



November 2019

# COMMUNITY SERVICES BLOCK GRANT

## Better Alignment of Outcome Measures with Program Goals Could Help Assess National Effectiveness

Accessible Version

# GAO Highlights

Highlights of [GAO-20-25](#), a report to congressional requesters

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November 2019

## COMMUNITY SERVICES BLOCK GRANT

### Better Alignment of Outcome Measures with Program Goals Could Help Assess National Effectiveness

#### Why GAO Did This Study

CSBG is one of the key federal programs focused on reducing poverty in the United States. In fiscal year 2019, CSBG provided about \$700 million in block grants to states. In turn, states provided grants to more than 1,000 local agencies, which used the funding to provide housing and other services to program participants. HHS is responsible for overseeing states' use of this funding, and states have oversight responsibility for local agencies. GAO was asked to review CSBG program management.

This report examines (1) how HHS and selected states conduct their oversight responsibilities and (2) how HHS assesses the effectiveness of the CSBG program. GAO reviewed files for six of the 12 states where HHS conducted onsite compliance evaluations during fiscal years 2016 and 2017, and six states where HHS conducted routine monitoring—five of which were randomly selected. GAO visited three states, selected based on their CSBG funding amount and other factors, to conduct in-depth reviews of their monitoring activities. GAO also reviewed agency documents and interviewed HHS and selected state and local officials.

#### What GAO Recommends

GAO is recommending that HHS's new performance management approach include information on how its performance measure and state outcome measures align with program goals and how it will assess data reliability. HHS agreed with GAO's recommendation.

#### What GAO Found

The Department of Health and Human Services (HHS) and the selected states GAO reviewed provided oversight of the Community Services Block Grant (CSBG) program through onsite visits and other oversight activities to assess grant recipients' use of funds against program requirements. Specifically, GAO found:

- **HHS and the selected states conducted required oversight activities.** The Community Services Block Grant Act requires HHS to conduct compliance evaluations for several states each year and requires states to conduct onsite visits to local CSBG recipients at least once every 3 years to evaluate whether recipients met various goals.
  - During fiscal years 2016 and 2017, HHS conducted onsite compliance evaluations for 12 states that it deemed most at risk of not meeting CSBG requirements.
  - GAO's visits to three states found that all three had conducted onsite visits to local grantees during the same fiscal years.
- **HHS and the selected states also conducted additional oversight activities.** This included routine reviews and quarterly calls.

HHS and state monitoring activities primarily identified administrative errors, instances of non-compliance and other issues, which grant recipients took steps to address. For example, a HHS fiscal year 2017 compliance evaluation found that in fiscal year 2015 one state neither implemented procedures to monitor and track findings from a state audit, nor monitored eligible entities as required.

HHS uses state outcome data to report on CSBG's national effectiveness, but these data are not aligned with the national program goals to reduce poverty, promote self-sufficiency, and revitalize low-income communities. HHS recently redesigned its' performance management approach to improve its ability to assess whether the CSBG program is meeting these three goals, but several elements of the approach do not align with leading practices in federal performance management. GAO found that HHS's redesigned approach does not demonstrate:

- How the agency's newly developed national performance measure—intended to provide a count of the number of individuals who achieved at least one positive outcome through CSBG funds—will assess the program in meeting national program goals.
- How the state outcome data, consisting of more than 100 state and local program measures, relate to CSBG's three national goals.
- How data collected from state and local agencies will be assessed for accuracy and reliability.

Without aligning its redesigned performance management approach with leading practices, OCS cannot properly assess its' progress in meeting CSBG's three national goals.

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**Abbreviations**

ACF	Administration for Children and Families
CAA	community action agency
CSBG	Community Services Block Grant
GPRA	Government Performance and Results Act of 1993
GPRAMA	GPRA Modernization Act of 2010
HHS	Department of Health and Human Services
LIHEAP	Low Income Home Energy Assistance Program
NASCSP	National Association for State Community Services Programs
OCS	Office of Community Services
OLDC	the online data collection system
OMB	Office of Management and Budget

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November 19, 2019

The Honorable Virginia Foxx  
Republican Leader  
Committee on Education and Labor  
United States House of Representatives

The Honorable Brett Guthrie  
United States House of Representatives

In fiscal year 2019, the Community Services Block Grant (CSBG) program provided about \$700 million to fight poverty in the United States—funding that went to each of the states and supported over 1,000 local antipoverty agencies.<sup>1</sup> These local agencies, predominantly community action agencies, use CSBG funding to aid them in providing a variety of programs and services such as employment, education, financial management, housing, nutrition, and emergency services to help program participants achieve economic self-sufficiency.<sup>2</sup> They also often use CSBG funds to strengthen their institutional frameworks for providing services, including staff and facilities. The Office of Community Services (OCS) within the Department of Health and Human Services (HHS) is primarily responsible for overseeing states that receive the block grant, and states are responsible for overseeing local agencies that receive the grant funding.

Past GAO reports and other reviews have identified deficiencies in federal oversight efforts to ensure that OCS is meeting legal requirements for overseeing states and internal controls for the CSBG program. Specifically, in a February 2006 letter and June 2006 report, we found

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<sup>1</sup>CSBG is authorized by the Community Services Block Grant Act (CSBG Act), 42 U.S.C. § 9901 et seq. Although CSBG provided approximately \$725 million in funding to states, territories, and tribes in fiscal year 2019, we show the total (\$700 million) that was provided to states as defined by the CSBG Act. The CSBG Act defines states as the 50 states, American Samoa, the District of Columbia, Guam, Northern Mariana Islands, Puerto Rico, and the United States Virgin Islands.

<sup>2</sup>Community action agencies (CAAs) are private or public nonprofit organizations that were created to combat poverty in geographically designated areas. In addition to CAAs, other local recipients of CSBG funding include local governments, federal and state-recognized Indian tribes and tribal organizations, and organizations providing migrant and seasonal farm worker programs. The focus of our review was on CAAs, which we refer to as local agencies throughout this report.

that OCS lacked effective policies, procedures, and controls to help ensure that it fully met legal requirements for overseeing states and internal control standards, and recommended actions to address these issues, which OCS took steps to address.<sup>3</sup> Nonetheless, almost a decade later, a 2014 HHS Office of Inspector General (OIG) review found that many of the issues we identified had resurfaced.<sup>4</sup> You asked that we review the efforts that OCS and states have undertaken to oversee the use of CSBG funds. This report examines (1) the activities that HHS and states conduct to oversee the state and local agencies that receive CSBG funds, and (2) the extent to which HHS assesses the outcomes of the CSBG program.

To address both of our objectives, we reviewed relevant federal laws, federal grants management guidance, and agency documents that describe the federal requirements and responsibilities for overseeing states' CSBG programs and assessing program outcomes. We scoped our review of the CSBG program to include the 50 states, American Samoa, the District of Columbia, Guam, Northern Mariana Islands, Puerto Rico and the United States Virgin Islands, which are defined as states under the CSBG Act.<sup>5</sup>

For our first objective, we obtained and reviewed available information on OCS's policies and procedures, including the risk assessment criteria OCS uses to select states for onsite compliance evaluations, and interviewed OCS officials about their oversight efforts. We selected 12 states for an in-depth review of OCS's oversight activities. These included six states (Indiana, Louisiana, Michigan, New York, North Carolina, and Texas) of the 12 states for which OCS conducted onsite compliance evaluations during fiscal years 2016 and 2017. In fiscal year 2016 and 2017, OCS also conducted onsite reviews of: Alabama, Arkansas,

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<sup>3</sup>GAO, *Community Services Block Grant Program: HHS Needs to Improve Monitoring of State Grantees*, [GAO-06-373R](#) (Washington, D.C., February 2006) and GAO, *Community Services Block Grant Program: HHS Should Improve Oversight by Focusing Monitoring and Assistance Efforts on Areas of High Risk*, [GAO-06-627](#) (Washington, D.C., June 2006).

<sup>4</sup>Department of Health and Human Services Office of Inspector General, *The Office of Community Services Did Not Fully Comply With Federal Monitoring and Reporting Requirements for the Community Services Block Grant Program*, A-01-13-02505 (Washington, D.C., June 2014).

<sup>5</sup>Although tribes also receive CSBG funding, our report focuses on federal and state oversight requirements since states receive the majority of the funding.

Connecticut, South Carolina, Florida, and Tennessee. For our review, we selected states that OCS had prioritized as the top three states to visit during each of the two fiscal years. We used a random number generator to randomly select five of the six of the remaining states (Alaska, Colorado, Kentucky, Mississippi, and Rhode Island) where OCS did not conduct onsite compliance evaluations, but conducted a routine review, which it does yearly for all states. We also selected a sixth state—North Dakota—because OCS had not visited the state in several years. We reviewed OCS’s file documentation for both sets of selected states including a review of OCS’s comments on each section of state program documents such as state plans and annual reports, actions states took to address OCS comments, state fiscal controls, and financial and program oversight documents. We compared the results to identify whether there were any notable differences between the two sets. While our findings are non-generalizable, they provide insight into the different levels of review OCS conducts and examples of OCS oversight actions.

We visited three of the 12 states in our review: two states (New York and Texas) for which OCS conducted onsite compliance evaluations and one (North Dakota) for which OCS conducted a routine review. We selected these three states based on a range of considerations including recommendations from OCS officials and experts about states with promising practices. To ensure some variation in our sample, we also considered the amount of CSBG funding states received, the year of OCS’s last onsite compliance evaluation since 2008, and the number of local agencies receiving CSBG funds within the state. For each of these three states, we obtained and reviewed documentation of oversight activities from the CSBG state agency and reviewed organization-wide audits of the state and local agencies conducted during fiscal years 2016 and 2017. During our visits, we interviewed officials with CSBG state and state audit agencies about oversight issues, including promising practices and challenges. We also interviewed officials from two local agencies that received CSBG funds in each of the three states. Table 1 summarizes OCS and GAO reviews of the states selected for review.



**Table 1: OCS and GAO Reviews of Selected States Receiving Community Services Block Grant Funds in Fiscal Years (FY) 2016 and 2017**

State	OCS conducted a routine review (FY 16 and 17) <sup>a</sup>	OCS conducted an onsite review (FY 16 or 17) <sup>b</sup>	GAO reviewed files of OCS's oversight activities	GAO conducted site visits
Alaska	yes	No	yes	No
Colorado	yes	No	yes	No
Indiana	yes	yes	yes	No
Kentucky	yes	No	yes	No
Louisiana	yes	yes	yes	No
Michigan	yes	yes	yes	No
Mississippi	yes	No	yes	No
New York	yes	yes	yes	yes
North Carolina	yes	yes	yes	No
North Dakota	yes	No	yes	yes
Rhode Island	yes	No	yes	No
Texas	yes	yes	yes	yes

Legend: ✓ =yes, — = no

Source: GAO analysis of the Office of Community Services (OCS) documentation. | GAO-20-25

<sup>a</sup>OCS conducts a routine review for all states yearly.

<sup>b</sup>In fiscal years 2016 and 2017, OCS also conducted onsite reviews of: Alabama, Arkansas, Connecticut, Florida, South Carolina, and Tennessee.

To address our second objective, we reviewed the program performance indicators OCS uses to measure program outcomes in relation to the stated goals of the CSBG program. We also reviewed OCS's design and implementation plans for a new performance management approach, including revised performance measures for assessing program outcomes. We interviewed OCS officials about the goal of, and changes to, the performance management approach and reporting requirements. Additionally, we interviewed state officials on their experience with CSBG program performance and reviewed leading practices in grant performance management as identified in federal guidance and GAO reports. For additional information on our scope and methodology, see appendix I.

We conducted this performance audit from to May 2018 to November 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe

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that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

The CSBG program is intended to focus on three overall (national) goals: reducing poverty, empowering low-income families and individuals to become self-sufficient, and revitalizing low-income communities. The program is administered by OCS within the Administration for Children and Families (ACF) at HHS. CSBG was an outgrowth of the War on Poverty of the 1960s and 1970s, which established the Community Action program under which the nationwide network of local community action agencies was developed. The federal government had direct oversight of local agencies until 1981, when the CSBG program was established and states were designated as the grant recipients.<sup>6</sup> OCS and states now share responsibility for oversight of CSBG grantees. In fiscal year 2019, states received approximately \$700 million of the total \$725 million CSBG appropriation. Appendix II provides the funding amounts for each state.

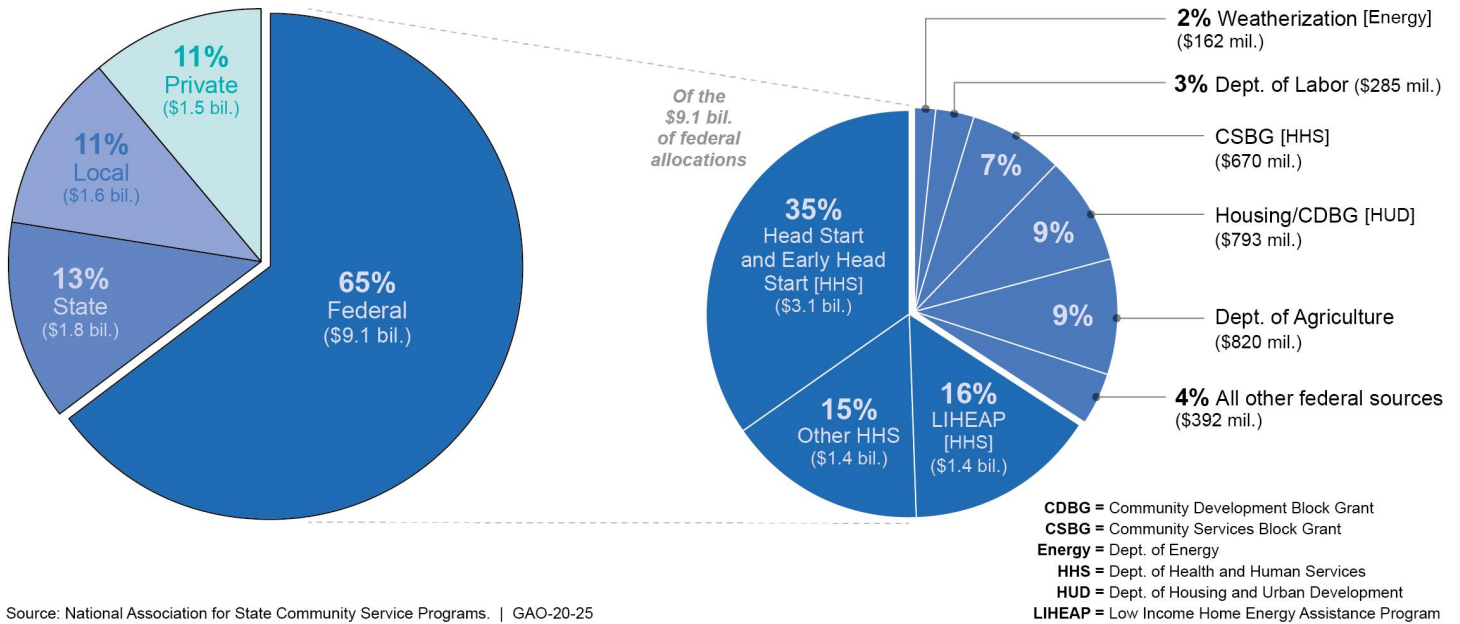
OCS distributes CSBG funding to states and they, in turn, distribute funds to over 1,000 local agencies. Most of these local agencies receive funding from a variety of federal, state, and private sources. In fiscal year 2017, the latest data available<sup>7</sup>, local agencies received about \$9 billion from all federal sources, including about \$700 million from CSBG. Other federal programs providing funding include Head Start, the Low Income Home Energy Assistance Program (LIHEAP), the Community Development Block Grant (CDBG), the Child Care and Development Block Grant, Temporary Assistance for Needy Families, and the Social Services Block Grant (see fig. 1). Programs administered by ACF contributed about \$6.6 billion of the funds provided to local agencies.

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<sup>6</sup>See Pub. L. No. 97-35, Title VI, Subtitle B, 95 Stat. 357, 511.

<sup>7</sup>Fiscal year 2017 is the latest data available for the funding allocations to local agencies. OCS officials reported that they are still completing quality assurance reviews of data submitted by the states for fiscal year 2018.

**Figure 1: Total Allocations for Local Agencies that Received Community Services Block Grant (CSBG) Funds, Fiscal Year 2017**



Source: National Association for State Community Service Programs. | GAO-20-25

Note: Fiscal year 2017 data are the latest available; they are reported to the Office of Community Services in the states' annual report.

CSBG funding can be used broadly, allowing state and local agencies flexibility to provide services tailored to organizational and community needs. CSBG funds can be used by local agencies to provide services to participants in their programs and fill gaps in the funding provided by other means. For example, local agencies may use CSBG funds to support a position for a staff member who determines the service needs of potential participants and connects them with the appropriate services—a position that would not be an allowable expense under the funding rules of other federal programs, according to a local agency official we interviewed. Local agencies have also used CSBG funding to leverage other public and private resources to support a variety of initiatives, such as Head Start programs, low-income energy assistance programs, and low-income housing.

## Federal Role

OCS monitors all states receiving grant funds to ensure that they are meeting the standards for federal grant programs set by the Office of Management and Budget (OMB) and the specific expenditure requirements for the program. The CSBG Act requires that states submit

plans to OCS describing how they intend to use the funds to address the needs of the local community and annual reports detailing the actual use of funds, including information on state performance results and populations served. OCS is required by the CSBG Act to conduct compliance evaluations of several states each fiscal year to review the states' use of CSBG funds, report to states on the results of these evaluations, and make recommendations for improvements.<sup>8</sup> However, the CSBG Act does not specify the number of states subjected to an evaluation each year or the timeframe each state must undergo such evaluations. Following a compliance evaluation, states are required to submit a plan of action in response to any OCS recommendations. In addition to conducting compliance evaluations to assess states' use of CSBG funds, OCS is required to submit an annual report to Congress.<sup>9</sup> This annual report must include a summary of how states and local agencies had planned to use CSBG funds; how funds were actually spent, data on the number and demographics of those served by local agencies, and other information.

The CSBG Act requires OCS to provide training and technical assistance to states and to assist them in carrying out corrective action activities and monitoring. OCS must reserve 1.5 percent of annual appropriations (in fiscal year 2019, this percentage totaled about \$11 million of the total appropriation) for many activities, including training and technical assistance; planning, evaluation, and performance management; assisting states with carrying out corrective action activities; and oversight including reporting and data collection activities.

The CSBG Act also requires that states complete several steps before terminating an underperforming entity. The state agency is required, among other things, to provide training and technical assistance, if appropriate, to help the agency correct identified deficiencies, review the local agency's quality improvement plan, and provide an opportunity for a hearing. The entity can request a federal review of the state's decision to

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<sup>8</sup>42 U.S.C. §§ 9912 and 9914(c).

<sup>9</sup>OCS is required to submit such reports to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate. See 42 U.S.C. §§ 9917(b), 9912. The Committee on Education and the Workforce of the House of Representatives is now referred to as the House Committee on Education and Labor, and the Committee on Labor and Human Resources of the Senate is now the Senate Health, Education, Labor, and Pensions (HELP) Committee.

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reduce or terminate funding, which must be completed within 90 days of OCS's receipt. During this period, the state is required to continue funding the entity until OCS responds to the request.

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## State and Local Agencies' Roles

The CSBG Act requires each state to designate a lead state agency to administer CSBG funds and provide oversight of local agencies that receive funds.<sup>10</sup> States are required to award at least 90 percent of their federal block grant allotments to eligible local agencies, and to determine how CSBG funds are distributed among local agencies. States may use up to \$55,000 or 5 percent of their CSBG allotment, whichever is higher, for administrative costs. States may use remaining funds for the provision of training and technical assistance, and other activities. In addition, states and local agencies that expend \$750,000 or more in total federal awards are required to undergo an audit annually and submit a report to the Federal Audit Clearinghouse.<sup>11</sup>

The CSBG Act requires states to determine if local agencies meet the performance goals, administrative standards, and financial management requirements for the CSBG program.<sup>12</sup> For each local agency, the CSBG Act requires the state to conduct:

- a full onsite review at least once during each 3-year period;
- an onsite review of each new local agency following the completion of the first year receiving CSBG funds;
- followup reviews including prompt return visits to local agencies that fail to meet goals, standards, and requirements established by the state; and

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<sup>10</sup>42 U.S.C. § 9908.

<sup>11</sup>The Single Audit Act, 31 U.S.C. chapter 75, provides for either a program-specific audit or a "Single Audit" of entities that expend \$750,000 or more of federal assistance annually. These audits are intended to provide assurance to the federal government as to the management and use of such funds by recipients such as states, cities, universities, non-profit organizations, and Indian Tribes. Single Audits are typically performed by independent certified public accountants and encompass both financial and compliance components. See also 2 C.F.R. part 200, subpart F.

<sup>12</sup>42 U.S.C. § 9914.

- other reviews as appropriate, including reviews of local agencies found to have had other grants terminated for cause.

For states to receive CSBG funding, they must submit an application and state plan at least biennially describing, among other things, how they will use CSBG funds to accomplish various things such as helping families and individuals to achieve self-sufficiency, find and retain meaningful employment, and obtain adequate housing.<sup>13</sup> Within their state plan, states must attest that (1) funds will be used to address the needs of youth in low-income communities; (2) funds will be used to coordinate with related programs; and (3) local agencies will provide emergency food-related services. States must also complete annual reports that include fiscal, demographic, and performance data.

In their state plans, states must provide an assurance that all local agencies will submit a community action plan that includes a community needs assessment for the community served. In addition, local agencies must administer the CSBG program through a three-part board, consisting of one-third elected public officials and at least one-third representatives of the low-income community, with the balance drawn from officials or members of the private sector, labor, religious, law enforcement, education or other groups in the community served.<sup>14</sup>

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## Performance Measurement

The Government Performance and Results Act of 1993 (GPRA) as enhanced by the GPRA Modernization Act of 2010 (GPRAMA) focuses federal agencies on performance by, among other things, requiring agencies (including HHS) to develop outcome-oriented goals and a balanced set of performance indicators, including output and outcome indicators as appropriate, to assist agencies in measuring or assessing their progress toward goals.<sup>15</sup> OMB provides guidance to federal executive branch agencies on how to prepare their strategic plans in accordance with GPRA requirements. We have reported that strategic

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<sup>13</sup>42 U.S.C. § 9908(b). States submit one document that serves as the application and plan. Throughout this report, we will refer to it as the state plan.

<sup>14</sup>This requirement is for private nonprofit entities which make up the majority of local agencies. Public organizations have different requirements regarding the composition of their board. See 42 U.S.C. § 9910.

<sup>15</sup>See the GPRA Modernization Act of 2010, Pub. L. No. 111-352, 124 Stat. 3866 (2011).

planning requirements established under GPRA and GPRAMA can also serve as leading practices for strategic planning at lower levels within federal agencies.<sup>16</sup>

Federal standards for internal control help to ensure efficient and effective operations, reliable financial reporting, and compliance with federal laws.<sup>17</sup> Internal controls help government program managers achieve desired results through effective stewardship of public resources. Such interrelated controls comprise the plans, methods, and procedures used to meet missions, goals, and objectives. Internal controls support performance-based management and should provide reasonable assurance that an organization achieve its objectives of (1) effective and efficient operations, (2) reliable reporting, and (3) compliance with applicable laws and regulations.

With regard to performance measurement for state and local agencies, the CSBG Act requires OCS, in collaboration with states and local agencies, to facilitate the development of one or more model performance measurement systems which may be used by states and local agencies to measure their performance in fulfilling CSBG requirements.<sup>18</sup> Each state receiving CSBG funds is required to participate in and ensure that all local agencies in the state participate in either a performance measurement system whose development was facilitated by OCS or in an alternative system approved by OCS. OCS developed the Results Oriented Management and Accountability (ROMA) performance management approach that states and local agencies follow when overseeing programs and measuring their performance in achieving their CSBG goals. In 2012, OCS began four initiatives to update how it oversees the performance of the CSBG program, and as of April 30 2019, OCS had implemented all four of the initiatives, which include:

- an updated ROMA process for program management,

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<sup>16</sup>GAO, Environmental Justice: EPA Needs to Take Additional Actions to Help Ensure Effective Implementation, [GAO-12-77](#) (Washington, D.C., October 2011).

<sup>17</sup>For more information on internal controls standards, see GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 10, 2014) and Office of Management and Budget, *Management's Responsibility for Enterprise Risk Management and Internal Control*, Circular No. A-123 (Washington, D.C.: July 15, 2016).

<sup>18</sup>42 U.S.C. § 9917.

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- 58 organizational management standards for local agencies,<sup>19</sup>
  - new federal and state accountability measures, and
  - an updated annual report format where oversight and performance information from states is collected in an automated online data system.

In addition, OCS developed the CSBG Theory of Change which illustrates how the core principles of the CSBG program, the performance management framework, and services and strategies offered with CSBG funds relate. The three national goals established under the CSBG Theory of Change are similar to the three national goals identified in the CSBG Act, but are not identical. The three goals under the CSBG Theory of Change are:

1. individuals and families are stable and achieve economic security,
2. communities where low-income people live are healthy and offer economic opportunities, and
3. people with low incomes are active in their community.

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## OCS and Selected States Conducted Onsite and Routine Oversight Activities and Provided Training and Technical Assistance to CSBG Grant Recipients

OCS and states are responsible for conducting oversight activities to ensure that CSBG recipients use the funds in accordance with the CSBG Act, which includes ensuring that the funds are used in line with the grant's three national goals related to addressing the causes and conditions of poverty. Our review of oversight efforts during fiscal years 2016 and 2017 for the select states showed that OCS and states conducted required oversight activities, as well as additional oversight activities, and provided training and technical assistance to help CSBG recipients meet CSBG program requirements. Our review of file documentation for six selected states where OCS conducted compliance evaluations during fiscal years 2016 and 2017, and six selected states where OCS conducted routine oversight, showed that OCS identified primarily administrative issues, but in some instances identified non-

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<sup>19</sup>OCS established 58 standards for private non-profit eligible entities and 50 differently defined standards for public entities.



compliance and other more serious issues that required corrective actions that states took action to resolve. We largely found similar results in our review of the selected states' onsite and routine oversight activities for local CSBG funds recipients for the same time period. Beyond findings of an administrative nature, a fiscal year 2017 OCS compliance evaluation found that one state did not conduct required monitoring of its eligible entities during fiscal year 2015. Also, one state identified financial mismanagement, which resulted in termination of a local grantee from the CSBG program. Additionally, we found that OCS and states provided training and technical assistance to help CSBG recipients meet requirements.

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## OCS and Selected States Conducted Onsite and Routine Oversight Activities, and Identified Issues Requiring Corrective Actions

### OCS's Onsite Compliance Evaluations

OCS officials conducted onsite compliance evaluations, in addition to other oversight activities, for 12 states using a risk assessment and prioritization process during fiscal years 2016 and 2017.<sup>20</sup> We reviewed six of these 12 states and found that a majority of errors identified by OCS were administrative.<sup>21</sup> The CSBG Act requires OCS to conduct compliance evaluations for several states each year.<sup>22</sup> Since fiscal year 2009, OCS has conducted onsite compliance evaluations in five to seven selected states each year, in addition to the routine oversight it conducts for all the states. According to OCS officials, the number of states visited each year depends upon available resources. OCS primarily bases its selection of states for onsite compliance evaluations on a risk assessment conducted using a scoring tool. The scoring tool generates a risk score of 1 to 5 for each state using a number of measures, as shown in figure 2. The various factors used in developing the total risk score are weighted to ensure the most significant risk indicators and prioritization

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<sup>20</sup>OCS conducted onsite compliance evaluations for Connecticut, Florida, Louisiana, Michigan, North Carolina and Tennessee in fiscal year 2017 and for Alabama, Arkansas, Indiana, New York, South Carolina and Texas in fiscal year 2016.

<sup>21</sup>We reviewed six states (Indiana, Louisiana, Michigan, New York, North Carolina, and Texas) where OCS conducted onsite reviews in fiscal years 2016 and 2017.

<sup>22</sup>42 U.S.C. § 9914(c). The CSBG Act does not further define "several".

factors have the most impact on the selection of states for onsite monitoring. The list of risk factors was developed by OCS in response to a recommendation from our 2006 report in which we found that OCS did not systematically use available information to assess risk to focus its monitoring resources on states with the highest risk.

**Figure 2: CSBG Risk Assessment Scoring Tool Used by the Office of Community Services**

	<i>No risk</i>	<i>Low risk</i>	<i>Average risk</i>	<i>Serious risk</i>	<i>Major risk</i>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Reported issues or non-compliance with federal or state requirements	No issues	None or few	Some issues	Multiple issues	Multiple issues
Active communication between state and CSBG program office	Yes	Yes	Yes	No	No
State package complete and timely	Yes	Yes	No	No	No
Complaints or allegations regarding practices of the state or eligible entities	None	None	Some issues	Multiple issues	Multiple issues
Any reported Inspector General or unresolved CSBG corrective action issues	None	None	Yes	Yes	Yes
State on the grantee watch list	No	No	No	No	Yes
Level of staff turnover	Low	Low	High	High	High

Source: GAO analysis of Community Services Block Grant (CSBG) scoring tool. | GAO-20-25

According to OCS officials, OCS rarely visits states that they identify as low risk or states that have very few local agencies as grantees, and they try to not visit the same state within 3 years of their last visit. OCS officials told us that monitoring resources limit their ability to reach all of the states for onsite review. We found that, since fiscal year 2008, eight states have not received an onsite evaluation and 10 had been visited twice. According to agency officials, the risk assessment is part of a larger risk assessment and prioritization process designed to direct monitoring resources over multiple years. After determining risk under the scoring tool, OCS considers several other factors and may place a higher priority on states with lower risk scores when selecting states for onsite compliance evaluations. Agency officials said such factors include:

- size of the CSBG award,

- findings from single audits,<sup>23</sup>
- the rate at which the state spends its CSBG funds,<sup>24</sup>
- time since the last OCS visit, and
- feedback from the OCS program manager using information gathered from the quarterly calls with the states.

For states selected for onsite compliance evaluations, we found that OCS conducts a comprehensive review of each of the state's plan and annual reports and examines the state's supporting documents to determine if that state is meeting the requirements of the CSBG program. Although OCS reviews the plans for all 56 states as part of its routine oversight efforts, during the onsite visit the agency also conducts interviews with staff and examines state statutes or regulations and supportive information, such as financial ledgers and oversight procedural manuals. OCS also reviews the state's grant funding to determine if the state allocated the funds in accordance with the requirements of the CSBG program. Additionally, OCS reviews each state's fiscal controls and accounting procedures and associated documents to assess the financial integrity of the state's process for drawing down federal funds, providing funds to local agencies, and reporting financial information. For example, OCS officials may review the state agency's bookkeeping system and accounting software.

In our review of OCS's file documentation for the six selected states, we found OCS generally identified administrative errors, but in some instances identified issues of non-compliance and other issues that the states took action to resolve. For example, during its fiscal year 2017 onsite visit to Louisiana, OCS found that Louisiana did not implement procedures to monitor and track prior year single audit findings for corrective action and issue management decisions as required.<sup>25</sup> To address this concern, the state assigned a member of its staff to execute these duties and submitted a copy of the Single Audit Process and audit

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<sup>23</sup>During a single audit, OCS reviews how the state manages grant funding for the CSBG program as well as for other programs. OCS reviews the state's process for determining eligibility, among other things, in an effort to determine if the state is consistently applying sound grants management practices across all programs. OCS tries to identify if the state has grants management issues that cut across all programs.

<sup>24</sup>OCS officials told us that states are required to spend their federal funds within 2 years of receiving it.

<sup>25</sup>See 2 C.F.R. § 200.521.

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log to OCS. Additionally, OCS found that Louisiana did not visit any of its 42 local agencies in fiscal year 2015 because of limited capacity such as staffing shortages, among other non-compliance issues. OCS determined that Louisiana addressed this issue by visiting all of the local agencies before the end of fiscal year 2017. Also, in a fiscal year 2016 onsite visit to Indiana, OCS found that the state agency did not submit a required financial report to account for CSBG expenditures within established timeframes in two consecutive fiscal years—2014 and 2015—due to the lack of a process to ensure the timely submission of the report. OCS also found that the financial report for fiscal year 2014 contained incorrect amounts for certain expenditures. The Indiana state agency responded to the issues by developing formal written procedures regarding the preparation and submission of financial reports. In addition, for the six selected states, we found that OCS had assessed state plans and annual reports to ensure that the states were complying with the programmatic, financial, and administrative requirements of the CSBG program, as outlined in the CSBG Act.

### OCS's Routine Oversight Activities

In our review of the selected states, we found that during fiscal years 2016 and 2017, OCS conducted routine reviews and other oversight activities to assess states' use of CSBG funds. We selected six states (Alaska, Colorado, Kentucky, Mississippi, North Dakota, and Rhode Island) for our review of file documentation of OCS's routine reviews.<sup>26</sup> We found that for these six states, the routine reviews consisted of OCS reviewing all state plans and annual reports to determine if the state completed all sections of the plan and provided information about how it would achieve the goals of the program. In our review of file documentation for the six states, we found that OCS requested states to provide additional details about their plans; however, like the issues identified in the onsite compliance evaluations, the issues on which OCS commented were primarily administrative. For example, in fiscal year 2016, OCS reviewed Colorado's 2016 annual plan and requested that the state provide additional details on plans to modify its organizational standards. Also, in its fiscal year 2017 review, OCS requested that Alaska provide additional information in its annual plan to explain how the state would prioritize providing services to individuals based on their income. We found that the states addressed OCS's comments.

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<sup>26</sup>Five of the six states were randomly selected. One of the states, North Dakota, was selected because OCS had not visited it in several years.

OCS officials told us that they used quarterly calls as a part of their routine oversight. Agency officials told us that they generally use quarterly calls to discuss the state plans and the CSBG program broadly, and review the annual reports. OCS officials also told us that OCS uses these calls to update states on issues that have significant impact or importance on the successful operation of the CSBG grantees.<sup>27</sup> In some cases, OCS program specialists may use the quarterly calls to identify areas where the state may be struggling and to discuss ways to address those issues. In addition, OCS officials stated that OCS program specialists will work with states to assist with developing work plans or reviewing corrective action procedures for high-risk local agencies.

### Selected States' Onsite Visits

All three states we visited (New York, North Dakota, and Texas) conducted onsite visits to local agencies at least once every 3 years as required by the CSBG Act, and conducted routine oversight activities. In response to our June 2006 recommendation, OCS issued guidance clarifying that states must conduct an onsite review of each local agency at least once every 3 years.<sup>28</sup> Besides the triennial onsite reviews, the law requires states to conduct: (1) follow up reviews including prompt return visits to local agencies that fail to meet state goals, standards, and requirements, (2) an onsite review of new local agencies following the completion of the first year receiving CSBG funds, and (3) other reviews as appropriate, including reviews of local agencies found to have had other grants terminated for cause.

Each of the states we visited had developed oversight policies and procedures that included information on how often CSBG programs should be reviewed onsite and what program operations should be covered during onsite visits; two states provided sample forms or instructions on what forms to use to record findings. For example, each state's policies and procedures established the frequency of onsite visits: New York and Texas conduct the visits at least once every 3 years and North Dakota conducts them once every 2 years (see table 2). The

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<sup>27</sup>According to OCS officials, the quarterly calls may be used to convey updates about staffing, budget and allocation, or any upcoming training and technical assistance.

<sup>28</sup>Department of Health and Human Services, Administration for Children and Families, Office of Community Services, *Community Services Block Grant Program Information Memorandum #97, Guidance on the CSBG Requirement to Monitor Eligible Entities* (Washington, D.C.: Oct 10, 2006). See also [GAO-06-627](#).

selected states’ policies and procedures also specified that state officials assess local agency financial controls, review financial records and client files, and review local agency governance. They also described information about actions state officials were required to take when they identified deficiencies in a local agency’s operations. For example, in all three of the states we visited the policies and procedures required state officials to notify local agencies of deficiencies in writing.

**Table 2: Triennial Onsite Visits Conducted by Selected States to Local Agencies Receiving CSBG Funding, Fiscal Years (FY) 2016 through 2018**

State	Total number of local agencies	Total number of agency reviews	Percentage of agencies reviewed	Number of agencies reviewed, 2016	Number of agencies reviewed, 2017	Number of agencies reviewed, 2018
New York	49	50	100	17	17	16
North Dakota	7	12	100	4	4	4
Texas	40 <sup>a</sup>	49	100	16	15	19

Source: GAO analysis of New York, North Dakota, and Texas state agency Community Service Block Grant (CSBG) annual reports. | GAO-20-25

The total number of agencies reviewed is not a sum total of the number of agencies reviewed in each year, since some local agencies were reviewed in multiple years.

<sup>a</sup>Texas had 40 local agencies in FY 2018 and 42 local agencies in FY 2016 and 43 in FY 2017.

Our findings from the two local agencies we visited in each of the three states showed that state officials identified a variety of issues during their reviews, but none that required those local agencies to lose their CSBG funding (see table 3). Generally, we found that the issues identified could be characterized as fiscal, governance, or administrative. Fiscal issues included improper use of funds. For example, state officials in one selected state found that a local agency had improperly used a small amount of CSBG funds to purchase a grill for agency activities. Governance-related findings included issues with both the composition and manner of selecting the local agency’s CSBG Board of Directors members. For example, in Texas, state officials cited one local agency for not complying with the CSBG Act’s requirement regarding the structure of its Board. Also, North Dakota cited a local agency for not having the required representation of low-income individuals on its Board. Administrative issues included recordkeeping of information on participants. For example, Texas cited a local agency for inaccurately reporting a program participant as having transitioned out of poverty. The state agency found that the participant’s file did not contain all of the required documentation needed to show that the participant had maintained a certain income level for a 90-day period.

**Table 3: Examples of Types of Deficiencies State Officials Identified at Selected Local Agencies Receiving CSBG Funding, Fiscal Years 2016 through 2018**

Fiscal	Governance	Program/Administrative
Missing documentation for some expenditures	Tripartite Board vacancies (noncompliance with required number and types of Board members)	Insufficient documentation of household income
Some charges to CSBG not allowable (improper use of funds)	Board member selection not compliant with the state's requirements.	No case management process evaluation
Questionable contracting practices		Access to client records insufficient for state review
		Inaccurate reporting of clients transitioned out of poverty

Source: GAO analysis of New York, North Dakota, and Texas state agency Community Services Block Grant (CSBG) annual reports. | GAO-20-25

The state agency officials we spoke with told us that their reviews sometimes identified more serious issues that resulted in local agencies being terminated from the program. For example, Texas terminated two local agencies' CSBG funding due to financial mismanagement that was uncovered during state monitoring of the local agencies. Texas officials noted that the process for terminating local agencies with deficiencies was, for them, a prolonged process, in part because of the steps they took to provide technical assistance and work with agencies in an attempt to resolve issues before terminating them from the program. They told us they found it difficult to establish sufficient grounds for termination and, for one of the terminations, Texas officials continued to work with the agency for two years while also working with OCS. Texas officials told us that they found the guidance on terminations to be unclear. OCS officials acknowledged that the information memorandum they have developed on terminations provides broad guidance that covers a range of issues states might encounter, and may not have detailed guidance covering each situation. However, they noted that they work with states on a case by case basis, as they did with Texas, to provide guidance that is specific to each situation.

State officials in the selected states told us that local agencies identified as having deficiencies are notified of those deficiencies and provided information on how to correct them. Further, our review of corrective actions required of selected local agencies by the states we visited showed that the local agencies addressed the concerns raised by the states. For example, Texas required a local agency that it found did not comply with CSBG Board requirements concerning membership to fill the vacancies on the Board and to provide the state a timeline for completing the required corrective actions. In addition to taking corrective actions,

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local agencies may be required to submit fiscal and programmatic reports more frequently when monitoring uncovers problems. For example, North Dakota's policies and procedures indicate that monthly reports may be required of local agencies that have been found to have financial recordkeeping problems.

We also found that state agency officials in our three selected states conducted onsite reviews more frequently than the once every 3 years requirement, as well as routine offsite reviews. For example, New York conducted quarterly onsite visits to all local agencies, where each quarterly visit involved a targeted review of a specific aspect of a local agency's CSBG program. For example, during the third quarterly visit of the year, state officials focused on local agency planning efforts for the next funding year, including the community needs assessment, while during the last quarterly visit of the year, state officials focused on grant closeout activities. New York, like North Dakota and Texas, also conducted routine offsite reviews of local agencies' activities and finances. In our three selected states, these reviews included examining fiscal and program reports periodically submitted by local agencies to state officials, periodic meetings and conference calls between state and local agency staff, and reviewing audit reports. These oversight activities also included fiscal audits conducted by the state auditor or independent auditors when a local agency's funding met the threshold for such review.

Our review of single audits and interviews with each state's auditor's office in the three states we visited showed that none of the state audit agencies focused specifically on CSBG funding during the period of our review. Texas last conducted an audit focusing on CSBG in 2014 and North Dakota did so in 2011; neither state reported findings as a result of those audits. Officials from the state auditor offices in North Dakota and Texas said CSBG funding levels are below the federally-established threshold for programs that must be audited. New York state audit officials told us that they had not conducted any audits focused on CSBG.

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### OCS and States Provided Training and Technical Assistance to CSBG Recipients

OCS and states provided training and technical assistance through a variety of methods to help CSBG recipients meet program requirements. In fiscal years 2016 and 2017, OCS designated nearly \$14 million over the 2-year period for such efforts. OCS officials told us that they determine what training is needed through input from OCS program



specialists, information obtained through a data task force, and requests from state and local agencies. OCS officials stated that the OCS's program specialists use the quarterly calls to identify the types of support that states need. For example, a specialist may notice that the states need additional guidance on using their customer survey results. In response, the specialist may share a guide on how states can use the survey results to set reasonable performance improvement goals.<sup>29</sup> In addition, OCS sponsors a CSBG Data Task Force to recommend strategies for building network capacity for collecting, analyzing, reporting and using performance data as well as identifying on-going training and technical assistance needs.<sup>30</sup> OCS officials told us that they also conducted focus groups in 2016 to gather states' perspectives on their training and technical assistance needs. From these focus groups, OCS issued guidance stating its technical assistance priorities and strategy for meeting identified needs for training and technical assistance in areas including: performance management, governance, effective state oversight, and results-oriented services and strategies.<sup>31</sup>

In 2017, OCS issued guidance laying out the agency's 3-year training and technical assistance strategy to guide the development and delivery of training and technical assistance for the CSBG network.<sup>32</sup> OCS officials said that once they establish the standards for the training and technical assistance and identify specific training needs, the agency awards cooperative agreements to organizations that focus on developing and providing training to build upon guidance already provided. During the

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<sup>29</sup>OCS uses the American Customer Satisfaction Index to survey state and local agencies on their views regarding OCS and state performance. The survey is conducted on a biennial schedule and scores from the survey are used to identify areas for improvement.

<sup>30</sup>The CSBG Data Task Force is overseen by the National Association for State and Community Service Programs (NASCS) and consists of representatives from Community Action Agencies, State CSBG agencies, Community Action Agency State Associations, National Partner organizations, and OCS.

<sup>31</sup>Department of Health and Human Services, Administration for Children and Families, Office of Community Services, *Community Services Block Grant Program Information Memorandum #151, Training and Technical Assistance Strategy* (Washington, D.C.: January 19, 2017).

<sup>32</sup>OCS began strategizing how to focus on areas where states have the greatest need and issuing guidance like this in response to recommendations in our June 2006 report. We recommended that OCS establish reporting guidance for training and technical assistance grants that would allow OCS to obtain information on the outcomes of grant-funded activities for local agencies and to implement a strategic plan focusing on assistance in the areas states need it most. See [GAO-06-627](#).

period of our review, we found that each agreement focused on a specific type of training. For example, the National Association for State Community Services Programs (NASCS) has a cooperative agreement with OCS to provide the orientation and oversight training for new state officials overseeing the CSBG program, and collects and coordinates the analysis of the data provided in the state plans and annual reports. OCS has also worked closely with NASCS in the transition to the new performance framework. OCS officials told us that they are currently reviewing their training and technical assistance portfolio and may issue additional guidance on its strategy and coordination efforts during fiscal year 2020.

In addition, OCS uses various methods to provide guidance to states to help them meet CSBG requirements, but state officials differed in their views on the usefulness of the guidance. OCS provides guidance to states through informational memorandums, letters, webinars, and communications with program specialists. Some of the state agency officials in two of the states we visited said that the guidance that OCS has provided to help states ensure compliance with program requirements is not always clear and up to date. For example, officials in North Dakota said that they did not understand the information requirements for a form used to gather information from applicants for local programs. State agency officials in Texas said that OCS issued guidance on the new information requirements just weeks before the reporting deadline, and that this did not allow states sufficient time to set up their data systems to meet the new requirements.

OCS officials acknowledged that they were aware of the issues raised by state agency officials and explained that some states have difficulty with the guidance because it is written at a high level so that it can apply to all states. They also acknowledged the delays in getting new information requirements to states and said that such delays were related to troubleshooting the new smart forms and online database. They said that they do not anticipate such delays in the future. As previously discussed, Texas state officials also said that they found the guidance for terminating a deficient agency's CSBG funding confusing. However, officials in New York said that they found the guidance to be clear. They said that the informational memorandum on terminating agencies' CSBG funding is

more prescriptive than previously issued CSBG guidance.<sup>33</sup> OCS officials stated that the agency is continuously seeking opportunities to work with its technical assistance centers to identify the best means of delivering guidance to states and to eligible entities. OCS officials also said that they must continue to refresh training efforts when there is turnover among key staff in a state agency and work with new state administrators to transition into their new roles.

State agency officials in all three states we visited told us that they used some of their state’s discretionary funding for training and technical assistance to help local agencies meet CSBG requirements. The CSBG Act allows states to use a maximum of 10 percent of their CSBG funds for training and technical assistance and other specified purposes. In the selected states, officials spent from \$65,000 to over \$400,000 for training and technical assistance for local agencies (see table 4).

**Table 4: Funding Amounts Used for Community Services Block Grant Training and Technical Assistance in Selected States, Fiscal Years (FY) 2016 through 2018**

State	FY 2016	FY 2017	FY2018
New York	\$475,434	\$410,851	\$406,072
North Dakota	\$171,500	\$84,000	\$111,250
Texas	\$103,702	\$179,996	\$65,071

Source: Selected states’ self-reports on amount of state discretionary funding use. | GAO-20-25

Across the three selected states, we found that the training provided to local agencies addressed what local agencies need to do to meet a wide variety of CSBG requirements, from planning community needs assessments to implementing performance management requirements. In addition, some funds states provided for training were used by local agencies to send their staff to regional or national conferences for training (see table 5).

<sup>33</sup>Department of Health and Human Services, Administration for Children and Families, Office of Community Services, *Community Services Block Grant Program Information Memorandum #116, Guidance on Corrective Action, Termination, or Reduction of Funding for CSBG Eligible Entities* (Washington, D.C.: Dec, 2009).

**Table 5: Types of Training Provided by Selected States to Local Agencies Receiving Community Services Block Grant (CSBG) Funds, Fiscal Years 2016 through 2018**

Types of Training	New York	North Dakota	Texas
Agency Specific Training	Yes	Yes	Yes
Annual Reporting	Yes	Yes	Yes
Community Needs Assessment	Yes	Yes	Yes
CSBG Governance/Board Training	Yes	Yes	Yes
Data Collection Methods	Yes	Yes	Yes
External Training	Yes	no	Yes
Organizational Standards	Yes	no	Yes
Performance Assessment/Management	Yes	Yes	Yes
Risk Assessment	no	Yes	no
Strategic Planning	Yes	Yes	Yes
Use of CSBG Funds	no	Yes	Yes
Other	Yes	Yes	Yes

Legend: ✓ =yes, — = no

Source: GAO analysis of selected states' self-reports and documentation on training and technical assistance. | GAO-20-25

State officials in two of the three states we visited said that they determine what training they need to offer based on analysis of feedback and specific requests from local agencies. For example, Texas identified training needs for local agencies through a Training and Community Affairs group that gathered information from local agencies about their training needs. Texas officials said they analyzed assessment results, feedback, and requests from local agencies and other sources to determine the training needs of individual state and local agencies. State officials said that they then met with the state association to develop the Joint State Training and Technical Assistance Plan and, ultimately, to provide trainings at the annual state conference, and to identify workshops, webinars, and online resources (guides, tools, best practices, and links to other training resources) that need to be added or changed. Similarly, state officials in North Dakota reported working closely with the state association of community action agencies to plan and conduct training for local agency staff.

State and local agency officials also said that they have relied on the OCS-funded national resource centers for assistance. Officials in the states we visited all reported being helped by information provided by the national centers on topics such as the new organizational standards and how to submit data in the new annual report. Local agency officials told us that they send staff to the conferences sponsored by the national

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resource centers to obtain training when funding is available for that purpose.

In addition to training, state officials in the states we visited cited a variety of practices that contribute to effective oversight. Both New York and North Dakota officials emphasized the importance of frequent, ongoing communication with local agencies as crucial to successful oversight. New York also identified frequent visits to local agencies and immediate action in response to problems as additional key factors for effective oversight.

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## OCS Reports on CSBG's National Effectiveness, but Several Elements of Its Redesigned Performance Management Approach Do Not Align with Leading Practices

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### OCS Uses State Outcome Data to Report on the National Effectiveness of CSBG, but the Performance Measure Used for this Purpose is of Limited Use

OCS uses outcome data from state agencies that collect and aggregate data from local CSBG recipients to provide an indication of CSBG's progress in meeting the three national program goals. As previously discussed, the three national goals of the CSBG program as established under the CSBG Act are to (1) reduce poverty, (2) empower low-income families and individuals to become self-sufficient, and (3) revitalize low-income communities. State agencies report data from a menu of more than 100 performance measures established by OCS and grouped by service types such as employment, early childhood programs, and education. OCS sets annual targets for the overall performance of the CSBG program and uses the aggregated state data as an indicator of CSBG's national effectiveness to inform budget decisions consistent with federal requirements for performance management.

Until fiscal year 2018, OCS used one performance measure—the number of barriers to economic security that the local agencies receiving CSBG funds eliminated for individuals, families, and communities—to provide an indication of CSBG's national effectiveness. To do this, OCS combined the outcome data from 10 of the more than 100 performance measures from the state annual reports to derive a cumulative total number of

barriers overcome. OCS selected the 10 measures as a way to track outcomes from services that range from emergency services to more comprehensive and coordinated services. The 10 measures included outcomes such as the number of participants who obtained a job, maintained employment, maintained an independent living situation, reached the goals of enrichment programs, or obtained emergency assistance.

While this one performance measure of barriers eliminated was intended to provide OCS with an indication of how the program was meeting CSBG national goals, several weaknesses with this measure limited OCS's ability to do so. First, the measure included duplicative counts. For example, an individual may overcome a number of different barriers to reach the outcome of obtaining a job. As a result, by tracking the number of barriers, an outcome may be counted multiple times when combining data from multiple measures. Second, it is also difficult to know which CSBG funded program or service caused the positive outcome or if one service helped achieve multiple outcomes. Third, OCS officials clarified that when calculating this and other outcome measures, the removal of barriers to economic security is not solely the result of CSBG funds, but of all funding administered to local agencies that received CSBG funds. As such, they said that it is difficult to isolate the effects of CSBG funding.

In its agency wide budget justification for fiscal year 2020, HHS reported that in fiscal year 2017 local agencies eliminated 32.2 million barriers to economic security, well above the 27.6 million it set as its goal for the year. In the same year, 16.2 million individuals received support through local agencies receiving CSBG funds. While the performance measure aided OCS in providing some indication of how the CSBG program contributes to the goal of improving self-sufficiency, it still did not provide information on the program's progress in meeting the other two national program goals. Leading practices in performance management stress that performance measures should be tied to the specific goals of the program.<sup>34</sup> However, no such linkage existed between the performance

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<sup>34</sup>GAO, *Agencies' Annual Performance Plans under the Results Act: An Assessment Guide to Facilitate Congressional Decision making*, [GAO/GGD/AIMD-10.1.18](#) (Washington, D.C.: February 1998). These standards still apply and are among promising practices identified by GAO, see also GAO, *Managing for Results: Agencies' Trends in the Use of Performance Information to Make Decisions*, [GAO-14-747](#) (Washington, D.C.: Sept. 26, 2014).

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measure OCS used to report on the progress of the CSBG program and the program's three national goals.

**Highlights from the CSBG Fiscal Year 2015 Report to Congress**

In its fiscal year 2015 report to Congress, the most recent report available, HHS reported that local agencies served over 15 million individuals in that year and that collectively:

- 165,530 unemployed low-income participants obtained a job,
- 513,321 low-income participants obtained health care services for themselves or a family member,
- 17,285 low-income participants completed Adult Basic Education or General Educational Development coursework and received a certificate or diploma, and
- 1,673,138 low-income participants obtained food assistance.

Source: Department of Health and Human Services, Administration for Children and Families, Office of Community Services, *CSBG Report to Congress Fiscal Year 2015* (Washington, D.C.). | GAO-20-25

OCS presents outcomes on its national measure as well as all 100 performance measures for state and local agencies in its annual report to Congress about the CSBG program. As previously discussed, OCS is required to annually report, among other things, a summary of certain information the states provide and its findings on state compliance to Congress. While OCS does submit such reports, we found that there has historically been a multi-year lag in OCS providing these reports to Congress. In May of 2019, OCS released its fiscal year 2015 CSBG report to Congress (see sidebar on data reported in the CSBG fiscal year 2015 report to Congress). Over the last decade, this type of reporting lag has been common and OCS has taken an average of more than 3 years from the end of the federal fiscal year until the time the Congress received the final report. OCS officials told us that they submitted the draft annual report for fiscal year 2016 for internal review by HHS in October 2018, but said that they could not project when the final report would be issued to Congress. They said they are currently drafting the fiscal year 2017 report.

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**Several Elements of OCS's Redesigned Performance Management Approach Do Not Align with Federal Leading Practices, Limiting OCS's Ability to Report on CSBG's National Progress**

OCS has taken steps to redesign its performance management approach, but several elements of the new approach do not align with federal performance management and internal control standards. OCS has been redesigning how it oversees and manages the performance of the CSBG program to better align with GPRAMA, according to OCS officials. Since fiscal year 2016, OCS has been implementing new performance management tools for the CSBG program, including updating what data it collects and how it collects it on the services and outcomes, or performance measures, of the CSBG program. OCS officials stated that the changes are necessary to be able to provide more information and analysis on CSBG funded programs and their outcomes. They also noted the importance of these updates given a tightening federal budget. As part of these changes, OCS updated its more than 100 performance measures by revising the language of some and adding new measures that state and local agencies can report on, including measures more

focused on outcomes in the communities they serve. State and local agency officials told us that the increased emphasis on outcomes in the new measures was an improvement and increased their own focus on connecting CSBG funds to traceable results. In addition, OCS transitioned to an online data reporting system that allows state agencies to directly report and access CSBG program data.<sup>35</sup> However, OCS is still revising how it will use the data provided by state and local agencies to reflect nationwide results.

OCS is using the data collected in state annual reports to develop a new national measure intended to provide a national total count of individuals who achieve at least one positive outcome through programs and services offered by local agencies that receive CSBG funds. Unlike the prior measure on the number of barriers to economic security eliminated by local CSBG recipients that could include duplicative counts, the new measure will be a count of individuals. OCS stopped using the prior measure after fiscal year 2017. Until OCS finalizes the new measure, it does not have a performance measure in place with targets and results that it can report to Congress. As such, it is unclear if OCS will report national performance outcomes for fiscal year 2018 or how useful the new measure will be while it is still in development through fiscal year 2022.

While OCS has taken steps to redesign its performance management approach, several elements of the new approach do not align with federal performance management and internal control standards. Specifically, OCS has not established (1) how the new national measure will be used to assess CSBG goals, (2) the relationship between state and local measures and program goals, and (3) how OCS will monitor the reliability of state and local agencies' program data.

**How the newly developed national measure will assess CSBG program goals.** As discussed, OCS is developing a new national measure intended to provide a total number of individuals who achieved at least one positive outcome from CSBG funded program or services.

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<sup>35</sup>OCS transitioned to a new performance management system in which data from states are collected via electronic smart forms and stored in a pre-existing online data collection system (OLDC) managed by HHS's Administration for Children and Families. In its old management approach, states reported information to a third party who compiled and analyzed the data for OCS. In the new approach, data are collected by the states through an automated system and uploaded directly into OLDC.



However, it is unclear which of the three program goals—reducing poverty, empowering low-income families and individuals to become self-sufficient, or revitalizing low-income communities—the new national measure is being used to assess. As noted previously, OCS officials have stated that they are working to establish ways to provide more information and analysis on programs and their outcomes. OCS officials also told us that they are using GPRAMA as a guide for these changes and in our prior work we have reported that these requirements can serve as leading practices for strategic planning at lower levels within federal agencies.<sup>36</sup> GPRAMA requires agencies to establish performance goals and a balanced set of performance indicators, including output and outcome indicators as appropriate, in measuring or assessing progress toward those goals. Additional leading performance management practices state that performance measures should be tied to the specific goals of the program. However, OCS's new measure which is intended to provide a count of the number of individuals that achieve one or more positive outcomes does not specify which of the three national program goals the new measure will address, nor how the other two national program goals will be addressed. OCS officials told us that the new measure is related to two of the three goals because it is aggregated data from some of the outcome measures focused on individual and family outcomes. However, officials acknowledged that the agency has not yet developed a national measure for revitalizing low-income communities. Officials stated they plan to report on progress toward developing these measures and that it will provide examples of community-level outcomes in upcoming reports to Congress. Without clearly linking the measure to the goals, there is no way to tell if, and to what degree, the services local agencies are providing through CSBG grant funds are having the desired effect on their communities, even if examples are included in the shared results.

**How state and local performance measures are related to the three program goals.** It is unclear how the large number of updated state and local performance measures under OCS's redesigned approach aligns with CSBG's three national program goals. OCS still collects data on more than 100 measures but it is unclear which of these measures will be analyzed at a national level. According to OCS officials, these data are most useful to state and local agencies for assessing outcomes against their unique goals and numerous measures are necessary to capture the variety of services and outcomes across the 1,000 local agencies. In our

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<sup>36</sup>[GAO-12-77](#).

prior work on ways that agencies could improve performance management, we have stated that using a minimal number of critical measures is a leading practice.<sup>37</sup> We have found that organizations that seek to manage an excessive number of performance measures may risk creating confusing, excess data that will obscure rather than clarify performance issues. The large number of measures can also further complicate OCS's efforts to align the measures with CSBG's three national program goals.

**How OCS will assess data reliability long-term.** Although OCS is taking steps to assess data collected from state and local agencies for its new national measure, it does not have a written plan for how it will assess the data's reliability for future years. As previously discussed, OCS is using a new data reporting system to collect the data it will subsequently use for its new national measure and this data will now be received directly by OCS instead of a third party. However, OCS does not have written plans in place for how the agency will determine if the new data collected will be a valid measure of the national program's effectiveness or if the data will be reported reliably by the states into OCS's online data system. OCS received its first round of performance data for the new measure for fiscal year 2018 on April 30, 2019, and is working with its cooperative agreement grantees and contactors to compile results and conduct quality assurance tests for the new performance data using a multi-step process that involves:

- OCS staff comparing data provided in the annual report to information previously provided in the state plans;
- OCS conducting quality assurance reviews, with assistance from the organizations the office has cooperative agreements with, that include checks for discrepancies and identifying items requiring clarification, and conducting follow-up with the states; and,
- OCS soliciting feedback from state officials and consulting with performance management experts within HHS about refinements to assist OCS in establishing a baseline that will be used in setting future targets.

OCS officials also told us that the next steps will be to make any necessary modifications to the measure, such as adjusting how states calculate positive outcomes, and establishing a baseline to set future

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<sup>37</sup>GAO, [GAO/GGD/AIMD-10.1.18](#).

targets. On October 2, 2019, OCS announced via a Federal Register Notice that it was requesting a three year extension with minor changes of the CSBG Annual Report.<sup>38</sup> OCS plans to make only minor changes to the current data collection tool for 2 years to allow state and local agencies time to assess current information and intends to begin a longer term planning process starting in fiscal year 2020.<sup>39</sup> OCS officials told us that they plan to implement and maintain a quality assurance process to ensure the accuracy of the data based on data from previous years.

While the process OCS has put in place to ensure data reliability for the first round of data collected for the new measure is a step in the right direction, OCS does not have a plan for assessing future years' data. OCS officials told us that they will use selected cooperative agreements and contracts to develop a written plan for how the agency will monitor state and local agency data reliability going forward, but did not provide a timeframe for when this would be completed. Leading practices established by federal internal control standards state that agencies should use quality information that is appropriate, current, complete, and accurate to make informed decisions and evaluate the entity's performance in achieving key objectives. OCS officials reported that they and contractors are working with the states to adjust and finalize data for fiscal year 2018 by November 2019.

By not aligning its redesigned performance management approach with federal performance management leading practices related to program goals, performance measures, and data reliability, OCS cannot properly assess its progress in meeting CSBG's three national goals.

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## Conclusions

Poverty erodes the well-being of individuals, families, and communities. The CSBG program is intended to reduce poverty, empower low-income

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<sup>38</sup>See Proposed Information Collection Activity; Community Services Block Grant (CSBG) Annual Report (OMB No.: 0970-0492), 84 Fed. Reg. 52,506 (Oct. 2, 2019).

<sup>39</sup>OCS officials stated that during fiscal year 2020, OCS plans to obtain input from states and local agencies about potential improvements to data collection and reporting. OCS intends to propose any changes to current forms as part of a future OMB clearance round that will include extensive input from stakeholders and provide opportunities for public comment. OCS anticipates that the earliest the agency could begin modifying data elements is in fiscal year 2022.

individuals and families to become self-sufficient, and revitalize low-income communities. The CSBG program allows local agencies to use funds in a wide variety of ways to reduce the causes of poverty in the communities they serve. However, the inherent flexibility of the program also makes it difficult to assess the program's performance.

OCS recently redesigned its performance management approach to better understand how well the CSBG program is progressing toward meeting national goals. However, several elements of the redesigned approach do not align with leading practices in federal performance management. Inconsistencies with these practices, such as having an excessive number of performance measures and lacking a plan for assessing the reliability of state and local performance outcome data, limit OCS's ability to demonstrate the national effectiveness of the CSBG program. As such, OCS cannot assure the Congress and the American public that the funding is meeting its intended purpose to reduce the causes of poverty.

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## Recommendation for Executive Action

The Director of OCS, in developing the new performance management approach for the CSBG program, should ensure that its performance framework includes information on (1) details for how the national measure is linked to and used to assess the three national program goals, (2) descriptions of how the updated state and local performance outcome measures align with national program goals, and (3) a written plan for how OCS will assess the reliability of state performance outcome data. (Recommendation 1)

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## Agency Comments

We provided a draft of this report to HHS for review and comment. We received written comments from HHS, which are reprinted in appendix III. HHS concurred with our recommendation, and stated that it plans to take actions to better align its performance measures with the three national performance goals outlined in the new CSBG Theory of Change. While we commend HHS for its plans to address our recommendation, we urge HHS to focus on aligning its performance outcomes with the three national goals of the CSBG program as established by the CBBG Act, which are similar but not identical to the three goals outlined in the new CSBG Theory of Change. HHS also stated that it would implement

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additional actions to assess the reliability of state performance outcome data. In addition, HHS provided technical comments which we incorporated as appropriate.

As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the appropriate congressional committees and the Secretary of HHS. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or [larink@gao.gov](mailto:larink@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff that made key contributions to this report is listed in appendix IV.



Kathryn A. Larin  
Director, Education, Workforce, and Income Security Issues

# Appendix I: Objective, Scope, and Methodology

This appendix discusses in detail our methodology for addressing our two research objectives examining (1) the activities that the Department of Health and Human Services (HHS) and states conduct to oversee the state and local agencies that receive Community Services Block Grant (CSBG) funds and (2) the extent to which HHS assesses the outcomes of the CSBG program. We scoped our review of the CSBG program to include the 50 states, American Samoa, the District of Columbia, Guam, Northern Mariana Islands, Puerto Rico, and the United States Virgin Islands, which are defined as states under the CSBG Act.

In addition to the methods we discuss below, to address both our research objectives, we reviewed relevant federal laws, federal grants management guidance, and agency documents that describe the federal requirements and responsibilities for overseeing states' CSBG programs and assessing program outcomes. We interviewed HHS, Office of Community Services (OCS) officials; and reviewed relevant research from OCS and the HHS Office of Inspector General, as well as our prior work on the CSBG and other federal grant programs. Further, we interviewed representatives of the National Association for State Community Service Programs (NASCS); state officials from state agencies that oversee the CSBG program in New York, North Dakota, and Texas; and six local agencies that receive CSBG funds. We also analyzed CSBG annual reports to Congress and NASCS data on local agency allocations.

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## Federal Oversight of the CSBG Program

To address the federal oversight aspect of our first objective, we reviewed available information on OCS's policies and procedures, including the risk assessment criteria OCS uses to select states for onsite compliance evaluations and interviewed OCS officials about their oversight efforts. We also selected 12 states for an in-depth review of OCS's oversight activities. These included six states (Indiana, Louisiana, Michigan, New York, North Carolina, and Texas) for which OCS conducted onsite compliance evaluations during fiscal years 2016 and 2017. We selected the six states where OCS had conducted onsite compliance evaluations based on which of the visited states OCS had prioritized as those in

highest need of onsite reviews for fiscal years 2016 and 2017.<sup>1</sup> We also randomly selected five states (Alaska, Colorado, Kentucky, Mississippi, and Rhode Island) where OCS did not conduct such evaluations, but conducted routine reviews. We also selected a sixth state—North Dakota—because OCS had not visited the state in several years. We compared the results to see if there were any notable differences between the two sets. While our findings are non-generalizable, they provide insight into the different levels of review OCS conducts and examples of OCS oversight actions.

Our file documentation reviews included a review of: OCS’s comments on each section of the states’ program documents, including the state plan and annual reports; actions the states took to address OCS’s comments; and state’s fiscal controls, financial and program oversight documents. Table 6 provides a summary of the characteristics of the 12 states we selected for review.

**Table 6: OCS and GAO Reviews of Selected States Receiving Community Services Block Grant Funds in Fiscal Years (FY) 2016 and 2017**

State	OCS conducted a routine review (FY 16 and 17) <sup>a</sup>	OCS conducted an onsite review (FY 16 or 17) <sup>b</sup>	GAO reviewed files of OCS’s oversight activities	GAO conducted site visits
Alaska	Yes	No	Yes	No
Colorado	Yes	No	Yes	No
Indiana	Yes	Yes	Yes	No
Kentucky	Yes	No	Yes	No
Louisiana	Yes	Yes	Yes	No
Michigan	Yes	Yes	Yes	No
Mississippi	Yes	No	Yes	No
New York	Yes	Yes	Yes	Yes
North Carolina	Yes	Yes	Yes	No
North Dakota	Yes	No	Yes	Yes
Rhode Island	Yes	No	Yes	No
Texas	Yes	Yes	Yes	Yes

Legend: ✓ =yes, — = no

Source: GAO analysis of the Office of Community Services (OCS) documentation. | GAO-20-25

<sup>1</sup>In addition to OCS identifying New York as a high risk state, OCS officials also recommended New York as a state with leading practices in overseeing local agencies that receive CSBG funds.

<sup>a</sup>OCS conducts a routine review for all states yearly.

<sup>b</sup>In fiscal years 2016 and 2017, OCS also conducted onsite reviews of Alabama, Arkansas, Connecticut, Florida, South Carolina, and Tennessee.

## State and Local Oversight of the CSBG Program

To address the state and local oversight aspect of objective one, for a more in-depth look at state oversight practices, including promising practices and challenges, we visited three states: two states (New York and Texas) for which OCS conducted onsite compliance evaluations and one (North Dakota) for which OCS conducted a routine review. We selected these states using several criteria, including state grant amounts, number of local agencies, whether the HHS Office of Inspector General findings had reviewed the state’s use of CSBG funds, the time since the state was last visited by OCS for a compliance evaluation visit, and recommendations from experts at NASCSP and at OCS, who based their recommendations, in part, on states that had promising practices for overseeing local agencies (see table 7). Our final state selections comprise a diverse sample based on these criteria. For example, our selected states include a state with a low number of local agencies, one with a large number of local agencies, states with high and medium amounts of funding, and a state with a low amount of funding.

**Table 7: Characteristics of States Selected for Site Visits**

Characteristic	State		
	New York	North Dakota	Texas
Number of local agencies receiving Community Services Block Grant (CSBG) Funding, in FY2018	49	7	40
FY 2016 CSBG Allocation (in millions)	61.8	3.4	34.2
FY 2017 CSBG Allocation (in millions)	61.2	3.3	33.9
State or Local Agencies in State Has Been Audited by a Federal or State Auditing Agency in FY 2016- FY 2017	Yes	No	No
Year of Office of Community Services’ (OCS) Last Onsite Review Since 2008	2016	N/A <sup>a</sup>	2016
Good Oversight Practices Reported by OCS and Experts <sup>b</sup>	Best overall oversight approach	N/A	Corrected serious oversight deficiencies

Source: GAO analysis of data from the U.S. Census Bureau, Federal Audit Clearinghouse, the National Association for State Community Service Programs (NASCSP), and the Community Action Partnership. | GAO-20-25

For the purposes of this study, we considered American Samoa, the District of Columbia, Guam, the Northern Mariana Islands, Puerto Rico, and the United States Virgin Islands states because the CSBG Act designates them as states.

<sup>a</sup>N/A indicates that the criteria did not apply to the state.

<sup>b</sup>We obtained recommendations from experts at the Office of Community Services and NASCSP on states that had promising practices for overseeing local agencies.



During our state site visits, we interviewed and collected information from state and local agency officials about state oversight efforts from fiscal years 2016 through 2017. For each of the three states, we interviewed state program officials and reviewed related documentation including state policies and procedures, state single audits, onsite oversight guides and reports, and reporting forms for local agencies. We also visited two local agencies in each state and interviewed staff to learn more about state oversight efforts, including fiscal and performance reporting, onsite visits, training and technical assistance, and promising practices and challenges to such oversight. We conducted these visits in November and December 2018. In each state we visited, we reviewed program files for the two local agencies we visited, including oversight, financial, and performance reports; and follow up correspondence concerning the findings from state agency visits to those local agencies. Information collected from state and local agency officials during our site visits are not generalizable to all state CSBG programs.

In addition, we obtained information on state audit findings related to CSBG and met with state auditors during site visits to learn more about additional state oversight of CSBG and local agencies to learn whether any coordination occurred between the different federally funded programs offered by the local agencies to support state oversight efforts. We reviewed the Single State Audit findings for fiscal years 2016 through 2017 for each of three states and six local agencies we visited. We reviewed these audit reports to determine if there were findings pertaining to CSBG and if so, the nature of those findings.

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## Assessment of Program Performance for the CSBG Program

To address our second objective, we reviewed the program performance indicators OCS uses to measure program outcomes in relation to the stated goals of the CSBG program. We also reviewed OCS's design and implementation plans for a new performance management approach, including revised performance measures for assessing program outcomes. We compared OCS's previous performance management approach to its new one, including the types of data it collected and its methods of collecting data from state and local agencies. In conducting our work, we also interviewed OCS officials about the goal of, and changes to, the performance management approach and reporting requirements. Additionally, we interviewed state officials on their experience with CSBG program performance. We reviewed leading

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practices in grant performance management identified in federal guidance and in GAO reports and assessed OCS's approach against federal performance and internal control standards.

We conducted this performance audit from to May 2018 to November 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Appendix II: Table of Federal Community Services Block Grant (CSBG) Allocations to States, Fiscal Years (FY) 2016 through 2019

State Name	FY 2016	FY 2017	FY 2018	FY 2019
Alabama	13,051,502	12,926,461	13,056,235	13,105,488
Alaska	2,668,072	2,609,753	2,637,889	2,650,179
American Samoa	976,675	955,327	965,627	970,125
Arizona	5,811,226	5,759,592	5,817,415	5,839,361
Arkansas	9,677,776	9,591,788	9,688,083	9,724,631
California	63,458,555	62,894,717	63,526,141	63,765,789
Colorado	6,181,882	6,126,955	6,188,466	6,219,399
Connecticut	8,571,196	8,495,039	8,580,324	8,612,693
Delaware	3,756,915	3,674,796	3,714,415	3,731,721
District of Columbia	11,693,414	11,589,516	11,705,868	11,750,028
Florida	20,685,737	20,501,942	20,707,768	20,785,887
Georgia	19,145,166	18,975,058	19,165,556	19,237,857
Guam	924,348	904,143	913,891	918,149
Hawaii	3,756,915	3,674,796	3,714,415	3,731,721
Idaho	3,716,239	3,635,009	3,674,199	3,691,318
Illinois	33,621,110	33,322,382	33,656,918	33,783,887
Indiana	10,363,229	10,271,150	10,374,266	10,413,402
Iowa	7,702,858	7,634,417	7,711,062	7,740,152
Kansas	5,809,380	5,757,763	5,815,568	5,837,506
Kentucky	11,998,813	11,892,202	12,011,593	12,056,906
Louisiana	16,475,187	16,328,802	16,492,733	16,554,952
Maine	3,749,521	3,698,930	3,736,065	3,750,159
Northern Mariana Islands	579,059	566,402	572,508	575,176
Maryland	9,766,003	9,679,230	9,776,404	9,813,285
Massachusetts	17,636,089	17,479,391	17,654,872	17,722,306

**Appendix II: Table of Federal Community Services Block Grant (CSBG) Allocations to States, Fiscal Years (FY) 2016 through 2019**

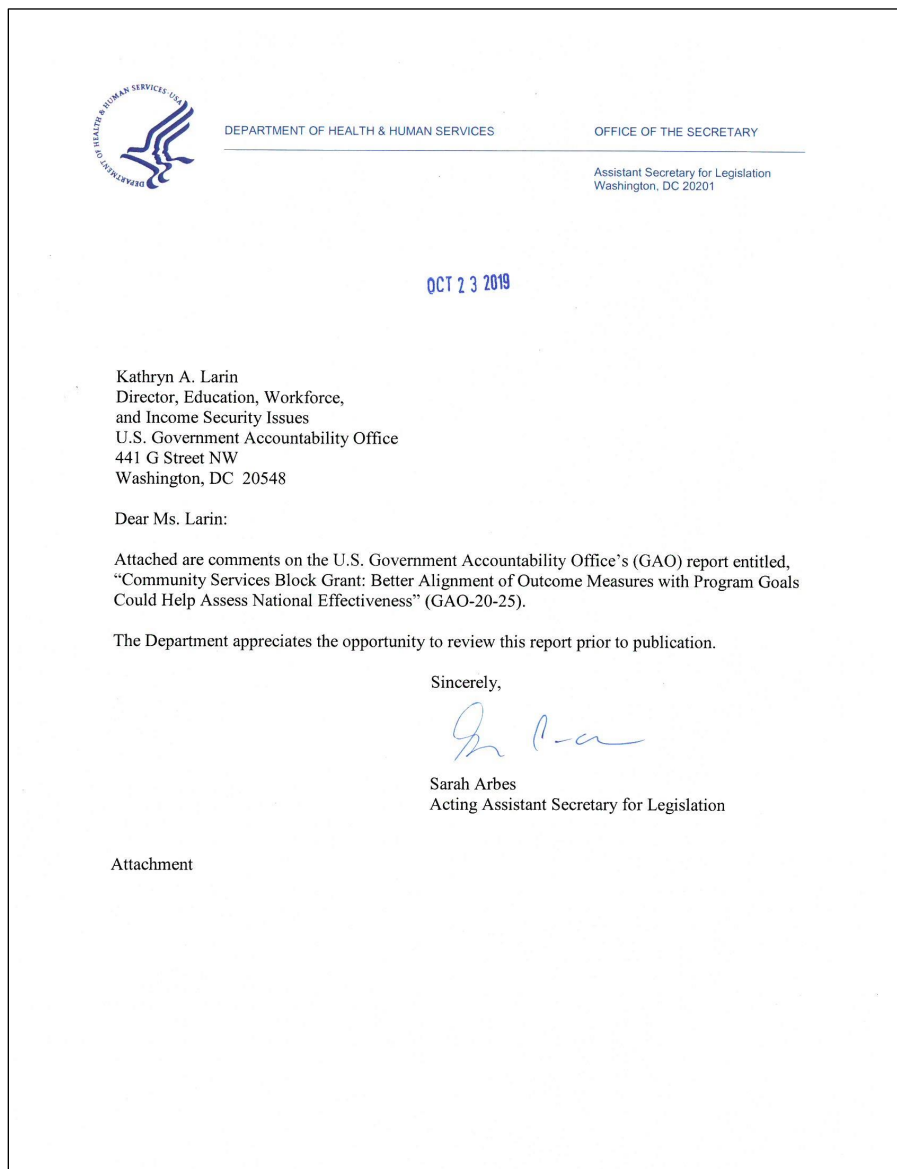
<b>State Name</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Michigan	26,128,136	25,895,985	26,155,963	26,254,635
Minnesota	8,564,764	8,488,665	8,573,886	8,606,229
Mississippi	11,320,148	11,219,566	11,332,204	11,374,954
Missouri	19,694,885	19,519,893	19,715,861	19,790,238
Montana	3,452,511	3,377,045	3,413,455	3,422,898
Nebraska	4,961,048	4,916,968	4,966,332	4,973,761
Nevada	3,756,915	3,674,796	3,714,415	3,731,721
New Hampshire	3,756,915	3,674,796	3,714,415	3,731,721
New Jersey	19,498,072	19,324,829	19,518,838	19,592,472
New Mexico	3,902,416	3,867,741	3,927,147	3,941,963
New York	61,772,172	61,223,318	61,837,962	62,071,243
North Carolina	18,680,309	18,514,332	18,700,204	18,770,749
North Dakota	3,393,497	3,319,321	3,355,109	3,370,741
Ohio	27,743,863	27,497,355	27,773,411	27,878,185
Oklahoma	8,319,783	8,245,861	8,326,684	8,358,096
Oregon	5,674,923	5,624,501	5,680,967	5,702,399
Pennsylvania	30,132,767	29,865,033	30,164,860	30,278,655
Puerto Rico	29,983,460	29,717,053	30,015,394	30,128,626
Rhode Island	3,934,421	3,899,463	3,938,611	3,953,469
South Carolina	10,935,934	10,838,767	10,947,581	10,988,881
South Dakota	3,043,804	2,977,273	3,009,370	3,023,391
Tennessee	14,021,238	13,896,657	14,036,171	14,089,121
Texas	34,240,036	33,935,809	34,276,504	34,405,809
Utah	3,671,408	3,591,158	3,629,875	3,646,787
Vermont	3,754,318	3,672,256	3,711,847	3,729,141
U.S. Virgin Islands	1,276,833	1,248,924	1,262,389	1,268,271
Virginia	11,394,801	11,293,556	11,406,937	11,449,969
Washington State	8,434,169	8,359,229	8,443,152	8,475,004
West Virginia	7,967,538	7,896,745	7,976,024	8,006,113
Wisconsin	8,659,777	8,582,834	8,669,000	8,701,704
Wyoming	3,518,990	3,442,071	3,479,181	3,495,391
<b>Total Allocations for States Included in GAO's Review<sup>a</sup></b>	<b>697,366,718</b>	<b>690,547,361</b>	<b>697,532,030</b>	<b>699,276,265</b>

Source: GAO analysis of data from the Department of Health and Human Services. | GAO-20-25

This table includes all states as defined by the CSBG Act, which was the focus of our review.

<sup>a</sup>Total CSBG allocations do not include allocations made to tribes.

# Appendix III: Comments from the Department of Health and Human Services



**GENERAL COMMENTS FROM THE DEPARTMENT OF HEALTH & HUMAN SERVICES ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S DRAFT REPORT ENTITLED — "COMMUNITY SERVICES BLOCK GRANT: BETTER ALIGNMENT OF OUTCOME MEASURES WITH PROGRAM GOALS COULD HELP ASSESS NATIONAL EFFECTIVENESS" (GAO-20-25).**

The U.S. Department of Health & Human Services (HHS) appreciates the opportunity from the Government Accountability Office (GAO) to review and comment on this draft report.

**Recommendation**

The Director of OCS, in developing the new performance management approach for the CSBG program, should ensure that its performance framework includes information on (1) details for how the national measure is linked to and used to assess the three national program goals, (2) descriptions of how the updated state and local performance outcome measures align with national program goals, and (3) a written data analysis plan for how OCS will assess the reliability of state performance outcome data.

**HHS Response**

HHS concurs with GAO's recommendation and plans to review its high level national performance measures used to report on outcomes as required by the Government Performance and Results Act of 1993 (GPRA) as enhanced by the GPRA Modernization Act of 2010 (GPRAMA) to better align with the three national goals outlined in the recently-implemented CSBG Performance Management Framework. OCS will also implement additional actions to assess the reliability of state performance outcome data.

OCS will consult with performance management experts within HHS to identify options and proposed changes to align the GPRA performance measures with the following three national goals outlined in the new CSBG Theory of Change:

- **Goal 1:** Individuals and families with low incomes are stable and achieve economic security;
- **Goal 2:** Communities where people with low incomes live are healthy and offer economic opportunity; and
- **Goal 3:** People with low incomes are engaged and active in building opportunities in communities.

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## Text of Appendix III: Comments from the Department of Health and Human Services

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Page 1

Kathryn A. Larin

Director, Education, Workforce, and Income Security Issues

U.S. Government Accountability Office 441 G Street NW

Washington, DC 20548 Dear Ms. Larin:

Attached are comments on the U.S. Government Accountability Office's (GAO) report entitled, "Community Services Block Grant: Better Alignment of Outcome Measures with Program Goals Could Help Assess National Effectiveness" (GAO-20-25).

The Department appreciates the opportunity to review this report prior to publication.

Sincerely,

Sarah Arbes

Acting Assistant Secretary for Legislation

Attachment

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Page 2

GENERAL COMMENTS FROM THE DEPARTMENT OF HEALTH & HUMAN SERVICES ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S DRAFT REPORT ENTITLED -"COMMUNITY SERVICES BLOCK GRANT: BETTER ALIGNMENT OF OUTCOME MEASURES WITH PROGRAM GOALS COULD HELP ASSESS NATIONAL EFFECTIVENESS" (GAO-20-25).

The U.S. Department of Health & Human Services (HHS) appreciates the opportunity from the Government Accountability Office (GAO) to review and comment on this draft report.

### **Recommendation**

The Director of OCS, in developing the new performance management approach for the CSBG program, should ensure that its performance framework includes information on (1) details for how the national measure is linked to and used to assess the three national program goals, (2) descriptions of how the updated state and local performance outcome measures align with national program goals, and (3) a written data analysis plan for how OCS will assess the reliability of state performance outcome data.

### **HHS Response**

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- Goal 2: Communities where people with low incomes live are healthy and offer economic opportunity; and
- Goal 3: People with low incomes are engaged and active in building opportunities in communities.



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# Appendix IV: GAO Contact and Staff Acknowledgments

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## GAO Contact

Kathryn A. Larin, (202) 512-7215 or [larink@gao.gov](mailto:larink@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Mary Crenshaw (Assistant Director), Melissa Jaynes (Analyst-In-Charge), Sandra Baxter and Stacy Spence made key contributions to this report. Also contributing to this report were James Bennett, Grace Cho, Alex Galuten, Danielle Giese, Corinna Nicolaou, Monica Savoy, and Almeta Spencer.

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