**TITLE:** Strengthening Community Services Block Grant (CSBG) Outcomes by Developing Two-Generation Approaches to Building Family Economic Security and Well-Being

**TO:** State, Territory, and Tribal CSBG Lead Agencies, State Community Action Agency Associations, Eligible Entities, and National Partner Associations.

**SUBJECT:** Using CSBG funds to support and implement two-generation approaches to increase family economic security and well-being.

**RELATED REFERENCE:** Community Services Block Grant Act 42 U.S.C. § 9901 et seq., hereafter referred to as ‘the CSBG Act.’

**PURPOSE:**

The CSBG Act requires eligible entities to conduct local community assessments and prioritize the causes and conditions of poverty to be addressed by the entity. Eligible entities commonly identify both improving economic conditions for adults and preparing children and youth to reach their full potential as key conditions of poverty. Eligible entities have flexibility on the goals they establish to address these issues and approaches they take to achieve their goals.

This Information Memorandum encourages states, territories, tribes, state Community Action Agency Associations and eligible entities to implement two-generation approaches to serving children and parents together to increase family economic security and well-being.
BACKGROUND:

Families Facing the Challenges of Poverty

In 2014, approximately seven million families with children under age 18 had incomes below the Federal Poverty Level (FPL)\(^1\) and another seven million had incomes between 100 and 200 percent of FPL.\(^2\)

The lack of adequate income presents challenges for the child, the parent, and the child-parent interaction. Poverty can be a developmental risk for young children that affects their school readiness and development in multiple domains, including physical, emotional, mental, cognitive, and linguistic.\(^3\) Poverty can also present challenges to child development due to its potential negative effects on parental well-being.\(^4\) As the primary source of safety, security, and nurturance for young children, parents play a critical role in creating environments that promote healthy developmental outcomes and school readiness. However, poverty may be accompanied by limited education, unemployment, food and housing insecurity, poor health, mental health difficulties such as maternal depression, teen parenthood, and community violence. While many families provide strong and nurturing parenting to their children amidst these adversities, these stressors (especially when families are experiencing many at once) can compromise family well-being and affect parents’ overall ability to provide the necessary supports that help children thrive.\(^5\)

Parents with low incomes often have limited access to resources such as education and training opportunities linked to economic security, reliable housing, transportation, and quality full-day child care that will allow parents to pursue job opportunities. Further, the stress of living in poverty without access to adequate mental and physical health services, and social and peer supports, can lessen parental sensitivity and emotional support for children.\(^6\) And, in turn, when child development is not fully supported, children may be less well-prepared for school, more likely to drop out, and bound for their own adult life in poverty.\(^7\)


\(^2\) U.S. Census Bureau, POV04, [https://www.census.gov/topics/income-poverty/poverty/data/tables/cps.2014.html](https://www.census.gov/topics/income-poverty/poverty/data/tables/cps.2014.html).


The Uses of CSBG Funding

Families facing the challenges of poverty while trying to help their children develop and succeed are precisely the families Community Service Block Grant (CSBG) was intended to serve. The National Community Action Network Theory of Change, which is built on the CSBG Act purpose, seeks stability and economic security for individuals and families with low incomes and for their communities to be healthy and offer economic opportunity. The outcomes established and services provided by eligible entities promote whole-family security and well-being. Nationally, eligible entities already spend nearly half of their CSBG funds on services related to economic security (employment: 12 percent; education: 12 percent; income management: 6 percent; self-sufficiency: 17 percent). CSBG funds also provide for services that support family well-being (housing: 8 percent; nutrition: 6 percent; health: 4 percent) and help families in crisis (emergency services: 19 percent). Recognizing that no single agency can do it all, eligible entities use CSBG funds to link services, programs, and community members to meet local needs and solve local problems (linkages: 13 percent). In many ways, then, CSBG is already providing many of the pieces that matter most to whole family security and well-being. The challenge then becomes how states, tribes, and eligible entities use CSBG to intentionally link and align services in a way that promotes better outcomes for children, parents, and families.

Two-Generation Approaches and the Administration for Children and Families

Two-generation, or whole family, approaches meet the needs of children and their parents (or caregivers) together. Two-generation approaches can also accommodate families comprised of multiple generations. Serving the whole family is important because the income, educational attainment, and well-being of parents play a crucial role in children’s outcomes. Moreover, services for children such as high-quality childcare also help parents balance the demands of work and parenting by lessening their stress and supporting child and family well-being. Acknowledging the importance of the two-generation dynamic, the Administration for Children and Families (ACF) included in its strategic plan a goal to “promote collaboration on two-generation approaches among state and tribal human services agencies, workforce agencies, educational institutions, and local organizations that achieve positive outcomes for both parents

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10 Council of Economic Advisors (2014), Executive Office of the President of the United States, The Economics of Early Childhood Investments.
and their children.” The Office of Community Services (OCS), which administers CSBG within ACF, is strongly committed to this goal and believes that adoption of two-generation approaches could foster more strategic use of CSBG and other leveraged funds while improving family economic security and well-being. The Office of Family Assistance (OFA) within ACF has taken a similar approach and in March 2016 released an Information Memorandum encouraging state Temporary Assistance to Needy Families (TANF) officials to consider supporting two-generation approaches. OCS encourages state and local coordination between CSBG and TANF agencies in the development of two-generation approaches.

ACF brings a two-generation philosophy to its efforts, and works to support and advance two-generation approaches through its research, technical assistance, and program and policy guidance. ACF encourages grantees, including CSBG lead agencies and eligible entities, to promote and support:

- linkages between high quality educational services for children and workforce development services for their parents;
- programmatic efforts to help parents gain the skills, knowledge, and resources to support their child’s development;
- ensuring that families have access to the economic and social supports needed for stability and resilience and healthy child development; and
- helping families build social capital that can support both resilience and upward mobility.

ACF is committed to:

- identifying ways in which the above principles can apply in programs it administers;
- identifying ways in which it can better support the adoption of these principles in state and local efforts; and
- advancing a research agenda that will enhance its understanding of effective two-generation approaches and their impacts for children, parents, and families.

With its comprehensive anti-poverty mission, CSBG is well positioned to support two-generation approaches. Its flexibility allows states, territories, tribes, and eligible entities the ability to develop or participate in whole family approaches that address the needs of parents and children simultaneously.

**Research and Evaluation**

The logic of two-generation approaches posits that linking and aligning services for children and parents will bring greater and more sustainable outcomes for children, parents, and families than either approach would on its own. Through the Office of Planning and Research Evaluation (OPRE), ACF has developed a substantial two-generation research agenda that seeks to build the evidence base and understand whether these approaches achieve their goals. Projects include:

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the Buffering Toxic Stress Consortium, launched six projects in 2011 to evaluate promising parenting interventions in Early Head Start settings;

Head Start-University Partnerships, launched in 2013 with four projects that are rigorously testing two-generation approaches to promoting family well-being and children’s school readiness within the context of Head Start;

the Goal-Oriented Adult Learning in Self-Sufficiency (GOALS) project, launched in 2014 to explore how emerging insights from psychology can be integrated into programs aimed at helping parents strengthen the skills that will foster economic security and enhance family well-being; and

Two-Generation Approaches to Improving Family Self-Sufficiency, launched in 2015 to examine evidence and provide options for how two-generation models might be evaluated.

More information about each of these projects is available via the OPRE website.

POTENTIAL TWO-GENERATION ACTIVITIES:

Taking a two-generation approach does not have to mean the development of new programs and services. Indeed, with its focus on addressing employment, education, income management, health, housing, emergency services and nutrition, CSBG already contributes to and leverages funds for virtually any program that could be reimagined from a two-generation lens. Moreover, CSBG explicitly calls for strengthening community planning and coordinating efforts, organizing services to help families achieve economic security, and developing innovative approaches to attacking the causes and effects of poverty. Each of these activities can serve as a cornerstone of an effective two-generation approach.

State Lead Agencies, territories and tribes, state Community Action Agency Associations (CAAs), and CSBG eligible entities can use existing funds in a number of ways to promote two-generation approaches. The following sections discuss opportunities and authorities CSBG stakeholders have in their current planning and coordination, economic security promotion, and innovation efforts related to CSBG.

State CSBG Lead Agencies

Planning and Coordination

CSBG requires the development of State Plans and local Community Action Plans. The State Plan must describe how CSBG will support activities to assist low-income families and individuals in achieving a variety of goals such as employment, education, and housing, all of which can be approached from a two-generation perspective. For example, a state might include in the State Plan the use of CSBG state administrative or discretionary funds to provide two-generation training to eligible entities, building their capacity to intentionally coordinate services for children and families.

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13 Section 676 (a)(2)(A) and Section 676(b)(11) of the CSBG Act.
States may also use their discretionary funds to coordinate State-operated programs and services; at the option of the State, they may use these funds to coordinate programs operated by local eligible entities.\textsuperscript{14} Coordination could be done through a two-generation lens, focusing on aligning parent-centered services and child-centered services to create a model that makes it easier for families to access everything they need. State Plans must also address how local eligible entities will develop linkages to fill service gaps in communities, coordinate between governmental and other social service providers, and form partnerships with other organizations serving low-income residents.\textsuperscript{15} All this coordination can be done with the two-generation framework in mind, without expending additional resources.

\textit{Furthering Innovation and Economic Security}

CSBG is unique in that it specifically calls for “the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty” as one way to achieve its goals.\textsuperscript{16} As the two-generation field is currently experiencing a period of renewed inquiry and development, there are many opportunities for states to test innovative policy approaches and for CAAs to test innovative ways to engage and serve families. For example, states could use discretionary funds to support pilot projects in local communities that intentionally link employment services for parents with education and development services for children.

State Lead Agencies and tribes have a history of using discretionary funds to support any number of innovative approaches. A review of Fiscal Year (FY) 2016 State Plans revealed that over half of the states already use or plan to use a portion of their discretionary funds for innovative purposes. Minnesota, for example, plans to use discretionary funds as seed money for pilot programs and to incentivize cross-agency programming. Oklahoma’s Plan calls for eligible entities to submit requests for pilot programs; past projects include setting up a community garden and supporting a distance learning center. California already uses discretionary funds to support agencies approaching service delivery from a two-generation framework and there is no reason other states could not do the same.

\textit{State Community Action Agency Association}

\textit{Furthering Innovation and Economic Security}

State CAA Associations can play a large role in building capacity for State Lead Agencies and local eligible entities to undertake innovative two-generation approaches. They could host two-generation learning communities, bringing together interested stakeholders to put together two-generation action plans and learn from each other. There are a number of existing resources that State Associations can draw on to support such an effort (see resource attachment). State Associations should consider consulting with State Lead Agencies about the use of State CSBG discretionary funds and the Regional Performance and Innovation Consortium (RPIC) lead agency about funding resources available for two-generation training and technical assistance.

\textsuperscript{14} Section 675C(b)(1)(B) of the CSBG Act.
\textsuperscript{15} Section 676(b)(5) of the CSBG Act.
\textsuperscript{16} Section 672(2)(C) of the CSBG Act.
State CAA Associations can also support two-generation coordination efforts through technical assistance such as webinar trainings and conference workshops. Using these platforms, state associations can help CAAs and eligible entities develop plans to link services such as early education and care programs with employment, financial coaching, and housing services; share best practices in workforce development, such as the use of sector-based strategies, career pathways, and career coaching; and promote the incorporation of parenting tips or financial capability tips into existing employment services. State associations can also work together and with two-generation practitioners, policymakers, and researchers to share tools that help eligible entities implement two-generation approaches on the ground.

**Eligible Entities**

**Planning and Coordination**

The CSBG Act requires each eligible entity to conduct a local needs assessment and develop a Community Action Plan that outlines how CSBG funds and perhaps other funding will be used to address the needs and achieve results. Center of Excellence Standard 4.2 requires the Community Action plan to be outcome-based, anti-poverty focused, and tie directly to the community assessment. The community assessment and planning process provides an excellent opportunity for promoting two-generation coordination at the local level. During the assessment and planning process eligible entities should be seeking to identify innovative, promising and evidence based practices that will achieve robust results.

Many community assessments identify the need for employment or better employment among individuals with low incomes as a persistent and wide spread need. Many eligible entities already use CSBG funds to provide services related to securing and retaining employment and addressing other activities aimed at removing obstacles to economic security for parents and children. To do this from a two-generation perspective, an employment and/or financial coaching program would be designed from the starting point of “how can we most successfully build the economic security of parents, who worry about the safety and development of their children?” Such a program might wrap early childhood education or child health and nutrition services into the employment program itself, or it might include discussions on how to handle the stresses of being a working parent into the curriculum. Ideally the strategies would be designed in a way that recognizes the challenges workers face as parents and that getting good outcomes for children is not possible without recognizing children grow up in families.

As stated earlier, the community assessment and Community Action Plan must provide the foundation for specific service offerings, but as another example, an eligible entity could work towards using a universal intake form and family-based assessment tool to streamline enrollment among its own programs. An eligible entity that operates Head Start but not employment services could partner with the local workforce board to develop a “no wrong door” strategy so families with young children seeking services at one or the other would seamlessly have access to both. Systems could be developed to share data across programs so staff can create a full

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17 Section 676(b)(11) of the CSBG Act.
picture of family progress that could be shared with the family during coaching or case management sessions.

In the Community Action Plan, eligible entities are required to outline a plan for integration of services and systems, which could be done with an eye towards integrating parent-centered and child-centered services and developing two-generation strategies and outcomes in particular.

The coordination of services, a key CSBG function, is also critical to the development of an effective two-generation approach. What makes the two-generation approach different is that coordination is more intentional than referral; it is not left to the parent to knit together the various services he or she needs.

Furthering Innovation and Economic Security

Eligible entities have the ability to bring creative solutions to promoting family economic security. Eligible entities could, for example, lead a community-based co-design process in which the child-centered service providers and parent-centered service providers work as a team to develop a bundle of services centered on the family. As important, eligible entities have the ability to bring families who access services into the conversation to shape service delivery design.

Through such a process, an occupational training program at a community college and a Head Start program could create a Certified Nursing Assistant course schedule that coincides with the Head Start schedule. Parents would be able to drop off their children, get to class, and be ready to pick up the child at the end of the day without missing class or having to pick up the child early. An eligible entity that already provides each service would simply have to become intentional about considering things like class scheduling, streamlining the family goal-setting process, tracking data for the parent and the child, and so forth. Eligible entities that provide one service but not the other could establish formal processes for partnering with other service providers to achieve the same ends.

Family and community engagement are at the heart of CSBG’s principles and values. Since 1964, eligible entities have been committed to not only listening to the voices of individuals with low incomes, but supporting them in efforts to build connections and advocate for themselves in their communities. Bringing parents into the two-generation design process will increase the likelihood that services will meet families’ actual needs.

Another way eligible entities can promote family and community engagement is by helping families build connections or social capital. Social capital is defined by the Organization for Economic Cooperation and Development (OECD) as “networks together with shared norms, values, and understandings that facilitate cooperation within or among groups.” Within the context of families served by CSBG, social capital can be thought of as the network of people and institutions upon which a family can rely for support and assistance. Research shows that

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when mothers have emotional support, their children have been found to have better outcomes.\textsuperscript{20} Social capital also appears to be a key success factor in producing positive outcomes for programs that serve low-income families, particularly with regard to mental health.\textsuperscript{21}

Local eligible entities can provide opportunities for families to build social capital by building peer support and cohort models, career coaches, connections with potential employers and industry contacts, and networking opportunities into their two-generation approaches. Eligible entities can provide opportunities for families to build social capital by promoting the development of both bonding and bridging ties.\textsuperscript{22}

Bonding ties are formed among like individuals. For example, an asset building program could utilize a cohort model, where participants share common characteristics such as being parents with young children, or parents of young children enrolled in Head Start. Sharing such a characteristic brings individuals together such that they begin to encourage each other and help each other out in times of need. More than just enrolling similar people in a particular program, a cohort model provides a structure in which the participants engage with each other, sharing their successes and challenges consistently and frequently. It can facilitate the development of long-lasting, supportive relationships.

Bridging ties connect individuals to others who have access to different resources. For example, if supported by the community assessment, a job search program could use CSBG funds to hire job developers to build relationships with employers. The job developers would then help bridge connections between individuals with low-income seeking employment and employers with available jobs for whom the recipients’ skills are a match.

\textbf{CSBG AND TWO-GENERATION APPROACHES IN CURRENT PRACTICE}

\textbf{Garrett County, Maryland}

In 2009, Garrett County Community Action Committee (GCCAC) began moving towards a two-generation approach. Today, the model provides tightly woven center-based or home-based early childhood and family support services with financial management and career advancement services. GCCAC can also bring their housing, transportation, and energy assistance services to families who need them. The approach required new systems and processes, staff training and support, an on-going focus on families and the staff’s relationship with families, and a consistent


monitoring of outcomes and services along the way. Building the data systems and workflows to measure the impact of the two-generation approach also has been a significant part of the work. To embed the two-generation approach, GCCAC undertook major organizational changes. Departments were reorganized so that, for example, rather than having an energy assistance and housing department, the agency now has a service coordination department focused on stabilizing clients and an asset development department focused on financial capacity and assets. Front-line staff members are called “Coordinators” and have all received training to approach clients as coaches rather than case managers. Coordinators work with families to develop a “Pathway Plan,” which serves as a coordination tool across the programs that families access. It also serves as the Family Partnership Agreement for Head Start requirements.

As a CSBG eligible entity, GCCAC has a long history of working with community partners. Those relationships provided the foundation necessary for serving families in a holistic way. Beyond that, GCCAC has used CSBG funds to support the capacity-building required to implement their high-quality two-generation approach. CSBG funds are used to pay for staff who are responsible for designing and monitoring the two-generation approach. The flexibility of CSBG also allows GCCAC to cover costs that other funding streams will not, thereby maximizing the resources available to provide services to families. CSBG is the added value distinguished by its focus on mission and outcomes for families and communities with which GCCAC is engaged.

**Tulsa County, Oklahoma**

In 2007, Community Action Partnership Tulsa (CAP Tulsa) made its strategic shift to a two-generation approach. The Tulsa model combines center-based or home-based early childhood services with comprehensive education and workforce services to prepare parents for good-paying jobs in the healthcare sector. Called CareerAdvance®, the workforce development program provides full support for the parent’s education and job training, peer support through cohort enrollment and weekly cohort meetings, and a career coach. Participants also have access to a financial coach. Participation in CareerAdvance® has been limited to parents with children enrolled in CAP Tulsa’s early childhood programs. Early childhood staff and CareerAdvance® staff meet regularly to look for ways to reinforce each other’s efforts. For example, during weekly cohort meetings the career coach delivers parenting tips and exercises for participants to use at home with their children.

CAP Tulsa also undertook major organizational restructuring. Programs that were not serving families with children enrolled in Head Start or Early Head Start, such as the first-time homebuyer program, were moved out of the agency and into other community service providers. An entire department was restructured and is now called Family Advancement, to signal the agency’s commitment to the advancement of the whole family. Data systems were redesigned. The family assessment was overhauled to promote conversations with families about family goal setting.

Like GCCAC, CAP Tulsa has relied on CSBG funds to support the staff time that was necessary to design the program and work with partners such as the local community college and

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23 The program began recruiting from beyond CAP Tulsa’s early childhood program in 2016.
vocational training school to link child and parent services. CSBG funds continue to help provide for this kind of “two-generation management” function. Head Start dollars, Health Profession Opportunity Grant dollars (HPOG, a program of OFA within ACF that supports parents in earning credentials in healthcare) and other funding sources cover direct service costs.

Santa Cruz County, California

In early 2016 the Community Action Board of Santa Cruz County, Inc. submitted a proposal to the state to access discretionary funds to operate Proyecto Conexión Familiar (PCF, Family Connection Project). PCF offers additional services to day laborers and their families, who are mostly immigrants, seeking services at the Day Worker Center. PCF is a response to the 2014 Community Assessment Project, which documented lower rates of social support among Latino families than among non-Latino families. Day workers were found to be even more susceptible to social isolation. Recognizing that the Day Worker Center already served as a place where workers make friends, use resources, volunteer, and bring their families to social events, PCF builds upon this natural platform to add cultural gatherings, civic engagement opportunities, and parenting classes as opportunities for families to form bonds with one another. In addition, parent-child groups are held in a child-centered space where families can mingle with each other.

The program is just beginning, but families have already enjoyed a rock climbing activity, a roller skating outing, and an outdoor camping trip. Working parents are learning how to manage their stress through yoga and mindfulness activities offered in Spanish.

CONCLUSION

Eligible entities, with their flexibility, mandate to address local needs, diverse funding, and considerable experience in serving parents and children are uniquely positioned to pursue the development of robust two-generation approaches. Current two-generation approaches require meeting the needs of children and their parents (or caregivers) together, linking high quality services in an intentional manner. Eligible entities have considerable experience furthering promising practices and pursuing innovative, breakthrough approaches. State CSBG Lead Offices and State Community Action Associations can help eligible entities learn and build capacity to implement two-generation approaches. OCS and ACF will continue to advance two-generation approaches through its research, technical assistance, and program and policy guidance.

/s/
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Attachment A – Resource List