



TESTIMONY TO THE LEGISLATIVE TASK FORCE ON COMMUNITY-BASED HUMAN SERVICES

January 21, 2010

Dear Representative Walker and members of the Human Services Task Force:

My name is Richard Knoll. I am the president of Training, Education and Manpower Inc. – also known as TEAM. We are a community action agency in the lower Naugatuck Valley serving a ten town region which stretches from Milford to Oxford. I also am a member of the board of the CT Housing Coalition.

On behalf of nonprofit providers of human services in Connecticut and our clients, thank you for holding this hearing and endeavoring to identify strategies to strengthen our service delivery system.

The mandate of community action agencies is to assist the frail and poor with their basic needs and move them to greater self-sufficiency. We accomplish this objective through grant and privately funded programs such as affordable preschool (Head Start, Day Care, School Readiness), senior supportive services (Meals-on-Wheels, Senior cafes, medical rides, homemaking, volunteer outreach), asset development (IDA matched savings, Volunteer Income Tax Assistance, financial literacy), and crisis intervention (eviction prevention, heating assistance, rapid re-housing). TEAM is one of twelve community action agencies in Connecticut. The network assisted 130,000 families last year.

TEAM has been programmatically successful but financially challenged. Primarily funded by DSS and SDE, COLAs have been uncommon, unlike human service grants from other state department such as DCF and DMAS. The reason for this differentiation is unclear but seems to relate to the federal derivation of much of our program funding. As a result, TEAM has had to be very creative to avoid cutting services. I'd like to share with you some of the steps we have taken to manage in this financial crisis and to maintain cost-effective services to those in need.

During the past eighteen of our forty-five years we have been an active participant in a regional consortium of providers that seeks collaborative solutions. The Valley Council of Health and Human Services has often been described as a model and has fostered many developments such as a Healthy Valley initiative, an early intervention program to address difficult preschool behaviors, and an in-depth study of regional health and social indicators. Agencies often share their best practices and resources.

With the impact of the economic crisis, our agency has also taken steps to maintain a financial balance and avoid service reductions. We have accessed several local foundations for resources in the face of consecutive years without a COLA. We modified health plans - increasing deductibles and self-insuring these – to decrease premium costs and gained employee agreement to increase their share of premiums. We've outsourced IT functions, begun using temporary employees during times of high volume to take applications, and frozen wages for one year. Two years ago we created a successful annual fundraiser – Men Who Cook – which has raised \$60,000 to date.

We continue to be progressive – implementing a regional dental clinic (with state support), a Volunteer Income Tax Assistance Program and a Family Resource Center over the past four years primarily with private donations. The programs will assist an additional 2,500 families this year. We have applied for and received ARRA funds to make infrastructure improvements (to heating and roof systems) and to deliver re-housing and homelessness prevention services to Valley-Milford residents as part of a New Haven region consortium. Fortunately, the CT Energy Assistance Program is currently well funded by Congress, as we saw a forty percent increase in applications last year, and a similar trend this year.

However, I feel we have reached a ‘tipping point’ in which the increasing demand for services and the ongoing erosion of resources by inflation will ultimately degrade the quality of programs. Staff is stressed, underpaid and leaving for state and other employers who can assure them appropriate compensation – often 40% higher for the same level of responsibility. Turn-over at key positions is a constant drain and one which impacts quality ultimately.

We need your advocacy in the budgeting process, as well as your comprehension that some budget cutting proposals would not only reduce our resilience further, but would rob us of federal funds. Two examples are Head Start Enhancement and Care4Kids funding – both recommended for cutting. Each is used as part of the required twenty percent ‘local’ (in-kind) match by Connecticut’s Head Start grantees. TEAM’s Enhancement grant – which extends part-day/year Head Start classrooms into full-day/year – has already been reduced fourteen thousand dollars, while the match requirement remains, now at \$350,000.

As the State Department of Education maintains School Readiness special needs grants at an annual \$107,000 level (the same for the past twelve years), they have reduced the enrollment requirement from sixteen to fifteen, and finally thirteen students, in consideration. Yet the classrooms costs remain and increase annually. Our attempts to enroll Care4Kids funded children to fill those classroom vacancies are stymied by program enrollment curtailments – to only TANF clients for several months this past year and again very soon. These partially subsidized preschool slots are critical to low-wage workers and the recently jobless as they seek to maintain or find employment. Under-cutting that effort will only compound unemployment and economic misery.

DSS has made strides to reduce the annual application process burden, but more can be done to reduce administrative requirements and unfunded mandates. I hope that these areas will also receive your attention. Nonprofits provide cost-effective solutions to our state and add to the quality of life. We are doing the best we can, and will continue to work with you to find answers in the current difficult times. Thank you so much for your willingness to hear from us.

Richard J. Knoll

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