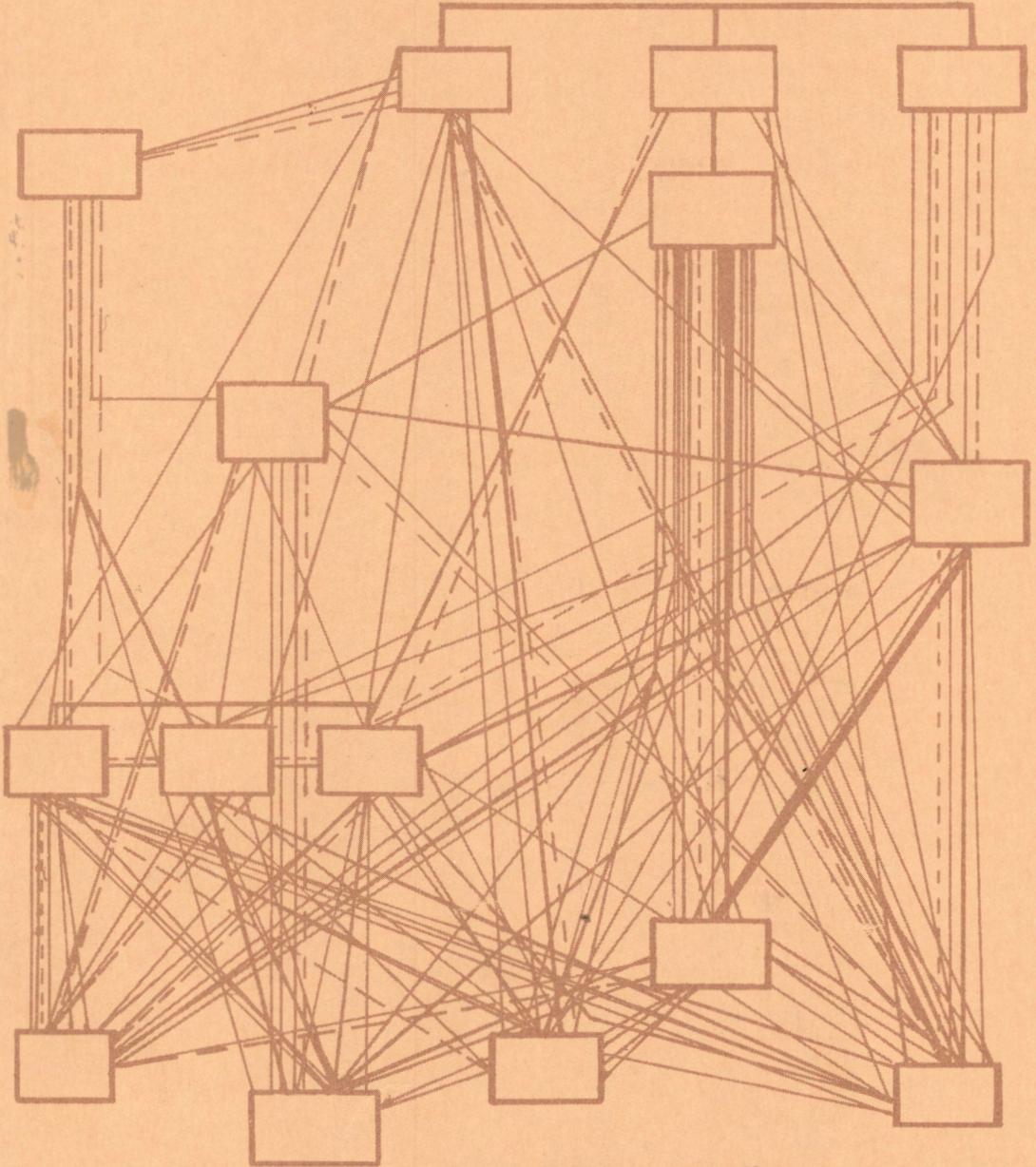


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The Organization and Dynamics of  
**SOCIAL SERVICES**  
in New Jersey



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- The Organization and Dynamics of Social Services in New Jersey, June, 1979
- Other Publications:
- New Jersey Riparian Rights Handbook, March, 1979
  - Handbook of Legal References for the Optional County Law, Dec. 1978
  - Handbook for County Charter Study Commissioners, Nov. 1973
  - Semi-Annual Survey of Municipal Law
  - County Law News (semi-annual)

Cover: Beatrice Smith. Cover design is for illustrative purposes only and does not represent an actual organization chart.

## Errata Sheet

Page 2, para 3, line 5 - racial should be radical

" 24, last paragraph, line 1 - rere should be rare

" 29, para 2, YM-YMCA's should be YM-YWCA's

" 30, para 2, line 4 - peark should be peak

" 47, para 2, last line - interia should be inertia

" 54, para 2, line 1 - principal should be principle

" 83 - THE SOMMISSION - should be THE COMMISSION



State of New Jersey

COUNTY & MUNICIPAL GOVERNMENT  
STUDY COMMISSION

The  
Organization and Dynamics  
of  
**SOCIAL  
SERVICES**  
in New Jersey

**EIGHTEENTH REPORT**  
**June, 1979**

**COUNTY AND MUNICIPAL GOVERNMENT  
STUDY COMMISSION**

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Carol Stefanick served as Project Director for this study, which was based on a research design by Alan Mallach. This report is a collaborative effort of the Commission Staff.

Many other individuals participated in the field survey and in-house research including: Guy Sikora who organized the statistical data; Evelyn Strawn, Joseph Suozzo and John Hargrove, research staff; Tom Koellhoffer, Rosalind Penn, Lillian Tate and Patricia Casey, interviewers; William Dolphin, Deborah Brenner and Carole Doerle, who developed and prepared the computer data.



## State of New Jersey

### COUNTY AND MUNICIPAL GOVERNMENT STUDY COMMISSION

115 WEST STATE STREET      TRENTON, NEW JERSEY 08625

#### TO HIS EXCELLENCY GOVERNOR BRENDAN T. BYRNE, AND HONORABLE MEMBERS OF THE SENATE AND GENERAL ASSEMBLY:

The County and Municipal Government Study Commission is pleased to present its 18th report, *The Organization and Dynamics of SOCIAL SERVICES IN NEW JERSEY*. This report is the result of an extensive survey of more than 1,300 agencies which, in turn, are only a part of the total number of service delivery units in the State. The structural features of this delivery system, which provides social services estimated at \$355 million annually, are of great importance with the growing scarcity of resources. But while the issues of efficiency and economy in the provision of any public service are significant, ultimately those issues must be balanced by concerns for the needs of the recipients of such services. In its recommendations, the Commission was particularly conscious of the human aspect of the social service area -- the wide variation in individuals and their respective needs. The report's conclusions and recommendations, which are presented in the final chapter, reflect this perspective.

In terms of structural changes we urge the consolidation of undercapacitated agencies into units of more reasonable scale; recommend the regionalization of services at the county level, where appropriate; call for greater coordination and the development and exchange of information within the network of agencies; and advocate the improvement of the social service planning process. However, in recognition of the diversity of conditions and service demands throughout the State, we recommend the retention of a flexible framework -- one that can accommodate various approaches to service delivery, based on the different needs of social service clientele.

We feel that the changes recommended in the report will contribute to the improvement of service delivery and urge their legislative and administrative implementation.

Respectfully submitted by the members of the County and Municipal Government Study Commission:

/s/ William V. Musto, *Chairman*

/s/ Garrett W. Hagedorn

/s/ Joseph A. Maressa

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/s/ Robert P. Hollenbeck

/s/ Christopher J. Jackman

/s/ Stephen Capestro

/s/ Doris Dealaman, *Vice-Chairman*

/s/ Arthur R. Sypek

/s/ Robert Cawley

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/s/ Fred G. Stickel, III

/s/ Robert F. Casey

/s/ Stephen B. Richer

/s/ Benjamin R. Fitzgerald

/s/ Samuel A. Alito, *Secretary*

## ACKNOWLEDGEMENTS

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## FOREWORD

The delivery of social services, in particular the system of welfare or public assistance, has been widely studied, and recommendations for its change hotly debated. During the ongoing national debate on social services, many of the most fundamental issues are raised: questions of social justice, income distribution, client and service provider relationships, public-private relationships, and many others. Although many of these fundamental issues are touched upon during the course of the report, the object of the County & Municipal Government Study Commission in its conduct of this study was neither a comprehensive study of the field as a whole, nor a basic reappraisal of its premises. The Commission has made no attempt to provide a philosophical basis either for continuation of present activities in the field of social services, or for their change.

This report presents a study of the *manner* in which social service delivery is conducted in New Jersey, assessed largely from a management perspective. As such, it deals with those services that *are* provided, to a population that *is* receiving social services. It is unquestionable that there are many individuals and families in New Jersey who do not receive the social services they need. Furthermore, it is quite likely that there are entire areas of service which the system at present does not provide. However, evaluation of these issues is beyond the scope of this report. It is the judgement of the Commission that the current level and funding of social services is so substantial (and unlikely to be increased drastically in the immediate future) that it warrants a focus of attention on the system of social service delivery as it exists at present. This system, which has grown incrementally and steadily over a period of many years, is a complex entity, in need of a careful assessment and review. Although the Commission report is not an exhaustive study of social service delivery, it is a definite step in that direction.

Although social services have been expanding steadily over many years, the particular element which prompted this study was the implementation of the Title XX process in New Jersey. Under this Federal legislation, state governments were given significantly more responsibility for planning social service delivery, and for allocating federal funds among competing concerns and interests. To meet these new responsibilities, an office for social services planning was established in the Department of Human Services (then Department of Institutions & Agencies). This developing concern for state-level planning for social service delivery coincided closely with the concerns of the Commission for the role and relationship of state, county, and municipal government in this field, as in other areas studied in the past by the Commission.

The study itself is in many ways a cooperative venture of the Social Services Planning Unit and the Commission. The Unit made available funds from Title XX allocation in support of the study, while the data that was gathered through the existing fieldwork element of the study was made available for planning purposes to the Unit. It is hoped, furthermore, that the findings and recommendations made in

this report will be of value to social services administrators and planners in the Department of Human Services, as well as to county and municipal governments concerned with this subject.

Particular note should be made of the field work element of this study. Although perhaps not fully reflected in the text of this report, by virtue of the nature of the subject matter, the study represented perhaps the most thorough field investigation of the many participants in the social service delivery system in New Jersey ever carried out. Under the direction of Commission staff, and with the assistance of a wide variety of groups and individuals, most notably many of the county Title XX Coalitions, a master list of social service organizations and agencies was compiled, totalling 2,626 different agencies across the State of New Jersey. The staff then conducted interviews with representatives of 1,390 different agencies - every agency identified, with the exception of day care centers and municipal welfare agencies, where only a sample of agencies was interviewed.\* In addition to serving as the underpinning for the findings and recommendations contained in this report, it is hoped that this data base will serve a useful purpose in itself, as a support for planning and program development activities at the state and local levels.

This, in turn, leads to the purpose of this study. As has been noted above, the field of social service delivery, particularly the 'big issues' in the field, have been studied extensively. The purpose of this study is to focus in more closely on the dynamics of service delivery: the manner in which the services are provided by agencies, the way in which agencies relate to one another, and the effect of this inter-relationship on the services provided. It is by looking at these relatively small-scale concerns - the dynamics and relationships of service provision working at the local level - that the Commission believes it will be possible to understand the strengths and weaknesses of the system, and begin to frame appropriate recommendations for legislative or executive action.

It is important to place this in context. In view of current political and fiscal realities, it is unlikely in the extreme that fundamental changes in social services will be seriously proposed, or if proposed, enacted into law. Furthermore, given the limitations on our knowledge and ability to influence human behavior, it is questionable whether racial change in the systems can be justified. In fact, the Commission found that, within the context of those political and fiscal realities, the current operations of social service delivery are not without merit, and that in several instances, proposed changes would as likely make matters worse.

It is for that reason that modest goals were set for the report and the resulting policy recommendations. It is the Commission's expectation that the discussion will increase public's understanding of the dynamics of the system and the relationship between its parts, and that the recommendations, if enacted, will significantly improve the manner in which social services are provided.

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\* In four of New Jersey's twenty-one counties, the survey was done under the direction of the Rutgers University School of Social Work.

The report presents its findings and recommendations in five chapters, which can be summarized as follows:

- (1) **Background to Social Services:** the first chapter attempts to define the term 'social services' as it is used in the report, and to provide a brief historical context to the issues and problems discussed in the body of the report.
- (2) **Social Service Planning and Delivery:** the second chapter provides an overview of the nature and extent of social service delivery - who provides services, who plans and provides the funds for services, how much money is spent, and who benefits from the availability of social services.
- (3) **Issues in Social Service Planning and Delivery:** the third chapter discusses 'issues', as distinct from 'problems'; i.e., recurrent areas of *concern* which are not, however, amenable to ready solution. These include problems of centralization versus decentralization of service planning and delivery, the relationship between the public and private sectors, the relationship between different levels of government, and the increasing fiscal pressure on the system.
- (4) **Problems in Social Service Planning and Delivery:** the fourth chapter deals with the 'problem'; i.e., those areas of concern which are potentially responsive to managerial improvement. These include, in particular, problems of service duplication and overlap, and the lack of effective communications between agencies working in related areas.
- (5) **Recommendations:** the fifth and final chapter presents a body of recommendations for legislative or executive action. They include proposals to provide an optional structure for local (including county) social service delivery, restructuring the role of municipal welfare boards, improvement of interagency coordination at the county level, and reorganization of the state structure for social service planning and administration.

## CHAPTER I

### BACKGROUND TO SOCIAL SERVICES

The first step in presenting a report on a given issue or area is that of defining its subject matter. The problem of defining social services is more difficult than most. An issue such as transportation, or housing, for example, however complex it may be in detail, nonetheless conveys a clear image of its content to the reader. The term 'social services', however, conveys no such clear image. For that reason, each study of the subject must initially provide the definition that will be used in the ensuing analysis or interpretation of the material at hand.

#### A. What are social services?

Social services, in essence, are those services provided by public or private agencies which are designed to enable families or individuals to live, as self-sufficiently and as effectively as possible, within their communities. They must be distinguished clearly from the wide variety of *institutional* services which approach their population and clientele from a very different vantage point.\* A meaningful distinction might be that social services are supportive of peoples' ongoing efforts to function within their communities, while institutional services remove people, for varying lengths of time, from those communities in order to provide such services as they offer. It will be readily acknowledged that, while this distinction is easily made in some cases, the two tend to overlap extensively in others. For purposes of this study, the Commission has chosen to concentrate on those services that are provided independently of any institutional service facility. Later in this chapter, however, some discussion is provided of these services, as well as other related services, that are strictly speaking beyond the scope of the study, in the interest of placing the services that are the subject of this report in a clear context.

Agencies providing social services, as defined in this report, tend to be for the most part *problem oriented*, in the sense that they focus on one or more problems that hinder individuals and families from living effectively in their communities. These can include such services as day care for children of working parents (or children of parents who can work once their children are in day care centers), services for the developmentally disabled, including training, placement, and the like; facilities for alcohol and drug abusers; financial assistance for those without means or resources; and transportation for the elderly or handicapped. Table 1-1 presents a classification of social services used in the study with a brief description of the services in each category.

In view of the purpose of the study, which is the evaluation of the management of social services, the classification used here is *agency oriented*, in that it is

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\* It is an article of faith that the purpose of most institutional facilities is to return their inmates/patients to the community, in better condition, at some point. Clearly, the reality of the situation varies and is not always in keeping with the formal objectives of the system.

**Table 1-1: Classification and Description of Social Service Agencies**

category	description
1. financial aid	agencies functioning principally or exclusively as means of providing financial aid for needy people; e.g., county and municipal welfare agencies, social security offices
2. mental health	agencies providing mental health services, including family counseling and emergency services for people with emotional problems
3. concrete services	agencies providing tangible services to people in need, such as transportation, meals, homemaker services, etc.
4. emergency services	agencies providing emergency services such as disaster relief, emergency shelter, 'hotlines' for immediate needs, etc.
5. employment services	agencies providing employment-related services, such as job training and placement, and supportive services to people seeking or attempting to hold employment
6. child and family oriented services	agencies providing services to families and children including day care, adoption, shelter, child abuse prevention, foster care, etc.
7. health services	agencies providing services related to health, including family planning, visiting nurse services, and alcohol and drug abuse programs
8. social, recreational and informational services	agencies providing varied services including information and referral, social group services and 'outreach'.
9. disability linked services	services directed at individuals with specific physical or mental handicaps, including education, training, sheltered workshops, halfway houses, and advocacy programs.
10. other services	agencies providing other services including services aimed at particular racial or ethnic groups within the community, or agencies are not readily classified in any single service area.

designed to facilitate comparisons between different agencies on the basis of their principal area of concentration. There are other classifications, such as that used by the Department of Human Services for purposes of social service planning, which divides services (generally similar in overall scope to that of this report) into twenty-five categories, largely on the basis of the nature of the activity involved.

Services falling within the scope of the study are provided by a vast array of different agencies and organizations. These include in a conservative assessment, three different Federal agencies\*, various units of five New Jersey cabinet level departments, and one or more agencies in every county or municipality in the State of New Jersey. These are only the *public* agencies providing services. At the same time, within each part of the state, there are innumerable *private* agencies, ranging from minute organizations with no full-time staff, to major multi-service agencies with budgets of several million dollars. All in all, as the starting point for this study, the Commission's staff identified a total of 2,626 separate agencies around the state engaged in the provision of social services. Chapter 2 of this report is devoted in large part to a detailed description of the scope, roles, and relationships of these social service agencies, as the picture of the delivery system emerged from the Commission field study. Each of these agencies, however, functions within a network that is far broader than the social service delivery system as such. Indeed, it is not possible to set a precise boundary on social services within the entire realm of agencies that, in one way or another, deal with families and individuals.

The scope of this broader network can be shown through a hypothetical situation -- that of a juvenile who has committed a criminal act of some kind. Such an individual is likely to have dealings with at least three separate agencies, none of which are widely considered to be part of the social service delivery system, yet all of which can be performing a closely related function: (1) the guidance or counseling department in the school the individual attends; (2) a youth bureau or similar unit in the local police department; and (3) the probation department of the courts. If sentenced to spend time in a correctional institution, the individual is likely to become a client of the social service unit of that institution. It could also be argued that the Public Defender, who is likely to represent the juvenile in the court proceedings, is a part of the social service world as well.

The hypothetical juvenile will, of course, come into contact with a number of agencies which would clearly be considered social service agencies by most definitions. Either before or after the interaction with the courts, that individual would probably be referred to some agency. The referral might be for supervision, such as that provided by a Big Brothers agency, for more formal counselling services, or for drug abuse rehabilitation, as needed. Indeed, involvement with such an agency may be made a condition of parole or probation by the court. If the individual in

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\* For a detailed definition, see *Proposed New Jersey Comprehensive Services Program Plan for FY 79*, issued by the N.J. Department of Human Services, pages 21 to 56.

\*\* These are, of course, only the agencies that provide services *directly* to clients. The number of Federal agencies involved in planning and funding services to state and local agencies is far greater.

question is a member of a low income family, is receiving welfare, or is a resident of a major urban center, the number of agency interactions and involvements is likely to be even greater.

The crucial distinction, for purposes of the study, is that the agencies with which the study is concerned are those which provide social services as *their sole or primary function*. The police department may indeed conduct some activities legitimately considered social services, yet it would be farfetched to argue that its principal function was the delivery of social services. The same would be true of a school system or correctional institution. While this distinction is necessary from an analytical standpoint, particularly for an assessment of the management of social services, its partial arbitrariness must be kept in mind. From the standpoint of users of social services, and their interactions and relationships, the social service agencies covered in this report merely make up one part of a far more extensive network of organizations, agencies, and institutions with which they are involved. Although the entire network is beyond the scope of the report, it should be borne in mind in the course of reviewing the findings and conclusions of the study.

## **B. The historical background of social service delivery**

Social services today are a pervasive network. As was briefly noted, they encompass many aspects of peoples' lives, and represent a vast body of overlapping and interlocking agencies and organizations. Furthermore, services are largely provided by public agencies. In the case above, as would be true of almost any hypothetical case study, nearly all the agencies that affect the client are either public agencies, or are underwritten with public funds.

This is a relatively recent phenomenon. Prior to the Depression of the 1930's social services were far less extensive than they are today, and with few exceptions, were the product of religious and private philanthropy, rather than public subvention. The only significant exceptions to this rule were found for the most part in large cities, where the combination of massive immigration of families in need of services, and the existence of large public bureaucracies, provided the impetus for the establishment of a variety of social service delivery systems\*. Since there is abundant evidence that the level of need for assistance, measured in modern terms, was at least as great in the 1920's as it is today, it is apparent that the extension of social services was not, in the long run, simply a matter of a response to increased need. Rather, two significant other elements in this process can be identified: (1) a redefinition of 'need', to encompass gradually more and more aspects of human existence, and (2) a steadily growing willingness on the part of government to provide funds to meet these needs. It should also be stressed that the redefinition of need became, instead, a referendum on areas of human existence which are suscep-

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\*indeed, political scientists have argued that the formalization of social services and assistance programs under the New Deal was more than anything else responsible for the decay of many urban political machines, which previously maintained their position through the provision of a variety of rudimentary social services.

tible to 'improvement' by social service personnel.

The immediate cause of the extension of government into social services, was the short-term increase in the level of need created by the Depression. The national collapse of private social service efforts in the wake of the sudden increase in demand for financial assistance triggered, first, a series of state-level programs, leading to Federal intervention in the form of the Social Security Act of 1935. Many of the public measures were initially conceived as temporary, or stopgap, measures designed to deal with particular problems stemming from the effects of the Depression. However, the redefinition of the Federal role implicit in the Social Security Act, coupled with the realization that most of its clientele had never been adequately served before the Depression, led in time to categorical assistance programs\* which were to become a permanent part of the evolving social welfare system in the United States.

Other social services gradually moved into the public sector after World War II, with the most significant changes taking place in the 1960's. The activists of that decade perceived a vast body of unmet needs and, more importantly, felt that there was a public mandate to meet these needs. The Economic Opportunity Act of 1964, which initiated the Office of Economic Opportunity (OEO) and the so-called War on Poverty as a national public objective, was the most visible and controversial of the new Federal initiatives of this period. Hand in hand with a new emphasis on community organization, and in keeping with the objective of ending poverty, the Act embodied a far-reaching critique of social services as they were, and proposed a restructuring of social service delivery through the establishment of Community Action Agencies in the nation's cities and rural areas\*\*.

Although it was the most visible undertaking, the War on Poverty was far from the only major Federal initiative of the period. The Older Americans Act, for example, initiated large-scale funding of programs and activities for senior citizens. Amendments to the Social Security Act expanded it from a financial aid mechanism to a service delivery one, in particular in the areas of day care and health care. Various categorical, or single function, programs were enacted as additional needs were perceived, including alcohol and drug abuse, employment programs, youth programs, and the like. Although the imposition of limited order on this proliferation of programs and activities has begun, particularly through the state-level planning and coordination required by Title II of the Social Security Act, it continues to represent a highly diffuse body of agencies and activities.

The private agencies providing social services generally responded to the massive expansion of the public role by competing for newly available public funds. This began on a large scale during the 1960's when, an entrepreneurial approach to

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\*categorical programs are those dealing with a specific 'category' of people in need; e.g., assistance to the blind the elderly, the disabled, or dependent children, each with a distinct program.

\*\*It should be noted that the initial idea behind the creation of CAAs was not to create thereby an adversary to the social service delivery system, but rather a vehicle through which effective planning, coordination, and targeting of services to the poor could take place. The reasons that the program became, over a relatively short period, and adversarial rather than a cooperative one, and aimed at the goal of replacing existing services and agencies, are numerous and complex.

grantsmanship by an agency or organization was viewed as a basis for obtaining massive amounts of Federal and state grants. More recently, the approach adopted under Title XX, calls for the state to define the need for specific services, and for the most part, to purchase those services from private agencies. This has created a new dimension of public-private relationships. As will be discussed in detail in a later part of this report, a representative 'private' social service agency today is likely to be dependent on public sources for the great majority, and in some cases the entirety, of its operating funds.

Today it would appear that many of the most significant battles in the social service field have been fought, and that, at least for the time being, major controversies are few. That is not to say, however, that there are no issues engaging social service providers. Rather, today's issues tend to be less dramatic and less visible in their effects, but are nonetheless very much present.

Much of the current concern is oriented around the increasing administrative and fiscal pressure on social services from higher governmental levels. The growing role of public, principally Federal, funds in the financial support of social services is a case in point. On one hand, the growth in the share of public resources devoted to social services has significantly increased the *total* amount of available funds, and thus the extent of the services that can be provided. At the same time, this expansion has created tensions between public and private sectors, and between centralization and decentralization of planning, policy-making, and implementation. Growing bureaucratization of services risks, in the interest of accountability and management, the removal of decisions further and further from the individual clients whose needs are each agency's basis for existence.

If this is true of relationships between private and public agencies, it is true as well of the relationships within the public sector agencies. The growing number of services and facilities has created extensive, often overlapping or duplicating, networks of service provision by state, county, and in some cases, municipal agencies serving similar clientele. Largely parallel structures have appeared in many areas, creating problems of duplication, lack of communication, and inefficiency in providing the most services to the population in need relative to the resources available.

This latter pattern has created still greater concern in recent years. All levels of government have become aware that resources are limited, and that allocation decisions must be made carefully in an awareness that the financial pie is no longer expanding, and that funds can no longer be increased in any one area without subtracting from another. Social services, as a service provided in large part to the powerless and resourceless, may be more vulnerable to newly emerging fiscal pressures than other, more visible or more popular, services. There is already evidence that the funding of many social service areas is not adequate to counter the effects of inflation, let alone to provide any additional services or facilities to clients.

The incremental accumulation of programs and resources, the funding and unfunding of activities, the establishment and the dissolution of agencies and organization, has created what is today a diverse, multifaceted, and in many ways, appar-

ently disorganized delivery system for social services. Although the system may be apparently in disarray, studied more closely, as the report suggests, the system is far from being as chaotic or as disorganized as some may believe. Furthermore, even where problems are apparent, the particular nature of social services, the sensitivity of many of the activities encompassed by the field, and the difficulty of bringing about change, all suggest that any proposed reforms must be carefully scrutinized before they are implemented. The history of social service reform and reorganization amply illustrates the dangers of overzealous efforts to impose more order or more conformity on the system than is appropriate.

In the final analysis, it must always be borne in mind that **the real test of the effectiveness of the social service delivery system lies in the results obtained in improving the lives of the human beings with whom it deals.** It is particularly important to bear in mind, when considering issues or assessing the merits of potential recommendations for change, that the issue is not the recommendation in itself, but its effects on the service provided the clients of the system. In the judgement of the Commission, a careful and deliberate approach is likely to yield greater benefits in the long run, than any ground plans for massive reorganization.

## CHAPTER 2

### SOCIAL SERVICE PLANNING AND DELIVERY

The extent of the social service delivery network briefly sketched in Chapter 1 is vast. Relying on the definition given there, the Commission study team identified a total of 2,626 separate and distinct agencies within the State of New Jersey providing one or more social services to families and individuals in need. The number of agencies, by type of service provided, is shown in Table 2-1. It should be apparent that the proliferation of agencies is largely the result of two types of agency, which exist in large numbers, in each case as the result of a particular set of circumstances:

day care centers, which represent 960 of the total child and family oriented agencies

municipal welfare boards, of which each municipality has one, which represent 567 of the total financial aid agencies

These two agency types represent 58% of all of the agencies listed in the table. Other types of agency do not proliferate in comparable numbers; in some

**Table 2-1: Total Number of Social Services Agencies By Type**

child and family oriented services	1084	41.3%
financial aid services	637	24.3
social recreational and informational	177	6.7
health oriented agencies	158	6.0
mental health oriented agencies	122	4.6
concrete service agencies	114	4.3%
disability oriented services	88	3.4
emergency service agencies	84	3.2
employment agencies	36	1.4
other agencies	126	4.8%
TOTAL	2626	100.0%

SOURCE: Commission Survey

cases, there is likely to be only one agency of a particular type in any one county (with the exception of major counties, such as Essex). In this category one finds county welfare boards, Federal Social Security offices, county offices of the State Division of Youth & Family Services (DYFS), or agencies administering the Federal

## Comprehensive Employment & Training Act (CETA).

With regard to other agencies, including those local agencies that provide the great majority of direct client services, one finds typically between 2 and 10 agencies of any given type providing generally similar, or at least related, services within any given county. These agencies, rather than being directly duplicative of each other, tend to be distinguished from each other on the basis of the following factors:

- a different geographic focus within the same county;
- a focus on the needs of a different target population; e.g., ethnic, racial, age, and economic differences;
- the provision of services that may be similar, but contain enough variation to justify more than one agency;

Nonetheless, there is some duplication of services, both among the agencies on the list and between those agencies studied here and others not studied. The extent of service duplication, however, is believed to be considerably less than would appear from a mere listing of agencies by locality. The Table 2-2 illustrates the number of agencies of each type by county within the state.

The distribution of agencies by county shows clearly that the greatest concentration of agencies and services, and therefore the greatest potential for duplication, overlap and administrative complexity, is found in the major urban counties. Equally important, however, is the fact that the problems addressed by social service agencies are likely to be concentrated in these counties. It is a reasonable assumption that the greater the extent of any problem, the more varied the efforts to respond to it, and the more different the corresponding treatment modalities. This, in turn, serves as the impetus for bringing an increasing number of separate service agencies into being. A more detailed discussion of these and related issues will be found in Chapter 3 of this report.

In order to provide a more detailed picture of the composition and scope of social service delivery, three counties from the Norther, Central and Southern part of the State have been selected for more extensive scrutiny. The overall trends and dynamics of social service delivery statewide is illustrated by showing in some detail the extent of social service network in Passaic, Mercer and Camden Counties, each of which contains a mix of urban and suburban communities.\*

\* It should be stressed that much of the information presented here on Passaic, Camden and Mercer Counties, is based on extrapolation or estimation, over and above the information obtained directly through interviews.

Table 2-2: Agencies By Type And By County

	Financial Aid	Mental Health	Concrete Services	Emergency Services	Employment Services	Day Care Centers	Other Child/Family Services	Health Oriented Agencies	Social Recreational & Info. Agencies	Disability Oriented Agencies	Other Agencies	Total
Atlantic	25	4	6	3	2	33	7	5	7	5	10	107
Bergen	74	24	6	7	0	122	4	14	7	7	14	279
Burlington	42	4	5	3	3	43	4	5	3	5	2	119
Camden	43	7	6	6	2	56	8	9	9	3	6	155
Cape May	18	1	5	1	1	0	1	1	3	3	1	35
Cumberland	18	3	7	4	1	14	5	3	4	2	6	67
Essex	30	14	8	5	4	118	16	16	32	10	11	264
Gloucester	28	2	3	4	1	17	5	5	2	4	3	74
Hudson	15	7	5	3	1	43	2	7	6	3	12	104
Hunterdon	28	1	3	3	1	8	2	2	0	3	1	52
Mercer	17	7	8	5	4	61	10	8	13	2	16	151
Middlesex	29	6	9	3	1	62	9	9	11	5	13	157
Monmouth	57	6	3	4	1	71	15	10	7	4	2	180
Morris	42	7	3	5	0	77	3	10	4	7	2	160
Ocean	36	1	4	2	1	25	4	4	8	3	2	90
Passaic	20	12	2	2	1	52	9	12	14	4	6	134
Salem	16	1	3	3	2	14	1	4	1	2	1	48
Somerset	23	4	3	4	1	39	4	4	2	2	3	89
Sussex	26	2	4	2	1	20	2	5	1	1	1	65
Union	26	6	17	13	7	75	10	22	40	11	14	241
Warren	24	3	4	2	1	10	3	3	3	2	0	55

SOURCE: Commission compilation

## A. The Scope of Social Services

It should be stressed from the beginning that the delivery of social services, in any county other than perhaps the most rural ones, or any other relatively more developed county, is a major business operation. In Passaic and Camden Counties, for example, the budgets, including financial aid (but excluding Social Security and SSI payments), is well over \$100 million in each. Table 2-3 presents a breakdown of social service expenditures by agency type and source of funds, for the three counties. A number of points emerge directly from the table:

the largest part of social service expenditures takes the form of direct financial aid to families and individuals.

**Table 2-3 Total Social Service Expenditures in Three Selected Counties  
(A) By Agency Type and Funding Source - Passaic County Only \* (\$000)**

	public funds	private funds	fees**	total
private agencies				
other than day care	\$ 10,625.5	\$ 2,262.5	\$ 2,388.5	\$ 15,276.5
day care centers	4,303.0	344.5	2,489.5	7,137.0
public agencies				
other than DYFS	10,782.6	0	0	10,782.6
DYFS field offices***	3,775.0	0	0	3,775.0
municipal welfare boards	2,000.0	0	0	2,000.0
county welfare board	70,000.0	0	0	\$ 70,000.0
<b>TOTAL</b>	<b>\$101,486.1</b>	<b>\$ 2,607.0</b>	<b>\$4,878.0</b>	<b>\$108,971.1</b>

## (B) By Agency Type - Three Counties (\$000)

	PASSAIC	MERCER	CAMDEN
private agencies			
other than day care	\$ 15,276.5	\$21,986.9	\$ 10,025.9
day care centers	7,137.0	4,090.6	11,636.8
public agencies			
other than DYFS	10,782.6	13,506.9	15,742.7
DYFS field offices***	3,775.0	2,500.0	4,000.0
municipal welfare boards	2,000.0	3,941.8	3,556.2
county welfare board	70,000.0	34,000.0	60,000.0
<b>TOTAL</b>	<b>\$108,971.1</b>	<b>\$80,026.2</b>	<b>\$104,961.6</b>

\* although all figures are annual figures, variation in information provided by different sources, definition of fiscal year, etc., makes it impossible to specify information for a precise calendar year.

\*\*only fees not reimbursed by a public agency

\*\*\* Division of Youth and Family Services. no formal budget breakdown by field office was available, so that above figure is estimated.

Although some part of the expenditures under the two 'welfare' categories are for administration and service provision, an estimated \$64 million of the total of \$109 million spent in Passaic County, or nearly 60%, are direct financial aid payments. The percentages are somewhat lower in the other two counties - 55% in Camden and 44% in Mercer - but it still represents by far the largest component of the social service expenditure picture.

the overwhelming majority of funds spent for social services are public funds

As Table 2-4 shows, between 82% and 95% of all funds spent for social services in the three counties are public funds. In Passaic County, even if financial aid payments are subtracted, 83%, or roughly 6 out of 7 service delivery dollars are still derived from public sources. This is, of course, principally Federal money, although there is considerable social service support provided by the State of New Jersey and Passaic County. The implications of the overwhelming predominance of Federal and other public funding, in a system where the majority of agencies providing services are at least technically private agencies, are explored in Chapter 3 of this report. Finally, it should be noted that the per capita expenditures detailed in Table 2-5 range from a low of \$221 in Camden, to a high of \$251 in Mercer County.

**Table 2-4: Distribution of Funds by Source**

	Public	Private	Fees
Camden	94.6%	3.8%	1.6%
Mercer	82.2	7.0	10.8
Passaic	93.1	2.4	4.5

**Table 2-5: Estimated Per Capita Expenditures for Social Services**

	estimated population	expenditures (\$000)	per capita expenditures
Camden	475,300	\$104,962	\$221
Mercer	318,700	80,026	\$251
Passaic	449,000	108,971	\$243
total	1,243,000	\$293,959	\$236

SOURCE: population estimates from U.S. Bureau of the Census for July 1, 1976

Assuming that the same range is approximately applicable for the state as a whole, the total level of social service and welfare expenditures statewide would be upwards of \$1.7 billion per year.\*

\* This is most probably a reasonable assumption. Although rural counties, and many south Jersey counties contain fewer services, and may have lower per capita expenditure rates, the overwhelming majority of the state's population is concentrated in counties with service delivery patterns similar to the three counties shown here, or more intensive, as is the case in Essex and Hudson counties.

**Staffing Patterns** - Nearly 7,400 individuals are full-time employees of social service agencies in the three counties, and nearly 2,400 additional individuals are employed on a part-time basis. Moreover, a total of 30,400 volunteers are claimed by social service agencies in the three counties, most heavily in Camden County (although some of these numbers are probably overstated).

As Table 2-6 shows, the staffing patterns of the different types of agencies vary widely. Public agencies are almost entirely dependent on full-time, often professional, staff. Occasionally, such as in the Trenton Division on Aging, public agencies have been able to mobilize a large corps of volunteers, in that case over 500 persons.

**Table 2-6: Staffing Pattern of Social Service Agencies**

	full-time employees	part-time employees	volunteers	total
<b>(A) Passaic County</b>				
day care centers	481	78	195	754
other private agencies	763	417	2,345	3,525
welfare boards	337	13	4	354
other public agencies	338	51	275	664
<b>TOTAL</b>	<b>1,919</b>	<b>559</b>	<b>2,821</b>	<b>5,299</b>
<b>(B) Mercer County</b>				
day care centers	319	281	334	934
other private agencies	1,774	963	9,529*	12,266
welfare boards	352	13	2	367
other public agencies	452	104	602**	1,158
<b>TOTAL</b>	<b>2,975</b>	<b>1,361</b>	<b>10,467</b>	<b>14,803</b>
<b>(C) Camden County</b>				
day care centers	448	168	336	952
other private agencies	657	188	16,448*	17,293
welfare boards	754	55	288	842
other public agencies	499	20	45	819
<b>TOTAL</b>	<b>2,464</b>	<b>431</b>	<b>17,117</b>	<b>20,012</b>

\*5845 in Salvation Army, Boy Scouts, and Red Cross

\*\* 540 in Trenton Division on Aging

\*14,500 in Cancer Society, Heart Association, and Red Cross

The most extreme case, not unexpectedly, is in the welfare system, where other than full-time paid employees are a rarity. Volunteers still make up a substantial part of the providers of private services, at least in certain selected service areas. Table 2-7, showing the distribution of personnel hours of service, indicates that the volunteer contribution is significant:

**Table 2-7: Distribution of Staff Hours of Service by Type of Personnel  
(% of total service hours for agency category)**

	full-time employees	part-time employees	volunteers	
<b>(A) Passaic County</b>				
day care centers	86.9%	8.1%	5.0%	100%
other private agencies	57.1	17.8	25.1	100%
welfare boards	97.7	2.2	0.1	100%
other public agencies	83.2	7.1	9.7	100%
<b>(B) Mercer County</b>				
day care centers	60.5%	30.5%	9.0%	100%
other private agencies	48.1	14.9	36.9	100%
welfare boards	97.9	2.0	0.1	100%
other public agencies	75.3	9.9	14.8	100%
<b>(C) Camden County</b>				
day care centers	75.7%	16.2%	8.1%	100%
other private agencies	21.1	3.4	75.5	100%
welfare boards	97.7	1.5	0.8	100%
other public agencies	88.2	5.5	7.2	100%

NOTE: table is an approximation based on the following assumption: fulltime workers provide 35 hours/week, part-time workers provide 20 hours/week, and volunteers provide 5 hours/week. Although this is rough, it is based on customary patterns; furthermore, a comparison based on number of staff personnel in each category would be largely meaningless.

Even with the adjustment, that accounts for the disparity in the amount of time spent by full-time staff relative to volunteers, the latter continue to provide a considerable part of the services provided by private agencies. Part-time workers are also significant in day care centers in Mercer and in Camden Counties, and in other private agencies in Mercer and Passaic Counties.

It should be noted that, as was the case with regard to the funding data presented, the similarities between the three counties are far greater than the differences in terms of these basic managerial characteristics. This provides a strong basis, therefore, for extrapolating this information to the state as a whole.

Another aspect of agency staffing, of some interest, is the distribution of agencies by size; with regard to full-time staff, agencies range from those with no full-time paid employees (altogether 13 private agencies in the three counties), to those with over 100, both public and private. The distribution does vary, in important ways:

**Table 2-8: Agency Staffing by Agency Size Distribution - All Counties (distribution excludes welfare boards and day care centers)**

	none	1-9	10-19	20-49	50+	
<b>(A) Number of Agencies</b>						
<b>Private</b>						
full-time	13	76	31	25	12	
part-time	43	77	12	17	8	
volunteer	40	38	17	19	42	
<b>Public</b>						
full-time	0	18	14	12	10	
part-time	16	28	6	2	0	
volunteer	29	13	4	2	5	
<b>(B) Percentage Distribution of Agencies</b>						
<b>Private</b>						
full-time	8.2%	48.4%	19.7%	15.9%	7.6%	100%
part-time	27.4	49.0	7.6	10.8	5.1	100%
volunteer	25.6	24.4	10.9	12.2	26.9	100%
<b>Public</b>						
full-time	0	33.3	25.9	22.2	18.5	100%
part-time	30.8	53.8	11.5	3.8	0	100%
volunteer	54.7	24.5	7.5	3.8	9.4	100%

A rough picture of the typical agency emerges from Table 2-8. The private agencies typically have small full-time paid staff; 57% have fewer than ten paid, full-time, employees. Although most private agencies utilize at least a few volunteers -- a substantial number, 27%, have 50 or more volunteer workers. The distribution of volunteers points out a reality of management - there are costs incurred in the management of volunteers. If an agency seeks to have volunteers at all, it often seeks a large number in order to better justify the cost of recruitment and training.

Public agencies are more likely to have full-time staff, and more of them. The typical public agency will have twice as many full-time employees - the median for public agencies is 16.8 full-time staff, compared to 8.7 full-time staff for private agencies. Conversely, the majority of public agencies employ no part-time staff at all, and only a small percentage employ more than a handful of volunteers.

While it was possible, although difficult, to inventory social service agency expenditures and staffing patterns, the same does not hold true for agency clientele. Although most agencies keep relatively good records of their current clientele or

caseload, the probability of frequent name duplication is so great as to make any form of cumulative record quite impossible. In addition, variation in format and content between the records kept by each agency is so great that comparison for any one point in time is unrealistic. Table 2-9 shows *unadjusted* cumulative agency caseloads in Passaic County; the actual number, however, may be anything from one-half to one-tenth the number of individuals in the table, which is presented solely for illustrative purposes:

**Table 2-9: Cumulative Agency Caseloads (Not Adjusted for Duplication of Names) - Passaic County Only\***

private agencies other than day care	97,385
county welfare board	67,876
division of youth & family services	25,190
public social service agencies other than welfare and DYFS	9,714
municipal welfare boards	5,804
day care centers	4,355
<b>TOTAL</b>	<b>210,324</b>

\* since the purpose of this is illustrative only, and there is no attempt made to suggest it is an accurate reflection of the number of people receiving social services, it would be gratuitous to provide the information for more than one county.

Duplication within this total is, of course, enormous. Some municipal welfare recipients, for example, subsequently go on SSI rolls. Many county welfare recipients are also receiving services from DYFS, or from any of a number of private social service agencies. Duplication may even take place within a single agency. The total cited for county welfare includes both those receiving AFDC or AFWP\* payments, as well as those receiving any of the wide variety of direct services also provided by or through the welfare board, including food stamps, casework services, family planning, child care, or a variety of concrete services. Financial aid and social service delivery overlap, perhaps almost completely. In a similar vein it should be noted that the caseload of information and referral agencies represents individuals who have been referred to another agency. To the degree that they receive services from the agency to which they have been referred, they are counted twice. Other likely problems include those of duplication over time, e.g., a client coming into an agency twice during a given year and being counted twice; and geographic duplication, where different agencies have overlapping service or catchment areas. It should be stressed, however, that while there would be some value in developing a system for reliable tracking of social service caseloads and clientele, it is likely that both the effort that would be needed, and the risks of violation of privacy that would be in-

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\* Aid to families of dependent children (AFDC) and aid to families of the working poor (AFWP). It should be noted that these are mutually exclusive financial aid categories.

herent in the undertaking, substantially outweigh the benefits that would be obtained.\*

## B. Social Services Providers

It is possible to classify social service agencies in a number of different ways: by the nature of the service provided, (which was done to some degree); by the size or scope of the agency; or by the status of the agency - - public, private, and so forth. The last approach is particularly useful, because it places the various social service agencies in the context of larger relationships: between the public and private sectors generally, and among the different levels of the public sector.

The relationship between public and private agencies in the area of service *provision*, it should be stressed, is very different from that which applies to the *financing* or the *planning* of social services. Although the discussion in this section deals principally with direct provision of services, and is complemented by the following section, which deals with the planning of social services, the subjects by necessity overlap, particularly in any discussion of the financing or funding of specific services.

**(A) public agencies providing social services:** As Table 2-3 showed, public agencies are responsible for the great majority of social service expenditures. These are agencies which are clearly defined as units of government at the Federal, state, county, or local levels. The distinction is important, since as will be shown, there are large numbers of agencies that are considered private, although intimately linked to the public sector through funding or contractual relationships. Among the various public agencies, as outlined in table 2-10, the state and county governments are the agencies of primary concern. Federal and municipal social service provision, although touched upon briefly, are largely peripheral to the major issues in evaluating the delivery of social services.

**1. Federal social service delivery** is limited to two areas; first, the delivery of specific services to military personnel, as well as veterans of military service, and services required as a result of the particular relationship between those individuals and the Federal government; and, second, the provision of financial aid of a largely automatic nature to classes of clearly defined individuals; that is, the aged, the disabled, and the blind.

The limited nature of the Federal role in provision of social services was made

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\* It is the Commission's assessment that any system that would be capable of maintaining records of all clients effectively could do so only at the cost of establishing an elaborate computerized system. Such a system would require both major front end costs for system design, software, and training, and a major commitment of operating funds, which would most probably be diverted from those available for service delivery. At the same time, it would create a potential surveillance system that cannot but be offensive to American standards of privacy. Although such a system would be of value for research purposes, and for certain very specific uses (such as identification of welfare cheating), it would not play a major role in the provision of social services to those in need that would be met as a result.

clear at the time the policy decision was made to 'Federalize' certain categories of financial aid, previously administered in New Jersey by county welfare boards, under the Supplemental Security Income (SSI) program. Administration of the AFDC program, far and away the largest and most visible component of the financial aid system, remained at the local level. For a variety of reasons, including fear of political conflicts and administrative burdens, the Federal government, in essence, 'backed off' entering into any direct provider role in AFDC . Although the Federal government is by far the most significant source of social service funds, it has consistently maintained a low profile in the actual service delivery system.

**Table 2-10: Public Social Service Agencies by Function and Level of Government**

<b>level</b>	<b>agency (and subagencies)</b>	<b>principal function(s)</b>
<b>FEDERAL</b>	Social Security Administration	provision of financial assistance to the aged, blind and disabled (SSI), and medicare
	Veterans Administration	provision of social services to veterans
	Department of Defense	provision of social services to military personnel
<b>STATE</b>	Dept. of Human Services division of youth & family services	services to children and families, particularly with regard to abuse and neglect, including foster care, day care, and adoption services
	division of mental retardation	supportive services and day treatment for the retarded
	division of mental health and hospitals	supervision of community mental health services
	commission for the blind	varied services to blind individuals
	Department of Health division of alcoholism	social services to alcohol abusers
	division of drug abuse	social services to drug abusers
	Dept. of Labor & Industry division of vocational rehabilitation	vocational rehabilitation services
comprehensive employment and training act (CETA) office	employment, and training, and related supportive services to individuals in need	

**Table 2-10: (CONTINUED)**

level	agency (and subagencies)	principal function(s)
STATE	Depart. of the Public Advocate	legal assistance for individuals charged with crimes who cannot afford a lawyer; also, law guardian, child advocacy, and inmate advocacy programs.
	Depart. of Corrections	services for juvenile offenders including group homes.
COUNTY	County Welfare Board	provides financial assistance to poor families and individuals, medicaid, social services to families receiving financial assistance
	County Social Service Agency	in counties organized under Optional County Charter Law, comprehensive agency providing varied social services, including (in some cases) functions of county welfare board
	CETA Office	employment, training, and supportive services under contract with State Dept. of Labor & Industry
MUNICIPAL	Municipal Welfare Board	provides financial assistance for adults under 65 without dependent children and not eligible for other programs
	Municipal Health Depart.	in some cases (principally large cities) provides social services such as visiting nurse, family planning, and maternal & child health care.
	Housing Authority	in some cases (principally large cities) provides social services to residents of public housing
	CETA Office	in some cases (principally large cities) can provide job training and placement under contract with State Dept. of Labor & Industry

2. **State social service delivery** in New Jersey, as in most states, represents a highly significant element of the overall service delivery system. Many state agencies, including the massive Division of Youth and Family Services in the Department of Human Services, integrate planning, financing, and service delivery aspects within their administrative structures. A breakdown of social services provided under Federal Title XX funds, representing a cross-section of direct social services, illustrates the strong state and county roles:

**Table 2-11: Distribution of Title XX Funds (Including Matching Funds) by Type of Service Provider**

STATE	division of youth & family services	\$33,308,700
	other Department of Human Services	9,857,897
	other state agencies	6,873,915
COUNTY	county welfare boards	\$24,980,880
PRIVATE	state purchase of services	\$47,361,188
	county purchase of services	4,485,787
	STATE	\$ 50,040,512
	COUNTY	24,980,880
	PRIVATE	51,846,975
	TOTAL	\$126,868,367
		39.4%
		19.7
		40.9
		100.0%

SOURCE: Title XX program plan for FY 79

Within the state government structure providing social services, as outlined in Table 2-11, the dominant entity is the Division of Youth and Family Services. Within the scope of the Title XX services, that agency is responsible for providing direct services, with its own staff, expending 26% of all Title XX funds, while using an additional 37% of the Title XX funds to purchase services for its clientele from private agencies. Altogether, it is responsible for spending 64% of all Title XX funds in the State of New Jersey. The scope of services provided directly by DYFS is illustrated in Table 2-12. It is readily apparent that this one agency cuts across many, at least six, of the ten categories of social service delivery previously delineated. It is equally clear, that DYFS, both through its direct services and purchase of service relationships, interacts with almost every other major service provider in New Jersey, and in particular with the twenty-one county welfare boards.

It should be stressed that although DYFS may be the most varied and the most visible of the State-level social service providers, it is far from the only one. As Table 2-10 illustrates, there are at least ten separate state agencies directly providing social services to the people of New Jersey. Representative examples include:

the Division of Vocational Rehabilitation in the Department of Labor & Industry, which has a caseload of roughly 17,500 individuals served in 19

**Table 2-12: Services Provided Under Title XX Directly by Division of Youth and Famil Services**

adoption and foster care	\$10,512,963	34.5%
other placement services	3,069,833	10.1
case management	4,111,385	13.5%
protective services for children	2,649,558	8.7%
health related services	2,345,012	7.7
counselling services	1,614,099	5.3
day care	1,309,552	4.3
all other services*	4,842,298	15.9%
<b>TOTAL</b>	<b>\$30,454,700</b>	<b>100.0%</b>

\* other services include chore services (performance of household tasks for elderly and handicapped), education & training, employment related services, housing related services, information and referral, legal services, parole supervision, recreational services, services for alcohol abusers, social services in correctional institutions, transportation, and miscellaneous youth services. Allocation for each of these services is under \$1 million.

SOURCE: Title XX program plan for FY 79

local offices around the state, and an annual budget (including Federal funds) of \$19 million.

the Division of Narcotics and Drug Abuse Control in the Department of Health, with a budget of \$5.2 million per year, which operates:

- 11 methadone clinics (1,250 patients)
- 15 drug-free clinics (560 patients) and
- 3 residential drug-free centers (150 beds)

the Commission for the Blind and Visually Impaired in the Department of Human Services, which serves a caseload of 3,650 blind and visually impaired individuals, with a total budget of \$5.6 million per year\*

These are but a few of the many direct services provided by the state government in the realm of social services. Before moving to social service delivery at the local level, however, two closing points must be made with regard to the role of State government:

- (1) of all of the services described above, with rare exceptions, the Federal government is the principal source of funds; e.g., in the Division of Vocational Rehabilitation, depending on the program category, either 80% or 90% of each category is Federally funded;

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\* In all cases the caseload and expenditure figures are for Fiscal Year 1977.

(2) however important the state role in the direct delivery of services, the state holds an even more central position, as will be seen, in the financing, planning, and monitoring of services delivered either by county and local government, or by the private sector.

**3. County and Municipal social service delivery:** In large part the social service delivery function at the county and municipal level is that of providing public assistance for the needy, other than those served by the Federal government through the SSI program. To a large degree, however, the centralization of much of the public assistance function at the county level has created the basis for a major county-level social service delivery responsibility. The provision of public assistance, under the AFDC and AFWP programs mandated at the county level, has resulted in many county welfare boards gradually expanding their roles and responsibilities, in order to incorporate other forms of income assistance (food stamps, medicaid), and undertake the provision of social services to those families included in their income assistance programs. A large county welfare board in a New Jersey urban county may provide a wide range of social service programs, including such areas as health screening, counseling, family planning, transportation, homemaker services, and day care for children of welfare recipients. In effect, the welfare board becomes a kind of social service delivery conglomerate. The Essex County Welfare Board, the largest single social service delivery agency in the State, has a caseload of 37,000 families, a staff of 1,416 people, and an annual budget of \$142 million\*.

County government does administer other social service activities, although of a far more modest nature than the massive county welfare function. These include, typically, services to the aging, among which are transportation and nutrition programs; community action programs in urban centers or concentrations of rural poverty; youth services; drug abuse treatment or rehabilitation programs.

Under the provisions allowing for reorganization and streamlining of county government operations in the Optional County Charter Law, five counties have reorganized the delivery of social services administratively. In two cases, the county has chosen to consolidate the welfare board into an overall social services agency, or autonomous agency outside the newly created social service department:

Atlantic County's *department of social services*, incorporates the welfare board; and divisions on senior citizens; youth; and citizens' services;

Essex County's *department of citizen services* contains the Division of Welfare; Aging; Youth; and Consumer & Constituent Services.

Hudson County's *department of health and social services*, includes the welfare board; health; and institutional care programs and facilities;

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\* Technically, the CETA program in the aggregate is larger. However, it is divided administratively among State, county and municipal agencies.

Mercer County has created a *department of human services*, incorporating mental health and health services, drug programs, community action program, division of aging, library services, veterans services, and the county superintendent of schools, but excluding the county welfare board;

Union County has created a *department of human resources*, which contains youth services, services for the aging, and employment and training, but excludes the county welfare board.

The degree to which the county welfare board can be considered a county agency in substance, as distinct from name, is open to question. Under New Jersey law, the Division of Public Welfare of the New Jersey Department of Human Services is charged with the responsibility of administering, or supervising the administration of, public welfare programs, including the ongoing provision of fiscal control, quality control, and direct operational supervision of county welfare offices. The latter are in turn required to administer their activities according to detailed and highly specific state standards and regulations\*. Thus it could be argued that with regard to their income maintenance role, county welfare boards are, despite their name, *de facto* state agencies operating at the county level.

Municipal capacity for direct delivery of social services, with the exceptions in the larger cities of the state, is generally limited. At present, state law mandates the existence of a municipal welfare board in each of the 567 municipalities of the state. These agencies provide financial assistance to those adults who are ineligible for support from any of the principal vehicles of income assistance, such as SSI, county welfare, unemployment or disability insurance programs. The assistance is generally of a subsistence nature, usually in the form of vouchers earmarked for food, rent, or other necessities, and is in most cases of short duration, as many municipal welfare clients are able in time to qualify for a categorical assistance program or obtain employment. In some of the large cities, however, the municipal welfare board becomes a substantial agency; the Paterson Welfare Board, for example, has a budget of nearly \$1 million, and employs 25 people. In such cases, the municipal welfare agency often goes beyond the simple provision of limited financial assistance, and begins to undertake some form of social service assistance to its caseload. Many agencies, including the Paterson welfare board, provide more systematic information and referral services to their clients, and others, such as the Trenton welfare board, have developed employment counseling programs to assist their clients to obtain employment.

It should be noted that for the most part, municipal welfare boards bear a similar relationship to the state as do county welfare boards. 406 of the 567 municipal welfare boards, including those of the larger cities and townships of the state, participate in the overall state welfare program, through which they obtain state

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\*In addition, it should be noted that much of the funding for these programs is obtained from the Federal government, which establishes general guidelines and standards for the use of public assistance funds. The Federal government, however, does not play the direct administrative or supervisory role that the Division of Public Welfare plays in the day-to-day management of welfare.

funds for reimbursement of 75% of their client financial assistance outlay. Under this program they are, of course, subject to state standards and guidelines in the administration of their activities.

In short, the activities of county and municipal social service providers point out in clear form the interplay between different levels of government (and, as will be discussed in the next section, between public and private sectors) in terms of responsibility for social service delivery. Thus, a question may be raised as to who is actually providing a particular service: is it the agency with the name over the door, to which clients come, or the agency which establishes the detailed operational procedures for the first agency, or is it still a third agency which provides the funds, and specifies the general conditions of their use, for both the first and second agencies? The nature of accountability and authority in such a relationship is inevitably difficult to pin down.

**(B) Private agencies providing social services:** Excluding the two discrete categories of welfare assistance and day care, private agencies provide roughly 50% of the remaining social services in a typical community. Private agencies, are defined as other than a unit of state or local government, although, as will be seen, many of them are intimately linked to government at one or more levels. In many cases, indeed, the decision as to whether a particular service or facility is private or public was the result of historic accident or preference, and has little bearing on the nature of the service provided. Community Action Agencies, the survivors of the war on poverty of the 1960's, tend to be either private or public agencies at present, depending on whether county or municipal governments chose to exercise their right to convert previously private agencies into public ones as a result of amendments to the original War on Poverty legislation. Community Mental Health Centers, which in New Jersey are generally private agencies (with some exceptions) are state agencies in Connecticut, staffed by Civil Service personnel. The number of additional similar examples is considerable.

Apart from questions of function and of funding, it is possible to classify the network of private social service agencies in terms of their roots, or organizational basis, into three distinct categories:

**(1) traditional voluntary (non-sectarian) agencies:** Every community contains a network of voluntary agencies - - some are particular to the community, others may be local branches of regional or national networks. Examples of such agencies include the Red Cross, Boys Clubs, American Cancer Society (as nationally organized entities), or settlement houses and guidance/counseling centers on the local level. These organizations, in conjunction with selected sectarian agencies noted below, have traditionally been the principal social service entities supported by United Fund campaigns.

Agencies in this category have changed in various ways in recent years, largely depending on the degree to which their traditional function overlaps with more recent Federal and state government mandates and funding activities. The Red Cross, for example, or the Cancer Society tend to remain largely independent of public

funding and support and do not appear to have changed significantly in policy or role. Planned Parenthood agencies, although not significantly different in role, have substantially increased their scope and activities through the use of public family planning funds. In Passaic County, for example, both private family planning agencies receive roughly 90% of their operating funds from Federal and state sources. Other agencies, such as Boys Clubs in some areas, may have redirected their attention toward different target populations, such as inner city youths, in response both to the existence of a need, as well as the availability of public funds for such activities\*

A by-product of the growing public involvement in the activities of traditional voluntary agencies has been a significant change in the role of the United Fund in the affairs of these agencies. At this point, United Funds provide a relatively small part of the operating funds of private social service agencies. In Passaic County it amounted to only 3% of the total, while in Mercer and Camden Counties it represented between 6% and 7% of the total. Clearly, from a pure monetary standpoint, the impact of United Funds on the delivery of social services in New Jersey is modest. In reality, however, the situation is much less straightforward. Nearly all major Federal funding programs available to voluntary agencies require at least some local matching funds, typically between 10% and 20% of the total. Many United Fund agencies today attempt to direct their resources to those agencies, and those activities, in which their funds can be used to match Federal funds, thereby multiplying the effect of the United Fund allocation several times. Not only does this provide a valuable resource for the community, but it also provides the United Fund with a degree of leverage, in terms of policy and planning, far beyond the actual share of program dollars it represents.

**(2) sectarian social service agencies:** the provision of social services has always been a major concern of many religious denominations. This concern is reflected today in a large body of programs and agencies, principal among which are the networks administered by the major denominations, most notably the Catholic Church. Each of the four Catholic dioceses in New Jersey operates a number of social service programs on a regional, and largely hierarchal basis.

In the City of Newark, for example, the Catholic Community and Family Service, working with an operating budget of several million dollars, operates a body of programs including narcotics, rehabilitation, health care services, housing and community living services, community mental health center, services to the blind and the handicapped, work experience for young people, senior citizens' day care, transportation, nutrition programs, and many other programs and facilities. In Paterson, a single Catholic addiction services program, Straight and Narrow, operates a network of programs for alcoholics and narcotics users that includes outpatient clinics in two locations, an inpatient alcoholic program, a drug-free residential program, and a halfway house.

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\* There is nothing either unethical or undesirable, within reason, about an agency redirecting its approach or activities in response to the availability of Federal funds, as long as the activity is within the competence of the agency in question.

More modest networks of service are provided in many areas through the organized Jewish community, supported through fund raising by the local Jewish Federation. The services generally include a family service, or counseling, program, and in recent years have included services to the aging, such as transportation and nutrition programs.

A second type of sectarian agency, which may bear a closer relationship to the traditional voluntary agency than to the denominational network of agencies, are the independent sectarian agencies such as YM - YMCAs, or the Salvation Army. Although in the case of the Salvation Army the religious mission and the social service one go hand in hand, with religion possibly dominating, the religious function of a YM or YWCA is often muted, if at all visible. The distinction between such an agency, and a non-sectarian settlement house or community center may be more illusory than real.

Nearly all sectarian social service agencies are today potential recipients of public funds. Straight & Narrow, the Catholic addiction services program mentioned above, receives roughly 3/4 of its total operating costs through Federal and state programs. Although most YM-YWCAs are still largely supported by private sources (including the United Fund), many have sought out Federal and state funds for specific activities and programs, often with considerable success\*. Many agencies, which by virtue of their self-definition or philosophy are largely precluded from seeking direct Federal or state grants, nonetheless become in time progressively more dependent on Federal or state reimbursements in lieu of, or over and above, direct client fees for services\*\*.

**(3) agencies established to further public sector mandates:** the third category, which is defined above not by its own characteristics, but by its relationship to the public sector, is in a sense the 'growth sector' of private social delivery. Those are the agencies which have been established at the local level as a direct result of the enactment of a particular law at the state or Federal level, and the availability of public funds for a particular purpose. The fact that such agencies were established in this manner does not imply that they do not meet a legitimate need at the local level; indeed, many of the needs they meet are pressing and extensive. For one reason or another, however, prior to the creation of the State or Federal program which provided the impetus, the need was either not recognized, or (more often) was not singled out as the particular province of a distinct agency or program. tinct agency or program.

Perhaps the most notable of the agencies in this category are the many community action agencies that were established around the country as a direct effect of the Economic Opportunity Act of 1964, inaugurating the War on Poverty. Un-

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\* In general, YWCAs have been more aggressive in seeking outside funding than YMCAs, at least partly because their internal (particularly user fee) base is generally less substantial.

\*\* The importance of third-party reimbursement as a source of private agency support, over and above direct funding, is substantial and often underestimated. This point is discussed in the following chapter.

der that act, community action agencies (CAAs) at the local level, representing coalitions of public officials, private agencies, and representative of the poor, were responsible for undertaking a wide variety of program activity linked to the service needs of the lower income populations of the area\*. In this case, the existence of the need and many of the specific programs that were funded through the Act, was widely recognized. Generally speaking, however, the programs were: (a) not coordinated through any umbrella structure in the community; (b) not targeted directly or exclusively at the poor; and (c) administered without input from representatives of the community in need. It was the purpose of the CAAs to conduct programs in a way that would respond to the three concerns noted.

Although the War on Poverty has long since ended as a distinctive public mandate, and the resources directed toward its concerns vastly diminished and fragmented, many of the CAAs established during the 1960's are still in existence, although generally at much lower funding levels than during their peak years. In Newark, United Community Corporation operates pre school programs, job training, youth development programs, and neighborhood multiservice centers. One of these centers is specifically directed at meeting educational and employment needs of Newark's Hispanic population. Other CAAs, such as SCOPE (Southwest Citizens Organization for Poverty Elimination) or NORWESCAP (Northwest New Jersey Community Action Program) operate similar programs on a regional level, in the Southwestern and Northwestern counties of New Jersey respectively.

Another body of private agencies in this category is the network of Community Mental Health Centers, (CMHCs), which have been established as a result of the Community Mental Health Service Act of 1972\*\*. These agencies are even more directly the vehicles for implementation of a public mandate. The CAAs were given by the Economic Opportunity Act considerable flexibility in their choice of activities, and in the establishment of local priorities. However, the Act mandates twelve specifically defined mental health services to be carried out by the CMHCs, including emergency services, consultation and education, partial hospitalization, and aftercare for patients released from mental institutions. Thus, not only the general purpose of the agency, but the specific programmatic elements making up its operation, are established by the public mandate bringing it into being.

It is reasonable to include day care centers in this category as well, as the overwhelming majority of developmental day care centers (as distinct from purely custodial, such as play groups) are in existence as the result of the availability of Federal funds. Here, although some programmatic discretion is allowed to the individu-

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\* It is common impression today that CAAs were designed to direct services largely or almost entirely to minority group members. This was certainly not the case. In many communities, however, through local political dynamics, often through tacit arrangements with local officials, CAAs became defined as minority group 'turf', often with later negative repercussions for the programs.

\*\* There are two public CMHCs, operated in conjunction with the two branches of the New Jersey College of Medicine & Dentistry. There are also public day care centers. It should be noted that certain of the private agencies now acting as CMHCs did exist as similar (although for smaller) agencies prior to the enactment of the Act, so that their role is in part an outgrowth of a pre-existing body of activities.

al facility, the standards and regulations that must be met, in terms of facilities, staffing, staff training, and activities, are both extensive and rigorous.

Generally speaking, unlike sectarian and non-sectarian agencies which, in most cases, may still be receiving some non-negligible private funding, agencies in this group tend to receive little or no private funding, other than user charges and fees received when providing services to middle and upper income clients\*. As was noted, the reasons for agencies in this category being private agencies, rather than simply arms of the state or county government, are often obscure. It is possible that at the time they were first created, there was some expectation that CAAs would be able to attract private funding, including a United Fund allocation. With few exceptions, this has not proved to be the case. Some of the rationale emerges from a more direct look at the question of public-private relationship, which follows an overview of agencies and organizations responsible for the *planning* of social service delivery.

### C. Planning Social Service Delivery

The planning of social service delivery is often imprecise, since planning is not only difficult to define, but the various social services planning functions tend to overlap with financing, as well as with direct service delivery responsibilities. An agency such as the Division of Youth and Family Services, for example, is both a planning and a provider agency within its broad range of functions and responsibilities, there are specific service areas where it acts as either or both. Although few agencies so thoroughly encompass both areas, the lack of clarity as to what constitutes social service planning impedes such a determination.

Another important consideration is the lack of congruence between social service planning and delivery. In other words, the identifiable planning agencies, as distinct from simple funding sources, do not encompass all areas of service delivery. Many social services are not part of any recognizable planning process, other than meeting implicit requirements in the review of annual funding requests. Even in those situations, where there may be some measure of *internal* planning, there is no *overall* planning, in the sense of coordination with other, related, services provided or financed by other agencies.

At a minimum, social service, planning a process must encompass two elements: (a) an effort to establish goals, objectives, or priorities in terms of human needs; and (b) an effort to allocate resources, or establish priorities, among competing agencies or service areas, in order better to meet those needs. Such planning activities can take place through a single process encompassing a wide range of human needs, such as the Title XX planning process carried out by the State of New Jersey under Federal mandate; or alternatively, it can be limited to priority setting within a narrower compass, such as services for senior citizens or for welfare recipients. Although it is clear that a planning process can involve far more than the two elements of goal setting and priority-based allocation, these two can be viewed as threshold considerations.

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\* These fees represent a substantial part of the budgets of both CMHCs and many day care centers.

The alternative to planning is straightforward program funding, based on a formula or other approaches such as a 'first come first served' basis. In such situations, which may be the rule rather than the exception, the service providing agency deals directly with the funding agency. The service provider then receives funds on the basis of internal criteria, e.g., whether the agency is providing the services for which it is responsible; whether it is meeting reasonable criteria of cost efficiency and service quality, etc. This is generally the case where agencies receive funds from a program-specific source, such as mental health or narcotics abuse. These programs, although often containing substantial internal controls, are not effectively part of an overall service planning process.

A middle ground, which has come into being in many areas in New Jersey, often as a result of local pressures rather than state or Federal mandates, is the idea of interagency or interservice coordination. Although coordination is not planning, in the absence of a decision-making mechanism, it can still be a vehicle for voicing, and at times resolving many of the same concerns about resource allocation and priority setting. Informal program-coordinating systems also may provide a means for agencies which are not formally part of a planning process, to interact with those which are incorporated into an organized network such as Title XX.

The following review of governmental and private sector roles in social service planning reveals that *the relative distribution of these roles and responsibilities varies substantially from that depicted in the preceding section on social service delivery.*

**1. Federal Social Service Planning:** Although the Federal government provides the overwhelming majority of public social service funds, its role in the planning process has become largely an indirect one in recent years. This is, in large part, the result of the trend of the late 1960's and 1970's to delegate progressively larger planning and resource allocation responsibilities to State government. Today the Federal government provides the State of New Jersey with what are, in essence, block grants in such areas of need as social services, under Title XX, or employment, under CETA. The responsibility for allocating the block grant locally falls principally to State government.

It would hardly be realistic, however, to argue that the Federal government is in any sense not a participant in social services planning. It remains a highly important partner in a number of important ways: (a) overall goal setting; (b) plan review and approval; and (c) program monitoring and evaluation. Of these, the first role may be the most important, since the combination of goal-setting and the provision of financial resources, more than any other action of any other level of government, defines the direction of social service provision nationally.

Under Title XX of the Social Security Act, Congress defined five national goals for the delivery of social services:

- (1) enabling people to achieve or maintain economic self-support in order to prevent, reduce, or eliminate, dependency;

- (2) enabling people to achieve or maintain self-sufficiency (the ability to care for themselves) so as to prevent or reduce dependency;
- (3) preventing or remedying neglect, abuse, or exploitation of children or adults unable to protect their own interest, or preserving, rehabilitating, or reuniting families;
- (4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care;
- (5) enabling people to secure referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions\*

These are admittedly general goals, with substantial leeway for each State government to define its own means of achieving them. Nonetheless, these goals can have a significant effect in leading to a redirection of State priorities in service delivery, in two distinct ways:

focusing a larger share of resources on a particular issue or problem area, not hitherto a high priority of state government. An example of this would be the emphasis on child abuse (and related areas) reflected in Goal 3.

suggesting a major departure in policy from prior practice, such as the goal of 'de-institutionalization', embodied in Goal 4.

Although qualified by Goal 5, the area of de-institutionalization has been a major case in point nationally, where a change in Federal policy framed in general terms, itself spurred by a reappraisal of certain human needs within the social service field generally, is translated into a change in resource allocation at the state and local level.

The number of Federal agencies involved in funding and goal or priority setting in social services is considerable, as illustrated in Table 2-13. Eight separate Federal departments are active in this area, with responsibilities encompassing nearly every social service area. In nearly all cases, however, a state agency (usually, but far from always, the Department of Human Services) exists between the Federal government and the local public or private agency responsible for service delivery. The principal exception, which is the Housing and Community Development Act of 1974\*\*, is administered directly to local government by the Federal Department of Housing & Urban Development. It is, however, a 'block grant' program as well, with the specific planning and priority setting in this case at the county or municipal level rather than at the State level. However, the bulk of those Federal programs which are organized in the Department of Health, Education, and Welfare are administered through a state agency.

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\* Cited in Title XX Program Plan, P. 4.

\*\* This is a borderline social service program. Still, within the eligible activities defined by the Act, the provision of social services in support of overall community development goals is recognized.

**2. State social service planning:** By virtue of the effective Federal delegation of specific program development and resource allocation authority to State government, the State of New Jersey has become the key planning agency in the field of social services. Operating within the scope of Federal guidelines and goal statements, such as the one cited previously, the state agencies in Table 2-13 are largely responsible for the dispersal of funds for social service provision and associated program planning in New Jersey.

Apart from the funds allocated to financial assistance and income maintenance, which for obvious reasons are less susceptible to a planning process\*, the largest planning area in which the state engages is that subsumed under Title XX of the Social Security Act. Through the Title XX planning process, the state annually allocates a total of \$127 million for social services, of which \$92 million represents a Federal allocation to the State of New Jersey, and the remainder state and local matching funds\*\*. Although this is a substantial amount of money, it must be allocated among a vast array of different services, resulting in significant competition for what are, relative to need, limited resources. As a result, the Department of Human Services, which administers the Title XX planning process has had to make some hard choices between alternatives. That, in turn, has led to an effort to establish objectives, to guide a more rational allocation process. For example, between 1975 and 1977, the Department, among other decisions, chose "to expand services to the aged and handicapped, in order to redress the historical emphasis on services to children and families"\*\*\*. More recently, as a result of the apparent imbalance in the use of flexible Title XX resources, the State has undertaken to redirect these funds away from day care centers, while obtaining other funds for continued services to children now in day care programs\*\*\*\*. These examples, are only of specific, often difficult, program and priority choices made through the Title XX process. Without the ability to make such choices, no process can realistically be considered a planning process.

In addition to goal definition and resource allocation, the rather extensive Title XX planning process, incorporates some effort (a) to assess, on the basis of some statistical indicators, the level of need, geographically and economically, for social services; (b) to establish numerical goals in terms of population served; (c) to establish priorities, on the basis of economic level, within the population in need; and (d) to assess alternatives in terms of delivery of services, for those services needed. While all of these tasks may not yet be performed adequately, it must be acknowledged that the Title XX planning process represents an important first step in social services planning in the

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\* Financial assistance programs are effectively determined (a) by legislative formulae determining levels of assistance and eligibility; and (b) by the number of qualified applicants, which is largely a function of the economy. These basically make planning, in the sense used here, inapplicable.

\*\* Fiscal Year 1979 data.

\*\*\* Title XX program Plan, P. 5.

\*\*\*\* Specifically, by shifting the financing of day care for children of families eligible for AFDC to Title IV (A) of the Social Security Act. *Ibid.*, p. 11.

**Table 2-13: Social Service Funding/Planning Agencies**

agency	program/statute	service area	state agency receiving funds
Health	Title IV(A)*	AFDC	Department of Human Services
Education & Welfare	Title IV(A)	Work Incentive Program (WIN)	" " "
	Title IV(B)	child welfare services	" " "
	Title IV(D)	child support & paternity	" " "
	Title XVI	supplemental security income for aged, blind, disabled	none (direct Federal administration)
	Title XVII	Medicare	Department of Human Services
	Title XIX	Medicaid	" " "
	Title XX	various services to low income individuals and families	" " "
	Title III OAA**	social services to senior citizens	Department of Community Affairs
	Title V OAA	multipurpose centers	" " "
	Title VII OAA	senior nutrition program	" " "
	Community Mental Health Centers Act of 1963	community mental health services	Department of Human Services
	Drug Abuse Treatment Act of 1972	drug abuse treatment	" " "
	Alcohol Abuse and Alcoholism Act	alcoholism treatment	" " "
	Community Services Act of 1974	Project Headstart (preschool education)	Department of Education
	Vocational Rehabilitation Act of 1973	vocational rehabilitation	Department of Labor & Industry

\*all Titles otherwise unidentified apply to the Social Security Act of 1935 as amended

\*\*Older Americans Act of 1975

**Table 2-13 (Cont.)**

<b>agency</b>	<b>program/statute</b>	<b>service area</b>	<b>state agency receiving funds</b>
Community Services Administration*	Community Services Act	community action program	Department of Community Affairs
ACTION	Domestic Volunteer Service Act of 1973, Title II	volunteer service programs including Vista, RSVP, and Foster Grandparents	direct federal administration
Housing & Urban Development	Housing and Community Development Act of 1974	community development and related social services	funds go directly to county and municipal government
Labor	Comprehensive Employment & Training Act	employment and training of lower income individuals	Department of Labor & Industry
Agriculture	Food Stamp Act of 1964 Child Nutrition Act of 1966 National School Lunch Act	food stamps Child nutrition programs WIC (women, infants and children) nutrition program	Department of Human Services Department of Education
Transportation	Urban Mass Transportation Act of 1964	capital costs for transportation services for elderly and handicapped	Department of Transportation
Law Enforcement Assistance Administration	Omnibus Crime Control & Safe Streets Act of 1968	social services related to crime prevention and anti-recidivism	State Law Enforcement Planning Agency (SLEPA)

\*successor agency to Office of Economic Opportunity.

State\*.

Title XX, however, represents only a modest part of the total delivery picture. In essence, it represents a significant input into three areas: (a) the social service components of county welfare agencies; (b) the district offices of the Division of Youth & Family Services; and (c) through purchase of service agreements, a reasonable cross-section of private sector agencies around the state. Its effect may well be far greater than its mathematical share of social services expenditures, since a substantial part of the balance is either limited to income maintenance, or represents categorical funds for clearly defined services, such as community mental health centers.

In looking at the array of programs and activities, however, it must be noted that many are not subject to the same planning process, although they overlap in scope or content. Programs for senior citizens administered by the Division on Aging in the Department of Community Affairs are subject to a parallel, and only loosely coordinated, planning process with the Title XX process, which in turn also devotes a great deal of its resources to senior citizens social services. Other service areas, those funded through categorical programs, tend to operate on the basis of a simple *funding* process rather than a *planning* process, even though they may overlap considerably with Title XX services. It can be assumed that the presence on the Title XX advisory committee of program representatives from most agencies to which this comment is applicable provides some coordination. The extent to which this can substitute for a more structured link is uncertain.

**3. County and municipal social service planning:** Little planning, in the sense of the term used here, can be held to take place at the county and local level in social services. Local agencies, by definition, are likely to be recipients of funds, from Federal or State sources, and thus subject to whatever planning or other controls are imposed on them by their funding sources. In fact, historically, such program planning as was done by local agencies tended to be little more than efforts to anticipate the vagaries of national or state funding policy. An expanding role, however, can be seen in many counties with regard to three agencies:

- the multifunctional social service agencies created in charter counties discussed earlier in this chapter.

- the county offices on aging funded under the Older Americans Act.

- county mental health boards.

These agencies may find themselves in a position where they can exert a significant influence in coordinating, and setting directions, within the scope allowed by Federal and state guidelines, for social service delivery. Some non-charter counties have also developed planning capacities -- Middlesex County, for example, has been authorized by the Department of Human Services to prepare its own county-level plan for the utilization of Title XX funds.

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\*the process also provides for citizen input through a large advisory committee, and other feedback devices, such as public hearings and a hot line (toll-free) telephone number.

A recent element tending to encourage planning and coordination at the county level has been the formation of County Human Services (or Title XX) Coalitions by county boards of freeholders, at the behest of the Department of Human Services, as an element in the Title XX planning process. Although varying widely in effectiveness and structure, some of these coalitions have become effective organizations\*. The coalitions are active in assessing local social service needs, delivery capacity, and in the review of proposals for Title XX funding. They have also brought into being a County Coalition Chairpeople's Caucus, which acts as a statewide vehicle for discussion and action in areas of more than countywide concern.

**4. Private sector social services planning:** Within the private sector, the existence of the United Way or United Fund network provides a basis for social service planning. The United Way, in essence, is a comprehensive funding/planning mechanism not unlike the Title XX process, operating at the local (usually countywide or similar) level. The funds raised through the annual United Way campaign provide the basis through which the agency is able to make resource allocation and priority setting decisions. Some United Way agencies, indeed, maintain professional planning staffs and conduct assessments of need and delivery capacity, in order to carry out a planning process leading to rational resource allocation.

In practice, however, the effectiveness of United Way as a planning mechanism is often severely constrained. Most importantly, United Way is rarely the principal funding source of the agencies under its fund raising 'umbrella'. Most United Way funds are used to provide matching funds to agencies which received the bulk of their support from public sources. As already noted, the ability to provide matching funds provides the United Way with considerable leverage in the community. However, it also means that the United Way cannot plan on its own behalf. Rather, it must respond to decisions made by Federal and State social service planning and financing agencies. It becomes, in effect, an entrepreneur, seeking out funding sources at the state level, suitable agencies at the local level, and matching capability with resources.

In addition, it should be noted that in many cases the constraints under which United Way works at the local level acts to hinder planning activity. The United Way process is often highly linked to local social and political pressures, and incorporates agencies which have existed over long periods and, during which time, have developed extensive constituencies. In an atmosphere where the resources available to most United Ways are largely stable, rather than increasing, the ability to make the necessary hard decisions is likely to be very limited\*.

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\*In some cases they have been constituted as advisory boards to county government agencies; in others, as an adjunct to the private voluntary agencies within the county.

\*\*It should be noted that the Title XX planning process had the unique advantage that during its first 2 or 3 years it was able substantially to increase its level of funding from year to year before reaching the Federal funding ceiling. As a result, it was able to redirect priorities without significantly curtailing any existing program activities. This is, of course, no longer the case.

There are a variety of other private sector bodies, in some way linked to social service planning or coordination. In Mercer County, the Greater Mercer Comprehensive Planning Council, an organization made up of social agencies within the county, has received a Federal grant for social service planning and integration. Through this grant, the Council has conducted studies of service needs and delivery capacity, aimed at the development of a countywide information and referral system. The council is also designing a planning component to monitor the effectiveness of the current delivery system and to identify unmet social service needs. The Services Integration Project acts as well as the Mercer County Human Services Coalition. Although the scope, as well as the access to Federal funds, of the Mercer County Council is unusual, there are a number of 'interagency councils' around the state, operating at the countywide or citywide level. At the most informal and modest level, those agencies provide a means through which agency staff can meet regularly, coordinate activities, and resolve service delivery or interagency relationship problems. It is possible that through such mechanism more substantial interagency coordination, and in time, planning toward resource allocation could take place at the local level.

The preceding overview of social service planning activities suggests a number of points to be borne in mind in the evaluation and assessment of social services. Planning itself is a highly restricted activity, in the sense that the number and type of agencies that are in a position to plan effectively is extremely limited. In essence, effective planning demands some clear measure of control over the resources at issue. To the degree that local agencies are dependent on Federal and state funds for their operations, their ability to plan is curtailed by the need to respond to pressures and directions from above. Traditionally, twists and turns in Federal funding policies have required that, instead of planning capability, the local agency possess the entrepreneurial ability to adapt to change and respond to pressures. Such an environment is inimical to planning.

Even within a more rational environment, each agency's ability to plan is delimited by the scope of the superior planning process. The state must plan within the context set by national goals, while any county social service agency or United Way must plan only within the range established by the relevant state agency. Except for a handful of experiments, such as that in which Middlesex County is engaged, there has been little delegation from the state to the local level. Whether there should be more delegation of planning functions, and of what kind, will be discussed in a later part of this report. Finally, at any level of government, planning cannot take place without some measure of control, not only over resources to be allocated, but over the policies and actions of those for whom the planning is done.

The value of coordination, as distinct from planning, at the local level may be considerable. We have noted that in many counties, either through creation of human service coalitions, or through internal dynamics, informal coordinating bodies have come into being. In view of the proliferation of social service delivery agencies, the number of wholly or partly overlapping services and activities, and the volume of agency caseloads, effective interagency information exchange,

coordination of services, and resolution of problems cannot be expected to happen without some structure capable of making it happen.

Many of the points made in this chapter carry substantial implications with regard to an assessment, rather than simply a description, of social service planning and delivery. The following chapters attempt to make such an assessment, including identification of the principal issues and concerns to be addressed, and then to focus on possible changes and directions for social service delivery.

## CHAPTER 3

### ISSUES IN SOCIAL SERVICE PLANNING AND DELIVERY

The planning and delivery of social services that has emerged from Chapter 2, is far from being a rationally grounded system, in which each element has a logical place, and a clear relationship to other elements. Given the manner in which social services have come into being in New Jersey, and generally in the United States, the emergence of such a system could hardly be expected. The existing body of social service provider agencies is the result of accretion over many decades, during which time certain agencies have gradually taken a larger role without, however, completely superseding the agencies that antedated them. At the same time, other agencies, once perceived as central to the delivery of social services, have moved into the background. The nature of services provided, the characteristics of the agencies providing the services, and the relationships between them, are constantly in flux.

This chapter discusses a number of the issues that appear to define the structure of the social services; the dynamics of change in social service planning and delivery; and the underlying questions or dichotomies that characterize social services -- the areas in which the nature of the field creates an inherent tension. During recent years, two such areas have become of particular importance:

First, the tension between greater centralization of social service delivery, especially its funding and monitoring aspects, and the essentially centrifugal nature of the field; and

Second, the tension between the roles of the public and private sectors in social service delivery -- roles which each sector defines for itself and for its counterpart.

Neither of these tensions can be 'solved', in the sense that many problems that have been identified can be at least mitigated through managerial or structural reforms. They are manifestations of a tug-of-war that is characteristic of the field. Their presence, furthermore, both limits and directs the nature of solutions that are intended to correct the technical or managerial deficiencies in social service delivery. It would be unwarranted, therefore, to tamper with what is, in essence, a delicately balanced system, without understanding the nature of those balances.

#### **A. The dynamics of change**

A great deal of the change in the patterns of social service delivery is inherent in the field. There is, perhaps, no other area of public intervention in which the policies and premises for public action change so fundamentally so often. The gradually expanding definition of additional aspects of human existence and behavior as needs, which require public intervention, was already noted. Within each area of need, the definition of what is the most appropriate approach for intervention is constantly shifting, as experience is reappraised, or as new theories of behavior or change come into currency. A dramatic example of this is the movement during

the past decade for the de-institutionalization of mental patients. This movement has had a dramatic effect not only on the institutions which were previously crowded with inmates, but on the delivery of outpatient mental health services, as well as the delivery of supportive services - employment, counseling, housing - to the large number of de-institutionalized patients requiring assistance in readjustment. It is now apparent that the availability and consistency of services for this population fell far short of what was needed and rightly or wrongly\*, the resulting controversy has called into question many of the original premises of de-institutionalization.

This example is relevant, because it typifies the flux inherent in the area of social service delivery. There are numerous other examples that can be cited: The rapid rise, and subsequent decline, of Community Action Agencies was based on an elaborate theory of social action and social change, in which the objective was an integrated approach to the problems of the poor. This concept included a systematic assessment of poverty as an aspect of society, as well as the multifaceted problems of individual poor people. The decline of CAAs as a significant force, however, did not stem from any objective appraisal that the theoretical basis for community action programs was unsound. Rather, it can be attributed to a wide variety of reasons: political, economic, and social, some triggered by CAA activities, others wholly external to them.

Another aspect of shifting perspectives of social services is the frequent emergence of grass-roots concerns. During the past few years, for example, the problem of wife-beating, and the particular needs of battered wives, have become an area of attention for service delivery, to which funds are being allocated often as a result of grass roots pressure on funding agencies. The problem, needless to say, has existed for a long time. The difference, however, is that today, for a variety of reasons, it has become the focus of attention and social service resource allocation. In the coming years, it may become gradually institutionalized within the field of social service delivery. Changing views on the most appropriate ways in which to deal with the problem could lead to significant changes in the nature of programs for battered women, in the nature of the agencies providing such services, and in their relationship to other agencies providing other services.\*

The process by which needs emerge into public awareness, and alternative models for service delivery are tried and accepted or rejected, is not a smooth, nor a particularly rational, process. It can be argued that many departures in service

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\*It should be noted that many of the problems encountered in providing services to de-institutionalized mental patients can be attributed directly to the problems of fragmentation and lack of coordination discussed in the following chapter.

\*\*If past history in other areas is a guide, it can reasonably be expected, as programs obtain funding and become progressively more established, that the mixture of voluntaristic and ideological motivations which brought many such programs into existence will gradually dissipate. Assuming the programs, or facilities remain in existence, it is likely that they will become more and more a public sector responsibility.

delivery are responsive, not so much to a population in need of services, but rather to professional or political interest groups pursuing ideas or concerns of their own. Similarly, it can be argued that many programs or activities, or delivery approaches, are not discarded because they have failed, but for reasons largely irrelevant to the merits or defects of the program.

Given these acknowledged problems, the fact remains, that the relative openness of the social service environment to change, from a variety of directions, is a particular virtue of the field. Although it may seem that much of the volatility in the field is the result of a form of faddism, the demand for new programs or for new approaches to dealing with old problems, is on balance a sound way to approach social services. This is an area in which even the most sensitive and knowledgeable practitioners are still unsure of the sources of the problems with which they deal, and of the effectiveness of the answers they propose. Thus, any revision in the structure or management of social services which carried within it the potential of significantly curtailing this openness to change would have to be approached with great care.

It should be noted that there are in actuality two separate 'tracks' for change in social services relating respectively to their substantive and structural aspects. For the most part the process of change in the *substance* of social services, the scope of needs to which the system attempts to respond, and the manner in which it tries to do so was described above. This is largely, a cyclic process where no clear progression is visible, with the possible exception of the constant expansion of the scope of needs considered susceptible to amelioration. Priorities, and accepted treatment modalities, come and go, and return. Each generation, in a sense, experiments with a different 'mix' of ideas, many of which have been tried in the past, in combination with others, or under different names.

There does appear, however, to be a progression in the area of managerial, or structural, change. The extension of the public sector into social services at all levels, through funding, planning, and service delivery, is clearly a trend that is unlikely to be reversed. Indeed, in reviewing the development of that trend, the relative absence of significant counterpressure is quite remarkable.\* A corollary of this progression is the movement to greater centralization in social services, not only in funding and planning, but in the delivery of services through progressively larger multiple service agencies. Each of these areas carries its implications for the continued flexibility and responsiveness of the social service delivery system.

As important as responsiveness at the institutional, or programmatic level is the responsiveness of the agency, and the overall body of social service providers, on a day to day basis to individuals and families in need of services. To a degree greater than any other major area of public service delivery, the effectiveness of social services is a function of the encounter between individuals; that is, between

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\*One possible reason for the low level of controversy accompanying the increasing public sector role is the relative forbearance of governmental agencies in using their role as a direct vehicle to bring about centralization of services.

the person in need of a service, and the individual case worker, aide or counselor, in an agency. This reality carries with it two serious implications: first, that the quality of services provided is largely a function of the personal qualities of the individual providing the service, which is undoubtedly true, but not readily amenable to bureaucratic intervention\*, and second, that *the quality of services provided is a function of the degree to which the system allows the individual to be effective*. It is this reality, more than any other single consideration, that makes the issue of centralization vs. decentralization so important.

## B. Centralization and decentralization

As noted previously, the delivery of social services is decentralized, or, if perceived as a negative phenomenon, fragmented among a variety of different agencies, programs, and institutions. That condition, however, was qualified by the observation that the large number of service providers results, at least in part, from two logical circumstances:

- (a) the existence of services, such as day care, which by their nature are better provided to small groups in small, highly decentralized facilities; and
- (b) the existence of diverse target populations, defined geographically and/or socioeconomically, as well as diverse treatment modalities. This diversity justifies the existence of separate agencies oriented toward those populations or modalities. Nonetheless, the system is still highly decentralized even in areas where, at least in theory, greater centralization and coordination of services should be possible.

**Decentralization** - The problems of a decentralized, or fragmented, service delivery environment become most apparent when dealing with those clients whose needs are genuinely multiservice in nature. As was noted briefly, the difficulty with which the system was able to mobilize the needed mix of services for de-institutionalized mental patients, for example, was in large part a deficiency of the coordinative linkages within social service delivery. The degree to which an individual in need of a variety of immediate services will actually obtain those services is often a function of the energy and dedication of the first person with whom the client comes in contact at the initial agency. To the extent that a caseworker or other service provider 'packages' a body of services for a client, often with considerable difficulty, service integration takes place; in the absence of special effort, it often does not. Where there is some urgency in the simultaneous provision of coordinated services, the danger that a client may 'fall between the cracks' is considerable. There is little doubt that this happens to many clients. Although as a percentage of total agency caseloads the number may not be large, it nonetheless represents a substantial number of individuals.

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\*It should be noted, although it is beyond the scope of this report, that while the personal qualities of service providers may not be amenable to change, an agency does have the responsibility (a) to ensure that those individuals in direct contact with clients do have, to the degree possible, the necessary personal qualities; and (b) to provide the training, support, etc. needed to make personnel most effective.

Fragmentation and the lack of coordination between agencies in the decision making process result in further increases of unmet social service needs. Decisions such as the initial choice of which forms of service to provide, the location of facilities from which services are to be provided, and the manner in which they are made available, all have a significant bearing on the degree to which needs overall will be met.

Beyond the determination as to who needs which services in the population overall, is the requirement that the distribution of agencies and services spatially within a county or other region be matched in some fashion with the spatial distribution of the population in need. It may also be desirable, where possible, to match the manner in which each agency provides its service with the socioeconomic characteristics of the target population in its immediate catchment. Carried to their extreme, these concerns suggest, if anything, more rather than less decentralization.

Agencies draw disproportionately from individuals in need who are in close proximity to their facility. This may be an argument for dispersing services, so that more people can be closer to facilities they may need at some point. In addition, to the degree that a service may be more effective by specializing in serving a particular group, defined either socially, economically, or ethnically\*, there may be justification for more than one agency providing largely similar services within a given geographical area. In some communities, this takes place today, particularly where secular and sectarian services operate largely parallel activities, such as in the field of counseling and guidedance.

Ironically, the achievement of optimally decentralized services, is impossible through a decentralized planning process. In the absence of some form of centralized planning and allocation, there is no reason to believe that a service equivalent of the 'invisible hand' will direct agencies to the most appropriate location, and select the most appropriate means of delivering services in each area. The situation in the field of health service delivery may be analogous. There, a 'certificate of need' is currently required of any facility proposing expansion or construction of new facilities, based on overall regional need analysis. Although there is no reason to believe that there is generally an excess of any social service available in any New Jersey community, unlike the situation in health care, there are still manifest inefficiencies and diseconomies. Many service facility locations have been chosen with relatively little systematic planning with regard to either the distribution or extent of the population in need. The overall spatial distribution of agencies and facilities is simply the sum total of individual agency decision making. Overall, as the table on the following page illustrates, the distribution of agencies within a given service area, in this case Essex County, tends to correspond with the overall spatial distribution of the population. Needless to say, the number of agencies is not necessarily

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\*the question of use of public funds for services that, explicitly or implicitly, are aimed at particular ethnic or racial groups is a highly controversial one. As is well known, public agencies have long accepted a measure of *de facto* racial/ethnic targetting in delivery of services, in some cases because of different needs; e. g., language differences, and in others for less specific, often political reasons.

a reflection of the distribution of effort -- the Essex County Welfare Board, headquartered in Newark, is larger than all the other agencies in the county.

**Table 3-1: Distribution of Social Services Agencies and Overall Population in Essex County**

	% of total county population in each municipality	% of all social service agencies in each municipality
Newark	41.1%	45.6%
East Orange	8.1	9.6
Irvington	6.4	2.9
Bloomfield	5.6	2.9
Montclair	4.7	12.5
West Orange	4.7	5.9
Belleville	3.7	3.7
Orange	3.5	7.4
Nutley	3.5	2.9
all other	18.6	6.6

Finally, there is little question that, in itself, decentralization creates difficulties in the management and operation of agencies. From a purely administrative standpoint, decentralization multiplies the amount of paperwork, red tape, reporting and filing requirements, of each individual agency's ongoing operations. Furthermore, it increases the likelihood of abuse by clients of services, who may be receiving services or financial assistance to which they are not entitled. These, in turn, may deprive others in need of services which are in limited supply.

**Centralization** - Unfortunately, the experience of centralized services has not yielded significantly better results. In the State of Delaware, where a network of large-scale state multiservice centers has been established, the difference has been described as movement from problems *between agencies*, to problems *between different units of the same agency*. The process of centralization turned out to be largely a semantic process, rather than a substantive change. This could perhaps, have been predicted: Since the delivery of most services is distinct, in the sense that each service requires slightly different personnel, and a slightly different approach, most centralization efforts do not represent any substantive change in service delivery, but rather simply the superimposition of additional layers of bureaucracy onto the initial agency structure.

It is precisely this that represents the strongest argument against centralization of social service delivery on any large scale. The process of centralization of services, by its nature, expands the bureaucratic hierarchy within the delivery of services, with two destructive effects: (a) the distance between the individual in direct contact with the client and those individuals setting policy and direction for

the agency is decreased; and (b) the amount of supervision, control, and monitoring to which the individual providing the service to the client is subject to is increased. This latter is not an increase in the quality of supervision; it is, rather, an increase in the *quantity* of supervision, which is a very different matter. Although it is a subject impossible to quantify, there is little doubt, based on an overwhelming consensus within the field, that the multiplication of layers of supervision, accountability, and administration is ultimately inconsistent with the principal objective of social services delivery -- the provision of services to the population in need.

Closely related to the generally negative effects of excessive bureaucracy on individual performance are similarly negative effects on agency responsiveness and creativity. Again, this is a problem impossible to measure, but clearly reflected in the concerns of individuals in the field. Innovation and responsiveness diminish with increasing distance between direct service providers and decision makers. If information from the field is filtered through large numbers of intermediaries, it is progressively less likely to be reflected in policy. Alternatively, if policy changes are only slowly filtered through others to field personnel, they are likely to be both delayed and distorted in the process. The result is that as the agency grows it becomes less capable of responding to needs in the community, or to those resulting from changed realities perceived by the leadership of the agency. It becomes a victim of what has been characterized as bureaucratic inertia.

At the same time, on a more mundane level, the larger the agency, the less proportionately is devoted to the direct delivery of services. The balance of costs and benefits associated with centralization, or with the establishment of coordinating mechanisms, is a delicate one. Every dollar spent on the establishment of such systems can be thought of, and usually is, a dollar potentially diverted from service delivery. As a result, it logically follows that any such dollar must be rigorously justified, by a demonstration that it will lead to a greater improvement in the quality of service delivery to *clients* than if it were spent on an individual providing direct services.

For these reasons, there is largely a consensus among social service planners and delivery personnel that the continued existence of small, relatively more flexible, agencies through which services can be provided is an important asset of the system. Although, as indicated in the following section, there has been a strong trend toward greater public sector funding and overall direction of social service delivery, the parallel trend with regard to the actual delivery of services has been much less pronounced. Rather than use the infusions of public funds to create centralized, purely public sector, service delivery systems, as apparent managerial efficiency might suggest, public funds are often directed toward privately managed service providers.\* In essence, a tacit compromise between centralization and decentralization appears to have been reached in many areas. The public and private sectors co-exist side by side in the social service arena.

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\*As noted previously, over 40% of Title XX funds are used to purchase services from private agencies.

It should not be suggested, however, that the picture today is either a particularly satisfactory, or a generally stable one. The casual way in which the body of agencies and services has been assembled has created both gaps and duplications in service delivery. In some ways, many private agencies operating in conjunction with the public sector end up with the worst of both worlds--the red tape and bureaucracy of centralization without the desirable coordinative systems or communication links. Finally, the inherent tension between the public and the private roles in social service delivery is a problem in itself. This issue is discussed next.

**C. The public-private relationship**

A recurring issue in this report in terms of social service delivery, is the relationship between the public and private sectors, and, to a lesser degree, between the different levels of the public sector. Clearly, this is a dynamic rather than a stable relationship; it has changed significantly during the past five to ten years, and can be expected to change further in the years to come.

Before exploring the implications of that statement, it is appropriate to look briefly at the extent of public funding, as a measure of overall public involvement in private agencies. Looking at Passaic County again, table 3-2 examines the distribution of funding source by agency size, as reflected in the total annual budget of each private agency. The most significant point is that **the larger the agency, the greater the dependence on public funds.** The second part of the table illustrates the

**Table 3-2: Private Agency Funding Source and Dependency By Agency Size – Passaic County**

(a) distribution of total agency funding by size category of agency

	PUBLIC	PRIVATE	FEEES	
agency budget:				
under \$100,000	40.0%	50.7%	9.2%	100%
\$100,000 to \$249,999	62.0	21.2	15.8	100%
\$250,000 and over	73.5	11.3	15.3	100%

(b) distribution of funding dependency by size category of agency (% of all agencies in each size category dependent on each funding source)\*

	PUBLIC	PRIVATE	FEEES	
under \$100,000	35.3%	47.1%	17.6%	100%
\$100,000 to \$249,999	72.7	18.2	9.1	100%
\$250,000 and over	85.7	7.1	7.1	100%

\*see definition of dependency in narrative

extent of dependence of public funds by agencies, where 'dependence' is defined to mean that the agency receives 50% or more of its total budget from that source.

Nearly all large agencies are dependent, in this sense, on public resources. The implications of the table appear even more significant when the large agencies, (i.e. those spending over \$250,000 per year) although constituting only one-third of all agencies, represent 81% of all private agency spending. The small agencies (those spending under \$100,000 per year) account for only 6% of the total of private social service agency expenditures in Passaic County.

In short, the growing involvement of the public sector in social service delivery has reached a level where, from the funding aspect at least, it is wholly dominant. In view of the many maxims to that effect, it is hard to believe that the extension of funding will not carry with it, although perhaps on a delayed basis, the gradual extension of control. It was noted already that with regard to many facilities, such as day care centers, the provision of public funds is linked to the imposition of standards and regulations of considerable detail. In another case, substantial public funds are provided to private agencies in the form of purchase of services (\$54.7 million in Fiscal Year 1979) under the Title XX program. Clearly, under a purchase of service agreement, the private agency risks becoming little more than a means through which a public agency (DYFS or the county welfare board) carries out its goals and objectives in service delivery\*. Although it is reasonable to assume that there is some congruence between the prior purpose of the private agency and the function which it undertakes under purchase of services, there are likely to be many cases in which the agreement leads to at least some redirection of emphasis, if not overall change in direction.

Over the coming years, it is a reasonable assumption that the extension of public controls over the activities of private agencies receiving public funds will continue. One area in which this may take place is the area of Federal third-party reimbursement for services. Although, with varying degrees of efficiency, the Federal government has maintained *fiscal* standards for third-party reimbursements, there is growing interest in establishing *program* standards for the quality of reimbursable services. The imposition of quality control monitoring in one form or another is likely to increase generally within the private social service delivery sector. If we reach a point where many, perhaps even the great majority, of private social service agencies are:

dependent on public funds for all or the substantial majority of their operating budget;

defined functionally by public sector mandates specifying the nature and scope of their activities, and the priority groups within the population for receipt of services;

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\*It is important to qualify this point; specifically, the extent to which this is likely to happen will vary widely from agency to agency largely on the basis of agency activities in areas which are not completely dependent on public funds. A multipurpose agency such as a YM - YMCA, for example, with a variety of privately supported activities, is in a far stronger position than a small, single function, agency.

subject to detailed public quality control, with regard both to their fiscal management of public funds, and to the quality of service delivery for which they are responsible;

their continued identification as private agencies may become highly equivocal. At such a point, it is likely that funding sources and coordinating bodies concerned with efficiency and administrative clarity, would attempt to convert such agencies into formal *public* agencies with clear lines of communication and authority to and from the appropriate Federal and State agencies\* .

There are, however, certain potentially serious arguments in favor of retention of a private social service delivery sector, even in the face of the trends toward overwhelming public funding and administrative supervision.

**(1) maintaining minimum levels of private support for social services:** It is reasonable to assume that any agency that is clearly and unequivocally a public body is highly unlikely to receive any private contributions toward its operating cost, on the generally held assumption that such an agency is fully funded by the government\*\* . By remaining under public sponsorship, agencies continue to obtain at least some private charitable contributions in support of social service activities.\*\*\* Although social services make up only a modest part of the recipients of all charitable contributions, the amount is not negligible. The sum of United Fund, Catholic Charities, and Jewish Federation (UJA) campaigns, to cite what are most probably the three major sources of private funds, does represent a significant contribution to the cost of social service delivery. Similarly, many agencies which rely heavily on Federal funds are nonetheless able to raise private money. Over and above the need for matching funds, these private resources often provide a level of programmatic flexibility that is highly desirable.

**(2) maintaining public participation in social service delivery:** There is a familiar argument that the private character of agencies provides more opportunity for public participation in policy making within the agency, as well as greater responsiveness to human needs in the community. This argument is based on the historical tradition of voluntarism, which lays stress on the voluntary involvement of citizens in solving problems and providing services in their communities. Unlike the first area - - that of providing some fiscal support - - which is *not* a negligible role, much of this argument is of doubtful substance. First, because the key element in the public-private relationship is the growing dominance of government in policy-setting; and second, most agencies which set their own policies, do not necessarily follow democratic or participatory procedures. Certainly, a major hierarchical entity in the private sector is largely analagous to a public sector entity in terms of the structure and form of decision making.

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\* It should be emphasized that there will always be at least some agencies, which typically do not receive any public funds with the exception of third-party reimbursements. However, such agencies, which will continue indefinitely to be private in substance as well as in name, make up a very small part of the total private social service delivery system.

\*\* This is true also of certain agencies which, although technically private agencies, are perceived generally as public agencies. Agencies such as Community Action Agencies, even when having difficulty securing public funds, or maintaining ongoing programs in the face of funding cuts, have had great difficulty raising any private funds as they are widely perceived to be governmental units.

\*\*\* Charitable contributions, inso far as they are tax-deductible, can be considered at least in part a different form of public sector support for social service and other agencies receiving tax-deductible contributions. To the degree that this is so, the above line of argument tends to be somewhat undermined.

There is a strong argument in favor of private agencies with regard to another aspect of public participation; namely, the ability of the social service provider to mobilize volunteers for service delivery. Although public agencies do attract some volunteers, there is no doubt that they are a far more important element in the private sector. As shown in Table II-6, 62% of all private agencies have at least some volunteer staff, compared to only 31% of public agencies. It is likely that the common perception of public agencies, as being repositories of massive public funding, compared to the resources available to private agencies, makes them less effective as recruiters of volunteer participation. It should be noted that this is a perception, which may or may not be consistent with the reality\* .

**(3) maintain the flexibility of the delivery system:** a third issue, in the discussion of centralization and decentralization, is the importance of maintaining flexibility within the social services. This is hardly an unqualified good, and should be recognized as such. The price of the flexibility that is provided by the proliferation of private agencies, and their *relative* freedom of action, is exacted in the lack of coordination and effective communication that often exists between agencies. There is little question that many public sector agencies, largely engaged in the planning and funding of social services, actively prefer to operate behind a buffer provided by private agencies. Similarly, the ability to spend funds with greater flexibility, to hire staff without following civil service requirements, etc., are also perceived as an asset of the private sector. An additional asset is that of responsiveness. Although from a policy or perceptual standpoint there is no reason for a private agency to be more responsive to need than a public one, from an *operational* standpoint, a private agency is often in a far better position to shift direction, and redirect efforts, than a public agency which may be locked far more firmly into a fixed organizational and functional scheme.

Finally, a compelling case should be made for inertia. The mere fact that these agencies are private, and that social service delivery has been associated in the public mind with private voluntary and/or sectarian endeavors for years, acts as a powerful deterrent against any drastic change in the nature of the public-private relationship, at least in the sense of visibly curtailing the private status of social service agencies. *As long as the relationship between public and private agencies appears to work without major obstacle or breakdown, the impetus for major transformation of the relationship will not come into being.* The gradual accrual of powers to the public sector, of course, without visible change on the surface, will continue.

By and large, respondents to the Commission survey tended implicitly to adopt the above position. Given the choice between three positions on public-private

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\* A recent trend, potentially of significance, is the increasing dependence of many private agencies, including some not otherwise major recipients of public funds, on 'CETA' employees, individuals hired through the public sector employment program. However, the degree to which CETA personnel have supplanted volunteers in some private agencies, is a speculative matter.

relationships, the great majority adopted the middle ground:

**Table 3-3: Positions on Public-Private Agency Relationship Issue**

	percent of total agreeing with each statement		
	public agencies	private agencies	total
(1) "private agencies funded should fit more closely into a Federal or State system"	36.4%	8.9%	17.9%
(2) "Federal and state agencies should set standards, but the autonomy of private agencies should continue"	59.1%	86.7%	77.6%
(3) "private agencies should get government funds without government control of their programs or practice"	4.5%	4.4%	4.5%

SOURCE: Commission Survey

Although it is difficult to relate the hypothetical statements in the table to the present reality, generally speaking, statement (2) tends to reflect a 'status quo' position, i.e., the present relationship should not be drastically changed. Statement (3), reflects an ideal, and largely unrealistic, alternative. What is important, however, is that a substantial minority of *public* agency managers, slightly more than one-third, prefer statement (1), i.e., a significant restructuring of the relationship of private agencies, in order to make them more clearly a part of a Federal or State system of social service delivery. It is quite possible that much of this sentiment among public sector managers is a direct outgrowth of their difficulties in dealing with the very real managerial problems of the public-private relationship on a daily basis.

The existence of this sentiment, of course, does not in itself justify any major change in the public-private relationship; rather, it is indicative of stresses that exist in the present relationship. *The Commission feels, on the basis of the study conducted, that it is unlikely that any major change in the relationship would represent a significant improvement in service delivery:* neither the return to the days of private agencies, largely if not entirely supported by voluntary contributions of time and money, nor the provision of services by a tightly controlled, centralized governmental bureaucracy being likely or desirable. It is important, however, to identify the points of stress in the present system, so that its strengths can be increased, and its deficiencies minimized.

The Commission's recommendations follow this course. Sweeping recommendations for restructuring the social service delivery system are considered inappropriate at this juncture. As has been shown, there is no 'crisis' in existence today in social services which demands such far reaching response. Furthermore, the study stresses both the delicacy of the present balance, and the dangers of making major changes for the purpose of apparent administrative or managerial clarity. At best,

such actions fail to benefit the clients of social services, and at worst, impair the quality of services provided.

There are, nonetheless, many less dramatic, incremental, steps that can be taken to improve the quality of services, particularly in the area of creating means for effective interagency coordination and communication, and ensuring that families and individuals in need, to the limit of available resources, obtain the services that they need. What is most important, however, is that in the framing of coordination systems, or agency reorganizations, or any form of structural or administrative change, the new structure or system emerge from the particular needs or concerns of a county or service area. We believe that to impose a single structure, however rational and well-grounded, from the state level onto local government, as well as the local private sector, would eventually have a negative effect on the quality and effectiveness of social service delivery.

#### **D. Intergovernmental Relationships**

An issue not unrelated to the public-private distinction discussed above is that of the relationship between, and respective roles of, the various levels of government engaged in social service delivery. This issue has appeared as a result of the complex interrelationships between operating, planning, and funding social services.

Although services are delivered at all levels of government, the central actors are the state and county governments. These levels of government actively engaged in a wide range of social services, both in their delivery to clients in need and in the process of planning and policy making. In addition to the county welfare boards, which are a mandated function in all New Jersey counties, different counties conduct such activities as services for the elderly, services for youth, Community Action Agencies, drug abuse programs, and others. With many services, particularly those federally funded, it appears to be largely a matter of chance, or local preference, that a given service is provided in one county through a public county-level agencies, and in another, through private agencies.

While there is considerable discretion in certain areas at the county level, a number of aspects in the system raise questions about the nature of the county role. This is particularly true with regard to the county welfare board, which is by far the largest social service activity at the county level. The function of county welfare boards is to provide funds for qualifying households under the AFDC (Aid for Families with Dependent Children) and AFWP (Assistance to Families of the Working Poor) programs, and to provide supportive services, either directly or through purchase of service contracts, for those families.

The functions of the county welfare board, in essence, are mandated by state and Federal law. Furthermore, in addition to providing a substantial part of the cost, the State mandates a specific level of county expenditures for welfare, and sets down, in considerable detail, the precise procedures which will be followed by each county welfare board in carrying out the mandated programs and functions. While it is true that counties retain flexibility when going beyond the mandated re-

sponsibilities (e.g., in their conduct of supportive services and programs), the fact remains that in their principal realm of activity, county welfare boards appear suspiciously like a branch office of a state welfare agency. Indeed, analogous functions are performed in many states by state district offices.

One cannot quarrel with the overall principal that general standards and procedures should be set by higher levels of government, so that the manner by which assistance is provided is reasonably consistent and equitable\*. One can question, however, the logic of (a) requiring each county to raise funds for the performance of what are, in essence, state operations; and (b) carrying out those operations under the aegis of county, rather than state, government.

The issue of legislatively mandated county costs is one that the Commission has dealt with extensively in the past. County welfare, however, presents this issue in extreme form, since it is not only the function that is mandated, but the manner in which the function is to be performed as well. As the Commission pointed out as early as 1971, both logic and fiscal fairness dictate that county welfare costs should be assumed by the State. It may be constitutional, as the courts have stated, for the state to require Essex County, with 12% of the state's population, to expend 26% of the county-level expenditures on the principal welfare category, AFDC, but it is highly debatable whether it makes good fiscal policy to do so. The Commission believes that it is opportune to reopen this issue in the context of a wider discussion of reform of social service delivery mechanisms.

The second issue is more complex. Although for a county with no interest in social service delivery the responsibility for welfare may be perceived as burdensome, for others it is seen as an opportunity. Aggressive and energetic county governments have seen their welfare agencies as a centerpiece of their social service delivery efforts, and have expanded significantly on the base of mandated functions in those agencies. This has taken place in two different ways: (a) through the reorganization of county social services into multiservice agencies around the welfare board, as has been done in Atlantic and Hudson Counties\*\* ; and (b) through the welfare board, without change of structure, undertaking more diverse functions, and thus effectively becoming a multiservice agency, as in Monmouth County.

In our evaluation of the appropriate place for welfare services, at the state or county level, it was this last point which made the only significant difference. With regard to ongoing service delivery, there is no compelling reason to believe that either state or county is better or worse as the vehicle selected for the purpose. In most counties the welfare board is already a large bureaucratic agency whose effectiveness is not likely to be either increased or decreased by becoming a state agency.

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\* Some people would argue, perhaps with justice, that certain state welfare policies have been less than equitable. The dangers of inequity, however, are more likely to increase vastly when discretion is given to the far larger number of substate jurisdictions to establish eligibility and assistance policies.

\*\* At present, this is possible only in counties which have adopted a charter under the Optional County Charter Law. Under the Commission's recommendations in this report, the opportunity would be available to all counties.

No visible economies or diseconomies can be noted at either level\*.

**Table 3-4 : Distribution of Population and AFDC Expenditures by County**

	<b>% Of Statewide Population</b>	<b>% Of Statewide AFDC Expenditures</b>
Atlantic	2.6%	4.7%
Bergen	12.0	2.2
Burlington	4.7	2.6
Camden	6.5	11.3
Cape May	1.0	0.8
Cumberland	1.8	2.3
Essex	12.0%	26.4%
Gloucester	2.6	1.7
Hudson	7.9	11.6
Hunterdon	1.1	0.2
Mercer	4.3	5.1
Middlesex	8.1	5.5
Monmouth	6.7%	5.9%
Morris	5.4	1.4
Ocean	4.0	3.3
Passaic	6.2	8.2
Salem	0.9	0.7
Somerset	2.8	0.9
Sussex	1.4	0.6
Union	7.1	4.2
Warren	1.1	0.5
	100.0%	100.0%

SOURCE: population from Department of Labor & Industry (1975 estimates);  
AFDC from Department of Human Resources (1976)

As long as the system is relatively well protected from abuses that can take place at the local level, through effective state regulation, the opportunity for initiatives to take place in response to local conditions, needs, or pressures, is the greatest argument in favor of retaining the principal social service delivery vehicle at the local level. Given that this opportunity may not be exercised by a majority of the counties, those who do are likely to be the counties in which the largest number of present and potential recipients of assistance are located.

At the same time, the rapid growth of the direct service functions of DYFS through their county offices has created a situation in which the DYFS office and

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\* In many counties it is likely that a state takeover would add costs, since the wage and benefit levels under state civil service are higher than those in effect in a number of New Jersey counties.

the county welfare board can be seen as two circles, overlapping in perhaps half of their area. There is no question that the existence of two separate agencies with such closely related functions create problems -- clients receiving double assistance, clients receiving inadequate services, and scarce resources being spent less than efficiently. The solution, if there is to be one, in the Commission's judgement, does not lie in a question of county/state takeover of one or the other. The most logical approach, which would be provided for under the principal Commission recommendation, would be a reallocation of functions and responsibilities on the basis of a carefully worked out plan for delivery of services. After all, there is no particular logic for providing services of the same type by using two separate approaches: one for welfare recipients and a different one for other families and individuals.

Although the county and state governments are the principal means of providing services, many municipalities are also active in this area, over and beyond the responsibilities mandated to the municipal welfare board. In large cities in particular the social service delivery system may be almost as extensive as the parallel county system. A wide variety of services may be performed by city health departments, or specially created agencies. Again, the pros and cons must be balanced -- flexibility and responsiveness to local needs, against problems of fragmentation and duplication, leading to inefficiency and reduced service quality. In a large city, however, it is arguable that the unit of service delivery, the municipality, is more than large enough to allow an efficient and economic operation to come into being.

**In conclusion, there is no question that the apparently random distribution of functions between different levels of government has created a variety of problems in service delivery and diseconomies in operation. The essential point, however, is that the diseconomies are not a function of one level being less appropriate as a service provider than another. There is no compelling reason, with very rare exceptions such as the municipal welfare boards, for services to be provided by one level of government rather than another. The diseconomies are the result, over and above the inherent tension between centralization and decentralization in the system, of the lack of coherence in the manner in which services are provided, whatever the responsible level of government.**

#### **E. Resource Limitations**

Underlying much of the current concern with the delivery of social services is the more fundamental concern with the limitations on resources available to support social services, as well as other services customarily performed through the availability of public funds. It has become more and more apparent in recent years that the public sector resource base, which supports nearly all social service delivery, has become strained to the point where further expansion appears unlikely. Indeed, there is growing evidence that significant cuts in the resources available for many public services may take place.

This is, in large part, a phenomenon independent of social services as such. One can point to a series of significant developments, both at the national and state levels, constraining public sector resources in recent years:

nationally, the growing public perception of excessive taxation and government spending, as reflected in California's Proposition 13;

nationally, the need to reduce inflation, which has reached unacceptable levels, at least in part through reduced Federal spending;

in New Jersey, the increasing impact of the spending 'caps' imposed on governmental units by the Legislature in 1976.

It is likely that even without any of the above developments, there would still be growing constraints on governmental spending, simply as a result of the inability of an economy to support such a sustained rate of increase in government spending as has taken place nationally during the past ten to fifteen years. The combination of financial pressures, the effect of 'cap' legislation, and growing public sentiment in opposition to increased spending has created an atmosphere in which the issue of resource limitations has become one of considerable urgency.

Following is a discussion of two issues: the availability of state and local funds for social services, and the availability of Federal funds to supplant local resources. The issues of resources and needs for social services are then placed in perspective for the future.

**(1) state and local resources:** The growth in local resources for social services is essentially at a standstill. Indeed, when the effects of inflation are taken into account, there has been little growth in recent years in the amount of funds allocated to social services at the state or local levels. Although total county expenditures have increased far more rapidly than the inflation rate in recent years, social service categories have lagged significantly behind. As Table 3-5 shows, in constant dollars (dollars adjusted for inflation), the expenditures by county government in New Jersey for social services declined by nearly 3% between 1971 and 1976. During the same period, total county expenditures increase over 30% in constant dollars.

During the same period, municipal expenditures have increased more rapidly. Municipal expenditures for general assistance and other social services increased from approximately \$10.6 million in 1971 to \$22.6 million by 1976, an increase of approximately 45% in constant dollar terms. Since that time, however, the imposition of spending caps has made further increases unlikely. In any event, the share of municipal expenditures in the total social service picture is so small that this relatively high rate of increase hardly offset the decline in county expenditures shown in Table 3-5\*.

The same pattern holds true at the state level. Although it is difficult, if not impossible, to provide an overall comparison of 'social service' expenditures, (in view of the many different agencies, programs, and categories into which it is divided at the state level), an assessment of the social service categories in the Department of Human Services budget shows a pattern of essentially unchanging expenditure levels. With the exception of mental health and mental retardation services,

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\* specifically, the combined county and municipal expenditures increased from \$151,952,707 to \$222,594,356, representing no change in constant dollar expenditures.

each major category of state social service expenditure declined between 1971 and 1976 in constant 1971 dollars.

**Table 3-5: Growth in County Expenditures for Social Services 1971 to 1976**

category	1971 (000)	1976 (000)	increase 1971-1976	change in constant \$ 1971-1976
county welfare board	\$ 65,246	\$ 94,295	+44.5%	- 0.9%
mental health	56,720	78,155	+37.8	- 5.5%
child welfare	14,533	18,454	+27.0	- 8.2%
other	4,821	9,094	+88.6	+29.4%
<b>TOTAL</b>	<b>\$141,320</b>	<b>\$199,998</b>	<b>+41.5</b>	<b>- 2.9%</b>

SOURCE: New Jersey Division of Local Government Services. Inflation used was 45.8%

\*includes: War Veteran's Burial and Grave Declaration; assistance to families of working poor; supplemental security income; and other unallocated welfare.

**Table 3-6: Growth in Selected State Expenditures for Social Services 1971 to 1976**

category	1971 (000)	1976 (000)	increase 1971-1976	change in constant \$ 1971-1976
non-residential services for mentally retarded	\$ 2,626	\$ 4,983	+ 89.7%	+ 30.1%
community mental health services*	10,591	36,321	+242.9%	+135.2%
services to the blind	3,628	5,256	+ 44.9%	- 0.6%
public assistance	148,608	211,220	+ 42.1%	- 2.5%
Division of Youth & Family Services	22,685	30,324	+ 33.7%	- 8.3%
<b>TOTAL</b>	<b>\$188,139</b>	<b>\$288,103</b>	<b>+ 53.1%</b>	<b>+ 5.0%</b>

\* includes in 1971 budget category 'county mental hospitals'; category not present in 1976 expenditure report.

SOURCE: State of New Jersey, *Budgets* for FY 72, FY 77. Only data used was on actual expenditures of previous years.

The total level of state expenditures in the five categories cited in Table 3-6, increase by a total of 5% in constant dollars between 1971 and 1976, or less than 1% per year. State expenditures in constant dollars for welfare assistance, principally for Aid to Dependent Children, decreased by 2.5% during that period.

It should be noted, in keeping with the following discussion of Federal resources, that the increase in federal funds resulting from the implementation of the Title XX amendments enabled the total amount of funds available to rise, without parallel increases in state appropriations during the same period. The total amount of funds spent by the Division of Youth and Family Services (in 1971, the Bureau of Childrens Services), including Federal funds, rose from \$30 million in 1971 to \$101 million in 1976. Of this increase, all but about \$8 million was in Federal funds.

(2) **Federal Funds**: The greater part of the expansion in social service delivery in recent years was made possible by the growth in Federal funds allocated to that purpose, most notably through Title XX. Since the enactment of the program in 1972, up through 1976, there has been a significant increase in the amount of funds available for social services. As shown in table 3-7, however, the amount allocated under Title XX, as well as the companion Title IV-A program\*, did not change substantially from Fiscal Year 1976 to FY 1977. Since then, the amount of funds obtained by the State of New Jersey under the Title XX program has been steadily declining if measured in constant or 'real' dollars, adjusted for inflation.

The amount of money available under Title XX is limited by the Federal ceiling of \$2.5 billion imposed by Congress in 1972 when the program was enacted. During the period from 1972 through 1976, as New Jersey gradually increased its ability to attract Federal funds under Title XX up to the ceiling, funds significantly increased. Since 1976, however, the year in which New Jersey's ceiling was reached, the amounts received under this source of funds have remained constant; in real dollars, they have declined.

As noted previously, one method with which the state of New Jersey is attempting to respond to the existence of the ceiling on Title XX funds is the transfer of day care expenditures from Title XX to Title IV-A of the Social Security Act. Unlike the former, Title IV-A is 'open ended' -- there is no statutory ceiling on the amount that HEW may distribute to the states under this program. Federal funds under Title IV-A, however, require a 50% local matching amount, compared to only 25% under Title XX. As a result, for every dollar reallocated from one Federal source to another, an additional 25 cents must be raised from local sources. For example, under the FY 1979 program plan for Title XX, the total amount to be spent on day care for children is roughly \$37.5 million. If this amount were to be reallocated to Title IV-A, the amount allocated to day care by state and local agencies would have to be increased by \$8,863,000, a substantial amount. Under these circumstances, there is some question as to the amount of Title IV-A funds that New Jersey will be able to obtain.

In short, any expectation of increased Federal funds in support of social services, beyond relatively minor adjustments, currently appears unrealistic. Moreover, in view of the present Administration's position on reducing domestic spending,

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\* Title IV-A is used to provide day care services to AFDC eligible households. The State of New Jersey is at present in the process of shifting, where possible, day care expenditures from Title XX to Title IV-A, in order to make more funds available for non-day care activities.

**Table 3-7: Claims Under Titles XX and IV-A for FY 72-77 in Nominal and Real Dollars**

year	deflator	amount in nominal \$'s	amount in 'real' \$'s
1972	100.0	\$36,485,217	\$36,485,217
1973	107.3	43,327,458	40,379,737
1974	119.3	62,013,349	52,120,580
1975	129.3	70,822,398	54,562,710
1976	137.8	87,299,857	63,352,581
1977	145.8	90,842,682	62,306,366

SOURCE: Suzanne M. Paquin, "The Impact of the Title XX ceiling on the Provision of Social Services in New Jersey; Preliminary Findings" Division of Youth and Famil Services, April 1978.

NOTE: 1977 claims data are based on estimate derived from first three quarters of 1977. A detailed discussion of methodology used will be found in the source cited above.

aimed at decreasing the Federal budget deficit, it is possible that some of the many areas in which Federal funds are provided for social services may experience significant cuts during 1979 and 1980.

The effect of an environment where a given expenditure level is effectively locked in, while inflation constantly erodes the value of that expenditure level, is serious. Existing social services are already inadequate for meeting the needs of all those who are *potential* clients of those services, or provide comparable access to services by residents of different parts of the State. In recent years, demands for greater emphasis on particular problem areas, or the growing need in previously minor areas, has created pressures for increased expenditures. Increasingly, these demands will have to be balanced against the constraints on resources.

It is possible to identify a number of the present and anticipated effects of fiscal constraints:

(1) **increasing competition for resources between different needs**: As resources become strained, people with different needs will find themselves in direct competition. Awareness of their availability has increased the demand for services and, in addition, certain areas have become far more widely recognized as being in need of services. An illustration of this is taken from the statistics on requests for DYFS services to children from 1973 to 1976, as shown in Table 3-8. Within a largely stable population in New Jersey, we find (a) total applications increased by 65%, with significant increases in every category except for adoption; and (b) applications triggered by cases of child abuse and neglect nearly tripled between 1973 and 1976. Clearly, a combination of more effective reporting, greater public awareness, and more direct orientation on the part of the service providers, created a demand for services in this area or, alternately, changed a latent demand into a recognized one.

**Table 3-8: Reasons for DYFS Services**

category	1973	1976	% increase 1973-1976
child abuse	1,313	4,822	+267.3%
severe neglect	3,987	9,630	+141.5
handicap condition	631	924	+ 46.4%
parental deprivation	5,935	8,648	+ 45.7
child behavior	3,396	4,369	+ 28.7%
adoption	742	739	- 0.4
other or blank	9,017	12,164	+ 34.9
<b>TOTAL</b>	<b>25,021</b>	<b>41,296</b>	<b>+ 65.1%</b>

SOURCE: Paquin, *op. cit.*

In some cases, service areas which have grown in demand significantly in recent years are eligible for categorial funding, which has reduced the degree to which they compete with others for a shrinking resource. Examples of this would include developmentally disabled, and to a degree, senior citizens. At the same time, however, growing categories of people in need remain with far fewer services than would appear to be required. Two examples, both substantial, are children (and adults) in need of day care services, and generally, services for deinstitutionalized mental patients.

It is likely that during the coming years the ominous term 'prioritization' will be heard more and more often. Income ceilings for program eligibility may be reduced, most likely, in those areas in which the state at present maintains ceilings that are higher than the minimum required by state or Federal law. Growth in other service areas may be curtailed, or cuts made. A very real issue is the degree to which cuts will be made according to a rational planning and decision making process, or as a result of unrelated incremental decisions.

**(2) continued uneven availability of services around New Jersey:** As is generally recognized, the availability of services varies widely from one part of New Jersey to the other. The FY 1979 Title XX plan identifies fourteen counties\* which "receive fewer Title XX program dollars than the size of their high-priority eligible population would suggest is appropriate".\*\* Variation exists with regard to the availability of certain services at all, the accessibility of others, and the quality and extent of still others. Although it appears that some disparities were reduced during the period of increasing Title XX funds, at this point it has become impossible to reduce disparities further, except through the reduction of services or program levels in more heavily funded counties. Since this is not likely to take place, it can be logically assumed that existing disparities will continue for the foreseeable future.

\*Atlantic, Bergen, Burlington, Cape May, Cumberland, Gloucester, Hudson, Hunterdon, Middlesex, Ocean, Passaic, Salem, Sussex, and Warren.

\*\*Title XX Plan, P. 69.

**(3) loss of flexibility and innovation :** The continued flexibility of the social service delivery system, and its ability to respond to changing needs as they emerge from public concern, has been considered as one of the most positive features of the system. It is inherent in the structure and working of our society that felt needs and priorities for human services do change, and that as they change, the society attempts to respond. It can be argued that the response is often inefficient or inadequate, but it does exist.

The greatest responsiveness to felt needs and concerns has taken place at times of expansion--during the New Deal, when public sector roles and resources were expanding rapidly, or the 1960's, when a rapid economic growth coupled with a liberal political ideology triggered a wave of social programs and services. An era of fiscal constraints discourages innovation and responsiveness to new needs and concerns; existing programs and allocations become entrenched and resist accomodation to change, as few new funds if any are available for new programs without their being reallocated from existing activities.

If resource constraints become particularly great, as appears likely in California as a result of the aftermath of Proposition 13\*, there is likely to be pressure for reallocation of local resources away from social services to maintain the 'hard' services, such as police, fire, or public works. It must be acknowledged that the general public assigns a lower priority to social service delivery than to other services, which serve or are available to the entire community. Although a large part of the population, including many non-poor households, receives social services as defined for this report, public perceptions tend to identify such activities more heavily with the poor, and thus the powerless, in American society.

It should be stressed that, at the same time that resource constraints on social service delivery are becoming more and more severe, there is no reason to believe that the demand for social services will become any less in New Jersey or elsewhere. Indeed, the social, economic, and demographic trends in American society today suggest that, if anything, demands for social services will increase. Future economic difficulties and continued high levels of unemployment are likely to maintain existing or greater needs for financial support, public service employment, training, and the like. The increasing number of single parent households, as well as families requiring two bread-winners for economic viability, will generate increased needs for day care facilities. The aging of the population will require more extensive services and facilities for senior citizens. This list could be extended almost indefinitely.

The age of limited resources is a reality, and there is no fiscal magic that can be worked to undo it. The effects of the forthcoming fiscal constraints can be mitigated, however, by careful and sound planning by state and local government, and by making the population aware of the importance of continued availability of social services to those most in need.

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\*Available information suggests that, in the first year after passage of Proposition 13, the most drastic cuts were averted by the State of California reallocating its massive (\$5 billion+) surplus to make up for the loss of revenue to local government. Thus, the first result of Proposition 13 was a sharp loss in local autonomy, and a parallel increase in state control of local government. It is likely that in coming years, local service cuts will be much more severe.

## CHAPTER 4

### PROBLEMS IN SOCIAL SERVICE PLANNING AND DELIVERY

The preceding chapter discussed the general and often conflicting concepts and interests which shape the current structure of social service planning and delivery activities in New Jersey. This chapter addresses the principal issues and problems which are rooted in or are directly attributable to this structure. The assessment of problems and activities, however, requires first a perspective or focus for such evaluation.

The only sound basis for evaluating social service planning and delivery is by gauging its effect on the clientele of such services. Certain effects are clearly beyond the scope of this study, as for example, the thorny question of measuring benefits received by social service clients beyond the simple financial benefits of income assistance. Also excluded are policy issues related to the quality of services provided, such as the professional capability of agency staff; and philosophical issues such as who should receive what services. While such issues as institutional vs. community-based care, or the professional qualifications which make an individual capable of providing a particular service are important, they are not, however, a central concern. This study deals with the more narrow questions pertaining to management and planning of social services.

Specifically, the study focuses on the following problems:

what features of social service delivery inhibit the ability of service providers to make services readily available to the population in need?

what features of social service delivery reduce the cost effectiveness of service provision, thereby inhibiting the ability to meet existing social service needs?

what features of social service planning, monitoring, or administration inhibit either the overall effectiveness of the delivery system, or the ability of individual agencies to operate as effectively as should be possible?

The impact of these issues on the clientele of social services need not be direct and visible to be of concern. If an agency, for example, devotes a disproportionate share of professional time to filling out unnecessarily duplicative reporting forms, that directly affects the degree to which such agency can serve its clients. Many other issues, however, have a more obvious bearing on agency clientele. The lack of effective information or communication links between agencies, for example, is a major potential problem in an environment where a large part of the population in need is likely to interact with more than one agency, and to need more than one type of service or assistance.

It must be stressed, however, that in the realm of social services even more than in most areas, there is an inherent and unresolvable tension between many of the managerial goals of efficiency and cost-effectiveness and many policy goals and concerns of equal or even greater importance. As was apparent from the overview in chapter 2, the delivery of social services is highly diffuse, involving a multiplicity of agencies at all levels of government and within the private sector. Furthermore, for a variety of reasons which will be dealt with later in this chapter, this organizational format, with modest modification, should be retained. There is considerable reason to believe that the imposition of a tightly centralized system, such as might be devised on grounds of cost efficiency, would have a severe effect on the quality and responsiveness of the delivery system at the point at which it affects the client of social services.

At the same time, there are many reasons to suggest that the status quo in social service delivery, which has already undergone drastic change in recent years, may have to change further in the future. The incremental change in the relationship between the public and private sectors in social service delivery has reached a point where it is clearly necessary to evaluate the nature of that relationship and its implications. The growing recognition that social services must relate not only to the whole person, but often to the whole family, in a manner that is consistent and responsive, carries substantial implications for the structure of the delivery system, and the manner in which one agency interacts with others. Finally, the finite level of resources available for social service delivery, and the realization that for the foreseeable future, needs are likely to exceed capacities\*, dictate at least some emphasis on both efficiency and careful planning on the part of social service providers.

Chapter 3 dealt with *issues* in social services delivery. This chapter reviews and evaluates the principal *problems* that were identified in the study. The distinction between issues and problems, is important: An issue is a broad policy concern in which the question is not a matter of identifying deficiencies, or seeking 'solutions', but rather one of balancing competing interests and demands. The relationship between private and public sectors, for example, or the level of centralization that is appropriate for a client-oriented system, are issues. Problems, on the other hand, are identifiable deficiencies or inadequacies in the *system*. The proliferation of red tape, if it exists, is a problem, as would be the existence of several agencies dealing with the same clientele and failing to communicate with each other. Problems and issues come together, of course, at the point where recommendations are framed. A rational approach to solving a specific problem in service delivery can only be framed in the context of a thorough-going understanding of the issues associated with social service delivery, which define both an overall policy direction for action, as well as the limitations on potential action.

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\*It is perhaps a distinguishing characteristic of American society that our ability to define human needs consistently outstrips our ability either to meet them, or even, to arrive at a sound understanding of how we would meet them, were adequate resources available.

## A. Duplication and Overlap of Services

There are numerous situations in which more than one agency within a given area provides a similar or identical service, where planning, funding, or administration of a particular service area or program is divided between two or more governmental agencies. At the state level, for example, there are three separate agencies engaged in the allocation of resources for transportation services for senior citizens: the Department of Community Affairs, through the Division on Aging; the Department of Human Services, in the context of Title XX expenditures; and the Department of Transportation, which provides capital funding for transportation projects under the Urban Mass Transportation Act. There are numerous other areas of program and activity overlap within State government\*.

Problems of service duplication and overlap occur frequently at the local level. Within the scope of Title XX services, for example, both the Division of Youth & Family Services, through their county offices, and the County Welfare Board, provide substantially overlapping services to a largely overlapping clientele. Both agencies provide day care services, homemaker services, and medical services, as well as a variety of other areas, both directly as well as through private agencies acting under purchase of service contracts. Furthermore, both agencies, as well as some private agencies, provide case management services to individuals receiving more concrete services, thus ensuring that individuals receiving services deal with several caseworkers. \*\* A recent estimate is that 13% of the families served by DYFS district offices are also receiving services other than financial assistance from the County Welfare Board.

The problems of providing the best services to those client families in need of multiple services is a particularly difficult one. Although it is clear that multiple client-caseworker relationships can create serious problems, the alternative of centralized case management carries with it the very real risk that the distance between the caseworker and the various individuals and agencies responsible for concrete services makes the caseworker largely disconnected from the service delivery process. As will be seen, precisely the same problems of duplication, communication, or other interaction exist between divisions of a single multiple service agency as between separate single function providers.

Although there are many specific cases of duplication and overlapping of services, in most services the duplication is more apparent than real. *The fact that a given county contains 10 or 20 agencies in a particular service category is not in itself evidence of service duplication.* Upon closer examination, the study indicates

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\* Another notable area is that of group homes for juveniles in need of supervision (JINS) or delinquents. Such facilities are supported by the Department of Human Services, the Department of Corrections, and the State Law Enforcement Planning Agency (which allocates Federal LEAA funds.)

\*\*The situation in which an individual or family deals with more than one primary caseworker is a source of potentially inefficient use of staff time or money. More importantly, under many circumstances two caseworkers may disagree on appropriate client strategies, and may be giving the client inconsistent or conflicting directions and information, the result of which may be to hurt rather than benefit the client.

that where there is a large number of agencies in a given category, they are frequently distinguished by:

- different geographic priority area within the county
- different target population
- different treatment modality or other substantive service distinction

**Geographic priority area :** A large number of social service providers are oriented toward a service area substantially smaller than the county in which they are located. As table 4-1 shows, the proportion of agencies serving small areas is significantly greater in the urban counties, which have the most apparent duplication of services. In the case of such facilities as day care centers, which are inherently small, and as much as feasible, highly localized, a multiplicity of agencies is desirable and, for practical purposes, necessary. Even with regard to other services, geographic spread can be important. In Passaic County, seven separate agencies serve drug abusers. Of these agencies, however, only two are at all countywide in scope. Of the remainder, one serves Passaic-Clifton, three serve Paterson, and one serves a suburban clientele around Wayne.

**Table 4-1 : Geographic Service Area Distribution of Service Providers**

	subcounty area	countywide or larger area
State	44.3%	55.7%
Urban counties	53.0	47.0
Mixed counties	38.3	61.7
Rural counties	17.4	82.6

Subcounty: serves part of municipality, municipality, or small number of contiguous municipalities

Countywide or larger: serves county, county and parts or all of other counties, or statewide

This distribution reflects the *formal* service area of the agency; i. e., that area explicitly designated by them or by funding sources for which they take responsibility to provide services. The survey showed, however, that the actual area from which clients are drawn to many agencies is generally much narrower than the formal service area. Part of this, of course, is a simple function of population concentrations. If an agency serving a low-income population is responsible for the entirety of Essex County, it is a logical assumption that most of its clientele will come from Newark. At the same time, there is a pattern of geographic concentration. In Passaic County, although only 26% of the agencies in the county have a service area limited to one municipality (or a part of one municipality), 56% of all agencies reported that the majority of their clientele came from a single municipality, usually the one in which the agency was physically located. The effect of proximity works in larger areas as well--of all agencies, physically located in Passaic County but which serve areas beyond the county boundaries, 65% indicated that

all or most of their clientele came from within Passaic County. It is clear, therefore, that proximity has a substantial bearing on the clientele attracted to a facility, a fact that may often justify two or more similar facilities in different parts of a heavily populated county, or in some cases, in different parts of the same city\*.

**Target population :** Although a particular target population, defined by socio-economic characteristics, will often result from a particular geographic location, many agencies reach varying populations within a common geographic area. Selection by racial, ethnic, and religious characteristics is common. Clearly, an agency with an explicit sectarian character reflected in its name and identifying symbols, will attract a disproportionate share of people of that religious group. The same is true of agencies which appear for various reasons more congenial to members of particular racial groups. It is worth noting that, in Paterson, a significantly higher percentage of the clientele in the single sectarian (Catholic) drug abuse facility is made of white clients than in any of the other, non-sectarian, facilities in the city.

This is not necessarily a problem. It is reasonable to assume that people from different backgrounds will find different agencies, particularly those staffed by individuals with a common background, more congenial and therefore more effective service providers. The risk, of course, is that in the process of being a congenial environment to some, the agency will appear hostile to others, thereby discouraging people in need from taking advantage of the services being provided, generally with public funds. Although this is a problem that must be carefully monitored, it does not contradict the general premise that variation among agencies on the basis of target population can be a legitimate distinction.

**Service delivery approach :** The third distinction is in terms of the specific approach to the problem, taken by the agency, again well illustrated by drug abuse treatment facilities. All such facilities, generally speaking, share a common goal--to free people from drug dependency, so that they can function normally. Two corollaries to that goal are first, to keep people at risk, such as urban adolescents, from becoming drug dependent; and second, to provide support to those who have stopped using drugs in their efforts to re-establish themselves.

The number of different routes toward these goals is virtually endless, but many, if not most, are supported with public funds. In the case of facilities providing services to drug abusers, one finds a wide variety, including methadone maintenance, drug-free environments, short-term detoxification programs, and a number of supportive facilities providing counseling, employment placement and retraining. This variety not only reflects the broad spectrum of professional ideas and opinions with regard to drug abuse treatment and prevention, but also the recognition that within the totality of 'drug abusers' are very different individuals, with widely varying needs, related to age, socioeconomic status, and the individual's history of drug use.

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\*An interesting issue raised by this point, although beyond the scope of the report, is that of facility location as a factor encouraging or discouraging use by population in need. It would appear that a regional facility (more than one county) might have some difficulty attracting clients from the more distant parts of its service region, leaving those areas relatively poorly served.

The existence of these patterns of variation between services - geographic, target population, and delivery approach - has significant implications in terms of effective planning for social service delivery. The effective matching of needs with service supply becomes far more than a mere numerical function. Any evaluation of a delivery system must be based on a need assessment that is sensitive to geographic concentrations of need, and to various characteristics of the population in need. On that basis, it should be possible to assess whether the allocation of funds to services is duplicative, or whether the delivery system provides equal access to services to all members of the population in need.

#### **B. Fragmentation and lack of agency coordination**

The problems of agency fragmentation are, in many ways, inherent in any service area in which services are delivered through a large number of distinct, locality-specific, agencies and organizations. As previously noted, a large part of the social service clientele, by their nature, are in need of two or more separate services. As a result, in the absence of effective mechanisms linking agencies and services, and ensuring the maintenance of strong interagency relationships, problems of lack of coordination will inevitably have a negative effect on members of the client population. It should be stressed, however, that there are many efforts taking place at present, both formal and informal, to improve the level of interagency coordination and reduce the effects of fragmentation in social service delivery. It would be unreasonable to characterize social services as a maze of unrelated entities, although it cannot be denied that to many clients certain maze-like features are present. The nature of interagency coordination efforts is discussed later in this chapter.

As suggested previously, *the problems of fragmentation largely affect those clients who have, or should have by virtue of their needs, a relationship with more than one agency.* This, in itself, is closely related to the problem of fragmentation. Client needs for multiple services are really two separate areas: (1) clients who need services that are substantively different, and which are logically provided by two or more separate agencies; and (2) clients who need services that are essentially similar, and which are provided by separate agencies, not for reasons of substantive logic, but by virtue of funding history, legislative appropriations, and administrative decisions largely unrelated to the substance of the program. As will be shown, this problem is particularly noticeable in the area of financial assistance programs.

The problems of interagency linkage are easily seen in the area of referrals. Most agencies have at least some interagency relationships, which if they go beyond the most minimal level, mostly involve referrals of clients between agencies. On the whole, agencies generally feel that *most* referrals are successful--the client has been sent to the right agency, which provides the client with some appropriate service. A substantial number of referrals are not successful, however. In the major urban and suburban counties, social service agencies felt that between 19% and 32% of the referrals that they made did not result in any service to the client. A part from client behavior, failure to receive services as a result of referrals is often closely related to lack of coordination between agencies (either in terms of misinformation or lack of

information by the agency making the referral) or lack of an effective referral process, in which ongoing relationships between agencies ensure that client movement is handled effectively.

**Table 4-2: Percentage of Referred Clients Receiving Services From Other Agencies\***

Camden	77.7%
Essex	68.9
Mercer	77.0
Monmouth	81.2
Morris	68.0
Passaic	79.2
Union	67.2

Although most agencies have some relationships with other agencies, the number of such relationships is remarkably small. The typical agency in a large urban or suburban county is likely to have an established relationship with fewer than ten other agencies providing social services. Indeed, the typical social service agency maintains a relationship with five to eight other agencies, a small number in view of the many social service agencies of different kinds within the same geographical area.

**Table 4-3: Number of Agencies With Which Social Service Agencies Have Relationships\***

	0	1 to 4	5 to 10	11 or more	median
Camden	9.5%	35.1%	39.2%	18.9%	7.3
Essex	2.1	19.9	42.5	35.6	9.1
Mercer	14.7	34.6	33.1	17.6	5.2
Monmouth	4.8	30.6	40.3	24.2	7.7
Morris	20.3	31.9	31.9	15.9	4.8
Passaic	4.1	24.3	43.2	28.4	7.6
Union	42.2	25.6	23.3	8.9	2.2

Although many relationships are not necessary, (most urban social service agencies would have little reason to establish an ongoing relationship with all but a handful of municipal welfare boards) many are. Under these circumstances, what appears to take place, is the establishment of a limited interactive network by many social service agencies, involving some five to ten other agencies. This is considered adequate for the majority of agency needs, and the majority of client referral and interaction needs. Having established this limited network, the agency makes little effort to extend its relationships beyond the small number of other agencies with which it has established an interactive position. The reluctance of agencies to extend themselves further is understandable. Since they have already identified the agencies with which they have the most in common, any additional relationships appear of less importance and less worth the effort of establishing and maintain-

\* SOURCE: Commission Survey.

ing a working relationship. \* This system, it would appear, works well for *most* clients; by its very nature, however, it will not work at all for clients whose needs differ from those for which the network has been established.

The referral system is not the only area in which the lack of coordination can create potentially significant problems for social service delivery. Among problems noted in the survey of providers, are: (a) the misuse of services as a result of lack of communication and coordination between services \*\*, and (b) the inefficient delivery of services resulting from this lack of coordination. An example of the latter, in one New Jersey community, is the presence of three separate agencies within a two block radius providing social and recreational services to senior citizens, while large areas of the same city are without any services in their neighborhoods, and have access to programs and activities only by virtue of the transportation program operated by one of these three agencies.

From the managerial standpoint, this issue is not so much one of abuse of services by clients, but the inability of the delivery mechanisms to direct their efforts most effectively toward the populations in need. Abuse does take place, and is certainly facilitated by the weaknesses of interagency coordination. This, however, is a problem of which people are generally aware, and with regard to which actions are already being taken. The other side of the coin, however, is the fact that people do not receive services, or that certain groups are poorly served relative to others. As noted, the location of an agency providing a service is a significant matter -- in conjunction with a variety of other factors it has a strong influence on who is and who is not served by a given facility or agency. The lack of any systematic and coordinated process for locating facilities ensures that the distribution of services to the population in need will be uneven.

The problems of fragmentation are likely to be most serious in the areas in which the needs are presumably greatest, i.e., the urban areas, which contain the largest number of different agencies, and the largest concentrations of families and individuals with multiple needs and with multiple agency contacts. Heads of urban agencies were generally more concerned with the lack of coordination than those in suburban and rural agencies, where there are fewer and generally smaller agencies. In many of the larger counties, efforts have begun to improve coordination between agencies. With Federal funds, a project entitled the Mercer County Services Integration Project has been in effect since 1974 in that county, leading to the establishment of a countywide information and referral system. In other counties, less structured interagency councils have been established. In some, such as Hudson, where staff services were available to the council, it appears to have accomplished a great deal. Despite these efforts, however, there is a need for more extensive activity; this is an area in which specific actions are capable of leading to a significant improvement in client services.

\* To borrow a term from the language of economics, one could argue that the perceived marginal benefit of each additional relationship diminishes rapidly after the small core of closely related agencies has been linked.

\*\* According to the report of the task force appointed to Reform Fiscal and Management Affairs in the DYFS (the Wechsler Report), an estimated 10% of the children receiving day care center services from DYFS were also receiving such services or payments from their county welfare board. p. 180-181.

**C. The problem of the 'mini-agencies': municipal welfare boards and others**

A problem distinct from those of interagency coordination or fragmentation is posed by agencies, such as many municipal welfare boards, which are so small or limited in scope, function, or resources, that their ability to provide quality services is open to question. This report has previously stated the premise that the recipient of one service is often likely to be in need of others, and accepted the reality of the complex and diverse social service delivery system. If these are valid, then they lead to the following conclusion: The role of each social service agency is not only the provision of narrowly defined service to those individuals who seek it out, but of providing outreach to the community, identifying people in need, and maintaining ongoing and extensive relationships with other agencies, in order to serve the needs of the client as far as is reasonably possible. There would appear to be a threshold, in terms of a minimum level of resources and personnel, below which it would be difficult if not impossible to provide services at a level commensurate with current day standards.

The most significant example of this concern is the municipal welfare agency. As part of this study, the Commission conducted a mail survey of municipal welfare directors, which yielded the following information\*:

**Table 4-4 : Characteristics of Municipal Welfare Agencies**

(a) total annual caseload (number served in 1975)

	number	%	
no clients	32	7.5%	} 77.2%
1 to 25	212	49.9	
26 to 100	84	19.8	
101 to 500	46	10.8	
501 to 1000	14	3.3	
1001 or more	18	4.2	
no answer/unknown	19	4.5	

(b) total amount disbursed in grants and services during 1975

no disbursements	41	9.6%
\$0 to \$1000	92	21.6
\$1001 to \$5000	105	24.7
\$5001 to \$10000	55	12.9
\$10001 to \$50000	66	15.5
\$50001 to \$100000	17	4.0
\$100,001 or more	16	3.8
no answer/unknown	33	7.8

(c) median number of clients per agency 21  
 median amount disbursed per agency \$8809

\*the response to this mail survey was 425 agencies, or 75% of all municipal welfare agencies in New Jersey.

As seen on the previous page, the typical municipal welfare agency served during 1975, a total of 21 clients, or between 1 and 2 clients per month. The average disbursements, including both direct grants and services, reached just under \$9000 per year, or less than \$750 per month. Over three quarters of all municipal welfare agencies served 100 or fewer clients during the course of the entire year; a small, but not negligible, number either had no clients or made no disbursements at all during the year.

In keeping with this was the minimal staff commitment of many of these agencies. Only the largest cities have full-time municipal welfare personnel. During the course of the Commission's effort to conduct a 10% in person follow-up survey of municipal welfare directors, staff incurred many difficulties in even locating many such individuals. In one community the welfare director, a full-time barber, reportedly takes applications from potential assistance recipients while cutting hair in his shop. In some communities, the position, which is held either by a part-time paid staff person or a volunteer, changes hands frequently; in others, the current incumbent is unknown, even to local police departments and municipal clerks. Although the staff attempts to maintain a current list, these circumstances, as well as the general unavailability of many directors, would make it difficult for a potential municipal welfare client to find a responsible person in his or her community.

This is not true in all communities, of course. Many larger communities, in which full-time staff are available, not only are readily accessible to potential clients, but also maintain interagency relationships in order to provide related services to clients. In West Orange, for example, the welfare board offers free medical services to local medically indigent individuals through a relationship with the local hospital clinic. In Trenton, the welfare board has an ongoing relationship with the state Division of Employment Security, for purposes of orientation and job placement of welfare recipients.

It should be noted that welfare agencies are not the only agencies in which small size is a potential problem. There are numerous private social service agencies in New Jersey that are, in essence, shoestring operations, staffed by part-time and volunteer staff, which may have difficulty, despite admirable intentions, of meeting reasonable standards of service levels and quality. Although in many cases dedication and commitment can make up in large part for a lack of financial and professional resources, it is, unfortunately, often the experience that (a) such dedication does not last over a long period, but tends to dissipate after a few years of operation\*, and (b) even at best, such agencies tend to be far better in providing services directly than in functioning within a network of agencies that give the client access to a wider range of services and resources than the agency can provide itself\*\*.

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\* This appears to be particularly true of agencies emerging from community-based or volunteer impetus; observation suggests that the usual life expectancy of the initial level of dedication is roughly two years. Many such agencies, of course, are small as a result of a decision to do without public funds, often in order to avoid burdensome regulations, bureaucratization, and red tape.

\*\* 10.2% of private agencies interviewed had total annual caseloads of 100 clients or fewer.

It should be stressed that the answer does not lie necessarily in bigness; there are disabilities of excessive size in social service agencies, much as there are problems of inadequate size. The proliferation of red tape, and the growth of multilevel hierarchies of supervision and administration, that appear to accompany great size in social service agencies are as serious, if not more serious, a problem as those of the 'mini-agencies'. Problems of run-rounds, lost or mislaid records, changes in rules and guidelines, and so forth most probably affect far more clients than are disadvantaged by the existence of mini-agencies incapable of providing quality services. Still, the problem of centralization of services, and the growth of massive multiservice agencies, is a much more complex one than the problem of the mini-agencies, and must be approached in a different manner.

**D. Coordination in funding and planning**

In the preceding pages, the emphasis was on problems related to service provision by one or more service providers. A major, often related, problem area is that between service providers and the agencies responsible for funding and planning social service delivery. Difficulties with funding or planning agencies were volunteered by many service delivery agency respondents.

A by-product of the growth in services, and in agencies providing and funding services, is the increase in the number of separate funding sources that the typical social service agency deals with. Statewide, the typical service provider receives funds from three to four separate funding sources, including both public and private entities. Among private agencies in Passaic County, as shown in Table 4-5, the typical agency receives funds from 3.3 different *generic* sources; e.g., Federal, state, or other funds\*. One out of six agencies receives funds from five or more generic sources of funding.

The actual number is likely to be substantially greater; an agency which receives Federal Title XX funds may also receive funds under other titles of the Social Security Act, and may receive staff support through the Department of Labor CETA program.

**Table 4-5: Funding Sources for Private Agencies in Passaic County**

number of sources of funds for each agency :

one source only	6	14.3%
two sources	13	31.0
three or four sources	16	38.0
five or more sources	7	16.7
median sources per agency	3.3	

NOTE: this table is based on a tabulation that included only six separate funding categories: Federal, State, County/Municipal, United Way, Other private, and Fees.

\* see note at bottom of Table 4-5.

This pattern, in which agencies rely on a large number of separate funding sources in order to assemble a 'package' of activities or resources, is most likely to be continued, even extended. It can be considered an inevitable outgrowth of the proliferation of perceived needs, and of programs developed in response to those needs. *As each agency becomes dependent on more than one funding source, however, coordination and consistency in practices between funding agencies become progressively more important.* To the degree that there are inconsistencies between agencies and their rules and procedures, each one requires added time and effort on the part of service providers, and detracts from the ability to provide services to clients.

Two relatively narrow concerns can illustrate this point effectively:

**(a) fiscal calendar budgeting** is hampered by the existence of three separate fiscal calendars affecting agencies: the Federal government operates on the basis of a fiscal year beginning October 1; the fiscal year of the State of New Jersey begins on July 1; while most counties, municipalities, and private agencies operate on the basis of a fiscal year beginning on January 1. This inconsistency results in local agencies being required to estimate funds from state and Federal resources before those funds have been allocated to the agencies, and in many cases before the funding level appropriated by Congress or the State Legislature has been determined.

**(b) regional inconsistency**: Within the Department of Human Services alone, there are three different regional structures established respectively by the Division of Mental Health and Hospitals, the Division of Youth and Family Services, and the Division of Mental Retardation. An agency serving a two or more county area is likely to be dealing with two separate regional offices within the same agency. If it is dealing with more than one unit of the Department of Human Services, it may find itself dealing with as many as five separate regional offices\*.

These two areas illustrate the fairly straightforward aspect of inconsistency; and the Department of Human Services is already giving consideration to a restructuring of regions in order to resolve that problem. These, however, are really minor issues, which are illustrative of the larger problem -- that of a constant expansion of reporting and information requirements. Twenty-four percent (24%) of all agencies statewide are required to provide regular reports to five or more separate funding or monitoring agencies, over and above whatever internal or board reporting takes place. Furthermore, despite the proliferation of reporting requirements, there is little evidence that any use is made of these reports by funding agencies, or that feedback is provided to the reporting agencies by recipient of these reports. Indeed, many agency respondents made a point of commenting on the lack of feedback from the agencies to which regular reports were sent. In the absence of any meaningful feedback generated by the reports submitted by service providers

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\* for example, an agency serving Morris and Somerset Counties would deal with the Northern and Central regions of Mental Health & Hospitals, and the same two regions of DYFS; both counties, however, are in the Northern region of the Division of Mental Retardation.

the utility of much of the reporting is open to serious question\*.

The entire social service delivery system, in particular those agencies responsible for planning and monitoring the system, is caught in an apparent treadmill between the desire for responsiveness on the one hand, and the increasing complexity and bureaucracy of the system on the other. At times they appear to be closely related to each other. Much of the reporting requirements, and red tape, that have been generated at the State level, for example, have come about through efforts to increase interagency coordination, and enable a variety of state agencies to be informed about, and comment upon, funding decisions and policies made by other state agencies. The result of such coordinative procedures, however, at the local level, is to establish a series of apparently gratuitous hurdles over which an agency must jump in order to obtain funding. Although it is possible that an occasional improvement in a particular program is suggested, or a potential problem of duplication averted, it remains that the effort seems disproportionate to the results obtained.

A principal deficiency of the system of reporting requirements, information flow, monitoring systems, and the like, is that it appears to lack a client orientation. Too rarely do the agencies responsible ask, with regard to each requirement or condition, how is the imposition of this requirement likely to benefit the clients served at the local level? The link to the client is through the local agency; as a result, if the client is to benefit, an information flow must meet the following conditions:

- the nature of the information required must be clearly defined in terms of its orientation to client needs;

- the processing and transmission of that information by the agency receiving it (at the state level, generally) must be directed to the provision of client-oriented feedback;

- the local agency must be capable of assimilating and responding to the feedback provided, and reflecting it in its relationship to its clients.

As long as information flow is perceived by local agencies as a burden, and by state agencies as a way of keeping local agencies 'in line', it cannot become a vehicle for client-oriented feedback. Thus, the required change in the system is not only at the state level, but at the local level, on the part of the service providers themselves.

In conclusion, what is at issue here, and which is in many ways the crucial issue in social service delivery, is the ability of the service providers to be responsive to client needs, and to be innovative in their delivery of services, on an ongoing basis. Each of the problem areas discussed in this chapter acts in its way as an obstacle to responsiveness and innovation. However, unlike those obstacles which are inherent in the dynamics of social service delivery, and which are therefore less amenable to straightforward reform or remedy, the problems described in this chapter can be corrected. The Commission's recommendations for structural adjustments and improvements are presented in the final chapter.

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\*This is not a simple issue: the cost of establishing a workable feedback system, given the volumes of data involved, might be considerable. The use of collected data at present, for the redirection or refinement of state and Federal policy, appears extremely limited. The assumption that such information *could* be used effectively for *planning* purposes, were commitments to be made, appears a dubious justification for the substantial reporting requirements presently imposed.



## CHAPTER 5

### RECOMMENDATIONS

The greater part of the decisions affecting the scope and quality of social service provision are not made within the managerial sphere. Indeed, it can be argued that the character of social services is determined largely by two elements, both beyond the control of the state administrator, service provider or planner. These are: first, Federal policies, which set the overall programmatic and fiscal constraints within which state and local activities take place; and, second, the direct interaction between clients and service providers, an interaction which is a function of the character of the individuals involved and their specific setting.

Federal policy is not formulated in a vacuum. Indeed, all Federal enactments in social services reflect the climate and concerns of the agencies, organizations, interest groups, and people who make up those involved with or interested in social services. The climate for social welfare and social service undertakings in the United States has always been mixed. The commitment to provide services to those in need has been uneven, with public interest often moving from one area of need to the next on the basis of publicity or short-term visibility. At present, the climate is worse than in recent years. Changing national concerns and priorities, and increased fiscal constraints in both private and public sectors are reflected in changing attitudes toward social service provision to a point where some services are considered to be expendable. Although it does not support this position, the Commission recognizes the reality and stringency of current conditions, and the need to frame its recommendations in the context of these concerns.

This is not to suggest that policy and program changes in the more limited area of service delivery management and operation are not needed. Indeed, the increasing fiscal and programmatic constraints operating in the field of social services dictate that a closer look be taken at the manner in which they are carried out. It is likely that in terms of support levels both nationally and in New Jersey, social services may have reached a plateau, with only minor and occasional adjustments likely in the near future. This will require the best use of available resources, in terms of both efficiency of operation and the quality of service provided to the clients of the system.

The Commission presents four separate recommendations for legislative or administrative action, three of which are directed at service delivery, and the fourth at the planning and management of social services at the state level. Elaborate new administrative structures or entities are not recommended at any level of government. With the exception of the second recommendation, dealing with municipal welfare boards, the thrust of the Commission's recommendations has been to improve the flexibility within the system, and the quality of support provided to the individual agencies and organizations involved directly in the delivery of social services.

## **RECOMMENDATION 1 : Provide an Optional Framework for Service Integration at the County Level**

Chapter 3 discussed at length the relationship between the state and county service providers in each county. It is a relationship in which there is substantial tension, but nonetheless falls well short of a crisis that could justify a call for mandated reorganization of the service delivery system. The fact remains, however, that there are extensive duplications of service delivery, funding, and planning within each county, as well as administrative structures which potentially reduce the effectiveness of client service as well as the efficiency of the system as a whole. In similar vein, the absence of flexibility within the system discourages efforts, at either the state or county level, to make the system more efficient or more responsive to client needs.

The Commission concluded that agencies demonstrating capability and interest, should be provided with optional approaches for improving the efficiency and effectiveness of service delivery within their areas of jurisdiction, without mandating extensive and potentially unwieldy reorganization activities in areas where the need or urgency of change are not strongly felt.

**The Commission recommends the enactment of legislation to provide for optional reorganization and restructuring of public agencies providing social services at the county level, principally the County Welfare Board and the county office(s) of the Division of Youth & Family Services (DYFS).**

The enabling legislation should be broad and flexible. Rather than an 'either-or' enactment that would provide for unification, it is recommended that the options provide, in addition to unification, for a variety of restructuring possibilities, including reallocation of service areas, and a variety of cooperative arrangements. The options should include the following:

- (a) creation of a single agency within county government that would perform the functions of both the County Welfare Board and the DYFS county office.

This is the 'unification' option. A variation, equally possible although less likely to be undertaken, would be the unification of both agencies into a single entity administered at the state level\*. In addition to specifying the procedures, and the state and county approvals, that would be required for such a unification of services to take place, the legislation should specify that *no unification could take place without the preparation by the county of a plan for service delivery and improvement in the county, clearly establishing the goals and context of the proposed reorganizations*. It is important that any thoroughgoing change in service provision be firmly grounded in an overall assessment of needs and a strategy for meeting them.

- (b) establishment of closer administrative relationships or service delivery mechanisms within a given county short of merger of agencies.

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\* short of a state takeover of county welfare boards, there would be serious administrative difficulties in such a step. Such takeover, in turn, is not advocated unless it occurs in the context of the State's assumption of county welfare costs.

It may be possible for significant improvements to take place without a formal unification of agencies, thereby avoiding what will undoubtedly be extensive complications associated with any unification, however desirable. These might include the establishment of a single caseworker system for clients in contact with both agencies, or the establishment of a single administrative mechanism at the county level for the conduct and monitoring of all purchase of service arrangements with private social service delivery agencies.

- (c) reallocation of functional area responsibility, by giving a single agency full responsibility over service delivery in a particular area, for both welfare recipients and non-recipients.

At present, a particular service such as homemaker assistance, may be provided to some welfare recipients by the County Welfare Board (CWB) or by a private agency under contract to the CWB. The same service may be provided to other welfare recipients by the county office of DYFS, which also provides services to households not receiving welfare. Given the flexibility provided by the Federal Title XX enactment regarding client eligibility, it would seem consistent to allow whichever agency is capable of doing so to provide services to both welfare recipients and others. Such a provision would allow for a functional division of responsibilities between the county welfare board and the county DYFS offices. It would also recognize the gradual transformation of the CWB into a county social services agency, a transformation which is taking place in any event.

- (d) integration of social service activities already within county government into a single county agency in non-charter counties.

As we have noted, all four charter counties have created multi-service social service agencies, two of which have integrated the county welfare board with other county operations, such as senior citizens programs, youth services, or health services. Given the growth in multiple social service functions at the county level, many of which are within the CWB, there is a clear rationale for allowing, even encouraging, integration of services already within the county purview.

The discussion of these four options suggests the scope of the flexibility that should be provided in the proposed legislation. The legislation should not specify the services that can or cannot be integrated, or the administrative relationships between state and county agencies that can or cannot be permitted; rather, *it should provide a broad framework, within which each county can be free to arrive at a response to its particular concerns.* There are, however, some appropriate safeguards which such legislation should feature: (a) mutual approval by state and county agencies; (b) county freeholder approval; (c) procedural safeguards including public input; and (d) a planning process at the county level.

**RECOMMENDATION 2: Improve Delivery of Welfare Services Presently Provided by Municipal Welfare Boards and Reorganize County Welfare Service Delivery.**

The majority of municipal welfare boards are clearly redundant. They serve few clients, and by virtue of staff limitations, provide few if any meaningful services to

those clients, and are unable to provide any significant information and referral services, which connect clients with necessary services provided by others. Given the limited caseload and financial responsibility they have, however, it would be unrealistic to expect them to provide more than nominal services. At the same time, *some* municipal welfare offices, principally those with large enough caseloads to justify expenditures and demand services, do provide effective services. In addition, their services are valuable because they are available in decentralized locations which may otherwise have few social service resources, and where access to other facilities may be limited.

The Commission concluded that while many municipal welfare offices were largely redundant, and the perpetuation of municipal welfare as a separate administrative entity is clearly duplicative and unnecessary, certain of the municipal welfare operations may serve valuable functions in their communities. Given the degree to which social services are a highly localized function (see Chapter 2), excessive centralization would potentially affect the availability of services to at least part of the population in need. The Commission's recommendation responds to this concern:

**The Commission recommends that a county by county survey be carried out for the purposes of restructuring municipal welfare services including abolition of some, including some as county 'outstations', and retention of others under municipal operation.**

Legislation should be enacted to provide for, where appropriate: the transfer of municipal welfare operations to the county; or for continued municipal operation of welfare services, but more closely tied into the state/county service structure. The Commission recommends that this approach be followed, rather than a blanket reorganization or abolition of municipal welfare, in view of the useful functions being served by many municipal welfare agencies, particularly those in the larger communities of the state. As noted, even when it is deemed appropriate to transfer municipal welfare functions to the county level, it could be well worthwhile to maintain selected municipal offices as county 'outstations', and thereby increase the accessibility of the many county welfare-related services around the county. *The Commission recommends that, in any event, the operating costs of municipal welfare services be removed from the municipal budget and added to the county budget, and that the 75% share of municipal welfare expenditures supported by the State of New Jersey, now limited to participants in the state program, be made generally applicable.*

The fiscal effect of a transfer of municipal welfare functions to the county should be slight. There should be some modest economies, as duplicative overhead and administrative functions are removed. The principal fiscal effect will be that of the removal of the 25% local share of municipal welfare\* from the municipal to the

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\* There are, as noted, a number of municipalities which are not part of the state system, and pay 100% of municipal welfare expenditures. Their share of total expenditures is miniscule, so that a state pick-up of 75% of all municipal welfare expenditures would not significantly affect the total.

county budget. Although the total amount within any one county would decrease, the effect on individual municipalities would vary slightly. Some municipalities, with particularly low municipal welfare responsibilities *and* a large percentage of the county tax base, would see their expenditures (as reflected in an increase in county taxes) rise, while many urban centers might experience a modest net decline; i.e., the increase in county taxes would be less than the decrease in municipal expenditures\*. In any event, the difference would be negligible in both cases.

**REGOMMENDATION 3: Improve Coordination of Service Delivery and Planning at the County Level through Establishment of County Social Service Clearinghouses.**

In addition to the problems of duplication, and of overlapping administrative structures, which have prompted the first two policy recommendations, a recurrent theme in this study is that of the serious inadequacies in interagency coordination and communications. This is a deficiency in social service delivery with significant implications both for service delivery efficiency and the quality of services provided to clients. The most basic problem, as noted, is the lack of information about agencies -- both to one another, and to present and potential clients. Beyond that, there are serious problems throughout New Jersey with regard to the coordination of service delivery, and the conduct of effective interagency planning at the county or local level.

The existence of this problem is widely recognized by service providers. In recent years there has been distinct growth in the number and extent of interagency relationships at the county level, in some cases through the impetus provided by the creation of Title XX coalitions. Some coalitions, which have professional staff capabilities, are likely to provide a potential nucleus for the county clearinghouses that are the subject of this recommendation:

**The Commission recommends the establishment of clearinghouses in all New Jersey Counties to provide; (1) client information and referral; (2) interagency information and coordination; and (3) interagency planning and liason with State/Federal Agencies**

The importance of the county clearinghouse would be its ability to relate both to clients of social service agencies, and to the agencies directly. It would provide (or support, if services already were adequate) client information and referral services, including an agency 'hotline'. It would also exchange information about available services, places in programs, and program resources among the staff of relevant agencies. The third function--of interagency planning--would grow directly from the information and coordination function. The clearinghouse would act as staff for the Title XX coalition, provide the means for coordinated countywide input into the Title XX planning process, as well as other state or Federal planning and funding processes, many of which today fail to elicit a systematic or organized response from either service providers or clients at the local level. The Commission

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\*An example of the hypothetical effect of a change from municipal to county responsibility in Mercer County is provided in the Appendix.

believes that county clearinghouses capable of performing the basic information and coordination activities, *can* be established in some cases without significant reallocation of resources, and in others, with only limited funding changes.

If more substantial resources were available, it is possible to visualize the county clearinghouse as a vehicle for carrying out more intensive activities in the fields of program planning, monitoring and evaluation. This could include such activities, rarely undertaken at present, as: (a) county level studies of the relationship between needs and services provided; (b) assessment of the location of facilities relative to need and the level of utilization of facilities and services around the county; and (c) monitoring of success of referrals (both from the clearinghouse and from other agencies) and service delivery through ongoing client follow-up.

The activities, however, although potentially highly valuable, could, unlike the basic information coordination function, require the commitment on realignment of resources. Although the comprehensive funding of clearinghouses capable of undertaking intensive planning and monitoring activities throughout New Jersey is probably beyond available resources, *the Commission recommends that serious consideration be given to undertaking one or two pilot or demonstration projects to determine the usefulness, cost factors and operational aspects of a clearinghouse concept.*

In addition to the county clearinghouses, there would be a need for a small state clearinghouse operation as well, *to act as a service unit to the county clearinghouses.* Such a state unit could perform two functions essential to the success of the county activities: (1) develop a standardized format for entering and recording information, which could be used by all county clearinghouses and make possible interchange of information between counties; and (2) ensure that county clearinghouses obtain ongoing and updated information about state programs and activities; and about local programs serving areas larger than a single county. The first would be largely a one-time activity associated with the start-up of the clearinghouses, while the second would be an ongoing, although largely clerical, function.

Some of the functions of such State offices are already being performed and need only to be formalized in relation to the substate participants in such network. It is important to stress that the Commission sees the purpose of these clearinghouses as that of improving coordination and service delivery on the local level, which is where services are delivered, rather than in any way a vehicle for state-level information assembly or program monitoring. Thus, it is desirable to keep these operations simple. Any data base about agencies should be compatible with the needs and capabilities of the user. And a clearinghouse should be separate from any client data base that the state may seek to establish. Each county clearinghouse in turn should be a largely independent entity, accountable to the agencies it serves within its county, not to a state agency. The only justification for a state-level link between the county clearinghouses is the need for such a facility as a service to the county clearinghouses, and by extension, to the individual agencies providing social services.

#### **RECOMMENDATION 4: Improve the Efficiency of State Level Planning and Funding Systems for Social Service Delivery**

The principal thrust of these recommendations is directed at improving service delivery at the local level. It is important however, to discuss the context of planning

and funding systems at the state level, because it seriously influences, even determines, the course of social service delivery in the community. The study identified two distinct areas in which serious, but potentially remediable, problems exist: first, the lack, at the state level, of an integrated system of funding and planning, which would make possible the most effective use of available fiscal resources; and, second, the multiplicity of forms, conditions, procedures, and requirements imposed by the multiple state agencies on local service providers.

It should be noted that, while some administrative reorganizations should be considered, by and large social service responsibilities will continue to be divided between different state agencies. There are too many interconnections between clearly defined social service areas and other activities more peripheral to the functions, for a firm line ever to be drawn. Nor is it possible to consolidate all such services into a single agency. There are, however, a number of steps that can be taken to increase the rationality of the system short of such an undertaking:

**THE SOMMISSION RECOMMENDS THAT THE DEPARTMENT OF HUMAN SERVICES BE DESIGNATED THE LEAD AGENCY FOR SOCIAL SERVICE PLANNING AND FUNDING IN NEW JERSEY.**

This designation, which could take place by executive order, would represent two significant changes: (1) the Department of Human Services (DHS) would become a clearinghouse for all *state agency* social service funding decisions, applications to Federal agencies, and annual plans; and (2) it would become a clearinghouse for all applications from *local agencies* or organizations to state and Federal agencies for social service funding.

The function of clearinghouse does not entail in most cases an approval or rejection function on the part of DHS; for example, it is not suggested that, in any sense, the power to approve or reject local funding proposals be transferred from an agency with program responsibility to DHS. Clearly, the agency responsible for the program should be empowered to make funding decisions. However, the creation of such a unit could bring about a series of improvements that would both enhance each agency's ability to make rational funding decisions, as well as reduce the burden on local agencies by:

- (1) establishing uniform application forms, calendar and funding schedule, and notification systems, for state agencies;
- (2) providing consistent information for all funding agencies about other funding activities, applicants for funding to that agency and other funding sources,
- (3) providing a systematic forum for input into the agency decision by other state (and local) agencies and organizations.

The concept of a lead agency requires amplification in terms of operational procedures and related details. This should result from implementation of the following recommendation:

THE COMMISSION RECOMMENDS THE ESTABLISHMENT OF AN INTER-AGENCY TASK FORCE CHAIRED BY DHS TO UNDERTAKE THE STANDARDIZATION OF AGENCY REPORTING REQUIREMENTS AND TIMETABLES, FORMS, REGIONAL BOUNDARIES, AND OTHER PROCEDURAL ELEMENTS TENDING TO REDUCE THE EFFICIENCY OF THE DELIVERY SYSTEM.

This is a matter of some urgency, and one which can only be addressed by a systematic effort on the part of all state agencies with significant social service responsibilities\*. Upon submission of the task force recommendations, their implementation should be in the form of a Governor's executive order.

An additional area should be considered, and perhaps could be a part of the charge to the interagency task force proposed above -- that of interagency reorganization; specifically, whether any agencies at present located in other cabinet-level departments should be reassigned to the Department of Human Services. It is recognized that in each such case there are a variety of arguments pro and con, including generally sound arguments for retaining present administrative arrangements. Nonetheless, at a minimum, it would be valuable to take a fresh look at such arrangements, to determine whether the initial rationale was still valid. Some of the agencies that might be subject to such a review would include the Division of Drug and Alcohol Abuse (in the Department of Health), the Division on Aging (in the Department of Community Affairs), and the Division of Vocational Rehabilitation (in the Department of Labor). On the basis of the present study, however, the Commission does not feel justified in making any specific recommendation for reorganization at this time.

This report addresses only one aspect, albeit a significant one of social services delivery in New Jersey, namely its organizational features. The Commission believes that in this sphere, the implementation of this report's recommendations will have a favorable effect on the delivery of social services in the State. Each recommendation is directed toward institutional improvement in the efficiency and quality of service delivery. This, in turn, will improve the ability of *individuals* to serve and meet the needs of clients. In the final analysis, this is the goal toward which all those concerned with the social services must strive.

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\*Initially, the Commission had hoped to undertake a part of this task. It quickly became apparent, however, that such effort was far beyond the scope of this study.

**APPENDIX : Effect of Replacement of Municipal General Assistance Expenditures with the Same Level of County Expenditures**

One outcome of the implementation of the Commission recommendation that municipal welfare be transferred to the county level would be, barring specific legislative provisions to the contrary, a shift in the local share from the municipal to the county budget. Since the principal source of county funds, like municipal funds, is the local property tax, the change is more illusory than real, taking each county as a whole. On a municipal level, however, there will be some change, since the distribution of costs by municipality within each county will change.

At present, municipal expenditures for general assistance are, very roughly, a function of the local general assistance caseload. Thus, core cities, in which the caseload is largest, bear a disproportionate share of general assistance costs. As the table below shows, nearly 40% of all local general assistance expenditures in New Jersey are borne by the City of Newark.

**Table A-1**

**Welfare - Public Assistance Expenditures in 10 Highest Ranking Municipalities, 1976**

Municipality & County	1976 Expenditures (\$000)	% of County	% of State
Newark (Essex)	6,496	85.5	38.6
Jersey City (Hudson)	1,387	56.0	8.2
Trenton (Mercer)	848	79.7	5.0
Elizabeth (Union)	655	60.4	3.9
East Orange (Essex)	526	6.9	3.1
Camden (Camden)	525	73.3	3.1
Atlantic City (Atlantic)	397	84.3	2.4
Hoboken (Hudson)	392	15.8	2.3
Orange (Essex)	258	3.4	1.5
Paterson (Passaic)	205	48.7	1.2
All others*	5,155		32.7
State Total (All municipalities)	16,845		100.0

\*None above \$200,000

SOURCE: Division of Local Government Services, 39th Annual Report, 1976.

If these costs were reallocated to the county budget, and supported by the county share of the local property tax, the basis for allocating costs would be changed, as it would now be on the basis of the municipal percentage of total county rateables. Thus, it should be clear that the effect of the replacement of municipal by county revenues would be a redistribution -- municipal expenditures would decline, and the

county tax levy from the municipality would increase. In core cities such as Newark or Trenton, the municipal expenditure would decline by more than the county levy would increase. In most suburban communities, the added county tax levy would be greater than the saving in municipal costs.

Before illustrating the magnitude of this redistribution, which is, in actuality, extremely small, two qualifying points should be made. First, it is quite possible, even likely, that some savings would be achieved through the replacement of municipal by county assistance. Many small amounts, now allocated by small municipalities for administrative and operating purposes, could be saved in their entirety. Second, if the effects shown by the case study below are not considered acceptable, it would be a straightforward matter to incorporate in any legislation providing for the change-over some means of financial adjustment, such as a gradual phasing of the costs of replacement. Given the small amounts involved, it is unlikely that this will be needed.

In order to determine this, the Commission staff conducted a case study of the effects of replacement, assuming no savings at all and no gradual period of adjustment, in Mercer County. Mercer County was selected since the overwhelming share Trenton now pays in total countywide general assistance costs would make it a typical 'worst case' county; i.e., any effects noted in Mercer County are likely to be no greater, and generally less, in other counties. The results of this case study are presented in Tables A-2 and A-3. Table A-2 presents baseline information on current general assistance and county tax levy amounts, while Table A-3 presents the results of the replacement under discussion.

As Table 3 shows, the effect of replacement in Mercer County would be to reduce costs for the City of Trenton, and increase costs, to some degree, in all other municipalities. The overall effect would be to increase the tax levy in the municipalities other than Trenton by an average of 7/10 of 1%. In other words, a homeowner paying \$1500 per year in property taxes would find his or her taxes rising by \$10.50 as a result.

The increase would be in excess of 1% in only one municipality, Hopewell Township, a community with negligible welfare expenditures but a significant share of the total county rateable base. In Hightstown and Hopewell Borough the increase would be under ½ of 1%. On the other hand, Trenton, which has by far the highest property tax rate in Mercer County, would experience a 2.4% reduction in tax levy. A Trenton homeowner paying \$1500 per year in property taxes would obtain a \$35.40 reduction.

These are modest amounts, easily sustained without special adjustments or gradual phasing. In addition, such a reallocation of costs is clearly consistent with the urban policy goals of this and preceding New Jersey administrations. The Commission does not believe that the fiscal effects of replacement of municipal general assistance with county operations are such that they should be considered a deterrent to a much needed reform in social service delivery.

TABLE A-2

The Effect of Replacement of Municipal General Assistance Expenditures with the same Level of County Expenditures - Mercer County Case Study

	municipal expenditures for general assistance (1976)	% of county total	county tax levy by municipality	% of county
East Windsor	\$ 22,023	2.07%	\$ 2,830,102	7.72%
Ewing	15,983	1.50	4,660,302	12.71
Hamilton	100,623	9.46	8,897,744	24.27
Hightstown	5,550	0.52	558,941	1.52
Hopewell Bor.	5,800	0.55	296,470	0.81
Hopewell Twp.	2,100	0.20	2,488,401	6.79
Lawrence	30,354	2.85	3,858,424	10.52
Pennington	250	0.02	347,441	0.95
Princeton Bor.	11,706	1.10	1,788,572	4.88
Princeton Twp.	12,292	1.16	3,163,891	8.63
Trenton	847,668	79.68	4,978,871	13.58
Washington	2,177	0.20	620,325	1.69
West Windsor	7,325	0.69	2,174,452	5.93
	\$1,063,851		\$36,663,936	

SOURCE: New Jersey Division of Local Government Services, *Annual Report* (1976)

TABLE A-3

The Effect of Replacement of Municipal General Assistance Expenditures with the same Level of County Expenditures - Mercer County Case Study

	municipal expenditure reallocated*	net change + / (-)	total tax levy from all sources	tax rate	change +/(-)	adjusted tax rate**
East Windsor	\$ 82,129	+ 60,106	\$11,350,137	3.60%	+ .0053	3.62%
Ewing	135,215	+119,232	14,349,140	3.14	.0083	3.17
Hamilton	258,197	+157,574	27,920,999	2.97	.0056	2.99
Hightstown	16,171	+ 10,621	2,315,383	4.06	.0046	4.08
Hopewell Bor.	8,617	+ 2,817	999,077	3.15	.0028	3.16
Hopewell Twp.	72,235	+ 70,135	6,870,299	2.54	.0102	2.57
Lawrence	111,917	+ 81,563	11,876,824	3.33	.0069	3.35
Pennington	10,107	+ 9,857	1,058,116	2.93	.0093	2.96
Princeton Bor.	51,916	+ 40,210	4,945,923	2.71	.0081	2.73
Princeton Twp.	91,810	+ 79,518	10,171,254	3.01	.0078	3.03
Trenton	144,471	(-703,197)	29,847,134	6.22	(-.0236)	6.08
Washington	17,979	+ 15,802	1,756,335	2.86	.0090	2.89
West Windsor	63,086	+ 55,761	6,647,609	3.01	.0084	3.04

\* sum of countywide municipal general assistance expenditures (\$1,063,851) reallocated to municipalities on basis of municipal % of county tax levy.

\*\* after reallocation of expenditures as shown.

