



Connecticut Community Action Partnerships that work. Results that matter.

Connecticut Association for Community Action, Inc.
555 Windsor Street, Hartford, CT 06120
860-560-5845 - www.cafca.org

Good Morning, Senator Coleman, Representative Feltman and ladies and gentlemen of the Planning and Development Committee. My name is James H. Gatling and I am the President/CEO of New Opportunities Inc., the community action agency for Waterbury, Torrington, Meriden and the surrounding 24 towns for core CSBG and energy services and the Chair of the Connecticut Association of Community Action [CAFCA] the state association representing Connecticut's 12 community action agencies.

I am here today in opposition of HB 5799, An Act Concerning the Oversight of Community Action Agencies.

There are thousands of private non-profit organizations that have contractual relationships with the State of CT. They all have Board of Directors with different and various membership configurations. By State and Federal design, Community Action Agencies Board of Directors are uniquely configured because we have equal representation from all sectors of the community – Public, Private and Low-Income. This is something that is unique to Community Action Agencies. This tri-partite representation allows for Board diversity as well as feedback on the needs of the community, how well the programs are operating, and if the programs are meeting the needs of the low income. Community Action Agencies have saved the State of CT millions of dollars over our 44-year history, as well as leverage millions of dollars.

The proposed legislation related to the board composition would be very cumbersome to the operations of the community action agencies in the following ways:

If each of the municipalities that New Opportunities Inc. serves were required to have membership on the Board of Directors, and we were to meet our federal tri-partite requirements, New Opportunities Inc. would have a Board of Directors with 81 members. Most of the Community Action Agencies would have the same problem. Can you

imagine how hard it would be to get a quorum in order to do business? All of the oversight that is identified in this legislation is a part of our contracts with the State of Connecticut. We provide programmatic and fiscal reports to the State Agencies, and provide the same information to our Board of Directors. I can share with you that my Board reviews every budget and program that we apply for regardless of dollar amount, as well as all of the grants and contracts that we enter into. They receive outcome performance information for each grant.

Annually Community Action Agencies provide their agency wide audit to the Department of Social Services and other State Agencies. We provide an annual Community Action Plan to the Department of Social Services, that speaks to our service area needs, gaps in services and our plans for addressing them. We participate in monitoring visits too many to count, that look at achievements of customer outcomes, fiscal viability of the program and agency, human resources, and governance. We participate in State Licensing and their renewals. We participate in Peer Reviews. Accountability for contract compliance is a practice we live with each day.

The legislation as proposed makes us more of an arm of the State, rather than a private, non-profit corporation. Right now if we do anything wrong, or if we make a mistake in any part of the program, the cost is disallowed and we have to repay the State it's money. Money we have to raise. With this proposal, who has the liability? Why is this proposal just for Community Action Agencies, and not for all private non-profit organizations that do business with the State?

It is important to note, that all Community Action Agencies receive funding from various foundations, and local, State and Federal government. Audit requirements vary by revenue source. Our annual audits, and their pricing take into consideration the diverse spectrum of auditing requirements. These audits include both fiscal and program compliance testing as prescribed by OPM and OMB Circular A-133.

There has never been enough State dollars to administer the Energy Assistance Program. We have counted heavily on the towns volunteering to help us with this program.

Prior to 1991 the State of Connecticut operated the portion of Energy Assistance for welfare recipients. The State gave itself an error rate. The Community Action Agencies began to operate the entire energy assistance program during 1991, without an error rate, and saved the State millions of dollars in administrative costs.

Proposed Bill 5799 Section 2 proposes a time frame for approving applications for energy assistance. Current State Regulations for approval call for an application to be approved within 45 days. If a client comes into a New Opportunities Inc. Energy Office, and completes their application, with all documentation, then eligibility can be determined immediately. At point of intake, all clients are given a Statement, describing their rights. If the Energy Assistance Program remains seasonal, and a 10-day period is allowed for determining eligibility, then additional administrative dollars will be necessary.

The Energy Assistance reporting that is being requested, is already being generated. I have attached copies of these reports with my testimony. During the heating season, program and fiscal reports on Energy Assistance are provided to my Board of Directors at their meetings.

Raised Bill 5799 is unnecessary because the proposed governance structure is cumbersome, and will render the Community Action Agency Board of Directors ineffective. Plus the proposed governance structure is in conflict with State and Federal statutory governance requirements. Community Action Agencies would be happy to process energy assistance applications in 10 days, if adequate financial resources were made available. The requested reports on energy assistance application activity are already available.

Thank you for your time and consideration. I would be happy to address any questions that you might have.

Energy Assistance Applications As Of 3/5/08
Breakdown by NOI Service Area

<u>City/Town</u>	<u>Applications Processed</u>
Waterbury	9,096
Torrington	1,306
East Hartland	8
Southbury	140
Naugatuck	242
Cheshire	165
Norfolk	11
Oakville/Watertown	106
Winsted	328
Barkhamsted	13
Harwinton	47
Bethlehem	18
Morris/Bantam	34
Colebrook	10
Prospect	75
Wolcott	163
New Hartford	41
Woodbury	90
Thomaston	215
Middlebury	70
Litchfield	98
Meriden	3,703
Wallingford	268
Berlin	87
Southington	477
Total:	16,811

APPLICATION DATA - March 3, 2008

ABCD	BCO	CACD	CRT	TEAM	HRA	CAA	NEON	TVCCA	CTE	NO	ACCESS	Total
Applications Taken												
7,938	2,019	2,646	21,863	3,095	3,098	8,244	1,699	5,601	1,558	16,587	5,955	80,303
Applications Approved												
3,925	994	1,478	12,261	1,573	1,359	4,826	1,002	3,030	547	10,761	3,437	45,193
SAFA Eligible	550	212	282	1,450	157	533	102	489	66	1,437	498	6,081
CHAP Eligible	<u>1,322</u>	<u>429</u>	<u>548</u>	<u>3,989</u>	<u>361</u>	<u>1,075</u>	<u>337</u>	<u>1,121</u>	<u>168</u>	<u>2,617</u>	<u>1,232</u>	<u>13,715</u>
Total Eligible	5,797	1,635	2,308	17,700	2,394	6,434	1,441	4,640	781	14,815	5,167	64,989
Applications Denied												
325	89	81	498	116	93	236	77	182	44	387	213	2,341
Over-Income	91	5	8	291	22	57	14	5	26	155	17	700
Rent Less Than 30%	27	9	2	46	4	15	5	35	9	35	8	203
Incomplete (Non-Income)	<u>1,209</u>	<u>269</u>	<u>180</u>	<u>2,685</u>	<u>527</u>	<u>1,450</u>	<u>9</u>	<u>329</u>	<u>220</u>	<u>593</u>	<u>347</u>	<u>8,457</u>
Total Denied	1,652	372	271	3,520	656	1,758	105	551	299	1,170	585	11,701
Applications Pending												
489	12	67	643	45	459	52	153	410	478	602	203	3,613
Crisis Assistance												
1,011	477	636	4,068	514	351	1,966	182	1,448	79	3,983	1,678	16,391
CEAP	235	116	156	707	63	271	38	307	12	736	294	3,078
SAFA	<u>472</u>	<u>298</u>	<u>303</u>	<u>1,912</u>	<u>124</u>	<u>530</u>	<u>109</u>	<u>815</u>	<u>19</u>	<u>1,179</u>	<u>902</u>	<u>6,931</u>
CHAP	1,718	891	1,095	6,687	925	2,767	329	2,568	110	5,898	2,874	26,400
Total Crisis Assistance												
Safety Net Assistance												
797	246	449	3,238	322	262	1,564	118	1,204	72	3,183	1,068	12,524
CEAP Hlds.	180	77	109	563	118	227	33	241	13	634	208	2,454
SAFA Hlds.	<u>977</u>	<u>323</u>	<u>558</u>	<u>3,801</u>	<u>440</u>	<u>1,791</u>	<u>150</u>	<u>1,445</u>	<u>86</u>	<u>3,817</u>	<u>1,276</u>	<u>14,978</u>