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***Community Services  
Block Grant***

U.S. Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services  
Division of State Assistance  
330 C Street, S.W.  
Washington, D.C. 20447  
<http://www.acf.hhs.gov/programs/ocs/programs/csbq>

**Dear Colleague Letter**

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**Re: Open Comment Period for CSBG  
Annual Report**

**Date: June 17, 2016**

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Dear Colleagues:

In compliance with the requirements of Section 506(c)(2)(A) of the Paperwork Reduction Act (PRA) of 1995, the Office of Community Services (OCS) is requesting feedback from the Community Services Block Grant (CSBG) Network on a proposed CSBG Annual Report (Attached). The notice for this information collection activity was posted to the *Federal Register* in volume 81 FR 39267, number 2016-14229, pages 39267-39268 on June 16, 2016, found [here](#).

During the 60-day comment period, and as soon as possible, we invite you to review the proposed CSBG Annual Report information collection and submit your comments, as described below.

**Performance Management Background**

Over the last several years, OCS and the CSBG Network – comprised of CSBG eligible entities, state CSBG Lead Agencies, state Community Action Agency (CAA) Associations, national partners, and others – have collaborated to create a new Performance Management Framework for CSBG. This Framework includes:

- Organizational Standards for CSBG eligible entities;
- Federal and state Accountability Measures; and
- Results Oriented Management and Accountability (ROMA).

These elements are designed to increase effectiveness and accountability across the CSBG Network (Federal, state, and local) and generate more robust results for the people and communities we serve.

In 1993, the Government Performance and Results Act (GPRA) was enacted to improve performance management across all Federal government agencies. GPRA requires Federal agencies to engage in performance management activities such as setting performance goals, measuring results, and reporting their progress. The CSBG Network responded by creating Results Oriented Management and Accountability (ROMA), a comprehensive performance-based management system adopted across the entire CSBG Network.

In 2011, the GPRA Modernization Act of 2010 (GPRAMA) was implemented setting new expectations for Federal agencies and leaders to set clear and ambitious goals for a limited number of outcome-focused and management priorities; measure, analyze and communicate performance information to identify successful practices to spread and problematic practices to prevent or correct; and frequently conduct in-depth performance reviews to drive progress on the agencies priorities.<sup>1</sup> In an April 14, 2011 memo to Federal agencies, the Obama Administration indicated the following:

*“Our goal is to create a performance management framework that encourages good management and innovation without fear of penalty for failing to achieve every ambitious target that has been set but with heightened pressure to achieve breakthrough gains on priorities.”<sup>2</sup>*

The goals articulated in GPRAMA reflect the most recent reform wave in performance management. This reform calls for focusing on analyzing data on results and using information to improve programs and the outcomes achieved, rather than merely reporting to outside stakeholders.<sup>3</sup>

In light of these changing performance management expectations in the public and private sectors, and other serious factors facing the CSBG Network (i.e. the tightening Federal budget and harsher conditions facing people with low-incomes), there is a great urgency to formalize and implement all the elements of the CSBG Performance Management Framework. Implementing a comprehensive CSBG Performance Management Framework not only strengthens the CSBG Network to meet today’s challenges, but positions the Network for future growth and increased capabilities to achieve breakthrough outcomes.

In 2012, OCS awarded a cooperative agreement to the National Association for State Community Services Programs (NASCS) to assist OCS in developing the “Next Generation” of ROMA. This work involved significant interaction with the CSBG Network, including 30 listening sessions held across the country, and numerous presentations and webinars to engage states and local entities on the evolution. The final stage of the development of the components of ROMA Next Generation was the convening of a workgroup with representatives from the state, local, national, and Federal levels. The ROMA Next Generation efforts are reflected in the proposed CSBG Annual Report.

From March 3, 2016 – April 13, 2016, NASCS held an initial comment period. NASCS invited the CSBG Network to provide feedback on content for Modules 2–4 of the Annual Report forms, and the Community Action National Theory of Change (Appendix B). In response, over half of the CSBG network provided thoughtful survey responses, comments, and letters. In addition, OCS worked with NASCS and a small work group of States to obtain input on the new State Administration Module (Module 1 of the Annual Report). For additional information on the

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<sup>1</sup> Office of Management and Budget, M-11-17, April 14, 2011, Executive Office of the President of the United States, *Delivering on the Accountable Government Initiative and Implementing the GPRA Modernization Act of 2010*, <https://www.whitehouse.gov/sites/default/files/omb/memoranda/2011/m11-17.pdf>

<sup>2</sup> Office of Management and Budget, M-11-17, April 14, 2011, Executive Office of the President of the United States, *Delivering on the Accountable Government Initiative and Implementing the GPRA Modernization Act of 2010, Attachment*.

<sup>3</sup> Data Use for Continuous Quality Improvement: What the Head Start Field Can Learn from Other Disciplines. A Literature Review and Conceptual Framework, OPRE Report # 2014-77, December 2014, <http://www.acf.hhs.gov/programs/opre/resource/data-use-for-continuous-quality-improvement-what-the-head-start-field-can-learn-from-other-disciplines-a-literature-review-and>

feedback and changes made to the CSBG Annual Report see Appendix A: CSBG Annual Report, Network Feedback and Modifications.

Following the initial comment period, OCS and NASCSP analyzed all the comments and prioritized needed changes. In June 2016, NASCSP then provided OCS with a significantly revised CSBG Annual Report.

## **CSBG Annual Report**

Section 678E of the CSBG Act requires states, including the District of Columbia, the Commonwealth of Puerto Rico, and U.S. Territories, to annually prepare and submit a report on the measured performance of the state and the eligible entities in the states. To meet the CSBG Annual Reporting requirement, states collect information from the eligible entities and report to OCS before March 30 each year on the uses and results of CSBG for the prior reporting period. The following revisions and additions are proposed in the new CSBG Annual Report.

- *Collection Modifications:* OCS has retained many of the elements of the previously collected CSBG Information Survey (IS) tool, including State administrative data, CSBG expenditures, resources administered by the CSBG Network, client characteristics, and the National Performance Indicators (NPIs). In some cases, these sections have been modified. Other sections have been added to collect information not previously collected such as services, strategies and community level initiatives in progress.
- *Greater Focus on Analysis and Continuous Improvement:* The revised CSBG Annual Report, as part of a national effort to strengthen the performance management culture of the CSBG Network, is intended to guide the collection and organization of meaningful performance data. 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 is more about continuous quality improvement at the local, state and Federal levels than it is reporting for reporting's sake.
- *Performance Management Framework Integration:* The revised CSBG Annual Report will collect critical state performance management information on the progress states and eligible entities are making meeting the organizational standards and State Accountability Measures. In 2015, OCS published two important Information Memoranda (IM): 1) [IM 138, State Establishment of Organizational Standards for CSBG Eligible Entities](#) and 2) [IM 144, State and Federal Accountability Measures and Data Collection Modernization](#). These IMs describe the central role of the CSBG Annual Report and Model State Plan (MSP) as vehicles for the reporting and implementation of these performance management efforts.
- *Automation and System Modernization:* OCS is currently working with technology partners to develop a Federal reporting mechanism and appropriate forms and tools for annual reporting and analysis. A streamlined and automated MSP was developed in 2015 and states used the automated system when they submitted their FY2016 State Plans in 2015. The automated MSP will link to the administrative section of the Annual Report. Automation will allow OCS to build in functionality for certain data elements of the State Plan to auto-populate into the CSBG Annual Report. This automated format is intended to generate better data for the network to use for performance management, oversight, and continuous improvement purposes. Other modules of the Annual Report will be developed for both state and local data entry. In addition, the systems will be developed to allow for data import and

export from states and local agencies based on the preferences and capacity of each state. OCS and technology partners are mindful of the various technology capacities within the network and will be working to address the concerns of the network during the design and development phases of the automation.

- *Local Flexibility:* As with the previous CSBG IS, eligible entities will choose from a menu of available National Performance Indicators. The CSBG Act requires eligible entities, as a condition of receipt of CSBG funding, to provide a community action plan that includes a community-needs assessment. As required by law, the organizational standards, and ROMA, eligible entities are expected to conduct local assessments, identify outcomes, set performance goals that are appropriate for their community, and pick the very best strategies or services to achieve those goals. As noted in the Annual Report instructions, entities will not be required to report on every single individual/family or community indicator, but rather on the indicators that are relevant to achieving the goals and outcomes prioritized by the agency during their planning process.
- *Leveraging and Partnerships:* The CSBG Act establishes the purpose of CSBG as the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient. Moreover the CSBG Act indicates states and eligible entities should coordinate a better focusing of Federal, state, local and private funding to address the causes and conditions of poverty. CAAs are not expected to achieve the purpose and goals of CSBG with only CSBG funding – to be successful, agencies must use CSBG in ways that leverage and maximize an array of resources and engage diverse partners. For these reasons the CSBG Annual Report continues the long-standing expectation that eligible entities report on the work of the agency and not just how CSBG funding was utilized.

## **Modernization and Revisions to the CSBG Annual Report**

Based on feedback received from the CSBG Network, the CSBG Annual Report is organized in the following modules:

- Module 1: State Administration;
- Module 2: Agency Expenditures, Capacity, and Resources;
- Module 3: Community Level; and
- Module 4: Individual and Family Level.

The CSBG Annual Report is a PDF document which represents the information collection content OCS will request states submit in response to the requirement for an annual report. While this draft demonstrates where auto-populate functionality will be used (e.g., instructions, State Accountability Measures), please keep in mind, the online version of the CSBG Annual Report will look very different from the PDF document. In future webinars and training, OCS will provide draft screen shots to convey a clearer picture of the “look and feel” of the online tools and forms.

## **ACF On-Line Data Collection (OLDC) System**

Over the next two years, OCS plans to replace the current CSBG IS reporting approach with an online data system in which states will upload data directly to OCS. The goal of this effort will be to improve data analysis at the local and state levels, expedite national reporting, and ultimately, to support additional public communication about the results of CSBG. OCS and NASCSP will

also develop flexible reporting forms for optional use by states and agencies when entering data into the ACF On-Line Data Collection (OLDC) system. OCS has a cooperative agreement with NASCSP to develop a web-based system that will allow for greater analysis and transparency of the CSBG Annual Report data once submitted to OCS. OCS plans for this web-based system to maintain information that will be publicly available.

In developing and implementing new online reporting systems, OCS plans to consult closely with states and with local eligible entities to ensure a system that is compatible with a variety of data collection approaches. For example, it is anticipated that a new online system will allow states to upload data from an existing statewide system, but also states that do not have such a system will be able to receive, review, and include local eligible entity data in a statewide CSBG Annual Report without having to re-enter data.

### **Timeline for Implementation and Reporting**

The changes in the CSBG Annual Report are significant enough that a phased implementation will take approximately two fiscal years (FYs). This phased timeline allows the network to adjust to revised reporting requirements and make the necessary systems changes. Before March 30, 2017, states will report information using Module 1, State Administration. States and eligible entities will use FY2017 to upgrade systems and train staff on the information and data found in Modules 2-4. The majority of the data collection and reporting will begin in FY2018. Local agencies will start collecting data in FY2018 and states will submit the FY2018 Annual Report by March 30, 2019. See the [NASCSP Website](#) for more details about when reporting will start for each of the modules. State reporting periods do vary, so please check [here](#) for further details on State reporting periods.

### **Reporting Burden**

OCS is keenly aware of the burden data collection, analysis and reporting may have on the CSBG Network. We also believe that these tasks are investments that can help agencies improve, grow and produce breakthrough results. To estimate the reporting burden (the collection and review of performance data as well as the development of any necessary technology) on the CSBG Network to produce the proposed Annual Report, OCS factored in several variables:

- 1) Whether the data being requested is new or is “usual and customary” for each section of the proposed Annual Report (e.g. local agencies are already legally required to collect much of the demographic data to determine eligibility of participants, while the services and strategies are new);
- 2) How the data collection effort differs at the state versus the local level (e.g. the states are responsible for reporting on the Administrative Module including performance against the State Accountability Measures as set in each State’s Annual Plan, and for reviewing and analyzing the data collected from the local agencies. The local eligible entities have the burden of tracking participants served and the outcomes they achieve);
- 3) The current capacity to collect, report and review the requested data, and how that varies throughout the network (e.g. some organizations currently have sophisticated technology and trained staff; others will need to upgrade their technology, and some number will need to develop new systems and train staff); and
- 4) Over time the burden will decrease as systems are developed or modified and as staff gain experience with reporting and analysis.

<b>Annual Burden Estimates</b>				
<b>Instrument</b>	<b>Number of respondents</b>	<b>Number of responses per respondent</b>	<b>Average burden hours per response</b>	<b>Total burden hours</b>
<b>CSBG Annual Report</b>	52 Grantees	1	164	8,551
	1,035 Sub-Grantees	1	242	250,585

Aware of the reporting burden the proposed Annual Report will entail, OCS will decrease that burden by establishing an on-line automated system for use by the states and – at the discretion of the states – the local agencies, for reporting that allows in many instances auto-populating data from one year to the next and a variety of data entry processes (e.g. manual entry and automatic upload). OCS has also taken care to assure that as much of the data requested as possible aligns with the data collection requirements of other federal agencies to which the network already reports. Finally, OCS is planning a phased-in implementation approach for the new reporting requirements to allow the states and local agencies time to adjust systems, update processes and procedures, and train staff.

### **OMB PRA Clearance Process**

- Federal Register # 1: June 16, 2016 (60-day comment period)
- Federal Register # 2: September 2016 or before (30-day comment period)
- Anticipated OMB Clearance: Winter 2016

At the end of the 60-day PRA comment period, OCS will complete a review of all comments and submit a revised CSBG Annual Report to the Office of Management and Budget (OMB). During the second phase of the PRA process, which includes a 30-day comment period, OMB will review the comments. Once OMB determines it is appropriate to approve the information collection, the collection will be approved for a three year period. Concurrently, OCS will be working with technology partners and members of the CSBG Network on the development of systems to collect the CSBG Annual Report information.

The network should maintain existing state data collection and reporting processes as we wait for final OMB approval. We encourage States and entities to consider the draft version of the CSBG Annual Report, Attachment A, to assess collection processes and technology needs for future report submissions.

### **Training and Technical Assistance for the Network**

OCS, along with national and state partners, will be planning and providing technical assistance and training for the network to facilitate the transition to the new reporting formats. In the coming months, OCS will be working with the CSBG Network to identify and prioritize the training needs of states, eligible entities and state CAA Associations.

### **Feedback and Comments**

The *Federal Register* notice requests feedback on the following:

- 1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

- 2) The accuracy of the agency's estimate of the burden of the proposed collection of information;
- 3) The quality, utility, and clarity of the information to be collected; and
- 4) Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

We especially invite comments on the content, format, and order of the information in the revised CSBG Annual Report. When reviewing the proposed indicators, consider the following questions:

- Is this the correct data element to collect?
- Is there a revised/modified data element that would be more appropriate?
- Is there a new data element that should be included?

Please include supportive comments as well as suggestions for improvement, so that we can get a balanced perspective on what works and what needs revision. **Please clearly reference your comments by module, section, and page number, as appropriate.** We welcome automation suggestions as well, particularly from those who are familiar with data collection systems.

Please submit your comments to [infocollection@acf.hhs.gov](mailto:infocollection@acf.hhs.gov), as directed in the *Federal Register* notice, within the 60-day comment period that began June 16, 2016. We encourage you to submit your comments **as soon as possible**, in order to expedite the clearance process.

OCS and NASCSP will host a webinar series to discuss the revised CSBG Annual Report and the comment process in June and July. Additional details about dates and times for webinars will be released shortly. To view the CSBG Annual Report forms in formats other than PDF please visit the NASCSP, [CSBG Annual Report page](#).

If you have questions in reference to our CSBG Performance Management efforts, please contact your assigned OCS CSBG Program Specialist. The list of OCS staff and contact information is posted on the OCS website, [CSBG Federal Staff by region](#).

Thank you for your commitment to increase accountability across the CSBG Network. Together we can make positive impacts for communities, families, and individuals of low-income.

Sincerely,

Jeannie L. Chaffin  
Director  
Office of Community Services

Seth Hassett  
Director, Division of State Assistance  
Office of Community Services

Appendix A: CSBG Annual Report, Network Feedback and Modifications  
Appendix B: Community Action National Theory of Change  
Attachment: CSBG Annual Report-OMB PRA Clearance FRN #1