



**February 27, 2014 Public Hearing Testimony before the
Connecticut General Assembly Appropriations Committee**

Governor's Budget Bill

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members of the Appropriations Committee, my name is James Gatling and I am the President/CEO of New Opportunities, Inc. and the Chair of the Connecticut Association for Community Action (CAFCA), the state association for Connecticut's 10 Community Action Agencies. **I am here to voice our strong opposition to the elimination of the Human Services Infrastructure (HSI) Community Action Program line from the Department of Social Services budget.**

As you know, Connecticut's Community Action Network provides basic services such as food, shelter, heating assistance, and child care to the state's low and moderate income communities. We provide these services utilizing a multigenerational, customer-focused, integrated service delivery system called the Human Services Infrastructure (HSI). **The elimination of the HSI funds, the "core" funding for Community Action Agencies (CAAs), will severely impact our ability to help Connecticut's families when they need us most.**

Eliminating **\$3.4 million** of HSI funds will actually mean a **direct cut of almost \$5 million** in services to low-income families, since these funds are used as a match for federal funds. Additionally, last year, **for every dollar of HSI funds, almost \$100 dollars was leveraged** for programs to help Connecticut families and communities. **Surely that's an investment worth keeping.**

Connecticut's **Community Action Agencies provide a wide variety of services in all of our 169 cities and towns.** We provide cost-efficient and cost-effective services across all state agencies, and the **HSI funds are critical for us to continue to provide a 'no door is a wrong door' human service delivery system in our local communities.** Last year, as we indicated in our annual report for Congress, CT CAAs **served over 365,000** clients in a variety of services. Through referrals, direct services, and comprehensive case-management, families gained access to services that helped them move towards self-sufficiency.

Although it has been over six years since the economic recession hit, our CAAs continue to see an increase in the demand for services in communities across the state. Of the **365,000** customers we served in the last annual reporting period, **69,000 were in the 55 + age range** with an additional **5,540 more seniors than in the previous year.** Of the **29,200 who have a 2 to 4 year college degree, an additional 3,300 customers** came to us during the year with those credentials. These statistics go to show that we are seeing people who have never asked for assistance before and who are still feeling the impact of the Great Recession. As a matter of fact, we are continuing to lose our middle class and more individuals and families are struggling every day just to survive.

We are able to help them using these critical HSI funds. Below is a partial list of the impact of HSI funding on the lives of your constituents:

- Over **141,000 households** avoided crisis with energy assistance,
- Over **\$70 million** was distributed to energy vendors through the Connecticut Energy Assistance Program, including to many Mom and Pop oil dealers in your communities,
- Over **\$11.7 million** in federal income tax refunds were returned to your communities through our free tax preparation assistance,
- More than **6,100** people obtained and/or maintained safe and affordable housing,
- Emergency rental/mortgage payments were made to prevent homelessness for more than **3,100** individuals,
- Over **50,000** barriers to employment were removed, reduced, or eliminated through job training, childcare and other employment support services, and
- Over **16,800** seniors maintained independent living through support services including home meal delivery, home health or homemaker services.

These are just a few examples of the type of information you will see throughout our Results Based Accountability (RBA) report (attached). These numbers truly demonstrate the deep impact CAAs have on low-income residents trying to make ends meet throughout Connecticut.

It is important to note that our network's success in providing antipoverty programs and services to low-income residents is paralleled by our reporting transparency and accountability. Connecticut's CAAs employ an RBA framework called Results-Oriented Management and Accountability, or ROMA. By using ROMA, we are able to efficiently and effectively measure customer, agency and community outcomes for the purposes of reporting to stakeholders and pursuing continuous improvement in our administration, coordination, and service delivery. Our agencies also undergo vigorous state monitoring and undertake the Quality Community Action Assessment developed and administered by the Northeast Institute for Quality Community Action (NIQCA) to ensure high standards in governance and management.

In summary, I would like to personally thank you for understanding the importance of supporting the work our state's Community Action Agencies do each and every day for Connecticut's families. As a network we are deeply committed to empowering people and building communities, and these efforts have never been more necessary than now. **In this, the richest state in the country with the largest income inequality gap, eliminating HSI funding will deliver a severe punch in the gut to our most vulnerable residents – your constituents - and to the communities in which they live! Please restore the HSI CAP funding.**

Again, thank you for your time and consideration. I am happy to take any questions you may have.

Community Action Human Services Infrastructure

Results That Matter





Human Services Infrastructure (HSI)

- Community Action Agencies (CAAs) have received critical state funding since the early 80's. The funding was changed from the HRD line in the budget to the Human Services Infrastructure (HSI) line item in 2006.
- HSI is our network's holistic, customer focused, integrated service delivery system with a "No wrong door" approach: Through referrals, direct service, and comprehensive case-management, individuals and families gain access to services that help them move towards self-sufficiency.



CT COMMUNITY ACTION: AGGREGATE RESULTS THAT MATTER

How much did we do?

- At least 365,827 people statewide benefited from CAA services last year.
- 50,000 barriers to initial or continuous employment were removed, reduced or eliminated.

How well did we do it?

- Volunteers donated **over 461,018 hours** to the state's CAAs to help reduce poverty.
- Over **\$11.7 million was returned** to our state's economy with volunteer tax preparation assistance in 2013.
- CAAs engaged over 1,300 low-income people to participate in formal community organizations, government, boards or councils that provide input to decision making and policy setting.

Is anyone better off?

- More than 7,300 people went to work.
- Over 5,600 pre-school aged children are better prepared to start school.
- Over 1,500 youth did better in school – socially, emotionally, athletically and academically.
- Over 6,100 people live in safe and affordable housing.
- Over 39,400 people received needed food from our food pantries.
- Over 37,500 senior citizens maintain an active, independent life style.



EMPLOYMENT & TRAINING

How much did we do?

- **50,000 barriers to employment** were removed, reduced or eliminated.
- 7,346 people obtained employment or self-employment.
- **15,000 people learned skills and competencies** required for employment.
- 676 youth obtained job skills.

How well did we do it?

- Over 5,200 people increased their earned income and/or benefits from the previous year.

Is anyone better off?

- Over 7,300 adults moved closer to self-sufficiency by going to work.
- Children emerging from poverty will likely earn, on average, 39% more than the median income.¹

¹ The Cost of Doing Nothing: The Economic Impact of Recession-Induced Child Poverty" First Focus. December, 2008



FINANCIAL LITERACY & ASSET DEVELOPMENT

How much did we do?

- 304 people opened savings accounts and **accumulated \$46,758 in savings.**
- 11 people purchased homes, 14 people funded education and 4 capitalized small businesses and 10 purchased other assets such as vehicles through IDA Programs.
- Over 6,900 tax returns were filed free of charge.
- Over 2,400 people learned how to better manage their income.
- 2,477 people operated within an established budget for at least 90 days.

How well did we do it?

- For every dollar of funding invested in 2013 Volunteer Income Tax Assistance Programs, **\$92 was returned to the community.**
- Volunteers donated over 10,400 hours saving over \$1 million in tax preparation fees.

Is anyone better off?

- Families with assets are better able to weather economic storms.
- **In 2013 over \$11.7 million was returned to our state's economy with volunteer tax preparation assistance.**
- Nationwide, nearly 85% of IDA savers, purchasing homes with conventional fixed rate mortgages, fared well during the subprime mortgage crisis due to financial education & homeownership counseling. ²



EARLY CHILDHOOD PROGRAMS

How much did we do?

- Over 5,600 children participated in preschool activities that develop school readiness skills.
- 8,900 children obtained immunizations, medical and dental care.

How well did we do it?

- 8,956 children participated in preschool activities and demonstrated improvement in school readiness skills.
- *In 2013, research noted that **every dollar invested in early childhood programs returns 7%-10%, per child, per year, for the life of the child through productivity and costs.***³

Is anyone better off?

- Over 5,600 children are better prepared to start and succeed in school.
- Almost 9,000 are healthier because they received medical and/or dental care.
- Children in well-functioning homes are less likely to get into trouble in school, get involved with crime, have difficulty learning, or need other supportive services, all of which cost taxpayers.
- These programs lead to:
 - increased worker productivity
 - increased wages for parents
 - lower long term costs for law enforcement, welfare, health care and special education, etc.

³ <http://thehill.com/blogs/congress-blog/education/279397-to-grow-the-economy-invest-in-early-childhood-education>.



HOUSING & SHELTER

How much did we do?

- Over **6,100 people obtained/or maintained safe and affordable housing.**
- More than 2,300 people received emergency shelter.
- Emergency rental/mortgage payments prevented 3,163 individuals from becoming homeless.
- **Nearly 5,700 households improved home safety through lead removal and other services.**

How well did we do it?

- Over 3,100 households avoided eviction through mediation.
- Over 5,600 housing units in the community were preserved or improved through weatherization or rehabilitation achieved by Community Action activity or advocacy.

Is anyone better off?

- Families who live in safer, more stable housing can better manage their daily lives and their children's nutrition, health, developmental and academic performance.



ENERGY ASSISTANCE & WEATHERIZATION

How much did we do?

- Over 141,600 households avoided crises with energy assistance.
- Over 5,600 homes were weatherized, decreasing energy cost and use.
- Over 37,300 people demonstrated increased knowledge of energy conservation.

How well did we do it?

- For every dollar invested, \$2.97 was saved over the lifetime of the measure.⁴

Is anyone better off?

- Low-income people avoided utility crises, resolved vendor disputes, improved environmental safety and learned how to save money through energy conservation measures.

⁴ Energy Efficiency, Investing in CT's Future, CT Energy Conservation Management Board Report to the Legislature, March 2007.



SENIOR SUPPORT SERVICES

How much did we do?

- Over **37,500 seniors remained active in their communities by participating in community programs.**
- Over 16,800 seniors maintained independent living through support services including home meal delivery, home health or homemaker services.
- 4,787 seniors citizens avoided institutionalization through support services.

How well did we do it?

- Over **4,700 senior citizens avoided institutionalization, saving about \$598 million in nursing home costs in 2013.**⁵

Is anyone better off?

- Over 37,500 senior citizens maintain an active, independent life-style.

⁵ Based on the National average per diem nursing home rate of \$249, per The Metlife Market Survey of Nursing Home, Assisted Living, Adult Day Services and Home Care Costs, 2012 survey, www.metlife.com



YOUTH DEVELOPMENT & AFTER SCHOOL PROGRAMS

How much did we do?

- 676 youth obtained job skills.
- 1,140 youth improved social/emotional development.
- 463 youth avoided at-risk behavior for at least 3 months.
- 396 youth reduced involvement with the criminal justice system.
- Over 1,500 youth increased their academic, athletic or social skills through participating in after-school programs.
- 485 fathers participated in classes and activities to strengthen their parenting skills.

How well did we do it?

- ***For every dollar invested in early childhood and youth development, an average of \$16 in benefits is returned to the economy.***
- 933 children at-risk of DCF placement remained with family because of improved family functioning.

Is anyone better off?

- Kids gained a stronger foundation for an economic self-sufficient life.
- Kids did better in school – socially, emotionally, athletically and academically.
- Families stayed together and functioned better.



NUTRITION SERVICES

How much did we do?

- Over **87,200 people received emergency or supplemental food from our food pantries.**
- Over 12,000 seniors participated in congregate meal programs or receive home-delivered meals.
- Over 9,100 children and youth benefited from congregate meals.
- 10,714 people received emergency vouchers for food, formula and/or diapers.

How well did we do it?

- An investment of \$10 per person per year in proven community-based programs to increase physical activity, improved nutrition and prevent smoking and other tobacco use could save the country more than \$16 billion annually within 5 years. **CT's ROI is 6.6 to every dollar spent.⁷**

Is anyone better off?

- People of all ages stayed healthier by eating more nutritious meals.
- Pregnant women had healthier pregnancies and healthier babies.

7 Phisic Ventures, LLC, Trust for America's Health: "Investment in Disease Prevention Could Save America More Than \$16 Billion in Five Years" July 17, 2008



HEALTH & COUNSELING SERVICES

How much did we do?

- Over 6,700 people obtained access to needed health care.
- Over 2,900 youth improved physical health and development.
- 463 youth learned how to avoid at-risk behavior.
- Over 396 youth reduced involvement with the criminal justice system.

How well did we do it?

- 2,613 participants improved their family functioning and/or behavior because of counseling.
- 4,434 parents/caregivers improved family functioning as a result of classes or supportive services.

Is anyone better off?

- Thousands of low-income people state-wide lived healthier lives because of the access to health care that they received.
- Children in well-functioning homes are less likely to get into trouble in school, get involved in crime, have difficulty or need other supportive services. Our programs help strengthen families, keep communities safe and save tax payers money.



CT CAAs LEVERAGE RESULTS THAT MATTER

How much did we do?

- CT CAAs brought **over \$167 million** of federal funding into CT to fight the causes and effects of poverty in 2013.
- In 2013, our network reported 1,733 partnerships:
 - 1,260 partnerships to improve and coordinate service.
 - 844 partnerships to improve community planning.
 - 441 partnerships to achieve improved outcomes.
- Over 461,000 volunteer hours were donated to CT CAA's in 2013.

How well did we do it?

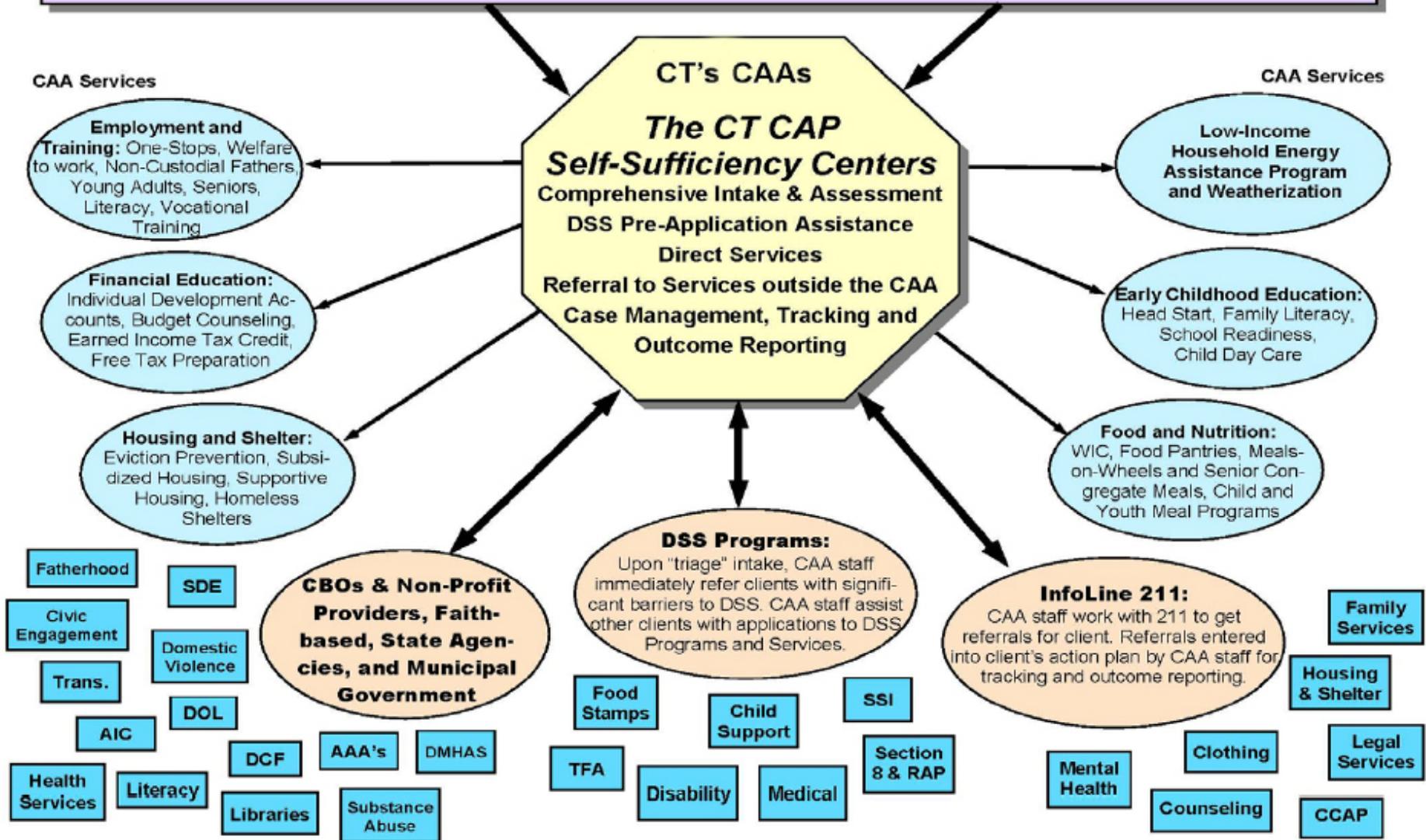
- CT CAAs leverage funding sources & community volunteers to fight poverty efficiently.
- ***For every \$1 of CSBG, the CT CAA Network leveraged \$10.27 from state, local, and private resources, including the value of volunteer hours.***
- Using HSI funds, CAA's form a statewide network to provide a one-stop center of service delivery. Low income residents connect to the network efficiently and easily.
- CAA organizations are lean and efficient because of leveraged funding, partnerships that share resources, dedicated staff, and community volunteers.

Is anyone better off?

- Over 365,000 low-income CT residents from 146,021 families are working towards improved self-sufficiency.
- All CT residents benefit from taxpayer dollars that are efficiently and well spent.

Connecticut Human Services Infrastructure

Low-Income Individuals and Families Walk-ins and Referrals from DSS, InfoLine 211, and others



Connecticut's Community Action Agencies

- Action for Bridgeport Community Development, Inc. (ABCD) www.abcd.org
- Access Community Action Agency (Access) www.accessagency.org
- Bristol Community Organization, Inc. (BCO) www.bcoct.org
- Community Action Agency of New Haven, Inc. (CAANH) www.caanh.net
- Community Action Agency of Western Connecticut, Inc. (CAAWC) www.caawc.org
- Community Renewal Team, Inc. (CRT) www.crtct.org
- Human Resources Agency of New Britain, Inc. (HRA) www.hranbct.org
- New Opportunities, Inc. (NOI) www.newoppinc.org
- TEAM, Inc. (TEAM) www.teaminc.org
- Thames Valley Council for Community Action, Inc. (TVCCA) www.tvcca.org