

NASCSP 2013 COMMUNITY SERVICES BLOCK GRANT REAUTHORIZATION PRINCIPLES

Introduction

The National Association for State Community Service Programs (NASCSP) is the national association charged with advocating for and enhancing the leadership role of States in preventing and reducing poverty. NASCSP's membership includes State administrators of both the U.S. Department of Health and Human Services' Community Services Block Grant (CSBG) and the U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP). CSBG provides States, U.S. Territories, Native American Indian Tribes and other organizations with funds to alleviate the causes and conditions of poverty in local communities. Funds are distributed to local agencies (also referred to as eligible entities) to reduce poverty, revitalize low-income communities, and to empower low-income families to become self-sufficient.

Reauthorization of the Community Services Block Grant provides opportunity to strengthen and update the Act and to reemphasize important longstanding values of Community Action and its role in helping vulnerable families and communities achieve the American Dream. The Community Action network has long served as the premier anti-poverty network that delivers strategies that reduce poverty. Reauthorization should strengthen the foundation and update the block grant to include 21st century approaches to ensure continued success.

Since its inception, the Community Action network has adopted new methodologies and practices to ensure continuous improvement. Today, technology, outcome-based performance management, and evidence-based practices are integral to Community Action.

A reauthorized CSBG should articulate the goals of the Results Oriented Management and Accountability (ROMA) system, which promote greater effectiveness and demonstrate results. States and local agencies together should have a mandate in reauthorization to manage and measure performance from the perspective of the six national goals:

1. Low-income people become more self-sufficient.
2. The conditions in which low-income people live are improved.
3. Low-income people own a stake in their community.
4. Partnerships among supporters and providers of service to low-income people are achieved.
5. Agencies increase their capacity to achieve results.
6. Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems.

Community Action is distinguished from other service delivery approaches and produces uniquely successful outcomes across the nation. Its values include maximum feasible participation; coordination of community resources; comprehensive integrated services; incubation of innovative strategies; locally designed ladders of opportunity; evaluation, and accountability. These foundational elements should be maintained in CSBG Reauthorization.

There are several principles that should be included and addressed in the reauthorization of the CSBG that are described in detail below.

1. Maintain the Block Grant Structure with an Emphasis on the State Role

The current block grant structure, maintains the balance between the Community Action Network's locally determined activities to prevent and reduce poverty, and oversight that understands local needs but also establishes common standards and expectations. This structure has proven to advance collaborative efforts with other programs that address issues of poverty. It creates opportunity to bring together Federal and State resources with locally determined objectives to improve the lives of vulnerable low-income families and communities.

States provide administrative oversight to ensure that eligible entities are meeting State and Federal requirements as well as their locally driven Community Action Plans. This includes monitoring eligible entities, providing training and technical assistance, investing in innovation, and maintaining effective performance measurement and management systems.

Maintaining the block grant structure ensures State flexibility to support local eligible entities in incorporating affordable housing, economic development, micro-entrepreneurship, education, health, jobs, energy, and economic and community development initiatives through specific mention of these partnership opportunities in the Act. At the same time, States are able to create systems of accountability that also address State and local variance.

However, the State role should be re-emphasized. In order to coordinate and streamline programming with other State and Federal resources with varying income eligibility thresholds, States should have the option to move CSBG eligibility up to 200 percent of the Federal poverty guideline as they did under the American Recovery and Reinvestment Act (ARRA). The flexibility to serve those up to 200 percent of poverty provides States an opportunity to assist those served in reaching stability and greater self-sufficiency.

2. Provide Sufficient Funding to Achieve the Purposes of the Act

CSBG should be funded at \$1 billion.

Funding should be available in reauthorization sufficient to meet national standards and incentives should be provided to States, local agencies, and national partners for high achievement and innovation.

A reauthorized CSBG should include sufficient resources for local agencies, States, and national partners to engage in the work necessary to achieve the goals of the CSBG Act and the Promise of Community Action, which includes addressing the needs of vulnerable people and building strong communities. It should create the opportunity to provide a consistent resource to the people, families and communities that benefit from the activities conducted under the Act. It should also provide funds to extend the work to create and test innovative approaches as well as include and engage an ever wider circle of partners.

NASCSP believes that a \$1 billion funding level for CSBG is essential for continued innovation and stronger coordination. It will also elevate the stature of the CSBG in both State and Federal administrations. Further, additional funds in the CSBG will create additional opportunities and development for low-income programs and will allow for further coordination with agencies outside our Network that share a similar mission.

3. Strengthen Current Delivery Formula

The flexibility of the block grant should be maintained, along with the State role to coordinate and collaborate. The 90 percent funding for eligible entities should be maintained. States should be required to

use 5 percent for administration to ensure accountability through comprehensive monitoring and technical assistance efforts. The remaining 5 percent should be available for State discretionary use.

These percentage commitments must be maintained regardless of funding level. Additional funding, such as requested above, entails a corresponding increase in the need for State oversight and risk mitigation. However it also provides greater opportunity for innovation. State discretionary funds enable States to invest in performance incentives, targeted initiatives, the evaluation of programs, and other activities consistent with the purposes of the Act including testing new innovative programs and pilots. States are committed to innovation and effectiveness and would like to expand efforts in these areas in a manner that does not disrupt current service systems and approaches. As such, if funding is increased to \$1 billion, we suggest requiring that States use 1 percent of their allocation (20 percent of their discretionary funds) for innovative efforts open to any non-profit organization as long as consistent with the purposes of the Act.

This new funding should be separate from the allocations to Community Action Agencies and any competitive special-purpose grants. The innovation funds should be held to the same monitoring standards as other CSBG grants; however there should be flexibility regarding performance evaluation. Additional State administrative funds should be provided for administering any additional innovation grants.

4. Establish New Funds for Research and Innovation

With the available funding the Community Action network will be able to continue innovation and research efforts. At an appropriation level of \$1 billion, in addition to a commitment of State resources to continued funding of innovative outcome-based replicable programs to address current economic conditions, a similar requirement and opportunity should exist at the national level. Should the appropriation level be increased to \$1 billion, it is recommended that the U.S. Department of Health and Human Services, Office of Community Services retain the current 1.5 percent of the annual appropriation to be used at the Secretary's discretion and commit a third of the Secretary's discretionary funds (a total of 0.5 percent of the annual appropriation, or \$5 million of \$1 billion) specifically to research and innovation.

Further, a portion of these research and innovation funds should be used to create new funding for innovative ventures to be administered by the State CSBG offices. The CSBG Network's national coverage makes it an ideal environment for development, testing and bringing to scale evidence-based and innovative projects.

5. Establish Performance Standards for All Levels of the Network.

Clearly defined performance standards for local agencies, State government, and the Federal Office of Community Services should be part of a reauthorized CSBG. NASCSP is actively engaged with federal partners and the Centers of Excellence in designing standards for all three levels and is committed to this process. States should retain responsibility and authority to validate compliance of local agencies with the standards and OCS should do the same for States. In turn, the Office of Community Services is accountable to the Department and Congress.

Standards for local agencies should include: tripartite board requirements, annual audits; community needs assessments and resulting locally designed solutions; performance measurement and management systems; outcome-based work-plans and budgets; training for staff and boards; adherence to local policies and procedures; and compliance with State and Federal rules and regulations.

State CSBG office standards should address timely distribution of funds to local agencies; timely submission of plans and reports; systems based, holistic monitoring of local agencies; training and technical assistance to

local agencies and boards; support for state associations; and coordination of resources to advance the purpose of the Act.

Standards for the Office of Community Services should include monitoring of States consistent with block grants; provision of prompt responses to State technical assistance and training needs; paving the way for greater coordination with other Federal programs such as the Workforce Investment Act, Head Start, LIHEAP, and the Weatherization Assistance Program; ensuring successful communication with States and national partners; and providing accurate and timely reporting to Congress and others.

Both the Office of Community Services and States should adopt standards which address the following:

- Provide a voice for low-income people, families and communities within government;
- Promote the development of community-based institutions (national Community Action Agency network) which represent low-income voices at the local level;
- Undertake research designed to expand the knowledge base of innovative solutions to poverty problems; and,
- Support local agencies as they meet critical service needs, create ladders out of poverty, and provide permanent improvements in living conditions.

6. Give States Clear Authority for Holding Agencies Accountable

While States are accountable to the Federal government, it should be clear legislatively and operationally, that local agencies are accountable to States based on their contracts and Community Action Plans consistent with Federal law. Designation and de-designation is a State responsibility. Maintaining designation is not an entitlement. However, the designation process should ensure continuity of service for individuals, families and communities as they strive for greater self-sufficiency.

In order to maintain designation and recognition, an agency must meet the standards spelled out in the contract with their State. They must demonstrate a history of satisfactory compliance with contractual terms; demonstrate financial solvency and the ability to meet or exceed financial obligations; utilize a management system, financial procedures and controls that meet standards established under Federal law for the administration and implementation of Federally funded programs administered by the State; and have no material breach of contract terms such as fraud, negligence, or other action that would have serious adverse effects and consequences on the viability, integrity, purpose or effectiveness of the program.

Agencies unable to meet standards will have their funding subject to state re-competition procedures, with an option for mergers as an alternative. States should be required to establish a process for termination/defunding for cause that is consistent with Federal law and addresses legal compliance and low performance. In a case of suspected fraud or abuse of funds, States should be allowed to withhold or reduce funding during the administrative appeal process. The Federal role in designation and de-designation should be limited to approving the State process delineated in the State plans.

7. Strengthen and Incentivize Partnerships and Collaborations

A major distinguishing factor of Community Action is the depth and consistency of partnerships and collaborations with other anti-poverty programs at the local, State and Federal levels. A major challenge to collaboration and to showing the effectiveness of collaboration in addressing poverty is inconsistent

eligibility, application and reporting standards and requirements. These barriers should be addressed. This should be strengthened by increasing incentives for collaboration by cross-referencing commitments in program language and performance standards. Especially in areas of chronic persistent poverty, State CSBG offices, CAAs, WIA funded agencies, housing and redevelopment agencies, State and local economic development agencies should engage in joint planning.

SUMMARY OF PRINCIPLES

2013 COMMUNITY SERVICES BLOCK GRANT REAUTHORIZATION

1. Maintain the Block Grant Structure

- a) Maintain the current block grant structure. Relying on and developing the Community Action network has enabled a balance between locally determined activities to prevent and reduce poverty, with oversight that understands local needs but also establishes common standards and expectations.
- b) Re-emphasize the State role.
- c) Give states the option to serve up to 200 percent of the Federal Poverty level.

2. Provide Sufficient Funding to Achieve the Purposes of the Act

CSBG should be funded at \$1 billion annually.

3. Strengthen Current Delivery Formula

- a) Continue the 90 percent funding for eligible entities.
- b) Require States to use 5 percent for administration and the remaining 5 percent should be available for State discretionary use.
- c) These percentage commitments must be maintained regardless of funding level.
- d) If funding should be increased to \$1 billion, require States to use 1 percent of their allocation (20 percent of their discretionary funds) for innovative efforts open to any non-profit organization as long as consistent with the purposes of the Act.

4. Establish New Funds for Research and Innovation

- a) At an appropriation level of \$1 billion, retain the current 1.5 percent (or \$15 million) of the annual appropriation to be used at the Secretary's discretion and commit one third of the discretionary funding specifically to research and innovation.
- b) A portion of these research and innovation funds should be used to create new funding for innovative ventures to be administered by the State CSBG offices.

5. Establish Performance Standards for all Levels of the Network

- a) There should be defined, shared performance standards for local agencies, State government, and the Federal Office of Community Services.
- b) States retain responsibility and authority to validate compliance of local agencies with standards and OCS should do the same for States. In turn, the Office of Community Services is accountable to the Department and to Congress.

6. Give States Clear Authority for Holding Agencies Accountable

- a) Clarify that local agencies are accountable to States based on their contracts and Community Action plans consistent with Federal law.
- b) Designation and de-designation is a State responsibility.
- c) States should be required to establish a process for termination/defunding for cause that is consistent with Federal law and addresses legal compliance and low performance.

7. Strengthen and Incentivize Partnerships and Collaborations

Provide incentives to strengthen partnerships and collaborations between the Community Action network and other Federal, State and local anti-poverty programs.