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# *Briefing Paper*

*A Resource for Yankee Supporters*

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## **Connecticut's Social Services Breakdown**

Dozens of agencies, hundreds of employees, and thousands of clients. Federal, state, municipal, and nonprofit collaboration. *Funding.* Connecticut's system of social service delivery can be a complicated and confusing concoction, difficult for even the most seasoned experts to digest. For this reason, the Yankee Institute's "Connecticut's Social Services Breakdown" has distilled social services in Connecticut into a succinct, manageable snapshot, understandable to those of us outside the bureaucratic monstrosity that administers social services.

This report uses a four-pronged approach to comb through Connecticut's tangled system of social service delivery. Sections one and two present basic data for selected state and municipal agencies. Section three categorizes social services according to type of service. In section four, an analysis of social services in Connecticut is derived from the experiences and perspectives of various experts throughout the state, particularly from the nonprofit sector.

For researchers and taxpayers attempting to shine a little light in the social services black hole, this report should provides clarity on the basics.

### **I. Major State Social-Service Departments**

*Department of Children and Families (DCF)*

"The Mission of the Department of Children and Families is to protect children, improve children and families' well being, and support and preserve families. These efforts are accomplished by respecting and working within the cultures and communities in Connecticut, and in partnership with others."

Permanent full-time employees: 3,518  
Budget: \$749.6 million

*Department of Correction (DOC)*

"The Department of Correction shall protect the public, protect staff, and provide safe, secure and humane supervision of offenders with opportunities that support successful community reintegration."

Permanent full-time employees: 6,775  
Budget: \$592.8 million

*Department of Mental Health and Addiction Services (DMHAS)*

"The Mission of the Department of Mental Health and Addiction Services is to improve the quality of life of the people of Connecticut by providing an integrated network of comprehensive, effective and efficient mental health and addiction services that foster self-sufficiency, dignity and respect."

Permanent full-time employees: 3,139  
Budget: \$537.7 million

*Department of Mental Retardation (DMR)*

"The Mission of the Department of Mental Retardation is to join with others to create the conditions under which all people with mental retardation experience:

- presence and participation in Connecticut town life,
- opportunities to develop and exercise competence
- opportunities to make choices in the pursuit of a personal future
- good relationships with family members and friends
- respect and dignity"

Permanent full-time employees: 4,045  
Budget: \$830.3 million

*Department of Social Services (DSS)*

"The Connecticut Department of Social Services provides a continuum of care services to meet the basic needs of food, shelter, economic support and healthcare, promote and

support the choice to live with dignity in one's own home and community, and promote and support the achievement of economic viability in the work force. We gain strength from our diverse environment to promote equal access to all Department of Social Services Programs and Services."

Note: The Department of Social Services administers Medicaid, a federal-state program that subsidizes healthcare for the poor, disabled, and elderly recipients. Medicaid comprises roughly 70 percent of the department's budget, but because the program so overwhelms the other aspects of DSS, it has been excluded in the department's budget total below. Over \$3.2 billion is the estimated Medicaid expenditure in the 2006 fiscal year.

Permanent full-time employees:	1,760
Budget (non-Medicaid):	\$1.4 billion

## **II. Social Services in Seven Connecticut Municipalities**

Four of the seven cities examined herein provide social services, while three (and many other municipalities in Connecticut) have departments that act as resources for social service-related information (e.g., dispersing educational materials and providing referrals), but do not actually provide services.

Municipal social-service agencies are funded primarily from property taxes, with additional federal and state dollars. While municipal service providers rely heavily on state funding, grants designated specifically for social services are relatively meager. The majority of state grants to towns are allocated to educational purposes, although some of this money spills over into social services.

Each social-service agency varies from one municipality to the next, making generalizations difficult. Even city employees caution that one "should not read too far into the numbers" and that the title of "social-services department" can be a "misnomer." In most cases, the total expenditures shown for a city agency reflects funding that was allocated by that agency to local private providers. For example, although Danbury's total for social service expenditures is \$1.6 million, most of this money is not used to fund publicly administered services but is allocated to private providers. In addition, this number reflects some activities not designated as "social services" for the purposes of this report (e.g., services to veterans).

The social-service agencies in many of Connecticut's municipalities have had to be downsized or eliminated for a variety of reasons, including a lack of adequate funding, competition from private and state providers, union pressures, and the ballooning cost of public employee insurance and benefits. In New Haven, for example, human services (which include the health and social service departments) utilizes just 2 percent of the city's budget -- about \$6 million -- while pensions and benefits of city employees require 17 percent, approximately \$77 million. Of the 15.2 percent of Connecticut's 2007 budget allocated to grants to towns, 12.6 percent is reserved for education -- meaning just 2.6

percent of the budget is reserved for local grants to be shared by social-service providers and other competing sectors.

In cities that have social-service departments, they are generally included within a larger agency that also handles health, recreation, and sometimes other functions. For the purposes of clarity, an attempt has been made to separate social service expenditures from other health department services.

Note: By way of comparison to the statistics presented below, Connecticut's population is 3.5 million, its poverty rate is 7.9 percent, and its unemployment rate is 4.2 percent.

### *Bridgeport*

Population:	143,937
Poverty Rate:	18.4 percent
Unemployment Rate:	7.8 percent

The city of Bridgeport's Department of Health and Social Services includes divisions dealing with health, education, and social services.

Bridgeport's total Health and Social Services budget is \$6.64 million.

### *Danbury*

Population:	78,641
Poverty Rate:	8.0 percent
Unemployment Rate:	4.0 percent

The structure of Danbury's social-services system is very complicated. Its health, housing and welfare division bears some of the social-service burden, but much of the work done by this division falls outside the borders of social services as defined in this report. According to various news articles in the Danbury News-Times, homelessness is very high in Danbury, and reduction thereof is one of health and housing's primary goals (Danbury operates a public homeless shelter and funds private ones). Danbury's social services division contains many subsets: welfare and social Services, commission on aging, housing authority, and more.

Danbury's total social-services budget is \$1.6 million.

### *Hartford*

Population:	124,683
Poverty Rate:	30.6 percent
Unemployment Rate:	9.9 percent

Hartford's health and human services department contains four divisions: health, human services (a.k.a. social services), recreation services, and support services. The department's budget is \$7.2 million.

*New Britain*

Population:	72,395
Poverty Rate:	16.4 percent
Unemployment Rate:	7.7 percent

New Britain does not have a social-service agency, but does have a public health department that functions as described in the introduction to this section (providing information and referrals, handling environmental health, nursing, etc.).

*New Haven*

Population:	130,254
Poverty Rate:	24.4 percent
Unemployment Rate:	7.0 percent

New Haven's community services department contains four divisions: community services administration, health department, elderly services, and children and family services.

New Haven's social-services budget is \$3.2 million.

*New London*

Population:	27,404
Poverty Rate:	15.8 percent
Unemployment Rate:	6.0 percent

New London does not have its own social service department. The city's health department is administered by the regional Ledge Light Health District, in collaboration with East Lyme, Groton, and Waterford.

*Waterbury*

Population:	109,192
Poverty Rate:	16.0 percent
Unemployment Rate:	7.6 percent

Waterbury does not have a social-services department, but does have a local health department similar to that of New Britain.

### **III. Social Services by Category**

Part III consists of descriptions of social services according to category of service. The information here makes no claim of completeness; there are hundreds of programs provided for each category, by various agencies, throughout the state. Public agencies, for-profit, nonprofit, and religious organizations all collaborate in delivering social services to Connecticut's citizens. Although this sample falls far short of being all-inclusive, it is also not random. Categories of services were derived from grants or special accounts offered by the major state social service providers.

Why this approach?

There is a common misconception that private providers rely heavily on private contributions. In fact, the vast majority of funding for private organizations comes from the state. Therefore, taking cues from state grants in developing categories seemed a rational starting point.

Please note that, because this list is organized according to category, the redundancy of many programs due to different state and local approaches and overlapping funding sources is not represented here.

#### **Addiction**

SAFAR – through "Substance Abusing Families at Risk", grantees provide preventative education, family intervention, health services, case management and substance abuse counseling to at risk families and family members.

Substance Abuse Services – nonprofit organizations and municipalities receive grants through DMHAS for establishing and maintaining treatment and rehabilitative services for the drug- and alcohol-dependent. Organizations offering prevention, education, or training/job development to substance-dependent people can also utilize "Substance Abuse Services" grants. These grants are funded through the state of Connecticut, but also through a federal Social Services block grant and federal Substance Abuse and Prevention Treatment block grant.

Support for Recovering Families – DCF issues grants to organizations that provide services to families recovering from the effects of substance abuse and alcoholism.

#### **Adoption and Foster Care**

Board and Care (Foster) – the complex needs of foster children are addressed through various programs. The intricacies of the foster care network is impossible to summarize exactly, but the programs supported by DCF's "Board and Care" account for foster children provides a decent example of the programs and partnerships used in delivering services to foster children.

Adoption Services – DCF funds many adoption-related services and needs, listed below.

"Permanency Placement" – DCF pays for many services involved in "permanency placement" (a.k.a. adoption) of children under state care that have special needs. Covered costs include: services to legally free child for adoption, pre-placement planning, home-study and evaluation, placement planning, post-placement supervision, post-finalization services and transport services.

Minority Parent Recruitment – DCF contracts with private organizations that provide specialized recruitment of minority adoptive parents.

Specialized Recruitment Services – under DCF's "Board and Care" account for foster children, these programs have the particular goal of securing foster placement for youth involved in the juvenile justice system or leaving the Riverview Hospital for Children and Youth.

Private Agency Involvement – private agencies play an important role in most areas of social services, and collaborate with DCF in helping foster children in many ways, such as: training, supervision, support, and in certain instances, approval of foster homes; assistance in retention of foster parents by offering respite, therapeutic and support services to foster caretakers in order to promote home stability; and much more.

Health Assessment and Consultation – for children newly placed in DCF jurisdiction, DCF funds 15 foster care clinics which provide numerous evaluations of the children including mental health, medical and dental.

## **Cash**

Adoption Subsidies – subsidies are provided to families adopting children with special needs. Special needs subsidies are delivered either in a lump sum of the anticipated expenses, or in period subsidy payments to the adoptive family. Medical benefits are administered through DSS.

Aid for Foster Child Living Costs – financial aid for clothing, psychological evaluations, daycare and other costs determined by caseworkers is provided through by DCF through various channels to foster children or families. Payments are higher for foster children with medical needs, and specialized training may be provided to foster parents caring for children with such needs.

Housing Subsidies for the Mentally Retarded – designed to assist mentally retarded individuals who have their own home but lack sufficient income to pay for all the costs associated with keeping their home. These subsidies are delivered through DMR.

Family Reunion Subsidies – provided for mentally retarded individuals who have moved out of DMR-sponsored group homes and returned to living with their families. Individuals or families in care of mentally retarded individual receive a monthly stipend of \$1,666 through DMR.

Aid to the Disabled – DSS provides monthly financial assistance to low income disabled individuals. This program is state-funded, but federal guidelines apply.

Aid to the Blind – DSS provides monthly financial assistance to blind low-income individuals. This assistance is entirely state-funded, but operates under both state and federal guidelines. Assistance is calculated according two criteria. The first is personal needs (funds given for emergency housing, 'meals on wheels', excess utility costs, property repairs, etc.); the second is shelter needs (if living in licensed home, amount is equal to per diem rate of the facility). Individuals receiving this subsidy automatically receive Medicaid benefits.

Prison-release Assistance – Upon leaving state custody, inmates are provided up to \$75 for basic needs.

Old Age Assistance – monthly subsidies are provided through DSS to low-income individuals over 65 years of age who meet certain criteria (includes income, asset, insurance, and other considerations). Old Age Assistance is entirely state-funded, but operates under both state and federal guidelines. Funds are awarded on a retrospective monthly basis.

Temporary Assistance to Families (TAF) – cash assistance is provided to families in need through DSS. Families with an employable adult are eligible for TAF for 21 months, during which the adult must make a good faith effort to seek employment.

\*note: other forms of financial assistance are available through various programs.

Security Deposits – money provided to individuals who can make monthly rent payments but cannot afford larger security deposit.

Safety Net Services – funding is available to families or individuals that have exhausted their 21 months of TAF.

Emergency Assistance – when utilities have been shut off due to nonpayment, DSS provides emergency assistance to needy families for a 30 consecutive day period during any 12 month period.

Transitional Rental Assistance – funds are given to landlords to make safe, affordable housing available to working families fresh of TAF (benefits are time-limited).

Childcare Financial Aid – partially federally-funded, this program (administered through DSS) assists low- and moderate-income families in purchasing childcare.

## **Child Care**

Day Treatment Centers – before- and after-school therapeutic services are provided to children through 14 contractors with DCF. Services are available to children who have recently returned home from out-of-home care, or who are at imminent risk of placement due to mental health issues. Children in foster or adoptive care, as well as eligible children living with biological families participate.

Child Day Care – private nonprofit daycare agencies contract with DSS to provide services to disadvantaged children.

No Nexus Special Education – when special education meets certain criteria, such as being provided at a private residential institution not under the jurisdiction of a specific board of education, DCF pays the cost of the special education. The amount paid is determined by the Department of Education.

"Birth to Three" – a branch of DMR, "Birth to Three" approves programs throughout Connecticut to provide services and support to families with mentally retarded infants and toddlers. Examples of contractors are Hartford Area Retarded Citizens, Easter Seals of CT, Steppingstones, and more.

Habilitative Nurseries – provide 24-hour nursing care for mentally retarded children or adults with serious physical or medical conditions. DSS develops room/board and direct care rates for each nursery based on costs reported annually. DMR reimburses nurseries monthly based on DSS rate.

Parent Aid Programs – in-home services are provided for up to 6 months to families "under stress". Numerous programs statewide provide counseling to parents on skills, stress management, improving family functioning, etc.

"Individualized Family Supports" – DCF's flexible funding stream by this title is used for the purchase of services based on family needs such as respite, family preservation services, etc..

Therapeutic Child Care Programs – 10 intervention programs work with children between 0-8 years of age at risk of entering the child welfare system.

Emergency Services to Children – DCF funds three community agencies that provide 24-hour emergency services for children such as crisis intervention, outreach and referral. The three programs are United Services, Inc. in Willimantic, Waterbury Youth Services System, Inc., and Windham Regional Community Council, Inc.

Family Preservation Services – with the goal of preventing out-of-home placement of children, DCF-funded caseworkers (stemming from 22 state-wide programs) provide short-term, in-home services, helping families develop appropriate care for children.

Through an account titled "Grants for Psychiatric Clinics for Children", DCF funds numerous nonprofit agencies and hospitals providing clinical services and emergency treatment for children in need of psychiatric care. These grants are the primary vehicle for provision of community-based services for children and families, such as crisis intervention, emergency services, diagnostic services, consultation, education and treatment services (including individual, group and family therapy).

"Grants for Psychiatric Clinics for Children" supports contracts with 25 child guidance clinics, 6 emergency mobile psychiatric services programs, one assessment and treatment intervention program and one program providing behavioral health counseling for immigrant children. No grant exceeds two-thirds of the normal operating expenses of the clinical facility, and no grants funds can be used to pay for capital expenses.

### **Criminal Rehabilitation**

Various Services – addiction services, pre-release counseling, relapse prevention services, job centers for pre-release employment preparation, transition counseling, religious services and much more are provided to prison inmates. The specific programs provided throughout Connecticut's various facilities are too numerous to describe in detail. The needs and services provided to inmates and ex-inmates are extremely complex, with almost every state agency involved.

Supervision – Numerous state-run services aim to supervise inmates after leaving prison, including parole operations and Community Support Services, which promote public safety through supervision of ex-inmates.

### **Eldercare**

Breakthrough to the Aging – the Capitol Regional Conference on Churches contracts with DSS to recruit, train and supervise volunteers that provide support services to the elderly.

Retired Senior Volunteer Program – retired senior volunteers work with nonprofits in providing services to the elderly (partially federally funded).

Day Care for Alzheimer Victims – Area Agencies on Aging funds 29 adult daycare centers.

Protective Services for the Elderly – complaints of abuse, neglect, and abandonment of elderly individuals are investigated. This program is operated through DSS.

Respite Care – senior citizens are recruited to provide respite services to the elderly.

Daycare for Alzheimer Victims – 29 adult daycare centers operate throughout the state, and are funded through DSS and the Area Agencies on Aging.

Alzheimer Respite Care – provided through DSS to individuals caring for family members with Alzheimer's.

## **Housing**

Supportive Housing for Addiction Recovery – subsidized housing and case management is provided to families whose caregivers have completed drug or alcohol treatment and are working towards reunification with their children.

Transitional Independent Living Centers – for youth making the transition from foster care to self-reliance and independence, various programs receive funding.

Residential Board and Care for Juvenile Delinquents– funds given to private residential facilities that provide intensive and comprehensive care for youth placed by the court or DCF. Facilities include group homes, residential treatment facilities, emergency shelters, transitional living apartments, etc. Three sources provide funding: DCF, federal Violence Offender Incarceration and Truth-in-Sentencing grants and Social Services block grant dollars (via a transfer from Temporary Assistance to Families block grant).

Independent Living Centers – funds are provided through DSS to numerous independent living centers designed for people unable to work due to various disabilities (total difficult to calculate due to diversity of programs and funds).

Residential and Day Programs for the Mentally Retarded – DMR contracts with state and private providers (over 80% private) to provide residential and day care to mentally retarded individuals.

Group Homes – DMR issues grants to providers of group homes providing for the mentally retarded.

Community Residential Services – grant fund community-based, privately operated residential programs in Connecticut which provide various services to the mentally retarded including schooling, living environments, habilitative nurseries, and more. These privately-run homes are DMR-owned and -licensed, but are leased and/or operated by private providers. DMR pays for direct care of mentally retarded individuals within the Community Residential Services program, but funds for room and board are supplied by Social Security and the DSS Aid to the Disabled Program. Payments for all services under this category take the form of monthly retrospective reimbursement.

Private Residential Schools – Connecticut contracts with private providers for residential and educational services for the mentally retarded up to 22 years of age. Reimbursement rate is established by DSS.

Community Training Homes – grants through DMR fund licensed families or individuals who care for up to 3 mentally retarded individuals in-home. Grants offered under this category are also contracted with organizations or individuals who provide support to

these homes. Supplements are set by the "funding region" of Connecticut in which the home resides.

Emergency Placements – unforeseen/emergency-based family/group home placements.

Independent Living Centers for Individuals with Mental Health Issues – funds are provided through DSS to numerous independent living centers designed for people unable to work due to various disabilities (total difficult to calculate due to diversity of programs and funds).

Pilot Adult Foster Care Program – room, board, and care are provided in a family-like setting to elderly citizens at risk of institutionalization.

Project Home Share – homeless or struggling elderly individuals are brought together to share housing through an intermediary. This program is administered under the DSS Housing and Homeless Program.

Housing and Homeless Services – this blanket DSS account funds numerous programs for the homeless.

Emergency Shelters – receive funds from state, federal, private, and municipal sources.

Transitional Living – supports persons transitioning from homelessness.

Family Home Share – single-parent families with similar needs are matched to share housing and costs thereof.

Housing Mediation – families residing in emergency housing are assisted with finding permanent housing.

Project Home Share – homeless or struggling elderly individuals are brought together to share housing through an intermediary.

## **Legal**

Services to Inmates – DOC funds a legal team to assist inmates involved in various personal legal disputes such as divorce or bankruptcy.

## **Mental Health**

Various –organizations that establish and maintain community-based psychiatric and mental health services are awarded grants administered through DMHAS. Types of services eligible for funding include residential programs, outreach, outpatient programs, and follow-up and consultation services. Grants are paid quarterly to hospitals and nonprofit providers.

## **Nutrition**

Connecticut Foods Banks – funded by DSS.

Nutrition Support for the Elderly – Area Agencies on Aging contracts with nutrition organizations to provide information and support to the elderly.

## **Outreach, Prevention and Diversion**

Child Abuse Prevention – in prevention of child abuse, private agencies work in collaboration with DCF offices, the criminal justice system and other community organizations. Organizations developing and maintaining programs for treatment and protection of victims of child abuse and neglect are awarded grants from DCF. No grant may provide more than three-fourths of the total cost of a program.

Juvenile Delinquents – for juvenile delinquents and youth at high risk of being committed delinquent, various outreach programs and organizations receive funding through DCF.

Outreach and Diversion – 5 outreach tracking and unification programs that provide readjustment services to juvenile delinquents receive DCF funding, as well as 5 juvenile criminal diversion programs that provide high-risk children with support groups, therapy, home visits, tutoring, recreational activities and more.

Readjustment – 3 contractors with DCF provide juvenile justice evaluations, as well as one juvenile offender treatment program.

Family Violence Outreach and Counseling – nine organizations receive DCF funding to provide services such as advocacy, specialized counseling and other support services to families with child or adult victims of violent crimes. The funded organizations operate in cooperation with DCF offices, court services, other state agencies and community-based programs.

## **Pregnancy**

Prevention – various organizations and programs receive funds from DSS for initiatives aimed at preventing teen pregnancy.

## **Vocational**

Job Training – through organizations such as CTWorks, unemployed and under-employed individuals receive referrals and direct training through a network of programs.

Human Resource Development for Hispanics – grants issues through DSS to most Hispanic nonprofits throughout Connecticut that provide programs designed to increase employment among Hispanic youth.

Employment Opportunities and Day Services for the Mentally Retarded – DMR provides funds, which are partially subsidized by the Federal government, to private agencies providing opportunities that promote purposeful, meaningful activities for the mentally retarded.

Employment Opportunities: Mental Health – for the purpose of assisting individuals with prolonged illnesses find and keep jobs, work programs and services are awarded grants through DMHAS (this program was administered by DMR at its inception). The goal of these programs is to provide psychiatrically disabled adults with increased fiscal independence and overall confidence. The federal Community Mental Health Services block grant partially funds these grants.

Transportation for Employment Independence – numerous organizations receive funds from DSS to assist welfare recipients in reaching self-sufficiency through employment.

#### **IV. Analysis**

##### *Overregulated and Under-funded*

In some ways, the federal government is to state social service agencies as state agencies are to private providers. In both relationships, the former imposes regulations and mandates on the latter which, while ensuring that certain standards are met, also suck immense amounts of scarce resources into the realm of administrative red-tape instead of service provision. State, municipal, and private agencies all complain of overregulation and under-funding, a toxic contradiction for the purported missions of these agencies: serving members of the community in need. Despite the indisputable generosity of private donors, private contributions to social services are merely a "drop in the bucket" compared to federal funding. Again, this situation is analogous to private non-profit providers: state funding is overwhelmingly responsible for facilitating the day-to-day functioning of private providers, while private donations fund smaller projects such as, as one foster care provider indicated, "field trips or holiday parties." Private providers are suffering from the growing trend of decreasing state funding, much like state providers are hindered by inadequate federal funds.

##### *Is There a Double Standard Between Public and Private Providers?*

State agencies enjoy a level of autonomy and security unknown to private providers. Insulated by the thick walls of bureaucracy, and unaccountable to the natural market forces with which private industries contend, state social service providers enjoy fantastic salaries (on average, about 55 percent higher than a private employee can earn for comparable work) and even more impressive benefits (towering above those available to private providers).

The inordinately high turnover rate of employees that private providers experience as a result of the wage and benefit disparities between them and public agencies is an immense burden on the private sector. Even the most committed employees can understandably be wooed by the incredible increase of compensation they would receive in the public sector for the same work in the private sector. Therefore, faced with the inability to compensate equally to the public sector and the consequential low retention rate, private social service agencies are constantly using scarce resources to recruit and train employees. The salaries, benefits, and pensions provided in the public sector -- a result of intense pressure from powerful public-employee unions -- would never persist if public agencies were subject to competitive natural market forces. Although good work is done in both the private and public sector of social services, the disproportionate compensation enjoyed by public employees inhibits private agencies, and in turn, reduces the potential volume and quality of services that could be delivered. For example, continuity is an absolutely crucial aspect of care for children with mental health issues, in foster care, or in other unstable situations. When mentors, counselors, and caseworkers are constantly being changed due to the high turnover rate, the much-needed stability in these children's lives is disrupted, seriously inhibiting their sense of consistency, safety and trust.

State public employee unions are extremely powerful in the legislative process in Connecticut -- arguably more so than in other states -- and their influence is often responsible for private agencies' inability to focus completely on their missions. Union pressure not only contributes to the disproportionate compensation mentioned above, but also reinforces other inequalities between public and private agencies. For example, Connecticut will rarely award multiyear contracts to private agencies; rather, most private contracts must be renewed annually, requiring more resources to be devoted to administration rather than service delivery. State agencies, when in circumstances that require a contract, are often awarded multiple-year contracts. It is not uncommon for incumbents to run unopposed in Connecticut, with the backing of public employee unions; lacking healthy opposition and therefore balance, the public employee forces have created a deep and troublesome divide between themselves and the private sector.

Devoid of the over-rigid, over-structured, bureaucratic character of state agencies, private agencies are arguably able to respond to unique individual problems at a lesser cost and quicker response time than are state agencies. Unlike state agencies, private agencies represent community/local needs.

### *The Nonprofit Sector in Connecticut*

Because there are so many small nonprofits in Connecticut, it is very difficult to make generalizations about this sector. According to some experts within the nonprofit field, the vast amount of small nonprofits delivering social services actually creates a rather inefficient environment. Resources, such as state dollars and volunteers, become scarcer as the number of nonprofits increases. However, the upside of such diversity and volume

of nonprofits is that greater creativity and experimentation is allowed, and therefore new, innovative solutions to social services are constantly being developed by these agencies.

All nonprofits are affected by the wage and benefit disparities between private and public providers discussed above. Although no nonprofits compare to state agencies in employee compensation, there actually exists a wide disparity of wages and benefits between nonprofits as well.

### *Perspectives on Connecticut's Answer to Social Services*

Connecticut retains more service provision within the public sector than most other states. In fact, many states contract *almost all* services to private providers. A major challenge that Connecticut faces is the vast concentration of public needs in its cities – some of the poorest mid-size cities in the nation.

Connecticut operates social services on a crisis basis, responding after an issue becomes prominent rather than intervening at an earlier point (which is often the less-costly way to alleviate problems).

Many state agencies have different standards for grants, reporting of expenditures, budget formats, accounting principles, etc. Private agencies are often required to report to various state agencies from which they receive funding, and therefore must comply with varied reporting standards. More uniformity of accounting, grant applications, and other regulatory/administrative operations required of private agencies by state departments would greatly reduce costs for private agencies.

### *How Does Immigration Affect Social Services in Connecticut?*

Connecticut's population is not replacing itself, and baby boomers are starting to retire. These conditions make the state ripe for immigration, both legal and illegal. In fact, along with urban minorities, immigrants are projected to compose Connecticut's fastest and largest growing sector of the population in the coming years. Talent from other countries alters the complexion of Connecticut's cities and towns, in ways both positive and negative. The labor of immigrants propels an economic undercurrent without which many industries would be crippled. However, illegal workers are often exploited due to their absolute reliance on their employers.

Conscious of their illegality, illegal immigrants usually do not use public social services unless in an emergency, wherein they go to hospitals. This does not mean that illegal immigrants go without any support: families, ethnic clubs, religious groups, and employers all provide support and services to the vast communities of illegal immigrants in Connecticut.

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Connecticut's social service industry provides essential services to thousands of citizens that rely on public and private assistance in their everyday lives. Thanks to the many social workers and social services employees that devote their careers to helping others, the quality of life for so many has been greatly improved. The contribution of taxpayers should also be recognized, as approximately 35% of the nutmeg state's budget is used for social services. Massive spending does not necessarily ensure that the value of each dollar spent is being maximized for Connecticut's neediest; because of this massive appropriation of funds – largely supported by taxpayers – it is important to hold the state accountable. The purpose of this briefing paper is to provide clarity on the big picture of social services in Connecticut, and to represent the first step in Yankee's work in this colossal – but largely uncharted – segment of government.

*This briefing paper was prepared by Natalie Kindred, past Yankee Institute intern – now social services analyst – who conducted research on social services in Connecticut*

*during the summer of 2006. Kindred's project was overseen by Yankee Institute Executive Director Lewis M. Andrews, Ph.D.*