



Legislative Audit Division

Performance Audit Summary

Community Services Block Grant

December 2000

Introduction

The Legislative Audit Committee requested a limited scope performance audit of the federally funded Community Services Block Grant (CSBG) program administered by the Department of Public Health and Human Services (DPHHS). The program disburses grant funds to Montana's ten Human Resource Development Councils (HRDC).

The Intergovernmental Human Services Bureau, Human and Community Services Division, Department of Public Health and Human Services (DPHHS) administers the Community Services Block Grant (CSBG). The U.S. Department of Health and Human Services funds the grant. Ninety percent of CSBG funds must be passed on to Montana's ten Human Resource Development Councils (HRDC).

CSBG Expenditures (FY 1998-99 through 1999-00)				
Category	1998-99		1999-00	
Personal Services	\$36,296		\$47,269	
Operating	\$34,543		\$58,124	
Total Admin	\$70,879	3.4%	\$105,393	4.2%
Special Project	\$126,507	2.3%	\$138,247	5.5%
Grants to HRDCs	\$1,836,163	94.3%	\$2,260,182	90.3%
Total	\$2,033,549	100.0%	\$2,503,822	100.0%

The state's primary function in administering the grant is to ensure compliance with federal law. HRDCs are responsible for local CSBG administration.

What is an HRDC?

Congress passed the federal Economic Opportunity Act of 1964 authorizing the development of Community Action Agencies. The agencies were created to provide a mechanism for local people to develop strategies for addressing the causes of poverty and alleviating the effects of poverty within an area. In Montana, the agencies are referred to as Human Resource Development Councils (HRDC).

HRDCs provide a wide array of services. Projects, activities, and services provided by HRDCs include:

- Providing or assisting with day care for children.
- Providing educational programs and job training.
- Providing food.
- Weatherizing homes for increased energy efficiency.
- Assisting with energy bills.
- Providing resource and referral services.

What are the Funding Sources for HRDCs?

HRDCs have multiple funding sources including:

- Direct federal grants.
- Federal grants awarded and distributed by state agencies.
- Grants from the private sector.

HRDCs also receive contributions from other governmental units or civic organizations, and obtain revenues from fund raising activities.

What is the Purpose of the CSBG?

The purpose of the Community Service Block Grant (CSBG) award differs from most other grants because it does not focus on funding a particular service. CSBG is a general support program. CSBG funding can:

- Support creation of new programs and services.
- Augment existing programs and services.
- Be used for general administration required to coordinate and enhance other programs.

Can Benefits Be Distinguished From Other Funding and What are the Outcomes?

The CSBG is a general support program. Because of the flexibility of the uses of CSBG money, HRDCs use it where it is most needed. Uses vary each year, depending on where the money is needed. Some HRDCs use it for general administrative costs, others use it to help establish a program or keep a program operating. Because CSBG does not provide specific services, there are no direct outcomes. The outcomes of the programs created, enhanced, and/or expanded with the CSBG funds can be measured.

Conclusion: CSBG impacts on recipients cannot be directly measured, but the impact on a recipient of a program administered by the HRDC can be measured. There are no direct outcomes for the CSBG program.

Measuring Program Outcomes Through Results Oriented Management and Accountability

Federal statute requires all states and HRDCs to participate in Results Oriented Management and Accountability (ROMA) by October 1, 2001. ROMA was created for the CSBG to respond to the Government

Performance and Results Act (GRPA) of 1993. GRPA requires federally funded programs to demonstrate measurable outcomes.

A nationwide Community Services Block Grant Monitoring and Assessment Task Force created six broad goals and a list of direct measures for HRDCs to use when responding to GPRA. A complete list of the goals and corresponding measures is contained in the audit report in Appendix C.

How is Montana Complying with ROMA?

In 1996 DPHHS started developing a Central Database System (CDS) to be used by every HRDC to capture the services provided to individuals and/or households. The prototype of the system was put in place in the summer of 2000. Federal statute requires the system to be fully implemented by October 2001.

DPHHS will generate surveys to track and measure how the HRDCs are responding to the six ROMA goals. The surveys will be coded so DPHHS can track them to specific services. As of September 2000, all of Montana's HRDCs were inputting client information into the CDS prototype. DPHHS staff were developing questions to be used in the surveys. DPHHS staff expect the system to be fully operational by the October 2001 deadline.

Are There More Efficient and Effective Ways to Provide Benefits to Recipients?

When implemented, ROMA is intended to help DPHHS and HRDCs determine if HRDCs are providing benefits to recipients in the most efficient and effective manner for the programs administered. HRDC-initiated surveys could be used to determine recipient satisfaction and identify potential efficiency or effectiveness problems.

Conclusion: The database created to implement ROMA has the potential to result in efficiencies in services provided to recipients. At the time of the audit, ROMA has not resulted in efficiencies in program administration because of the need to input information in more than one computer system.

New Computer Systems are Being Developed with Limited Coordination between Entities

A number of other state agencies and divisions within DPHHS are in the process of developing newer computer systems for some of the programs HRDCs administer. HRDC staff were concerned they would have to continue inputting some of the same information into more than one system. Our discussions with staff developing the systems indicated there has been limited input from staff in other agencies during development.

Conclusion: Implementation of a system to ensure coordination of shared information technology systems and applications would have alleviated the efficiency concerns. Agencies have to ensure the proper staff are sent to the various development and implementation meetings. Staffs knowledgeable about the program requirements need to be involved in the development.

Will ROMA Increase Effectiveness Of Other Programs?

The information that is planned to be included on CDS should help measure the effectiveness of other programs. Client surveys will provide insight to clients' perception of the delivery of services at the HRDCs.

At the time of the audit, we contacted many staff members responsible for administering and monitoring programs provided at HRDCs, including DPHHS staff. These staff members were not aware of CDS and/or its uses. For example, monitoring staff could use CDS to obtain information regarding the overall use of the program, outcomes, HRDC staff time involved in providing services, and potentially problem areas in program administration.

We recommend Intergovernmental Human Services Bureau staff formally communicate information regarding the Central Database System and its uses to state/federal/private program administrators.

HRDCs Can Use ROMA to Determine and Address Client and Community Needs

HRDC staff believe CDS, and ultimately the results from the ROMA surveys, will provide them a way to determine client needs and how the HRDCs can better serve clients and communities.

The ultimate goal of the CSBG and programs provided by the HRDCs is to increase a person's perceived self-sufficiency. This is accomplished by providing various services such as Head Start for children, weatherizing a house, helping with job placement, etc. By weatherizing a home, heating costs decrease, thus increasing income for other needs. The person might still be receiving benefits from other programs, but the person can perceive he/she is more self-sufficient because he/she has more disposable income. When ROMA is implemented and the results of the surveys are known, the information will help DPHHS and the HRDCs measure the client's perceived self-sufficiency.

For a complete copy of the report (00P-16) or for further information contact the Legislative Audit Division at 406-444-3122; e-mail to lad@mt.gov; or check the web site at <http://leg.mt.gov/audit>.