious alternatives to the nonprofit starvation cycle by investing in the nonprofit workforce. On behalf of myself, Rusty Stahl, our gracious guests and everyone who makes the show possible we hope you enjoyed the episode. You can find links to the resources that were mentioned, guest bios, show notes, and the audio for this episode by visiting fundthepeople.org and clicking on Podcast. Thank you for driving change in our communities, our country and the world. Remember to keep your tank full, take care of yourself and take care of one another.