The Virgin Islands Consortium

Five Months Into Fiscal Year, DHS Still Awaiting Release of Appropriated Funds as Nonprofits Strain

Though the Legislature approved the miscellaneous allocation months ago, DHS has yet to receive funds from OMB, as nonprofits like Catholic Charities report staff reductions and mounting strain amid federal cuts and ongoing funding uncertainty.

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Five months into the current fiscal year, the V.I. Department of Human Services has yet to receive its miscellaneous funding allocation from the Office of Management and Budget, leaving nonprofits and charities that depend on those appropriations in a state of uncertainty.

The funding line item, approved by the 36th Legislature, is intended to support charities, nonprofits, and other organizations that serve the Virgin Islands community. DHS Commissioner Averil George has emphasized the importance of prioritizing these funds, noting that many of the affected organizations deliver “frontline public health and public safety services.”

While awaiting the release of the allocation, Ms. George said the department “remains committed to working closely with nonprofit partners and fiscal agencies to resolve any outstanding administrative issues as quickly as possible.” Acknowledging that many of these entities “operate on tight margins,” she said DHS “continues to prioritize communication, technical assistance and coordination to ensure that appropriated funds are accessed and dispersed appropriately.”

Yet even as DHS continues to urge the Office of Management and Budget to release the funds that were approved months ago, nonprofit organizations report mounting strain.

During Wednesday’s meeting of the Committee on Housing, Telecommunications, and Transportation, Catholic Charities testified that “federal funding cuts and ongoing funding uncertainty” are compounding their operational challenges.

Sandra Thomas Mason, assistant executive director of Catholic Charities, told lawmakers that staffing levels have been reduced from 22 employees territory-wide to 14. “Some staff hours have been cut, and remaining staff are routinely required to double up on responsibilities to maintain essential operations,” she testified. “We are stretched thin,” she said.

Ms. Thomas Mason stressed the importance of legislative appropriations to nonprofit operations. “Legislative funding is not simply a budget line,” she noted. “It is a difference between prevention and emergency response, between stability and displacement, between dignity and despair.”

Lawmakers clarified that the current situation is not due to a lack of legislative appropriation. The funding in question has already been approved by the Legislature.

Senator Kurt Vialet expressed frustration over the delay. “The Senate goes ahead and appropriates monies for various non-profits that are doing good work in the community, and then a lot of time the non-profits will not receive the monies until the 11th or 12th month in the fiscal year,” he said.

He pledged to “have the discussion with the OMB director to make sure that those monies are released.”

“All of these entities, they provide good work for the government, and we got to make sure that we are able to provide the funding,” Senator Vialet continued. “They used to receive federal funds. Some of the federal funds are being reduced,” he added.

Committee chair Senator Marvin Blyden echoed the concern. “They fill a gap, and their role is critical in terms of assuring that we can help our people in whatever way,” he said.

“It's important that OMB recognize and realize the importance of assuring that they get the funding on time, because once they don't, it affects everything in between. It's like a chain reaction,” Senator Blyden warned.