

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

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September 1, 2011

Dr. Yolanda Butler  
Acting Director  
Office of Community Services  
Administration for Children and Families  
U.S. Department of Health and Human Services  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20201

Subject: Community Services Block Grant (CSBG) State Plan and Application, Federal Fiscal Years 2012 and 2013

Dear Dr. Butler:

Enclosed is the State of California's Community Services Block Grant (CSBG) State Plan and Application for Federal Fiscal Years 2012 and 2013. The CSBG State Plan details California's use of CSBG funds. The CSBG State Plan was prepared by the California Department of Community Services and Development, which, as the designated lead agency for the CSBG program in California, is responsible for the development and implementation of this state's plan for the use and distribution of CSBG funding.

Identified below are the CSBG State official and program contact:

State CSBG Official:  
John A. Wagner, Interim Director  
Department of Community Services and  
Development  
P.O. Box 1947  
Sacramento, CA 95812

State CSBG Program Contact:  
Pamela Harrison, Division Manager  
Department of Community Services and  
Development  
P.O. Box 1947  
Sacramento, CA 95812

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Wagner". The signature is stylized and cursive.

John A. Wagner  
Interim Director

Enclosure

**STATE OF CALIFORNIA  
HEALTH AND HUMAN SERVICES AGENCY  
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

# **COMMUNITY SERVICES BLOCK GRANT**

**FEDERAL FISCAL YEARS 2012/2013**

**STATE PLAN AND APPLICATION**

**TO**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES  
OFFICE OF COMMUNITY SERVICES**

**EDMUND G. BROWN, JR.  
GOVERNOR**

**DIANA S. DOOLEY  
SECRETARY**

**JOHN A. WAGNER  
INTERIM DIRECTOR**

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# **OUTLINE FOR NARRATIVE STATE CSBG APPLICATION AND PLAN**

## **I. FEDERAL FISCAL YEARS COVERED BY THIS STATE PLAN AND APPLICATION**

This State Plan and Application cover Federal Fiscal Years 2012 and 2013.

## **II. LETTER OF TRANSMITTAL**

A cover letter is included with the final plan and will be submitted to the Office of Community Services (OCS) by September 1, 2011. The letter is addressed to the OCS Director and includes the State CSBG Program contact person and the State CSBG official who is to receive the CSBG Grant Award with complete address, telephone, and fax numbers.

## **III. EXECUTIVE SUMMARY**

### **A. CSBG State Legislation**

California Government Code Section 12725 et seq. provides that the Community Services Block Grant (CSBG) Program in California shall be governed by the principle of community self-help, thereby promoting new economic opportunities for Californians living in poverty through well-planned, broadly-based and locally-controlled programs of community action.

The purpose of the CSBG Program is to stimulate an effective concentration of all available local, private, State, and federal resources upon the goal of enabling low-income families and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivations to secure the opportunities needed for them to become fully self-sufficient.

### **B. Designation of Lead State Agency to Administer the CSBG Program**

Section 676(a) of the Community Services Block Grant Act, as amended (42 U.S.C. 9901, et seq.) (The Act), requires the Chief Executive of each State to designate an appropriate State agency to act as lead agency for administration of the Community Services Block Grant.

Under the Federal law referenced above, the Department of Community Services and Development (CSD) is designated as the State department responsible for administering the CSBG in California. The Director of CSD is the State official designated to sign assurances and receive the grant award. (Letter of designation is in Appendix C.)

### **C. Public Hearing Requirements**

#### (1) Public Hearing

Public notices will be published in the several newspapers in the northern, central, and southern parts of the State at least ten days prior to the hearing. The public legislative hearing hosted jointly by the Senate Human Services Committee and Assembly Human Services Committee was held on Tuesday, August 16, 2011, 1:30 p.m., Room 3191, at the State Capitol in Sacramento, California.

#### (2) Legislative Hearing

As described above, the public legislative hearing hosted jointly by the Senate Human Services Committee and Assembly Human Services Committee was held on Tuesday, August 16, 2011, 1:30 p.m., Room 3191, at the State Capitol in Sacramento, California. The legislative hearing was advertised publicly and conducted to enable public comment. Oral and written testimonies was accepted at the hearing and incorporated in the State Plan through transcripts (See Appendix A)

#### (3) Public Inspection of State Plan

The draft State Plan was distributed for public review and comment regarding the content of the State Plan. The draft State Plan was made available on July 15, 2011, for public viewing on the CSD website at [www.csd.ca.gov](http://www.csd.ca.gov).

Written comments regarding the draft State Plan and suggested use of discretionary funds were accepted until 5:00 p.m., Tuesday, August 16, 2011.

### **IV. STATEMENT OF FEDERAL AND CSBG ASSURANCES**

As part of the annual or biennial Application and Plan required by Section 676 of the Act, the designee of the chief executive of the State hereby agrees to the Assurances in Section 676 of the Act.

#### **A. Programmatic Assurances**

##### (1) Funds made available through this grant or allotment will be used:

- (a) To support activities that are designed to assist low-income families and individuals, including families and individuals receiving assistance under part A of title IV of the Social Security Act (42 U.S.C. 601, et seq.), homeless families and individuals, migrant or seasonal farm workers, and elderly low-income individuals and families to enable the families and individuals to:
  - (i) remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under

part A of title IV of the Social Security Act);

- (ii) secure and retain meaningful employment;
  - (iii) attain an adequate education, with particular attention toward improving literacy skills of low-income families in the communities involved, which may include carrying out family literacy initiatives;
  - (iv) make better use of available income;
  - (v) obtain and maintain adequate housing and a suitable living environment;
  - (vi) obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and
  - (vii) achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication; and strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;
- (b) To address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and after school child care programs; and
- (c) To make more effective use of, and to coordinate with, other programs (including State welfare reform efforts). [‘676(b)(1)]
- (2) To describe how the State intends to use discretionary funds made available from the remainder of the grant or allotment described in Section 675C(b) of the Act in accordance with the Community Services Block Grant Program, including a description of how the State will support innovative community and neighborhood-based initiatives related to the purposes of the Community Services Block Grant Program; [‘676(b)(2)]

- (3) To provide information provided by eligible entities in the State, including:
  - (a) a description of the service delivery system, for services provided or coordinated with funds made available through grants made under Section 675C(a) of the Act, targeted to low-income individuals and families in communities within the State;
  - (b) a description of how linkages will be developed to fill identified gaps in services, through the provision of information, referrals, case management, and follow-up consultations;
  - (c) a description of how funds made available through grants made under Section 675(a) will be coordinated with other public and private resources; and,
  - (d) a description of how local entities will use the funds to support innovative community and neighborhood-based initiatives related to the purposes of the Community Services Block Grant, which may include fatherhood initiatives and other initiatives with the goal of strengthening families and encouraging effective parenting. ['676(b)(3)]
- (4) To ensure that eligible entities in the State will provide, on an emergency basis, for the provision of such supplies and services, nutritious foods, and related services, as may be necessary to counteract conditions of starvation and malnutrition among low-income individuals. ['676(b)(4)]
- (5) The State and the eligible entities in the State will coordinate, and establish linkages between, governmental and other social services programs to assure the effective delivery of such services to low-income individuals and to avoid duplication of such services. The State and the eligible entities will coordinate the provision of employment and training activities in the State and in communities with entities providing activities through statewide and local workforce investment systems under the Workforce Investment Act of 1998; ['676(b)(5)]
- (6) To ensure coordination between antipoverty programs in each community in the State, and ensure, where appropriate, that emergency energy crisis intervention programs under title XXVI (relating to low-income home energy assistance) are conducted in such communities. ['676(b)(6)]
- (7) To permit and cooperate with federal investigations undertaken in accordance with Section 678D of the Act. ['676(b)(7)]
- (8) Any eligible entity in the State that received funding in the previous fiscal year through a Community Services Block Grant under the Community Services Block Grant Program will not have its funding terminated under this subtitle, or reduced below the proportional share of funding the entity received in the previous fiscal year unless, after providing notice and an opportunity for a

hearing on the record, the State determines that cause exists for such termination or such reduction, subject to review by the Secretary as provided in Section 678C(b) of the Act. ['676(b)(8)]

- (9) The State and eligible entities in the State will, to the maximum extent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations. ['676(b)(9)]
- (10) To require each eligible entity in the State to establish procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation. ['676(b)(10)]
- (11) To secure from each eligible entity in the State, as a condition to receipt of funding, a community action plan (which shall be submitted to the Secretary, at the request of the Secretary, with the State plan) that includes a community-needs assessment for the community served, which may be coordinated with community-needs assessments conducted for other programs; ['676(b)(11)]
- (12) The State and all eligible entities in the State will, not later than fiscal year 2001, participate in the Results Oriented Management and Accountability System, a performance measure system for which the Secretary facilitated development pursuant to Section 678E(b) of the Act. ['676(b)(12)]
- (13) To provide information describing how the State will carry out these assurances. ['676(b)(13)]

## **B. Administrative and Financial Assurances**

The State further agrees to the following, as required under the Act:

- (1) To submit an application to the Secretary containing information and provisions that describe the programs for which assistance is sought under the Community Services Block Grant Program prepared in accordance with and containing the information described in Section 676 of the Act. ['675A(b)]
- (2) To use not less than 90 percent of the funds made available to the State by the Secretary under Section 675A or 675B of the Act to make grants to eligible entities for the stated purposes of the Community Services Block Grant Program and to make such funds available to eligible entities for obligation during the fiscal year and the succeeding fiscal year, subject to the provisions regarding recapture and redistribution of unobligated funds outlined below. ['675C(a)(1) and (2)]

- (3) In the event that the State elects to recapture and redistribute funds to an eligible entity through a grant made under Section 675C(a)(1) when unobligated funds exceed 20 percent of the amount so distributed to such eligible entity for such fiscal year, the State agrees to redistribute recaptured funds to an eligible entity, or require the original recipient of the funds to redistribute the funds to a private, nonprofit organization, located within the community served by the original recipient of the funds, for activities consistent with the purposes of the Community Services Block Grant Program. ['675C (a)(3)]
- (4) To spend no more than the greater of \$55,000 or 5 percent of its grant received under Section 675A or the State allotment received under section 675B for administrative expenses, including monitoring activities. ['675C(b)(2)]
- (5) In states with a charity tax credit in effect under State law, the State agrees to comply with the requirements and limitations specified in Section 675(c) regarding use of funds for statewide activities to provide charity tax credits to qualified charities whose predominant activity is the provision of direct services within the United States to individuals and families whose annual incomes generally do not exceed 185 percent of the poverty line in order to prevent or alleviate poverty among such individuals and families. ['675(c)]
- (6) The lead agency will hold at least one hearing in the State with sufficient time and statewide distribution of notice of such hearing, to provide to the public an opportunity to comment on the proposed use and distribution of funds to be provided through the grant or allotment under Section 675A or '675B for the period covered by the State plan. ['676(a)(2)(B)]
- (7) The chief executive officer of the State will designate an appropriate State agency for purposes of carrying out State Community Services Block Grant Program activities. ['676(a)(1)]
- (8) To hold at least one legislative hearing every three years in conjunction with the development of the State Plan. ['676(a)(3)]
- (9) To make available for public inspection each plan or revised State plan in such a manner as will facilitate review of and comment on the plan. ['676(e)(2)]
- (10) To conduct the following reviews of eligible entities:
  - (a) full onsite review of each such entity at least once during each three-year period; ['678B(a)(1)]
  - (b) an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the Community Services Block Grant Program; ['678B(a)(2)]
  - (c) follow-up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State; ['678B(a)(3)]

- (d) other reviews as appropriate, including reviews of entities with programs that have had other federal, State or local grants (other than assistance provided under the Community Services Block Grant Program) terminated for cause. ['678B(a)(4)]
- (11) In the event that the State determines that an eligible entity fails to comply with the terms of an agreement or the State plan, to provide services under the Community Services Block Grant Program or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State will comply with the requirements outlined in Section 678C of the Act, to:
- (a) inform the entity of the deficiency to be corrected; ['678C(a)(1)]
  - (b) require the entity to correct the deficiency; ['678C(a)(2)]
  - (c) offer training and technical assistance as appropriate to help correct the deficiency, and submit to the Secretary a report describing the training and technical assistance offered or stating the reasons for determining that training and technical assistance is not appropriate; ['678C(a)(3)(A)]
  - (d) at the discretion of the State, offer the eligible entity an opportunity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan and to either approve the proposed plan or specify reasons why the proposed plan cannot be approved; ['678C(a)(4)(A)]
  - (e) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding to the eligible entity unless the entity corrects the deficiency. ['678(C)(a)]
- (12) To establish fiscal controls, procedures, audits and inspections, as required under Sections 678D(a)(1) and 678D(a)(2) of the Act.
- (13) To repay to the United States amounts found not to have been expended in accordance with the Act, or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under the Community Services Block Grant Program. ['678D(a)(3)]
- (14) To participate, by October 1, 2001, and ensure that all-eligible entities in the State participate in the Results-Oriented Management and Accountability (ROMA) System ['678E(a)(1)].
- (15) To prepare and submit to the Secretary an annual report on the measured performance of the State and its eligible entities, as described under '678E(a)(2) of the Act.

- (16) To comply with the prohibition against use of Community Services Block Grant funds for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility, as described in Section 678F(a) of the Act.
- (17) To ensure that programs assisted by Community Services Block Grant funds shall not be carried out in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with any partisan or nonpartisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office; any activity to provide voters or prospective voters with transportation to the polls or similar assistance with any such election, or any voter registration activity. [678F(b)]
- (18) To ensure that no person shall, on the basis of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with Community Services Block Grant Program funds. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U. S.C. 6101 et seq.) or with respect to an otherwise qualified individual with a disability as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 12131 et seq.) shall also apply to any such program or activity. [678F(c)]
- (19) To consider religious organizations on the same basis as other non-governmental organizations to provide assistance under the program so long as the program is implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution; not to discriminate against an organization that provides assistance under, or applies to provide assistance under the community services block grant program on the basis that the organization has a religious character; and not to require a religious organization to alter its form of internal government except as provided under Section 678B or to remove religious art, icons, scripture or other symbols in order to provide assistance under the community services block grant program. [679]

### **C. Other Administrative Certifications**

The State also certifies the following:

- (1) To provide assurances that cost and accounting standards of the Office of Management and Budget (OMB Circular A-110 and A-122) shall apply to a recipient of Community Services Block Grant Program funds.
- (2) To comply with the requirements of Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or

- (2) To comply with the requirements of Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by a federal grant, contract, loan or loan guarantee. The State further agrees that it will require the language of this certification be included in any subawards, which contain provisions for children's services and that all subgrantees shall certify accordingly.

  
Signature

Administrator/Director of Designated Lead Agency

8/16/2011

Date

## **V. THE NARRATIVE STATE PLAN**

### **A. Administrative Structure**

#### **(1) State Administrative Agency**

##### **(a) Mission Statement**

The mission of the Department of Community Services and Development is to administer and enhance energy and community service programs that result in an improved quality of life for the low-income population.

The Department of Community Services and Development fosters strong partnerships with local community organizations to provide high impact programs and leverage strategic resources resulting in ever-increasing hope, dignity and quality of life for California's low-income residents.

##### **Responsibilities**

California Government Code Section 12780 provides that the powers and responsibilities of CSD as the State-administering agency for the CSBG Program are to ensure that all applicable federal requirements are met and the administrative requirements of this program are clear and uniform.

California's CSBG State Plan serves several purposes. As required by federal law, it contains the certification and assurances of the Chief Executive Officer of California that the State will meet programmatic and public hearing requirements set forth by the Congress. In addition, in accordance with guidance from the Office of Community Services' "Narrative State Plan," U.S. Department of Health and Human Services, the State Plan describes how the CSBG Program operates within California and reflects the locally-determined program priorities established through contractor planning, needs assessment, and public hearings.

##### **(b) Goals and Objectives**

The Department of Community Services and Development's departmental goals are:

- i. Californians are fully aware of CSD's purpose, programs, and how to access them.
- ii. CSD is the national leader in service delivery and fiscal and programmatic accountability.
- iii. CSD and the CSBG Network and associations work together to strengthen and leverage their collective impact to improve the living conditions of low-income Californians.

- iv. CSD and its CSBG Network are committed to improving the quality of life for low-income Californians by providing clear, correct, courteous, complete, concise, and competent service to the customer.
- v. CSD's workforce is a team of highly skilled professionals committed to the goals of CSD's programs, to making things happen, recognizing and seizing opportunities, adding value, influencing and inspiring others, and continuously learning and growing.

Additionally, CSD identifies Family Self-Sufficiency as the statewide priority. As part of the Community Action Plan, eligible entities are asked to include a narrative description of the strategies supporting Family Self-Sufficiency utilized by the agency in support of the local planning process.

**(2) Eligible Entities**

A list of eligible entities and geographic areas served is shown in Appendix B.

**(3) Distribution and Allocation of Funds**

The Obama Administration is proposing a 50 percent reduction to the Community Services Block Grant (CSBG) and proposing to target the funding provided to the highest performing Community Action Agencies through a competitive process. The reduction is projected for the 2012 Federal Fiscal Year (FFY) beginning October 1, 2011.

This will result in a restructuring of the current services delivery system. If the reduction occurs according to the congressional justification, California's CSBG Allocation for FY 2012 will be \$31,045,085 as compared to California's FY 2011 Allocation of \$60,322,855.

The projected funding allocation spreadsheets are in Appendix B. The spreadsheet labeled, Estimated 2012 CSBG Allocation of Federal Funds reflects the amount of funding to be allocated to the CSBG eligible entities based on the 2011 FY funding. This would be allocated if the proposed reduction does not occur.

The spreadsheet labeled, Estimated 2012 CSBG Allocation of Federal Funds, Based on Estimated 50 percent Reduction reflects the amount of funding to be allocated to the CSBG allocations utilizing the proposed \$31,045,085 allocation based on the 50 percent reduction.

The spreadsheets only reflect the CSBG eligible entities proposed allocations. The State of California administrative allocation of the total funds is limited to 5 percent of the total allocation.

The reflected allocations listed will change dependent upon the final federal budget, the proposed restructuring of funding to the highest performing Community Action Agencies, and the funding formula recommendation of the CSBG Advisory Task Force (discussed below).

**B. Description of Criteria and Distribution Formula**

CSD will pass through at least 90 percent of California’s CSBG award to eligible entities that meet both federal and State requirements (42 U.S.C. 9902(1)(a) and California Government Code 12730(g)), and up to 5 percent for discretionary use. The normal budgeted distribution is as follows:

<b>Category</b>	<b>Percent</b>
Community Action Agencies and Rural Community Services	76.1
Migrant and Seasonal Farm Workers	10.0
Native American Indian Programs	3.9
Discretionary	5.0
State Administration	5.0
<b>Total</b>	<b>100.0</b>

Pursuant to California Government Code 12785(a), if the State’s annual CSBG award is reduced by any amount up to 3.5 percent from the prior year, the discretionary distribution shall be reduced to proportionately restore eligible entities to prior year funding levels.

In addition, California Government Code 12785(b) states that if the State’s award is reduced by a cumulative amount of 20 percent or more below its 2005 award, the director shall convene the eligible entities receiving CSBG funds to determine whether changes to the allocation system should be contemplated and referred to the Legislature for consideration.

In anticipation of the CSBG reduction, CSD in partnership with the California Nevada Community Action Partnership is developing a CSBG Advisory Task Force consisting of network representatives to solicit input from the network and make recommendations regarding possible state formula modification to implement the proposed federal CSBG reductions. Invitation to the CSBG eligible entities was distributed in June to solicit interest in participation of the CSBG Advisory Task Force. From the responses received, it is the intent to have the entities select their network representatives to include but not be limited to representatives from rural, urban, northern, southern, and central parts of the state, including Community Action Agencies, Limited Purpose Agencies, Migrant Seasonal Farm Workers and Native American Indians.

**Community Action Agencies (CAA) and Rural Community Services (RCS)**

The CAA/RCS distribution of the CSBG award is allocated pursuant to California Government Code 12759, which set a target allocation point to be reached using

increases in the State’s annual CSBG award. In addition, once the most recent decennial census data is available, allocations shall be adjusted by the percentage difference of the number of persons living in households at or below the poverty level in each agency's respective service area as compared to the number of these persons reported in the previous decennial census.

**Migrant and Seasonal Farm Workers (MSFW)**

The MSFW distribution of the CSBG award is allocated pursuant to mutually agreed upon historical percentages for three established service districts (see chart below). MSFW contractors shall coordinate their plans and activities with other contractors funded by CSD to avoid duplication of services and to maximize services for all eligible beneficiaries.

<b>Agency</b>	<b>Service District</b>	<b>Percent</b>
California Human Development	I	23
Proteus, Inc.	II (partial)	37
Central Valley Opportunity Center, Inc.	II (partial)	9
Center for Employment Training	III	31
<b>Total</b>		<b>100</b>

**Native American Indian (NAI) Programs**

California administers the NAI programs through three eligible NAI contractors: Karuk Tribe of California (Karuk), Northern California Indian Development Council (NCIDC) and Los Angeles County/City Native American Indian Commission. A mutually agreed upon historical total of \$164,000 in core funding is initially allocated to Karuk (\$42,000) and NCIDC (\$122,000) as an administrative base.

The remaining NAI distribution of the CSBG award is allocated in a manner commensurate with the NAI poverty population in each county, and the total NAI population on reservations or rancherias, according to the most recently available decennial census data. A mutually agreed upon historical minimum funding level of \$1,000 is in place for each county, reservation or rancheria that would otherwise receive less than this amount due to a small NAI population.

American Indian Tribes and tribal organizations applying for and receiving funds directly from the U.S. Health and Human Services Agency will be ineligible for NAI funds from the State.

**C. Description of Distribution and Use of Restricted Funds [’675C(a)(3)]**

Please see Appendix B for a listing of agencies and proposed funding levels. CSD has not recaptured and redistributed any funds.

#### **D. Description of Distribution and Use of Discretionary Funds ['675C(b)]**

The State shall set aside up to 5 percent of the total Community Services Block Grant for discretionary use to support Limited Purpose Agencies, defined in subdivision (a) of Section 12775 as community-based nonprofit organizations [without tripartite boards].

##### **Limited Purpose Agencies**

- **Del Norte Senior Center** provides services to clients in the uncapped area of Del Norte County. Also provided to Center attendees are senior meals, bus services, resource information, and referrals.
- **Community Design Center (CDC)** provides a wide range of architectural, planning, housing development services, and technical assistance. The technical assistance is used by Community Action Agencies (CAA's) seeking to: modify playgrounds, design low-income living space, modify childcare centers, and to comply with provisions of the Americans with Disabilities Act. The agency provides residence of low-income communities with information and consulting services on housing programs, permits, building regulations, building codes, zoning, and construction processes.
- **Campeños Unidos, Inc. (CUI)** is a private, non-profit organization designated as the Community Action Agency of Imperial County. The agency provides no cost childcare and development supports. Child development services combine individual and group activities that promote learning and development at physiological, social, emotional, cognitive and academic levels.
- **The Rural Community Assistance Corporation's (RCAC)** mission is to improve the quality of life for rural communities and disadvantaged people through partnerships, technical assistance and access to resources. RCAC strives to help community-based organizations and rural governments increase their own capacity to implement solutions to their problems. RCAC provides a wide range of housing and community development services to achieve this mission. These services increase the availability of safe and affordable housing; improve drinking water, wastewater and solid-waste systems; build the capacity of local officials and community-based organizations; and develop the knowledge base of the rural public through education, outreach, and training.

In addition, the utilization of the discretionary funds is targeted to support special projects, provide training and technical assistance to agencies, fund projects such as asset development, disaster assistance efforts (i.e. drought assistance, cooling centers), and activities to enhance the operation of the agency (i.e. staff training, board development, and technology).

#### **E. Description of Use of Administrative Funds ['675(b)(2)]**

Pursuant to federal law, CSD will use 5 percent of the total block grant award for

administrative expenses in accordance with generally accepted governmental accounting principles. The State does not use CSBG funds for a Charity Tax Credit Program.

## **F. State Community Services Program Implementation**

**(1) Program Overview ['676(b)(2)]** Describe the following using information provided to the State by eligible entities:

**a. The Service Delivery System ['676(b)(3)(A)]**

The State of California contains a varied geographical region, including several distinctive climate regions. This results in an abundance of specialized needs for impoverished people spread out over the state. The CSBG Network understands the needs of the low-income in their service area and administers service delivery systems that meet the specific needs of their community.

The CSBG Network provides services to address the changing needs of low-income people in the state. California is currently ranked second in the nation for unemployment, with the statewide rate at 11.7%. Eligible entities deal with their county's high unemployment rate with counter measures such as emergency food, rental assistance, and job services. Several eligible entities have developed programs to spearhead foreclosure prevention in California. The CSBG eligible entities offer a broad array of services including Head Start, education services, transportation, medical and dental assistance, energy and weatherization services, senior meal programs, youth projects, case management services and asset development. As a part of its service delivery strategies, the CSBG entities incorporate community referrals, and information and referral services to outside programs and services to link clients to other service providers in the area. This aids in the achievement of holistic services for the low-income families and individuals.

The eligible entities are well acquainted with the needs of the community through the biennial process of submitting a Community Action Plan to CSD. The Community Action Plan assists the eligible entities in describing their service area and service delivery system. As part of the Community Action Plan, eligible entities submit a community profile and community needs assessment describing the current conditions of poverty within their community. Eligible entities provide direct services and/or sub-contract with community based organizations in an effort to provide the most applicable and effective services in their community to meet the needs addressed in the community needs assessment. The services are customized to address not only the needs of the community, but also the mitigation of obstacles to administering those services.

**b. Linkages ['676(b)(2)(B)]**

The CSBG Network partners with a variety of service providers from all sectors to maximize service availability to the low-income community. The eligible entities have developed collaborative partnerships with a myriad of entities, which may include City, County, State, and a variety of social service providers including faith-based partnerships and other community-based service providers. The Community Action Plan submitted by each agency includes a description of existing partnerships, as well as an assessment as to the effectiveness of the partnerships. In addition to the partnerships the eligible entities also participate on a variety of workgroups within their community focusing on issues such as economic development, homelessness, Workforce Investment Boards and community mental health councils. These workgroups are important linkages that help identify gaps in services to the low-income community.

Some entities have “one stop” service centers to meet the many needs of the clients seeking services. Linkages are established within the service area and are utilized to connect individuals to the array of local programs and services to meet the needs of family members. The coordination and linkages are key to each CSBG eligible entity’s ability to meet the needs of their clients.

CSD also assists eligible entities with the development of strategic partnerships, including coordination and linkages. CSD accomplishes this by partnering with other federal and state organizations in an attempt to identify additional programs and funds that may be available to the CSBG Network in California.

The linkages formed by CSD are essential in assisting in identifying gaps and coordinating resources for serving the low-income.

**c. Coordination with other Public and Private Resources ['676(b)(1)(C)]**

CSD requires eligible entities to coordinate their activities with other public and private resources within their service area. The Community Action Plan requires that each eligible entity provide a description of how it will coordinate their services and mobilize public and private resources to effect maximum leveraging for CSBG funds within the community. To meet the specific needs within the community eligible entities coordinate with public and private resources such as but not limited to Workforce Investment Boards, youth councils, emergency services entities, one-stop centers, CalWorks, and local community colleges to meet the emerging needs of low-income families and individuals.

In addition, CSD works to identify potential partnerships and encourages and assists eligible entities in developing these partnerships by sharing information through presentations at the quarterly CSBG Advisory

Committee meetings.

**d. Innovative Community and Neighborhood-based Initiatives [‘676(b)(2)]**

CSD continues to encourage eligible entities to develop innovative community and neighborhood-based initiatives through the community action planning process, local coordination, and the development of alternative funding options. In 2011 CSD released a Request for Application (RFA) to make available discretionary funds to support targeted initiatives and innovative projects that benefit low-income individuals, families, and communities. If the CSBG funding is not reduced, CSD intends to continue its support of these projects.

Examples of innovative programs submitted by the CSBG eligible entities in the 2012/2013 CAP include the following:

**California Human Development**

California Human Development (CHD) services migrant and seasonal farm workers (MSFW) through Day Labor Centers throughout California. Day Labor Centers operate as a one-stop center in which employers and job seekers have a safe and respectful environment to connect with one another. The centers also provide other services including: emergency food, rental assistance, parenting training, and as a gateway to training funded under the Workforce Investment Act.

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

Staff at the Day Labor Centers has a unique understanding of the vulnerable MSFW population and work toward the building of a positive and trusting relationship within the client community. This trust, coupled with the additional services offered at the Day Labor Center, including the connection to other community resources, allows CHD a special opportunity to affect the families of its clients that may not be accessing services in other locations. These families are often marginalized and afraid to seek necessary services. Staff, through their intake process, are able to identify family needs and work to address them.

**City of Los Angeles-Community Development Department**

All Family Source Centers provide opportunities to local, neighborhood-based groups and organizations to offer classes and meetings to address specific area concerns. For example the East Los Angeles Family Source Center provides space for Girls Today Women Tomorrow mentoring

project, which matches young girls with successful women to encourage the young girls to not only finish, but excel in their education goals and to delay pregnancy. The Pico-West Family Source Center identified the need to help local youth improve their math skills when students could not pass the required high school graduation tests. Concerned residents work with the center staff to establish classes and computerized math tutorials focusing on algebra and geometry.

### **Community Action Partnership of Madera County**

The strengthening Families Program consist of two parenting training models that assist parents and families in improving parenting skills and promoting positive family relationships at home. Both training models aim to enhance confidence in parenting and deliver effective ways to strengthen family relationships. Through the diversity of both models, parents within Madera County are provided an opportunity to participate in group classes that they can attend with their families or individual sessions. As a part of the program families are offered a small meal before each class and incentive for participation, attendance and completion of the program. To better serve our community, these skills classes are offered in English and Spanish and are currently offered in Madera and Chowchilla.

### **Community Action Board of Santa Cruz County, Inc.**

In recent decades, the number of women under criminal justice supervision has increased dramatically. Although, the rate of incarceration for women continues to be far lower than the rate for men, according to the Bureaus of Justice Statistics (2009) the number of women under the jurisdiction of state or federal prison authorities increased 1.2 percent from year end 2007, reaching 115,779, and the number of men rose 0.7 percent totaling 1,494,805. This increase in the rate of incarceration for women presents unique challenges. Although, men and women both face considerable challenges upon release, men and women have differing needs, motivations for change and respond differently to methods used to address challenges.

Gemma is a program of the Community Action Board of Santa Cruz County, Inc., committed to helping women transition back into the community after incarceration. The name Gemma, a botanical term meaning a bud ready to grow independently, was chosen by imprisoned women who identify with the image of blossoming into a new life path. Gemma is structured to provide transitional housing and wrap around support services to promote recovery from addictions and empower women in the transformation of their lives. In order to accomplish these goals, the agency provides housing, food, education and employment programs as well as psychological support to help stop the “revolving door” cycle of incarceration.

The Day Program operated by Gemma consists of a ten-week life-skills curriculum that is set up to provide education and support to women who are preparing for release from jail, those who have been recently released, or

those who are attempting to avoid further incarceration. The rich curriculum is taught by experienced volunteer instructors who cover topics including: Relapse Prevention; Money Management & Budgeting; Job Preparation & Resume Building; Exit Planning; Women's Health and Wellness; Domestic Violence Awareness; Empowerment; Healthy Relationships; Nutrition; Success on Probation; Conflict Resolution and Non-violent Communication; Positive Discipline for Parenting; Yoga; Dance; and Seeking Safety—a therapeutic approach to addiction and trauma. Feedback is provided to participants and instructors throughout each session in order to improve and enrich programming. In 2010, as a result of the program, Gemma witnessed a dramatic 67 percent decrease in overall recidivism in all categories.

### **Community Action Partnership of Riverside County**

CAP Riverside runs a family self-sufficiency program called Project B.L.I.S.S. (Building Links to Impact Self-Sufficiency). It is an innovative project that incorporates the national Move the Mountain Circles strategies. A Circle is a small group of three to five individuals who are in a position to help a family in poverty acquire the ability to overcome the barriers to ending poverty on their life, such as obtaining a living wage job, obtaining better education, developing better communication and interpersonal skills, and developing better parenting skills. Circles act as friends, offering encouragement, and material and non-material assistance to help the family move out of poverty.

CAP Riverside has established Guiding Coalitions in East and West County to facilitate the success of Circles. A Guiding Coalition is a dedicated group of 12 to 20 community activists, selected for their enthusiasm, energy, and experience at getting things done in the community. They are influential people from all sectors of the community, including but not limited to the private, public, non-profit, low-income, political, and educational sectors of the community. They are charged with changing policies, generating resources, and providing advisory leadership for the Coalition during its formative stages. The coalitions conduct community meetings that focus on the priority issues for families including education, financial management, family/parenting skills and other issues.

## **(2) Community Needs Assessment ['676(b)(11)]**

CSD requires eligible entities to develop two-year Community Action Plans (CAP). The CAPs are developed by eligible entities and are due to CSD June 30<sup>th</sup> biennially. Through the Needs Assessment in the CAP, eligible entities assess local poverty-needs and identify and prioritize eligible activities to be undertaken with CSBG funds.

The information and data gathered in the Needs Assessment drives the goal setting process and the formulation of program activities and delivery strategies. The Needs Assessment analyzes the demographic and economic conditions and other poverty-related factors identified in each community. The Needs

Assessment includes an appraisal of existing programs/services available in the community, specific information about the effectiveness and amount of assistance being provided to deal with the problems and causes of poverty, and the establishment of priorities for projects, activities and most efficient and effectual use of CSBG resources. Additionally, the eligible entities describe the process undertaken to collect the most applicable information to be included as part of the Needs Assessment. In particular, the eligible entities describe how they ensure that the Needs Assessment reflects the current priorities of the low-income population in their particular service area.

### **(3) Tripartite Boards ['676B(a)(b)]**

Community Services Block Grant (CSBG) Tripartite Board requirements are monitored by the State through the following methods:

To ensure Tripartite Board compliance, the CSBG Grant Agreement with the eligible entities requires the submission of the following:

- Current Tripartite Board roster, including name and sector of each board member.
- Current copy of the bylaws.
- Current roster of the Executive Committee of the tripartite board and notification to the State of any changes to the Executive Committee.
- Tripartite Board minutes from regularly scheduled meetings.

CSD conducts an annual compliance desk review and a full onsite review of each entity at least once during each three year period. The monitoring tools used to conduct the compliance reviews include focused board structure questions to ensure that the Tripartite Board is fully participating in the development, planning, implementation, and evaluation of the CSBG program. CSD makes every feasible effort to schedule the on-site monitoring visit corresponding to a Tripartite Board meeting. Additionally, to verify that the Board is fully engaged in the CSBG program, CSD evaluates the Tripartite Board minutes on a regular basis.

### **(4) State Charity Tax Program ['675C(b)(2)(c)]**

This is not applicable to the State of California.

### **(5) Programmatic Assurances ['676(b)]**

#### **(a) Assurance '676(b)(1):**

Funds made available through the grant or allotment will be used:

- (1) To support activities that are designed to assist low-income families and individuals, including families and individuals receiving assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), homeless families and individuals, migrant and seasonal farm workers,

and elderly low-income individuals and families to enable families and individuals to:

- (i) remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act);
- (ii) secure and retain meaningful employment;
- (iii) attain an adequate education, with particular attention to improving literacy skills of low-income families in the communities involved, which may include carrying out family literacy initiatives;
- (iv) make better use of available income;
- (v) obtain and maintain adequate housing and a suitable living environment;
- (vi) obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and
- (vii) achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication, and strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts.

CSD closely monitors the activities of California's Community Action Agencies. In addition to on-site compliance visits and desk review monitoring, which covers each program year, CSD staff perform an extensive review of agency narrative responses, submitted in the Community Action Plan, as to how eligible entities plan to meet Assurance 676(b)(1). Eligible entities are also required to submit projected outcomes in accordance with the established National Performance Indicators. The success of obtaining these outcomes is monitored on an ongoing basis. The comprehensive monitoring of agencies allows for CSD staff to assure that eligible entities are meeting all mandated assurances.

- (2) To address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs

of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and after-school child care programs; and

As stated previously, eligible entities are required to conduct and submit a formal Needs Assessment for their community. The Needs Assessment is required to reflect the current needs of the community. Eligible entities submit a narrative as part of their Community Action Plan that describes how they meet Assurances 676(b)(1) to address the needs of the youth in their communities. The needs will be met through various means, including summer youth programs, mentoring programs, gang suppression and prevention programs, life skills training and employment related pursuits.

- (3) To make more effective use of, and to coordinate with, other programs (including State welfare reform efforts).

Through the submission of the Community Action Plan, each eligible entity is required to submit a narrative describing the systems used to ensure optimal and effective use of coordination with other applicable programs within their community.

- (b) **Assurance '676(b)(4):** Eligible entities in the State will provide, on an emergency basis, for the provision of such supplies and services, nutritious foods, and related services, as may be necessary to counteract conditions of starvation and malnutrition among low-income individuals.

Eligible entities provide a narrative detailing their compliance with providing emergency food assistance and nutrition to offset conditions of starvation and malnutrition. The eligible entities certify their compliance with this assurance in the Community Action Plan. Entities coordinate with a variety of community organizations to provide food security. To assist in sustaining the nutrition demands many agencies assist in the development of community gardens that aid in providing food and nutrition. The State will ensure that these activities are carried out through the review of the Community Action Plan, the monitoring of the eligible entities program performance and contract requirements.

- (c) **State Assurance '676(b)(5):** and the eligible entities in the State will coordinate, and establish linkages between, governmental and other social services programs to assure the effective delivery of such services to low-income individuals and to avoid duplication of such services, and State and the eligible entities will coordinate the provision of employment and training activities in the State and in communities with entities providing activities

through statewide and local workforce investment systems under the Workforce Investment Act of 1998.

The eligible entities link with a number of governmental and other social services programs to assure the effective delivery of services to the low-income. The link with those social services programs ensure that the low-income have wrap-around services and are closer to moving to self-sufficiency. The linkages also ensure the avoidance of duplication of services. Linkages will be made by eligible entities and include coordination or partnerships with local Workforce Investment Boards, social services departments, One Stop centers, child care, and other community based organizations.

CSD requires eligible entities to provide a description of the linkages and certify in the Community Action Plan that their agency will comply with these assurances. The State will ensure that these activities are carried out through the review of the Community Action Plan, the monitoring of the eligible entities program performance, and contract requirements.

- (d) **Assurance '676(b)(6):** The State will ensure coordination between antipoverty programs in each community in the State, and ensure, where appropriate, that emergency energy crisis intervention programs under title XXVI (relating to low-income home energy assistance) are conducted in such communities.

CSD will continue to foster coordination between antipoverty programs in each community, including the Low-Income Home Energy Assistance Program (LIHEAP), through coordination provisions of the CSBG contractors' Community Action Plans. CSD administers the federal LIHEAP program, which contains provisions for weatherization and energy crisis intervention. Approximately 50 percent of the eligible entities are the administrators of the LIHEAP in their service area. The other eligible entities are acquainted with the local LIHEAP provider and utilize the linkage to serve the low-income in their community. Also, many eligible entities undertake relationships with direct energy and power service providers, such as PG&E, Edison and the California Public Utilities Commission.

CSD requires eligible entities to certify in the Community Action Plan that their agency will comply with these assurances. The State will ensure that these activities are carried out through the review of the Community Action Plan, the monitoring of the eligible entities program performance, and contract requirements.

- (a) **Assurance '676(b)(9):** The State and eligible entities in the State will, to the maximum extent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations.

**Information describing how the State will carry out this assurance:**

CSD requires eligible entities to certify in the Community Action Plan their agency will comply with these assurances. The CSBG eligible entities provide a description of their extensive partnerships in their Community Action Plan. The established partnerships are a strength of California's entities which aids in the leveraging of funds, staff, and other resources to assist the low-income.

The State will ensure that these activities are carried out through the review of the Community Action Plan, the monitoring of the eligible entities program performance and contract requirements. Additionally, CSD is committed to working to establish new partnerships and develop existing partnerships which further the goals and objectives of the CSBG Program.

**G. Fiscal Controls and Monitoring**

- (1) State Program Monitoring [678B(a)]** Describe the lead agency's plans for conducting the following reviews of eligible entities, as required under Section 678B(a) of the Act:

The State plans to conduct:

- (a) a full onsite review of each such entity at least once during each 3-year period;

CSD conducts a full onsite compliance monitoring review at least once every three years in accordance with CSBG Law. A comprehensive on-site monitoring tool is completed to verify whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements included in the CSBG Agreement. Also, if the eligible entity is not scheduled for a full on-site review, CSD conducts an annual in-house compliance desk review, evaluates programmatic and fiscal reports, and board minutes to identify early signs of noncompliance.

- (b) an onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program;

CSD will ensure that any new CSBG eligible designated in 2012-2013 will receive a comprehensive on-site compliance review during its first year of the administration of the CSBG program.

- (c) follow-up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State;

Follow-up reviews and prompt return visits are conducted when eligible

entities fail to meet or make progress in addressing the corrective action findings identified during a full on-site compliance monitoring or in-house compliance desk review.

- (d) other reviews as appropriate, including reviews of entities with programs that have had other Federal, State or local grants (other than assistance provided under the community services block grant program) terminated for cause.

CSD may conduct joint on site monitoring visits with other programs when identified issue may impact the administration of the CSBG program.

- (e) Specify the date of the last audit conducted and the period covered by the audit for each eligible entity.

Eligible entities are required to have a single agency wide audit conducted in accordance with Office of Management & Budget Circular A-133. The CSD Audit Services Unit (ASU) reviews the annual audits that are submitted by the eligible entities receiving funding through CSD. The audits of nonprofit eligible entities are due to CSD within nine months of the end of their fiscal year. Audits from governmental entities are submitted through the State Controller's Office with a copy to CSD and are due to CSD nine months after the end of their fiscal year. ASU reviews the audits for issues identified in the reports and for compliance with the governing laws and regulations. ASU investigates issues raised in the audit reports and follows-up on leads identified by Field Representatives.

## **(2) Corrective Action, Termination and Reduction of Funding ['678C]**

State regulations specify procedures for corrective action, termination, and reduction of funding in compliance with federal law, including:

- (1) Inform the Contractor of the deficiency to be corrected;
- (2) Require the Contractor to correct the deficiency;
- (3) Offer technical assistance to help correct the deficiency, if appropriate;
- (4) Allow the Contractor to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan to correct the deficiency within a reasonable period of time, as determined by the State.

## **(3) Fiscal Controls, Audits, and Withholding ['678D(a)(1)(2)]**

- (a) Assurance '676(b)(7): The State CSD cooperates fully with investigations, audits, and program reviews conducted by the Federal Government by providing access to State fiscal and programmatic records. Access to subgrantee or eligible entity fiscal and programmatic records is assured through contract requirements.
- (b) Assurance '676(b)(8): State regulations (Cal. Admin. Code tit. 22 §100780) establish procedures by which contracts and eligible entity designation may

be terminated, resulting in the termination of funding or reduction below the proportional share. State procedures comport with Federal Statutory requirements, including proper notice and hearing requirements.

- (c) Assurance '676(b)(10): The State will require each eligible entity in the State to establish procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation.

As part of the Community Action Plan, each agency is required to submit a narrative description which specifies how they intend to implement the above assurance.

## **H. Accountability and Reporting Requirements**

- (1) Results Oriented Management and Accountability (ROMA) ['676(b)(12)]:** Describe how the State will comply with the following assurance, in '**676(b)(12) of the Act**: The State and all eligible entities in the State will, not later than fiscal year 2001, participate in the Results Oriented Management and Accountability System or another performance measure system for which the Secretary facilitated development pursuant to Section 678E(b) of the Act. (Include a description of outcome measures to be used to measure eligible entity performance in promoting self-sufficiency, family stability, and community revitalization) These measures must measure performance towards meeting the following stated National Goals of the Community Services Block Grant Program:

The CSBG eligible entities in California comply with the Results Oriented Management and Accountability (ROMA) requirement set forth in the federal assurance 676(b)(12) of the CSBG Act through the submission of the 16 National Performance Indicators (NPI). The annual Community Services Block Grant Information Systems survey captures performance of CSBG eligible entities in the achievement of the six (6) National Goals.

The CSBG eligible entities within California report on the following National Indicators:

### **Goal 1: Low-Income People Become More Self-Sufficient. (self sufficiency)**

NPI 1.1 Employment

NPI 1.2 Employment Supports

NPI 1.3 Economic Asset Enhancement and Utilization

**Goal 2: The conditions in which low-income people live are improved.  
(community revitalization)**

- NPI 2.1 Community Improvement and Revitalization
- NPI 2.2 Community Quality of Life and Assets
- NPI 2.3 Community Engagement
- NPI 2.4 Employment Growth from ARRA Funds

**Goal 3: Low-Income people own a stake in their community.**

- NPI 3.1 Community Enhancement Through Maximum Feasible Participation
- NPI 3.2 Community Empowerment Through Maximum Feasible Participation

**Goal 4: Partnerships among supporters and providers of services to low-income people are achieved.**

- NPI 4.1 Expanding Opportunities Through Community-Wide Partnerships

**Goal 5: Agencies increase their capacity to achieve results.**

- NPI 5.1 Agency Development

**Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments. (family stability)**

- NPI 6.1 Independent Living
- NPI 6.2 Emergency Assistance
- NPI 6.3 Child and Family Development
- NPI 6.4 Family Support
- NPI 6.5 Service Counts

**(2) Annual Report: Section 678E(a)(2)** of the Act requires each State to prepare and submit to the Secretary an annual report on the measured performance of the State and its eligible entities. In order to address with Congressional reporting requirements under Section 678E of the Act, this report must include, at a minimum, information that is pertinent and comprehensive, and which describes in detail CSBG activities and services as well as addresses outcomes which measure how CSBG funds were used to promote self-sufficiency, family stability, and community revitalization. Use the following outline to report on CSBG services and activities and outcome measurements for the prior fiscal year:

**(a) Performance Objectives:**

California is charged with administering the CSBG funds to eligible entities to reduce poverty, revitalize low-income communities, and empower low-income families to become self-sufficient.

(b) **Program Accomplishments and Activities:** The Department of Community Services and Development examines the activities and accomplishments of CSBG eligible entities through the collection and review of data submitted for the Community Services Block Grant Information System (CSBG/IS) Survey. The data charts below, Sections C-E, are representative of data collected on behalf of CSBG eligible entities for the CSBG/IS report for the 2010 program year (January-December).

(c) **Comparison of Planned and Actual Expenditures for Prior Fiscal Year**

(1) Planned Distribution of Funds to Eligible Entities (as shown in previous State plan) vs. Actual Expenditures (Note: Beginning in FY 2000: Were any funds recaptured and redistributed? If so, please describe)

In 2010, as reported in the annual CSBG I/S report, the planned and actual expenditures were \$55,837,140

<b>Planned Distribution</b>	<b>Actual Expenditures</b>
\$55,837,140	\$55,837,140

(2) Planned Distribution of Funds for discretionary purpose (as shown in previous State plan) vs. Actual Expenditures

As reported in the 2010, annual CSBG/IS report, the planned distribution of funds for discretionary purposes were \$4,903,580 and the actual expenditures were \$3,438,418. The information reported in the CSBG/IS report is for the CSBG program year beginning January 1, 2010 through December 31, 2010. The remaining balance of the discretionary funds was distributed as of June 30, 2011.

<b>Planned Distribution</b>	<b>Actual Expenditures</b>
\$4,903,580	\$3,438,418

(3) Planned Distribution of Funds for Discretionary Purposes (as shown in previous State Plan) vs. Actual Expenditures

In 2010, as reported in the annual CSBG I/S report, the planned use of funds for state administration were \$3,102,063 and the actual use of funds for state administration were \$3,102,063.

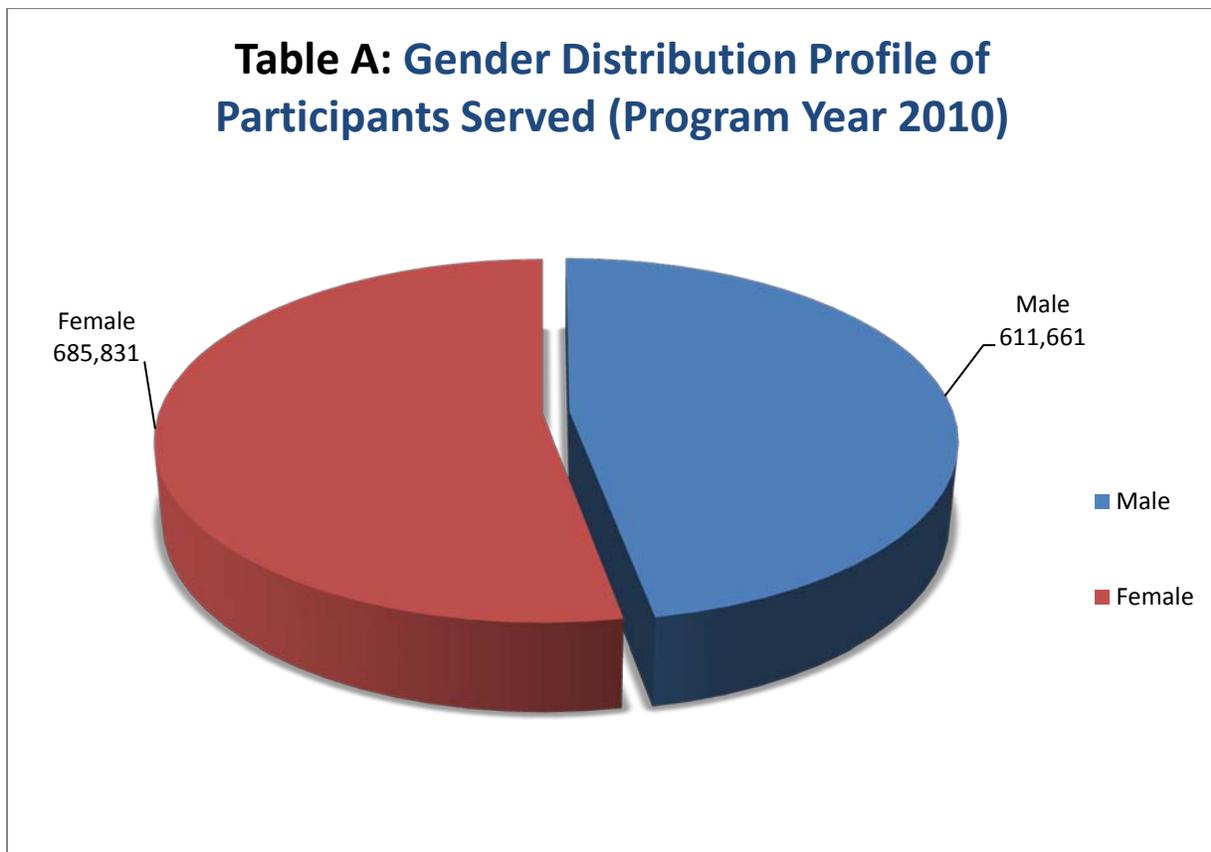
<b>Planned State Administration</b>	<b>Actual Expenditures</b>
\$3,102,063	\$3,102,063

(d) Profile of Participants Served (number and characteristics of clients served)

In 2010, the gender, age, race, family type, and family size characteristics of the clients served were reported in the annual CSBG I/S. (See Tables A-E)

**Gender Distribution of Participants**

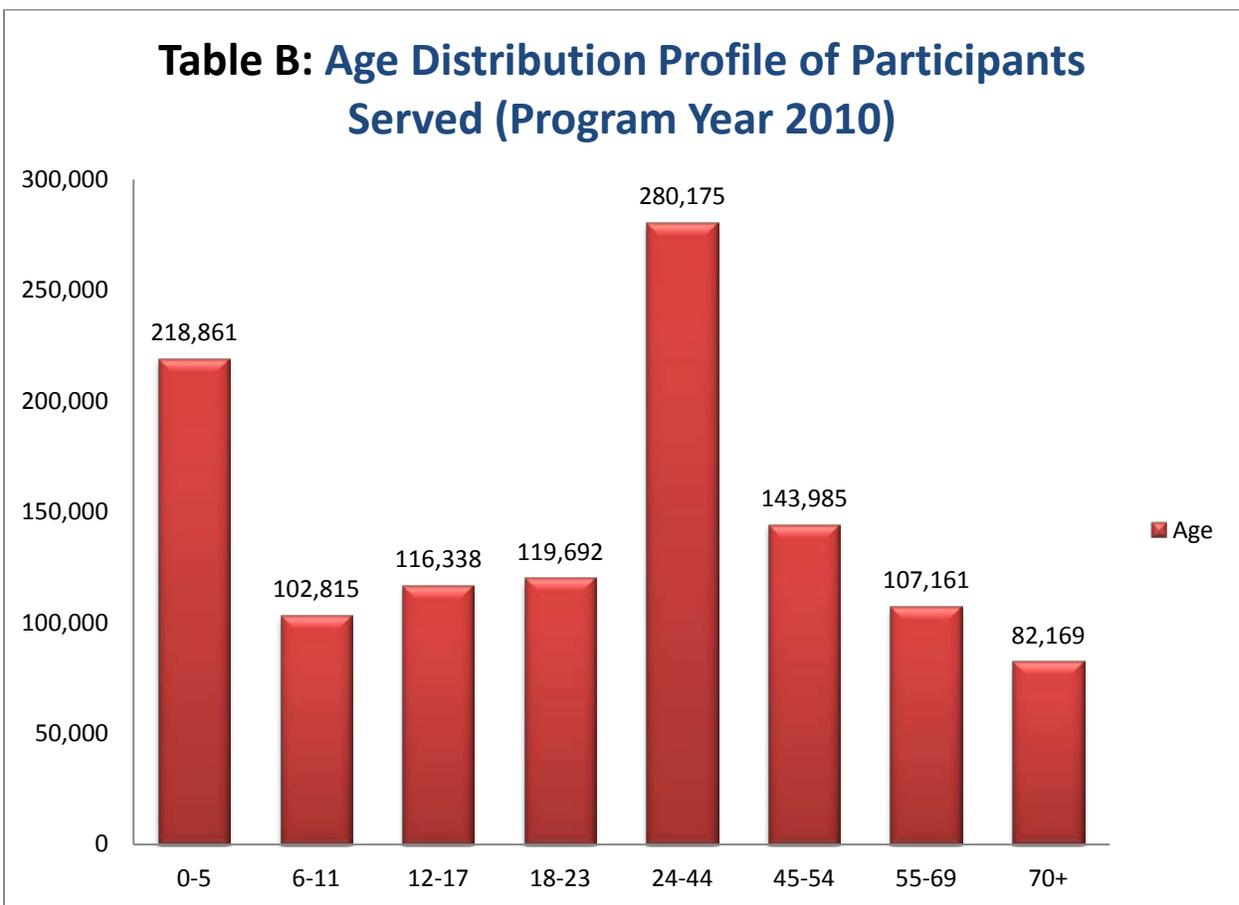
Table A shows the number of male and female participants served by Community Action Agencies under the CSBG program during the 2010 Program Year. Female participants accounted for 53 percent of clients serviced while male participants accounted for 47 percent of the population served.



## Age Distribution of Participants

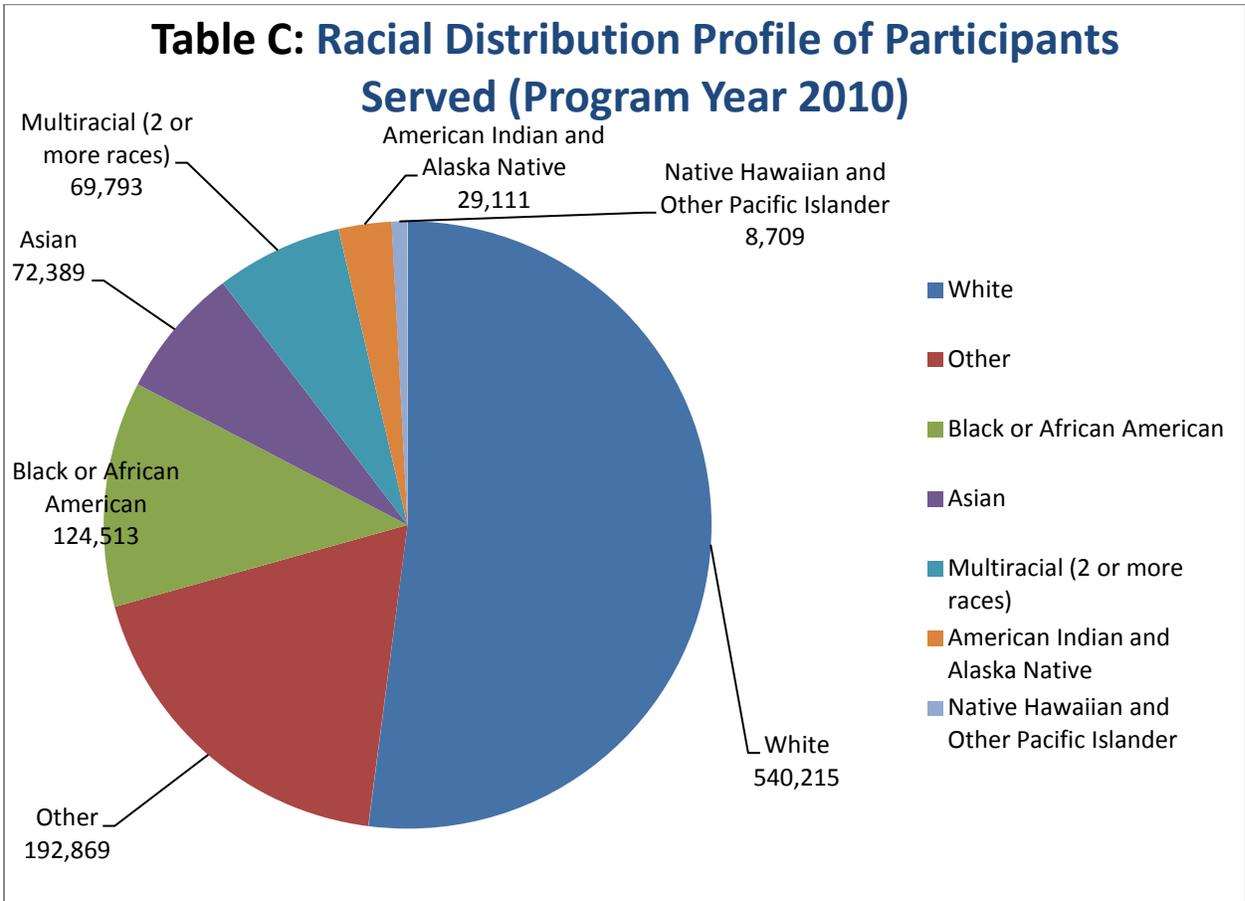
Table B represents the age distribution of clients serviced by Community Action Agencies in the 2010 Program Year. Results show 18.7 percent of participants were between the ages of 0-5 years, 8.8 percent were between the ages of 6-11 years, 10 percent were between the ages of 12-17 years, 10.2 percent were between the ages of 18-23 years, 24 percent were between the ages 24-44 years, 12.2 percent were between the ages of 45-54 years, 9.1 percent were between the ages of 55-69 years, and 7 percent were aged 70 years or older.\*

\*All percentages in this figure are rounded to the nearest tenth of a percentage. As a result, figures add up to 100 percent



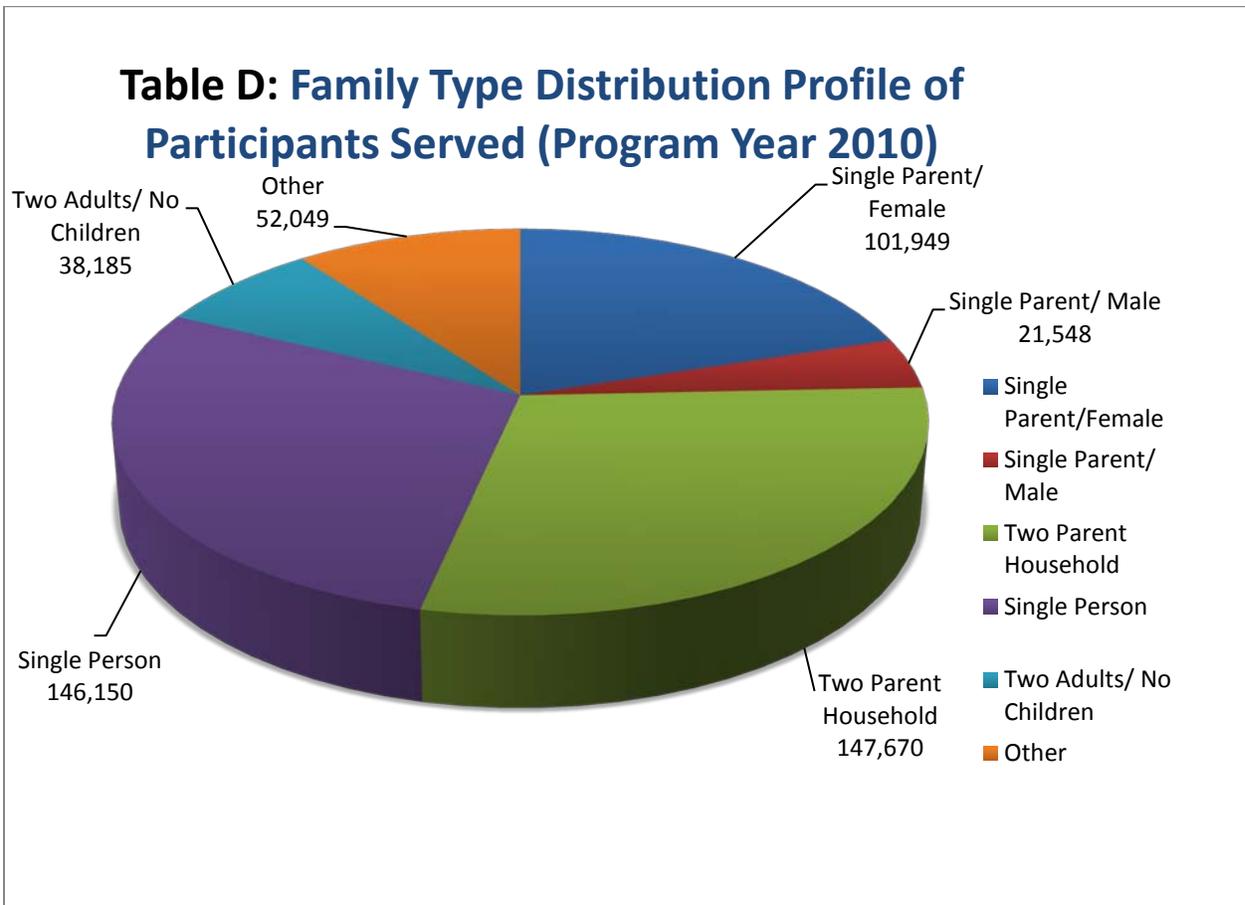
## Race and Ethnicity of Participants

Community Action Agency program participants are ethnically and racially diverse. Ethnicity and racial data offered by more than 1 million individuals indicated that nearly 52 percent were identified as White, 18 percent were of another race, 12 percent were Black or African American, 7 percent were Asian, 7 percent were multiracial (consisting of 2 or more races), 3 percent were American Indian and/or Alaska Native, and 1 percent were Native Hawaiian and/or Other Pacific Islander.



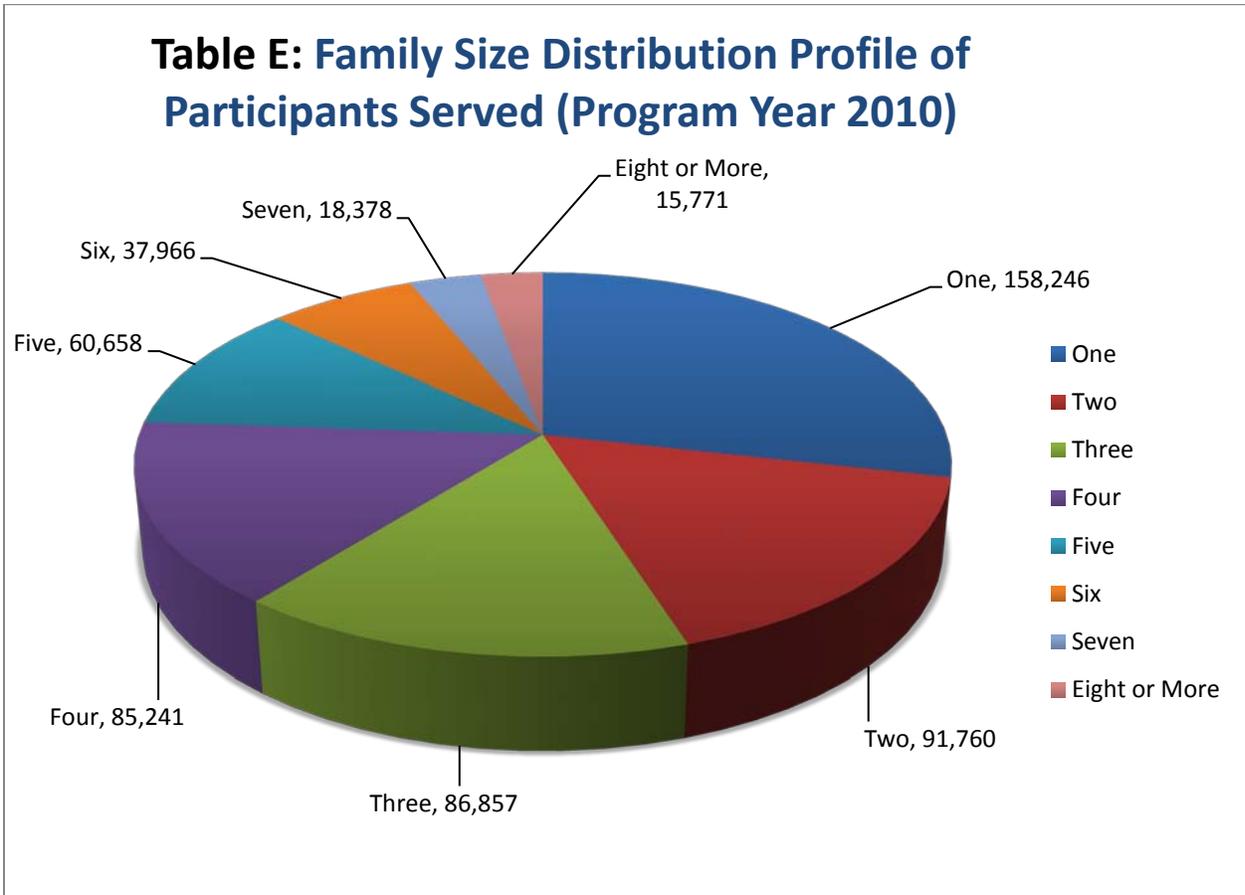
## Family Structure of Participants

Table D shows that 53 percent of participating families included children; 29 percent of all program participants were represented by families with children that had both parents present, 20 percent of program participants were headed by a single mother, and 4 percent of participants were headed by a single father. Two parent families have the highest poverty rate of all family types. Families with children (both single and two parent households) account for more than one-half of all Community Action Agency program participants in the 2010 Program Year.



## Family Size Distribution

Table E shows a distribution of family size for participants served under CSBG in the 2010 Program Year. During the 2010 Program Year, families of five or more individuals collectively accounted for a total of 24 percent of participants living in poverty. Families of one individual accounted for the largest percentage of participants living in poverty at 28 percent. Subsequently, the data shows individuals living alone are disproportionately likely to be poor. Community Action Agencies served 263,858 families with two-, three-, or four-person families.



(e) Statistical Report on CSBG Program Services

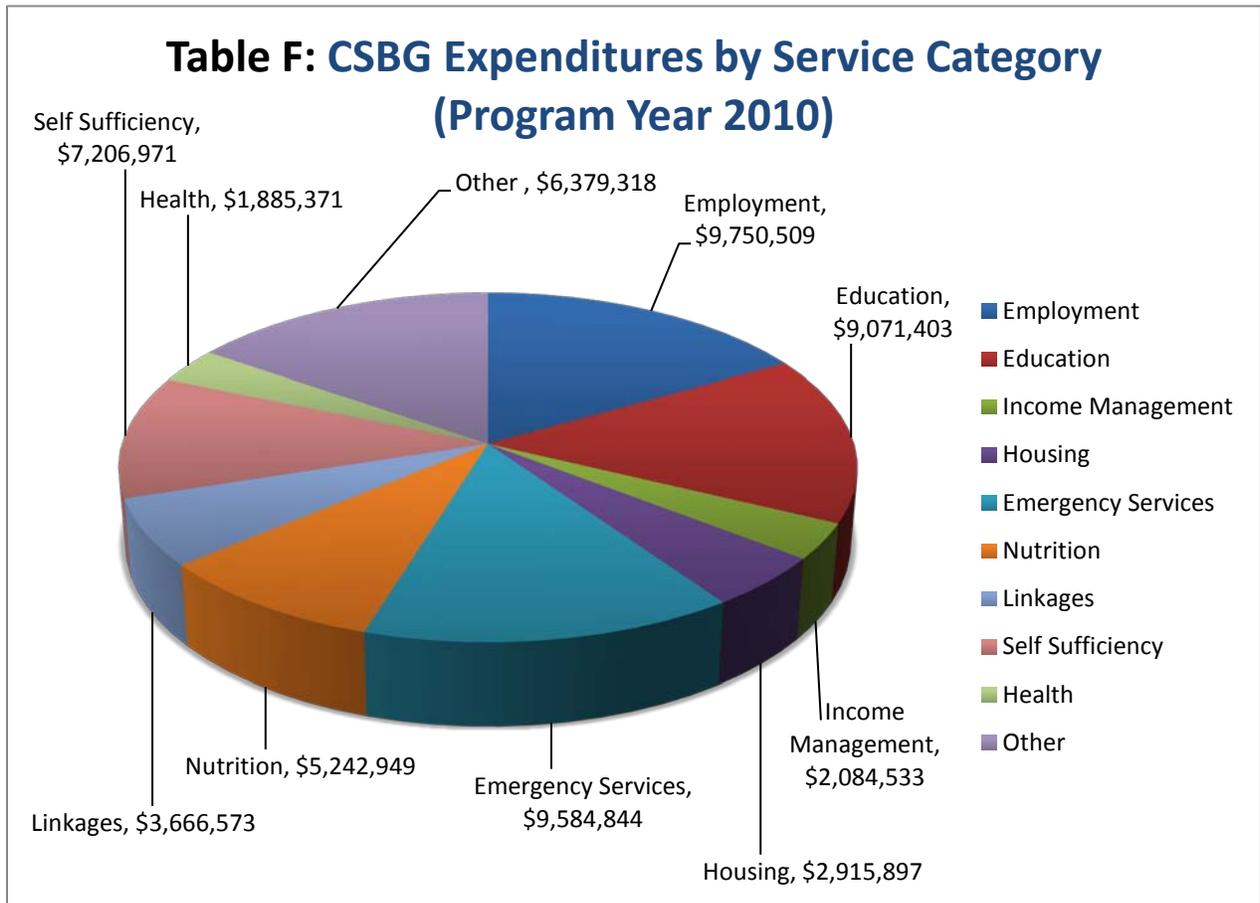
In 2010, the annual CSBG I/S report captured statistical data on CSBG program services. (See Table F)

**CSBG Expenditures by Service Category**

CSBG projects are classified by the conditions causing poverty that the CSBG statute identifies as major barriers to economic security. They include inadequate:

- Employment
- Education
- Income Management
- Housing
- Emergency Services
- Nutrition
- Linkages
- Self Sufficiency
- Health
- Other

Table F shows how CSBG eligible entities expended appropriated CSBG funds in the 2010 Program Year among these categories. A project in any one category might further progress toward multiple Community Action Agency goals, and many projects fall into more than one of these categories.



(f) Training and Technical Assistance Provided by the State

California provides training and technical assistance to CSBG eligible entities to improve fiscal and programmatic accountability and program administration through options including but not limited to coordinating training activities through a partnership with the California/Nevada Community Action Partnership (Cal/Neva). Cal/Neva is the trade association of Community Action Agencies (CAAs) and other non-profit community-based organizations that deliver human services to almost 4 million low-income Californians annually. Cal/Neva provides training and technical assistance (T&TA) activities in the areas of governance, administration, community assessment, program development and implementation, client service delivery, outcomes reporting, evaluation and planning to assist Community Services Block Grant (CSBG) eligible entities to improve and/or strengthen their fiscal and programmatic oversight of the CSBG funds.

The partnership with the state association supports training and technical assistance activities that include strategies such as:

- Peer to Peer training designed to utilize the experience of CSBG eligible entity staff to provide knowledge and expertise relating to program or administrative performance and identified local needs.
- Regional training designed to coordinate discussions with eligible entities in geographic regions (i.e., southern, rural) on national issues or best practices.
- Network Training and Technical Assistance utilizing a curriculum based training on specific core subject areas that meet performance and grant standards to improve and/or strengthen the administration of the CSBG program.

CSD hosts quarterly CSBG Advisory Committee (CAC) meetings to provide the CSBG eligible entities with national and state updates on the administration of the CSBG program. The CAC meetings also provide the forum for information sharing and discussion of best practices to assist the entities with the administration of the CSBG.

## **APPENDIX A**

### **DOCUMENTATION OF LEGISLATIVE AND PUBLIC HEARING**

**STATE OF CALIFORNIA  
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT  
NOTICE OF PUBLIC HEARING – 2012-13 COMMUNITY SERVICES BLOCK  
GRANT (CSBG)**

The State Legislature will conduct a public hearing to receive comments on the 2012-13 State Plan and Application for the Community Services Block Grant (CSBG) Program. The hearing is scheduled for 1:30 pm. on August 16, 2011, at the State Capitol, Room 3191, Sacramento, CA 95814.

Persons presenting oral testimony are requested to provide a written statement of their presentation at the conclusion of their testimony. If unable to attend, send written comments to: Department of Community Services and Development, Post Office Box 1947, Sacramento, CA 95812, Attention: Sherri Bridgeforth. Comments will be accepted until 5:00 p.m., August 16, 2011. The Department of Community Services and Development will review comments and at its discretion incorporate changes to the final plan. A copy of the draft plan may be obtained on CSD's website at [www.csd.ca.gov](http://www.csd.ca.gov) or by calling (916) 576-7200.

**\*NOTICE\***

**Americans with Disabilities Act**

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# The Sacramento Bee

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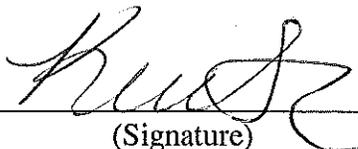
DECLARATION OF PUBLICATION  
(C.C.P. 2015.5)

COUNTY OF SACRAMENTO  
STATE OF CALIFORNIA

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the printer and principal clerk of the publisher of The Sacramento Bee, printed and published in the City of Sacramento, County of Sacramento, State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Sacramento, State of California, under the date of September 26, 1994, Action No. 379071; that the notice of which the annexed is a printed copy, has been published in each issue thereof and not in any supplement thereof on the following dates, to wit:

**August 1, 2, 3, 4, 5, 2011**

I certify (or declare) under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Sacramento, California, on **August 5, 2011**.

  
\_\_\_\_\_  
(Signature)

## NO 405 PUBLIC NOTICE

### STATE OF CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT NOTICE OF PUBLIC HEARING - 2012-13 COMMUNITY SERVICES BLOCK GRANT (CSBG)

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#### \*NOTICE\*

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In the Superior Court of the State of California  
in and for the County of Shasta

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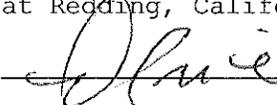
State of California  
County of Shasta

I hereby certify that the Record Searchlight is a newspaper of general circulation within the provisions of the Government Code of the State of California, printed and published in the City of Redding, County of Shasta, State of California; that I am the principal clerk of the printer of said newspaper; that the notice of which the annexed clipping is a true printed copy was published in said newspaper on the following dates, to wit;

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FILED ON: 08/01/11

I certify under penalty of perjury that the foregoing is true and correct,  
at Redding, California on the above date.



RECORD SEARCHLIGHT  
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**STATE OF CALIFORNIA  
DEPARTMENT OF COMMUNITY SERVICES  
AND DEVELOPMENT  
NOTICE OF PUBLIC HEARING - 2012-13 COMMUNITY  
SERVICES BLOCK GRANT (CSBG)**

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August 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 2011

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(2015.5 C.C.P.)

**STATE OF CALIFORNIA,  
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**JULY 28 & AUGUST 04,**

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I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at **LOS ANGELES,** California,  
this **04<sup>th</sup>** day of **AUGUST, 2011.**

Signature

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**STATE OF CALIFORNIA; DEPARTMENT OF  
COMMUNITY SERVICES AND DEVELOPMENT**

Proof of Publication of

**Notice of Public Hearing – 2012-13**  
**Community Services Block Grant (CSBG)**

**STATE OF CALIFORNIA  
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT  
NOTICE OF PUBLIC HEARING – 2012-13  
COMMUNITY SERVICES BLOCK GRANT (CSBG)**

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JACK HAILEY  
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COMMITTEE ASSISTANT  
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# California Legislature

## SENATE COMMITTEE ON HUMAN SERVICES

CAROL LIU  
CHAIR



MEMBERS  
BILL EMMERSON  
VICE CHAIR  
TOM BERRYHILL  
LONI HANCOCK  
TONY STRICKLAND  
RODERICK D. WRIGHT  
LELAND Y. YEE

August 29, 2011

The Honorable Darrell Steinberg  
President pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable John Perez  
Speaker of the Assembly  
State Capitol, Room 219  
Sacramento, CA 95814

RE: 2012-13 Community Services Block Grant State Plan and Application

Dear Senator Steinberg and Speaker Perez:

On August 16, 2011, the Senate and Assembly Committees on Human Services held a joint hearing on the California Department of Community Services and Development's proposed State Plan and Application for fiscal years 2012-13. The hearing was held pursuant to federal law (Public Law 97-35, as amended) and California Government Code Sections 12736(a) and 12741(b).

The committees received testimony from John A. Wagner, Interim Director of the Department of Community Services and Development (Department), providing an overview of the State Plan. In addition, the committees heard testimony from Tim Reese, Executive Director of the California Nevada Community Action Partnership and Darick Simpson, Executive Director of the Long Beach Community Action Partnership.

The Department has addressed comments presented at the hearing or submitted to the Department in writing that required a response and/or revision to the Plan. A court reporter has supplied a transcript of the hearing that will be included in the final Plan, which will be submitted to the Secretary of the U.S. Department of Health and Human Services.

The Senate and Assembly Committees on Human Services hereby certify that the State Plan conforms to the requirements of State law.

Sincerely,

  
CAROL LIU  
Chair, Senate Human Services

  
JIM BEALL, Jr.  
Chair, Assembly Human Services

Cc: John Wagner, Director, California Department of Community Services and Development

BEFORE THE  
CALIFORNIA LEGISLATURE  
SENATE COMMITTEE ON HUMAN SERVICES  
JOINT HEARING OF THE SENATE AND ASSEMBLY  
HUMAN SERVICES COMMITTEES

THE 2012/2013 COMMUNITY SERVICES BLOCK GRANT STATE PLAN

TUESDAY, AUGUST 16, 2011, 1:30 P.M.

ROOM 3191, STATE CAPITOL

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1 APPEARANCES

2 SENATE COMMITTEE:

3 SENATOR CAROL LIU, Chair

4 ASSEMBLY MEMBER JIM BEALL, Chair

5 SENATOR BILL EMMERSON, Vice Chair

6 ASSEMBLY MEMBER BRIAN JONES

7 SENATOR RODERICK D. WRIGHT

8 ASSEMBLY MEMBER TOM AMMIANO

9 SENATOR LONI HANCOCK

10 ASSEMBLY MEMBER ANTHONY J. PORTANTINO

11 STAFF PRESENT:

12 JOY TRAYLOR, Committee Assistant, Human Services

13 ANDI LANE, Executive Assistant, California State  
14 Senate

15 JOE PARR, Committee Consultant

16 CONSULTANTS PRESENT:

17 JOHN WAGNER, Director, Department of  
18 Community Services Development

19 TIM REESE, Executive Director, California-Nevada  
20 Community Action Network

21 PAMELA HARRISON, Manager, Department of  
22 Community Services Development

23 PUBLIC COMMENT:

24 Darick J. Simpson, Executive Director, Long  
25 Beach Community Action Partnership

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AGENDA

- I. Welcoming Remarks:  
Senator Liu, Assembly Member Beall, and Members
- II. Overview of the Plan:  
John Wagner, Director, Department of Community  
Services and Development
- III. Tim Reese, Executive Director, California Nevada  
Community Action Network
- IV. Public Comment

1 SACRAMENTO, CALIFORNIA; TUESDAY, AUGUST 16, 2011

2 1:30 P.M.

3 \*\*\*

4 CHAIRPERSON LIU: Welcome to the Joint Hearing  
5 of the Senate and Assembly Human Services Committee.  
6 And today we are going to hear about the 2012/13  
7 Community Services Block Grant State Plan. And I  
8 welcome everyone here, especially my counterpart over in  
9 the Assembly, Assembly Member Beall.

10 Since President Lyndon Johnson signed -- that's  
11 a really long time ago -- signed the Economic  
12 Opportunity Bill of 1964 -- I remember that well -- the  
13 Department of Community Services and Development has  
14 been part of the nation's War on Poverty. And each year  
15 CSD delivers programs and services to more than two  
16 million low-income Californians to help them improve  
17 their lives and achieve self-sufficiency.

18 The Department receives its primary funding from  
19 the federal Community Services Block Grant, CSBG, the  
20 Low Income Home Energy Assistance Program -- this is  
21 another acronym -- and the U.S. Department of Energy  
22 Weatherization Assistance Program.

23 And the CSBG funds pass from the federal  
24 government through the state government to local  
25 Community Action agencies, and then these agencies form

1 an association called the California Nevada Community  
2 Action Network, Cal-Neva, which includes government and  
3 nonprofit organizations.

4 And in accordance with federal law, the state  
5 must submit a Community Services Block Grant State Plan  
6 and hold an annual legislative hearing to oversee the  
7 grant. The purpose of the CSBG State Plan is to provide  
8 certification and assurance that the state will meet  
9 fiscal, programmatic, and public hearing requirements as  
10 set forth by Congress, and to describe how CSBG programs  
11 operate within the state.

12 And our challenge today is to examine the  
13 proposed plan. And we look forward to hearing from our  
14 witnesses, Mr. John Wagner, the Director of the  
15 Department of Community Services Development, and  
16 Mr. Tim Reese, the Executive Director of Cal-Neva.

17 So with that, Assembly Member Beall, do you have  
18 any opening remarks?

19 ASSEMBLY MEMBER BEALL: Yeah. Without being  
20 repetitive, I want to welcome everybody here today,  
21 especially John Wagner, who's done a great job for the  
22 State of California, and Tim Reese, Cal-Neva Community  
23 Action Network. And thank you both for all your service  
24 to our state, and we really appreciate it.

25 It's really unfortunate that we're here to

1 review a State Plan that had a 50 percent reduction in  
2 the state's federal allocation that could be a potential  
3 reduction. So that's one thing, perhaps, that we ought  
4 to recognize right up front, that this is a possibility.

5         And even \$60 million doesn't really go that far  
6 when considering the broad priorities of our Community  
7 Services Block Grant Program that we have in California  
8 for low-income Californians. And we have to stretch our  
9 dollars, so we're going to do the best we can.

10         On top of that, we all know too well that  
11 there's been massive cuts in other Human Services and  
12 social services programs due to our budget restraints  
13 that we've had in terms of adopting a budget that's  
14 balanced and having to make cuts in our budget.

15         I hope that we deal with this 50 percent  
16 decrease and have some creative thoughts on how and when  
17 and which way the state is adjusting its priorities in  
18 anticipation of such a big cut; like, what are we going  
19 to do? What's our plan? And that's what we're going to  
20 talk about today.

21         And I hope, also, that each of you can offer  
22 thoughts and suggestions how our Community Services  
23 Block Grant Program can be modified following the  
24 federal requirements to stretch dollars further by  
25 improving efficiencies, increasing coordination and

1 collaboration among participating agencies so that our  
2 limited dollars can be used even more effectively.

3 And I'm also interested in hearing from our  
4 agencies out in the communities about what they have to  
5 say about our program, and the public, getting feedback  
6 on the plan; so, any suggestions you have to make our  
7 program more efficient and effective.

8 So thank you for being here. And I appreciate  
9 the testimony of everybody involved in this program.

10 CHAIRPERSON LIU: Thank you, Assembly Member  
11 Beall.

12 Welcome, too, Senator Emmerson.

13 VICE CHAIR EMMERSON: Thank you.

14 CHAIRPERSON LIU: Do you have any opening  
15 remarks?

16 VICE CHAIR EMMERSON: No. Let's jump right in.

17 CHAIRPERSON LIU: Okay. Thank you very much.

18 Mr. Wagner, we'd love to have you talk about the  
19 plan.

20 MR. WAGNER: Thank you, Madam Chair, members of  
21 the committee. I want to again thank you for the  
22 opportunity to be here to talk about and provide an  
23 overview of the Community Services Block Grant, or CSBG.

24 And with me is Pamela Harrison, who is the  
25 Community Services Division Manager for the state, for

1 CSD, who will help in answering especially the tough  
2 questions that you might have about our State Plan.

3 The goal of all the programs administered by the  
4 Department is to provide low-income individuals and  
5 families a pathway out of poverty and to self-reliance  
6 and improved well-being.

7 CSD achieves this goal through not only  
8 providing some of the most basic services and immediate  
9 life necessities but through also providing services  
10 that help individuals and families achieve  
11 self-sufficiency.

12 As required by federal law, the CSBG State Plan  
13 contains several programmatic assurances the State of  
14 California must adhere to. In addition, in accordance  
15 with guidance from the U.S. Department of Health and  
16 Human Services, the State Plan describes how the CSBG  
17 program operates within California to reflect  
18 locally-determined programmatic priorities established  
19 through Community Action planning, needs assessment, and  
20 public forums at the local level.

21 CSD, as you mentioned, Madam Chair, distributes  
22 federal funds through our 59 eligible local private,  
23 nonprofit and public agencies, which cover all of  
24 California's 58 counties throughout the state and fall  
25 into one of the following categories: Community Action

1 agencies, migrant and seasonal farm workers'  
2 associations, limited-purpose agencies, and Native  
3 American Indian agencies.

4           The CSBG program provides a broad range of  
5 services and activities to help reduce poverty in  
6 California communities, including assistance in the  
7 areas of food distribution and nutrition, job training,  
8 employment, education and income management, housing,  
9 emergency services, and other programs that assist  
10 low-income families that you'll hear about throughout  
11 the course of today's hearing.

12           Just for your reference, in the draft plan that  
13 you have on page 34, Table F really breaks down the  
14 expenditures for the 2010 CSBG plan. 2010 is the last  
15 year for which a full year's data are available, and  
16 you'll see how the spending breaks into the categories  
17 that I just mentioned, including others.

18           One of the unique and important characteristics  
19 or elements of CSBG that I think we need to highlight is  
20 that it really can assist local communities in  
21 revitalization of low-income areas and assist them in  
22 the reduction of poverty, and helps local service  
23 providers build capacity and develop links with other  
24 service providers through something called leveraging,  
25 which you'll hear about.

1           In fact, during 2010, California's local  
2 CSBG-eligible entities leveraged just over \$1.7 billion  
3 in other federal funding through federal programs, state  
4 programs, local public funding, private, and other  
5 resources.

6           So this positive effect recycles money back into  
7 the economy, resulting in a much larger benefit and  
8 impact to our local communities than just the CSBG  
9 funding extreme alone. Last year, California reported  
10 serving over 3.5 million low-income Californians through  
11 our network of CSBG-eligible entities.

12           Since 2001, the federal CSBG Act requires that  
13 states participate in something called results-oriented  
14 management and accountability systems, or ROMA systems,  
15 or another federally-approved performance system.

16           All states must annually prepare and submit to  
17 federal HHS a report on the measured performance of the  
18 state and eligible entities throughout the state. This  
19 framework led to the creation of six national goals and  
20 16 national performance indicators that are also part of  
21 the State Plan.

22           The State Plan lists the national goals and  
23 indicators on page 26 and 27. And just to highlight  
24 one, for example, the first goal entitled "Low Income  
25 People Becoming More Self Sufficient," the number of

1 participants in Community Action programs who get a job  
2 or become self-employed is one of the indicators under  
3 that goal.

4 For 2010, California reported that 46 separate  
5 Community Action agencies enrolled 44,055 unemployed  
6 persons; and of these, 23,842 obtained a job.  
7 Similarly, 32 Community Action agencies enrolled 12,629  
8 employed persons; and of these, 9,861 obtained an  
9 increase in employment income or an increase in  
10 employment benefits.

11 CSD also encourages innovative community and  
12 neighborhood-based initiatives that are devolved through  
13 the Community Action planning process, which in many  
14 cases includes local partnerships and the leveraging  
15 that I mentioned earlier.

16 The State Plan before you includes description  
17 of a few of the innovative projects and programs  
18 administered throughout the state, but just to highlight  
19 a couple to give a sense of what is going on at the  
20 local level, one example includes the day labor centers  
21 provided by the California -- developed by California  
22 Human Development, a migrant and seasonal farm worker  
23 agency that provides services across California.

24 CHD operates these as one-stop centers that  
25 connect job seekers with employers, as well as provides

1 an array of services in one location; including  
2 everything ranging from emergency food, rental  
3 assistance, parenting training, and as a gateway to  
4 training funded through other resources, including the  
5 Workforce Investment Act, or WIA funding.

6 CHD partners with more than 20 local  
7 organizations to provide these services, including the  
8 county, the Workforce Investment Board, faith-based  
9 organizations, and other nonprofits throughout the area.

10 The City of L.A. is a public agency that  
11 operates something called "All Family Source Centers,"  
12 which provide opportunities to local neighborhood-based  
13 groups and organizations to offer classes and meetings  
14 to address specific needs throughout their community.

15 For example, the East Los Angeles Family Source  
16 Center provides space for something called "The Girls  
17 Today/Women Tomorrow Mentoring Project," which matches  
18 young girls with successful women to encourage  
19 educational success and attainment.

20 In the last example, just to highlight the  
21 positive impact made by CSBG funding, is an innovative  
22 program provided by the private nonprofit Community  
23 Action Board of Santa Cruz, known as Gemma. After  
24 conducting a survey in their community's needs, Santa  
25 Cruz implemented this program committed to helping women

1 transition back into the community after incarceration.

2 Gemma is structured to provide transitional  
3 housing and wraparound support services to promote  
4 recovery from addictions and empower women to transform  
5 their lives. In order to accomplish these goals, the  
6 agency provides housing, food, employment programs, as  
7 well as psychological support to help stop the cycle of  
8 incarceration and recidivism.

9 This Community Action agency has 32 partners to  
10 provide this program, including county, sheriff, and  
11 probation departments, local adult education systems,  
12 and faith-based organizations, among others.

13 And I know there are some directors here today  
14 who will talk a lot more about some of the local  
15 programs they've been creative and innovatively pieced  
16 together in their communicate that will provide  
17 additional examples of their amazing work utilizing CSBG  
18 to address the needs of low-income individuals and  
19 families in their communities.

20 In addition to the local examples that I've  
21 highlighted and that you'll hear a little bit more  
22 about, we, at the state, at CSD, also work at the state  
23 level to coordinate programs that improve the quality of  
24 life for low-income Californians.

25 A recent example of this is something that I

1 know the Chair has championed well, and that is the  
2 targeted program to increase access to something called  
3 the Earned Income Tax Credit, or EITC, among low-income  
4 households. And this was specifically done under the  
5 CSBG Recovery Act funding that we received.

6 We were able to target just under one percent,  
7 or roughly \$900,000 that went to 21 local agencies  
8 throughout the state, which resulted in over 28,000  
9 low-income participants claiming more than \$15 million  
10 in EITC benefits or refunds. And much of that money,  
11 obviously, was infused back into these local economies.

12 On top of the targeted program under the  
13 Recovery Act, nearly 40,000 low-income Californians  
14 participated in tax preparation programs offered by CSBG  
15 eligible entities in 2010, who, in aggregate, claimed  
16 over \$46 million in any type of federal or state tax  
17 credits.

18 And because of these collaborative efforts that  
19 are so critical in meeting the needs of those whom we  
20 serve, just this past June CSD began contracting with  
21 the state association, the California-Nevada Community  
22 Partnership, or Cal-Neva, to provide training and  
23 technical assistance to CSBG providers.

24 A component of this will be accomplished through  
25 development of an EITC resource bank that will help

1 expand efforts to increase EITC filings among  
2 California's low-income population. And I think the  
3 resource bank will provide resources, such as a pool of  
4 trainers, to assist organizations implement new EITC  
5 programs, support materials for outreach and marketing,  
6 increased awareness of the benefit of the program,  
7 training webinars, and other tools to help increase EITC  
8 tax filings in California.

9           Lastly, to address some of the comments that  
10 Chairman Bell had made regarding CSBG going forward,  
11 these, for sure, are very uncertain times. The Obama  
12 Administration is proposing a 50 percent reduction of  
13 CSBG, and proposing additional programmatic changes as  
14 well.

15           The reduction is projected for the 2012 federal  
16 fiscal year beginning this October 2011. If the  
17 reduction occurs, California's allocation for 2012 would  
18 be about \$30 million, a reduction from the 2011  
19 allocation of roughly \$60 million, and will result in a  
20 restructuring of the current services delivery system.

21           We have not received any further information or  
22 guidance on what this could look like from our federal  
23 partners, and the funding for 2012 is still being  
24 debated at the national level and is pending in  
25 Congress.

1           Because we do not have the final CSBG  
2 appropriation figure, the State Plan provides two  
3 funding allocation formulas, one based on the 2011  
4 funding level and one that would represent this  
5 50 percent reduction, should that occur, and be passed  
6 along to the states. But in anticipation for that  
7 reduction, CSD has taken a proactive approach.

8           We have partnered with our friends at Cal-Neva  
9 in developing a CSBG Advisory Task Force consisting of  
10 network representatives to solicit input and make  
11 recommendations regarding possible state formula  
12 modifications to implement the proposed funding  
13 reductions. And this would include other programmatic  
14 changes as well.

15           The reflected allocations listed in the State  
16 Plan will obviously change, dependent upon the final  
17 federal budget allocation, any additional changes made  
18 by Congress, and the funding formula recommendations  
19 that we are looking forward to come out of the CSBG  
20 Advisory Task Force.

21           As many important federally-funded programs are  
22 being looked at, at this time of economic uncertainty we  
23 will face challenges ahead that will require innovation  
24 and collaboration, making the productive relationships  
25 between the local, the state, and the federal levels all

1 as critical as ever to deliver these valuable programs  
2 and services to low-income families and individuals.  
3 But history has shown that Community Action and the  
4 Community Action network is incredibly adaptable, which  
5 is only further proven by the successful leveraging and  
6 many strategic partnerships that take place each year to  
7 better serve the low-income community.

8 As you see, and can see from this brief  
9 overview, the CSBG grant is very unique in providing  
10 community-based organizations with invaluable resources  
11 to meet the highest needs within their communities  
12 determined locally at any given time, and any reduction  
13 in this funding will have a significant impact. But I  
14 believe that with many of the items identified in my  
15 remarks we will ensure that California continues to have  
16 the strong leadership and partnerships, the critical  
17 partnerships that will better set us up to weather the  
18 challenges that lay before us.

19 So, again, I want to thank you for the  
20 opportunity to be here today and provide this overview  
21 of the 2012/13 State Plan and application. And I  
22 sincerely appreciate your ongoing support for the CSBG  
23 program here in California.

24 Thank you.

25 CHAIRPERSON LIU: Thank you very much.

1           First up, before we proceed with questions, I  
2 want to welcome Assembly Member Jones and Assembly  
3 Member Ammiano to the committee.

4           And with that, are there any questions you have  
5 for Mr. Wagner?

6           VICE CHAIR EMMERSON: Yes.

7           CHAIRPERSON LIU: Senator Emmerson?

8           VICE CHAIR EMMERSON: Mr. Wagner, what happens  
9 if the federal support goes below the 50 percent level  
10 that you're predicting? What do we do then?

11          MR. WAGNER: Well, what would occur is -- we  
12 have undertaken the planning process, which you see in  
13 the State Plan, so basically the instructions from  
14 federal HHS were to look at that potential 50 percent  
15 reduction and what that would mean for the State of  
16 California.

17          Because that was not a final decision, and as I  
18 mentioned, Congress and the President have proposed  
19 different changes to the program as well, including how  
20 potentially the funds would be allocated, we are putting  
21 together this task force. And this task force is really  
22 charged -- and Cal-Neva has been very helpful partners  
23 in putting this together -- charged with bringing  
24 together representatives across the network to make  
25 recommendations on how best to absorb such a change to

1 the program, whether that be the 50 percent reduction or  
2 a different administration of how funds are given out of  
3 Washington.

4 In addition to looking at recommendations for  
5 how to make the program more administratively efficient  
6 so that if there are federal changes that we would want  
7 to advance or recommend, or state changes that we want  
8 to advance or recommend, that those recommendations  
9 would come out.

10 The other thing I would say is that under state  
11 law there is a provision where federal funding, if it's  
12 reduced, it impacts the way in which discretionary  
13 dollars are allocated. Discretionary dollars are the 5  
14 percent of the block grant that we currently have called  
15 discretionary, just over 3 million. And that state  
16 statute could trigger as well and come into play how  
17 funds would be allocated.

18 So, for example, last year there was a  
19 2.7 percent reduction, I think it was, and that was  
20 backfilled with some of those discretionary funds. So  
21 all of these pieces are kind of interwoven, but if there  
22 was a cut of that magnitude, we would really look to  
23 that advisory force to weigh in on some recommendations.

24 VICE CHAIR EMMERSON: Just to follow-up then,  
25 you're not looking at a general fund backfill on that at

1 all?

2 MR. WAGNER: Yeah, it is not general fund  
3 reliant in any way.

4 VICE CHAIR EMMERSON: Thank you.

5 CHAIRPERSON LIU: Mr. Beall?

6 ASSEMBLY MEMBER BEALL: I think it's very good  
7 that we prepare for some kind of cutback back because I  
8 kind of -- if it doesn't happen this year, it will  
9 happen maybe over time. And it might take a couple of  
10 years before we get hit with a cutback, but I think in  
11 preparation for that, I think we have to look at, like I  
12 say, the outcome measures. That should be part -- in  
13 play. Looking at which programs are performing  
14 effectively, which ones haven't met the goals. And I  
15 think when you have less money, I think that's the kind  
16 of thing you have to do, especially in this case.

17 And I was going to ask the question. It's  
18 simply what are your plans for doing that, to look more  
19 closely at outcome measures?

20 And then the second question, so I can just get  
21 them out here, you mentioned that we might have to make  
22 administrative practices or statute legislative ideas.  
23 Are you anticipating coming to the Legislature with  
24 ideas that might mean that we should change our statutes  
25 that we need to consider in this program to make it more

1 effective and more efficient?

2 MR. WAGNER: To answer the question, I'll ask  
3 Deputy Pam Harrison to join in and fill out what I don't  
4 cover; but to get to your question, I think we would  
5 envision that if there was a significant reduction in  
6 the federal resources that there would have to be some  
7 changes in how the program was administered.

8 To use an example, there are some federal  
9 requirements that require us to go out and do program  
10 monitoring and visits, federal reporting. And we're  
11 still doing this analysis because the allocations have  
12 not come out of Washington; but depending on where those  
13 resources are, it really limits our ability to manage  
14 and oversee and tie together these programs at the state  
15 level.

16 I think your point about program performance and  
17 indicators is critical. And one of the things that is  
18 being discussed -- I didn't get into it in depth in my  
19 testimony, but one of the things being discussed at the  
20 federal level is to what degree some of these funds  
21 would be allocated through a competitive process.

22 You know, those decisions have not been made,  
23 but I think the work done since the early part of the  
24 decade where ROMA and the performance goals and the  
25 indicators under each one of those goals have been

1 tracked, and as agencies have, you know, started to  
2 implement this, will be critical in identifying the  
3 successful indicators and where performance is so that  
4 those kind of decisions, hopefully, can be made.

5 ASSEMBLY MEMBER BEALL: You're constrained by  
6 the allocation process when you have to do -- every 58  
7 counties gets an allocation; so if you cut the money in  
8 half, then some of the smaller counties are going to get  
9 like a way smaller piece of the pie, but you still have  
10 to administer that grant, even though it's half the  
11 money. Are there ways we can create efficiencies in  
12 administration by maybe asking some of the smaller  
13 counties to combine their grant applications -- that  
14 would be one idea -- to create a consortium concept like  
15 we've done in other programs?

16 MR. WAGNER: And I think that is definitely  
17 something being discussed. Our funding doesn't  
18 necessarily go to the counties as it does what are  
19 called "eligible entities," including Community Action  
20 agencies which are in the federal statute. But to use  
21 an example, LPAs, limited partner agencies, also are  
22 required to be funded, and those funds come out of our  
23 5 percent discretionary dollars.

24 So to the degree -- I mean, all of these things  
25 are established in federal statute. To the degree that

1 such a reduction occurs, I think all of those things  
2 would have to be looked at. And we would need some of  
3 the relief at the federal -- these aren't just state  
4 decisions. Those are federal-requirement programs we  
5 have.

6 ASSEMBLY MEMBER BEALL: Yeah, you have to go to  
7 them. They require state statute law changes, correct?

8 MR. WAGNER: I think the state reflects the  
9 federal statute. All these things are in federal  
10 statutes.

11 ASSEMBLY MEMBER BEALL: So we have to ask them  
12 for a waiver or something. And then what about state  
13 statute changes? Is it anticipated that we might have  
14 to adjust some of those?

15 MS. HARRISON: I would think so. Because the  
16 way they're proposing the program to be reformatted, in  
17 discussion with my OCS Region 9 rep, it's anticipated  
18 there would have to be some enabling legislation to  
19 accompany the change. Because currently, as John  
20 indicated, how the programs are administered, the  
21 funding of the agencies, that is all in state statute;  
22 and so when the enabling legislation accompanies -- if  
23 there is a proposed reduction, then, in turn, yes, the  
24 state statute would actually have to also be changed to  
25 correspond with the federal.

1           CHAIRPERSON LIU: Welcome Senator Wright.

2           Any other questions from anybody?

3           MS. HANCOCK: I was just curious. I mean, I  
4 know that the grantees had to submit their two-year  
5 plans at the end of June, and you're probably in the  
6 process of evaluating them. Can you tell us a little  
7 bit about, you know, how you determine best practices,  
8 what programs go forward, something about the process,  
9 and how you select who's doing a good job, or how you  
10 correct deficiencies in programs?

11          MS. HARRISON: Actually, the Community Action  
12 Plan is based on local self-determination; so it's  
13 actually incumbent upon the agencies what they do as  
14 they conduct their community needs assessment. They  
15 hold public hearings. They have to analyze and assess  
16 the poverty within their area. Because the poverty in  
17 L.A. County would be very different than Imaca.

18           And within that it's incumbent upon them to  
19 actually address the issues of poverty. There's  
20 specific requirements in the Community Action Plan of  
21 how they're filling in the gaps. If there's an area  
22 that's not being met, then how is it being met?

23           Our agencies are very proactive, and their  
24 linkages and partnership that they establish is  
25 phenomenal in helping them to carry out their programs.

1           Additionally, in the Community Action Plan there  
2 is a component where they're supposed to plan on if  
3 there is a reduced funding, federal funding, and also  
4 the impact.

5           And so this year, in reviewing the plan, making  
6 sure the agencies actually have a more proactive  
7 approach to how they're going to respond to that. I  
8 mean, it has been in the Community Action Plan for a  
9 number of years, and this year it's not routine because  
10 this is going into a new era.

11           But the agencies have actually -- in  
12 anticipation of it, they are actually at the local level  
13 looking internally on those decisions now. They're  
14 moving forward. Some agencies are consolidating  
15 programs, so they actually are planning for the cuts.

16           In looking at those programs, that may not be as  
17 cost effective or as high performing, but it's local  
18 self-determination.

19           CHAIRPERSON LIU: All right. Thank you.

20           Any other comment?

21           MS. HANCOCK: I just wanted to note that the  
22 Bureau of State Audits' Report on the CSD Weatherization  
23 Program stated that you're moderately prepared to  
24 administer the Recovery Act Weatherization. How do you  
25 respond to that? Are we going to get on target?

1 MR. WAGNER: Well, I'd be happy to jump in  
2 because this is not in the CSBG side. So my hand's off  
3 the hook, but I'm happy to respond to that.

4 First of all, I'd like to say that the BSA audit  
5 and the review of our preparedness of the Department has  
6 been going on now for a couple of years. When I first  
7 came to the Department, they were close to issuing a  
8 letter, which was issued, I think, in early July. And,  
9 you know, I think it's typical the BSA identified areas  
10 of concern that are really helpful for us as public  
11 managers to focus on and look at those areas of concern.

12 At the time they did their analysis, the data  
13 went through, I think, the end of April; and we have  
14 subsequently had a couple months of more actual data.  
15 They estimated roughly 37 million potentially at-risk  
16 that would not be spent in California. I think based on  
17 the newest data, it's closer to maybe 20, \$22 million,  
18 which is what we provided to the Senate Energy and  
19 Utilities Committee when they had a hearing on this  
20 issue.

21 We continue to work very aggressively with our  
22 partners. One of the things we're engaged in right now  
23 with our associations and others is to look at actual  
24 production by the 39 energy providers. Who's on target?  
25 Where are their goals over the course of the next

1 months? Who is falling short of those goals? And the  
2 August actuals will be really instrumental in making  
3 those determinations as to whether or not we should  
4 begin to move funding around to those providers who are  
5 best equipped and have proven they're meeting their  
6 monthly goals in production and rates of production.

7           And so we are, you know, in the process of doing  
8 that survey, ramping that survey up, looking at August  
9 actuals, which will be known to us probably the first  
10 week of September. We are doing everything we can,  
11 Senator, to make sure that every penny available to  
12 California comes to California.

13           The other thing I should note is that the Brown  
14 administration has taken on a very leadership role in  
15 working with the federal partners at the Department of  
16 Energy to request an extension. When ARRA was first  
17 rolled out, it took our federal partners --  
18 understandably, this was complicated and new business --  
19 about nine months to come out with federal guides  
20 prevailing wages and Davis-Bacon. And so that was a  
21 significant delay in startup time.

22           And I think if we were to get an extension even  
23 to the degree of six to nine months, or a year, which is  
24 what we asked for, our providers would not be looking at  
25 reverting any funds and we'd be able to fully expend

1 them here in California. So we do have that request in  
2 to our federal partners.

3 CHAIRPERSON LIU: Okay. Otherwise, it's  
4 March -- I think it's a March 2012 deadline, or  
5 something like that.

6 MR. WAGNER: They expire the end of March 2012.

7 CHAIRPERSON LIU: 2012, right.

8 All right. With that, let's proceed with  
9 Mr. Reese. Welcome.

10 MR. REESE: Thank you so much, Chair Liu and  
11 Chair Beall, and members of the Committee.

12 I'm Tim Reese, Executive Director of the  
13 California-Nevada Community Action Partnership. We're  
14 the state association for Community Action agencies and  
15 other CSBG-eligible entities in California. And as is  
16 mentioned, our 56 members provide services to over  
17 3 million low-income Californians.

18 This includes Community Action agencies, migrant  
19 seasonal farm worker organizations, limited purpose  
20 agencies, and Native American Indian providers.

21 The role of the state associations defined by  
22 federal statute and our role in partnership with the  
23 state office and working with the federal office is to  
24 increase the capacity of local CSBG-eligible  
25 entities/agencies in your communities on the ground to

1 improve their outcomes and quality of service to  
2 low-income Californians.

3 We're also to assist them in carrying out the  
4 mandates of the CSBG Act and to assist them in measuring  
5 and communicating the results of those activities that  
6 are federally funded.

7 I particularly want to thank and acknowledge  
8 CSD, Pamela Harrison, Manager of CSBG Department, and  
9 John Wagner as the new Interim Director. Their style of  
10 openness, transparency, partnership building,  
11 relationship building is very positive and very  
12 constructive. We're very pleased with his interim  
13 appointment. I'd love for it to be permanent, but  
14 that's a personal comment.

15 They have invited the network to provide input  
16 to the State Plan, review the State Plan. We've been  
17 given ample opportunity to criticize the State Plan and  
18 to provide direct input into that plan. Not only has  
19 the Department listened to input from the network,  
20 positive and constructive, they have integrated those  
21 ideas and concepts and comments into the State Plan.

22 This is very important because our working  
23 relationship with the Department is designed by the  
24 federal government as a tri-part-type solution. It  
25 brings together the federal government, the state

1 government, and the state association to work together  
2 in partnerships, networking, and coordinating to  
3 maximize outcomes and leveraging of resources that then  
4 go through supports to the local agencies within your  
5 jurisdictions to help low-income families in your  
6 communities. This tri-part solution works well because  
7 it's based on partnerships and working together for  
8 common solutions.

9           This also works well at the local level because  
10 it brings local resources to solve local problems  
11 through local solutions, and your community knows best  
12 what the needs are in your community. We are here to  
13 just assist them in fulfilling the promise of Community  
14 Action.

15           We also work with other networks and groups in  
16 the state of California to benefit the constituents in  
17 your jurisdictions. For example, with support from  
18 Senator Liu's office and many others, Cal-Neva has taken  
19 the lead in establishing the EITC asset-building  
20 collaborative. This collaborative includes others  
21 outside the network that we may not normally have  
22 relationships with, such as Catholic Charities, New  
23 America Foundation, Federal Reserve Bank, City of Los  
24 Angeles, etc. We have over a hundred participants from  
25 other organizations throughout the state supporting

1 Cal-Neva's lead and efforts in building this  
2 collaborative.

3 As a result of our networking of partnership  
4 relationships with the state, federal office, and EITC  
5 providers throughout the state, Cal-Neva has been  
6 selected to be the lead in a new federal process of  
7 funding state associations through the regional  
8 performance and innovation consortium.

9 And, Member Beall, you mentioned a consortium.  
10 Cal-Neva in California will be coordinating these  
11 training and technical assistance services for the  
12 states of California, Arizona, Nevada, Hawaii and Guam.  
13 I'm very proud of this. We also will be implementing an  
14 exemplary practice project in Region 9 around EITC  
15 asset-development collaboration.

16 We look forward to the successful implementation  
17 of this plan. We know it is a challenge, given the  
18 prospect of a 50 percent reduction, or other changes.  
19 We are confident that with Cal-Neva supporting the state  
20 office with our CSBG Advisory Task Force representatives  
21 from the entire network, we can resolve these issues and  
22 come up with best-case scenarios, given the limitations  
23 there are.

24 Cal-Neva urges your approval of the State Plan,  
25 and we are committed to ensuring its success in the

1 years ahead.

2 And our board president, Darick Simpson, when  
3 you open for public testimony and comment, will share  
4 with you the value of CSBG at the local level within  
5 one of your jurisdictions.

6 Thank you.

7 CHAIRPERSON LIU: Thank you very much.

8 Any questions? Comments?

9 Mr. Ammiano?

10 ASSEMBLY MEMBER AMMIANO: Yes. Thank you so  
11 much for your presentation.

12 When you're talking about, you know, the  
13 community knowing best and that's the direction you want  
14 to take, there's a large LGBT community in San  
15 Francisco, and I do note in transgender issues the data  
16 shows they're very much at -- many are very much at the  
17 lower end of the economic scale. But I noticed in --  
18 and I don't know if this is going to be a problem or if  
19 there's a way to work with it, to ensure that no person  
20 shall, on the basis of race, color, national origin, or  
21 sex, but it doesn't say sexual orientation.

22 And, also, there's 19 considered religious  
23 organizations on the same basis as other  
24 non-governmental organizations, but that might come up  
25 with some tentative or religious organization that's not

1 compatible with the LGBT.

2 So have you dealt with this before, and are you  
3 prepared to deal with it again?

4 MR. REESE: Well, the state association will  
5 certainly do what we can to assure that all federal and  
6 state requirements are met by the organization.

7 I'm not personally aware of any situation or  
8 issue of concern from the LGBT community, but I assure  
9 you that we would certainly look into that if it were  
10 brought to our attention.

11 ASSEMBLY MEMBER AMMIANO: Okay. Well, I think  
12 perhaps there's a good chance.

13 And then in terms of the language, the  
14 nondiscrimination clause, I don't know if there's a  
15 conflict between state non-discrimination and federal  
16 around this issue -- oftentimes there has been -- but it  
17 is an area of sensitivity that I would very much like to  
18 pursue. And I don't want to throw the baby out with the  
19 bath water by any means, but it is something that I feel  
20 incumbent to address.

21 CHAIRPERSON LIU: Thank you.

22 Senator Wright?

23 SENATOR WRIGHT: Go back to the auditor's  
24 report, and Chair raised the question: Are we making  
25 the changes that the auditor recommended? Did the

1 auditor not take into account the realities of  
2 initiating the program? Where are we with respect to  
3 that?

4 MR. WAGNER: Well, I think the auditor didn't --  
5 the purpose of the audit, the letter -- it wasn't a full  
6 report -- was to kind of forecast are we on track based  
7 on the current production rate and production, meaning  
8 the cost of units and the number of units that our  
9 providers were weatherizing. And so the math on that  
10 basically showed that at the current rate, which they  
11 did through the end of April, that we were at risk of  
12 not being able to fully expend the 185.

13 They didn't address the startup issue I  
14 mentioned about the Davis-Bacon prevailing wage delay,  
15 and they didn't address the request for an extension  
16 which this administration has sought from the Department  
17 of Energy because it came out just after their analysis  
18 but before their letter was released, so it wasn't  
19 something they could have reacted to. And I'm not even  
20 sure that that was the purpose of their audit. But  
21 having said that, I think those are -- we in the  
22 Department have been working with the 39 providers that  
23 I mentioned were doing this survey.

24 The benefit of that, Senator, is that it's also  
25 highlighted certain barriers to DOE policies that are

1 preventing our 39 providers from getting -- achieving  
2 their full goals in the number of units they are  
3 weatherizing. And we've started to escalate these  
4 issues to the Department of Energy.

5 Two weeks ago they were out here. Some of those  
6 barriers have been addressed, but California continues  
7 to press for the resolution of additional barriers we've  
8 identified to give California more flexibility to bring  
9 these units online. And all of those efforts -- the  
10 survey, the request for an extension, the ongoing  
11 negotiations over these barriers -- are part of the  
12 state's strategy to maximize our resources that are  
13 available in California.

14 SENATOR WRIGHT: The auditor suggests that at  
15 the present rate of usage that you won't be able to  
16 spend the money. If we get a waiver, then we extend the  
17 time, which doesn't change the auditor's finding. It  
18 just says that we've allotted more time to spend the  
19 same amount of money before we lose it. Are we  
20 achieving anything that will increase the rate of  
21 consumption, assuming, for example, that you are aware  
22 of the Davis-Bacon issue, assuming that the Davis-Bacon  
23 issue is resolved, assuming that the other startup  
24 issues are resolved? Are we now at a point where the  
25 rate of consumption has increased?

1           MR. WAGNER: The rate of consumption or the rate  
2 of production that our providers are achieving has  
3 increased. But, again, if we get the response from the  
4 Department of Energy that we are seeking on some of  
5 these barriers, the production will go up even higher.

6           SENATOR WRIGHT: What's the barrier?

7           MR. WAGNER: So, for example, there are  
8 requirements that the federal government has on how our  
9 providers can weatherize multi-unit dwellings, or mud  
10 units. And there are specific auditing requirements and  
11 many very delineated requirements by the federal  
12 Department of Energy.

13           And some of our providers -- San Francisco, for  
14 one. We're dealing very closely with the city of San  
15 Francisco, Los Angeles; have identified that some of the  
16 federal requirements are preventing them from  
17 weatherizing as many units they otherwise could. They  
18 have to go through a very complicated calculation to  
19 come up with an investment ratio of the cost for each  
20 unit in the dwelling, the multi-family dwelling.

21           So we've been working with the providers to give  
22 some flexibility of how that calculation is done so that  
23 they can move in and weatherize more units, but all of  
24 those discussions are going on between us and the  
25 Department of Energy. And, like I said, they've

1 acknowledged, you know, and granted us some of what  
2 we've been asking for; but we still continue to work on  
3 some of those barriers.

4 The one thing I would say, if we get the  
5 extension, it's not that we're -- have longer time to  
6 leave money in Washington; it's we feel we can fully  
7 expend the money California has with that extension. So  
8 there would be no money left in Washington if we got the  
9 extension.

10 SENATOR WRIGHT: So the rate of production is at  
11 some point going to increase, so you're seeking a  
12 modification on the formulation for what you have to do  
13 to qualify. I mean, it would seem to me that the  
14 startup things, having been behind you, that we should  
15 be able to increase production going forward.

16 MR. WAGNER: We are.

17 SENATOR WRIGHT: If all those things that you do  
18 you're still at the same production level -- I mean,  
19 maybe it is that a discussion might be that the amount  
20 of money that you received versus the requirements to  
21 comply. Maybe it is you can't spend it all. I mean,  
22 there's a point at which, I guess, you could waste  
23 money. I mean, I'll take a few million if you're going  
24 to just --

25 ASSEMBLY MEMBER AMMIANO: No. That's

1 Redevelopment.

2 (Laughter.)

3 SENATOR WRIGHT: And that may be. But what I  
4 hope doesn't happen is that the auditor's report comes  
5 back and then the suggestion becomes that the Department  
6 failed. I would rather -- if it is, for example, that  
7 the federal department designed a program that the  
8 requirements of its -- coupled with Davis-Bacon, coupled  
9 with whatever barriers, if it is that's not a realistic  
10 goal, sometimes it's better that you don't spend all the  
11 money and you say we spent as much of it as we could  
12 efficiently. Just because you have it doesn't mean you  
13 have to spend it.

14 But what I don't want to have is a discussion  
15 about the failure of the Department to actually do its  
16 job. I'd rather say we did as good a job as we could  
17 with the money and the time that we had. And if you  
18 state that at the outset, then that's not a failure.

19 It becomes a failure if the money goes back and  
20 then we're having this hearing post facto trying to  
21 figure why, who screwed up, and why we didn't get it.  
22 I'd rather say right now, you know, we're only going to  
23 spend this much of the money because that's all the time  
24 we have and the crews that we can do -- the federal  
25 requirements to comply are such that I'd rather -- I'd

1 rather us be kind of prospective, as opposed to, you  
2 know, sitting around and everybody throwing rocks at you  
3 because they're saying you sent money back.

4           And I can assure you that there's some pretty  
5 accurate rock throwers around here. There's not many  
6 people who could work on the front end to get it done,  
7 but there are a whole lot of people who can throw rocks  
8 at you after the fact. So I'd hate to see you in that  
9 spot. It's ugly when they start throwing rocks at  
10 people. I've seen that before. You don't know want to  
11 get there.

12           UNIDENTIFIED SPEAKER: Yes, it is. I agree.

13           (Laughter.)

14           CHAIRPERSON LIU: Let me just make a little  
15 comment here, Senator Wright.

16           On that state auditors' report dated July 11,  
17 there is a justification from the Department as to  
18 different protocols being used, and that's being  
19 evaluated.

20           DOE is also -- the cost of weatherization is now  
21 determined to be more expensive than originally thought  
22 to be, along with the protocols. And no one  
23 anticipated -- and I hear this from L.A. County because  
24 they're also going through this process with  
25 weatherization using the IOU money, about establishing

1 infrastructure so that they're prepared to get out and  
2 do the jobs.

3           There needs to be training that hasn't been done  
4 before for this new technology, the green technologies  
5 that have come online, etc. So there's this whole  
6 series of things. And I would say that everybody is  
7 trying to do the best they can, except that sometimes we  
8 trip -- you know, government trips over each -- our feet  
9 because we just don't want to get in trouble. You know,  
10 being careful about spending money. But I understand  
11 that and hope, as we all do, that the numbers will be  
12 increasing, and that we'll get the job done and we'll  
13 spend the \$22 million.

14           Are there any other questions?

15           I also wanted to welcome Assembly Member  
16 Portantino and Senator Hancock to the meeting too.

17           Any other questions, members?

18           Well, then, it's time for public comment.

19           I really appreciate your coming before us,  
20 educating us on our State Plan. Thank you very much. I  
21 wish you great luck.

22           And so maybe we can hear from folks from the  
23 audience who have signed up, if they have any comment on  
24 the State Plan. Oh, just one. Great.

25           Mr. Simpson, please come forward. You are part

1 of the Long Beach Community Action Partnership.

2 Welcome.

3 MR. SIMPSON: Thank you.

4 CHAIRPERSON LIU: Thank you very much. And a  
5 personal thank you for helping my office out.

6 SENATOR WRIGHT: My pleasure.

7 Good afternoon. My name is Darick Simpson. I'm  
8 the Executive Director of the Long Beach Community  
9 Action Partnership.

10 I have the pleasure of serving both Senator  
11 Liu's and Senator Wright's areas in terms of our energy  
12 programs, but I'm here to speak with basically two hats;  
13 one as -- and first and foremost, the Executive Director  
14 of the Long Beach Community Action Partnership.  
15 Secondly, as President of the Board of Cal-Neva, of  
16 which Tim Reese just spoke. So I have the honor of  
17 being elected into that position by my colleagues around  
18 the state as of April this year, and I have served in  
19 that capacity since then.

20 My objective in the short time I have before you  
21 is to talk about things from a local level, sort of  
22 where the rubber hits the road, so to speak, and in many  
23 of these examples that have been spoken of.

24 Senator Wright, I have good peripheral vision,  
25 so I'm looking for the whops from my left and my

1 right -- I'm ready -- as they come forward as you've  
2 been talking.

3 VICE CHAIR EMMERSON: You just have good aim.

4 MR. SIMPSON: Not from what he was just saying.

5 My objective, really, is then to speak to you,  
6 in all seriousness, about the fact in Long Beach we're a  
7 city that has one of the greatest number of residents in  
8 poverty in the State of California. And, in fact, about  
9 25 percent of our youth are in poverty.

10 When I took over this agency five years ago, my  
11 objective was to not duplicate what is already being  
12 done very well in the city. In the last two years, for  
13 instance, to give you an example of what CSD dollars are  
14 doing, we, as an agency, received \$971,000. That's  
15 small in comparison to some; that's large in comparison  
16 to others. But the fact of the matter is, what we've  
17 done is that -- many of you have the word "leverage."  
18 This leverage shows dollars. When I took over five  
19 years ago, we were a \$1.4 million agency. Today we're a  
20 \$12 million agency.

21 And we've done that by, first of all, building  
22 credibility among our peers and our colleagues and our  
23 customers in the City of Long Beach to let them know  
24 that though they're in poverty and though they're facing  
25 some of the greatest struggles, we're here to help them

1 by providing the best. And we, as an agency, as my  
2 colleagues around the state do, have done a good job of  
3 identifying what it is that we do well and focusing on  
4 that particular area, and then empowering our partners  
5 in the communities that we serve to step up and do what  
6 they do well as a compliment to the services they  
7 provide.

8 We, in 2010, for instance, provided 1,988 youth  
9 and adults with employment-related services. In fact,  
10 the Pacific Gateway Workforce Investment Network has  
11 gotten to the point now where because they have so many  
12 people coming to them for job assistance that they refer  
13 people to our agency because we partner with Goodwill to  
14 provide job development services, because many of the  
15 people can't get the one-on-one services at the local  
16 WIB.

17 And so that's another example of how dollars are  
18 being leveraged to work with other dollars that are both  
19 state and federal at the local level. And because of  
20 CSBG, we can make things like that happen. We provided  
21 11,000 citizens in 2010 with Safety Net services.  
22 Everything from rental assistance to tax preparation has  
23 been mentioned earlier. And we work with your office,  
24 Senator Liu, in trying to do a better job in income tax  
25 credit assistance.

1           We've helped 138 youth with digital media arts  
2 internships. That's important to us because when you  
3 talk about the fact that CSBG may go away for me, it may  
4 be almost a half million dollars that all of a sudden  
5 now I have to look at how do I replace that? In this  
6 economy, you can't just go out and find that.

7           We are fortunate that proactively we've always  
8 looked at the glass half full. We are believers that we  
9 have to look at ways to gather earned income, as well as  
10 other grants. We have to supplement those things that  
11 are successful; look at eliminating things that aren't.

12           The sad part about the fact is that we have  
13 begun to leverage our dollars by giving money, for  
14 instance, to Cal State University Long Beach. Rather  
15 than my staff teaching a particular class, the  
16 University comes in and teaches for free low-income  
17 people who are trying to get retrained in things like  
18 QuickBooks and social media skills, how to do those  
19 particular jobs. And they get a CSULB Certificate of  
20 Completion, rather than a Long Beach Community Action  
21 Partnership Certificate of Completion. It carries  
22 weight with their resume when they go to get a job.

23           We've also partnered with Legal Aid to expunge  
24 records. Some people can get apartments and they can  
25 get jobs that ordinarily they wouldn't have been able to

1 get.

2 In your district, Senator Liu, from an energy  
3 perspective we've helped 84 households to the tune of  
4 \$26,000 since September of last year.

5 In yours, Senator Wright, 1,169 households, to  
6 the tune of \$346. Totally, we've assisted over 14,500  
7 households since last September for \$4.3 million on the  
8 energy side of the house.

9 All of this is at the base of -- at the base,  
10 rather, of all this is our CSBG funds, because it helps  
11 us as an agency do the things that we do. We've  
12 leveraged contracts with the Long Beach United School  
13 District to provide after-school services to 1,000  
14 students who come to the schools.

15 Our teens just performed at the Grammy Museum  
16 last week as a result of our Digital Media Arts Program,  
17 and have other projects coming up. And we're being  
18 considered by the Knight Foundation as one of the  
19 communities that will receive a special grant supervised  
20 by public access television in the City of Long Beach.

21 These are all the diversified ways that we're  
22 trying to not just say, oh, my gosh, we're losing the  
23 money, but look at how can we continue to do the good  
24 work.

25 The sad part is that we've started such great

1 momentum in our community and communities around the  
2 state. CSBG going away will severely hamper that. I  
3 think it will only hamper; it won't kill what the  
4 movement is all about.

5           Ideally, yes, we would like to keep it; we would  
6 like to see it grow, but all of us as executive  
7 directors and CEOs understand that as business people we  
8 have to operate our agencies as business; we have to  
9 look at where we can increase efficiency, as you've  
10 stated up here earlier, and how we can do a better job  
11 of serving the community.

12           I don't know that my time -- I don't see a red  
13 light flashing or anything, but in essence, those were  
14 the key things that I wanted to speak to. This year  
15 those numbers that I just mentioned continue to  
16 increase. And I dare answer questions that you might  
17 ask.

18           CHAIRPERSON LIU: Thank you very much for  
19 joining us.

20           Are there any questions you have?

21           ASSEMBLY MEMBER BEALL: You're the ones that  
22 actually provide the services, so I wanted to ask you  
23 this question: How do we change the laws here in  
24 Sacramento to make to make the service delivery faster?  
25 Better? I mean, the audit, for example, shows that

1 we're not drawing down the money fast enough for some  
2 kind of -- you know, whatever the reason is. You know,  
3 I always say, I don't really care what the reason is.  
4 Something is causing -- you know, there's a lot of  
5 reasons, probably. We're not spending the money fast  
6 enough, okay?

7           And then it also says in some cases we're  
8 spending too much money on a single home. That's the  
9 other thing it says. So how do you solve those  
10 problems? What is the way we can solve those kind of  
11 problems?

12           And then in terms of the CSBG program, how do we  
13 get more bang for our buck here in terms of legislation  
14 and administrative practices to improve it and improve  
15 your ability to deliver services? You know, we need to  
16 kind of think like this because I can see a lot of  
17 cutbacks coming, you know, regardless of what we're  
18 doing to do, and the Safety Net is in trouble.

19           We have to start -- you know, we have to do  
20 something. So you're the ones that have worked on this.  
21 You can tell us. Give us some answers. What would your  
22 suggestions be?

23           MR. SIMPSON: Well, my suggestions, first and  
24 foremost, would be, in terms of changing the laws on  
25 what can you do at this level?

1           I think one of the biggest steps that you could  
2 have made on our behalf as a network was putting  
3 Mr. Wagner in the position that he's in. And I say that  
4 not because he's behind me but because, in all  
5 seriousness, ladies and gentlemen, the fact of the  
6 matter is this has to be a partnership, right? I mean,  
7 business is all about relationships. And if you have a  
8 relationship of trust with the people who you are in the  
9 trenches with that you can understand that not every  
10 step that you make is going to be analyzed for how you  
11 fail but looking at how you can improve, then that  
12 enables agencies to take risks that are prudent; not to  
13 waste money or jeopardize the mission, but to expand the  
14 boundaries.

15           As was stated earlier, this has been in  
16 existence, CSD, since Lyndon Johnson. I mean, that's a  
17 long time. It's various reiterations. We have to keep  
18 reinventing ourselves.

19           So with, for instance, persons like Mr. Wagner  
20 and Pamela Harrison in place, they are the staff that  
21 have been at least open to such ideas and not saying,  
22 no, this is rigidly how we have to do it, but within the  
23 context of the law and within the spirit of the law how  
24 can we make the right things happen in the various  
25 communities that we serve?

1           So I think having the staff at the state level  
2 partner with the agencies and understand what the real  
3 issues are. Because it's one thing to write this  
4 glorious plan; it's another thing when you get on the  
5 street and you have to deal with the various  
6 personalities and the various nuances that are unique to  
7 that particular agency or that particular city.

8           I tell people my experience has been it's like a  
9 big bubble in a pipe, and until you get to that point in  
10 the pipe do you know what to expect because you haven't  
11 been there yet? And so you're in that first cycle of  
12 change, that you have to go through all these  
13 reiterations. So I think that we solved the problem by  
14 allowing, first, the creativity to be an option in terms  
15 of how we deliver programs.

16           I think that panels like this where you're being  
17 educated -- I would strongly suggest that if you don't  
18 know who your Community Action agency is that serves  
19 your respective areas, then maybe your staff should  
20 schedule that meeting first thing; because I think  
21 you'll be very impressed with what they're doing in your  
22 respective areas. And I think that if they are a part  
23 of a brainstorming session with you as the leadership,  
24 then that brings a certain amount of credibility and a  
25 certain amount of focus to the particular meetings that

1 are being held. It is not just another exercise in  
2 futility but it's an exercises in making things happen  
3 the right way.

4 ASSEMBLY MEMBER BEALL: In my case I don't have  
5 a problem because my 80-year-old parents are volunteers.

6 MR. SIMPSON: There you go.

7 ASSEMBLY MEMBER BEALL: That's actually true.  
8 My dad, he just turned 89; my mom's 83, and they were  
9 volunteers at the Sacred Heart Community Services in San  
10 Jose.

11 MR. SIMPSON: There you go.

12 I would strongly encourage each of you -- and  
13 Senator Liu's office has been very good about asking us  
14 to partner with them on community outreach initiatives.  
15 It's given me a chance to get to know their staff  
16 agency; it's given her a chance to get to know our  
17 agency, and so when we walk into something like this,  
18 it's being proactive.

19 We've already -- you make friends before you  
20 need friends. And so we have done what we hope to -- I  
21 mean, it's important to attend our meetings from Senator  
22 Wright's office as a staff because we invited him. When  
23 we talk about our Community Action Plan, he attended to  
24 hear. Well, what is that agency going to do in this  
25 area that we serve? So I strongly suggest that from

1 where you sit that we maybe schedule those meetings.

2 Cal-Neva, I'm sure, can help you in whatever way  
3 that you would need to identify who are the right  
4 players. Because the people at those agencies know who  
5 the players are. They know who is doing great jobs.  
6 They know who needs support. Cal-Neva is situated now  
7 to provide training and technical assistance to those  
8 who need help. And some of us do, myself included. I'm  
9 not beyond that. And so we want to get better at it.

10 As for more bang for the buck to leverage, the  
11 second part of your question, I think that also lies in  
12 communities not being divided. I think that what we try  
13 to do in Long Beach is to show people, let's not fight  
14 over that slice of pie; let's make a bigger pie, and  
15 let's see how we can go about this in a way that we can  
16 all, by putting something on the table, take a lot more  
17 off the table for the greater good of the community.

18 ASSEMBLY MEMBER AMMIANO: Tough love. That's  
19 difficult.

20 MR. SIMPSON: It's very difficult.

21 ASSEMBLY MEMBER AMMIANO: Especially if you are  
22 considered the outsider.

23 MR. SIMPSON: It is. It is. And my hair wasn't  
24 this gray four years ago, quite frankly. But the fact  
25 of the matter is, it is tough love, and it is something

1 that --

2 ASSEMBLY MEMBER BEALL: I've lost it all. It's  
3 gone.

4 MR. SIMPSON: But I agree with you. I mean,  
5 it's a paradigm shift because it's nonprofit. I come  
6 from banking and entertainment and the YMCA. I come  
7 from various backgrounds. I've written checks and I've  
8 asked for checks. So when I approach this, I approach  
9 this from an entrepreneurial perspective.

10 And I know that it's nonprofit. Some of us are  
11 nonprofit statewide. Some of are large public size,  
12 medium-size public, small public. We come in all  
13 various sizes to serve, but the key is we're all here to  
14 serve. And many of my colleagues have been doing this  
15 their entire career. I haven't had that honor, but  
16 we've been working hard at it.

17 But I guarantee you, by working with panels like  
18 this on an individual level at the various cities and  
19 counties, that's where it starts. Because you kind of  
20 get people to come, leaving egos and logos at the door,  
21 and we can put the real issues on the table and see how  
22 we can go about resolving those real issues. Because  
23 just like we're facing CSBG cuts, other nonprofits and  
24 for-profits, for that matter, are facing various  
25 economic impacts that hurt them just as much as the CSBG

1 reduction will hurt us. It will severely hurt us; but  
2 again, we're just trying to be entrepreneurial, and how  
3 do we make it better?

4 CHAIRPERSON LIU: Well, with that, any other  
5 questions?

6 MS. HANCOCK: I do have a question.

7 CHAIRPERSON LIU: Okay.

8 MS. HANCOCK: Thank you, Senator Liu.

9 If the goal here is to help individuals and  
10 families achieve self-sufficiency and we believe that  
11 self-sufficiency is a job that helps us for a sustained  
12 for a period of time, could you tell us what your  
13 experiences and your strategies are in actually placing  
14 low-income people in jobs in this economy, and with  
15 various factors such as automation and other things  
16 affecting available jobs?

17 MR. SIMPSON: Certainly, I'd be happy to.

18 I'm also a member of our local WIB, and I was  
19 chair of our local youth counsel of Long Beach for eight  
20 years. I don't know that anyone served or wants to  
21 serve any longer than I just did. But the fact of the  
22 matter is, a self-sustainable wage in L.A. County is  
23 \$12.51 an hour. So when you talk about the economy  
24 expanding in the service sector -- because tourism is  
25 one of those sectors in Long Beach that they focused

1 on -- but the jobs are only minimum wage, you're  
2 basically just perpetuating the cycle of poverty if  
3 you're not paying at least \$12.51. And that's for one  
4 individual. It's about \$21 an hour for one individual  
5 with one infant.

6 Now, there are not many of our youth,  
7 especially, let alone adults, who are making \$21 hour.  
8 So I think what you can do at this level is help our  
9 chambers of commerce and business sector understand that  
10 though it may be a burden, you know, to pay a higher  
11 wage, but if we're serious about addressing this issue,  
12 we have to be serious about how do we pay sustainable  
13 wages?

14 But I think the other side of that coin is that  
15 we have to help people be trained in jobs that will  
16 actually earn them an income. And that's why our agency  
17 focused on digital media arts. So now we have  
18 teen-agers, that if any of you needed a video edited, if  
19 you need a video shot, they can shoot a video. If you  
20 need recording done, voiceovers, etc. They're learning  
21 engineering. We're the entertainment capital of the  
22 world in Long Beach, in the L.A. County.

23 If I were living in a more rural area, maybe I  
24 ought to have 4-H clubs or other things that are  
25 pertinent to that particular region.

1           So I think it's -- in our WIB I feel validated  
2 in that we took this pathway because our WIB just added  
3 another sector, and it was information services,  
4 specifically digital media arts. So locally they see  
5 that as a trend.

6           So I think that it's a matter of identifying  
7 those jobs that will pay a sustainable wage because jobs  
8 that once were considered mainstream may not pay that.  
9 Even if you have the best training program in the state,  
10 the fact is, when you graduate with a particular  
11 diploma, or certificate, the job start-out salary is  
12 only going to be at a certain level. Conversely, there  
13 are jobs in digital media arts that might pay a lot  
14 more. That's our solution. I think the solution is  
15 unique to the situation, depending on where you  
16 respectively are living and finding out what might be  
17 those livable wage jobs; but I think certain jobs  
18 transcend geographic areas, such as digital media and  
19 technology because, you know, you can work in one county  
20 and be serving a client across the nation or around the  
21 world. So I think we have to update people on that.

22           Unfortunately, the lower-income students don't  
23 have access oftentimes to the technology and the  
24 training that those type of jobs come from. And that's  
25 where a Community Action agency like us brings the world

1 to them at that level, and income isn't a barrier to  
2 learning what they need to learn to do better for  
3 themselves and their family.

4 ASSEMBLY MEMBER AMMIANO: Do you work with the  
5 labor organizations locally as well?

6 MR. SIMPSON: Not directly yet, sir.

7 ASSEMBLY MEMBER AMMIANO: Because I think that  
8 would be a benefit with apprenticeships and things.

9 MR. SIMPSON: Yes, it would.

10 We just had one of our students sign with the  
11 help of the recording academy to a contract in music,  
12 and she is about to become a member of one of those  
13 organizations. But, you know, we just help one life at  
14 a time.

15 SENATOR HANCOCK: Also, as a follow-up question,  
16 how do you cooperate with the schools? In my  
17 experience, the schools tend to be the most isolated and  
18 most important community agencies to reach young people.  
19 And particularly as we look at career academies and  
20 career technical education, most of those come with some  
21 kind of a requirement or goal of paid internships for  
22 the young people, which is sometimes hard for small  
23 businesses to provide; and I just wondered if you had  
24 any things that you've worked on to bring education to  
25 the table, number one, and to help with career education

1 which would fit, I think, perfectly into the program  
2 you're describing.

3 MR. SIMPSON: Well, in terms of bringing  
4 education to the table, one of the ways that we leverage  
5 CSBG dollars was to get a \$600,000 contract with the  
6 Long Beach Unified School District to provide  
7 after-school programs at five school sites. All of our  
8 schools, with the exception of maybe one, is in a  
9 low-income area. 90813 is the most impoverished zip  
10 code in L.A. County. And that's one of our service  
11 areas and, believe it or not, it's in Long Beach.

12 And so we, at those schools, are sort of  
13 restrained by the curriculum that the school district  
14 says that we have to do -- one hour of academic  
15 enrichment, one hour of homework assistance, and one  
16 hour of health and leadership. You know, you have to  
17 follow a particular curriculum and so we're restrained  
18 in the sense that we can only do certain things, but  
19 where we got innovative was to hire our staff based on  
20 their talent.

21 So if someone was talented in ceramics, they  
22 built a team around ceramics. And those were the hooks.  
23 So we kind of meet the kids where they are in terms of  
24 their interests and then pull them into the program that  
25 way, and then we approach the whole academics. Well, if

1 you really like ceramics and you make a lot of money at  
2 this, you've got to know how to count your money, right?  
3 You've got to know how to read your contract, right?

4           And so we kind of reverse the script on them and  
5 let them see the relativity of the learning process at  
6 the school. Because what kid wants to sit after, you  
7 know, 8:00 to 3:00, or whatever it is, in school, and  
8 then go through another three rigid hours of academics?

9           The other thing that we do in terms of bringing  
10 education to the table is to try to -- in our teen  
11 program, again, we have one of the Commodores that  
12 teaches music. We have one of the best video directors  
13 in history teaching video production. We have content  
14 experts in photography and in graphics or art. And it's  
15 those people who give a certain excitement for these  
16 kids. So I think in terms of your local communities,  
17 you don't have to have those people.

18           But not everyone who has the wisdom is a  
19 teacher, so you have to identify those people who have a  
20 certain personality that the youth would be gravitating  
21 to and put those in places of leadership at the local  
22 level. Of course, I'm not an educator, so I'm not here  
23 to advocate for --

24           ASSEMBLY MEMBER AMMIANO: Yeah, but you're a  
25 smart guy. We appreciate you.

1           MR. SIMPSON: Thank you, sir. I'll tell my  
2 board you said so.

3           SENATOR HANCOCK: Well, actually, as an addition  
4 to that -- I mean, talking about the weatherization  
5 program, California does now have a series of green  
6 technology career academies. I would hope there would  
7 be at least one in the service area. And, again, if  
8 there's ways to link the actual funding to do real  
9 projects with the theory and the practice...

10          MR. SIMPSON: Well, I'll tell you exactly how we  
11 did that. We got a green -- due to Government's Green  
12 Jobs Grant a couple of year ago, in Long Beach -- we are  
13 an urban community -- we had a small lot that was just  
14 dust and rocks. Now if you drive by Long Beach  
15 Boulevard and Spring Street, it's one of the most lush  
16 gardens -- with 24 chickens and 10 ducks -- in the City  
17 of Long Beach. We get 24 eggs a day. Who did that? It  
18 was teens with pick axes that dug irrigation ditches.

19          They now know about green jobs. They now know  
20 about drought-tolerant landscaping. So that we can show  
21 families how to change out their lawn and make it more  
22 California friendly.

23          As a result of that, the Salvation Army gave us  
24 three-quarters of an acre to make an even larger garden.  
25 If you're ever in Long Beach, I would invite you to come



## **PUBLIC COMMENTS AND RESPONSES:**

A joint public hearing of the Senate Health and Human Services Committee and Assembly Human Services Committee was held on August 16, 2011, at the State Capitol in Sacramento, California.

### **1. Assembly Member Jim Beall, Chair, Assembly Committee on Human Services:**

*Does Community Services Division have a plan to administer Community Services Block Grant funding if the federal support goes below the 50 percent level? (Beall, Jim. Statement from the Assembly Human Services Committee. 2012-13 CSBG State Plan, Public Hearing, August 16, 2011.)*

#### **CSD Response:**

The Department of Community Services and Development (CSD) 2012-2013 CSBG State Plan and Application, pages 11-12 address CSD's plan to administer the CSBG funds if the federal support goes below the 50 percent reductions as well as convening the CSBG eligible entities to determine the applicable changes to the allocation system, and referral to the Legislature for consideration.

In addition, at the August 16, 2011, legislative hearing Interim Director John Wagner provided testimony that addressed the 50 percent reductions, and is summarized below:

CSD does not have the final CSBG appropriation figure; therefore, the 2012-13 Draft CSBG State Plan provides two funding allocation formulas: one based on the 2011 funding level, and one that would represent a 50 percent reduction, should that occur, and be passed along to the states. But in anticipation, CSD has taken a proactive approach. CSD has partnered with Cal-Neva in developing a CSBG Advisory Task Force consisting of network representatives to solicit input, and make recommendations regarding possible formula modifications to implement the proposed funding reductions. And this would include other programmatic changes as well. (Wagner, John. Statement to the Senate Human Services Committee and Assembly Human Services Committee. 2012-13 CSBG State Plan, Public Hearing, August 16, 2011, pages 15-16.)

### **2. Senator Bill Emmerson, Vice Chair, Senate Committee on Human Services:**

*Is CSD looking to backfill any reduction of CSBG funding with general funds? (Emmerson, Bill. Statement from the Assembly Human Services Committee. 2012-13 CSBG State Plan, Public Hearing, August 16, 2011.)*

**CSD Response:**

The CSD *2012-2013 CSBG State Plan and Application*, page 12 addresses CSD's plan to utilize CSBG discretionary funds to restore CSBG eligible entities to prior year funding levels if funding is reduced by any amount up to 3.5 percent from the prior year.

At the August 16, 2011, legislative hearing Interim Director John Wagner stated in his testimony, "CSBG is not general fund reliant in any way". (Wagner, John. Statement to the Senate Human Services Committee and Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011, page 20.)

**3. Assembly Member Jim Beall, Chair, Assembly Committee on Human Services:**

*Are there ways to create efficiencies in administering the CSBG grant by possibly asking some of the smaller agencies to combine their grant applications or to create a consortium concept, as demonstrated in other programs?* (Beall, Jim. Statement from the Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011.)

**CSD Response:**

At the August 16, 2011, legislative hearing Interim Director John Wagner provided testimony addressing federal requirements on the distribution of the CSBG grant, and is summarized below:

The administration of CSBG funding is prescribed in federal statute. As such, the Department would need some relief at the federal level given these matters aren't determined by state statute. CSBG is a program driven by federal requirements. (Wagner, John. Statement to the Senate Human Services Committee and Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011, page 22-23.)

**4. Assembly Member Jim Beall, Chair, Assembly Committee on Human Services:**

*Will changes to state statutes be required in the event CSBG funding is reduced?* (Beall, Jim. Statement from the Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011.)

**CSD Response:**

At the August 16, 2011, legislative hearing Community Services Division Manager Pamela Harrison provided testimony addressing the potential need for changes to state statutes in relation to CSBG, and is summarized below:

CSBG state statutes reflect federal law. It is anticipated there would be enabling legislation to accompany the proposed changes to reduce CSBG funding. State statutes would need to be changed to correspond with the federal CSBG laws.

Upon confirmation of reduced CSBG funding, CSD would make a formal recommendation to the legislature to amend the state statute. (Harrison, Pamela. Statement to the Senate Human Services Committee and Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011, page 23.)

**5. Senator Loni Hancock, Senate Committee on Human Services:**

*In light of a CSBG eligible entity submitting the two-year Community Action Plan, describe the CAP process on determining what programs go forward.* (Hancock, Loni. Statement from the Senate Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011.)

**CSD Response:**

The Department of Community Services and Development, (2011) *2012-2013 CSBG State Plan and Application*, pages 19-20 address the Community Action Plan (CAP) requirement of CSBG eligible entities.

At the August 16, 2011, legislative hearing Community Services Division Manager Pamela Harrison provided testimony that addressed the significance of the CAP and is summarized below:

The Community Action Plan (CAP) is based on local self-determination, so it is actually incumbent upon the agencies to conduct their community needs assessment. They are required to hold public hearings and must analyze and assess poverty conditions within their area. There are specific requirements in the Community Action Plan on how the agency fills in the service gaps. If the need is not being met, the agency must speak to its plan to meet the need. The agencies are very proactive, and their linkages and partnerships are phenomenal in helping them to carry out their programs. Additionally, in the CAP there is a component where the agency is to provide its plan for reduced funding and the impact it would have on the community it serves. (Harrison, Pamela. Statement to the Senate Human Services Committee and Assembly Human Services Committee. *2012-13 CSBG State Plan*, Public Hearing, August 16, 2011, pages 24-25.)

**6. Assembly Member Tom Ammiano, Assembly Committee on Human Services:**

*Assembly Member Ammiano raised an issue that could impact the Lesbian, Gay, Bisexual, and Transgender (LGBT) community. He noted data shows many in the transgender community are at the lower end of the economic scale. Given non-governmental organizations provide services under CSBG, including those with religious affiliation; some entities may not be compatible with the LGBT community. Unsure if there is a conflict between the state and federal government non-discrimination clause around the inclusion of "sexual orientation" language, Ammiano identified the matter as an area of sensitivity needing to be*

*addressed. (Ammiano, Tom. Statement from the Assembly Human Services Committee. 2012-13 CSBG State Plan, Public Hearing, August 16, 2011.)*

**CSD Response:**

The Department of Community Services and Development. (2011) *2012-2013 CSBG State Plan and Application*, page 8 addresses the federal non-discrimination administrative assurance to be followed by those eligible entities receiving CSBG funding.

Additionally, the State Plan conforms with the federal laws and assurances as outlined in the model plan; however, CSBG eligible entities must comply with all applicable state and federal laws including California Government Code Section 11135 and Civil Code Section 51, which addresses non discrimination based on sexual orientation.

***Note: Questions were presented from Senator Hancock and Senator Wright with regard to CSD's Department of Energy American Reinvestment Recovery Act (ARRA) weatherization programs and Bureau of State Audit report. Given the 2012-13, Draft CSBG State Plan only addresses the CSBG program; responses to these questions are not included here. However, CSD Interim Director John Wagner addressed these questions at the hearing, which is reflected in the transcript.***

\*\*\*\*\*

***In addition to the testimony presented at the hearing, CSD received written comment from the following:***

***7. Sylvia Melena, Assistant Deputy Director, County of San Diego Health and Human Services Agency:***

*Ms. Melena provided written testimony in support of the Earned Income Tax Credit (EITC) program, funded through the 2009 American Reinvestment and Recovery Act EITC Initiative, and the successes in the overarching strategy to achieve the County's vision of healthy, safe and thriving communities. In San Diego, the program has been effective in providing the low-income population with additional funds that support self-sufficiency. The funds have been used towards housing, education, employment supports and other needs. In addition, the dollars brought to the region through the program have stimulated the economy and strengthened opportunities. Additionally, the County of San Diego Health and Human Services Agency requested that CSD give consideration to including the EITC program to the list of activities under the Programmatic Assurances (5)(a)(1) on pages 20 and 21 of the State Plan.*

**CSD Response:**

The CSD *2012-2013 CSBG State Plan and Application*, pages 2-8 addresses the federally required Programmatic Assurances.

The Programmatic Assurances listed in the 2012-13 CSBG State Plan are required by Section 676 of the Community Services Block Grant Act, as amended, (42 U.S. C. 9901 et seq.). As such, the Programmatic Assurances will not be amended, as a change to these requirements would need to be initiated through federal legislation.

## **APPENDIX B**

**PROJECTED FUNDING ALLOCATION**  
Department of Community Services and Development (CSD)  
Community Services Block Grant (CSBG)  
**Estimated 2012 Allocation of Federal Funds**

**Estimated 2012 CSBG Allocation of Federal Funds  
Based on 2011 Award  
Community Action Agencies**

County	Agency	Estimated 2012 Allocation
Alameda	Berkeley CAA	252,454
Alameda	TBD	555,404
Alameda	City of Oakland, Department of Human Services	698,553
Alpine	Inyo Mono Advocates for Community Action, Inc.	2,150
Amador/Tuolumne	Amador/Tuolumne CAA	247,176
Butte	CAA of Butte County, Inc.	357,659
Calaveras/Mariposa	Calaveras-Mariposa CAA	246,542
Colusa	SEE GLENN	
Contra Costa	Contra Costa Employment & Human Services Dept	653,846
Del Norte	Del Norte Senior Center	43,418
El Dorado	El Dorado County Department of Human Services	248,399
Fresno	Fresno County EOC	1,635,690
Glenn/Colusa/Trinity	Glenn County Human Resource Agency	247,923
Humboldt	Redwood CAA	254,652
Imperial	Campesinos Unidos, Inc.	271,254
Inyo/Mono	Inyo Mono Advocates for Community Action, Inc.	244,866
Kern	CAP of Kern	1,196,355
Kings	Kings CAO, Inc.	253,338
Lake	North Coast Opportunities	247,923
Lassen/Plumas/Sierra	Lassen/Plumas/Sierra CAA	246,225
Los Angeles	Foothill Unity Center	351,211
Los Angeles	Long Beach CSDC, Inc.	944,875
Los Angeles	County of Los Angeles Dept of Public Social Services	6,683,336
Los Angeles	City of Los Angeles, CDD, HS & NDD	7,316,983
Madera	CAP of Madera County, Inc.	254,878
Marin	Community Action Marin	250,596
Mariposa	SEE CALAVERAS	
Mendocino	North Coast Opportunities	249,577
Merced	Merced County CAA	411,395
Modoc/Siskiyou	Modoc-Siskiyou CAA	247,923
Mono	SEE INYO	
Monterey	Monterey County CAP	472,007
Napa	Community Action Napa Valley	247,855
Nevada	Nevada County Dept of Housing & Community Services	246,610
Orange	CAP of Orange County	2,644,188
Placer	County of Placer Dept of Health and Human Services	249,940
Plumas	SEE LASSEN	
Riverside	CAP of Riverside County	1,955,521
Sacramento	Sacramento Employment and Training Agency	1,551,005
San Benito	San Benito County DCS & WD	245,590

**Estimated 2012 CSBG Allocation of Federal  
Funds  
Based on 2011 Award  
Community Action Agencies**

County	Agency	Estimated 2012 Allocation
San Bernardino	CAP of San Bernardino County	2,406,035
San Diego	County of San Diego, HHSA, CAP	3,091,263
San Francisco	EOC of San Francisco	790,978
San Joaquin	San Joaquin County Dept of Aging & Community Srvc	866,842
San Luis Obispo	CAP of San Luis Obispo County, Inc.	272,113
San Mateo	TBD	371,846
Santa Barbara	CAC of Santa Barbara County, Inc.	503,389
Santa Clara	Sacred Heart Community Services	1,137,031
Santa Cruz	CAB of Santa Cruz County, Inc.	268,246
Shasta	Shasta County CAA	254,901
Sierra	SEE LASSEN	
Siskiyou	SEE MODOC	
Solano	CAP of Solano County	286,299
Sonoma	CAP of Sonoma County	331,867
Stanislaus	Central Valley Opportunity Center, Inc.	643,100
Sutter	Sutter County CAA	248,875
Tehama	Tehama County CAA	247,651
Trinity	SEE GLENN	
Tulare	Community Services & Employment Training, Inc.	790,978
Tuolumne	SEE AMADOR	
Ventura	Community Action of Ventura County, Inc.	625,905
Yolo	County of Yolo, Dept of Employment & Social Services	272,113
Yuba	Yuba County CSC	248,944

TOTAL, all counties

45,905,693

**Estimated 2012 CSBG Allocation of Federal Funds  
Based on 2011 Award**

**NATIVE AMERICAN INDIANS**

<b>Agency</b>	<b>Estimated 2012 Allocation</b>
Karuk (Core Funding)	42,000
Karuk	60,793
NCIDC (Core Funding)	122,000
NCIDC/LIFE (Core Funding)	<i>(Included with NCIDC below)</i>
NCIDC	1,756,391
LA City/County NAIC	371,407
 TOTAL	<hr/> <hr/> <b>2,352,591</b>

**MIGRANT & SEASONAL  
FARMWORKERS**

<b>Agency</b>	<b>Estimated 2012 Allocation</b>
California Human Development Corporation	1,387,426
Proteus, Inc.	2,231,945
Central Valley Opportunity Center, Inc.	542,906
Center for Employment Training	1,870,009
 TOTAL	<hr/> <hr/> <b>6,032,286</b>

**LIMITED PURPOSE AGENCIES  
(DISCRETIONARY FUNDS)**

<b>Agency</b>	<b>Estimated 2012 Allocation</b>
Campeños Unidos, Inc.	81,846
Community Design Center	123,262
Del Norte Senior Center	89,600
Rural Community Assistance Corporation	138,053
 TOTAL	<hr/> <hr/> <b>432,761</b>

**Estimated 2012 CSBG Allocation of Federal Funds  
Based on Estimated 50% Reduction**

<b>County</b>	<b>Agency</b>	<b>Estimated 2012 Allocation</b>
Alameda	Berkeley CAA	129,927
Alameda	TBD	285,842
Alameda	City of Oakland, Department of Human Services	359,514
Alpine	Inyo Mono Advocates for Community Action, Inc.	1,106
Amador/Tuolumne	Amador/Tuolumne CAA	127,210
Butte	CAA of Butte County, Inc.	184,071
Calaveras/Mariposa	Calaveras-Mariposa CAA	126,884
Colusa	SEE GLENN	
Contra Costa	Contra Costa Employment & Human Services Dept	336,505
Del Norte	Del Norte Senior Center	22,345
El Dorado	El Dorado County Department of Human Services	127,840
Fresno	Fresno County EOC	841,817
Glenn/Colusa/Trinity	Glenn County Human Resource Agency	127,595
Humboldt	Redwood CAA	131,058
Imperial	Campesinos Unidos, Inc.	139,602
Inyo/Mono	Inyo Mono Advocates for Community Action, Inc.	126,021
Kern	CAP of Kern	615,710
Kings	Kings CAO, Inc.	130,382
Lake	North Coast Opportunities	127,595
Lassen/Plumas/Sierra	Lassen/Plumas/Sierra CAA	126,721
Los Angeles	Foothill Unity Center	180,753
Los Angeles	Long Beach CSDC, Inc.	486,285
Los Angeles	County of Los Angeles Dept of Public Social Services	3,439,615
Los Angeles	City of Los Angeles, CDD, HS & NDD	3,765,726
Madera	CAP of Madera County, Inc.	131,175
Marin	Community Action Marin	128,971
Mariposa	SEE CALAVERAS	
Mendocino	North Coast Opportunities	128,446
Merced	Merced County CAA	211,726
Modoc/Siskiyou	Modoc-Siskiyou CAA	127,595
Mono	SEE INYO	
Monterey	Monterey County CAP	242,921
Napa	Community Action Napa Valley	127,560
Nevada	Nevada County Dept of Housing & Community Services	126,919
Orange	CAP of Orange County	1,360,846
Placer	County of Placer Dept of Health and Human Services	128,633
Plumas	SEE LASSEN	
Riverside	CAP of Riverside County	1,006,420
Sacramento	Sacramento Employment and Training Agency	798,233
San Benito	San Benito County DCS & WD	126,394
San Bernardino	CAP of San Bernardino County	1,238,279

**Estimated 2012 CSBG Allocation of  
Federal Funds  
Based on Estimated 50% Reduction**

County	Agency	Estimated 2012 Allocation
San Diego	County of San Diego, HHSA, CAP	1,590,935
San Francisco	EOC of San Francisco	407,081
San Joaquin	San Joaquin County Dept of Aging & Community Srvcs	456,418
San Luis Obispo	CAP of San Luis Obispo County, Inc.	140,045
San Mateo	TBD	191,373
Santa Barbara	CAC of Santa Barbara County, Inc.	259,072
Santa Clara	Sacred Heart Community Services	585,179
Santa Cruz	CAB of Santa Cruz County, Inc.	138,054
Shasta	Shasta County CAA	131,186
Sierra	SEE LASSEN	
Siskiyou	SEE MODOC	
Solano	CAP of Solano County	147,345
Sonoma	CAP of Sonoma County	170,797
Stanislaus	Central Valley Opportunity Center, Inc.	330,975
Sutter	Sutter County CAA	128,085
Tehama	Tehama County CAA	127,455
Trinity	SEE GLENN	
Tulare	Community Services & Employment Training, Inc.	407,081
Tuolumne	SEE AMADOR	
Ventura	Community Action of Ventura County, Inc.	322,125
Yolo	County of Yolo, Dept of Employment & Social Services	140,045
Yuba	Yuba County CSC	128,121

TOTAL, all counties

23,625,614

**Estimated 2012 CSBG Allocation of Federal Funds  
Based on Estimated 50% Reduction**

**NATIVE AMERICAN INDIANS**

Agency	Estimated 2012 Allocation
Karuk (Core Funding)	42,000
Karuk	28,876
NCIDC (Core Funding)	122,000
NCIDC/LIFE (Core Funding)	<i>(Included with NCIDC below)</i>
NCIDC	851,605
LA City/County NAIC	166,293
 	<hr/>
TOTAL	<u><u>1,210,774</u></u>

**MIGRANT & SEASONAL  
FARMWORKERS**

Agency	Estimated 2012 Allocation
California Human Development Corporation	714,046
Proteus, Inc.	1,148,684
Central Valley Opportunity Center, Inc.	279,409
Center for Employment Training	962,410
 	<hr/>
TOTAL	<u><u>3,104,549</u></u>

**LIMITED PURPOSE AGENCIES  
(DISCRETIONARY FUNDS)**

Agency	Estimated 2012 Allocation
Campeños Unidos, Inc.	40,956
Community Design Center	61,680
Del Norte Senior Center	44,836
Rural Community Assistance Corporation	69,082
 	<hr/>
TOTAL	<u><u>216,554</u></u>

## **APPENDIX C**

### **DELEGATION LETTER AND ADMINISTRATIVE CERTIFICATIONS**



OFFICE OF THE GOVERNOR

May 26, 2011

Ms. Yolanda J. Butler, Ph.D.  
Acting Director  
Office of Community Services  
Administration for Children and Families  
U.S. Department of Health and Human Services  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20447

Dear Ms. Butler:

Pursuant to 42 U.S.C. 9908(a)(1) and Title 45, Part 96.10(b) of the Code of Federal Regulations, I hereby delegate signature authority to John A. Wagner, Acting Director of the State of California's Department of Community Services and Development, and his successor, for the purposes of submitting the application and certifying compliance with federal assurances relating to the Community Services Block Grant and Low-Income Home Energy Assistant Program.

Sincerely,

  
Edmund G. Brown Jr.

## CERTIFICATION REGARDING LOBBYING

### Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

  
Interim Director

Title

Department of Community Services & Development

Organization

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## **CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS**

### **Certification Regarding Debarment, Suspension, and Other Responsibility Matters-- Primary Covered Transactions**

#### **Instructions for Certification**

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under

48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

\*\*\*\*\*

#### Certification Regarding Debarment, Suspension, and Other Responsibility Matters-- Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-- Lower Tier Covered Transactions

#### Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is

providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--  
Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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## CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

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### Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

*Controlled substance* means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

*Conviction* means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

*Criminal drug statute* means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

*Employee* means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

#### Certification Regarding Drug-Free Workplace Requirements

##### Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
  - (1) The dangers of drug abuse in the workplace;
  - (2) The grantee's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted -

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

2389 GATEWAY OAKS DRIVE #100  
SACRAMENTO, CA 95833

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

## **CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity by signing and submitting this application the applicant/grantee certifies that it will comply with the requirements of the Act.

The applicant/grantee further agrees that it will require the language of this certification be included in any subawards which contain provisions for the children's services and that all subgrantees shall certify accordingly.

## **APPENDIX D**

### **PROOF OF CURRENT AUDIT**

# CALIFORNIA STATE AUDITOR

## State of California

Internal Control and State and Federal Compliance  
Audit Report for the Fiscal Year Ended June 30, 2010

March 2011 Report 2010-002



Independent NONPARTISAN  
TRANSPARENT Accountability