# Testimony before the Appropriations and Human Services Committees on the Community Services Block Grant Allocation Plan through the American Recovery and Reinvestment Act

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**Community Services Block Grant**

Good morning. I am Claudette Beaulieu, the deputy commissioner at the Department of Social Services (DSS). I am here to present the Governor's recommended Community Services Block Grant (CSBG) allocation plan for the new funding available through the American Recovery and Reinvestment Act (ARRA), and to ask for your swift approval. The U.S. Department of Health and Human Services (HHS) is distributing the new funding to eligible entities that assist Americans to become or remain self-sufficient in hard economic times.

- Connecticut has received its allocation of $12,060,854
- These are temporary funds that must be obligated by September 30, 2010, and liquidated no later than December 29, 2010
- Unspent funds have to be returned to HHS

DSS received its instructions for the CSBG-ARRA plan template on April 27th and the plan is due to HHS by May 29th. This will require quick action on our plan so we can submit it by May 29th and get contracts in place so the money can begin to be spent.

The CSBG is the core funding source for Connecticut's community action network. The network helps low income individuals and families to become self-sufficient, improves living conditions, gives people a stake in the community and works as a catalyst to bring other service providers, business, faith-based organizations and advocacy groups into the mix to ensure strong, secure and useful lives.

The CSBG also has a measurable impact on the causes of poverty and finds way to undercut social, environmental and economic

barriers that keep people from attaining a level of security and comfort in society.

It does this through activities and services that –

- address the needs of youth in low income communities
- help people find and retain meaningful employment
- support those seeking an adequate education
- make better use of available income
- assist individuals in obtaining and maintaining adequate housing and a suitable living environment

Funds may also be used for administrative and support costs that are not covered by other sources. This flexibility allows the retention of staff who deliver the services to those in need.

Another significant aspect of the CSBG is its connection to state dollars to establish and operate the Human Services Infrastructure (HSI) that maximizes resources and approaches people in a holistic manner through a "one-stop" model of human service delivery. The HSI also allows DSS to report outcomes of services, document the progress of low income individuals and families towards self-sufficiency, and meet the national CSBG goals of –

- low income people become more self-sufficient
- the conditions in which low income people live are improved
- low income people become stakeholders in their community
- effective partnerships among supporters and providers of the community action network are achieved
- agencies' capacity to achieve results is expanded; and

- low income people, especially the most vulnerable populations, are strengthened so that their potential can be realized.

The Community Action Agencies (CAAs) use CSBG funds to leverage additional resources and to develop innovative approaches to building assets for low income communities.

**CSBG and ARRA**

Under the ARRA, organizations receiving CSBG funding must use these resources to help get our economy back on track by reducing poverty, revitalizing low income communities and assisting low income families to live on their own resources.

DSS has directed the CAAs to concentrate efforts on services and activities that address six eligible categories that will combat the underlying causes of poverty, with the greatest emphasis on employment –

- employment
- income management
- housing assistance
- emergencies
- nutrition
- health care

The federal government is encouraging states to emphasize activities that create jobs, support employment and sustain economic growth. As such, we expect the CAAs to direct at least half of their allocated funds to activities related to employment and

projects that create sustainable economic resources in the community. The CAAs will –

- provide a wide range of innovative employment-related services and activities tailored to the specific needs of their communities
- use funds in a manner that meets short- and long-term economic and employment needs of individuals, families and communities, and
- make meaningful and measurable progress toward the goals of the ARRA with special attention to creating and sustaining economic growth and employment opportunities.

DSS staff met recently with planners from the CAAs to jointly brainstorm ideas to best utilize the ARRA dollars and to ask them to submit initial plans to us by Tuesday of this week. We have a few examples from that meeting to share with you –

- employment services: use funding for venture capital projects to create jobs and maintain sustainability; look to partnership with the Department of Labor, Workforce Incentive Boards and other job training entities to create "green" jobs; expand vocational skills training such as culinary certification, home health care.
- income maintenance: expand programs that teach people to manage money such as Volunteer Income Tax Assistance (VITA), Money Matters, Individual Development Accounts (IDA); provide foreclosure counseling to help people move towards affordable housing; partner with a university to conduct research on best practices for alleviating poverty
- housing assistance: create a complementary parallel program to the Eviction and Foreclosure Prevention Program (EFPP) that has more expansive guidelines, including eligibility for

the unemployed; leverage dollars for homeless prevention where possible

- emergency services: provide temporary housing for newly arrived families without shelter; prevent shut-offs of utilities whenever possible; establish a food pantry for emergency use only
- nutrition services: develop an after school program for educational tutoring and culinary skills; link with nutritionists in the Elderly Nutrition Program (ENP) to expand services; establish an "open choice" food program
- health services: expand transportation to clinics, medical offices; develop and publish a brochure of available neighborhood/regional health services
- other: hire a community capacity builder to identify new partners, strengthen existing coalitions and create a community response to economic recovery; develop a comprehensive single parents program to include financial literacy, skill development for early childhood education and behavior modification; continue to build the human service infrastructure by hiring and training new case managers to handle increased caseloads, and rent or renovate current building space to accommodate the influx of people in need.

## Distribution of Funding

Connecticut's share of the national CSBG-ARRA allocation is $12,060,854. The ARRA mandates that states pass through no less than 99% of CSBG funds to eligible entities. DSS is required to reserve 1% of the allocation for "benefits enrollment coordination" activities, i.e. outreach to identify eligible individuals and families for federal, state and local benefit programs. The eligible entities are the twelve CAAs in Connecticut and one Limited Purpose

Agency (LPA) which, in Connecticut is the Connecticut Association for Community Action (CAFCA).

The 99% for the CAAs equals $11,940,245, leaving 1% to DSS for the benefits outreach. At present, CAAs receive a base amount of CSBG funds equal to half of their 1996 allocation. The remaining funds are then allocated to CAAs based on their proportional share of the state's population in their region at or below 125% of the federal poverty level (FLP). DSS is choosing the option in the ARRA to use 200% of the FPL and the 2000 census to allocate the ARRA funds. These funds are available through September 29, 2010.

**Proposed Allocation to Eligible Entities**

| Eligible Entities | FFY 2009 Proposed Allocations |
|---|---|
| **Action for Bridgeport Community Development, Inc. (ABCD)** | $ 1,294,349 |
| **ACCESS Agency, Inc. (ACCESS)** | 765,963 |
| **Bristol Community Organization, Inc. (BCO)** | 336,372 |
| **Community Action Committee of Danbury, Inc. (CACD)** | 507,448 |
| **Community Action Agency of New Haven, Inc. (CAANH)** | 1,538,789 |
| **Community Renewal Team, Inc. (CRT)** | 2,923,814 |
| **CTE, Inc.** | 604,188 |
| **Human Resource Agency of New Britain, Inc. (HRANB)** | 462,936 |
| **Norwalk Economic Opportunity Now, Inc. (NEON)** | 357,651 |
| **New Opportunities, Inc. (NOW)** | 1,604,847 |
| **Training, Education and Manpower, Inc. (TEAM)** | 392,033 |
| **Thames Valley Council for Community Action, Inc. (TVCCA)** | 805,588 |
| **Connecticut Association for Community Action, Inc. (CAFCA)** | 346,267 |
| **TOTAL – Formula Allocations** | **$ 11,940,245** |

## Oversight

The federal stimulus bill has significant reporting, tracking and oversight requirements. DSS must ensure that all stimulus funds are clearly distinguishable from non-stimulus dollars.

The department is developing new contracts to distribute the ARRA funds and identify reporting requirements. Reporting and tracking mechanisms as defined by HHS will ensure the appropriate use of CSBG funding. Additional requirements under ARRA include –

- total amount of recovery funds received
- amount of funds expended and obligated
- detailed lists of programs with name, description, evaluation, job creation, retention numbers, purpose, cost and rationale
- infrastructure investments made by state and local government

DSS will fulfill these requirements by establishing a separate account, with proper codes and special identification numbers for ARRA funds.

We believe that the additional ARRA dollars will strengthen the economic situation in our state through the partnership of the CAAs with the Department of Social Services. We believe the entire state will benefit from these dollars, leading to job creation, more self-sufficient lives and stronger family life in our communities.