

# COMMUNITY ACTION, THE CSBG ACT AND MONITORING – IN BRIEF

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# The History

The Great Society, Economic Opportunity Act,  
and the Community Services Act

# The History

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**Why is an understanding  
of the history  
important?**

# The Great Society

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- The history of Community Action is intertwined with:
  - The War on Poverty
  - The Great Society
  - The Civil Rights Act of 1964

# The War on Poverty

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During his 1964 State of the Union address, President Johnson announced...

**This administration today, here and now, declares unconditional war on poverty in America.**

# The Great Society

**Your** imagination, **your** initiative and **your** indignation will determine whether we build a society where progress is the servant of our needs, or a society where old values and new visions are buried under unbridled growth. For in **your** time we have the opportunity to move not only toward the rich society and the powerful society, but upward to the Great Society.

~ *President Lyndon B. Johnson*

# The Great Society

The Great Society rests on abundance and liberty for all. It demands an end to poverty and racial injustice, to which we are totally committed in our time. But that is just the beginning.

~ President Lyndon B. Johnson

# The Great Society

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The challenge of the **NEXT HALF CENTURY** is whether we have the wisdom to use that wealth to enrich and elevate our national life, and to advance the quality of our American civilization.

~ *President Lyndon B. Johnson*



# The Great Society

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- **Friday, May 22, 1964:** U.S. President **Lyndon B. Johnson** announces the goals of his **Great Society** social reforms to bring an "end to poverty and racial injustice" in America.

# Economic Opportunity Act (EOA) of 1964

- The vehicle for accomplishing Johnson's Great Society was the EOA of 1964.
- Sargent Shriver drafted the language for the EOA of 1964.
- The legislation passed and was signed into law on August 20, 1964.

# Economic Opportunity Act of 1964

- Johnson asked Shriver to assist him in setting up the new Office of Economic Opportunity.

It is, therefore, the **policy** of the **United States** to **eliminate the paradox of poverty in the midst of plenty** in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity.

~ *President Lyndon B. Johnson*

# Economic Opportunity Act of 1964

- A cabinet level office was established, the Office of Economic Opportunity (OEO).
- This office was to coordinate all of the Federal governments anti-poverty efforts and programs.
- It was also to be a laboratory for program development.

# Economic Opportunity Act of 1964

Some of the programs created under the EOA of 1964 include:

- VISTA
- Job Corps
- Neighborhood Youth Corps
- Head Start
- Adult Basic Education
- Family Planning
- Community Health Centers
- Congregate Meal Preparation
- Economic Development CDCs
- Foster Grandparents
- Legal Services
- RSVP
- Legal Services
- Neighborhood Centers
- Summer Youth Programs
- AND MORE!

# Economic Opportunity Act of 1964

- OEO accomplished its purpose through:
  - ▣ Development and funding of community organizations
  - ▣ Creation of State Offices of Economic Opportunity (SOEO) to involve Governors in the **War on Poverty**
- The OEO established a direct Federal to local relationship with local communities.

# Community Action Agencies

- A delivery vehicle was needed at the local level
- Enter Community Action Agencies...
  - A concept.
  - A public or private organization.
  - A community process.
  - A vehicle to make change.
  - A mission.

# The Mission of the CAA

- The EOA defined the purpose of a CAA:

*...to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivation to secure the opportunities needed for them to become self-sufficient.*



# The Mission of the CAA, cont.

- Many adopted the Mission.
- Many community members committed themselves to the Mission and worked for very low wages.
- The CAA employed many of the poor they were organized to serve.
- In addition to services, the CAA was an advocate. It challenged and by-passed the traditional systems.

# OEO and Community Action Grow

## From 1964 - 1967:

- OEO hires nearly **3,000** employees
- By 1968 there were over **1,600** CAAs in over **2/3** of the counties nationwide.
- CAAs were organized to serve a single county, multi-counties, or a city.
- Most CAAs were private nonprofits but some were organized as public agencies.

# OEO and Community Action Grow

- CAAs expanded programs rapidly and set up centers in low-income communities, reaching out to involve and train the poor.
- CAAs pursued “**maximum feasible participation**” for the poor. This often set up clashes with the establishment.

# OEO and Community Action Grow

- Many big city Mayors and other local politicians complained that the CAAs needed to be controlled. Many were challenging the existing power structures and, by offering jobs to neighborhood people, disrupting the hold that patronage exerted on neighborhoods.

# OEO and Community Action Grow

- Counties and other units of government were not happy that they had no say in which agency became a CAA or that they could not control the boards.
- As a result of these complaints, **Congress amended the EOA.**

# Green and Quie Amendments

## GREEN

1967: stipulated that local elected officials had **authority to designate the official CAA** for their areas.

Most were certified but a few big cities took control and replaced the existing CAA.

## QUIE:

1967: stipulated that **1/3** of board must be composed of elected officials and **1/3** would be private sector representatives. This limited “maximum feasible participation” of the poor on the boards to **1/3** of the membership.

# OEO and Community Action Support Begins to Diminish

- Critics increasingly complained that the antipoverty programs of the Great Society were ineffective and wasteful.
- After only 4 years, the CAA network was experiencing growing pains and commitment from President Johnson waned.

# Enter President Richard Nixon

- Nixon attempted to...
  - ▣ Develop a guaranteed minimum income for low income people,
  - ▣ De-fund the CAAs, and
  - ▣ Dismantle the Office of Economic Opportunity.
- Nixon transfers a number of programs from OEO to other Federal departments to administer.



# Turbulent Times for OEO

**1969:** Nixon appoints Donald Rumsfeld as Director of the OEO. Rumsfeld surprises and is basically supportive of OEO and works to improve its efficiency. Rumsfeld hires Dick Cheney and Christy Todd Whitman as assistants. Rumsfeld publishes CAA mission guidance.

**1973:** Nixon appoints Howard Phillips as OEO Director. Phillips sends telegrams to CAAs telling them to complete affairs and close down by June. Phillips was unsuccessful, due to court rulings, and the President does not take Phillips recommendations to veto EOA legislation to heart. Phillips resigns 1974.

# Rumsfeld Guidance

- To stimulate a better focusing of all available, local, state, private, and Federal resources upon the goal of enabling *low-income families*, and *low-income individuals* of all ages in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to **become self-sufficient**.

# Rumsfeld Guidance

- The Act thus gives the CAA a primarily catalytic mission: to make the *entire community* more responsive to the needs and interests of the poor by *mobilizing resources* and bringing about greater institutional sensitivity. A CAA's *effectiveness*, therefore, *is measured* not only by the services which it directly provides but, more importantly, *by the improvements and changes it achieves in the community's attitudes and practices toward the poor and in the allocation and focusing of public and private resources for antipoverty purposes.*

# Rumsfeld Guidance

- In developing its strategy and plans, *the CAA shall take into account the area of greatest community need, the availability of resources, and its own strengths and limitations. It should establish realistic, attainable objectives, consistent with the basic mission established in this Instruction, and expressed in concrete terms which permit the measurement of results.* Given the size of the poverty problem and its own limited resources, the CAA should concentrate its efforts on one or two major objectives where it can have the greatest impact.

# A “*minor*” Distraction Saves EOA

- Nixon develops Public Employment Programs and price controls but becomes distracted by Vietnam and Watergate.
- Nixon does not veto EOA but does not support increases in funding for key programs.
- Nixon resigns and Gerald Ford becomes President.

# Community Services Act

- The OEO was terminated and replaced by the Community Services Administration.
- This diminished the agency's presence. It was no longer in the Executive Office.
- Overall funding of CAAs was basically flat or below inflation during this period.

# Omnibus Reconciliation Act Ends CSA

- Regan's first budget intended to eliminate CSA and funding for CAAs.
- Regan personally had dislike for Legal Services and the "Great Society Programs."
- The House of Representatives supported Regan's proposed budget and zeroed out CSA and Community Action funding.

# Omnibus Reconciliation Act Ends CSA

- Enter NCAF and Congressional supporters
- The EOA was repealed
- CSA was eliminated and programs were assigned to various Federal departments
- Funds in the resulting CSBG were to be administered by the States
- An office was created in HHS to transfer funds to States



# Community Services Block Grant

- 90% of the CSBG funds were to be used at the local level by CAAs
- Eligible CAAs were the same organizations previously eligible under OEO and CSA determinations. They were “Grandfathered.”
- States had the responsibility for monitoring CAAs and could spend up to 5% of the State’s CSBG allocation for administrative purposes. The remaining 5% was designated for State discretionary anti-poverty funded activities. Any portion of the two 5% pools not spent for their purposes would revert to the CAA eligible entities or be returned unspent.

# Shifts in Policy

- In the 80s and into the 90s public welfare policy and politics became more focused on changing values and behaviors.
- President Bill Clinton's administration implemented the most significant changes in welfare policy since the Great Society.
- Newt Gingrich, then Speaker of the House, supported the largest increase in Community Action funding ever while supervising the cuts in many other Federal social programs.

# Shifts in Policy

## □ Enter President Barack Obama

“With respect to the history of fighting poverty, I got my start in public service as a community organizer working in the shadow of steel plants that had been closed in some of the poorest neighborhoods on the South Side of Chicago. That’s what led me to want to serve. And so I am constantly thinking about **how do we create ladders for communities and individuals to climb into the middle class.**

Now, I think the history of anti-poverty efforts is, is that **the most important anti-poverty effort is growing the economy and making sure there are enough jobs** out there - single most important thing we can do. It’s more important than any program we could set up. It’s more important than any transfer payment that we could have. **If we can grow the economy faster and create more jobs, then everybody is swept up into that virtuous cycle.** And if the economy is shrinking and things are going badly, then the folks who are most vulnerable are going to be those poorest communities.”

~ President Barack Obama, White House Press Conference, September 10, 2010

# Shifts in Policy

## □ Enter President Barack Obama

“So what we want to focus on right now is **broad-based job growth and broad-based economic expansion**. And we’re doing so against some tough headwinds, because, as I said, we are coming out of a very difficult - very difficult time. We’ve started to turn the corner but we’re not there yet.

**And so that is going to be my central focus: How do I grow the economy? How do I make sure that there’s more job growth?**

That doesn’t mean that there aren’t some targeted things we can do to **help communities that are especially in need**. And probably the most important thing we can do after growing the economy generally is **how can we improve school systems in low-income communities**. And I am very proud of the efforts that we’ve made on education reform - which have received praise from Democrats and Republicans. This is one area where actually we’ve seen some good bipartisan cooperation. ”

~ President Barack Obama, White House Press Conference, September 10, 2010

# Where are we today?



- CSBG Act due for Reauthorization since 2003
- Some movement on Reauthorization in 2004
- Challenges and Opportunities



# CSBG Monitoring

The State's Role and Responsibility

# The CSBG Act

## SEC. 678B. MONITORING OF ELIGIBLE ENTITIES.

In order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of a State, the State shall conduct the following reviews of eligible entities:

# The CSBG Act

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1. A full onsite review of each such entity at least once during each three-year period.
2. An onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the CSBG.



# The CSBG Act

3. Follow up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State.
4. Other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than assistance provided under this subtitle) terminated for cause.

*\*The State may request training and technical assistance from the Secretary as needed to comply with the requirements of this section.*

# The CSBG Act

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## EVALUATIONS BY THE SECRETARY-

- The Secretary shall conduct in several States in each fiscal year evaluations (including investigations) of the use of funds received by the States under this subtitle in order to evaluate compliance with the provisions of this subtitle, and especially with respect to compliance with section 676(b).

# The CSBG Act

- The Secretary shall submit, to each State evaluated, a report containing the results of such evaluations, and recommendations of improvements designed to enhance the benefit and impact of the activities carried out with such funds for people in need.
- On receiving the report, the State shall submit to the Secretary a plan of action in response to the recommendations contained in the report.

# The CSBG Act

- The results of the evaluations shall be submitted annually to the Chairperson of the Committee on Education and the Workforce of the House of Representatives and the Chairperson of the Committee on Labor and Human Resources of the Senate as part of the report submitted by the Secretary in accordance with section 678E(b)(2).

# Additional Resources

- Office of Community Services (OCS), Information Memorandum (IM) 97
  - Purpose: To Clarify States' requirements to monitor Eligible Entities.
  - A result of the GAO review of CSBG and inconsistencies in interpretations of States' CSBG monitoring requirements.

# Additional Resources

- OCS IM 49
  - Purpose: Outline Program Challenges, Responsibilities and ROMA
  - Outlines how States and Eligible Entities may use ROMA to meet future challenges.
  - OCS stated “it is both necessary and appropriate to apply ROMA concepts to the work of Community Action, not CSBG alone”.

# Additional Resources

## □ OCS IM 94

- Purpose: Fiscal Year 2006 Head Start Triennial and Follow-Up Reviews of CAAs - Immediate and Long-Term Opportunities
- Challenged State CSBG Lead Agencies and State CAA Associations to reinforce the importance of the CAAs having strong systems.

# Additional Resources:

## Head Start Detour

- ❑ ACF, Office of Head Start 2010 IM 10-08
  - Highlights changes to FY2011 Head Start Monitoring Protocol
  - Unannounced Reviews
  - Revisions to Monitoring Protocol to gather information more efficiently
  - Requires review of documents prior to on-site visits
  - Team size determined by factors such as grantee performance history, size, and complexity
  - <http://eclkc.ohs.acf.hhs.gov/hslc/Head%20Start%20Program>



# Additional Resources



## □ OCS IM 82

- Purpose: Address Policy Questions Concerning Local CAA  
Tripartite Boards
- Board Composition, Selection, Term Limits, Full Board Participation,  
Training, Board Roles, and Responsibilities

# Additional Resources

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- Other OCS IMs

- IM 37, CSBG Administrative Costs

- IM 112 Risk Assessment for FY2009

CSBG ARRA

# Additional Resources



- Office of Management and Budget (OMB) Circulars

# QUESTIONS?

*Credits: John Wilson, Former Executive Director, PA Community Action Association; Jim Masters, Idea Generator, Center for Community Futures; Jovita Tolbert, Community Services Director, NASCSP; The U.S. Census Bureau; Wikipedia*