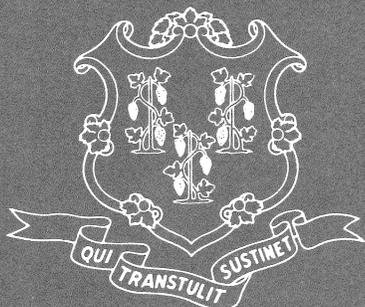


# Department of Human Resources

Connecticut

General Assembly



LEGISLATIVE  
PROGRAM REVIEW  
AND  
INVESTIGATIONS  
COMMITTEE

Management Audit  
December 1985

CONNECTICUT GENERAL ASSEMBLY

LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE

The Legislative Program Review and Investigations Committee is a joint, bipartisan, statutory committee of the Connecticut General Assembly. It was established in 1972 as the Legislative Program Review Committee to evaluate the efficiency and effectiveness of selected state programs and to recommend improvements where indicated. In 1975 the General Assembly expanded the committee's function to include investigations and changed its name to the Legislative Program Review and Investigations Committee. During the 1977 session, the committee's mandate was again expanded by the Executive Reorganization Act to include "Sunset" performance reviews of nearly 100 agencies, boards, and commissions, commencing on January 1, 1979. Review of the original schedule of sunset entities was completed in 1984. Review of the list will begin again in 1988.

The committee is composed of 12 members. The president pro tempore of the senate, the senate minority leader, the speaker of the house, and the house minority leader each appoint three of those members.

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THE DEPARTMENT OF HUMAN RESOURCES:

A PERFORMANCE AUDIT

LEGISLATIVE PROGRAM REVIEW AND

INVESTIGATIONS COMMITTEE

DECEMBER 1985



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LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE

The Department of Human Resources: A Management Audit

SUMMARY

In February 1985, the Legislative Program Review and Investigations Committee began a management audit of the Department of Human Resources (DHR) focusing on internal operations in the department. The committee looked at the effectiveness of management systems, including agency planning and internal communication. As part of the committee's evaluation, the organizational structure of the department was examined, top managers were interviewed, surveys were sent to a number of employees throughout the agency, representatives of other state agencies were contacted, and a public hearing was held.

The findings and recommendations of the program review committee address the need for clearer definition of responsibilities and better communication. The specific recommendations, with references to the pages where they are discussed in the full report, are listed below.

The Department of Human Resources was created in 1979, following a major reorganization of all executive branch agencies. It was given responsibility for providing support services to recipients of financial assistance from the state, administering the state's Title XX program, awarding grants in the child day care area, and coordinating certain state planning functions.

The programs funded or operated by DHR cover a wide range of services. Grants are distributed for child day care, fuel assistance, legal assistance, employment training, child nutrition, shelters, food distribution, and other community services. The department is also involved in programs providing protective services for the elderly and licensing family day care homes.

The department is headed by a commissioner and two deputies. Most of the agency staff is assigned to one of five bureaus--program planning and development, financial management, grants, field operations, and child support. Separate sections are responsible for data processing, personnel, and audits.

As of June 30, 1985, DHR had 586 full-time employees. Nearly 200 worked in the central office, while 383 were assigned to the 6 district offices. In terms of organizational hierarchy, 19 percent, or 111 employees, could be classified as functioning as midlevel supervisors or upper level managers.

The DHR budget for state FY 86 is \$97.8 million. Federal funds comprise nearly two-thirds of the budget; the remainder comes from

the state General Fund. Eighty percent of the budget is distributed in the form of grants. During FY 85, the department distributed 151 grants totaling \$77.2 million; 576 programs were funded.

The program review committee identified nine areas where it believed changes needed to be made in the operation or responsibilities of DHR. Of primary concern to the committee was the lack of any long-range planning by the department and the existence of only limited annual planning activities. The committee cited this failure of DHR as a major operational deficiency, and said an integrated planning process is critical to sound management practices.

The availability of data, particularly in the area of grants management, was another concern of the committee. The need for more quantitative data for monitoring and planning purposes was noted.

Several findings of the committee were closely related and affected by the availability of information in the department. Concerning lines of authority, the committee found that DHR lacked a clear definition of management staff roles and responsibilities. As a result, the chain of command in some departmental units was not always clear, the use and distribution of managerial and supervisory staff in the department was uneven, and there was confusion about which directives from the commissioner's office had priority.

In the area of general communication, the committee found that information about the operation of the agency was not uniformly shared with all managers. In addition, knowledge of the organizational structure of the department varied among managers as well as their understanding of several agency activities. Employees throughout the agency differed in their perception of the agency's mission.

Staff morale within DHR was a concern that surfaced as a result of comments on the program review committee's survey of agency employees as well as general conversations with staff. While some problems with working conditions were improved by the department's recent move into a new central office location, some district offices still need improvement. The impression of some employees that favoritism in promotions exists needs further attention.

The committee also reviewed the department's budgeting process. The major issue in this area was the lack of a process for either estimating future uses or projecting the availability of state and federal funding. The committee also commented on the absence of a written description of the budget process.

The condition of agency records in several units of the department was disturbing to the program review committee. Information was misfiled or unavailable in both the personnel and monitoring/evaluation areas. Greater attention needs to be given to establishing proper recordkeeping systems.

In the area of oversight, the committee identified the need for clearer criteria. While DHR currently performs a variety of monitoring functions to oversee the grants it distributes during the funding periods of the particular grants, information on the effectiveness of individual programs is extremely limited. Efforts to ensure that all grants are audited upon completion has not been totally successful. Problems with documentation and deadlines have occurred.

The final area addressed by the program review committee was the coordination responsibilities of DHR. Under C.G.S. Sec. 4-60i(a), the department is mandated to perform several coordination functions for other agencies involved in the human service area. The committee found that DHR has never taken any steps to carry out this responsibility.

### RECOMMENDATIONS

1. The Department of Human Resources should develop short- and long-range plans that identify specific tasks to be undertaken to ensure that the agency's mission will be carried out. Particular attention should be given to the impact of federal budget cuts on Connecticut's ability to provide social services to its needy citizens. The plans should also address future staffing and resource requirements of the agency.

The Planning Division should be strengthened and integrated into the management process for purposes of policy development, budgeting, program monitoring, and agency decision-making. (p. 19)

2. In conjunction with agency planning activities, the Department of Human Resources should compile basic quantitative data descriptive of the grant operations of the agency. In addition, the names of the people in the grantee organizations responsible for administering the programs should be identified. (p. 20)
3. The commissioner of human resources should determine the specific responsibilities and authority of all executive and managerial staff. Those decisions should be made clear to all managers by publication of a table of organization and a specific operations and procedures manual. (p. 22)
4. The Department of Human Resources should make the mission statement of the agency available in all departmental offices. In addition, the statement should be included in the employee handbook distributed to all new employees.

The department should also establish specific lines of communication that ensure top managers in the agency receive and disseminate information in a timely manner. All units in the department should be given information directly related to their

- areas of responsibility as soon as it is available (for example, employees should receive policy bulletins prior to their effective date). (p. 26)
5. The Department of Human Resources should carry out its hiring in an open manner. The use of temporary and provisional appointments should be used for emergencies only. (p. 28)
  6. The Department of Human Resources should continue recent efforts it has made in the central office to provide a work environment that is conducive to high productivity and morale. Additional efforts should also be made on behalf of the workers in the district offices to obtain adequate space and equipment. (p. 29)
  7. The Department of Human Resources should develop an ongoing long-range process for forecasting budgetary needs and evaluating alternative uses of funds. The agency should prepare clear written procedures for the preparation of the annual budget. (p. 31)
  8. The Department of Human Resources should establish policies, procedures, and employee training methods to insure that adequate, useable data and records are gathered and maintained. (p. 32)
  9. The Department of Human Resources should establish specific performance criteria for use in awarding both new and renewal grant awards. In conjunction with the department's long-range planning efforts, target populations and service needs should be identified for priority funding. (p. 36)
  10. Resolution of the issues causing the backlog of unaudited grants should be a priority of the Department of Human Resources during the coming year. In conjunction with setting up procedures to close the books on these grants, the department should address the issue of when and which unaudited funds should be listed as accounts receivables. (p. 38)
  11. Amend the state statutes to require the Department of Human Resources to adopt regulations for the purpose of enforcing compliance with audit requirements in C.G.S. Sec. 7-396a. Hearings shall be held on all grants unaudited 12 months after their termination. The department shall have the authority to order an audit. If a grantee fails to comply with such an order, the department shall be authorized to petition the Superior Court for enforcement of the order. The court may grant such relief as it deems equitable. (p. 38)
  12. The responsibility enumerated in C.G.S. Sec. 4-60i(a) of the Connecticut General Statutes should be deleted from the statutes. (p. 39)

## INTRODUCTION

In February 1985, the Legislative Program Review and Investigations Committee began this management audit of the Department of Human Resources (DHR). The review focused on the internal operations of the department. In particular, the committee was interested in the way policies were formulated, implemented, and evaluated; the department's financial and personnel procedures; and the agency's compliance with legislative mandates.

The committee recommendations are aimed at the adoption of more effective management systems by the department. Finding the agency's planning almost nonexistent, the program review committee proposes a number of changes in that area. Other recommendations address the need for a clearer definition of manager's responsibilities, better communication among managers as well as throughout the agency, and greater attention to the outcomes of programs funded by the department.

### Methodology

A variety of sources were used by the program review committee to obtain the information needed to evaluate the management practices of the department. Committee staff interviewed all top managers in the agency, including the commissioner and his two deputies; attended regularly scheduled executive staff meetings; reviewed agency records; examined monthly reports generated by the department; and interviewed representatives of other state agencies that interact with DHR, including the Departments of Aging, Children and Youth Services, Health Services, and Income Maintenance, as well as the Office of Policy and Management. In July 1985, the committee held a public hearing at which the commissioner of the department testified.

Department staff was surveyed with two separate instruments. The first, an education and experience questionnaire, was sent to 75 employees, including all managerial staff participating in the management incentive plan program. Also sampled were social work, homemaker, and investigations supervisors in the six agency district offices. Each person was asked to provide information on his or her education, managerial training, supervisory experience, previous state service, and employment with human service agencies.

Seventy-two surveys were returned. The information obtained from them was used to develop data on the characteristics of DHR managers. Information from a selected number of the responses was also compared with the education and experience information on

file at the Department of Human Resources to determine consistency. A sample number of forms was also selected for direct verification of the information with the schools and employers listed.

The second instrument was a 53-question survey sent to 176 (30 percent) of the department's employees. Thirty-eight top DHR managers at the bureau director and division chief level received surveys as well as a random sample of 25 percent of all other subordinate employees. A total of 152 questionnaires was returned for a response rate of 86 percent. On individual questions, the number of respondents ranged from 138 to 151.

The survey dealt with the decision-making process and the flow of information within DHR, employees' perceptions of their work groups and supervisors, and the responsiveness of the agency to the work environment. The survey also asked about the individual's official contact with six specific state agencies (Aging, Children and Youth Services, Education, Health Services, Income Maintenance, and the Office of Policy and Management), and knowledge of DHR's mission. Respondents were also given an opportunity to add verbatim comments about any aspect of the operation of the agency.

#### Format

The first chapter of the report provides background information on the department, and the second presents the program review committee's findings and recommendations. Comments by the department on the report are included in Appendix 3.

## CHAPTER I

### BACKGROUND INFORMATION

The Department of Human Resources provides a variety of social services to Connecticut residents who are disadvantaged economically, socially, or environmentally. The mission of the department is to help these individuals achieve self-support and self-sufficiency through a broad range of programs funded or operated by the agency.

The department came into existence January 1, 1979, following a major reorganization of all executive branch agencies during the 1977 legislative session (Public Act 77-614). The department was given responsibility for: providing support services to recipients of financial assistance from the state; administering the state's Title XX Social Services program; awarding grants to certain child day care centers; and coordinating the planning functions and resource utilization programs of six other state agencies.

Previously these functions had been performed within several different state agencies, primarily the Departments of Community Affairs and Social Services, both of which were abolished under the reorganization plan. The Department of Social Services had existed under various names since the 1870s, administering financial aid and social service programs to state residents. In 1979, the financial assistance functions were transferred to the newly created Department of Income Maintenance, and the other functions were assigned to the Department of Human Resources.

The Department of Community Affairs was established in 1967 to improve the conditions and quality of urban life. It was responsible for providing technical and financial assistance to municipalities and for coordinating various governmental resources. In 1977, its Bureau of Human Resources Development, which provided more than \$4 million to local agencies for community services, was placed within the new Department of Human Resources.

#### Powers and Duties

Programs operated or funded by the Department of Human Resources provide a wide range of services. By statute, the department can distribute grants, provide direct services, and coordinate the planning functions of a half-dozen other state agencies.

Some of the authorizations for these activities are broad in scope. For example, under C.G.S. Sec. 17-31b, the commissioner of human resources has certain general powers concerning the collection and dissemination of information; the preparation of plans; the management, encouragement, and maintenance of research and studies relating to human resource development; and the provision of technical and financial assistance.

Other sections of the statutes specifically direct the department to provide for particular programs. For example, C.G.S. Sec. 17-31k mandates a shelter services program for victims of household abuse. Likewise, C.G.S. Secs. 17-31m and 17-31n require the development and implementation of pilot programs for personal assistance and parent deinstitutionalization subsidy aid.

Table I-1 summarizes the major programs and functions of the department, which are grouped into six categories. A large variety of grants are identified, including those that go directly to clients or make payments for services on behalf of clients, and those that go to organizations providing services to clients. In addition, statutory interagency coordination responsibilities are detailed, programs under which DHR itself provides a service are listed, and several programs in the protective services area are identified. Finally, the department's internal and management support functions are noted. (For a more detailed description of specific programs, the clients who are served, and the levels of funding, see Appendix 1.)

The wide range of programs funded by or provided through the Department of Human Resources serves a diverse group of state residents. In terms of the number of clients served, there are programs like Parent Deinstitutionalization Subsidy Aid assisting 15 families and the Hispanic Program serving 220 people. There are also programs like community services and neighborhood facilities that fund nearly 140 agencies serving 215,000 clients. An information service, Info-Line, handles 105,000 callers annually, while the Child Support Enforcement Program is following 77,000 active cases.

### Organizational Structure

The Department of Human Resources is managed by a commissioner and two deputy commissioners--one for administration and one for programs. The basic organizational structure of the department includes the Office of the Commissioner and four formal bureaus--program planning and development, financial management, grants, and field operations. Each bureau is headed by a director and has several divisions within it.

Table I-1. Activities of the Department of Human Resources.

CATEGORY	STATUTORY MANDATE (C.G.S. Section)	PROGRAM OR FUNCTION
Provision of Grants	8-210b	● Child Day Care Purchase of Service
	8-206b	● Fuel Assistance
	17-31m	● Personal Care Assistance
	17-31b & 8-222(d)	● Refugee Program
	17-31n	● Parent Subsidy Aid
	17-485	● Work Incentive Program (WIN)
		● Food Distribution
	8-210(b)	● Day Care Grant Program
	17-31h	● Day Care Extension Grant
		● Community Shelter Services:
	17-31k	Household Abuse
	17-31v	Homeless Individuals
	16a-41	● Weatherization Program
	17-31o	● Legal Services
	8-210	● Neighborhood Facilities
17-31h	● Supplemental Staff Enhancement Program	
17-31f	● Child Nutrition Program	
17-477(b)	● Opportunities Industrialization Centers	
8-221 & 8-222	● Hispanic Program	
8-221a & 8-222	● Human Resource Development Programs	
17-460	● Community Action Agencies and Community Services Block Grant	
Provision of Services	17-31a	● In-home Care Services
	17-31m	● Personal Care Assistance Pilot Program for Persons with Severe Handicaps
Protective Services	46a-19	● Protective Services for Elderly
	17-31q	● License Family Day Care Homes
	17-31i	● Child Support Enforcement Unit
Interagency Coordination	4-60i	● Develop Uniform Mgt. Info
	4-60i	● Develop Uniform Statistical Info
	4-60i	● Eliminate Duplication
	4-60i	● Coordinate Planning Functions and Resource Utilization Programs of DHR and Five Other Agencies
	17-31h	● DHR Lead Agency for Negotiated Investment Strategy
Agency Administration (Internal)	8-223	● Research Activities
	8-222(b) & 8-222(e)	● Audit Grant Programs
	8-222(b) & 8-222(e)	● Monitor Assistance Programs
	Agency-Wide	● Make Regulations
Management Support Services	General Ongoing Duties (4-8)	● Fiscal Management
		● Checks/Payroll
		● Data Processing
		● Personnel
		● Affirmative Action

There are also four other sections within the agency that report directly to the commissioner, and three more units report to the deputy commissioner for administration. A chart showing the functional structure of the department in effect during the program review committee's study is presented in Figure I-1.

The Office of the Commissioner sets the direction of the agency in terms of goals and priorities. Staff attached to this office is responsible for working with and responding to the governor's office, the Office of Policy and Management, and the legislature, as well as for providing public information.

The Child Support Unit is responsible for locating absent parents, establishing paternity and support obligations, and enforcing those obligations. It reports directly to the commissioner and is headed by the equivalent of a bureau director. Also reporting directly to the commissioner is the Audits Division. It performs fiscal audits of grant programs after the completion of the grant period, handles accounts payable and receivable functions, and hears audit appeals.

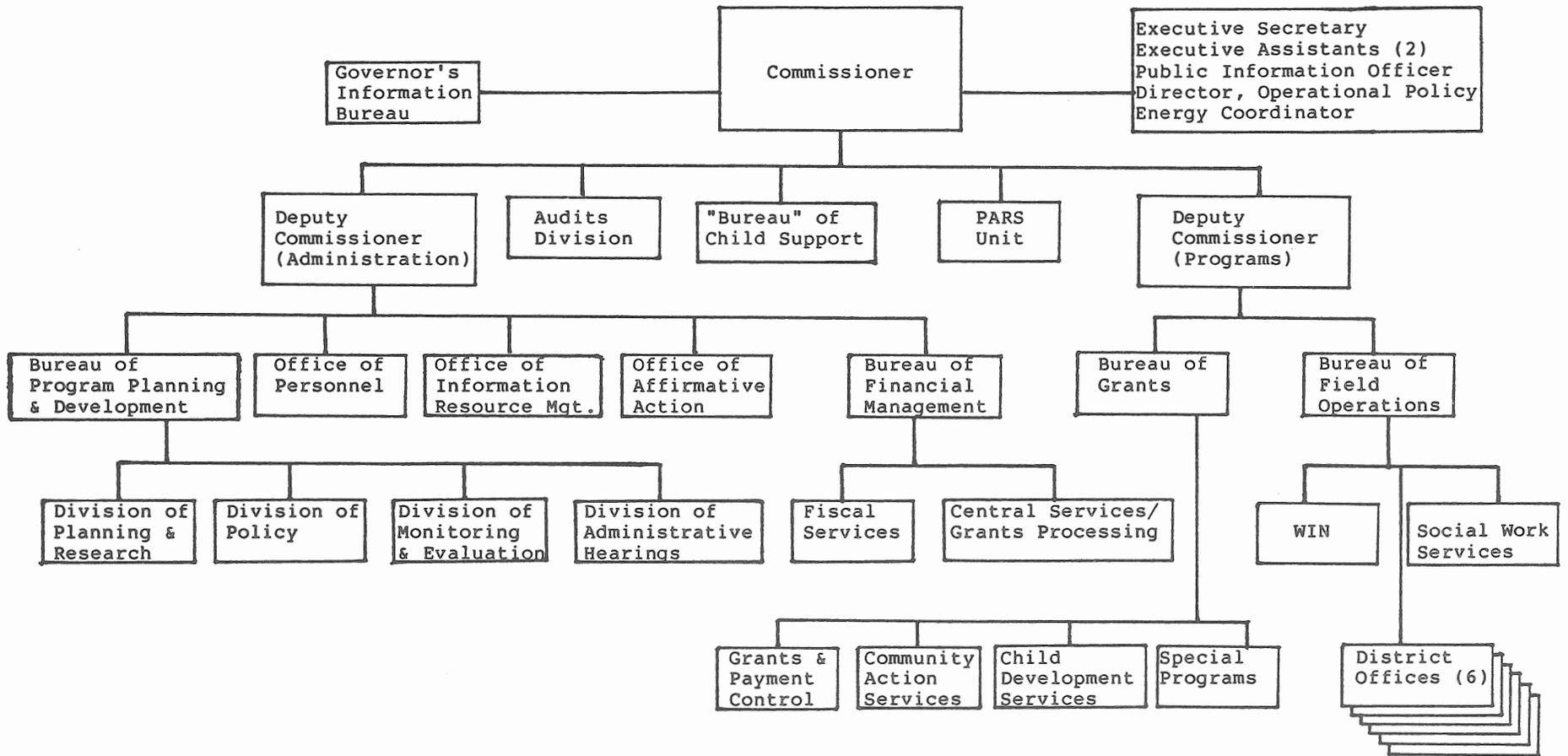
Since the fall of 1984, the agency has had its own internal quality control unit, the Program Administration Review System (PARS). This unit reviews departmental programs for the purpose of supporting and improving management practices, and reports directly to the commissioner.

The final unit organizationally linked to the commissioner is the Governor's Information Bureau. Under the agency for administrative purposes only, the bureau answers questions, resolves problems, and handles complaints. It is a four-person unit, physically located apart from the rest of the department.

The first of the two bureaus under the deputy commissioner for administration is the Bureau of Program Planning and Development. It is divided into four divisions: planning and research; policy; monitoring and evaluation; and administrative hearings.

The Planning and Research Division is responsible for performing statistical analyses and long- and short-term planning, staffing the human services advisory councils, and coordinating conferences. The Policy Division handles the development of regulations and policy bulletins as well as agency procedures and forms. The Monitoring and Evaluation Division is responsible for monitoring ongoing grant programs to ensure grantees are in compliance with their contracts.

Figure I-1. Department of Human Resources--Functional Organizational Structure (July 1985).



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The Administrative Hearings Division conducts administrative hearings in the areas of essential services, family day care homes, purchase of day care, and energy assistance. The staff in this unit is responsible for hearing appeals from existing or potential recipients of DHR-funded services who have been denied entry into a program or had their benefits reduced.

The Bureau of Financial Management, the second bureau under the deputy for administration, is divided into two major components: fiscal services and central services/grants processing. The Fiscal Services Division performs a variety of general accounting and disbursement functions for the department. Staff from this unit also assists in the preparation of the agency's budget. The Central Services Unit handles mail and courier services. The Grants Processing Unit verifies information provided by grantees prior to the issuance of checks by the Fiscal Services Unit.

As mentioned above, three other units report to the deputy for administration. The Office of Information Resource Management provides data processing services for the department. The Personnel Office processes all paperwork involved in hiring, promotions, and terminations as well as time and attendance records for the central office and the six district offices. Finally, the affirmative action officer, who is organizationally separate from personnel, observes agency interviewing activities, performs contract reviews, and meets with individual employees to answer questions or provide advice.

The Bureau of Grants reports to the deputy commissioner for programs. It is responsible for oversight of all grants distributed by the agency for the entire period of a contract, generally 12 to 24 months. The bureau oversees the development, approval, and ongoing management of: community action services grants, including Human Resource Development Grants; Social Services and Community Services Block Grants; fuel assistance and weatherization grants; and child development services grants, in areas such as nutrition and day care.

The Bureau of Field Operations, also under the deputy for programs, oversees the Work Incentive Program (WIN) and social work services. It processes applications for a variety of programs and provides some direct services to clients through the six district offices and eight suboffices.

### Staffing

The department was authorized to fill 628 positions during state FY 85. As of June 30, 1985, the department had 588 full-time staff, divided between its central and district offices. Table I-2 provides a breakdown of staff by organizational location.

Table I-2. Staffing Levels and Personnel Costs by Unit Within the Department of Human Resources--January 1985.

<u>Unit</u>	<u>No. Staff</u>	<u>Estimated Personnel Costs(1)</u>
<u>Central Office</u>		
Commissioner's Office	15	\$456,706
Child Support Unit	15	316,109
Audits Division	17	447,520
Governor's Info Bureau	3	53,461
Personnel Office	8	217,113
Bureau of Program Planning & Development	4	108,149
Planning and Research	11	287,501
Policy	7	179,477
Monitoring and Evaluation	17	401,482
Administrative Hearings	5	135,344
Office of Information Resource Management	9	230,571
Bureau of Financial Management	2	70,225
Fiscal/Purchasing Services	11	245,619
Central Services/Grants Processing	5	94,564
Bureau of Grants	3	103,600
Grant and Payment Control	7	166,082
HRD/SSBG/CSBG Unit(2)	11	251,039
Fuel Assist./Weatherization	19	371,493
Child Nutrition	6	127,549
Child Day Care	12	253,181
Special Programs	8	209,587
Bureau of Field Operation	2	64,466
WIN/Day Care	3	64,474
Social Work Services	3	90,271
<u>District Offices</u>		
1. Hartford	107	2,026,187
2. New Haven	71	1,368,583
3. Bridgeport	75	1,475,745
4. Norwich	43	846,106
6. Waterbury	39	784,432
7. Middletown	48	957,929
AGENCY TOTAL	586	\$12,404,565

1. These annual costs are based on average salaries for all filled positions in the department.

2. HRD = Human Resource Development; SSBG = Social Services Block Grant; CSBG = Community Services Block Grant

Depending on the nature of a particular assignment, staff from the central office may spend most of their time working in that office or they may work out in the field, visiting grantees or district offices. Within each district, staff are assigned to specific functions such as grants, day care, or social work services; some of the employees may be assigned to suboffices. A district office manager is responsible for the day-to-day administration of each of the six regions.

### Organizational Hierarchy

The employees of the Department of Human Resources can be characterized as belonging to one of seven hierarchical levels. The first two levels are the commissioner and the deputy commissioners, respectively. Level three consists of those people operating at the level of bureau director or those individuals who have a top-level, policy-setting and decision-making role in the agency. The former category includes people who are overseeing organizational units that report directly to a deputy commissioner, even if the individual's job title is not that of a bureau director. The fourth level is composed of division directors, all of whom report to bureau directors, and those individuals who have roles in the setting of policy within the agency.

The last three categories are the largest within the department. Level five consists of unit heads and individuals involved in special projects affecting the development or implementation of agency policy. The sixth level is composed of line supervisors who oversee staff on a day-to-day basis. The seventh and final category includes all employees with no supervisory or policy role in the department.

In Table I-3, all of the full-time positions in the department as of January 30, 1985, are categorized by hierarchy level. The second column in the table shows the number of employees that could be expected to work at a given level based on the job description for each position in the department. The third column in the table indicates the number of employees who appear to actually be working at the given level, based on observations and interviews by the program review committee staff.

As can be seen from Table I-3, the organizational structure of the Department of Human Resources concentrates staff resources at the lowest level in the agency. Approximately one-quarter of the agency's employees are used in a managerial or supervisory capacity. Responsibility for the development and implementation of policy is assigned to a small number of personnel.

Table I-3. Departmental Staffing By Hierarchy Level.

Management Level	No. of Positions Theoretically At Level	No. of Positions Actually At Level	Actual Level Filled	Actual Level Vacant
1	1	1	1	0
2	2	2	2	0
3	9	11	11	0
4	27	30	29	1
5	150	67	65	2
6	265	42	42	0
7	172	473	436	37
Total	<u>626</u>	<u>626</u>	<u>586</u>	<u>40</u>

A large number of employees who might be expected to have at least some day-to-day supervisory role in the department, based on the specification for their job title, do not appear to be used in that capacity. For example, while 265 positions within the agency could be given responsibilities as line supervisors, only 42 people are being used at that level. At the same time while 150 positions could function as unit heads or work on the implementation of policy, in fact only 67 people are assigned to that level.

At the top of the agency there is little difference between the number of staff given major responsibility and those who might be expected to function at that level. Five people are employed in policy-setting roles higher than would be expected based on their job descriptions.

This utilization of personnel from other categories is not unique to DHR. The existing state personnel system schedule of testing and the wording of job specifications mean an agency may need to use staff from one level at another level in order to find a person with the proper skills.

#### Managerial Characteristics

Information collected from an education and experience survey of 72 employees was used by the program review committee to

develop a profile of managers in the department. Data were grouped according to the hierarchy level within the agency that the person actually seemed to be working at during the spring of 1985. In Table I-4, characteristics for personnel in the upper five levels of the organization are presented.

Revenues and Expenditures

The department's budget for state FY 86 is \$97.8 million. Nearly 62 percent of this amount are federal funds; the remaining dollars come from the state General Fund.

The budget of DHR has increased from \$53.9 million in state FY 80, the agency's first full year of operation, to \$94.6 million for state FY 85. Using constant 1979 dollars to adjust for inflation, the department's budget has increased from \$49.4 million to \$66.9 million. Figure I-2 shows total agency expenditures for the past six years, while Figure I-3 presents a breakdown of the agency budget by type of funding.

Fig.I-2. Department of Human Resources

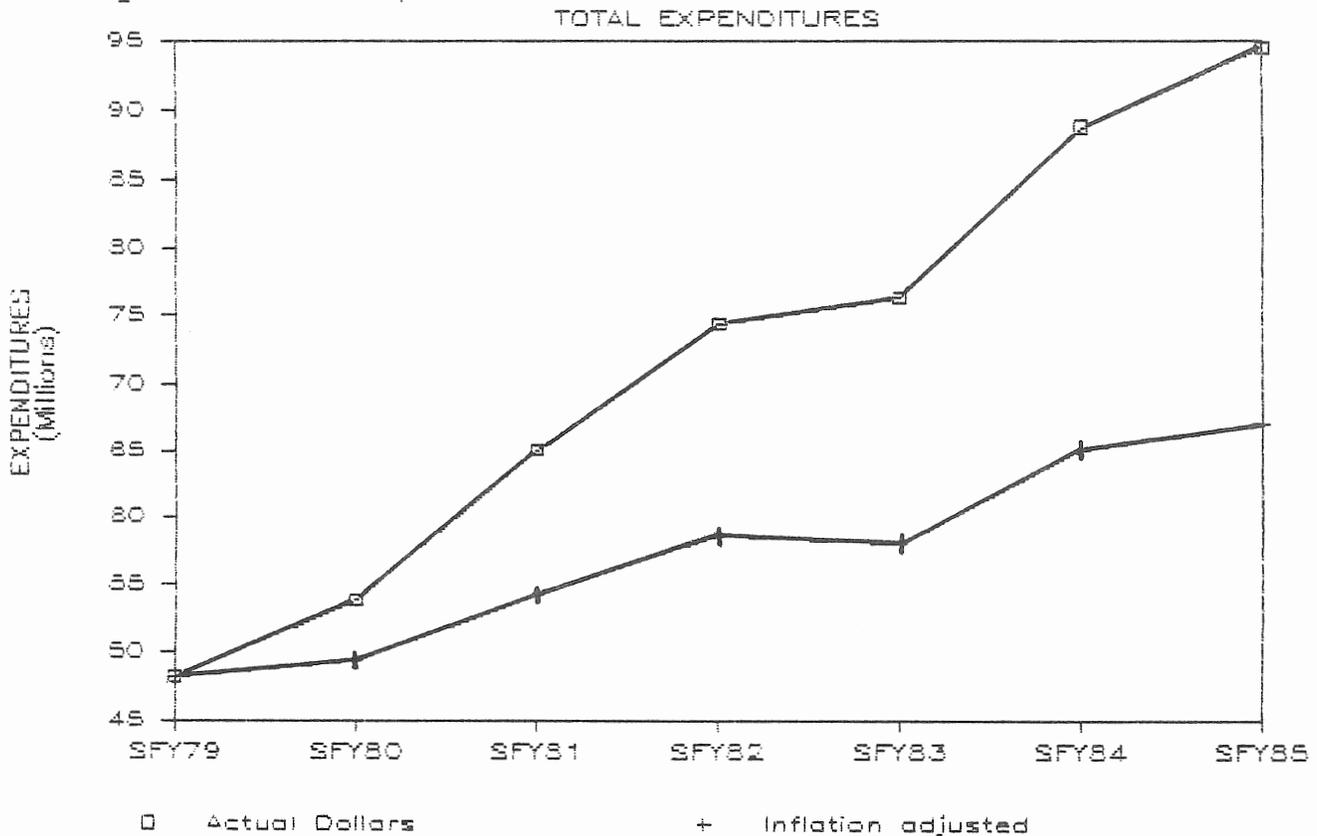


Table I-4. Characteristics of Department of Human Resources Managers.

Variable	Management Level (Actual)					Total
	1	2	3	4	5*	
No. surveys returned	1	2	10	27	30	70
Sex						
Female	0	0	4	10	17	31
Male	1	2	6	17	13	39
Race						
White	0	1	7	23	26	57
Black	1	0	2	3	2	8
Hispanic	0	1	1	1	2	5
Degrees						
Associate	0	0	0	1	0	1
Bachelor	1	2	9	21	26	59
Graduate	0	1	6	10	8	25
Total No. with Mgt. Courses	1	0	10	25	28	64
Avg. No. Yrs. Current Position	2.5	1	2.5	3.2	5.9	4.2
Avg. No. Yrs. Supv. Exp.	18	25.3	8.9	10.1	4.9	8.3
Avg. No. Previous Jobs Supv. Exp.	3	4	3	2.5	1.2	2.1
Avg. Salary	\$58,832	\$45,255	\$40,871	\$34,293	\$25,298	\$32,041
Avg. No. Employees Supervised	12	4.5	5.1	6.5	N/A	N/A
Range of Employees Supervised	12	3-6	0-9	0-17	N/A	N/A

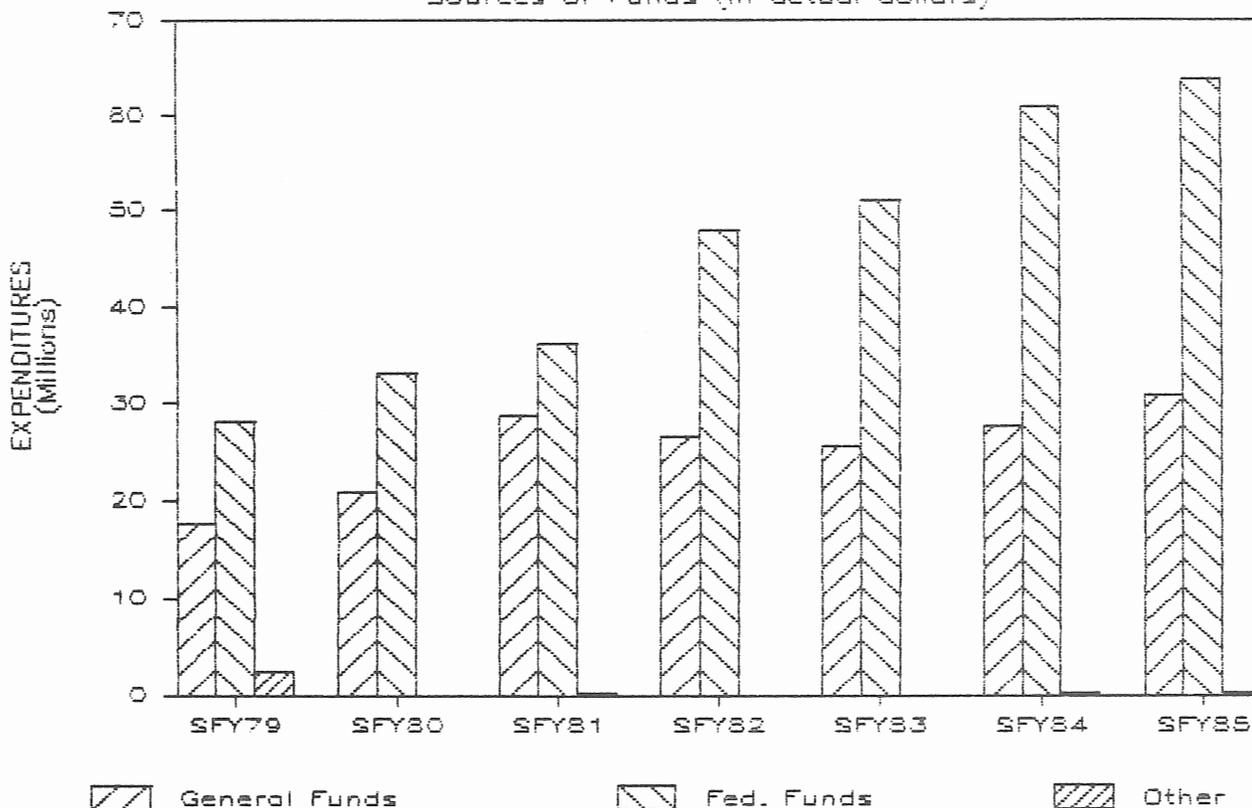
\* Sample of staff working at Level 5.

N/A = not available

Eighty percent of the department's budget is allocated in the form of grants to municipalities, public agencies, and private nonprofit organizations. The actual amount of grants dispersed by the department has grown annually since its creation in 1979, but as a percentage of the total budget, the expenditures have remained between 77 and 82 percent. In FY 80, DHR distributed \$42.6 million of its \$53.9 million budget through grant programs; in FY 85 the agency spent \$77.2 million out of \$94.6 million. The remainder of the department's budget covers employee salaries and other administrative expenses.

During state FY 85, DHR distributed money to 151 grantees to fund 576 programs. The size of the grants ranged from \$1,300 to more than \$7.5 million. Most grants are for 12 months, although a few may be for as long as 24 months. Disbursements are made on a quarterly basis.

Fig.1—3. Department of Human Resources  
Sources of Funds (in actual dollars)



## CHAPTER II

### ANALYSIS AND RECOMMENDATIONS

The Legislative Program Review and Investigations Committee's recommendations in its management audit of the Department of Human Resources concern those aspects of managerial practice that are basic to the effective operation of an organization. Specifically, the committee focused on agency planning, internal communication, and organizational structure. The committee also looked at departmental compliance with statutory mandates.

#### Planning

Since the establishment of the Department of Human Resources in 1979, the agency has never developed any long-range plans (3-5 years) for its own operations. Nor has it prepared any type of annual strategic plan, outlining specific actions to implement its yearly goals and objectives. When required by federal law, the agency has produced plans for specific programs such as weatherization and the annual spending plans for the community services and social services block grants.

As the program review committee's study was nearing completion, the department was finishing a multi-year plan for the agency. The material in that document, however, is primarily descriptive and provides general information about agency programs. It does not identify any goals for the agency, nor does it present any specific actions for the department to take in the future. No quantitative information on demand for services is provided, and no plans are presented for dealing with unmet social service needs of clients. No efforts are made to present alternative spending plans in anticipation of fluctuating levels of federal funding.

A well-run organization should have strategic plans that discuss how its annual goals will be carried out. Specific agency objectives for that purpose should be quantified with target dates by which tasks should be accomplished. At the conclusion of the year, the organization would then review its accomplishments; incomplete objectives would be incorporated into its budget and strategic plans for the future.

Even in the short term, the Department of Human Resources has not consistently set measurable goals and objectives. Each year the agency announces annual goals. However, they are very broad and are difficult to quantify. For example, the agency goals for 1985-86 include: "to deliver services timely, efficiently, accurately, and uniformly and in a manner that fosters respect for the dignity of the client;" and, "to improve the level of economic

self-sufficiency of low income families and individuals served by DHR, while reducing dependency on public expenditure for human services."

Some of the goals of particular bureaus are more specific, for example, "process 90 percent of all grant applications within 45 days." A large number address the need to develop new procedures. Others are very broad, for example, "provide thorough technical assistance in all phases of grantsmanship."

The managerial action plans of departmental employees participating in the state's management incentive program are composed of individual goals for the year. The complexity and specificity of these vary for each individual. Indeed, the goals of the six district managers were consistent for the first time in the plans submitted for state FY 86.

One division chief had goals as varied as "[c]onduct 11 whole agency evaluations and issue the reports" and "[d]evelop, implement, and select process for choosing program areas for policy significant evaluations and coordinate DHR's participation in collaborative tripartite evaluation teams." At the same time, another manager functioning at the same level within the agency had goals to "[i]mprove and expedite the establishment and enforcement of interstate child support obligations by developing and utilizing standardized processes and improving communication among foreign jurisdictions" and "[d]etermine training needs of Child Support Division and cooperating agencies by 11/1/85."

In the program review committee's agency-wide survey of DHR employees, a number of questions were asked about goals and objectives. In one question, staff was asked to rate the extent to which the department has clear-cut, reasonable goals and objectives. One-third of the respondents said to a very little or little extent, another third said to some extent, and the final third said to a great or very great extent. (See question 4 in Appendix 2.)

An examination of the responses broken down by management level showed half of the bureau directors answered to a great extent, and only 12 percent said very little. Division chiefs and other employees more closely fell into the one-third distribution. Responses by location were more diverse. Nearly half of the employees in the central office and the Hartford district office said very little or little, while less than one-fifth of those in the Middletown and Waterbury district offices gave that answer. Conversely, almost half of the people in the Hartford and Waterbury district offices said to a great extent. These findings suggest a lack of clear goals. Given the great diversity of views among a sample of employees, the department has not done an effective job of making its priorities clear to its employees.

The manner in which objectives are determined by the department was also covered in the committee's survey. Responses to the question "In general, how are objectives announced and drawn up in this organization?" were received from 140 staff. Nearly equal numbers, comprising almost 25 percent each, said objectives are announced without an opportunity for questions or comments, objectives are announced and explained with an opportunity for questions, or the objectives are discussed and sometimes modified before being issued. Almost 10 percent said the agency has no announced objectives. (See question 17 in Appendix 2.)

Broken down by location, the results are very different. Nearly half of the respondents from the Middletown district office said objectives are announced without an opportunity for questions. Almost one-third of those from the New Haven and Bridgeport district offices answered the same way, while only 8 percent of those in the Norwich district office gave that response. The opportunity to ask questions after objectives are announced was cited by more than 40 percent of those in the Hartford and Bridgeport district offices. Eighteen to 33 percent of the respondents from other district offices responded that way, while less than 10 percent of the central office staff said that.

The only location where more than 10 percent of the respondents said alternative objectives are drawn up by supervisors and then subordinates are asked to discuss and indicate which one is best was the Norwich district office. Between 5 and 17 percent of the respondents from each location said problems are presented and then the best objectives are set through group participation and discussion. All of the respondents who said there were no announced objectives were from the central office.

Based on employee category, responses were again diverse. Bureau chiefs split their choices nearly equally among all of the possible answers, except none said alternative objectives are drawn up by supervisors. Nearly half of the division chiefs said objectives are drawn up, discussed, and sometimes modified before being issued. No other response received more than 17 percent. Among other employees in the department, slightly more than 25 percent each said objectives are announced without an opportunity for questions, or objectives are announced and an opportunity for questions is provided.

Clearly, there is inconsistency in the way objectives are developed within DHR. Geographic location and hierarchical level in the agency affect input in the process or at least employee perception of involvement.

The lack of an agency plan is also reflected in other aspects of departmental operations. Because events have not been anticipated, possible options and outcomes have not been reviewed. When a problem does arise, the department may have to act so quickly to resolve it that analysis of the issues is limited. In addition, resources assigned to another important task may have to be diverted. For example, in the spring of 1985 the issue of whether sufficient liability insurance was available for family day care homes was reported in the media. The department had not been aware of a problem and was asked to respond with solutions before they had finished gathering information on the issue.

Another problem aspect of planning by the department is the limited role of its Planning Division. This 11-person unit is composed of a division chief, 5 planning and research analysts, 3 additional analytical staff, and 2 clerical employees. While this staff is involved in assembling statistical material for reports from other units, and prepared a needs assessment for the Social Services Block Grant in January 1985, its technical capabilities are not well known to other managers in the agency.

During the course of the program review committee's management audit, several agency managers were surprised to discover that the Planning Division had the ability to produce a variety of computer-generated reports, tables, and charts. During interviews with committee staff, several managers said they had no idea what the division did; at the same time, the chief of the division expressed frustration that the division had to seek out work.

In functional terms, management can be defined as planning, execution, and control, with planning central to the other two activities. Once goals have been established by an organization, a strategy is developed to attain them efficiently and effectively--execution. Thus, long-term (3 to 5 years) planning objectives are achieved through short-term (1 to 2 years) strategic planning, detailing the systems and procedures to be used and the resources allocated to accomplish each goal. Similarly, controls cannot be applied without a plan that sets down detailed milestones and targets. To know where you are, you have to know where you have been and where you are going.

Without a clear outline for the future based on an analysis of possible events and outcomes, an organization can only hope that events will turn out all right. It cannot be in the position to act decisively to make them happen correctly. Because an integrated planning process is critical to sound management in any organization, the program review committee found the failure of

DHR in this area to be a major operational deficiency. Accordingly, it is the recommendation of the Legislative Program Review and Investigations Committee that:

the Department of Human Resources develop short- and long-range plans that identify specific tasks to be undertaken to ensure that the agency's mission will be carried out. Particular attention should be given to the impact of federal budget cuts on Connecticut's ability to provide social services to its needy citizens. The plans should also address future staffing and resource requirements of the agency.

The Planning Division should be strengthened and integrated into the management process for purposes of policy development, budgeting, program monitoring, and agency decision-making.

#### Availability of Data

As mentioned earlier, the Department of Human Resources distributes more than \$75 million in the form of 151 grants. Quantitative information about agency grant programs and operations is limited. The department does obtain data on the number of people served by different program types. Census data on the number of people in various demographic categories are reviewed and analyzed for trends by agency personnel. However, no specific data have been developed on the potential number of clients eligible for each agency program.

In addition, much of the general data collected by DHR are incompatible for comparison and analysis purposes. Some of the statistics are reported in terms of the number of grants, some in terms of the number of programs being provided, and some in terms of the number of grantees and subgrantees. These numbers do not refer to the same agencies. For example, the department prepares a list showing the names of grantees by total grant size. Also noted is the number of grants, including awards made directly to the grantee as well as money passed through to subgrantees. The number in each category is not specified. As a result, it is impossible to determine how many different organizations are running how many programs.

Until spring 1985, district office managers had never received lists of the grants and grantees funded in their regions. A copy of that list given to the program review committee provided limited information--the name of the grantee, the category of the grant, and the amount of the grant. No information was given on the programs or services being provided, the subgrantees running programs, or the names of any contact people for the grants or programs.

Grantees are required to file quarterly reports. Through these, the department does obtain some data for individual programs; for example, client information is submitted on the number of people served, which is categorized by service needs, ethnicity, and age. Narratives describing program accomplishments are also submitted.

It is the recommendation of the Legislative Program Review and Investigations Committee that:

in conjunction with agency planning activities, the Department of Human Resources compile basic quantitative data descriptive of the grant operations of the agency. In addition, the names of the people in the grantee organizations responsible for administering the programs should be identified.

#### Lines of Authority

The Department of Human Resources lacks a clear definition of management staff roles and responsibilities. No accurate agency-wide table of organization was available from the winter of 1984 to July 1985. Charts were updated for different bureaus and divisions in the department, but nothing was on paper depicting the total agency structure and the relationship of its parts. In mid-July, an official table of organization for the department was signed by the commissioner.

In several of the agency's divisions as well as in the district offices, no one is clearly identified as being second in command. As a result, in some instances, if a bureau director, division chief, or district manager were absent, it would not be clear who would be responsible for running the unit. In cases of a few days, a particular unit head might informally be expected to oversee operations; in cases involving a lengthy illness, an employee from another bureau might be assigned to supervise the office.

In the case of the child support "bureau," for months its official and unofficial organizational locations within the agency differed. In fact, the child support section was answerable only and directly to the commissioner, and the head of the unit was considered to be operating at the level of a bureau director. However, on paper, a bureau director supervised the head of the unit. As a result, out of courtesy, the head of the unit was keeping that bureau director informed of child support activities.

The use and distribution of managerial and supervisory staff within the department is very uneven. Several individuals have large numbers of staff reporting to them, while others have very

few. The number of people supervised by bureau directors or staff operating at that level ranged between 0 and 9; the number supervised by division chiefs ranged between 0 and 17. The commissioner, who himself said a good manager should have no more than 8 people reporting to him or her, had 11 people reporting directly to him during the course of this review.

In another example, an individual, whose position should be that of a bureau director, has had all managerial responsibilities removed. He has been given limited duties in another unit, under the supervision of an individual at a lower management level. Another person was promoted to the bureau director level to perform the former responsibilities of this individual. As the committee's study was nearing completion, this individual was given a new assignment, the full scope of which was not clear.

The amount of responsibility delegated to people throughout DHR shows that less than half the people in the agency who are in job classifications that could be expected to function at the level of a unit head or be involved in developing policy are in fact functioning at that level. This problem is not entirely of the department's own making. Part of the difficulty comes from the state personnel classification system and the content of job specifications. Often, an agency will find that the level of skill needed to perform a particular job requires the use of a position title whose specification includes authority to perform supervisory tasks.

In a series of questions on the program review committee survey sent to DHR staff, employees were asked to rate the influence of workers at different levels in the organization. More than half of the respondents said middle managers had great influence. Eighty percent identified employees in general as having limited influence. However, 20 percent thought lowest-level supervisors had little or no influence, 11 percent thought the commissioner only had a little or some influence, and 20 percent thought employees in general had quite a bit or more influence. (See questions 13-16 in Appendix 2.)

These findings suggest that at least some individuals in the department are perceived as operating at higher levels in the organization than their job titles would suggest. The fact that the commissioner is viewed as having limited influence might mean someone else is seen as having primary control of departmental operations, or that nobody is in control. Even if these perceptions are incorrect, their existence suggests a failure on the part of DHR to make its structure and management processes clear to all employees.

Another problem identified by the program review committee was the confusion among agency managers about which requests made by individuals from the commissioner's office should be given priority. On multiple occasions, one of the commissioner's executive assistants has contacted managers and other agency staff requesting them to provide information or perform an assignment that differs from previously assigned tasks. For example, a manager assigned to compile data for a report in a particular format may subsequently get a call from the executive assistant asking that manager for different information. No guidance has been provided to employees as to which tasks or assignments are to take precedence. As a result, employees may have to reallocate priorities or redo work.

Currently, the only written descriptions of DHR responsibilities are those that appear in the agency's program budget. The development of an operations and procedures manual is critical. The existence of a written document that explicitly describes the functioning of the department would greatly facilitate the running of the agency in a consistent manner. Disputes and misunderstandings about the authority of various individuals and units in the department should also be minimized.

In an effort to clarify confusing directives and correct the problems identified above, the program review committee recommends that:

the commissioner of human resources determine the specific responsibilities and authority of all executive and managerial staff. Those decisions should be made clear to all managers by publication of a table of organization and a specific operations and procedures manual.

### Communication

The ability of managers as well as other employees to know what is going on in their department is essential to the agency's success. Decision-making and performance evaluation of agency activities require effective communication.

Within the Department of Human Resources, information about the internal operation of the agency as well as external matters affecting it is not uniformly shared with all managers. At several executive staff meetings observed by program review staff, various departmental staff and, on one occasion a deputy commissioner, discovered they had not been given information about an issue they had already taken some action on or were proposing a course of action to be taken. For example, while some senior individuals in the agency were providing information in support of certain energy legislation, others were working to have the bill

killed. On other occasions, an individual staff member would be reporting on a subject and someone else would mention a piece of data of which the first person was not aware. In some instances, a debate on the proper procedures to be followed would occur.

When the program review staff was collecting information to develop a table of organization for the department, several managers identified different lines of authority for the data processing unit, the child support enforcement unit, and the Audits Division. While the people in those areas all understood to whom they reported, their positions within the organization were not clear to others.

In addition, in the case of data processing, its function and duties were perceived differently by different managers. The individual in charge of the unit and the deputy commissioner to whom he reported saw the unit's role involving a mix of systems analysis and data production. Other managers in the department who wanted to access the data processing services said they were denied assistance and were told other projects could not be done.

A similar perceptual problem concerned the management incentive program plans. During interviews with committee staff, all managers were asked about the scope of the goals they included in their plans. Several thought all activities, even routine tasks, were supposed to be included; others thought only extraordinary items were to be identified. While new procedures for the current year's plans have corrected this situation, these differing perceptions meant managers in the same organization were being assessed on the basis of different standards.

Likewise, managers at the same level in the organization, for example, bureau directors, do not meet with and pass along information to subordinates in their respective bureaus in the same detail or with the same timeliness. As a result, information is not received uniformly throughout the organization. Yet, the commissioner and his deputies believe information is being passed along consistently.

Several questions on the program review committee survey of DHR staff concerned communication. Nearly half of the respondents said their work group gets adequate information about what is going on in other bureaus or divisions to a little or very little extent. Another 38 percent said they get such information to some extent. (See question 5 in Appendix 2.)

When asked the extent to which DHR tells its work groups what they need to know to do their jobs in the best possible way, only one-quarter of the respondents said to a great or very great extent. One-third said to a little or very little extent, and 43 percent responded to some extent. (See question 7 in Appendix 2.)

In the same survey, a series of questions was asked about the actions and skills of supervisors. In general, the supervisors received positive ratings. However, less than half of the respondents said their supervisors provide information about decisions to their work group before decisions affecting the group are made to a great or very great extent. (See question 34 in Appendix 2.)

Another area where communication seemed to be a problem within the department related to the agency mission statement. In December 1981, DHR issued a policy bulletin describing the department's mission. This bulletin was supposedly distributed agency-wide. Yet, in the program review committee survey of DHR employees, almost a third of the sample responded they had never seen a written mission statement. In reply to a question asking what the mission of the agency is, 6 percent said "don't know" or "unaware of any mission;" an equal number gave no answer. Two percent of the respondents described child support enforcement activities as the mission of DHR. (See questions 50 and 51 in Appendix 2.)

The mechanisms within DHR designed to ensure distribution of agency requirements also need improvement. An agency policy bulletin concerning case records was not distributed to the district offices for several months because the department had to wait for copies to be made by the state central photocopying service.

Generally, written descriptions of agency policies are developed and distributed slowly. A number of individuals successively review each proposed agency policy bulletin, leading to an approval process for a final version that may take as long as six months. A summary of the process is shown in Figure II-1.

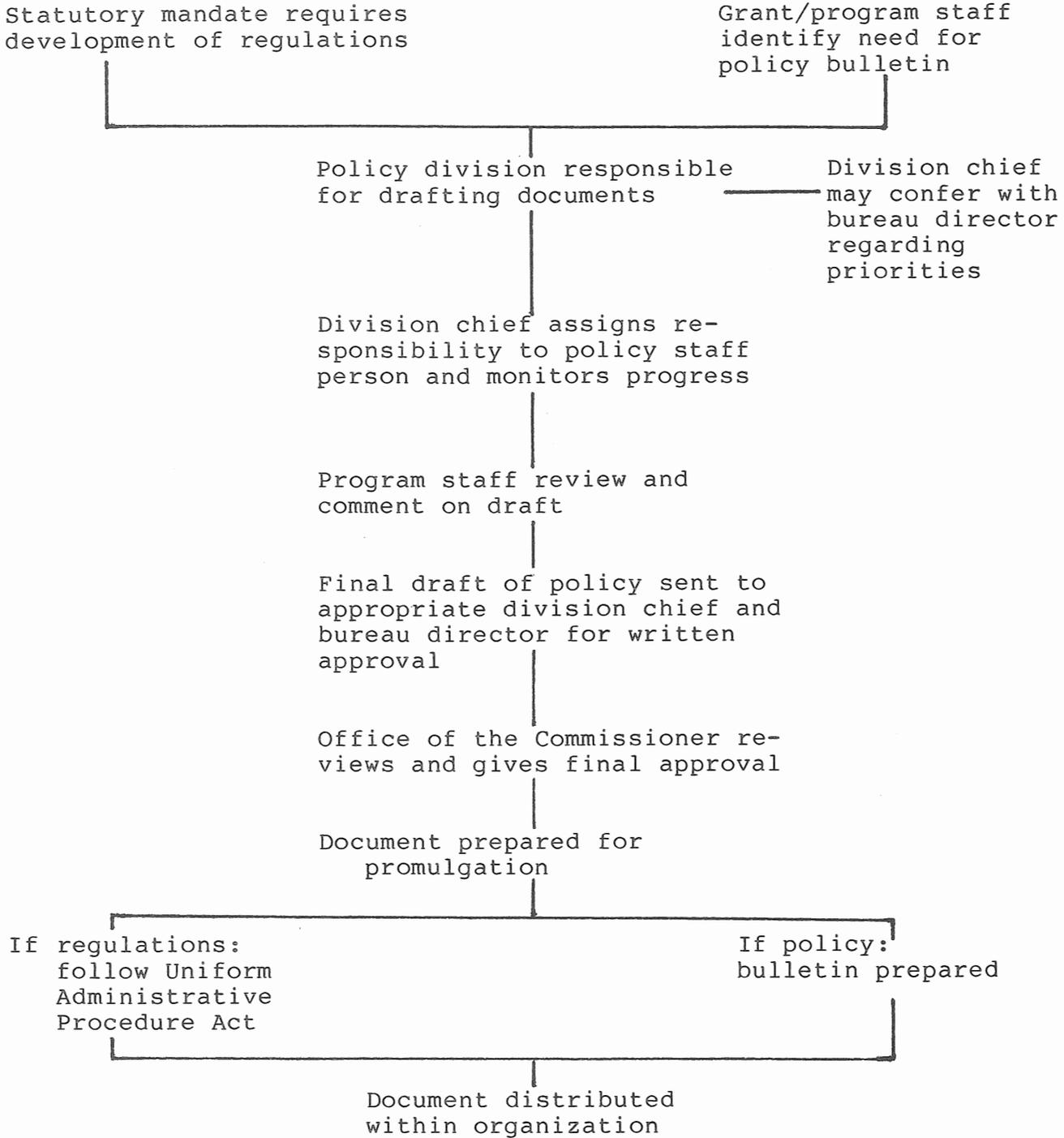
At the start of the committee's management audit, development of a revised policy on the establishment and dissemination of policy was underway. While this new policy bulletin contains some deadlines for reviews by different individuals involved in the process, delays can still occur at a number of stages. Multiple drafts may be required from the program staff who prepare the initial statement of policy or procedure, and the amount of time allotted for subsequent drafts is set by the chief of policy. No time limits are placed on the review of a final draft by the division chief, bureau director, or the office of the commissioner. Copies of the new policy bulletin itself were delivered to the agency on October 11, 1985; its effective date was September 1, 1985.

Another communication problem can be attributed to the fact that the Department of Human Resources was created out of portions of the Departments of Community Affairs and Social Services. People from those agencies came to DHR with different orientations, identities, and perceptions. More than five years later

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Figure II-1. Formulation of DHR Policy Bulletins and Regulations.

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the leadership of DHR has not made any efforts to address those different perceptions. No specific attempts have been made to integrate these orientations and provide a unified image for the department itself.

Further, the mission statement previously described provides a focus for the agency's responsibilities, but gives no guidance on the priorities of the agency. In interviews with program review committee staff, several managers said conflicts between service delivery and procedural requirements have not been addressed. For example, is DHR staff required to follow rules exactly and only assist an individual who can prove he or she meets the requirements of a program; or is it more important to obtain services for a needy client even if some additional effort must be made to assess eligibility or suggest alternatives if the person does not qualify for the program?

As a result of the above findings, the program review committee recommends that:

the Department of Human Resources make the mission statement of the agency available in all departmental offices. In addition, the statement should be included in the employee handbook distributed to all new employees.

The department should also establish specific lines of communication that ensure top managers in the agency receive and disseminate information in a timely manner. All units in the department should be given information directly related to their areas of responsibility as soon as it is available (for example, employees should receive policy bulletins prior to their effective date).

#### Staff Morale

An area of concern to the program review committee that surfaced during the course of the management audit was staff morale within the Department of Human Resources. Assessing the full impact of employee spirit on the operations of an organization is difficult. However, indications of poor morale are a sign of possible problems, if not currently, then in the future. The committee's attention was drawn to this issue by the final question on the committee's survey of DHR employees. Staff was given an opportunity to comment on any aspect of the management of the department. Comments were made by 89 of the 151 respondents. Fifteen percent specifically said morale among most workers in the agency was low. In addition, nearly 30 percent of the respondents described management as inexperienced, uncaring, and uninformed. (See question 52 in Appendix 2.)

The results of an open-ended question must be judged differently than those of a standardized question requiring a choice between positive and negative answers. People who answer an open-ended question generally feel strongly, particularly negatively, about something. In the case of standardized questions, respondents with ambivalent feelings are more likely to indicate a choice, providing a broader range of views. Recognizing these differences, the committee made use of the comments on morale in conjunction with interviews conducted by committee staff and general conversations with employees. A number of issues connected with morale were thus identified.

The first practice commented on by employees was the manner in which DHR fills vacancies, particularly within the central office. Seventeen percent of the 89 people who responded to the open-ended question about the management of the department said promotions seem to be based more on politics than qualifications. Nine percent also said there seems to be little opportunity for career advancement, especially for clerical staff in the department. (See question 52 in Appendix 2.)

Although the program review committee found the agency was technically following state procedures and requirements, its practices sometimes give the appearance of favoritism. A number of people have been given provisional appointments that subsequently were made permanent. In one instance, for a particular category of middle manager position, DHR made provisional appointments for all five of the vacancies. Subsequently, in all but one case where an individual failed the exam, those people were given the permanent appointment after the exam results were available. All of these individuals scored within the reachable range on the list, but there were people who scored higher.

In another example, for a recent supervisory position, DHR asked individuals on the list to express their interest in vacancies in two different units, and sign a waiver for one or both jobs for which they did not want to be considered. Two separate lists were then used to fill the vacancies. While not illegal, this action did not seem to comply with the position of the Department of Administrative Services that waivers should not be solicited. Since lower-ranking individuals from the original list were able to move up to a higher rank on one of the separate lists, an impression of favoritism was created. The message to employees seems to be that scoring high on an exam will not necessarily mean a person has a good chance to get a particular position or a promotion.

The infrequency of DAS administered exams does cause some of the delays that might necessitate an agency using provisional positions. But the program review committee believes the problem at DHR goes beyond that. In order to improve the appearance of and actual practices at DHR, the Legislative Program Review and Investigations Committee recommends:

the Department of Human Resources carry out its hiring in an open manner. The use of temporary and provisional appointments should be used for emergencies only.

Another area where DHR employees expressed dissatisfaction was with the quality of working conditions in the agency. In answer to a question on the program review committee survey of departmental staff, 56 percent of the respondents said DHR has a real interest in the welfare and happiness of those who work there only to a little or very little extent. When the responses were broken down by location, 76 percent of the New Haven district office respondents and 62 percent of the Norwich district office respondents replied negatively. (See question 2 in Appendix 2.)

Asked to what extent their equipment and resources are adequate, efficient, and well-maintained, 37 percent of those responding said to a little or very little extent. More than half of the respondents from the New Haven district office gave that answer. (See question 44 in Appendix 2.)

In a related question, the survey asked how much DHR tries to improve working conditions. Almost half of those surveyed said to a little or very little extent. Again, the percentages were even higher in the district offices--65 percent in New Haven, 54 percent in Norwich, and 53 percent in Bridgeport. (See question 3 in Appendix 2.) Several responses to the open-ended question on the survey also addressed this issue. Eleven percent of the respondents said more staff and resource support should be given to district offices. (See question 52 in Appendix 2.)

Another source of employee discontent arose during the period when staff from the central office was split between three locations. Then, neither the commissioner, his deputies, nor the bureau director overseeing the Planning Division ever visited the separate office where the division was located. The commissioner said he never went there because he wanted to make the point to the Department of Administrative Services that the agency needed more space. For the same reason, he never visited the Bartholomew Street office. Since it is unlikely DAS was aware whether he did or did not visit the offices, the only ones affected by this action were the employees in those locations.

Some of the problems described here were at least partially resolved by the department's recent move into new central office quarters, but not all. Thus, the program review committee recommends:

the Department of Human Resources continue recent efforts it has made in the central office to provide a work environment that is conducive to high productivity and morale. Additional efforts should also be made on behalf of the workers in the district offices to obtain adequate space and equipment.

### Budgeting Process

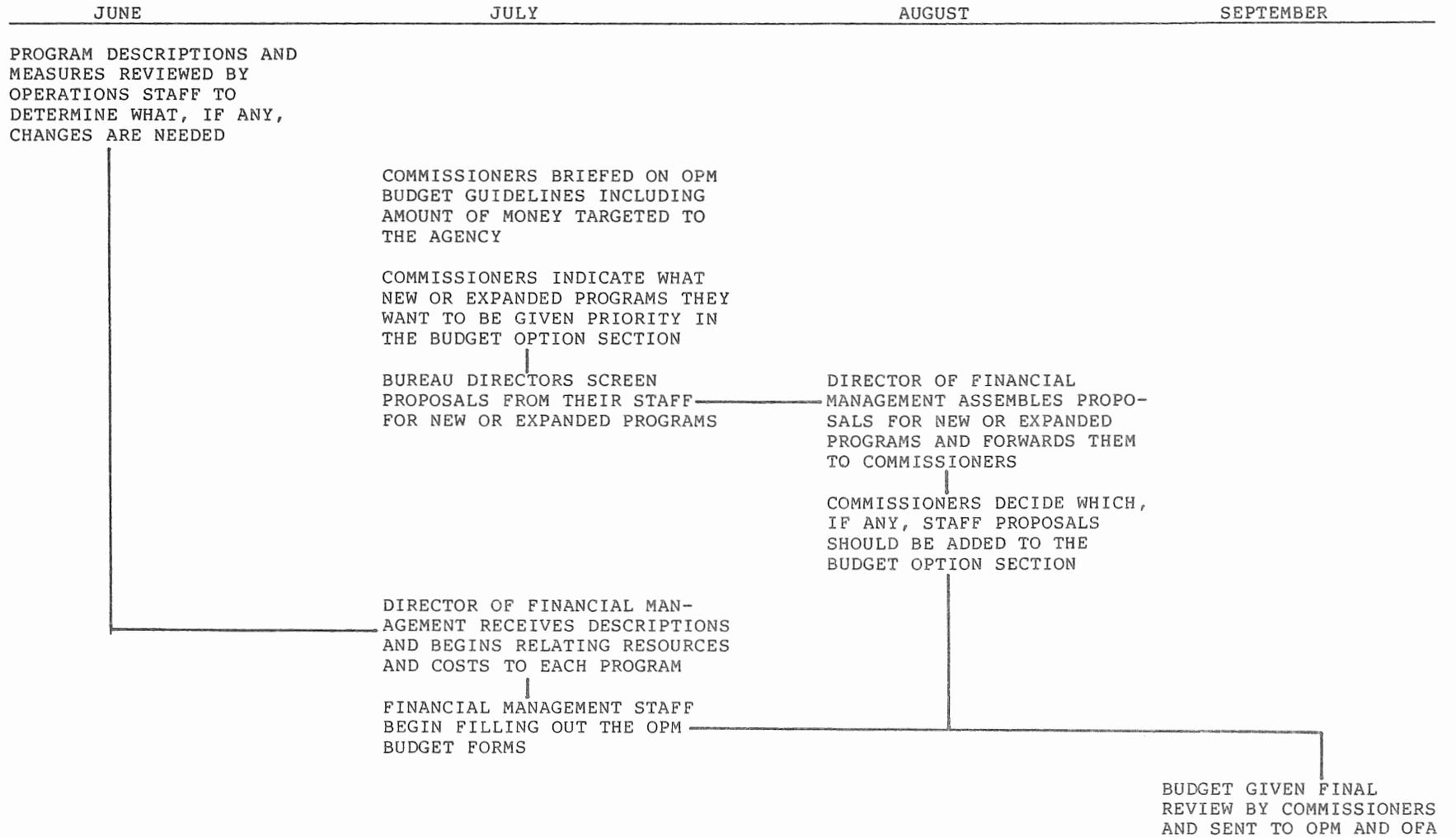
Every executive branch agency follows a similar general process for the formulation and submission of its annual budget to the Office of Policy and Management. The specifics of whom within an agency will be involved in the process of preparing the budget varies from agency to agency.

In the Department of Human Resources, development of the budget document is overly dependent on the knowledge of one individual, the director of the Bureau of Financial Management. For the past two years this individual has prepared the department's program budget with the assistance of a retired employee retained on a personal services contract and the division chief for fiscal services. Other individuals within the agency have provided information used in developing the budget, but their roles have generally been in the area of program descriptions. Figure II-2 shows DHR's budget process.

No written document describing the budgeting process exists. As a result, although format requirements for the budget are sent to the agency annually, the specific mechanics for compiling and evaluating the data for DHR's budget are not available in written form.

Another DHR budgeting problem is the lack of a process for estimating future uses or projecting the availability of state and federal funding. The department does not begin discussing budget options requiring additional funding until midway through the budget formulation period for the upcoming year. Likewise, the department is generally conservative in estimating the availability of federal funds in order to ensure it will receive sufficient state funds to cover all expected costs. The department does not develop contingency plans for using the varying levels of federal funds that it might receive.

Figure II-2. Department of Human Resources--Budget Preparation Process.



As a result, the department often is not able to provide grantees with any information on funding levels until immediately before the start of the grant period or even into the period. In either event, funding may not be given to the grantee until several months into the program cycle. In the case of reduced or discontinued funding, the grantee may have difficulty locating alternative support in time to keep the program operating.

It is the recommendation of the Legislative Program Review and Investigations Committee that:

the Department of Human Resources develop an on-going long-range process for forecasting budgetary needs and evaluating alternative uses of funds. The agency should prepare clear written procedures for the preparation of the annual budget.

The new budget forecasting process must be coordinated with the agency's new long-term planning system. Information projecting the availability of future state and federal dollars should be analyzed on a regular basis, and alternative spending plans should be updated. Scenarios for the allocation of the budget should be prepared for a variety of possible funding levels that can reasonably be anticipated.

#### Condition of Records

During the course of the management audit, committee staff had a number of opportunities to evaluate the scope and condition of the records maintained by the Department of Human Resources. A systematic recordkeeping system did not exist in the department nor had the need for such a process been identified. Indeed, reports from the state auditors of public accounts have repeatedly cited problems with records in the agency in the areas of inventory, payroll, and personnel.

It was the experience of program review committee staff that some units in the department that generate a large volume of paper records did not have adequate clerical staff to keep files up-to-date. For example, in the Monitoring and Evaluation Division, monitoring reports were not always filed promptly or correctly. At the same time, superfluous materials are kept in the individual files. For example, original handwritten drafts are kept in the files along with one or more copies of the final typed report.

In some areas of the department, information requested by program review committee staff could not be located. Correspondence from the early 1980s concerning background on the issue of interagency coordination by DHR could not be found. Several other requests for data had to be routed to several people

before the desired records could be located. In another instance, materials related to the space needs and the layout of office locations previously considered by the department were found in an unmarked cardboard box on the floor of an empty office.

Two areas where specific problems with the content of files were identified were the Monitoring and Evaluation Division and the Office of Personnel. In the monitoring files, folders containing information on completed and to-be-monitored grants were misfiled together. As a result, the monitoring process was confounded because files still needing to be reviewed were not readily available. At the same time, someone trying to access completed records for a given time period might have difficulty finding the desired reports. Completed reports for a particular grantee, including ones from several years ago, are filed together. Records are not grouped by fiscal year until whole years are periodically removed and sent to storage.

Multiple problems were found in departmental and individual personnel files. For each employee of the department, committee staff had been told that a card detailing, by title and date, all state jobs held by the employee would be in his or her personnel file. Not only was this not the case, but a review of all of the data in a folder did not necessarily provide the information needed to answer such a question. In addition, some individual personnel files contained conflicting information on the employment history of the individual, generally due to sloppiness.

Problems in general personnel agency files were also found. Certified lists for several specific open-competitive jobs were misfiled. In another instance, the information on a certified list contained an inaccurate reference to the number of positions to be filled. This was not noticed by the DHR staff working with the document, although they did process subsequent paperwork to fill the correct number of vacancies.

The program review committee believes good recordkeeping by an agency is important to its successful management and the availability of data. Therefore, the Legislative Program Review and Investigations Committee recommends:

the Department of Human Resources establish policies, procedures, and employee training methods to insure that adequate, useable data and records are gathered and maintained.

#### Internal and External Oversight

As part of the department's grants distribution process, various staff within the agency are responsible for overseeing the disbursement of funds and the functioning of programs. However,

the focus of these reviews has been on examining procedures rather than evaluating performance.

Figure II-3 presents a summary of the major oversight units in the department. As indicated in the chart, the department has units in three bureaus overseeing grants during the period of a contract. They are the Grant and Payment Control Unit in the Bureau of Grants, the Grant Control Unit in the Bureau of Financial Management, and the Monitoring and Evaluation Division in the Bureau of Program Planning and Development. After the close of the grant period, the financial records of grantees are reviewed by the Audits Division. Internal DHR quality control is performed by the Program Administration Review System.

Monitoring and evaluation. The 17-member staff of the Monitoring and Evaluation Division verifies whether activities described in grant requests are being carried out rather than assessing the quality and effectiveness of programs. During the course of an individual grant, DHR monitors visit the grantee in order to interview key people associated with the grant program and examine files connected with the program. The monitors may also review data filed by the grantees. Following this, a monitoring report is prepared and circulated to other DHR staff involved with the processing of grants and to the grantee.

As part of the committee's examination of the Monitoring and Evaluation Division, staff reviewed a random sample of 30 monitoring reports completed by the unit. The examination of these files was not meant to be a review of the substantive nature of the job the unit is performing. Neither was it intended to disclose, nor could it be expected to reveal, how thoroughly and accurately a specific grantee program is being monitored and evaluated by the unit.

Instead, the purpose of the file review was to determine if monitors at DHR follow the procedures promulgated by the unit itself. Whether or not using these procedures, even if adhered to 100 percent of the time, is a valid way to measure a funded program's effectiveness is a separate issue.

The results from the sample indicated that 5 of the 30 reports were written after the funding period expired. The dates of those reports ranged from one week to three months after the funding period ended. In seven of the reports, at least one of eight pieces of identifying information expected to be on the report's first page was missing; for example, the funding period or the amount of the grant. In several of these cases, however, the information could be obtained by reading the text.

Figure II-3. Oversight Units Within the Department of Human Resources.

UNIT:	Audits Division	Monitoring & Evaluation Division	PARS (Program Administration Review System)	Grant & Payment Control Unit	Grant Control Unit
LOCATION:	Appears under Bureau of Financial Management in some organizational charts, but answers to the commissioner	Bureau of Program Planning and Development	Commissioner's Office	Bureau of Grants	Bureau of Financial Management
PURPOSE:	reviews the financial records of grantees upon completion of their contracts with DHR	inspects programs in progress to verify grantee compliance with DHR requirements and the approved program design and budget description	performs internal quality control reviews of DHR programs in order to support and improve management practices	verifies that payments being requested by grantees are legitimate - signs off on invoices	verifies basic information provided by grantees prior to issuance of checks by Fiscal Services Unit
OUTPUT:	written audit report	written monitoring report	exit interview upon completion of field review plus written report	(A plan is being developed by DHR to have a grants processing staff in the Bureau of Financial Management responsible for reviewing grantee reports to verify that expenditures are being made. Staff from the Bureau of Grants would also review the paperwork and make recommendations to the fiscal staff regarding payments.)	
STAFF:	17 professional; 1 clerical	16 professional; 2 clerical	4 professional; 1 clerical		
APPROX. COST: (FY 85)	\$447,520	\$401,482	\$113,300		

A majority of the reports did not contain completed supporting documentation forms as called for in the unit's general procedures program instruction sheets. However, in several of the cases, such documentation was not applicable to the program being monitored; therefore, the monitor did not fill out the form. During the course of examining the files, program review staff also found at least seven cases in which files for programs that had yet to be monitored were misfiled in the "completed reports" files instead of in the "to be assigned" file.

As a result of reviewing the monitoring and evaluation unit's filing system, interviewing the unit's chief administrator, and surveying several of the department's grantees, there is concern about several aspects of the DHR Monitoring and Evaluation Division. First, DHR grantee funded programs may not be getting as thorough an evaluation as could be expected. By the unit chief administrator's own admission, monitors concentrate their efforts on determining whether the estimated 300 funded programs are following the procedures outlined in the grant applications. As a result, little evaluation of actual program effectiveness is being done.

A second issue raised, and one involving other divisions at DHR, concerns how systematically programs are being re-monitored or checked to determine if suggested changes and improvements made by the monitoring staff are being carried out. Follow-up is conducted by the Bureau of Grants Management. In situations involving an emergency problem, such as a summer program that has not begun even though the summer is half over, the grants management staff is alerted even before the monitoring report is completed. They have 10 days to investigate and respond, indicating whether a problem actually exists and, if so, what corrective action needs to be taken.

For more general recommendations contained in monitoring reports, staff from the Bureau of Grants review the comments and determine their validity and the feasibility of making the proposed changes. Where they feel a change is appropriate, they will contact the grantee and discuss the matter. The grantee may be required to submit written documentation, for example, a budget revision to show that changes have been made. This information will be retained in the grants section files.

One difficulty with this system is the lack of a written policy regarding the failure of a grantee to correct or begin correcting the shortcomings cited in a monitoring report. The files of grantees requesting subsequent grants are supposed to be checked before a renewal is approved, and failure to correct a problem is considered negatively. Discretion is used in deciding whether a partial or total defunding will occur.

A third area of concern involves the required documentation instruments used by the Monitoring and Evaluation Division. In examining this area, it is important not to stress strict adherence to filling out forms over making substantive program evaluations. However, given the fact that the majority of the 30 sampled reports contained at least one incomplete form, why should these instruments continue to be used if they are viewed as being either too cumbersome or not applicable? If, however, these monitoring instruments are deemed important indicators of a program's performance and yet are not being fully utilized, then how thoroughly and accurately are the programs being evaluated?

The day-to-day oversight provided by the grants processing staff is equally limited. They concentrate on examining forms submitted by grantees to ensure needed information is provided. During the grant application segment, DHR staff work with potential grantees to ensure necessary information is provided in the required format; during the grant cycle, departmental staff check to be sure proper expenditure verification information has been supplied.

The Department of Human Resources has discussed making several revisions in these procedures. One change would involve revamping the monitoring system to emphasize oversight of large grantees on a more frequent basis and in greater depth. Another change would place more accountability for fiscal oversight in the Bureau of Financial Management rather than the Bureau of Grants.

It is the recommendation of the Legislative Program Review and Investigations Committee that:

the Department of Human Resources establish specific performance criteria for use in awarding both new and renewal grant awards. In conjunction with the department's long-range planning efforts, target populations and service needs should be identified for priority funding.

The performance criteria must focus on the activities of the grantees and the reporting of information that will enable DHR to evaluate program performance. At the same time the identification of the numbers and types of services most needed will provide the department with another factor for use in prioritizing the awarding of grants. In periods of limited funding, those programs operating both efficiently and to serve those in greatest need should receive funding first. While DHR makes an effort to give primary funding consideration to organizations that perform the best, its ability to judge that currently is limited by the data to which it has access.

Audits. Also connected to grant oversight is the manner in which DHR verifies grantee compliance with reporting requirements after the close of a grant period. Under state law, C.G.S. Sec. 7-396a, organizations receiving funding from the state must submit an audit of the records relating to their grant from the state following the completion of the grant period.

As of September 30, 1985, 800 DHR grants were listed as unaudited. While this number included approximately 250 grants that had just expired and another 100 that had been placed on the list since June 30, it is a large backlog, and it has existed at a similar level for several years. The total value of the grants on the list is \$151.6 million; nearly \$61.5 million of that sum represents the 350 newest grants.

Before a grant is considered closed by the Department of Human Resources, it must receive a certificate of termination. In order to receive this certificate, the disbursements attributable to the grant must be audited, and unallowed expenditures must be identified.

Every year the department fails in its goal of completing a certificate of termination for all of the grants disbursed by the agency during the preceding year. Both of the most recent financial audits of DHR completed by the state auditors of public accounts for the periods from 1981-84 criticized the department for the size of its auditing backlog.

It is unlikely some of the unaudited grants will ever be completed. Nearly 100 of the grants date back to the late 1960s and the 1970s. Those grants were distributed by predecessor agencies to DHR, and most of the recipients of the grants no longer exist. Even for a few organizations still operating, the records needed to complete an audit are not available.

Discussions have been held between representatives of DHR and several different assistant attorneys general during the past few years in an effort to find a way to complete the paperwork on those grantees no longer in operation. To date, however, DHR has taken no direct action to resolve the problem.

One proposal that has been discussed is the establishment of a task force or a committee to review the old grants and determine the proper disposition of the accounts. Such a task force might include representatives of the Office of Policy and Management, the state auditors, the attorney general's office, and DHR. This group could either act on suggestions from DHR staff, or it could itself review any documentation that exists on a particular grant and suggest the appropriate handling of unaudited funds.

Where justified, the recommendation could be for the state to write off the money involved as an uncollectible under C.G.S. Sec. 3-7. In other instances, the recommendation might be to turn the account over to a collection agency. The amount of the account would be that portion of the original grant for which no verification of expenditures existed. In making its decisions, the task force would consider the age of the unaudited grant, the cost of collection versus the likely payment, and the impact of repayment on the grantee if it is still in existence.

It is the belief of the program review committee that this problem cannot be allowed to continue. The committee recommends that:

resolution of the issues causing the backlog of unaudited grants be a priority of the Department of Human Resources during the coming year. In conjunction with setting up procedures to close the books on these grants, the department should address the issue of when and which unaudited funds should be listed as accounts receivables.

With respect to the listing of accounts receivables, it is the current policy of DHR to identify as accounts receivable only those amounts established by audit as improper expenditures by a grantee. Consideration should be given to the question of whether the total amount of a grant should be considered an accounts receivable until an audit has verified the amount that was properly spent.

The program review committee is also interested in seeing grantees assume greater responsibility for meeting the statutory audit requirement. Until two years ago, DHR had not strongly emphasized to grantees their responsibility in this area. As a consequence, the department assumed a greater role in the performance of audits than should be necessary. Accordingly, the program review committee recommends:

Amend the state statutes to require the Department of Human Resources to adopt regulations for the purpose of enforcing compliance with audit requirements in C.G.S. Sec. 7-396a. Hearings shall be held on all grants unaudited 12 months after their termination. The department shall have the authority to order an audit. If a grantee fails to comply with such an order, the department shall be authorized to petition the Superior Court for enforcement of the order. The court may grant such relief as it deems equitable.

Under this new statute, grantees would be given time following the close of the books for a particular grant period to have an audit performed. However, failure to obtain the audit would be addressed directly and in a timely fashion. The department would also gain clearer, added enforcement assistance from the courts.

### Coordination Responsibility

Under C.G.S. Sec. 4-60i(a), the Department of Human Resources is supposed to "coordinate the planning functions and resource utilization programs of the department of mental retardation and the departments of health services, correction, aging, children and youth services and mental health." This responsibility was given to the department under the executive reorganization legislation of 1967. Previously, the role had been assigned to the State Council on Human Services.

At no time during its nearly seven years of existence has the Department of Human Resources performed this statutory function. References to this duty have been included in some materials describing the purposes and responsibilities of the agency, but it is not a function assigned to any individual or unit in the agency.

Discussions with individuals in the department as well as the Office of Policy and Management suggested that, although the language on coordination was assigned to DHR, the department was never expected to carry out these duties. No resources have ever been targeted to the area. Indeed, according to some people familiar with the history of the language, it was placed under DHR for convenience, and because no one was sure where to put it.

Under a different section of the statutes, C.G.S. Sec. 4-65a, the Office of Policy and Management is responsible "for all aspects of state staff planning and analysis in the areas of budgeting, management, planning, energy policy determination and evaluation, intergovernmental relations, criminal and juvenile justice planning and program evaluation." Given the existence of that authority, the failure of DHR to perform its statutory coordination functions, and the limited planning efforts the department makes on its own behalf, the program review committee does not believe there is any need for the continuation of C.G.S. Sec. 4-60i(a).

It is the recommendation of the Legislative Program Review and Investigations Committee that:

**the responsibility enumerated in C.G.S. Sec. 4-60i(a) of the Connecticut General Statutes be deleted from the statutes.**



## APPENDICES



Provision of Grants1. CHILD DAY CARE

OBJECTIVE: To afford low-income and moderate-income parents the opportunity to become employed or participate in work-related training by providing funding for quality child care services at a reasonable cost. Also, to issue licenses to family day care home providers in order to ensure the safety of children cared for in such homes.

FY 85 COSTS: General Fund - \$4,749,903    Federal Funds - \$12,865,311    Total - \$17,615,214

SERVICES: About 4,300 children attend 106 funded day care centers. More than 1,450 families receive subsidized child day care for 1,850 children. There are 2,733 licensed day care homes with capacity for 11,656 children.

2. FUEL ASSISTANCE

OBJECTIVE: To reduce the burden of fuel costs for low-income persons who are not recipients of cash assistance from the Department of Income Maintenance.

FY 85 COSTS: General Fund - \$1,504,000    Federal Funds - \$24,298,368    Total - \$25,802,368

SERVICES: Through April 12, 1985, 57,113 people sought fuel assistance; 47,888 were eligible. There are 140 intake sites for energy programs. In April, an additional \$2.7 million in state and federal funding was committed to the program.

3. REFUGEE ASSISTANCE PROGRAM

OBJECTIVE: To promote self-sufficiency of refugees.

FY 85 COSTS: General Fund - \$0    Federal Funds - \$1,272,453    Total \$1,272,453

SERVICES: The average number of adult refugees receiving employability training monthly is 450. Of the estimated 3,762 refugees in the state, 540 receive public/general assistance.

4. PARENT DEINSTITUTIONALIZATION SUBSIDY AID

OBJECTIVE: To enable physically handicapped or developmentally disabled children to remain in their own homes.

FY 85 COSTS: General Fund - \$23,106    Federal Funds - \$ 0    Total - \$23,106

SERVICES: The agency received an estimated 35 requests for grants; 30 were eligible. The average amount of the 15 grants given was \$1,540. There is a \$2,000 grant maximum.

5. WORK INCENTIVE (WIN)

OBJECTIVE: To reduce welfare dependency by assisting AFDC applicants and recipients to become self-sufficient by placing them in subsidized jobs.

FY 85 COSTS: General Fund - \$1,638,476 Federal Funds - \$ 0 Total - \$1,638,476

SERVICES: Program is administered by the Departments of Human Resources, Income Maintenance, and Labor. The average number of people registered is 21,760; about 1,150 new people register per month. Average number of job placements per month is 371; 605 program registrants receive services. Approximate annual welfare savings is \$18.5 million; 90 percent of state expenditures are reimbursed by federal government.

6. FOOD DISTRIBUTION

OBJECTIVE: To supplement the diet of low-income people through distribution of surplus commodities.

FY 85 COSTS: General Fund - \$ 0 Federal Funds - \$462,293 - Total - \$462,293

SERVICES: More than 75,000 households per month use this service. There are about 310 food distribution sites statewide, 40 food banks, and 41 soup kitchens and emergency shelters participating in the program.

7. COMMUNITY SHELTER SERVICES (SHELTERS FOR VICTIMS OF HOUSEHOLD ABUSE)

OBJECTIVE: To assist victims of household violence by providing safe shelter, supportive services, community education, and in-service training to service providers.

FY 85 COSTS: General Fund - \$396,467 Federal Funds - \$375,609 Total - \$772,076

SERVICES: During FY 85, 2,534 individuals were sheltered under the program. Of these, 1,487 were children, and 1,047 were women. The agency contracts with 12 shelter and 4 host home programs.

8. COMMUNITY SHELTER SERVICES (EMERGENCY SHELTERS FOR THE HOMELESS)

OBJECTIVE: To assist individuals and families in securing safe and humane shelter during periods of temporary homelessness.

FY 85 COST: General Fund - \$20,000 Federal Funds - \$561,984 Total - \$581,984

SERVICES: Nearly 4,050 people were sheltered during FY 85 in the state's 1,000 shelter beds. DHR contracts with 21 other programs to house those needing temporary shelter.

9. WEATHERIZATION

OBJECTIVE: To conserve fuel and to reduce fuel costs for low-income persons by improving energy efficiency.

FY 85 COSTS: General Fund - \$24,878    Federal Funds - \$6,207,444    Private - \$106,816  
Total - \$6,339,138

SERVICES: As of February 1985, 2,164 units were weatherized through the federal Department of Energy grants, while an additional 1,991 units were weatherized through block grant funds. DHR contracts for such weatherization services with 14 Community Action Agencies and 1 municipal agency.

10. LEGAL SERVICES

OBJECTIVE: To increase access to the judicial process for low-income people through advocacy, legal representation, and supportive services.

FY 85 COSTS: General Fund - \$75,000    Federal Funds - \$1,290,046    Total - \$1,365,046

SERVICES: In addition to contracting primarily with Connecticut Legal Services (CLS), DHR also contracts with the State Office of Protection and Advocacy to provide legal assistance to the disabled. The agency paid for 22 percent of the cost of all those served by CLS (22,150 cases).

11. COMMUNITY SERVICES AND NEIGHBORHOOD FACILITIES

OBJECTIVE: To assist community-based local organizations that deliver a variety of human resource services designed to reduce conditions of impoverishment and dependency.

FY 85 COSTS: General Fund - \$4,768,426    Federal Funds - \$10,238,809    Total \$15,007,235

SERVICES: Nearly 140 agencies received funding under this program; there were 215,000 clients served at 362 different sites. Many of the activities are funded by the federal Social Services Block Grant.

12. OPPORTUNITIES INDUSTRIALIZATION CENTERS (OIC)

OBJECTIVE: To strengthen and/or develop OICs in Connecticut, which deliver a variety of employment and training programs designed to increase employment opportunities for unemployed and underemployed low-income persons.

FY 85 COSTS: General Fund - \$293,700    Federal Funds - \$ 0    Total - \$293,700

SERVICES: DHR estimates that 125 individuals were served under the program during FY 85; DHR funded four agencies for this program.

13. HISPANIC PROGRAM

OBJECTIVE: To reduce unemployment among Hispanic adults and out-of-school Hispanic youths by providing them with basic educational and linguistic skills.

FY 85 COSTS: General Fund - \$395,876    Federal Funds - \$323,379    Total - \$719,255

SERVICES: Program involves a Bilingual Vocational Program; during FY 85, it served about 220 individuals, 80 percent of whom completed a 10-to-26 week course. About 75 percent of those in the program found employment. Agency also operates an employment and training program; 1,049 individuals completed an education training course and 1,451 people received information and referral services.

14. INFORMATION AND REFERRAL

OBJECTIVE: To make human services more accessible by providing people with information about available services, referral to sources of assistance, and where appropriate, follow-up.

FY 85 COSTS: General Fund - \$70,471    Federal Funds - \$763,067    Total - \$833,538

SERVICES: DHR is working with Info-Line in this area. During FY 85, the agency estimates 105,000 cases will be handled.

15. FAMILY PLANNING

OBJECTIVE: To enable all individuals of child-bearing age to limit their family size, avoid unplanned pregnancies, and/or resolve fertility problems.

FY 85 COSTS: General Fund - \$ 0    Federal Funds - \$1,268,535    Total - \$1,268,535

SERVICES: DHR contracts out this service, primarily with Planned Parenthood; there are 29 counseling sites throughout the state; during FY 85, 64,000 clients were served.

Provision of Services

16. IN-HOME CARE SERVICES

OBJECTIVE: To enable low-income persons with significant impairments to function independently, to the extent possible, in their homes by providing essential social services and to avoid expenditures for costlier levels of care.

FY 85 COSTS: General Fund - \$7,666,893    Federal Funds - \$1,365,231    Total - \$9,032,124

SERVICES: Average number of cases per month is 5,471; purchased services include homemaker, housekeeper, choreperson, adult companion, adult day care, and meals on wheels.

17. PERSONAL CARE ASSISTANCE FOR PERSONS WITH SEVERE HANDICAPS

OBJECTIVE: To assist severely handicapped adults to remain employed or in an employment training program by subsidizing the cost of an attendant to provide the care needed.

FY 85 COSTS: General Fund - \$69,320 Federal Funds - \$13,067 Total - \$82,387

SERVICES: Of the 35 requests for assistance during FY 85, 22 were approved.

Protective Services

18. PROTECTIVE SERVICES FOR THE ELDERLY

OBJECTIVE: To insure the safety and well-being of persons 60 years of age or older who are victims of abuse, neglect, exploitation, or abandonment.

FY 85 COSTS: General Fund - \$674,140 Federal Funds - \$299,795 Total - \$973,935

SERVICES: During FY 85, the agency estimates it received 1,125 referrals from the Department on Aging.

19. CHILD SUPPORT ENFORCEMENT UNIT

OBJECTIVE: To increase financial self-sufficiency of families while striving to create a community attitude that children should be supported by both parents.

FY 85 COSTS: General Fund - \$5,463,790 Federal Funds \$ 0 Total - \$5,463,790

SERVICES: Total FY 85 collections: \$23,700,000 (AFDC) \$21,450,000 (non-AFDC); there are 77,777 active cases. Connecticut receives 70 percent of program administrative costs from the federal government and keeps 62 percent of all AFDC child support collections.

Management

20. MANAGEMENT SUPPORT SERVICES

OBJECTIVE: To plan sound policy direction, and to assure effective, efficient, and just management by planning, directing, and assessing the use of agency resources.

FY 85 COSTS: General Fund - \$3,553,522 Federal Funds - \$1,978,508 Total - \$5,532,030

SERVICES: The agency issued 500 contracts, conducted 375 audits, monitored 500 programs, held 948 training sessions, and trained 5,556 persons during FY 85.

Note: All budget figures provided are based on the FY 85 estimates in the governor's budget for FY 86.

APPENDIX 2

Legislative Program Review and Investigations Committee N=151

Survey of Department of Human Resources Staff

This survey has been constructed to obtain information about the management practices of the Department of Human Resources. Please answer each question by circling the number next to the response that in your opinion best answers the question. The term "work group", as used in this survey, means those persons who report to same supervisor.

Please feel free to provide additional comments directly on the questionnaire or in a separate attachment. Please do not put your name on the survey.

- |   |   |
|---|---|
| <p>1) To what extent is this organization generally quick to use improved work methods? N=147</p> <p>1. To a very little extent 21.8<br/>                 2. To a little extent 17.0<br/>                 3. To some extent 43.5<br/>                 4. To a great extent 14.3<br/>                 5. To a very great extent 3.4</p> <p>2) To what extent does this organization have a real interest in the welfare and happiness of those who work here? N=147</p> <p>1. To a very little extent 34.0<br/>                 2. To a little extent 22.5<br/>                 3. To some extent 25.2<br/>                 4. To a great extent 12.2<br/>                 5. To a very great extent 6.1</p> <p>3) How much does this organization try to improve working conditions? N=148</p> <p>1. To a very little extent 31.1<br/>                 2. To a little extent 15.5<br/>                 3. To some extent 35.8<br/>                 4. To a great extent 12.2<br/>                 5. To a very great extent 5.4</p> <p>4) To what extent does this organization have clear-cut, reasonable goals and objectives? N=148</p> <p>1. To a very little extent 12.8<br/>                 2. To a little extent 22.3<br/>                 3. To some extent 32.4<br/>                 4. To a great extent 28.4<br/>                 5. To a very great extent 4.1</p> | <p>5) To what extent is the information your work group gets about what is going on in other bureaus or divisions adequate? N=148</p> <p>1. To a very little extent 28.4<br/>                 2. To a little extent 20.3<br/>                 3. To some extent 37.8<br/>                 4. To a great extent 11.5<br/>                 5. To a very great extent 2.0</p> <p>6) How receptive are people above your supervisor to ideas and suggestions from your work group? N=147</p> <p>1. To a very little extent 19.7<br/>                 2. To a little extent 21.8<br/>                 3. To some extent 33.3<br/>                 4. To a great extent 20.4<br/>                 5. To a very great extent 4.8</p> <p>7) To what extent does this organization tell your work group what it needs to know to do its job in the best possible way? N=149</p> <p>1. To a very little extent 14.1<br/>                 2. To a little extent 19.5<br/>                 3. To some extent 43.0<br/>                 4. To a great extent 16.1<br/>                 5. To a very great extent 7.4</p> |
|---|---|

8) How are differences and disagreements between units or departments handled in this organization? N=143

1. Disagreements are almost always avoided, denied, or suppressed. 9.8
2. Disagreements are often avoided, denied, or suppressed. 21.7
3. Sometimes disagreements are accepted and worked through; sometimes they are avoided or suppressed. 39.9
4. Disagreements are usually accepted as necessary and desirable and are worked through. 23.8
5. Disagreements are almost always accepted as necessary and desirable and are worked through. 4.9

9) How satisfied do you feel with the progress you have made in this organization up to now? N=149

1. Very dissatisfied 19.5
2. Somewhat dissatisfied 18.1
3. Neither satisfied nor dissatisfied 14.8
4. Fairly satisfied 29.5
5. Very satisfied 18.1

10) How satisfied do you feel with your chances for getting ahead in this organization in the future? N=148

1. Very dissatisfied 35.1
2. Somewhat dissatisfied 21.0
3. Neither satisfied nor dissatisfied 14.2
4. Fairly satisfied 23.7
5. Very satisfied 6.1

11) Why do people work hard in this organization? N=138

1. Just to keep their jobs and avoid being chewed out. 6.5
2. To make money. 5.8
3. To seek promotions. 4.3
4. For the satisfaction of a job well done. 26.1
5. Because other people in their work group expect it. 2.2
6. All of the above. 48.6
7. People don't work hard in this organization. 6.5

12) In general, how much say or influence do you have on what goes on in your work group? N=148

1. Little or no influence 19.6
2. Some 33.1
3. Quite a bit 23.7
4. A great deal 17.6
5. A very great deal of influence 6.1

IN GENERAL, HOW MUCH SAY OR INFLUENCE DO EACH OF THE FOLLOWING GROUPS OF PEOPLE HAVE ON WHAT GOES ON IN YOUR DEPARTMENT?

13) Lowest-level supervisors (line supervisors): N=144

1. Little or no influence 20.1
2. Some 40.3
3. Quite a bit 24.3
4. A great deal 10.4
5. A very great deal of influence 4.9

14) Commissioner or deputy commissioners: N=143

1. Little or no influence 3.5
2. Some 7.0
3. Quite a bit 12.6
4. A great deal 32.2
5. A very great deal of influence 44.8

15) Employees who have no subordinates: N=142

1. Little or no influence 41.6
2. Some 38.0
3. Quite a bit 7.7
4. A great deal 7.7
5. A very great deal of influence 4.9

16) Middle managers (bureau heads, division chiefs, etc.): N=144

1. Little or no influence 4.9
2. Some 31.3
3. Quite a bit 23.6
4. A great deal 33.3
5. A very great deal of influence 6.9

- 17) In general, how are objectives announced and drawn up in this organization? N=140
1. Objectives are announced with no opportunity to raise questions or give comments. 23.6
  2. Objectives are announced and explained, and an opportunity is then given to ask questions. 25.0
  3. Objectives are drawn up, but are discussed with subordinates and sometimes modified before being issued. 25.0
  4. Specific alternative objectives are drawn up by supervisors, and subordinates are asked to discuss them and indicate the one they think is best. 5.0
  5. Problems are presented to those persons who are involved, and the objectives felt to be the best are then set by the subordinates and the supervisor jointly, by group participation and discussion. 12.1
  6. This organization has no announced objectives. 9.3
- 18) In this organization to what extent are decisions made at the levels where the most adequate and accurate information is available? N=44
1. To a very little extent 23.6
  2. To a little extent 21.5
  3. To some extent 36.8
  4. To a great extent 16.0
  5. To a very great extent 2.1
- 19) When decisions are being made in this agency, to what extent are the persons affected asked for their ideas? N=145
1. To a very little extent 35.2
  2. To a little extent 22.1
  3. To some extent 35.2
  4. To a great extent 6.2
  5. To a very great extent 1.4
- 20) To what extent do different bureaus or divisions plan together and coordinate their efforts? N=139
1. To a very little extent 25.9
  2. To a little extent 31.7
  3. To some extent 40.0
  4. To a great extent 9.4
  5. To a very great extent 2.2
- 21) People at all levels of an organization usually have know-how that could be of use to decision-makers. To what extent is information widely shared in this organization so that those who make decisions have access to all available know-how? N=143
1. To a very little extent 30.1
  2. To a little extent 28.7
  3. To some extent 31.5
  4. To a great extent 7.7
  5. To a very great extent 2.1
- 22) How easy to approach is your supervisor? N=150
1. To a very little extent 2.0
  2. To a little extent 2.0
  3. To some extent 14.7
  4. To a great extent 40.7
  5. To a very great extent 40.7
- 23) When you talk with your supervisor, to what extent does he or she pay attention to what you are saying? N=151
1. To a very little extent 4.0
  2. To a little extent 4.0
  3. To some extent 23.8
  4. To a great extent 37.1
  5. To a very great extent 31.1
- 24) To what extent is your supervisor willing to listen to your job-related problems? N=150
1. To a very little extent 5.3
  2. To a little extent 4.0
  3. To some extent 23.3
  4. To a great extent 29.3
  5. To a very great extent 38.0

25) How much does your supervisor encourage people to give their best efforts? N=150

1. To a very little extent 3.3
2. To a little extent 7.3
3. To some extent 26.0
4. To a great extent 34.0
5. To a very great extent 29.3

26) To what extent does your supervisor maintain high standards of performance? N=148

1. To a very little extent 3.4
2. To a little extent 5.4
3. To some extent 28.4
4. To a great extent 30.4
5. To a very great extent 32.4

27) To what extent does your supervisor show you how to improve your performance? N=149

1. To a very little extent 8.1
2. To a little extent 17.5
3. To some extent 40.9
4. To a great extent 18.8
5. To a very great extent 14.8

28) To what extent does your supervisor offer new ideas for solving job-related problems? N=150

1. To a very little extent 9.3
2. To a little extent 14.7
3. To some extent 36.0
4. To a great extent 24.7
5. To a very great extent 15.3

29) To what extent does your supervisor encourage the persons who work for him or her to work as a team?N=149

1. To a very little extent 14.1
2. To a little extent 10.1
3. To some extent 28.2
4. To a great extent 24.2
5. To a very great extent 23.5

30) To what extent does your supervisor encourage people who work for him or her to exchange opinions and ideas? N=151

1. To a very little extent 8.6
2. To a little extent 13.3
3. To some extent 25.8
4. To a great extent 31.1
5. To a very great extent 21.2

31) To what extent do you feel your supervisor has confidence and trust in you? N=150

1. To a very little extent 4.0
2. To a little extent 4.7
3. To some extent 19.3
4. To a great extent 39.3
5. To a very great extent 32.7

32) To what extent do you have confidence and trust in your supervisor? N=148

1. To a very little extent 7.4
2. To a little extent 8.8
3. To some extent 19.3
4. To a great extent 33.1
5. To a very great extent 27.7

33) To what extent does your supervisor do a good job of representing your work group to other units? N=148

1. To a very little extent 8.8
2. To a little extent 8.8
3. To some extent 23.7
4. To a great extent 29.7
5. To a very great extent 29.1

WHEN IT IS NECESSARY FOR DECISIONS TO BE MADE THAT AFFECT YOUR WORK GROUP, TO WHAT EXTENT DOES YOUR SUPERVISOR DO EACH OF THE FOLLOWING BEFORE FINAL DECISIONS ARE MADE?

34) Provide the members of your work group with information about the decisions: N=150

1. To a very little extent 7.3
2. To a little extent 14.0
3. To some extent 32.7
4. To a great extent 31.3
5. To a very great extent 14.7

35) Ask for opinions and ideas from members of your work group: N=149

1. To a very little extent 7.4
2. To a little extent 14.8
3. To some extent 34.2
4. To a great extent 29.5
5. To a very great extent 14.1

36) Meet with his or her subordinates as a group, present problems that must be solved, and work with the group to find solutions: N=143

1. To a very little extent 11.9
2. To a little extent 9.8
3. To some extent 39.2
4. To a great extent 29.4
5. To a very great extent 9.8

37) To what extent does your work group plan together and coordinate its efforts? N=149

1. To a very little extent 9.4
2. To a little extent 12.8
3. To some extent 36.2
4. To a great extent 28.2
5. To a very great extent 13.4

38) To what extent does your work group make good decisions and solve problems well? N=148

1. To a very little extent 2.7
2. To a little extent 6.8
3. To some extent 27.7
4. To a great extent 49.3
5. To a very great extent 13.5

39) To what extent do persons in your work group know what their jobs are and know how to do them well? N=147

1. To a very little extent 0.7
2. To a little extent 3.4
3. To some extent 14.3
4. To a great extent 47.6
5. To a very great extent 34.0

40) To what extent is information about important events and situations shared within your work group? N=148

1. To a very little extent 5.4
2. To a little extent 10.1
3. To some extent 27.7
4. To a great extent 44.6
5. To a very great extent 12.2

41) To what extent does your work group really want to meet its objectives successfully? N=147

1. To a very little extent 2.0
2. To a little extent 0.7
3. To some extent 14.3
4. To a great extent 47.6
5. To a very great extent 35.4

42) To what extent is your work group able to respond to unusual work demands placed upon it? N=147

1. To a very little extent 1.4
2. To a little extent 0.0
3. To some extent 14.3
4. To a great extent 52.4
5. To a very great extent 32.0

43) To what extent do you have confidence and trust in the persons in your work group? N=148

1. To a very little extent 4.1
2. To a little extent 6.1
3. To some extent 19.6
4. To a great extent 43.2
5. To a very great extent 27.0

44) To what extent are the equipment and resources you have to do your work with adequate, efficient, and well-maintained? N=149

1. To a very little extent 16.1
2. To a little extent 20.8
3. To some extent 39.6
4. To a great extent 18.1
5. To a very great extent 5.4

45) When it comes to you doing your job well, to what extent does trying hard make any difference? N=149

1. To a very little extent 9.4
2. To a little extent 8.1
3. To some extent 28.2
4. To a great extent 36.2
5. To a very great extent 18.1

46) To what extent are you clear about what people expect you to do on your job? N=149

1. To a very little extent 2.0
2. To a little extent 6.0
3. To some extent 24.8
4. To a great extent 40.3
5. To a very great extent 26.9

47) To what extent are there times on your job when one person wants you to do one thing and someone else wants you to do something different? N=150

1. To a very little extent 19.3
2. To a little extent 15.3
3. To some extent 34.7
4. To a great extent 18.7
5. To a very great extent 12.0

48) To what extent do people expect too much from you on your job? N=150

1. To a very little extent 21.3
2. To a little extent 18.7
3. To some extent 32.7
4. To a great extent 14.7
5. To a very great extent 12.7

49) How often do you communicate with or receive assistance from each of the following agencies? (Please circle the appropriate response for each agency.)

	<u>Weekly</u>	<u>Monthly</u>	<u>Quarterly</u>	<u>Rarely, if ever</u>
DCYS (Children Services) N=140	10.0	16.4	15.0	58.6
DIM (Income Maintenance) N=142	60.6	11.3	9.9	18.3
DOHS (Health Services) N=138	3.6	7.3	8.0	81.2
SDA (Aging) N=143	9.1	10.5	7.7	72.7
SDE (Education) N=138	0.7	2.2	9.4	87.7
OPM (Policy & Management) N=139	9.4	6.5	13.7	70.5

50) In your own words, what is the mission of the Department of Human Resources? \_\_\_\_\_

See Attachment A. \_\_\_\_\_

51) Have you ever seen a written mission statement for the department?  
N=148

1) Yes 68.9                      2) No 31.1

51a) If yes, how did you happen to see the statement? N=93

- 1) received copy from supervisor 89.3
- 2) received copy from co-worker in own unit 3.2
- 3) received copy from co-worker in another unit 1.1
- 4) saw copy on another person's desk 4.3
- 5) heard about it from a co-worker and requested copy 2.2

52) Are there any other comments you would like to make about the management of the Department of Human Resources? \_\_\_\_\_

See Attachment A. \_\_\_\_\_

Attachment A

Question #50 - In your own words, what is the mission of DHR?  
N = 151

- Provide a range of social and community services to a variety of people including low-income residents, the disabled, elderly, and children. (60; 39.7%)
- Assist Connecticut residents to achieve and/or maintain self-support and self-sufficiency by offering a variety of social services to those eligible for them. (35; 23.2%)
- Help individuals achieve/maintain self-support and self-sufficiency. (10; 6.6%)
- Enhance the quality of life of the people DHR is serving. (9; 6.0%)
- Don't know, unsure, or unaware of any mission. (9; 6.0%)
- No response. (9; 6.0%)
- Locate parents and collect money for child support enforcement program. (3; 2.0%)
- Miscellaneous. (16; 10.6%)

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Official department mission statement (Policy Bulletin No. 32):

To assist Connecticut residents who may become or are disadvantaged economically, socially and environmentally to achieve self-support, self-sufficiency and autonomy through the provision of the Department's services, advocacy and protection, incentives for human resource development, inter-agency coordination, and public/private resource mobilization.

Question #52 - Are there any other comments you would like to make about the management of the Department of Human Resources?

Out of the 151 surveys returned, 89 persons responded to the question while 62 did not. The number and percent of the response categories given below are based on the sample of the 89 persons who responded. Because multiple responses were possible, the total number of answers exceed 89, and the total percent figures exceed 100 percent.

- The department is being headed by an inexperienced, uncaring, uninformed management that lacks good leadership qualities. (26; 29.2%)
- Management needs to establish better communication with staff and be willing to get more input from it. (21; 23.5%)
- Hiring and promotion practices are questionable; promotions seem to be based more on politics and favoritism rather than on merit, competency, and qualifications. (15; 16.9%)
- There is very low morale among most workers in the agency. (13; 14.6%)
- More staff and resource support should be given to district offices. (10; 11.2%)
- There seems little opportunity for career advancement (upward mobility) especially for clerical staff within the department. (8; 9%)
- Given the budget constraints and unpopular political climate under which the agency must operate, DHR is doing a good job. (7; 7.9%)
- DHR is generally doing a fine job. (6; 6.7%)
- The Child Support Enforcement Unit should not be part of DHR; the two do not share common goals and objectives. (6; 6.7%)
- The goals of DHR could be better accomplished by returning its responsibilities to one state agency. (5; 5.6%)
- There are too many high level management positions. (5; 5.6%)
- Time is inefficiently spent doing unnecessary paperwork. (3; 3.4%)
- Miscellaneous comments. (11; 12.4%)



STATE OF CONNECTICUT

DEPARTMENT OF HUMAN RESOURCES  
OFFICE OF THE COMMISSIONER

JAMES G. HARRIS, JR.  
COMMISSIONER

TELEPHONE  
(203) 566-3318

December 17, 1985

TO: MICHAEL NAUER, DIRECTOR  
LEGISLATIVE PROGRAM REVIEW  
& INVESTIGATIONS COMMITTEE

FROM: JAMES G. HARRIS, JR. *JGH*  
COMMISSIONER

RE: REPLY TO LEGISLATIVE PROGRAM REVIEW & INVESTIGATIONS  
COMMITTEE MANAGEMENT AUDIT OF THIS DEPARTMENT

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This is in response to your December 6, 1985 letter requesting our comments on the recommendations in the subject audit report.

I have carefully reviewed the recommendations with my staff, and our comments are attached. This response is not intended to be a rebuttal to the Committee's conclusions, but rather an objective and, we hope, informative description of the present context of the areas about which the Committee made recommendations, as well as an indication of some of our immediate plans.

JGH/JP:f

cc: William A. O'Neill, Governor  
R.H. Blackstone, Deputy Commissioner  
Anne McAloon

## DEPARTMENT OF HUMAN RESOURCES RESPONSE

The Department of Human Resources has carefully reviewed the recommendations in the Legislative Program Review and Investigations Committee's Management Audit of the Department.

Throughout this Management Audit, the department has cooperated fully with the Committee and its staff. As with any organization, we recognize that improvements can be made in our management practices. To this end, we welcome constructive recommendations. Accordingly, we view this report as a management tool that may help to point the way to improvements and we intend to consider all recommendations objectively.

Therefore, our response is not intended to be a rebuttal to the Committee's conclusions, but rather an objective and, we hope, informative description of the present context of the areas about which the Committee made recommendations, as well as an indication of some of our immediate plans.

RECOMMENDATION - PLANNING: "The Department of Human Resources develop short- and long-range plans that identify specific tasks to be undertaken to ensure that the agency's mission will be carried out. Particular attention should be given to the impact of federal budget cuts on Connecticut's ability to provide social services to its needy citizens. The plans should also address future staffing and resource requirements of the agency."

"The Planning Division should be strengthened and integrated into the management process for purposes of policy development, budgeting, program monitoring, and agency decision-making."

DHR REPLY TO RECOMMENDATION - PLANNING:

The Department's Multi-Year Plan is a major effort to focus on the complex array of services for which DHR is responsible and to pull together, in a better coordinated way, goals for these services. This approach contrasts with our planning efforts since 1979, which were characterized by a more global planning effort centering on the use of federal categorical and block grants (Title XX, SSBG, DOE, etc.). While these efforts will continue, we are changing the emphasis to concentrate more on DHR specific planning. These efforts, of course, include analyses of possible impacts of federal budget cuts and contingency plans or options to minimize reductions in services which might result. Such analyses also suggests changes that might result in DHR future staffing or resource requirements.

The Multi-Year Plan, which is in final draft form, will be modified to both define DHR's present programs and activities in the current demographic setting and to set forth specific priority areas for concentration in the first year. Of necessity, DHR planning efforts have, in part, and must continue to be focused on short term options reflecting a range of possible federal policy and funding decisions each year.

The Planning and Research Division, until July first of this year (1985) was isolated in a different building than the rest of DHR's Central Office. Now that it and all Central Office functions are under one roof, planning efforts are fully integrated into the management process and planning staff are full participants in policy development, budgeting, program evaluation and agency decision-making in general. The Division has also become a primary source of information and analyses to support agency-wide policy decisions.

RECOMMENDATION - AVAILABILITY OF DATA: "In conjunction with agency planning activities, the Department of Human Resources compile basic quantitative data description of the grant operations of the agency. In addition, the names of the people in the grantee organizations responsible for administering the programs should be identified."

DHR REPLY TO RECOMMENDATION - AVAILABILITY OF DATA:

DHR does compile basic data on its grant programs. The following information for all grants is automated:

- \*Name of grantee
- \*Contract number (including municipal code, program code, type agency code)
- \*Budget period
- \*Total grant amount
- \*Payment number
- \*Payment list number
- \*Account number
- \*Payment date
- \*Payment amount
- \*Balances for Federal and State Fiscal Years

In addition, for the Social Service Block Grant-funded programs, the Department can show the grant amount by defined service category.

Also, when a Certificate of Termination (COT) is issued after completion of a program, those data are entered into the system.

The Department's Energy Program is also automated and there are approximately forty-five items of data which identify characteristics such as those itemized above, thirty summaries of different characteristics and ten reports that can be produced on an as needed basis.

The data on grants are entered according to Connecticut's municipalities. Therefore, the data can be manipulated for any regional configuration, e.g., congressional district, human service planning area, DHR district office, etc.

The Department requires its grantees, on a quarterly basis, to submit fiscal and programmatic data. A quarterly balance sheet and expenditure report must be submitted before grant payments are processed. The quarterly program report is a participant characteristic reporting form. In summary, we collect a very large amount of data which is used in the overall planning process to analyze alternative programming and budgeting decisions.

Grantees are also asked for six-month progress reports and self-evaluations that consist of a narrative report and five self-evaluation forms. Two of the five forms are required, three are optional. These forms require the development of a series of specific measurements of how well local programs are performing by systematically measuring capacity, cost per client, vulnerable target population reached, effectiveness and efficiency.

District Office managers now have lists of grants and grantees in their areas and have access to the names of people responsible for each grant through that agency's field representative.

RECOMMENDATION - LINES OF AUTHORITY: "The Commissioner of Human Resources determine the specific responsibilities and authority of all executive and managerial staff. Those decisions should be made clear to all managers by publication of a table of organization and a specific operations and procedures manual."

DHR REPLY TO RECOMMENDATION - LINES OF AUTHORITY:

The Department has developed and implemented a formal Table of Organization which clearly identifies those with line and staff functions. In all cases, when a supervisor is absent, an acting supervisor is named either by table of organization or designation.

We are planning to develop a specific operations and procedures manual. The procedures for the development of this Departmental manual have been outlined in Policy Bulletin No. 82 issued September 1, 1985 (copy attached). A staff person has been assigned to this task on a full-time basis.

RECOMMENDATION - COMMUNICATION: "The Department of Human Resources make the mission statement of the agency available in all departmental offices. In addition, the statement should be included in the employee handbook distributed to all new employees."

"The department should also establish specific lines of communication that ensure top managers in the agency receive and disseminate information in a timely manner. All units in the department should be given information directly related to their areas of responsibility as soon as it is available (for example, employees should receive policy bulletins prior to their effective date.)"

DHR REPLY TO RECOMMENDATION - COMMUNICATION:

The DHR Mission Statement was distributed to all DHR offices, and to all staff, and will be included in the employee handbook for new employees which is being updated by the Personnel Division for distribution by March 1986.

We intend to continue efforts to share information more broadly and in a more timely way throughout the agency. A more structured approach to communication will be included in the operations and procedures manuals

when these are developed. One significant step involves bi-weekly meetings of the District Managers at the headquarters office and part of the agenda includes a presentation by a member of another group to explain the functions and responsibilities of particular areas, e.g., data processing, financial, planning, etc.

The Commissioner also meets with all managers on a quarterly basis.

RECOMMENDATION - STAFF MORALE: "The Department of Human Resources should carry out its hiring in an open manner. The use of temporary and provisional appointments should be used for emergencies only."

"The Department of Human Resources continue recent efforts it has made in the central office to provide a work environment that is conducive to high productivity and morale. Additional efforts should also be made on behalf of the workers in the district offices to obtain adequate space and equipment."

DHR REPLY TO RECOMMENDATION - STAFF MORALE:

Consistent with Affirmative Action principles and policy of promoting experienced and qualified people within the agency, DHR will continue to carry out recruitment, hiring and promotional activities in full compliance with applicable state statutes and regulations. In addition, DHR has started a management analysis of the Personnel Division which will result in a Personnel Policy and Procedures manual by the end of FY 1986.

DHR has devoted great effort to the securing of good office environments both in Central Office and in the Districts. While this effort has achieved some major successes, there is much to be done, and intensive efforts will continue. We are working diligently with DAS/Public Works to secure good office environments for our District Offices.

RECOMMENDATION - BUDGETING PROCESS: "The Department of Human Resources develop an ongoing long-range process for forecasting budgetary needs and evaluating alternative uses of funds. The agency should prepare clear written procedures for the preparation of the annual budget."

DHR REPLY TO RECOMMENDATION - BUDGETING PROCESS:

Budget preparation procedures with broader sharing of staff assignments are currently being prepared by the Bureau of Financial Management. These procedures will be issued by March 1986 for the next budget cycle. The fact that three (3) of every four (4) dollars expended by DHR come from the federal government creates complexities for long range budget forecasting, which is dependent on annual budgetary decisions made by Congress. Such forecasting is done regularly and it will continue to be done conservatively. Contingency plans are developed for use of unanticipated federal funds. However, DHR, in most cases, can not unilaterally implement such plans. For example, Tripartite negotiations have resulted in specific decisions as to use of unanticipated SSBG funds, should any be received. Energy Block Grant funds, if unanticipated increases occur, must be used as approved by the Executive Agencies and three Legislative Committees through the State Winter Energy Plan.

The Department recognizes that it has been, and remains, inadequately staffed in the budget and fiscal area. This has led to excessive burdens on a few people for the budget preparation process. The new budget procedures will provide for more managerial involvement and sharing in the budget development work load.

RECOMMENDATION - CONDITION OF RECORDS: "The Department of Human Resources establish policies, procedures, and employee training methods to insure that adequate, useable data and records are gathered and maintained."

DHR REPLY TO RECOMMENDATION - CONDITION OF RECORDS:

DHR has made major headway with improving records through more appropriate organizational assignments, more adequate space for files and records, and streamlining procedures. As an example, several previous audit citations concerning manual personnel and payroll records have been resolved by our recently implemented automated time and attendance system. However, more is being done, e.g. automation of essential services data; child support enforcement (IV-D); and day care/child nutrition programs. Finally, some of this effort had to be delayed for more than a year at our former location because of inadequate space arrangements.

RECOMMENDATION - INTERNAL AND EXTERNAL OVERSIGHT: "The Department of Human Resources establish specific performance criteria for use in awarding both new and renewal grant awards. In conjunction with the Department's long-range planning efforts, target populations and service needs should be identified for priority funding."

DHR REPLY TO RECOMMENDATION - INTERNAL AND EXTERNAL OVERSIGHT:

Specific performance criteria, among other things, based on the development of defined units of service and unit costs, will govern most DHR grants in the future. The change from line item budgets to this new approach will need to be done in increments, probably with some demonstrations and field tests. We have just adopted a new policy for program evaluation which reverses the emphasis from monitoring for contract and budget compliance to performance evaluation. As these new approaches to making grants and evaluating performance are implemented, staff emphasis will shift from desk review of paper requirements to more intensive field work with providers as programs are being carried out and services delivered. Even this year, DHR's decisions as to SSBG spending plans are based on newly developed criteria as to priority target populations and service needs. These new criteria were largely responsible for our decisions to fund those programs within the priority target populations and service needs.

RECOMMENDATION - AUDITS: "Resolution of the issues causing the backlog of unaudited grants be a priority of the Department of Human Resources during the coming year. In conjunction with setting up procedures to close the books on these grants, the department should address the issue of when and which unaudited funds should be listed as accounts receivables."

"Amend the state statutes to require the Department of Human Resources to adopt regulations for the purpose of enforcing compliance with audit requirements in C.G.S. Sec. 7-396a. Hearings shall be held on all grants unaudited 12 months after their termination. The department shall have the authority to order an audit. If a grantee fails to comply with such an order, the department shall be authorized to petition the Superior Court for enforcement of the order. The court may grant such relief as it deems equitable."

DHR REPLY TO RECOMMENDATION - AUDITS:

With hundreds of grants each year, the audit requirements will remain at a very high level. Each grantee is required to secure its own audit for each program and submit them for DHR review and, if acceptable, the issuance by DHR of a Certificate of Termination for each such grant program. The ongoing efforts are going fairly smoothly. The problem is with old programs and here are the two issues. The first is establishing a process for writing off receivables as uncollectable, where receivables can be established by audit. This will involve the Attorney General and the process, once agreed upon, can proceed in accordance with existing statutes. The second issue is that there are old, unaudited programs which cannot be audited and receivables cannot be established. These are situations, for example, where the grantee agency, and its financial records no longer exist. These matters are being pursued vigorously by DHR with the Attorney General, the Comptroller, and the State Auditors. The most viable alternative involves C.G.S. Section 3-7 "Cancellation of Uncollectible Claims. Compromise of Disputed Claims."

RECOMMENDATION - COORDINATION RESPONSIBILITY: "The responsibility enumerated in C.G.S. Sec. 4-60i(a) should be deleted from the statutes."

DHR REPLY TO RECOMMENDATION - COORDINATION RESPONSIBILITY:

We agree with this recommendation. The statutes should be amended to carry out the intent of this comprehensive coordination through the Governor's Office.

APPENDIX 4

Legislative Changes Needed to Implement the Legislative Program  
Review and Investigations Committee's Recommendations

- Require the Department of Human Resources to adopt regulations for the purpose of enforcing compliance with audit requirements in C.G.S. Sec 7-396a. Hearings shall be held on all grants unaudited 12 months after their termination. The department shall have the authority to order an audit. If a grantee fails to comply with such an order, the department shall be authorized to petition the Superior Court for enforcement of the order. The court may grant such relief as it deems equitable. (p. 38)
  
- Delete C.G.S. Sec. 4-60i(a). (p. 39)

