



## Testimony Before The Commission On Enhancing Agency Outcomes

December 14, 2009

Senator Slossberg, Representative Spallone and members of the Commission, I am Ron Cretaro, Executive Director of the Connecticut Association of Nonprofits. We are a statewide association with more than 500 member organizations, of which 300 contract with the state primarily through Purchase of Service Contracts for the provision of health and human services. Our members also have grants and contracts from the Commission on Culture & Tourism, Dept. of Labor and Dept. of Education.

In 1992, I was appointed by then Governor Weicker to the Commission To Effect Government Reorganization/Harper-Hull Commission and served on the Service Provider Task Force. This resulted in a recommendation to create an Office of Purchase of Service within the Office of Policy & Management. Further, the Task Force on Accountability, Creativity and Efficiency (ACE) made recommendations related to Purchase of Service Contracts. The nonprofit community has always maintained an interest in more efficient and effective government.

This past Legislative session, our association promoted and successfully pursued legislation to create a Nonprofit Collaboration Incentive Grant through the Office of Policy & Management. These grants would serve as an incentive to nonprofits wishing to advance their collaboration and permit organizations to purchase a building, information technology and for other purposes to achieve efficiencies. The Office of Policy & Management is charged with developing criteria and guidelines for the program's operation.

Our organization has convened nonprofits to discuss consolidation of back office functions including fiscal, human resources, technology, etc. I can report to you that there is great interest on the part of nonprofits to ultimately develop a business plan for the creation of either a for-profit or nonprofit business to offer back office services. There is concern that necessary incentive capital be available to finance the start-up of such enterprises. There is a desire to do so with the blessing of the Executive and Legislative Branches so that supportive regulations and policy co-exist with these endeavors.

For years, Connecticut Nonprofits has brought nonprofit organizations together for the purposes of joint group purchasing initiatives including a 27 plus year partnership with the Connecticut Hospital Association. Several years ago, Connecticut Nonprofits fostered the creation of an electricity purchasing consortium which has close to 90 participating nonprofit organizations and can accommodate others. In earlier years, when there was a State Warehouse, the predecessor of the Department of Administrative Services worked closely with nonprofits to encourage purchasing. This past year we collaborated with the Connecticut Business and Industry Association to publish two documents - a Nonprofit Benefit Survey and a Nonprofit Compensation Survey. Ours is a long history of seeking partners to effect efficiencies and access quality products and services for nonprofits.

Further, Connecticut Association of Nonprofits hosts the Nonprofit Human Services Cabinet, a coalition of 20 associations and larger nonprofits. We have endeavored to work with Connecticut State Government to promote timely contracting and payments (including multi-year contracts & master contracts), streamlining of contracting & reporting procedures & processes, cost accounting standards, auditing standards, and re-procurement standards. I am pleased to say that, while we still have work to do, there has been success in many areas. Secretary Genuario has been committed to improving Purchase of Service Contracts for the over 700 organizations with more than 2000 contracts, but going forward we are concerned with OPM's capacity relative to retirement of key personnel.

Our association also supports outcomes and accountability of nonprofits. For years we have provided our members with outcome development training. We applaud the use of Results Based Accountability. Recently we contracted with the Charter Oak Group to provide training on RBA for our members. We intend to pursue additional training to include a greater number of organizations.

There are many areas in the Commission's document, "Proposed Areas of Focus," that ultimately could impact our members. We stand ready to provide input to the Commission and ask to be included in discussions moving forward. With a strong history of bringing organizations together to create efficiencies, we can offer our perspective regarding the feasibility, impact and obstacles to implementation of individual initiatives.