



February 20, 2009

The Honorable Deval L. Patrick
State House
Boston, MA 02133

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Executive Director:

David P. Magnani

Dear Governor Patrick,

Congratulations on your aggressive and highly organized effort to assure that Massachusetts citizens benefit as much as possible from the American Recovery and Reinvestment Act. We in the nonprofit sector are aware that much of the funding, both for infrastructure projects and for social spending, beyond tax cuts and subsidies for individuals, must be spent on projects and programs that the nonprofit organizations are historically and uniquely positioned to implement, and we are committed to doing so with speed, and professionalism.

On the infrastructure side, we are particularly pleased by the number of physical infrastructure projects that are deemed by potential recipients as "shovel-ready" by Johns Hopkins' Institute for Policy Studies, sixty-five here in Massachusetts, and the many shovel ready projects for which MassDevelopment has received notice. We look forward to sharing with your administration other key opportunities for investment in nonprofit subsectors beyond healthcare, education and cultural facilities.

On the social spending side, The Center on Budget and Policy Priorities lists many elements of the package that go toward helping individuals that non-profits serve, and much of this assistance for Massachusetts can and will, when fully allocated, support two key goals of the Act: to create and protect jobs and to protect the vulnerable. A few good examples of such program expenditures for Massachusetts included in the Act are: the \$26m for child care services, the nearly \$500m for IDEA and Title I services, the \$25m in youth services funding and the approximately \$30m for emergency shelter support. These are in addition to the approximately \$3 billion that will come back to Massachusetts for health related expenditures, including Medicaid.

Governor, in these difficult times, nonprofits, like government, are called to meet expanding demand with reduced resources and insufficient reserves, just as so many of our citizens who face similar challenges. Given the direct connections and physical proximity of nonprofits to the community, we believe we have the unique ability to get the dollar out on the street in the quickest manner, and in a way that responds most closely to the needs and vicissitudes of each community and project and we in the nonprofit sector will respond in a timely, transparent, efficient and professional manner.

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Finally, given the challenges of economic recovery, the nonprofit sector brings additional economic performance benefits. It is the largest single sector; contributing \$87 billion to the Massachusetts economy and providing almost 450,000 jobs that are not subject to re-location out of Massachusetts and which produce higher economic multipliers. These are value-added jobs for which the taxpayer return is high. For example, a dollar spent on quality early childhood pre-k programs returns seven to the taxpayer and to the economy and the development of each new unit of housing creates jobs directly and immediately.

We look forward to working with you as this package moves through to distribution at the state and local levels.

Sincerely,

A handwritten signature in black ink that reads "David P. Magnani". The signature is written in a cursive style with a large, prominent initial "D".

David P. Magnani, Ed.D.
Executive Director
Massachusetts Nonprofit Network