

COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES
LOCAL GOVERNMENT
COMMITTEE HEARING

STATE CAPITOL
EAST WING
ROOM 8E-A
HARRISBURG, PENNSYLVANIA

TUESDAY, MARCH 9, 2010
10:00 A.M.

PRESENTATION ON
COMMUNITY SERVICES BLOCK GRANTS

BEFORE :

HONORABLE ROBERT FREEMAN, MAJORITY CHAIRMAN
HONORABLE TED R. HARHAI
HONORABLE DAVID R. KESSLER
HONORABLE MATTHEW D. BRADFORD
HONORABLE FRANK BURNS
HONORABLE JOHN HORNAMAN
HONORABLE TOM HOUGHTON
HONORABLE MARK LONGIETTI
HONORABLE ROBERT F. MATZIE
HONORABLE STEVEN J. SANTARSIERO
HONORABLE TOM C. CREIGHTON, MINORITY CHAIRMAN
HONORABLE JERRY KNOWLES
HONORABLE MICHELE BROOKS
HONORABLE DAVID S. HICKERNELL
HONORABLE BRYAN CUTLER
HONORABLE MIKE FLECK
HONORABLE TIM HENNESSEY
HONORABLE JOHN D. PAYNE
HONORABLE RALPH MUSTO, SENATE MAJORITY CHAIRMAN
HONORABLE DAYLIN LEACH
HONORABLE JOHN H. EICHELBERGER, JR., SENATE MINORITY
CHAIRMAN
HONORABLE ELDER VOGEL, JR., SENATE MINORITY
VICE-CHAIRMAN
HONORABLE RICHARD ALLOWAY
HONORABLE MIKE BRUBAKER
HONORABLE ROBERT D. ROBBINS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

KELSEY DUGO REPORTING
71 Willow Mill Park Road * Mechanicsburg, PA 17050
Phone: (704) 996-9514

KELSEY DUGO
REPORTER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X
TESTIFIERS

<u>NAME</u>	<u>PAGE</u>
JACQUELINE PARKER DEPUTY SECRETARY FOR COMMUNITY AFFAIRS AND DEVELOPMENT DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.....	7

1 PROCEEDINGS

2

3 CHAIRMAN FREEMAN: Good morning, everyone.
4 I am Representative Bob Freeman, Chairman of the Local
5 Government House Committee. We are holding this hearing
6 in conjunction with the Senate Local Government
7 Committee and we'll hear from my counterparty in the
8 Senate shortly. I want to welcome everyone in today's
9 hearing.

10 Today's subject deals with the CSBG Program
11 and we are very pleased to have as our only witness,
12 Jacqueline Parker, Deputy Secretary for Community
13 Affairs and Development and Department of Community and
14 Economic Development.

15 Before we proceed with her testimony,
16 though, I would like to call upon my counterpart and
17 Senate to say a few words and I also would be remiss if
18 I didn't acknowledge the presence of my Republican
19 counterpart, Republican Chairman Tom Creighton. He is
20 known to our committee. We're holding a meeting
21 tomorrow, so we'll hold off on the niceties of his
22 comments, but I did want to welcome him to the Local
23 Government House Committee. We look forward to work in
24 cooperation with he and his staff.

25 I did find that this committee is not very

1 partisan. We try and deal with the best interest for
2 the people of the Commonwealth and the local governments
3 that serve the people of the Commonwealth. So we look
4 forward to your service on the Committee.

5 With that, Senator.

6 CHAIRMAN EICHELBERGER: Thanks, Mr.
7 Chairman. It's nice to work with you again today. We
8 do have a good relationship with the House, so we
9 appreciate that very, very much. We should have a
10 brief, but informative hearing this morning. One that
11 we understand is necessary to comply with federal
12 requirements and we're glad to do to make sure that
13 we're getting out fair share of the money from
14 Washington.

15 I thought that we would have our Senate
16 members here to introduce themselves and I assume
17 Chairman Freeman will do the same with the House members
18 that are here. Our democratic chair for the Senate
19 Committee is Ralph Musto.

20 CHAIRMAN MUSTO: Thank you, Senator.

21 CHAIRMAN FREEMAN: Let's just have the House
22 and Senate members go together at the same time. We'll
23 just go down to road.

24 REPRESENTATIVE HICKERNELL: Dave Hickernell;
25 98th District, Lancaster and Dauphin Counties.

1 REPRESENTATIVE PAYNE: John Payne; 106th
2 District, Southeastern Dauphin County.

3 CHAIRMAN CREIGHTON: Tom Creighton;
4 Lancaster County.

5 REPRESENTATIVE KNOWLES: Jerry Knowles; I'm
6 the representative from the 124th Legislative District,
7 that would be Schuylkill and Berks Counties.

8 REPRESENTATIVE HORNAMAN: John Hornaman; 3rd
9 Legislative District, Erie County.

10 REPRESENTATIVE HOUGHTON: Tom Houghton;
11 southern Chester County, 13th District.

12 REPRESENTATIVE BRADFORD: Matt Bradford;
13 Montgomery County, 70th District.

14 REPRESENTATIVE BURNS: Frank Burns; 72nd
15 District, Somerset and Cambria County.

16 REPRESENTATIVE FLECK: Mike Fleck; 81st
17 District, Blair, Huntingdon and Mifflin Counties.

18 SENATOR ALLOWAY: Rich Alloway; 33rd,
19 Franklin and Adams.

20 REPRESENTATIVE BROOKS: Michele Brooks;
21 portions of Mercer, Crawford and Lawrence Counties, 17th
22 District.

23 REPRESENTATIVE HARHAI: Ted Harhai; 58th
24 District, Westmoreland and Fayette Counties.

25 REPRESENTATIVE LONGIETTI: Mark Longietti;

1 7th District, Mercer County.

2 SENATOR LEACH: Daylin Leach; 17th District,
3 Montgomery and Delaware Counties.

4 SENATOR VOGEL: Elder Vogel; 47th District,
5 Beaver, Lawrence and Allegheny Counties.

6 REPRESENTATIVE MATZIE: Rob Matzie; Beaver
7 and Allegheny Counties.

8 REPRESENTATIVE KESSLER: Dave Kessler; Berks
9 County.

10 REPRESENTATIVE SANTARSIERO: Steve
11 Santarsiero; 31st District, Bucks County.

12 CHAIRMAN FREEMAN: Okay. With that, I would
13 like to call Ms. Parker to give her testimony on the
14 CSBG Program. Thank you for joining us today.

15 DEPUTY SECRETARY PARKER: Thank you. And
16 good morning, Chairman Freeman, Chairman Creighton,
17 Chairman Musto and all Members of the House and Senate
18 Local Government Committees. I wish to thank you for
19 affording me this opportunity to discuss how the federal
20 Community Services Block Grant plays a meaningful role
21 in assisting the neediest and most vulnerable of
22 Pennsylvania's families. The Department of Community
23 and Economic Development is a proud partner with the
24 Community Action Agency network, the distribution
25 network for Community Services Block Grant.

1 I would like to use this opportunity to
2 orient the General Assembly on how DCED administers this
3 important program, how funds are distributed and how our
4 stellar network of 42 local agencies, covering all 67
5 counties, provides a comprehensive delivery system of
6 programs and services, leveraging the Community Services
7 Block Grant with other federal, state and private funds.
8 As much or more than any program that the Commonwealth
9 administers, the CSBG program addresses real needs and
10 helps real families lead better lives.

11 As many of you are aware, according to the
12 US Census Bureau in 2008, 12.1 percent of Pennsylvania's
13 population lives at or below the poverty level, which
14 ranks Pennsylvania 29th in the nation for those living
15 in poverty. Nationally, the percentage is 13.2 percent.
16 Rural areas of Pennsylvania have a higher percentage of
17 those in poverty than do our cities.

18 The purpose of the Community Services Block
19 Grant through the Health and Human Services of the
20 federal Government is to provide services and activities
21 to address the root causes of poverty in communities or
22 in those neighborhoods where poverty is a particularly
23 acute problem. In addition, Pennsylvania, through its
24 own state plan, emphasizes a better focus of human and
25 financial resources with the objective of eliminating

1 poverty by encouraging an efficient and financial
2 resource coordination of existing programs that are
3 intended to address the challenges of those in poverty.
4 While the goal of the program is to work to reduce and
5 eliminate poverty, it is also recognized that the cause
6 of poverty has many contributing factors, such as a lack
7 of education, lack of job opportunity. So CSBG funding
8 is truly one of our greatest tools because it not only
9 helps to eliminate -- attempt to eliminate the causes of
10 poverty, but it also provides a "safety net" or services
11 and programs, which are not found elsewhere, for those
12 with the greatest need in our communities.

13 DCED develops both a state plan and a
14 formula to administer the CSBG funds. A state plan for
15 CSBG funds is developed every two years. After full
16 citizen participation, this plan sets forth the
17 priorities for funding under this program, identifying
18 problems to be addressed and prescribing tailored
19 distribution of funds to address those problems. The
20 current state plan is posted on our website at
21 NewPA.com. The public hearing was held on August 25,
22 2009. The current state plan covers federal fiscal
23 years 2010 and 2011.

24 The statewide distribution of funds as
25 prescribed by state plan for the CSBG program -- and as

1 approved by HHS -- is as follows: No less than 90
2 percent of the CSBG funds are distributed to 44 eligible
3 entities; 5 percent is used as discretionary funds for
4 which there is a separate, competitive cycle; 5 percent
5 is used for administration by the Commonwealth.

6 To reinforce Pennsylvania's commitment to
7 the federal goals, the focus of CSBG funds as delineated
8 in the state plan will continue to be on the following
9 priority areas: Provision of supportive services in
10 coordination with the provision of housing;
11 employment-related services, job training and related
12 activities tailored to the specific needs of individual
13 communities with particular emphasis on coordination
14 with DCED's efforts in the geographic area to create or
15 preserve job opportunities; coordination of CSBG funded
16 activities with other economic growth and employment
17 opportunities; job creation, including micro-enterprise
18 development and entrepreneurship training; health issues
19 of children, which is, of course, a key national
20 objective, with an emphasis on childhood obesity,
21 immunizations, and nutrition education; non-acquisition,
22 non-rehabilitation costs related to housing and economic
23 and development projects.

24 Each year, in order to receive their share
25 of CSBG funding, all Community Action Agencies must

1 submit a work plan, which outline their intended use of
2 CSBG funds for that year. All work plans are reviewed
3 to ensure that the proposed use of the funds address
4 actual needs as identified in their local needs
5 assessments; that the local agencies present efforts to
6 leverage and coordinate CSBG funds with other resources,
7 including resources and initiatives of other service
8 providers and local agencies; and finally, that the
9 proposed investments demonstrate sustainability and
10 deliver measurable outcomes.

11 Allocations are distributed to the agencies
12 according to a formula developed by the state. The
13 current formula is actually a comprised of two factors:
14 The number of persons with incomes below 200 percent of
15 the poverty level in each service area; and the number
16 of unemployed persons in that service delivery are, 25
17 percent is based on that.

18 I would like to emphasize that the formula
19 is determined by the state and this department. So this
20 formula of allocation can be changed as the needs of
21 Pennsylvanians change. We do recognize that other
22 factors, such as high school graduation versus drop out
23 rate, prevalence of blight, and teenage pregnancy rate,
24 weigh heavily on the social service needs of a
25 community. So DCED believes that the formula for

1 allocation of resources and the factors to be included
2 in that consideration, should be re-examined
3 periodically. This hearing offers an opportunity to
4 open that dialogue, and as we develop our next state
5 plan in 2012, we will re-examine the issue of the
6 allocation formula. Of course, at that time, DCED will
7 invite the Community Action Agencies, as well as other
8 community stakeholders, to be a part of the
9 re-examination exercise and strategy development.

10 Now that I've covered the technical,
11 historical information about CSBG, I would like to tell
12 you about how the funds have been used at the "grass
13 roots" level. I know that many of you are familiar with
14 your Community Action Agencies in your area and many of
15 them work below the radar screen, but they are doing
16 wonderful, wonderful work in your communities and we
17 would like to talk a little bit about those success
18 stories.

19 These groups of the Community Action
20 Agencies provide the services and programs in about 14
21 different categories, which cover initiatives like
22 housing/shelter, senior services, family development,
23 employment/job training, advocacy, and health. Under
24 these categories, there are about 88 different services
25 and programs that are available to our communities. In

1 most cases, the community action agency in that area is
2 the only agency providing these much needed services.
3 These include Head Start, child daycare,
4 micro-enterprise development, emergency food and shelter
5 providers, budget counseling, food banks and food
6 pantries, transportation, and that's just to name a few.
7 I have included a matrix, which covers all of the
8 agencies and the many services they provide that, I
9 believe, all of you have.

10 In 2008, our state grant was \$27,529,000.
11 With those funds, the Community Action Agencies
12 leveraged, approximately, \$366,000,000 to assist 356,338
13 low-income constituents, equaling, approximately \$14.82
14 for each CSBG dollar expended. 6,511 unemployed,
15 low-income persons obtained a job; 1,237 persons
16 obtained an increase in employment income, 7,456 persons
17 obtained pre-employment skills and competencies required
18 for employment and received training program
19 certificates; 1,200 jobs that provide enough income
20 needed for a family to adequately meet their basic needs
21 without public or private assistance were created or
22 retained; 4,700 organizations worked in partnership with
23 the CAA's to promote family and community outcomes, of
24 which 672 were faith-based organizations.

25 Following, I would like to share a few

1 examples of how diverse the community action agencies
2 are and some stories of how they are successfully
3 assisting their communities. In some cases, the
4 community action agencies have become, not just service
5 providers, but are, themselves, entrepreneurs, creating
6 jobs, and leveraging CSBG funding to become both
7 community and economic development engines for their
8 respective communities.

9 In Lawrence County: The Lawrence County
10 Community Action Partnership is a very dynamic agency
11 and the lead provider of Head Start for Lawrence County.
12 With the Head Start student population increasing in the
13 City of New Castle, and the need to coordinate student
14 and family services, the agency needed more space than
15 at various existing locations. So they looked around
16 and found in the City of New Castle an abandoned high
17 school, the Ben Franklin High School, that was vacant
18 for many years. The Community Action Agency took that
19 on as a project, bought it from the school district and
20 then retained workers from their local area of teens and
21 unemployed adults to become part of that workforce that
22 worked on rehabilitating that building. And if any of
23 you are able to get to New Castle -- I'm sure
24 Representative Brooks has seen it -- that it is a
25 wonderful, wonderful facility that now incorporates all

1 of the Head Start for that area -- for the New Castle
2 area. It also has the Governor's Pre-K initiative, so
3 they have students there from that program. It also has
4 community rooms for the local colleges, and, more
5 importantly, the jobs, too, that were created for the
6 workers. Those workers have now become certified and
7 have now gone on to other local contractors in the area
8 for permanent employment.

9 The Community Action Commission, right here
10 in Harrisburg is a very dynamic agency also. That is
11 also our Elm Street program coordinator. They
12 rehabilitate homes for resale and provide services for
13 the residents in the Allison Hill area of Harrisburg.
14 They provide services for self-sufficiency as well as
15 for housing activities. Here is an individual success
16 story which highlights their assistance.

17 There's a local young woman, struggling with
18 a variety of issues in her life, being incarcerated two
19 or three times in a short period of time. But she was
20 able to work on a work release program, but she knew
21 that she wanted to buy a house, to provide housing for
22 herself and her young daughter. So the Community Action
23 Commission assisted with her transportation to ensure
24 that she was able to complete the first time home
25 buyer's program. They helped her with credit counseling

1 to raise her credit score from the low 400s to 640 --
2 680. So when she was ready to buy a home she was
3 pre-approved for a mortgage for an amount of \$95,000.
4 With CAC assistance, she was able to receive an FHA loan
5 for the home purchase. So you can see that these
6 services are diverse and they affect individuals.

7 Trehab is an example of one of our rural
8 agencies. Trehab covers the counties of Bradford,
9 Tioga, Wayne, Sullivan, Susquehanna and Wyoming.

10 Trehab is the Elm Street Administrator,
11 again, for the Borough of Susquehanna, which is a small
12 municipality in Susquehanna County. Development staff
13 funded by CSBG identified, again, a small anchor
14 building in the downtown that was in need of renovation.
15 So as you can see, there are also the economic engines
16 for these communities when they can do some
17 revitalization, some economic development projects, in
18 the town. The total renovation of the building was \$1.8
19 million. But they utilized HOME dollars, HRA money,
20 Housing and Redevelopment Assistance funds, PHFA funds,
21 Federal HOME funds, and Act 137 funds, and Neighborhood
22 Assistance donated funds. In total, 25 subcontractors
23 were utilized with a General Contractor.

24 The building is currently being used for six
25 units of apartments for the elderly and Trehab offices,

1 which will provide Workforce Investment Job Training and
2 other community services.

3 In response to high energy costs for
4 homeowners and small farms, Trehab Development Staff
5 implemented a startup company, Trehab Renewable Energy,
6 a for-profit subsidiary to explore feasibility of
7 selling Wind Turbines to small farmers, residential
8 homeowners and commercial businesses. Since July of
9 '08, the startup company has hired two full-time Energy
10 Specialists and one part-time staff person; also two
11 subcontractors retaining two workers for each
12 installation subcontractor. Trehab Renewable Energy
13 sold and installed 35 wind turbines during the period of
14 July '08 through February '08. Total value of startup
15 business during the above timeframe was \$593,000.
16 Pretty entrepreneurial, I would say.

17 I also wanted to point out that the American
18 Reinvestment and Recovery Act of 2009 provided DCED an
19 allocation of \$42 million for the CSBG Recovery funds,
20 which will allow community action agencies to undertake
21 a variety of community activities to stimulate economic
22 recovery and job creation and retention. These funds
23 expire September of 2010 and are being used to meet
24 emergency needs, as well as provision of
25 employment-related services, financial literacy

1 assistance, and family counseling and other services
2 designed to move clients toward self-sufficiency. All
3 contracts are fully executed with our Community Action
4 Agencies. \$8,495,000 has been drawn down as of January
5 of 2010. And we have created, in that first quarter,
6 97.93 for the -- that was the first quarter.

7 In summary, Community Services Block Grant
8 is a funding source that helps create capacity at the
9 local level, through Community Action Agencies, to
10 address the critical problem of poverty. These agencies
11 receive CSBG funding as the foundation for the wide
12 variety services and improvements in which they leverage
13 other federal, state, and local funding sources. In so
14 doing, these agencies are able to respond with
15 multi-faceted approaches to promote community
16 revitalization across the Commonwealth.

17 And I can say, as a former mayor of a
18 third-class city, that I've seen, first-hand, the
19 affects and the impacts of the Community Services Block
20 Grant in the neediest of the community. And I think the
21 success, in any community, can go gaged on a variety of
22 factors, but certainly, one of them is, how do we treat
23 our most vulnerable; how do we treat our neediest
24 people? And I think the Community Services Block Grant,
25 in coordination with the Community Action Agencies, does

1 jut that. It makes our communities very successful.

2 Thank you and I'm open for questions at this
3 time.

4 CHAIRMAN FREEMAN: Deputy Secretary, thank
5 you for your testimony. We also wish to recognize the
6 presence of a few other members that have joined us.
7 Representative Cutler has joined us and Representative
8 Hennessey. Senators Brubaker and Robbins have also
9 joined the meeting.

10 With that, Senator Eichelberger, do you have
11 any questions?

12 SENATOR EICHELBERGER: I don't at the
13 moment. Any members have any questions this morning?

14 CHAIRMAN FREEMAN: I guess I'll start off.
15 In terms of -- we have a very successful, very
16 aggressive Community Action Committee in the Lehigh
17 Valley. It has done some outstanding work. They are
18 the organization that oversees Easton's Elm Street
19 program in the West Ward. And have a host of programs
20 aimed at lifting people out of poverty, providing job
21 opportunities.

22 When do programs -- and forgive me, I can'
23 recall the exact name of it -- but it deals with the
24 micro-loans that you were speaking about in your
25 testimony. How successful has that end of the use of

1 CSBG's money has been? It strikes me that that is a
2 very important component part of CSBG's money,
3 particularly since a lot of small businesses starting
4 out, a lot of folks who come from lesser means, find it
5 very difficult to get bank loans in the commercial
6 market. How successful has the small business
7 micro-loan aspect been?

8 DEPUTY SECRETARY PARKER: Every Community
9 Action Agency does not have a small business component,
10 but my understanding is that those that do, have been
11 very successful. And as you have said, I'm not familiar
12 with the program, the exact program in the Lehigh
13 Valley, but what we've seen is that they provide those
14 loans that the banks don't, otherwise, offer.

15 They do work with the small business person
16 to develop a good business plan. They work with them on
17 operations, finding the proper place and placement. And
18 I do know that they have provided us a small loan pool,
19 that they actually started a loan pool so that they can
20 lend out the money to the first-time business owner and
21 then it comes back and it is repaid into that loan pool
22 for them to be loaned out to successful businesses.

23 But I can certainly get back to you and let
24 you know how many have started that and what the success
25 rate ratio has been.

1 CHAIRMAN FREEMAN: It has been a great
2 success. The Lehigh Valley and to see how CACLB runs.
3 And in particular, those loans that you mentioned are
4 critical. A lot of small business that, again, because
5 of the income level of the business person, they cannot
6 obtain commercial loans form the banking community. But
7 a request for only five or ten thousand dollars for
8 start-up equipment makes all the difference in the
9 world. Whether you're putting together a small hotdog
10 pushcart or a small business that operates in the
11 downtown. It makes all the difference in the world.
12 I'm just curious on how the rate success has been.

13 Are there any other questions from the
14 members? Representative Hornaman.

15 REPRESENTATIVE HORNAMAN: Thank you, Mr.
16 Chairman. And thank you for being here today. It
17 certainly has been informative for me, especially the
18 idea that rural areas in Pennsylvania have a higher
19 percentage of poverty than the cities. And having some
20 of those rural areas in my district, I'm wondering,
21 first of all, what is that percentage breakdown, and
22 secondly, is the effort in outreach in the rural areas
23 as successful as it would be in the urban areas?

24 DEPUTY SECRETARY PARKER: That's a good
25 question. I don't have the percentage of the separation

1 of the city versus rural, but I can get that for you. I
2 can say that those Community Action Agencies that
3 service those rural areas, such as a Trehab, are
4 certainly very dynamic and have a great outreach because
5 they're the only service provider in those areas.
6 Whereas, in the urban areas, where there's a high
7 concentration of people, and, obviously, the possibility
8 of more services are there. Where in the rural areas,
9 the Community Action Agencies are probably the only
10 agency that would provide that.

11 And so I can't give you the number of
12 successes out in the rural areas. I can get that for
13 you. I do know that they're, certainly, doing that
14 outreach and probably the only outreach that's available
15 for the rural areas. I can get that for you.

16 CHAIRMAN FREEMAN: Any other questions by
17 the members? I guess I'll do follow-up. You cited a
18 multitude of programs that the CSBG monies are used for.
19 Are there any limitations on how the monies can be used?

20 DEPUTY SECRETARY PARKER: Yes. The monies
21 must be used for the purposes, of course, the
22 elimination of poverty and those activities that would
23 cause poverty. They cannot be used for bricks and
24 mortar projects. They must be used for those activities
25 that might be related to brick and mortar projects, but

1 nothing that's hardcore construction rehabilitation
2 acquisition.

3 CHAIRMAN FREEMAN: That would follow under
4 CSBG?

5 DEPUTY SECRETARY PARKER: Yes and other
6 programs. But that is a limitation. And, again, they
7 do have a poverty level. So at this time the federal
8 guidelines are 200 percent of the poverty level. But,
9 again, anything that's above that, those people can't be
10 served.

11 CHAIRMAN FREEMAN: Is there a possibility
12 for mixing funding, though, in terms of -- for instance
13 a child care program, where they can bring into the
14 child care facility, those who meet the poverty
15 guidelines, but the facility could also reach out to
16 those who might be slightly above the poverty guideline
17 if there's a different funding source?

18 DEPUTY SECRETARY PARKER: Absolutely. I
19 think that that's -- the beauty of the Community Action
20 Agencies is that they do leverage other funding sources,
21 whether it be federal or state and they're very good at
22 it. So they're very good at determining, okay, this is
23 a group that can be addressed with the Community
24 Services Block Grant and these others that can address
25 with other funding sources, but yet still be able to

1 combine them and service what the needs are.

2 CHAIRMAN FREEMAN: In terms of the statement
3 to the population, they tend to provide services for
4 them and represent, is there and effort made on the part
5 of most Community Action Committees to also interface
6 with local government bodies as they deliver their
7 services, and if so, what kind of examples?

8 DEPUTY SECRETARY PARKER: Yes. Some kind of
9 Community Action Agencies are actually municipal, so
10 they do work through, like, a county. Lebanon is a good
11 example of that. They don't have a free-standing
12 Community Action Agency, but the Community Services
13 Block Grant flows through an entity that's related to
14 Lebanon County.

15 And also, we certainly encourage and I
16 believe every Community Action Agency does that, there
17 are stakeholders in their community. So they sit at the
18 table with elected officials, with municipalities as a
19 stakeholder. So when there's an issue, a crisis, a
20 problem in that community, we would hope and we see that
21 Community Action Agencies are at the table, whether it's
22 a housing issue because many of our Community Action
23 Agencies help with housing. Service providers for,
24 again, as I said, sometimes there a service that's
25 needed in a county or in an area where the county

1 commissioners or the local municipal officials say,
2 well, who can provide that? And then they turn to the
3 Community Action Agency and they say, could you help us
4 because they might be the only entity that has that
5 capacity in that area. So definitely, they do work and
6 we expect them to work with local governments.

7 CHAIRMAN FREEMAN: And as you referenced in
8 your opening remarks, both in the case of Allison Hill
9 in Harrisburg, and, of course, Easton's West Ward, the
10 Community Actions Committee serve as sort of a sponsor
11 or a parent of the Elm Street programs in both of those
12 communities, so there's constantly contact with the
13 local government officials in terms of delivering
14 services for the program.

15 DEPUTY SECRETARY PARKER: Yes. They're
16 great partners and, again, we expect them to continue
17 that partnership with their communities.

18 CHAIRMAN FREEMAN: Representative Creighton.

19 CHAIRMAN CREIGHTON: Thank you, Mr.
20 Chairman. The committees are broken down by counties,
21 but what generates the projects, where's the emphasis to
22 start a project and how's the project defined and what's
23 the paperwork necessary to be approved and make it all
24 happen?

25 DEPUTY SECRETARY PARKER: Are you referring

1 to the Community Action Agencies themselves? Because
2 those are designated. So a Community Action Agency has
3 been designated through the federal --

4 CHAIRMAN CREIGHTON: Through their agencies
5 or whatever?

6 DEPUTY SECRETARY PARKER: Yeah. They're
7 approved by -- through the Health and Human Services.
8 They are actually the designated network by the federal
9 government. So we must work through those agencies and
10 there's a process by which an entity can apply to the
11 federal government to be considered part of that
12 network. But there's an established network, and they
13 have a network in every state of Community Action
14 Agencies. So that's the first step.

15 The second step is that they work with the
16 state with the state plans. We, as DCED, as the
17 administrator of CSBG funds, go to the Community Action
18 Agencies every two years and ask for a work plan. The
19 work plan has to mirror the federal goals and the state
20 plan and the priorities. So what we expect is that when
21 they come back with how they are going to spend that
22 money, it must reflect the federal goals and as well as
23 the state plan. So that's the second step with our
24 oversight and working with them, we review the work
25 plans for the things that I had mentioned, the

1 eligibility, the compatibility to the federal goals and
2 also sustainability and measurable outcomes.

3 CHAIRMAN CREIGHTON: So how do the projects
4 actually begin?

5 DEPUTY SECRETARY PARKER: Well, the
6 projects, themselves, begin through the Community Action
7 Agencies. They will come to us and say, you know, we
8 would like to provide a housing program, we would like
9 to establish financial counselling program, we would
10 like to have an after-school daycare program and those
11 are the things that are a part of the federal goal. Do
12 they service those that are 200 percent, at or below the
13 poverty level?

14 And, with that, they get -- it's allocated
15 by the formula. They do get that money. It's just, how
16 are they going to spend that money? And the money is
17 spent through a designation of those programs that they
18 decide -- that they select.

19 CHAIRMAN CREIGHTON: Each projects doesn't
20 have a series of action steps that they are going to
21 provide?

22 DEPUTY SECRETARY PARKER: Absolutely they'll
23 say, in our program -- in our after-school program, we
24 will address and help X amount of children in the
25 service area. We will provide them wit after-school

1 curriculum that we examine. They might provide them
2 where a food or snack. And then what we like to see is
3 what happens with those kids? What's the outcome of
4 those children that they're helping?

5 CHAIRMAN CREIGHTON: The accountability of
6 the process.

7 DEPUTY SECRETARY PARKER: Exactly.

8 CHAIRMAN CREIGHTON: Okay. Thank you.

9 CHAIRMAN FREEMAN: Any other questions from
10 the membership? With that, I want to thank you for your
11 testimony today. We look forward to continually being
12 updated on the CSBG program as the year continues and we
13 look forward to working with the Department, as always.

14 DEPUTY SECRETARY PARKER: Great. Thank you.

15 CHAIRMAN FREEMAN: This joint hearing stands
16 adjourned.

17 (The hearing concluded at 10:45 a.m.)

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

Kelsey J. Dugo
Notary Public