



***Comment before the Appropriations and Human Services Committees
August 26, 2020***

Good morning, Senators Osten, Moore, Formica and Logan, and Representatives Walker, Abercrombie, Lavielle and Case, and distinguished members of the Appropriations and Human Services Committees, my name is Kathleen Brennan and I am a Deputy Commissioner for the Department of Social Services. I am here before you today to seek your approval of the Governor’s Federal Fiscal Year (FFY) 2021 Allocation Plan for the Community Services Block Grant (CSBG).

The CSBG is administered by the United States Department of Health and Human Services (HHS) through its administrative agency, the Administration for Children and Families (ACF), Office of Community Services (OCS). The Connecticut Department of Social Services (DSS) is designated as the principal state agency for the allocation and administration of the block grant within the state of Connecticut.

The purposes of the CSBG are to provide assistance to states and local communities, working through a network of Community Action Agencies for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient.

At the time of the development of this plan, federal funding for FFY 2021 has not yet been finalized. For purposes of the development of this plan, the federal funding allocation for Connecticut for FFY 2021 is estimated to be \$8.87 million, which is equal to the state’s final FFY 2020 allocation.

HHS requires that at least ninety percent (90%) of the CSBG funds made available to the state through the federal block grant are administered through grants to Community Action Agencies (CAAs), Community Action Programs (CAPs) or Limited Purpose Agencies (LPAs). In Connecticut there are nine CAAs and one LPA, the Connecticut Association for Community Action (CAFCA) that qualify for CSBG funding. Each of the nine CAAs has a specific catchment area. Accordingly, this allocation plan proposes that \$7.99 million or ninety percent (90%) of the \$8.8 million will be distributed by the Department through contracts with the CAAs and CAFCA. The proposed FFY 2021 allocations to the CAAs were calculated utilizing the base amounts that entities should be receiving pursuant to the current agreement stipulated under §17b-888 of the Connecticut General Statutes and are set forth in Table D on pages 13-14 of the plan.

The Department plans to retain the remaining ten percent (10%) of the estimated FFY 2021 block grant funding, a total of \$887,874, split evenly to support costs of administration (\$443,937) and for discretionary projects (\$443,937). The funds retained for administration will be used by the Department to support the 2.75 DSS staff dedicated to the CSBG program to provide the necessary programmatic and fiscal oversight, training and monitoring requirements associated with the receipt of federal funds.

Informational Forum –Community Services Block Grant Allocation Plan (CSBG) – FFY 2021

The proposed allocation for total administrative costs for FFY 2021 are equal to the FFY 2020 estimated expenditures. Although both personal service and fringe benefit costs are expected to increase as a result of contractual agreements, the “other expenses” line item is expected to significantly decrease from FFY 20. Specifically, those costs included one-time expenditures associated with IT consulting services to support reporting compliance related to Organizational Standards and Triennial Review activity to ensure compliance with CSBG regulatory and oversight responsibilities. The proposed allocation of \$443,937 to support discretionary projects may be used for training, technical assistance, compliance monitoring, and special initiatives to strengthen the CAA network.

In the event that HHS’ actual block grant allocation to Connecticut is greater or less than the estimate used to develop this plan, the Department is required by HHS to proportionately adjust each of the recommended allocations, including the grants to CSBG eligible entities (the CAAs and CAFCA), and the allocations for discretionary programs, and administration. Pursuant to section 4-28b of the Connecticut General Statutes, any transfers to or from any specific allocation over \$50,000 or ten percent of a specific allocation, whichever is less, would require resubmission to the joint committees of cognizance.

Table A on page 10 of the plan shows both the recommended allocations of the \$8.87 million from the CSBG block grant, and the total source of funds available to support the CSBG program. The total source of funds includes an estimated \$3.5 million in FFY 2020 carry-forward funds, bringing the total source of funds to \$12.4 million for FFY 2021. This allocation plan proposes to expend the \$8.87 million and to carry forward the \$3.5 million as a contingency in case of a decrease in federal funding in future fiscal years or for one-time expenditures in future years to support identified needs of the CAA network.

CSBG funding is the core funding source for the state’s CAA network and such funds are required to be used to serve or improve the well-being of individuals with incomes at or below 125% of the federal poverty level or \$32,750 for a family of four. The CAAs help low-income people to become self-sufficient, improve living conditions, and have a stake in their community. Working in partnership with other service providers, businesses, faith-based organizations and the advocacy community, CAAs strengthen families and their environments to help low-income people lead more secure lives.

With CSBG as base funding, additional contracts with other state agencies and/or municipalities, and private donations, CAAs are able operate a wide range of programs, including: Energy Assistance; Housing and Shelter programs; Child Care and Youth Development Services; Holistic Case Management Services; and Nutrition Services.

As the recipient of the Community Services Block Grant, DSS is obligated to ensure that federal funds are utilized and expended in accordance with federal requirements. To do so, and as stated in each contract, DSS conducts on-site and remote program and fiscal monitoring of each CAA to verify program accomplishments and to ensure adherence to applicable federal and State statutes, rules, regulations, the CSBG Community Action Plan and the terms of our contract. The Department also performs the federally-mandated CSBG triennial review, which requires DSS to conduct a full on-site review of each CAA at least once during each three-year period, as well as to assess compliance with the organizational standards put forth by HHS in CSBG Information Memorandum No. 138.

Informational Forum –Community Services Block Grant Allocation Plan (CSBG) – FFY 2021

In the Department’s effort to continue its movements associated with evaluating performance, we propose to allocate funding for an incentive program designed to promote sustained performance improvement by the CAA as measured through the annual review of the HHS Center of Excellence (COE) Organizational Standards Annual Review. CAAs that score 90% or greater shall receive an incentive payment. The performance thresholds and applicable incentives are as follows:

Center of Excellence Organizational Standards range	Benefit Amount
100%	\$7,500
99% - 95%	\$5,000
94% - 90%	\$2,500

The performance incentive shall be categorized as a resource to be used by the CAA to, among other things, support activities to ensure the CAA’s continued excellence and/or to celebrate the staff’s performance. The CAA’s use of the funds shall be discretionary; however, the funds must be used to support the agency as a whole. CAAs that score below the identified threshold shall continue to receive technical assistance and training through existing resources to assist with achieving the incentive threshold range.

The Triennial Monitoring Report, prepared by the Department and directed to the Executive Director of the CAA with a copy to their Board Chair, details “compliance findings,” defined as an item or factor that is not in compliance with Federal, State and/or contractual requirements, and “risks” defined as a potential finding or a program or operational weakness that should be improved to avoid future non-compliance. The report also includes the Department’s assessment of the CAA’s compliance with the organizational standards, identifying whether each standard has been met. Those standards that have not been met are considered to be a compliance finding. The CAA is required to develop and submit to the Department a Technical Assistance Plan (TAP) addressing and providing a corrective action plan for each identified risk and compliance finding. Throughout this process the Department offers its technical assistance and support to the CAA.

At DSS, we continue to work closely with the CAAs to strengthen and improve the CAA network. This unique partnership represents a commitment to improve and maximize the efficiencies of Connecticut’s human service delivery system to ensure those in need can obtain the services and supports they desire.

There is one technical correction to the allocation plan submitted for your review and approval. The subsection under Section E. Total Available and Estimated Expenditures on page 3, 3rd paragraph and 4th paragraphs incorrectly identified FFY 2020. The 3rd paragraph and 4th paragraph will be corrected to state “FFY 2021”.

Lastly, the Department recommends that the plan before the committee be revised to reflect the following amounts for eligible entities under the program, and that conforming changes are made within the document to reflect the revised amounts. This change reflects additional funding and is due to the finalization of the FFY 2020 award, and will increase the total allocations reflected in the original plan to \$9.12 million.

Informational Forum –Community Services Block Grant Allocation Plan (CSBG) – FFY 2021

	FFY 2019 Expenditures	FFY 2020 Estimated Expenditures	FFY 2021 Proposed Expenditures
Major Program Categories	(including carry forward funds)	(including carry forward funds)	(including carry forward funds)
Grants to Eligible Entities			
Alliance for Community Empowerment (ACE) formerly Action for Bridgeport Community Development, Inc. (ABCD)	861,112	1,123,597	1,193,015
ACCESS Agency, Inc.	492,565	467,762	496,660
Community Action Agency of New Haven, Inc. (CAANH)	1,143,915	1,121,604	1,190,896
Community Action Agency of Western Connecticut, Inc. (CAAWC)	451,897	701,274	744,598
Community Renewal Team of Greater Hartford, Inc. (CRT)	1,892,160	1,843,943	1,957,863
Connecticut Association for Community Action (CAFCA)	237,485	235,488	250,036
Human Resources Agency of New Britain, Inc. (HRANB)	558,093	529,990	562,732
New Opportunities, Inc. (NOI)	1,294,506	1,037,781	1,101,895
TEAM, Inc.	239,601	227,534	241,592
Thames Valley Council for Community Action, Inc. (TVCCA)	486,971	462,450	491,020
Formula Allocations – Total	\$7,658,305	\$7,751,423	\$8,230,307
Discretionary Programs	645,080	443,938	443,937
State Agency Administration	369,500	443,938	443,937
TOTAL CSBG	\$8,672,885	\$8,639,299	\$9,118,181

In closing, we join the Governor and the Office of Policy and Management in recommending the approval of the Community Services Block Grant Allocation Plan for federal fiscal year 2021. Thank you for your review and attention in this matter. My staff and I would be happy to answer any questions that you may have.