

Testimony Regarding

Bill No.1396

An Act Concerning The State Purchase of Service Contracts For Health and Human Services

Public Hearing March 13, 2007

Note:

State Funded Early Care and Education Developmental Centers (SFC) were established by the legislature in 1967 under the Department of Social Services (DSS). State Funded Centers (SFCs) have been servicing low-moderate income families for over 35 years and are mandated to provide 80% of a child's daily nutrition needs. SFCs have helped many families avoid welfare. SFCs are all over the State.

Why Bill1396 is vital to State Funded Early Care and Education Developmental Centers?

Here is an example, using The Children's Center of New Milford.

Changes for families:

A loss of consistency of care - Funds could possibly be allocated away from The Children's Center. Families would have to move their children to wherever they can obtain the DSS sliding-fee-scale which may or may not be at The Children's Center or in New Milford.

A loss of trust - Parents and SFCs staff establish a relationship and partnership with one another. At The Children's Center, some families have their children start at 3 months and stay until their children are age 8. These trusting and mutual relationships will be lost.

A loss of quality of care - All SFCs must be NAEYC accredited. If centers lose fiscal stability, teacher wages will suffer and turnover will occur. Meeting many of the new NAEYC criteria will, then, become extremely difficult.

A loss of being part of the Town's Social Services - Presently the Center is on the New Milford Social Service Group for the Town. The Town's social service agencies collaborate to better serve families in need. The Children's Center is an integral part of these collaborations.

A loss of breakfast and lunch and an afternoon snack - The Center is reimbursed by the Federal Food Program for the meals we serve. The Center is the only early childhood program in New Milford who is on the Federal Food Program.

Changes for Funding:

A loss of funding from the Town of New Milford - For 35 years, the Town of New Milford has contracted with DSS for an early childhood/childcare program. The Town then passes the funds to The Children's Center. Because of this relationship, each year the Town allocates funds to The Center. Last year, the Town gave the Center \$83,500. If Bill 1396 is not passed, this supportive relationship will jeopardized.

A loss of funding from private donors - Presently the Board of Directors holds an annual benefit which is a major fund raiser for The Center. Many New Milford residents attend because the Center has established itself as a worthy cause. Additionally, several banks underwrite the benefit so The Center can raise more money. The Center also has several philanthropic donors who give to The Center annually. If Bill 1396 is not passed, ALL the above-mentioned philanthropic funds will be in jeopardy.

A loss of financial stability - Clearly with a loss of fund raising dollars and a loss of Town dollars, the Center will lose its financial stability. A loss of financial stability will mean a loss of wages and health insurance for teachers which will, in turn, lead to staff turnover, thereby negatively impacting staff longevity which will cause inconsistency for children and a loss of quality. These changes will jeopardize the mandated NAEYC accreditation.

Some additional background:

In 1993, Public Act 93-336 - "An act implementing the recommendations of the legislative program review and investigations committee concerning personal service agreements" was passed requiring that future contracts be based on a competitive negotiation process.

For over a decade, human service agencies serving clients that were ongoing and routine (for example, the DSS State Funded Early Care and Education Development Centers) were not considered a "personal service agreement" and, as such, not required to submit an annual RFP for their program funding, as the legislation suggested for other personal service agreements.

Despite no change in the language of the statute, a new *interpretation* of the definition of "personal service contractor" has been adopted and all human service contracts are being required to enter into an annual bidding process. As such, each time the "personal service contracts" go out to bid statewide, contractors for these services may change. Programs that have previously relied on a consistent grant may lose funding.

Please pass Bill 1396

I thank you in advance for your time and consideration.

Sincerely,

Mary E. Burnham
Director, The Children's Center of New Milford