



Thank you for considering this response to the Federal Register notice # 2016-14229 on behalf of the National Community Action Foundation, which represents the Community Action Agency [CAA] network before Congress and federal agencies. The notice solicits reactions to the proposed requirements for the form and content of a mandatory annual report to HHS by State CSBG grantees. It would be based on reports to states from their local sub-grantees.

Our perspective is informed by:

1. Our staff and our Director's participation in OCS' intensive and highly participatory working groups over three years;
2. Our governing Board members, all of who are executive directors of CAAs that are elected by their colleagues; and,
3. Over one hundred in-depth conversations with Community Action Agency leaders during the current year alone.

We remain deeply disappointed in the proposed report and in the expanded management information system that it will require for data collection. In April, we responded to the OCS Informal Request for Comment by proposing direct and clear changes and alternatives. HHS has adopted only a few of the changes we suggested. The scope of and elements in the report are similar to the original draft, and there is only minor improvement regarding the extraordinary increase in the paperwork burden this proposal creates. Changes that might enhance local agency capacity and free-up resources for information that measures CAAs local results were not included. Our colleagues at the Community Action Partnership also recommended changes, all of which we supported, but few are included in the revised proposal.

Before outlining our extensive concerns, it is critical to note that the proposal does not accommodate the statutory requirement that OCS allows states to adopt other comparable systems. The proposed templates and the online federal interface, or "OLDC," into which they

will be loaded when complete will apparently allow no other format or approach to dovetail with the OCS data system or other state reports. The elaboration of the system elements, right down to the details of the local project management tracking, suggests OCS is not prepared to accept alternative reports proposed by a state.

Section 676(b)(12) of the CSBG Act does not require states and eligible entities to use ROMA. It requires the use of ROMA or an alternative performance measurement system (and, in fact, the proposed annual report document makes reference to such an alternative system). However, the proposed CSBG Annual Report form does not allow for reporting annual performance of a state and its eligible entities under any alternative system. Indeed, the statement in the Federal Register comment request that the proposed CSBG Annual Report incorporates Results Oriented Management and Accountability as “required in Section 676(b)12 of the CSBG Act,” completely ignores the fact that the Act specifies that states may use alternative performance measurement systems. This draft framework is not “as required” unless it can be expanded to include a system, including a federal data management system, that will accept state report data.

While appropriation language adopted for 2016 is different from the statute, it was inserted to give OCS the authority to issue the CAA Organizational Standards with which the network has arrived at consensus. It states that “The Secretary shall issue performance standards for nonprofit organizations [entities] receiving funds from State and territorial grantees...[which] shall assure the implementation of such standards prior to September 30, 2016 [2017].”

The CSBG Act states that each State:

Shall ensure that all eligible entities in the state participate, in a performance measurement system, which may be a performance measurement system for the Secretary facilitated development... or an alternative system that the Secretary is satisfied meets the requirements of [678E9b)]... and that each state and all eligible entities in the State...will participate in the Results Oriented Management and Accountability System CSBG Act section 678E(a)(1)(A), 42 USC

9917(a)(1)A) and CSBG Act section 676(b)(12), 42 USC 9908(b)(12).

Further, §42 USC 9917(b) states that HHS:

Shall facilitate the development of one or more model performance measurement systems, which may be used by States and by eligible entities to measure their performance in carrying out the requirements of [the CSBG Act] and in achieving the goals of their community action plans.

§42 USC 9917(a)(2) further requires that:

1. Each state “annually prepare and submit to the Secretary a report on the measured performance of the State and the eligible entities in the State;” and,
2. The annual report that HHS is required to submit to Congress must include, among other things, “a summary of each State’s performance results, and the results of the eligible entities, as collected and submitted by the States...and any additional information that the Secretary considers to be appropriate to carry out [the CSBG Act]. If the Secretary informs the States of the need for such additional information and allows a reasonable period of time for the States to collect and provide the information.”

Acknowledging that the proposal does not accommodate the statutory requirements of **§42 USC 9917(a)(2)**, the following comments demonstrate the extent of further concerns regarding the value of the proposal, and its efficacy as a tool for either “telling the CSBG story” or as the toolkit needed by local agencies to identify and monitor the outcome of their work. We anticipate that the leaders of individual agencies will be estimating the burden of time and cost as part of their own comments.

We have organized the overview section of the response as follows:

1. A summary of our concerns;
2. An explanation of the kind of information system and reports that would work far better as a performance management system; and,

3. A final summary of our proposed next steps in updating the ROMA system.

A second section contains a detailed section-by-section analysis that outlines our concerns.

OVERVIEW

The Community Action network and NCAF share the Administration's commitment to strengthening a performance-driven culture, including the development of a better system to track the way CSBG-supported investments and projects are meeting their goals. We also agree that the state and national reports must include better descriptive data about CSBG network activities and participants. Furthermore, we agree that such data must also clearly demonstrate impact and results.

The OCS Dear Colleague Letter, dated June 17, 2016, described the intent of the proposed system:

This data will serve as a basis for program analysis at the local, state, and Federal levels to increase understanding of what combination of services or strategies produce the best outcomes for specific populations, family types, and communities.

The new CSBG Annual Report should be about continuous quality improvement at the local, state and Federal levels rather than reporting for reporting's sake. **We do not believe most of the new sections of this draft system serve the intended purpose.**

Our five major concerns, discussed in depth in the second section, are:

- 1. The investment in the proposal's required reporting will be wasting limited CSBG resources if done before changing CAA data storage and integration systems.** The proposal requires that limited CSBG resources, integral to community programs, be invested in system changes that will not improve results management.

The software OCS will develop for states to file reports does not include tools for local agencies to collect and integrate data into individual, family or project files. The promised “OLDC” for filing state reports is not the system to create and organize the data, in local CAA databases, that agencies and states need to track their performance in achieving annual and strategic goals.

Yet to be developed local data systems that can produce clean, client-linked information will take much longer to build and will be prohibitively expensive. Yet, such data systems remain the cornerstones of results-oriented information, and acquiring them should be the priority for resource allocation in the coming years. No national or state report can be valid if it is based on the poorly-integrated information now stored in overlapping federal and state software systems holding client and project files as required by CAAs’ multiple funders.

2. **The federal requirement for community project-level datasets is an inappropriate and unprecedented intervention in local agency projects.** The scale of the draft mandated report is vastly larger than the current system.
 - a. In Modules 2-4 there are 1,134 potential items compared to about 340 in the present system. This does not include the data items left empty for agencies to fill in with information that is “other.” Module 1 requires lengthy state narratives including the results of local improvement efforts, which will require local narrative reports.
 - b. In Module 3, the report requires entry of detailed community level project management reporting for in-progress initiatives. In Module 1, the report requires extensive state evaluation reports [up to 2,500 words] on local organizational standard implementation. We support the opinion of the Community Action Partnership that the use of area demographic data and percentages of such data are unsuited to CAA project goals.

3. **Much of the proposed new content will not produce data that can be the basis for any evaluative analysis at the local level**, much less when aggregated at the state or federal level with other agency data. In the second section, we identify those data with little value and the details of our concerns of their requirement. Unfortunately, the sections that are only slightly changed will continue to be populated with the often-duplicative “snapshot” data that have been the basis for the first generation CSBG reports. For example:

- The individual and family indicators of success, that have been clarified, are not fundamentally changed. They will continue to be flawed because of the simplistic agency information systems that we believe would have been a better focus for “next-generation” upgrades.
- Later, we also provide detailed justifications for eliminating the “new participant” report.

4. **The proposed rollout schedule is unrealistic.** We agree that the incrementally updated characteristics and expenditures reports can take the place of the current forms by FY 2018. If the promised development of the state plan submissions and tracking system, the “OLDC,” is complete by summer of 2017, then we can imagine that a pared-down version of Module 1, the state administrative reports on plan implementation, could be in place by FY 2018. However, OCS has yet to prepare definitions and guidance for many of the new terms and newly required report elements. OCS should define new terms prior to final network review.

5. **We support the recommendation by the Community Action Partnership that the new proposal should restore and reflect the CSBG goal to increase the capacity of CAAs to fight poverty.**

Our Alternative Performance Management System

A new generation of ROMA can, and should, proceed with significant changes from the current draft. Our concerns about cost, relevance or efficacy can be resolved by:

1. Reducing the number of required components, including the services list, the new participant report, the stability measures and tracking measures, 80% of the Community impacts items, and **offering these proposed elements as a voluntary CSBG toolkit.**
2. Postponing the implementation of the newest elements while testing updated complex information systems.
3. Investing in CAA-centric information systems and practices that, in 5 years, can equip local agencies to establish targets and track customized, quantitative indicators of success for the work they have identified as top priorities in their strategic plans. Simplified state reports would include the progress of local agencies toward their major strategic goals. Narratives would present what the goals and targets were in the report year and provide examples of the indicators of results.
4. Such reports would derive state and federal reports from the data CAAs need to measure the success of the year's projects. Narratives should accompany every priority project. This would replace the generalized individual, family and community national measurement with clear indicators of progress, which are appropriate to the mission of Community Action, and reflect its diversity throughout the nation.

PART 2

Our Concerns Explained in Depth

Module #1 – the State Reports: We strongly concur with the full Community Action Partnership comments regarding the state reports on local organizational standards. The proposed design is an inappropriate “pass/fail” format and should be modified.

Module #2 – about the “new participant” characteristics: In our April comments, we expressed concern that the data required will be difficult to validate, to store and has no practical application for making comparisons related to CAA performance, a concern shared by the Community Action Partnership. OCS provided additional explanations about this new report in a July 6 webinar stating, in summary:

There is no intention for the data on each year’s cohort of new participants to be used as “before” data to contrast to the same participants’ demographic characteristics at the end of their participation in CAA programs.

OCS clarified, instead it is:

1. A tool to allow local agencies to compare their year-to-year entrants’ characteristics, situation and needs, and to understand, through a time series analysis, trends in local residents’ needs. Then, CAAs can compare those trends in ‘needs’ to the priorities they identified in their Community Needs Assessment or perhaps compare them to the priority populations and activities of their strategic and annual plans. In other words, OCS explained the new participants data should be used to see whether the CAA recruited the populations and individuals of greatest concern based on their Community Needs Assessment.
2. Or, it can be used as a record of the trends in conditions of poverty, which would allow the agency to track one year’s entrants against past or subsequent years and determine whether any observed evolution tracked their Community Needs Assessment.

Module 3- the Community Impact Reports: Most of the forms in this portion of the report should be designated as voluntary, not required, tools for local use.

1. Intrusive detail required has little value for local management nor for state and federal oversight roles.

The draft report is far too detailed and requires data collection and analysis that are irrelevant to the outcomes CAAs seek to achieve. While the proposed report forms may be sound project management tools for some types of community projects, they are inappropriate as federal reports.

In April comments to NASCSP on the first draft ROMA NG, we offered a simplified format that captured the goals local CAAs' community programs sought to achieve. Our proposed alternative records quantitative outcomes for as long as the project generates value, and includes an indicator of whether or not the initiatives are meeting their planned goals. We believe any other information is unnecessary to federal oversight.

States will be in the position to verify the progress and nature of community projects through their monitoring and may choose to supply narrative "stories" as in the current report system, which requires further paper work. Furthermore, CSBG is rarely the dominant funder of investment in community capital. Even small-scale projects typically leverage multiple sources, each of which demands a particular reporting form. Given this fact, the proposed reports layer an additional paperwork burden on projects, but are collecting tracking data, not results.

2. The “partnership characteristics” portion is a poor fit to CAA partnership and evidence-based good practices.

The checklist of partnership characteristics can be useful for writing standardized, local descriptions of projects. The problem is with the detailed narrative reports that are not needed to measure the CSBG's success, which again, should be the foundation of any CSBG reporting system.

Further, the mandated template includes terms used in the fashionable “Collective Impact” theory that are inappropriate ways to characterize projects. The proposed system’s Collective Impact foundation will be significantly less useful than alternative frameworks over the next decade that the ROMA system will be in place.

Collective Impact framework was published by the principals of a consulting firm, FSC, and featured in the Stanford Innovation Review in 2011. It has simple principles for operations and a limited number of variants for the structure of effective collaborations, all of which involve one lead agency they labeled a “Backbone” organization. The Backbone has a defined set of roles, and a budget of at least \$100,000 for the work. In the years following publication, the authors elaborated on the concept, and numerous philanthropies requested and funded proposals structured according to the principles. However, there is little evidence basis for the framework. The authors rely upon a small set of case studies, and, post facto, characterize the roles and relationships in the effective partnerships.

On the other hand, there is ample evidence base for the success of collaborations that do not involve a dominant partner, especially in disadvantaged communities or any community where inclusion or community trust have been at issue. In the piece, “Ten Places where Collective Impact Gets It Wrong,” published by the *Global Journal of Community Psychology Practice* (Vol. 7, Issue 1, March 2016), respected community psychology scholar, Tom Wolff, reviews the substantial scientific literature regarding the successful elements of both service and policy collaborations. In most cases, successful collaborations have very different structures than the Collective Impact model. **Nothing in the reporting framework should bias CAA project design or partnerships to one organizational theory.**

Recommendation: All the specialized Collective Impact terminology and categories should be dropped in favor of plain English in order to promulgate voluntary partnerships descriptive tool that has enduring validity when utilized by local agencies and their partners. NCAF submitted an example to the CSBG working group and to NASCSP earlier this year.

NCAF and our national partners at the Community Action Partnership, along with many community action leaders, have responded to OCS that community demographic indicators, which most agencies consistently use in their process of assessing community needs, are not appropriate outcome measures for their community projects. **We urge OCS to replace demographic impact measures with the actual goals of the projects.**

Our alternative: Like the community strategies list, which is a thoughtful and welcome reference guide, OCS can provide sample indicators of impact that are appropriate for measuring community impacts and that are not the equivalent of totaling up a large number of individual outcomes. For example, OCS could draw a distinction such as this:

- “Forty families developed better reading-to-children habits” is not a community impact.
- However, “the school pyramid adopted the parent support model of the ‘Reading is a Habit’ initiative. The initiative trained classroom aides as parent coaches. Because the test in 4 schools changed, the habits of 80 percent of participating parents changed” is a community impact statement.

Why are the proposed demographics indicators inappropriate?

The scale of the available information is wrong. Census and economic data are valid for different, usually larger geographic areas than the scope or target of CAA projects. Small-scale, multi-year, cross-boundary projects are typical Community Action change undertakings. Many are demonstrations later adopted and funded by an entire jurisdiction or other organization. Some are campaigns.

1. The data are not available for the combination of neighborhoods in many projects, nor the specific populations addressed.

2. The effect of external variables, such as population flow and the state of the economy, on the population, measured by the draft indicators, is likely greater than the impact of the project.
3. The demographics measures do not reflect the goals of many past or potential initiatives.

For example:

A CAA may operate a project to train school aides and counselors to recognize and respond to the causes and symptoms of stress in children living in poverty. In such a situation, the program will facilitate appropriate parent-teacher contacts by training and coaching both parties. Outcomes should be measured by:

- I. The institutional effects within the school;
- II. Observations on parents and perhaps other children not included in the original project; and,
- III. The effect of a successful demonstration on other schools in the school department.

All of those measurements rely on data unique to the school population and catchment area.

4. The proposed measures represent HHS' definition of success, not the objectives of the carefully selected local initiatives.
5. Such demographics have no meaning when reported as laid out in the Module 4 framework. To have meaning, such demographics would need to be compared to a control group or area. This would be the case even if a statistic reflected the precise scale and objective of a CAA project.

For instance, employment indicator #5, as proposed in the report, cannot determine the success of a project aimed at bringing an employer, with well-paying jobs and benefits, to a community. The indicator, defined as “the number of jobs in the targeted community

with a benefit package,” would not measure the effect of the CAA project. That indicator measures the locality’s workforce with benefits. Perhaps it can measure change over time, but it does not provide for any comparative indicator over time or contrast to a market where the CAA was not involved.

There are two reasons the indicator cannot demonstrate the impact of a CAA project. First, the CAA project may not be large enough to generate noticeable statistical changes to the percent of benefit-paying jobs in an economic census of a large geographical area. Secondly, a project might look successful because of factors external to the CAA project, such as a state law requiring paid leave or implementing the Affordable Care Act regulations that incentivize employer-provided health benefits. All socio-economic indicators are only informative compared to an equivalent in a control group.

Because of these reasons, collecting and reporting on the proposed demographic measures has no value for outcome management.

ALTERNATIVE APPROACH

We want to elaborate on the difference between the proposed approach to ROMA NG and the approach we believe will better achieve the objective of building the culture of results-oriented management, which is:

Focus on building local data warehousing capacity with investments primarily in the largest local organizations.

The CSBG data systems in place today cannot be the source of reliable data for a next generation of reports. There are significant weaknesses in the current CSBG information system reports as a result of the disaggregated nature of local information systems and their lack of “Big Data” capacity. Those weaknesses will simply carry from the current reports into the new system’s reports.

For example, the demographic snapshot, provided in section G of current reports and Module 2 of the proposed report, is made up of the data from **the most recent encounter** with the participant during the year reported, **as opposed to over a brief interval of time**, as is the practice in the Census. Maintaining unique family identifiers for several related people is a special challenge.

Community Action Agencies are positioned at the intersection of many domestic programs, including private, state and local initiatives. Thus, CAAs' method of achieving change for individuals, families and communities depends on integrating and sequencing different services and investments. The funders of those investments, whether public or private, typically have their own customized reporting system, including their own customized data requirements and identifiers for participants. In other words, CAAs typically report to numerous funders about the same participant or project. This means CAAs must coordinate multiple funding sources for various purposes and combinations of partners, each of which has its own tracking requirements for the same participants or project.

Today, much of the participant or project tracking by CAA staff occurs by way of traditional narrative files. In order to create an unduplicated tracking of one individual or family, agency professionals struggle to disentangle and integrate across the records for a family or project entered in different systems. They then write down much of the details they will need to track progress and needs.

Every data requirement attached to investments a CAA administers must be reconciled with multiple other reports on the related investments, and only the local agency can manage the combinations for which it is responsible.

For most participants, CSBG only funds the facility to which they come, the professional coordinating the program and the staff managing data. ROMA NG, properly executed, requires that each individual's file stores data on the contacts and nature of services in the format required by the CSBG report, as well as in the other formats required by all the other funders. Integrating this information requires software and operations that select information

in different funder databases and transfer it to a central file. Such software operations are generally known as *data warehouse management*, which involves a higher level of IT skill than most individual agencies or state associations possess.

HHS is certainly familiar with the problems of interoperability in data systems because of its recent experience with developing health databases and integrating them with some human services information at the state and federal level. It would be very helpful if HHS were to devote some of its Medicaid-funded technical data integration resources to designing data warehousing for all programs that coordinate multiple resources toward a single purpose.

Instead, ROMA NG transfers the burden of creating such a data warehouse to CAAs, though such a task has yet to be mastered by the federal government. **In fact, federal agencies have not yet created the interoperability that allows data exchange between programs run by the same agency.** For example, many Head Start programs refuse to share client data files with the CSBG data managers in the same agency, citing federal policy. Suffice it to say, there are also **no interoperability nor seamless data exchanges between separate domestic agencies at the federal or state level.**

High-impact, large CAAs have the greatest data complexity. The smaller the number of funding sources and participant population, the easier it is for an agency to integrate program and client files that have been collected and formatted for those funders. Conversely, the greater the complexity of funding source, partnerships and general capacity of an agency, the more difficult it is to design a data system that integrates and organizes the information from multiple coordinated investments in participants or communities.

If more CSBG funding must be diverted from crucial community programming, in order to design an effective, integrated reporting system, the major investments should begin by testing such a local system or data warehouse at the largest and most programmatically complex agencies. The results of this demonstration should inform the subsequent design of

the management and outcome measurement systems. Those, in turn, should be the basis for the reporting system and software adopted for collecting meaningful, valid state reports.

Thank you for taking the time for deep consideration of our major concerns. Please do not hesitate to contact me with any further questions.

Sincerely,

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