



# News Release

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**For Immediate Release  
October 13, 2011**

## Coarc Faces Funding Reductions

**Mellenville, NY:** Coarc received news of a \$900,000 cut in federal and state Medicaid funding effective July 1, 2011, more than could be met by cost-cutting measures initiated earlier this year. Combined with previous years' cuts, funding reductions have exceeded \$1.5 million dollars. In their September 19<sup>th</sup> meeting, the Coarc Board of Directors approved management's recommendation to further absorb the funding cuts by staffing reductions. Four employees are retiring and their positions will not be replaced. Three staffed positions will be eliminated and one vacant position eliminated. These are all administrative and support positions.

"This painful decision does not affect our direct care staffing for Coarc programs and services for individuals experiencing disabilities," stated Coarc Executive Director Ken Stall. "Reducing administrative and support positions is the result of outside economic regulations and does not in any way reflect on the high quality performances of these employees."

"Our human resources department will make every effort to match the three employees who are not retiring from Coarc with direct care position openings or assist them with employment placements elsewhere in the community. Severance packages include two to six weeks of pay based on years of employment, payment of all paid-time-off accruals and three months of fully paid health and dental insurance," stated Stall.

In addition, Coarc Executive Management staff will be absorbing a 2% salary reduction effective January 1, 2012 to help offset the funding cuts. This reduction follows other expense reduction actions taken earlier this year, such as dropping employees' paid life insurance, cancelling one paid holiday, reducing supply purchases and consolidating Coarc's Chatham day program with its day programs in Valatie and Mellenville. But the funding cuts were just too deep, making the staff positions reduction necessary to further cut Coarc expenses to balance its 2012 budget.

Coarc is a Columbia County, NY, nonprofit organization serving 500 individuals. Its mission is to expand abilities, one person at a time, so individuals experiencing disabilities can achieve their individual goals. Coarc provides vocational and employment services, residential and supportive community services, day activity programs, service coordination, legal and family support services, children's services, community habilitation, respite services, recreation opportunities, traumatic brain injury services and contract manufacturing. Coarc is supported through state and federal funding, and by members, donors and foundations. It is a chapter of NYSARC, Inc. More information is available at [www.coarc.org](http://www.coarc.org) or 518-672-4451.

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