



National Association for State Community Services Programs

Center for Community Action Research

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CSBG Reauthorization: NASCSP's Position

Background

The National Association for State Community Services Programs (NASCSP) represents all 52 state and territory administrators of the Community Services Block Grant (CSBG). The CSBG, administered by the states, provides core funding for the anti-poverty efforts of the nationwide Community Services Network. As the only mandated anti-poverty network in the country, it is composed of more than 1,120 local community agencies, most of them Community Action Agencies (CAAs), covering 96 percent of the counties in the U.S. The Community Services Network has created, coordinated and delivered a broad array of comprehensive services to low-income Americans, for over 35 years.

Recommendations

In order for the Community Services Network to be effective in alleviating poverty, the following recommendations should be included in the new CSBG legislation:

- ◆ Due to the block grant nature of the CSBG, each state does currently conduct its own programmatic and fiscal monitoring of its eligible entities. The systems that are in place are in accordance with the statutory requirements of the 1998 reauthorization and the Office of Management and Budget (OMB) circulars. For instance, New York, Ohio, Tennessee, and Minnesota, require annual audits of eligible entities, monthly financial status reports, require annual outcome reports, and conduct grantee reviews and assessments for contract compliance. In addition to the statute required monitoring, the state of Tennessee and many other states, conduct annual risk assessments of eligible entities and may do more monitoring or provide technical assistance based on findings. States take the monitoring, on going technical assistance and capacity building of their grantee network seriously, as it serves as an effective means of program management. When states do have negative findings, they designate a grantee as "at risk" and provide ample technical assistance as the grantee attempts to become compliant. In many instances, due to the rigor of the technical assistance provided, grantees are then able to become compliant and stable and eventually flourish.

As noted above, currently a variety of approaches are utilized by states when monitoring. **A greater uniformity of approach could be achieved by guidance from the federal Office of Community Services based on recommendations by a task force of the stakeholders representing the best practices. NASCSP would recommend that the legislation require the Secretary of HHS to provide monitoring guidance specifically addressing the fiscal and organizational structure of eligible entities.** In addition, there would need to be T&TA funds made available to help train state staff on how to use such guidance.

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- ◆ The OCS Monitoring and Assessment Task Force (MATF) initially had the mission of creating accountability for all three partners, Community Action Agencies, state CSBG offices and OCS. To date, the MATF has led a successful and well-acknowledged effort of creating performance standards, Results Oriented Management and Accountability (ROMA), for Community Action Agencies (CAAs). The MATF has not yet completed its work regarding performance measures for the other partners. In an effort to respect this process and finish the MATF's work, NASCSP recommends requiring the **Secretary of HHS to utilize a task force of the stakeholders, including adequate representation from the state CSBG offices, CAAs and the other national partners (possibly the OCS MATF) to create performance outcomes or standards for states.** This task force would create performance outcomes or standards for states which would fall in line with current ROMA practices. The task force would address issues regarding the timely distribution of funds, the monitoring of eligible entities, provision of T&TA, coordination of programs, building the capacity of the network, etc.
 - ◆ **The new CSBG legislation should retain language, which allots up to five percent of the block grant for administrative purposes.** The five percent administrative allotment is essential to the efficiency, innovation, and accountability of the CSBG. Currently states use the five percent allotment to: provide regular training and technical assistance (T&TA) to grantees; maintain strong relationships with Boards of Directors; actively contribute to national solutions; provide leadership in cost effective information technology solutions; develop timely and customized T&TA and training tools; and provide CSBG presence within the executive branch of state government.
 - ◆ **The new CSBG legislation should retain language, which allots up to five percent of the block grant for state discretionary purposes.** The five percent state discretionary allotment is essential to the efficiency, innovation, and accountability of the CSBG. In FY01 states used the discretionary allotment to fund twenty-five state CAA associations, a total of \$3,383,200.00. In FY01 twenty-seven states used the discretionary allotment to fund special projects, such as disaster relief services, and to provide training to CAAs directly; a total of \$9,603,500.00. To decrease this money would be a disservice to CAAs as well as state CAA associations. The discretionary funding helps prepare the network for activities it can't undertake on its own and prepares the industry for future development.
 - ◆ **The new CSBG legislation should retain language, which passes through 90 percent of the funding to the eligible entities.** The 90 percent pass through is essential to the efficiency, innovation, and accountability of the CSBG's network of anti-poverty agencies.
 - ◆ **NASCSP strongly discourages the inclusion of language regarding moving the state CSBG Offices to the Governor's office and/or into any other new location.** Presently, Governors have jurisdiction over where CSBG is located within the state's organizational structure. In order to maintain efficient use of funds it is essential to preserve the block grant qualities of the CSBG by continuing to allow Governors to have this discretion. Federal legislation specifying the location of the CSBG Office within the state would infringe upon the nature of a block grant as well as the states' prerogative and ability to do good work.
 - ◆ **The new CSBG legislation should include language which allows states to have discretion over the funding of Community Action Agencies (CAAs) which are in violation of state or federal requirements.** The language should state that after an adequate public hearing is held, states are able to determine the most effective means of dealing with a CAA which is out of compliance. Current language regarding this issue is in conflict with state policies.

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- ◆ **The CSBG legislation should retain language which specifies that grantees of the CSBG must have governing boards which include representation from low-income residents, elected officials, and business and community leaders.** The effective nature and essence of the CSBG and, therefore, community action comes from the fact that local decisions are arrived at locally. Cross-section community representation ensures that boards have knowledge of the needs of the particular community being served. If the CSBG reauthorization does not retain this language, the community accountability and grass roots empowerment will be lost.
 - ◆ **NASCSP strongly encourages the inclusion of language which would significantly increase the authority of the public community action agencies' advisory boards.** This would allow them to more effectively react to the needs of select communities and to stimulate innovation often impeded within the local government structure.
 - ◆ **NASCSP strongly encourages the inclusion of language which would allow public community action agencies to privatize if, and when, necessary.**
 - ◆ **NASCSP strongly encourages the inclusion of language which would allow states to raise CSBG eligibility.** Allowing states increased discretion over CSBG eligibility would provide opportunities for states and their CAA networks to partner and collaborate in new and effective ways.

A Community-Based Approach to Poverty Alleviation

The CSBG moves low-income populations out of poverty to self-sufficiency by providing a variety of comprehensive, outcome driven services. These include self-sufficiency, case management, employment, education, income management, health, transportation, housing, nutrition, linkages to other resources, senior citizen services, youth development, and emergency services. Over \$523.7 million in federal and state CSBG funding leveraged over \$7.5 billion in other federal, state, local and private resources in 2000. Each CSBG dollar leveraged \$5.00 in non-federal funds.

In 2000 alone, the Community Services Network reached about one-fifth of persons in poverty within their communities. Nearly half of their clients were severely poor, defined as having incomes below 75 percent of the poverty guideline (\$14,150 for a family of three). 1.9 million of the clients served by Community Action Agencies were working poor or retired worker families. In addition, nearly 2.8 million children in approximately 1.2 million families were served. Of these families, over one million were headed by single parents, and nearly three-quarter million were low-income, two parent families.

As a grassroots network, the Community Services Network is an integral component of communities and functions as a hub for services to low-income people. All of the agencies in the network are governed by a tri-partite board consisting of one-third elected public officials and at least one-third representatives of the low-income community. The balance is made up of leaders from the private sector, including businesses, faith-based groups, charities, and civic organizations. Because of this community-based approach to poverty alleviation, the Community Services Network has been able to serve low-income populations across the country for over 35 years. The CSBG allows for the resources, flexibility and experience to provide services and deliver the outcomes that low-income populations need to become self-sufficient.

Vital Partnerships - Welfare Reform

The Community Services Network has proven to be an effective partner for state welfare reform efforts by providing supportive services such as housing, health care, childcare, and transportation that assist families in moving off welfare and toward self-sufficiency. Approximately fifty percent of the Community Services Network is working in partnership with TANF state offices. These efforts are more critical than ever as it is

becoming clear that leaving welfare is not synonymous with leaving poverty. TANF caseloads are increasingly composed of "difficult to serve" families with multiple and severe barriers. Recent research indicates that as many as 40 percent of welfare leavers are still not employed, and child poverty rates have not fallen as quickly as the number of children on welfare. In order for the Community Services Network to continue to be a vital partner to TANF in assisting families moving off welfare, funding must be maintained to support these efforts.

Outcomes

Much of the success of the Community Services Network in alleviating poverty is due to its commitment to an outcome-driven management strategy. Since the Government Performance and Results Act of 1993, the Network has used Results-Oriented Management and Accountability (ROMA) to set goals and evaluate outcomes. ROMA provides a flexible structure of six national goals within which local governments and agencies set appropriate objectives. With this framework, agencies can show the outcomes they are achieving with CSBG funds, as well as the results of other programs they provide to help low-income families and communities move from poverty to self-sufficiency.

Examples of Success

The effectiveness of the Network's programs is captured through the use of goals and outcomes measures. Below you will find the network's first nationally aggregated outcomes achieved by individuals, families and communities as a result of their participation in innovative CSBG programs during FY 2001:

- ◆ 42 states reported 70,360 participants gained employment with the help of community action.
- ◆ 24 states reported 17,426 participants retained employment for 90 days or more.
- ◆ 28 states reported 32,603 households experienced an increase in income from employment, tax benefits or child support secured with the assistance of community action.
- ◆ 23 states reported 12,662 families continued to move from homelessness to transitional housing.
- ◆ 26 states reported 33,795 families moved from substandard to safe, stable housing.
- ◆ 16 states reported 1,861 families achieved home ownership as a result of community action assistance.
- ◆ 32 states reported 22,903 participants achieved literacy or a GED.
- ◆ 22 states reported 12,846 participants achieved post secondary degree or vocational education certificate.
- ◆ 28 states reported 506,545 new service "opportunities" were created for low-income families as a result of community action work or advocacy, including affordable and expanded public and private transportation, medical care, childcare and development, new community centers, youth programs, increased business opportunity, food, and retail shopping in low-income neighborhoods.