

Legislative Hearing

August 16, 2011

Department of Community Services & Development

Community Services Block Grant State Plan Application, Federal Fiscal Years 2012 and 2013

I. Purpose of hearing

This hearing considers the State's Plan for federal fiscal year (FFY) 2012 and 2013 for the Community Services Block Grant (CSBG). The CSBG is a federal program designed to provide resources to reduce poverty, revitalize low-income communities and empower low-income families and individuals in rural and urban areas to become fully self-sufficient.¹ California received roughly \$60 million for this purpose in FFY 2011, and roughly \$62 million in FFY 2010.

CSBG funding for FFY 2012 is pending in Congress. President Obama's FFY 2012 budget proposes \$350 million for CSBG nationally, a 50 percent reduction from previous years of roughly \$700 million.

CSBG is administered at the federal level by the Office of Community Services within the Administration for Children and Families of the U.S. Department of Health and Human Services (HHS).

Federal law requires that for a State to qualify for CSBG funds, it must prepare and submit to the Secretary of HHS an application and State plan covering a period of at least one and not more than two fiscal years.² The lead State agency must (1) hold at least one hearing in the State "with sufficient time and statewide distribution of notice ... to provide to the public an opportunity to comment on the proposed use and distribution of funds to be provided through the grant ... for the period covered by the State plan³" and (2) hold at least one legislative hearing every three years in conjunction with the development of the State plan.⁴ This legislative public hearing allows the State to meet both of these requirements. The State's designated agency is the Department of Community Services and Development (CSD) within the California Health and Human Services Agency (CHHS).

¹ 42 U.S.C. §9901(1)

² 42 U.S.C. §9908(b)

³ 42 U.S.C. §9908(a)(2)

⁴ 42 U.S.C. §9908(a)(3)

State law provides that the "appropriate policy committee of the Assembly or the Senate, or both, shall conduct one or more public hearings on the proposed use and distribution of funds provided under the California [CSBG] Program" and requires that prior to the hearing CSD forward to the committees a list of activities it has identified as statewide priorities.⁵ After the hearing, CSD must adjust the State plan as a result of public comments received.⁶ The committees conducting this hearing shall determine whether the concerns of the low income have been included in the State plan, and the committee chairs must certify that the plan conforms to State law.⁷ The committee chair(s) holding the legislative hearing must submit a letter certifying this requirement to CSD, which is included in the final State Plan submitted to HHS by September 1, 2011.

II. State Plan Requirements

Federal law requires the State plan to contain a series of assurances about the use of CSBG funds, including delineation of the populations to be served and the activities for which CSBG resources may be used, information about its service delivery system, the procedures for terminating funding for a grantee, and the development of community needs assessments by entities that receive funds.⁸ Among households for whom services are to be especially directed are families receiving Temporary Assistance for Needy Families (TANF) funds (CalWORKs in California), the homeless, migrant or seasonal farmworkers, and elderly low-income individuals and families.

The California CSBG Plan for FFY 2012-13 contains the necessary programmatic and administrative assurances required by federal law. It describes State law governing the mission, responsibilities and goals of CSD, and sets forth the distribution of CSBG funds planned for FFY 2012-13.

The budgeted distribution of CSBG funds pursuant to the annual Budget Act is as follows:

Categories	Percent
Community Action Agencies & Rural Community Services	76.1
Migrant and Seasonal Farmworkers	10.0
American Indian Programs	3.9
Discretionary Funds	5.0
Administration	5.0
Total CSBG	100.0

III. Eligible activities

State law sets forth eligible activities for which CSBG funds may be used. These are "designed to have a measurable and potentially major impact on causes of poverty in the community or those areas of a community where poverty is a particularly acute problem." The activities

⁵ Government Code §12741(b)

⁶ Government Code §12741(c)

⁷ Government Code §12741(d)

⁸ 42 U.S.C. §9908

include those which will secure and retain meaningful employment, attain an adequate education, make better use of available income, obtain and maintain adequate housing, obtain emergency assistance, remove obstacles blocking the achievement of self-sufficiency, achieve greater participation in the affairs of the community, address the needs of youth in low-income communities, and make more effective use of other programs related to the purposes of the program.⁹

Local and statewide community action programs use CSBG funds to provide or contribute to a variety of services and functions for low-income households, with emphasis on employment, education, energy assistance, housing, health and nutrition. Examples include:

- Assists students with obtaining employment and increasing their computer literacy; other services include tutoring, referral and financial assistance to help participants access GED or Vocational English as a Second Language services in coordination with their skill training program: Center for Employment Training (Santa Clara).
- Provides financial education classes to improve financial literacy and skills to low-income individuals; assists individuals secure and retain meaningful employment through job search assistance, including resume preparation, interview coaching, career clothing, transportation assistance and job search assistance: Sacred Heart Community Service (Santa Clara).
- Provides emergency services to the American Indian community and provides emergency food through food baskets, food vouchers and hot meals to low-income American Indians who meet the federal income guidelines: Los Angeles City/County Native American Indian Commission (Los Angeles).
- Financial Education and Self –Sufficiency Calculator programs designed to increase participant skill levels in personal money management and introduce them to programs and services that will allow them to maximize their limited resources to meet all of their household needs: Long Beach Community Action Partnership (Los Angeles).
- Coordinates a savings incentive program, Riverside County Individual Development Accounts (RivCo.IDA) and recruits welfare-to-work participants into job training programs such as certified tax preparers: Community Action Partnership of Riverside County (Riverside).

The State Plan describes five "innovative community and neighborhood-based initiatives" developed through the community action planning process. Below is a description on three of those programs:

- California Human Development services migrant and seasonal farm workers (MSFW) through Day Labor Centers throughout California, which operate as a one-stop center in

⁹ Government Code §12745(a)

which employers and job seekers have a safe and respectful environment to connect with one another. The centers also provide other services including: emergency food, rental assistance, parenting training, and as a gateway to training funded under the Workforce Investment Act.

Day Labor Centers are the first step in a continuum of employment and housing options that begin with emergency assistance and end with home ownership and full civic participation. These services play a critical role in stabilizing the lives of low-income individuals and families through providing training, employment, and affordable housing assistance. Collectively, the services offered by Day Labor Centers move individuals and families toward self sufficiency.

- Through All Family Source Centers, the City of Los Angeles Community Development Department provides opportunities to local, neighborhood-based groups and organizations to offer classes and meetings to address specific area concerns. For example the East Los Angeles Family Source Center provides space for Girls Today Women Tomorrow mentoring project, which matches young girls with successful women to encourage the young girls to not only finish, but excel in their education goals and to delay pregnancy. The Pico-West Family Source Center identified the need to help local youth improve their math skills when students could not pass the required high school graduation tests. Concerned residents work with the center staff to establish classes and computerized math tutorials focusing on algebra and geometry.
- Gemma is a program of the Community Action Board of Santa Cruz County, Inc., committed to helping women transition back into the community after incarceration. The name Gemma, a botanical term meaning a bud ready to grow independently, was chosen by imprisoned women who identify with the image of blossoming into a new life path. Gemma is structured to provide transitional housing and wrap around support services to promote recovery from addictions and empower women in the transformation of their lives. In order to accomplish these goals, the agency provides housing, food, education and employment programs as well as psychological support to help stop the “revolving door” cycle of incarceration.

The Day Program operated by Gemma consists of a ten-week life-skills curriculum that is set up to provide education and support to women who are preparing for release from jail, those who have been recently released, or those who are attempting to avoid further incarceration. The rich curriculum is taught by experienced volunteer instructors who cover topics including: Relapse Prevention; Money Management & Budgeting; Job Preparation & Resume Building; Exit Planning; Women’s Health and Wellness; Domestic Violence Awareness; Empowerment; Healthy Relationships; Nutrition; Success on Probation; Conflict Resolution and Non-violent Communication; Positive Discipline for Parenting; Yoga; Dance; and Seeking Safety—a therapeutic approach to addiction and trauma. Feedback is provided to participants and instructors throughout each session in order to improve and enrich programming. In 2010, as a result of the

program, Gemma witnessed a dramatic 67 percent decrease in overall recidivism in all categories.

IV. Discretionary funding

As noted earlier, five percent of the State's CSBG allocation is set aside for discretionary funds, which supports Limited Purpose Agencies (LPAs), training and technical assistance and targeted projects and innovative programs.

LPAs are private nonprofit organizations which received direct funding under the federal Economic Opportunity Act in 1981 and, under the CSBG Act, have operated continuously since then. The Plan states that these community-based nonprofit organizations operate without tripartite boards (consisting of 1/3 elected public officials, at least 1/3 representatives of low-income individuals and families in the neighborhood served, and the remainder are officials or members of business, labor, religious, law enforcement or other community groups), which are otherwise a condition of CSBG funding.¹⁰ The services they provide focus on training, technical assistance and special support programs.¹¹

The Plan lists four LPAs to be supported with discretionary funds:

- Del Norte Senior Center provides services to clients in the uncapped area of Del Norte County including senior meals, bus services, resource information, and referrals.
- Community Design Center provides a wide range of architectural, planning, housing development services, and technical assistance. The technical assistance is used by Community Action Agencies (CAAs) seeking to: modify playgrounds, design low-income living space, modify childcare centers, and to comply with provisions of the Americans with Disabilities Act. The agency also provides residences of low-income communities with information and consulting services on housing programs, permits, building regulations, building codes, zoning, and construction processes.
- Campesinos Unidos, Inc. is a private, non-profit organization designated as the Community Action Agency of Imperial County. The agency provides no cost childcare and development support. Child development services combine individual and group activities that promote learning and development at physiological, social, emotional, cognitive and academic levels.
- The Rural Community Assistance Corporation's (RCAC) mission is to improve the quality of life for rural communities and disadvantaged people through partnerships, technical assistance and access to resources. RCAC strives to help community-based organizations and rural governments increase their own capacity to implement solutions to their problems. RCAC provides a wide range of housing and community development

¹⁰ 42 U.S.C. §9910(a)

¹¹ Government Code §12775

services to achieve this mission. These services increase the availability of safe and affordable housing; improve drinking water, wastewater and solid-waste systems; build the capacity of local officials and community-based organizations; and develop the knowledge base of the rural public through education, outreach, and training.

Pursuant to California Government Code 12785(a), if the State's annual CSBG award is reduced by any amount up to 3.5 percent from the prior year, the discretionary distribution shall be reduced proportionately to restore eligible entities to prior year funding levels. The CSBG award was reduced by 2.7 percent in 2011, which triggered the use of discretionary funds to backfill the reduction.

V. Accountability and outcome measurement

The federal Act requires that, as of October 1, 2001, States must participate in the Results Oriented Management and Accountability System (ROMA), or another federally-approved performance system, and ensure that all eligible entities in the State also participate in a performance measurement system.¹² All States must also annually prepare and submit to HHS a report on the measured performance of the State and the eligible entities in the State. This framework led to the creation of six national goals and 16 National Performance Indicators (NPIs).

The six national goals are:

- (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; and
- (6) Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems.

The State Plan lists the 16 National Indicators of Community Action Performance. For example, within the first goal (low-income people become more self-sufficient), the number of participants in community action initiatives who get a job or become self-employed is one such indicator. For FFY 2010, the State reported that 46 California community action agencies enrolled 44,055 unemployed persons, and of these 23,842 obtained a job. Similarly, 32 community action

¹² 42 U.S.C. §9917

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agencies enrolled 12,629 employed persons, and of these 9,861 obtained an increase in employment income and/or benefits.

A sample of other indicators reported by the State for FFY 2010:

Indicator	Outcome
NPI 1.2 A - Obtained skills/competencies required for employment.	24,778
NPI 1.2 E - Obtained care for a child or other dependant.	25,126
NPI 1.3 Enhancement 1- Number of participants in tax preparation programs who qualified for any type of federal or state tax credit and the aggregated dollar amount of credits.	39,751 (\$46,369,715)
NPI 3.1 - Total number of volunteer hours donated by low-income individuals to Community Action.	1,563,751
NPI 6.3 Youth 5 - Youth increase academic, athletic, or social skills for school success.	43,248