



*Testimony before the Appropriations and Human Services Committees
Roderick L. Bremby Commissioner
September 3, 2014*

Good morning, Senators Bye and Slossberg, Representatives Walker and Abercrombie, and members of the Human Services and Appropriations Committees. My name is Roderick L. Bremby and I am the Commissioner at the Department of Social Services (DSS). I am here before you to seek your approval of the Governor's allocation plan for the Social Services Block Grant (SSBG) program and the Community Services Block Grant (CSBG) program.

Social Services Block Grant

The FFY 2015 SSBG allocation plan provides funding for services in 15 of 29 federally defined service categories. Examples of such services are as follows: case management, counseling, family planning services, home-based services, day care services for children, day care services for adults, housing services, independent and transitional living services, information and referral, legal services, protective services for adults, substance abuse, residential treatment, transportation, and other services.

For FFY 2014, the SSBG was funded at a national level of \$1.6 billion. Connecticut's available SSBG dollars included a block grant award of \$17,942,764. The FFY 2015 allocation plan estimates that SSBG funding for Connecticut will be level funded at this amount. In addition, it is estimated that \$854,280 in carryforward funds will be available for FFY 2015, mostly from the Home-Based Services category. Any additional carryforward will assist with reducing or minimizing the impact of future sequestration cuts or funding reductions.

We would like to note that, in recent years, federal SSBG funding has been declining. For example, in FFY 2005, CT received \$20,249,208. When you compare Connecticut's FFY 2005 funding level to the expected funding in the FFY 2015 plan, you will note that federal funding for Connecticut has been reduced by approximately 11.4%.

As many of you know, federal funding levels are rarely settled prior to the beginning of the federal fiscal year. In fact, the final FFY 2014 SSBG allocation was not known until April 2014. In the event that the anticipated dollars are more or less than our SSBG allocation plan, allocations will be adjusted proportionately. For example, if the SSBG allocation is impacted by sequestration, each funding stream will receive the identified sequestration %.

The SSBG plan also includes \$26,678,810 that will be transferred from the Temporary Assistance for Needy Families (TANF) Block Grant. 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, housing services, independent and transitional living, 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 8.

The department also allocates SSBG and TANF funds for the above-referenced services to other state agencies, such as Department of Mental Health and Addiction Services (DMHAS), Department of Children and Families (DCF), Department of Rehabilitation Services (DORS), Department of Housing (DOH), State Department on Aging (SDA), Department of Labor (DOL), Office of Early Childhood (OEC), and the Office of Protection and Advocacy (OPA). SSBG funds are utilized by other state agencies for various social services programs.

We would like to note that on page 20 of the allocation plan, Under "Independent & Transitional Living Services", the Department of Social Services was inadvertently listed as the agency that we propose receive \$6,500,745 from the FFY 2015 SSBG. The Department of Housing, which administers the Independent and Transitional Living Services programs, is the agency that should receive this allocation. We would like to respectfully request that the allocation plan be amended to include this correction.

Community Services Block Grant

Although the federal budget has not been finalized, we anticipate that CSBG will be funded at the FFY 2014 level. As a result, we have prepared this year's allocation plan based on level funding in the amount on \$8,005,572, and an estimated \$1,220,655 in carryforward from the previous year. For FFY 2014, the CSBG was funded at a national level of \$657.4 million. In the event that anticipated funding is either increased or reduced, federal law specifies the proportion of funds allocated to Community Action Agencies (CAAs), discretionary programs, and administration. Should significant federal funding reductions occur, the department, with input from the Connecticut Association for Community Action (CAFCA) and the CAAs, will develop a process to determine priorities for allocating the reductions. If additional funds become available, they will be carried forward into FFY 2016 in order to ensure ongoing programmatic coverage and mitigate any future federal reductions in FFY 2016.

CSBG is the core funding source for the state's CAA network. The CAAs help low-income people to become self-sufficient, improve living conditions, and help 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 low-income people lead more secure lives.

The plan allocates 90% of the 2015 federal block grant to the state's CAAs and CAFCA. States are allowed, per federal CSBG regulations, to use up to 5% of the annual CSBG award to cover administrative costs (to include salaries, fringes and overhead, as well as other expenses supporting the state's administrative, oversight and monitoring role), with another 5% for discretionary purposes. DSS will follow CSBG guidelines and use 5% for administrative costs and 5% for discretionary purposes. DSS may use discretionary funds for training, technical assistance, compliance monitoring, and special initiatives to strengthen the CAA network. The use of the administration funds will support the funding of three staff who will be dedicated solely to the CSBG program to ensure that CSBG contractor monitoring and federal requirements are being followed as directed by U.S. Department of Health and Human Services (HHS).

Over the past few years, a few CAAs have experienced challenges to the overall system of service delivery. DSS, with the addition of staff, will be able to address HHS' Office of Community Services' revised expectations around monitoring CAAs, particularly regarding new performance measures and CAA organizational standards, which are expected to be issued during FFY 2015. This expansion of staff, along with the partnership with CAFCA and other CAA technical assistance resources, will make the state uniquely equipped to support and assist all of the state's CAAs. Many CT CAAs are recognized for their best practice activities, and DSS would like to capitalize on this momentum that will ultimately benefit Connecticut's citizens. For example, in FFY 2013, for every \$1 of CSBG, the CT CAA network leveraged \$10.26 from state, local and private sources, including the value of volunteer hours.

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 CAAs 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.

Thank you and we respectfully request that you act favorably on the FFY 15 CSBG allocation plan, and the FFY 15 SSBG allocation plan, with the amendment we described previously. My staff and I are available should you have any questions.

Technical Corrections to SSBG Plan

Errata

Pg. 17: Client count for Independent/Transitional Living Services for DOH revised to 16,142 adults and children.

Pg. 18: DDS number of clients served for FY'13 should be zero as they received no SSBG funding.

Pg. 20: Independent & Transitional Living Services should be labeled DOH not DSS in the amount of \$6,500,745.