



**Testimony Before the
Appropriations and Human Services Committees**

***Social Services and Community Services
Block Grant Allocation Plans***

Michael P. Starkowski
Commissioner
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Good morning Senators Harp and Harris, Representatives Merrill and Villano and members of the committees. My name is Michael Starkowski and I am the Commissioner of the Department of Social Services (DSS). Thank you for this opportunity to review the Governor's allocation plans for the Social Services Block Grant (SSBG) and the Community Services Block Grant (CSBG).

Social Services Block Grant

The FFY 2009 SSBG Allocation Plan provides funding for services in 12 of 29 federally defined service categories, including substance abuse prevention, counseling, home care, case management, family planning, legal services, and protective services.

For FFY 2008, the SSBG was funded at a national level of \$1.7 billion. Connecticut's available SSBG dollars included the final block grant award of \$19,789,436 and \$1,778,325 in carry over funds. The total available from SSBG was \$21,567,761.

I would like to bring to your attention that attached to this testimony are technical corrections made on pages 8 and 9 of the plan that reflect the most current information available regarding our estimated expenditures for FFY 2008. An additional \$127,075 in direct service dollars was expended before the close of the fiscal year and has been reflected on these pages. Also on page 16 in the section labeled 'Special Services for Persons with Developmental or Physical Disabilities or Persons with Visual or Auditory Impairments', the new name of Department of Developmental Services is inserted instead of the previous department name of Mental Retardation.

In terms of funding for the FFY 2009 SSBG Allocation Plan, we are in the same situation as last year. Since Congress has not yet approved an SSBG allocation, HHS has directed us to submit our allocation plan based upon the President's proposed SSBG funding level of \$1.2 billion, which is the same level proposed for FFY 2008. The FFY 2009 SSBG Allocation Plan before you is based upon a funding level of \$14,856,438 which includes an estimated federal allocation of \$13,969,014 and carry over funds in the amount of \$887,424.

The amount of total funding is approximately 31% lower than our funding for FFY 2008. This includes an anticipated 1% downward adjustment reflecting changes in Connecticut's population (as occurred in FFY 2008). As a result, the proposed plan reduces allocations, including the allocations to other state agencies, proportionately by 31%.

It is anticipated that Congress will restore the SSBG funding level to the \$1.7 billion level similar to prior years. We will not be sure of this until the federal budget is voted on and passed by both houses. (Our final 2008 SSBG allocation was not known until January of this year.) We remain hopeful that Congress will provide level funding for this important block grant. In the event that these dollars are restored, our SSBG allocation plan includes contingency language on page 6 to adjust allocations in proportion to amounts shown in the plan should additional funds become

available.

The 2009 allocation plan also contains language on page 6 concerning the method of allocation of SSBG funds. DSS is collaborating with the Office of Policy and Management in the development of a multi-year state plan for the competitive procurement of human services contracts. To the extent the multi-year plan affects services provided under SSBG, the requirements of this plan will be implemented consistent with the provisions of P.A. 07-195.

The SSBG plan also includes \$26,678,810 that will be transferred from the Temporary Assistance for Needy Families Block Grant (TANF). The transfer of TANF funds to the SSBG is reflected in the department's budget as approved by the General Assembly. These funds must be appropriated to grantees that operate programs providing services to children and their families. The bulk of these funds provide services for child care, children's residential services, emergency shelters and the human services infrastructure. A list of the specific programs, amounts transferred from TANF for those programs and the appropriate SSBG service category are included in the plan on page 5.

Community Services Block Grant

Unlike the SSBG, we have prepared this year's allocation plan assuming level funding in the amount of \$7,843,496 as we await House and Senate action and the report of conferees. The President has again this year recommended the elimination of CSBG funding.

CSBG is the core funding source for the state's community action network. Community Action Agencies (CAAs) help low income people to become self sufficient. The community action network improves living conditions and helps people have a stake in their community. Working in partnership with other service providers, businesses, the faith-based and the advocacy community, CAAs strengthen families and their environments, which help poor people to lead more secure lives.

CSBG funds support a wide range of services and activities having a measurable impact on the causes of poverty in areas of the community where poverty is a particularly acute problem. Funds can be used for:

- addressing the needs of youth in low-income communities
- securing and retaining meaningful employment
- attaining an adequate education
- making better use of available income

- obtaining and maintaining adequate housing and a suitable living environment
- administrative and support costs that are not covered by other funds.

This year's plan allocates 90% of the 2009 federal block grant to the state's 12 CAAs and the Connecticut Association for Community Action (CAFCA). States are allowed, per federal CSBG regulations, to use up to 5% of the annual CSBG award to cover administrative costs (which typically includes salaries, fringes and overhead as well as other expenses supporting the state's administrative, oversight and monitoring role), with another 5% for discretionary purposes, to include training and technical assistance and other innovative programming. This department anticipates using discretionary funds for the following:

- Approximately \$123,500 of this year's discretionary funds will be included in the contract with CAFCA, which provides training and technical services. The Department works closely with CAFCA to address identified concerns within the community action network, and has been a key partner in the development of the Northeast Institute for Quality Community Action (NIQCA), a resource developed by CAA representatives and public officials (state CSBG offices) in MA, CT and RI to strengthen Community Action Agencies by establishing "best practice" management standards and assessing strengths and weaknesses through a process of agency self-assessment and peer review. Through our contract with CAFCA, we have worked very closely with NIQCA to address concerns around board governance and financial responsibilities of CAAs.
- Data Bridge Project (funding to help CAAs bridge their multiple software systems to a data warehouse which allows agencies to reduce repetitive data entry, and also allows the state to better aggregate data across the community action network);
- Youth programs in Hartford to help reduce violence;
- Housing assistance in the form of short-term subsidies to help reduce homelessness;
- Assistance with transportation costs for low-income workers;
- Assistance to help provide a buffer for the rising costs of food for low-income families.

At DSS we continue to work closely with the CAAs to blend the federal CSBG and state Human Services Infrastructure (HSI) funding to maximize CAA resources in these challenging fiscal times. This unique partnership represents a real commitment to improve Connecticut's human service delivery system and ensure a more consistent experience for providers and clients. The framework of this system is a "one-stop" model of human service delivery called HSI, a system that enables the Community Action Agencies to work as a single services network, and to report on the outcomes of services and document the progress of low-income people towards self-

sufficiency.

The CAAs use CSBG funds to leverage additional resources and develop innovative approaches to building the assets of low-income people and their communities. In 2007, the 12 Community Action Agencies reported leveraging a total of more than \$197 million in additional federal, state, local and private funds.

This year's plan continues to address contingencies if level funding is not received. Any increases most likely would be proportionately shared across the CAA network, but in the event of any significant cuts to funding, some restructuring, consolidation and sharing of resources would have to occur.

Thank you again and I would be happy to answer any questions you may have.

**TABLE A
SOCIAL SERVICES BLOCK GRANT**

SUMMARY OF BUDGETS AND FEDERAL APPROPRIATIONS

PROGRAM CATEGORY	FFY 2007 EXPENDITURES	FFY 2008 ESTIMATED EXPENDITURES	FFY 2009 PROPOSED BUDGET
Case Management Services	2,261,697	2,206,354	1,464,691
Counseling Services	468,142	435,175	299,761
Day Care-Children	22,412		
Family Planning Services	1,058,325	1,058,325	729,002
Home-Based Services	5,386,149	5,585,594	4,451,181
Independent & Transitional Living Services	4,327,804	4,720,180	3,251,382
Information & Referral Services	35,844	40,706	28,039
Legal Services	853,137	836,766	576,386
Other Services	159,370	128,265	88,352
Protective Services for Adults	588,353	511,081	414,755
Special Services for Persons with Dev. or Physical Disabilities or Persons with Visual or Auditory Impairments	3,150,614	3,113,954	2,144,972
Substance Abuse Services	1,641,943	1,641,943	1,131,013
Transportation Services	474,870	401,994	276,904
TOTAL BUDGETED	20,428,660	20,680,337	14,856,438
SOURCE OF FUNDS			
BLOCK GRANT	20,020,231	19,789,436	13,969,014
CARRYOVER FROM PRIOR YEAR	2,186,754	1,778,325	887,424
TOTAL FUNDS AVAILABLE	22,206,985	21,567,761	14,856,438

**TABLE B
SOCIAL SERVICES BLOCK GRANT: PROGRAM EXPENDITURES**

Category of Expenditures	FFY 2007 Expenditures	FFY 2008 Estimated Expenditures	FFY 2009 Proposed Expenditures
Personal Services(Incl. Fringe)			
DSS	-	-	-
Other State Agencies	54,497	65,371	45,029
Other Expenses			
Equipment			
Contracts			
Grants			
Local and Private Agencies	9,231,778	9,385,348	6,409,767
Other State Agencies	5,821,284	5,666,888	4,002,027
Direct Services	5,321,101	5,562,730	4,399,615
TOTAL EXPENDITURES	20,428,660	20,680,337	14,856,438
Sources of FFY 2007 Allocation			
FFY 2006 Carry Over	2,186,754		
FFY 2007 Block Grant	20,020,231		
Sources of FFY 2008 Allocation			
FFY 2007 Carry Over		1,778,325	
FFY 2008 Block Grant		19,789,436	
Sources of FFY 2009 Allocation			
FFY 2008 Carry Over			887,424
FFY 2009 Block Grant			13,969,014
	-	-	

Program Category	FFY 2008 Planned Budget	FFY 2008 Adjusted Budget	FFY 2009 Proposed Budget
Other Services			
Department of Social Services	44,846	62,894	43,323
Other State Agencies	46,612	65,371	45,029
TOTAL	91,458	128,265	88,352
Protective Services for Adults			
Commission on Deaf & Hearing Impaired	165,784	232,504	160,155
Dept. of Social Services	191,888	269,114	185,373
Protection & Advocacy - Disabled	71,660	100,500	69,227
TOTAL	429,332	602,118	414,755
Special Services for Persons with Dev. or Physical Disabilities or Persons with Visual or Auditory Impairments			
Department of Developmental Disabilities	2,220,360	3,113,954	2,144,972
TOTAL	2,220,360	3,113,954	2,144,972
Substance Abuse Services			
Dept. of Mental Health & Addiction	1,170,764	1,641,943	1,131,013
TOTAL	1,170,764	1,641,943	1,131,013
Transportation			
Dept. of Social Services	286,636	401,994	276,904
TOTAL	286,636	401,994	276,904
GRAND TOTAL	15,378,583	21,567,761	14,856,438