



Interested Party Testimony on SJR 4
Senate Finance Committee
Susie Barragate, President & CEO
June 9, 2020

Chairman Dolan, Vice-Chair Burke, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide written testimony on SJR 4.

Vocational Guidance Services is a vocational rehabilitation agency with a mission to prepare people with barriers to employment for a brighter future. Every year, we provide a comprehensive range of vocational rehabilitation services and paid work opportunities to nearly 4,000 individuals with intellectual and developmental disabilities, physical disabilities, a history of incarceration, injured veterans, and other barriers to employment. All VGS services are provided at no cost to the individual. To protect the lives of the vulnerable individuals we serve we have temporarily suspended daily services until it is safe for them to return.

In 2014, Vocational Guidance Service elected to be a self-insuring agency versus paying into the state unemployment system. With the self-insuring option it provided an annual savings of approximately \$100,000 in unemployment coverage. Those savings provides VGS' dollars to invest in the programs and services we provide to our clients.

The impact of COVID 19 has hit Vocational Guidance Services extremely hard. Over 230 staff were furloughed as a result of the Department of Health orders and there is no end in sight. VGS continues to run mission critical services but with a small workforce. Most of the individuals served have not returned and with State of Ohio guidelines and social distancing, we will only be able to serve 30% of the nearly 700 people we served on March 18th 2020.

VGS recently received our next invoice for the self-insured premium and it has increased by 1,000% from \$22,000 per quarter to \$202,000. This will financially break us.

As you evaluate ways to mitigate the financial and economic impact on the individuals and businesses of Ohio, please also keep self-insured nonprofit agencies in mind. Most nonprofits do not retain earnings from year to year to draw on in critical times such as this. We, and other self-insured nonprofits, are in need of a relief package consisting of grants that would assist with bridging the critical cash flow.

We thank you for your leadership during this extremely difficult time. Please contact me at (216) 337-8619 or at susiebarragate@vgsjob.org to discuss these critical issues facing VGS.