

COALITION OF CALIFORNIA WELFARE RIGHTS ORGANIZATIONS

TESTIMONY ON CALIFORNIA STATE COMMUNITY SERVICES BLOCK GRANT PLAN OF 1985

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EXECUTIVE SUMMARY

We have carefully examined the 1985 Community Services Block Grant proposed state plan.

Our review was targeted towards the maximum benefits that this plan will provide to the low-income community of the State of California and its compliance with the provisions of California state law.

We paid special attention to the minimum mandatory services requirement in the law and its reflection in the plan.

We also analyzed the availability of resources and SOEO's duplication of services given their limited resources.

Our review resulted in the following findings:

1. That minimum mandatory services are not being properly provided in the community and neither does SOEO propose to enforce the provisions of the California state law mandating minimum mandatory services;
2. That the proposed plan does not reflect the testimony of the poor received during the local plan hearings and the responses to such testimony as required by state law;
3. That most of the SOEO CSBG funds are being used for direct services which duplicate existing services and are not used to carry the primary mission of the community action programs, which are set forth in the "Statement of Mission" on page 7 of the plan, but not reflected in the type of activities which is attached to the proposed plan.
4. Lack of the participation of the poor in the formulation of the programs to be funded with the 5% discretionary funds and the lack of the participation of the poor in the formulation of the priorities by SOEO.
5. Lack of participation of the poor in public hearings and SOEO's failure to ensure the participation of the poor in the hearing on the local plan.

The primary point we would like to make is the fact that fiscal accountability and programatic accountability are treated differently, which we disagree with. We believe that both should be treated equally. We wonder what one would think if SOEO said that they would require each CAP to provide assurances that the funds they receive are being spend by the agency-a statement of assurance as the CAP are required to do minimum mandatory services.

MINIMUM MANDATORY SERVICES

Section 12745(g) of the Government Code provides that community action agencies (CAA) shall provide minimum mandatory services, if there is no one else in the community providing these services.

There is nothing in this law that states it is assumed that there are other organizations providing these services. In fact there should be a presumption that these services are not being provided by other organizations, which is the reason that the Legislature mandated that these services be provided in all counties and service areas by the CAAs, if no other organization provides these services.

There are very few counties which these services are provided as required by law. Most counties, which have many poor people, such as Los Angeles County, San Diego County, Santa Clara County, Alameda County, Orange County and the other major counties do not have any entity who provides these services, and, off course the CAA does not provide these services, rather they have filed false statements alleging that these services are being provided.

It also seems that although SOEO states that:

"SOEO is committed to the provisions of Government Code Section 12745(g) prescribing the minimum service requirements."

in reality they are indifferent to these services. This is evidenced by the following facts:

1. On page 61 of the proposed plan, each CAA must provide how much of the CSBG is spend on the various portions of the total program. Off course minimum mandatory services is not even mentioned, because it is not part of the total program, it appears;
2. When you consider the types of services are mandated in accordance with Section 12745(g), which are at least completing forms, explaining program requirements and client responsibility, transportation and doing all things necessary to make the program accessible to the poor, we only find two of these provisions in the aggregation form attached to the state plan. The remaining requirements are not mentioned at all, or are not specifically provided for.

The plan alleges that on February 24, 1984 SOEO mailed out a letter requesting that the CAAs provide information regarding they compliance with the minimum mandatory services. That letter states in part:

" Be mindful of the fact that it is not essential that your CAA directly provide these basic survival services, but that you provide assurances to this office that these services are being provided."

It is clear that SOEO was very concerned that someone may read this letter to mean that these services have to be provided. To make sure that no person is left with this misimpression, they close the letter by stating that all the CAA has to do is to say that these services are being provided. This is like having SOEO stating that you have to have books, but you don't need to have them audited or show SOEO where you spend the money, just provide us with assurance- and not even under the penalty of perjury- that you have spend this money for the purposes of CSBG.

AGGREGATION OF THE PLAN AND HOW IT SHOWS WHAT IS BEING DONE ON MINIMUM MANDATORY SERVICES.

As we stated above, there is no mention of any funds being spend for minimum mandatory services, although the CAAs have told us a number of times that they do these services all the time.

We felt that the aggregation form would more appropriately show all of the CAAs that provide the minimum mandatory services. Of the 47 agencies who submitted a plan, only 13 allege that they do some kind of service related to forms and applications and advocacy/legal services. There is no evidence that any of these services relates to minimum mandatory services, but even if they did, it represents 27% of the CAAs. It is alleged that \$144,860 is spend for legal services/advocacy and \$1,500 is spend for forms and applications. The \$144,860 does not necessarily represent SCBG funds, rather it represents all of the funds that the CAAs have for their services. It is a known fact that most of the funds the CAAs have come from other sources, such as United Way, Revenue Sharing, and other sources. Moreover, \$144,860 only represents 0.9% of all of the CSBG dollars allocated to the CAAs as provided on page 71 of the proposed plan.

The amount of funds that the CAAs will spend to assist the poor with application/ forms, which does not necessarily mean minimum mandatory services, rather it could be completing forms for services not related to basic survival services, amount to \$1,500 a year, which represents a portion of the \$15,855.555 that cannot be figured out with the adding machine.

The aggregation plan also shows that during 1985, the CAAs will only serve 9610 persons with advocacy/legal services, which represents 0.0005% of the total number of persons that will be served by SOEO.

The form also shows that during 1985, the CAAs will assist 925 persons with forms and applications. We will not try to figure the percentage that this represents.

"SOEO seeks to administer the California CSBG program with the maximum degree of accountability". 1985 State CSBG Plan, Introduction.

These are fine words, but it should have been amended to provide that the minimum mandatory services are not subject to this standard. Maximum degree of accountability cannot mean a mere assurance, which is not even under the penalty of perjury, to meet such a standard.

We believe that this plan should be amended to require that all CAAs provide V E R I F I C A T I O N, supported by testimony from the poor, that in each of their communities, there is indeed minimum mandatory services, and SOEO should verify that these services are being provided to the satisfaction of the poor each quarter, a copy of which should be provided to this committee for their review.

TESTIMONY OF THE POOR DURING LOCAL PLAN PUBLIC HEARINGS

-"SOEO seeks to administer the California CSBG program with the maximum degree of accountability,.."

--Section 12741 of the Government Code provides that the plan shall identify the concerns of the poor during these public hearings and the actions taken thereon for the review of this committee.

Notwithstanding the law & SOEO's desire to have maximum accountability, there is nothing in the proposed plan that reflects the testimony of the poor, what their concerns were and the actions taken upon those concerns by the local plan. Moreover, this Committee has also not been provided with this information to do their statutory duty.

We have not been able to review local plans as they have not been available to the poor to review. It is true that copies of the local plans are located in the SOEO offices, but that does not make them accessible to the poor.

We would recommend that SOEO be required to provide this Committee with a statement containing each and every comments presented by the poor and an analysis whether those comments were accepted or rejected.

SERVICES PROVIDED BY CAAs DUPLICATE CURRENT SERVICES PROVIDED BY MANY AGENCIES

"The mission is OEO's mandate for assisting all Californians seeking a way of life with quality based on self-sufficiency and on reduction of dependency."

It is important to emphasize that the phrase "all Californians" which is different from some Californians.

CAAs have traditionally been charged with the responsibility to act as a catalyst between the community and government to ensure that the various programs operated by government (in private sector also) meet the needs of the poor and the poor have a voice in the formulation and implementation of these programs.

The plan before the Committee today has completely divorced itself from these missions and the instant plan is a presentation of how much direct services they have provided, rather than a presentation of how much direct services they have stimulated.

The CAAs are supposed to make a difference in the battle against poverty that is significant in their community. Providing direct services to less than 5% of the poor in the State of California makes no difference and it clearly fails its mission-"assisting all Californians".

For example, community action agencies have targeted \$2.8 million for programs and activities to assist low-income persons to secure and retain meaningful employment.

The State of California budget for 1984-1985 reveals that California will spend \$1.4 billion for employment and training programs. The CAAs \$2.8 million dollar expenditure represents 0.02% of the total dollars that will be spent on training and employment programs in California.

The \$1.4 billion will be spent for direct services and so will the CAA \$2.8 million.

Any reasonable person would conclude that this is duplication at its highest. Moreover, the \$2.8 million cannot serve all Californians.

The same is true for most of the other programs, such as education, use of available income, housing, energy assistance, starvation and malnutrition, etc.

WE RECOMMEND that SOEO should analyze all of the program for duplication and fund programs that are not duplicative and reach all of Californians.

LACK OF THE PARTICIPATION OF THE POOR IN THE 5% DISCRETIONARY FUNDING AND ITS DUPLICATION OF EXISTING PROGRAMS

SOEO submits that they are committed to "...Maximum feasible participation of the poor in the development and implementation of all programs and projects designed to serve the poor."

The poor of California had zero participation in the development and implementation of the expenditures of discretionary funds for 1984 and have yet to hear about how the 1985 funds will be spend.

SOEO may justify this by saying that it is not feasible to have the poor participate in the development and implementation of the discretionary funds. We wonder will it ever be feasible for the poor to participate in the development and implementation of any aspect of the Community Services Block Grant Program?

We have reviewed the list of activities that was funded for FY 1983-1984. Most of the contracts were for employment and training related services.

Again, this is clear duplication of the \$1.4 billion that is already being spend in California for employment and training for low-income persons.

We realize that it is politically safe to spend money on employment and training, but we would suggest that the \$1.4 million could have better been utilized to assist the poor in their efforts to participate in the development and implementation of the programs funded with \$1.4 billion, rather than spending another \$1.4 million to duplicate existing efforts.

LACK OF PARTICIPATION OF THE POOR IN THE HEARINGS ON THE LOCAL AND STATE PLANS.

Inasmuch SOEO alleges that it is their desire to to have maximum participation of the poor in the development and implementation of the local and state CSBG plans, there is no meaningful effort to obtain the participation of the poor.

We are not present today because SOEO notified us of these hearings. We are present because we discovered the scheduling of these hearings through our elected representatives.

CAAs have not involved the low-income community meaningfully in the development and implementation of their local plans. Many of these hearings were publicized in the legal sections of the local newspapers. They have satisfied the legal requirements or publicizing the hearings. But have they satisfied the moral requirement or getting the low-income population involved? N O.

Part of the lack of low-income involvement is the fault of SOEO. There are no objective guidelines for the conduct and publicizing of these hearings. All SOEO requires is that the CAA "assure" that the low-income poor were involved. There is no accountability for all practical purposes.

In addition, SOEO has decided that employment and training should be a state-wide priority. We are not going to repeat that this is duplicative as long as it means providing direct services. However, notwithstanding the duplication problem, there was also no participation of the poor in deciding the SOEO priority.