

Community Services Block Grant (CSBG) Annual Report

**OMB Information Collection Request
0970 - 0492**

Supporting Statement Part A - Justification

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Submitted By:
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services

SUPPORTING STATEMENT A – JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Community Services Block Grant (CSBG) Act (42 U.S.C. 9901, *et seq.*) was established under the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Public Law 105-285. The Office of Community Services (OCS), Administration for Children and Families (ACF), U.S. Department of Health and Human Services (HHS) administers CSBG at the federal level. CSBG provides funds to states and other entities to support services and activities that alleviate the causes and conditions of poverty in communities.

Under Section 678E(a)(1)(A) of the CSBG Act, states that receive CSBG are required to participate in a performance measurement system and must ensure that all eligible entities in the State participate in a performance measurement system. The CSBG Act specified that this may be a performance measurement system for which OCS facilitated development or an alternative system that the Secretary is satisfied meets the requirements of Section 678E(b), which outlines accountability and reporting requirements, including the establishment of a performance measurement system through which States and eligible entities measure their performance in achieving the goals of their community action plans.

Section 678E(a)(2) of the CSBG Act, as amended, requires that each state shall annually prepare and submit to the Secretary a report on the measured performance of the state and the eligible entities in the state. Each state is required to include in the report an accounting of the expenditure of funds received by the state through CSBG, including an accounting of funds spent on administrative costs by the state and eligible entities, and funds spent by eligible entities on the direct delivery of local services. In addition, each state is required to include information on the number of and characteristics of clients served in the state based on data collected from the eligible entities. Each state is also required to include in the report a summary describing the training and technical assistance offered by the state to correct deficiencies noted during the year covered by the report.

OCS and the CSBG Network – CSBG eligible entities, state CSBG lead agencies, state Community Action Associations, national partners, and others – collaborated in a multi-year effort to create a performance management effort in order to meet these requirements and strengthen overall program management. This multi-year effort resulted in the CSBG Performance Management Framework, which includes: 1) organizational standards for local CSBG eligible entities, 2) accountability measures for states and OCS, and 3) Results Oriented Management and Accountability (ROMA) Next Generation, which includes an updated and refined set of CSBG outcome measures.

These elements are designed to increase accountability across all three levels of the CSBG Network (federal, state, and local) and to enable program administrators at all levels to make better program decisions based on data. Ultimately, the framework will help OCS and the

CSBG Network to generate stronger results for people with low-incomes and communities served by the national network of states and eligible entities.

In July 2, 2018, OCS received the second OMB-approval for the CSBG State Plan (OMB No. 0970-0382), which is collected electronically through the ACF Online Data Collection (OLDC) system, which is the same system states use to submit their other federal programs. This process retained all of the reporting elements of the previous State Plan, as required by the CSBG Act, but simplified, clarified, and streamlined the instructions and the procedures for submission.

On January 12, 2017, OCS received the first approval from OMB for the CSBG Annual Report. The CSBG Annual Report includes the following four modules:

- **State Administration Module (Module 1)** *completed by State CSBG Administrators:* focuses on state administration of CSBG funding, including distribution of funds to eligible entities, use of state administrative funds and discretionary funds for training and technical assistance, eligible entity organizational standards progress, and the state's progress meeting accountability measures related to state monitoring, training and technical assistance, and other critical areas.
- **Eligible Entity Data Module (Module 2)** *completed by eligible entities; reviewed, evaluated, and analyzed by State CSBG Lead Agencies:* includes information on funds spent by eligible entities on the direct delivery of local services and strategies and capacity development as well as information on funding devoted to administrative costs by the eligible entities.
- **Community Level Module (Module 3)** *completed by eligible entities; reviewed, evaluated, and analyzed by State CSBG Lead Agencies:* includes information on the implementation and results achieved for community-level strategies.
- **Individual and Family Level Module (Module 4)** *completed by eligible entities; reviewed, evaluated; analyzed by state CSBG Lead Agencies:* includes information on services provided to individuals and families, demographic characteristics of people served by eligible entities, and the results of these services.

As part of a two-phase implementation, OCS first received Module 1 on April 7, 2017, and received Modules 2 – 4 on April 30, 2019. More information about the implementation of the CSBG Annual Report is available in [CSBG Information Memorandum \(IM\) 152: CSBG Annual Report](#).

This current request is to extend data collection for an additional three years with minor revisions to the four modules CSBG Annual Report.

- Module 1 was revised to better correlate with the OMB-Approved CSBG State Plan, to clarify questions (for example, to show that OCS is requesting an update to language previously submitted in the CSBG State Plan) or to reflect a change in technology, as these reports are submitted through inForm, more commonly known as the On-Line Data Collection system (OLDC). Updates were also made based on public comments during

- the 60 day comment period.
- Modules 4 revisions include technical changes, such as minor changes to wording, updates to headings, and the addition of numbering. Updates were also made based on public comments during the 60 day comment period.
 - Modules 2 and 3 revisions include technical changes to headers and instructions, but no changes were made to questions asked.

2. Purpose and Use of the Information Collection

As outlined in Section A1, OCS designed the CSBG Annual Report to support a multi-level Performance Management Framework. The data provided in the CSBG Annual Report is used at the local, state, and national levels to improve performance and track results from year-to-year and to assure accountability for critical activities and outcomes at each level of the CSBG Network. ACF encourages the use of principals outlined in the Government Performance and Results (GPRA) and Modernization Act to use the data collected in the CSBG Annual Report for improvement to achieve breakthrough results for people with low-incomes and the communities in which they live.

At the local eligible entity level, the information in the CSBG Annual Report supports agency efforts to set and measure progress on targets for individual, family, and community outcomes resulting from locally determined services and strategies to address locally-identified community needs.

At the state level, the CSBG Annual Report supports oversight and technical assistance, and promotes accountability for critical state functions such as State Plan development, monitoring, grant administration, training and technical assistance, and state-level communications and linkages.

At the federal level, receipt and review of CSBG Annual Reports will permit necessary oversight and accountability for CSBG grant funds and provide necessary information for the Secretary's Accountability and Performance Requirements as outlined in Section 678E(b) of the CSBG Act.

Combined with information from the CSBG State Plan and other information from federal monitoring and oversight, the Annual Reports from States will provide necessary information to report to Congress as required under Section 678E(b)(2) regarding:

- how funds were actually spent by the state and eligible entities in the state, including a breakdown of funds spent on administrative costs and on the direct delivery of local services by eligible entities;
- information on the number of entities eligible receiving CSBG funds, the number of low-income persons served, and necessary demographic data on the low-income populations served by eligible entities as is determined by the Secretary to be feasible;
- a summary of each state's performance results, and the results for the eligible entities,

- other information necessary for grant administration, accountability, and transparency purposes consistent with the CSBG performance management framework; and
- use of CSBG funds to provide training and technical assistance to eligible entities.

Upon approval of this OMB clearance, OCS will collect Module 1 for the fourth time, and Modules 2 – 4 for the second time. OCS uses this information to oversee CSBG and state progress on the performance management framework elements, including state accountability measures and the continuous improvement of eligible entity organizational standards. Additionally, OCS uses this information to develop the CSBG Report to Congress, provide training and technical assistance, and to manage a new performance management website. The performance management website is expected to launch in 2020. The website will support the analysis of trends and data at the national-, state- and local-levels and the identification of priority areas for training, technical assistance, monitoring, and evaluation that can be supported through reserved federal funds as required under Section 674(b)(2) of the CSBG Act and outlined in sections 678A through 678F of the Act.

3. Use of Improved Information Technology and Burden Reduction

OCS collects the CSBG Annual Report through OLDC. OCS created new efficiencies and capabilities for program planning, oversight, and accountability through using technology to collect an automated, web-based form for this information collection. OLDC allows OCS to link information from the CSBG State Plan directly to the State Administrative Module (Module 1) of the CSBG Annual Report.

Additionally, OLDC allows both federal and state staff to access data easily and track the submission, review, and acceptance of CSBG Annual Reports. Overall, OLDC increases the transparency and accountability of the submission and review process. States have used OLDC since 2015, and are accustomed to the system, reducing the amount of burden on states to submit.

4. Efforts to Identify Duplication and Use of Similar Information

No other Federal agency has the statutory requirement to collect this information. Consequently, there is no similar source of information that can be modified for the purpose of collecting required CSBG Annual Report information.

5. Impact on Small Businesses or Other Small Entities

No small businesses or other small entities are involved in this information collection.

6. Consequences of Collecting the Information Less Frequently

This information collection is required by law in order for states and eligible entities to account for and meet annual performance measurement requirements for federal CSBG funds (please see item A1). Without this information collection, OCS is unable to account for CSBG funding or meet annual requirements to report to Congress on the use of funds.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

There is no circumstance that requires the information to be provided or the CSBG Annual Report format to be used in a manner inconsistent with the guidelines of 5 CFR 1320.5.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), ACF published a notice in the Federal Register announcing the agency's intention to request an OMB review of this information collection activity. This notice was published on October 2, 2019, Volume 84, Number 191, page 52506, and provided a sixty-day period for public comment. During the notice and comment period, four sets of comments were received, which are attached and responses described below.

Prior to submitting the document for clearance, OCS made minor edits to the previously OMB-approved CSBG Annual Report. OCS revised Module 1 based on revisions to the OMB-approved CSBG State Plan (as Module 1 correlates to the CSBG State Plan), and technological advances since the last clearance. OCS consulted with national CSBG technical assistance partners prior to revising Modules 2 – 4; ultimately, technical revisions were made to Modules 2 and 3 (such as adding a header to each Section and updating instructions), and minor revisions were made to Module 4.

OCS organized and carefully considered each comment. During the review, OCS consulted with national CSBG technical assistance partners to discuss each comment and receive suggested solutions. As a result, OCS made additional revisions to the CSBG Annual Report submitted in this PRA package.

The major areas of concern raised by the commenters during the first comment period, and OCS revisions and responses to each area are described below:

- **Module 1, Question A.2:** Commenters expressed the value of adding “critical programs” to the list of response options, including “SNAP, TANF, Head Start/Early Childhood Education, CDBG, SSBG, and Department of Labor (DOL).”
OCS Revision(s) and Response: After consideration and review of previous

submissions, OCS added SSBG (another OCS program) and DOL. While OCS agrees that all of these are critical programs, OCS does not currently report on this information at the state-level and the number of CSBG state offices also administering these programs is low. Therefore, OCS continues to believe that it is important to collect this information at the department level (Department of Agriculture, Department of Housing and Development, Department of Labor) rather than each individual program (SNAP, TANF, etc.). OCS will continue to receive this information at the local-level.

- **Module 1, Question D.2:** Commenters expressed support for the proposed changes, but requested more information on why the proposed changes were made.
OCS Revision(s) and Response: OCS made additional revisions to D.2, including asking for information about exempt eligible entities (information that is provided in the CSBG State Plan), and reformatting how the information is collected. OCS made these revisions to promote the submission of accurate data and support continuous improvement. OCS will host webinars to provide further clarity and training and technical assistance on all revisions.
- **Module 1, Questions E.2, E.4, E.7, E.9, and E.10:** Commenters expressed concern to the current changes to Section E, primarily in that "...without clarification regarding the inclusion will dilute the purpose of the Annual Report to serve as an accurate reflection of the Community Action Network's performance" and that carryover funds are not included in the proposed revisions, and that ultimately "[the] integrity of the report will be compromised if spending and demographic outcomes are misaligned".
OCS Revision(s) and Response: OCS revised E.2, E.4, and E.7 to include carryover expenditures from the prior FFY. OCS did not revise E.9 and E.10, and maintain that this is the correct way to collect the information in order to ensure accuracy and integrity of the reporting of CSBG funds. OCS will host webinars to provide further clarity and training and technical assistance on all revisions.
- **Module 1, Questions H.4 – H.5:** Commenters expressed concerns with adding a question about Technical Assistance Plans (TAPs) to the monitoring section and that it would be better suited to ask a general question "to address T/TA provided in connection with a QIP". Furthermore, commenters recommended adding "a threshold question" if this set of questions are not applicable to the state. Lastly, commenters noted that there is no requirement for states to submit this information and it is duplicative of what is asked in a prior section.
OCS Revision(s) and Responses: OCS revised the order of these two questions so that information is first requested for TAPs (H.4) and then QIPs (H.5). OCS also revised the language from "serious deficiencies" to "issues of noncompliance." Ultimately, OCS maintains that it is important to ask about TAPs in the monitoring section of the CSBG Annual Report. While there is no requirement that states provide this information to OCS, OCS believes that this information is valuable in providing training and technical assistance to states to promote continuous improvement. Additionally, this question is not duplicative of the prior section. In the prior section,

the question asks about TAPs as they directly relate to Organizational Standards, while in this section, the question is about TAPs as they directly relate to monitoring of the eligible entities conducted by the state. OCS will host webinars to provide further clarity and training and technical assistance on all revisions.

- **Module 1, Question H.6:** Commenters expressed concerns about the addition of a threshold question that allowed states to skip this question as CSBG eligible entities are required to submit their annual audits to the Federal Audit Clearinghouse (FAC). Therefore, states should never skip this question.
OCS Revision(s) and Response: OCS removed the threshold question, and revised the table to better align with the requirements as specified in 2 CFR 200.331 and 2 CFR 200.501. The revisions will encourage the states to meet their own requirements, but skip the question if they have nothing to report at the time of submission. OCS will host webinars to provide further clarity and training and technical assistance on all revisions.
- **Module 4, Section C – Education Level:** Commenters expressed concerns with the addition of “GED/Equivalency Diploma” as this information was not previously collected in 2019, and systems will have to be updated in order to account for this change.
OCS Revision(s) and Response: No revisions were made. OCS maintains that it is important to include this information in the current collection or reporting. OCS will work with the CSBG Network during the FY2019 CSBG Annual Report submission period in order to account for the fact that this information may have not been collected during FY2019.
- **Module 4, Section C – Military Status:** Commenters expressed concerns with the addition of “N/A – Not Applicable” indicating that the meaning is unclear and could be misinterpreted, this information was not previously collected in 2019, and systems will have to be updated in order to account for this change.
OCS Revision(s) and Response: OCS revised the language to “Never Served in the Military” to better align with other government forms that ask similar questions. OCS maintains that it is important to include this information in the current collection for reporting. OCS will work with the CSBG Network during the FY2019 CSBG Annual Report submission period in order to account for the fact that this information may have not been collected during FY2019.
- **Burden Hours:** Commenters requested that OCS review the burden hours as 1) the number of eligible entities had lowered (per the 2015 CSBG Congressional Report) and 2) OCS and the CSBG Network is still implementing the CSBG Annual Report.
OCS Revision(s) and Response: OCS increased the burden hours in this second federal register based on these comments. However, OCS believes that as this is not the first year of data collection, the burden is still less than what was estimated in the previous approval. We have updated the burden to be similar, but a little less than previously approved.

9. Explanation of Any Payment or Gift to Respondents

This information collection does not involve any payment or gift to respondents.

10. Assurance of Confidentiality Provided to Respondents

This information collection does not require an assurance of confidentiality.

11. Justification for Sensitive Questions

This information collection does not include sensitive questions.

12. Estimates of Annualized Burden Hours and Costs

Information Collection Title	Total Number of Respondents	Total Number of Responses Per Respondent	Average Burden Hours Per Response	Total Burden Hours	Annual Burden Hours	Average Hourly Wage	Total Annual Cost
CSBG Annual Report	52 Grantees	3	198	30,888	10,296	\$68.92	\$709,600.32
CSBG Annual Report	1,009 Sub-grantees	3	697	2,109,819	703,273	\$46.44	\$32,659,998.12
Estimated Annual Burden Total					713,569	Estimated Annual Cost Total:	\$33,369,598.44

Explanation for Calculation of Burden Estimate

Adjustment of Burden Hours

Based on comments in response to the 60-day Federal Register notice, OCS increased the hourly burden estimate. In the first Federal Register notice, published October 2, 2019 (Volume 84, Number 191, page 52506), OCS estimated a total of 164 burden hours for each state grantee for a total 8,528 hours per CSBG Annual Report across the 52 grantees; OCS estimated a total of 242 burden hours for each sub-grantee for a total of 250,470 hours per CSBG Annual Report across the 1,035 sub-grantees.

Commenters noted that there were a smaller number of reported sub-grantees, and that OCS should adjust the number of respondents accordingly. We adjusted the number of sub-grantees from 1,035 to 1,009.

Commenters also noted that since the CSBG Annual Report is still in an implementation phase, that the burden hours should remain the same as in the previous OMB Clearance (set to expire January 2020). For the previous OMB Clearance, OCS consulted a small group of grantees and used historical information on state and agency capacity to inform the hourly burden estimate. We updated the estimated average time to complete to be similar, but slightly lower levels than the previous approval (203 and 756 hours, respectively), but a higher estimate than originally described in the 60 day Federal Register Notice.

Explanation for Calculation of Cost Estimate

The hourly cost burden estimate was calculated based on the hourly burden estimate (in the section above) and captures the cost of staff time. The hourly wage value for the grantee and sub-grantee hourly cost burdens was calculated using wages provided by the Bureau of Labor Statistics. The grantee respondents are CSBG program managers; their duties generally fall under the [social and community service managers](#) occupation employment category established by the Bureau of Labor Statistics (BLS). For 2018, the most current information available, BLS indicates that \$34.46 is the median hourly wage. To account for fringe benefits and overhead, OCS multiplied this by two for a total of \$68.92. Using this median hourly wage, the estimated annualized burden costs for each respondent is \$13,646.16 (198 [Average grantee burden hours] x \$68.92 [median hourly wage]).

At the sub-grantee level, OCS reviewed the median hourly wage [for community and social service occupations](#) (\$23.69); [counselors](#) (\$22.95); [social workers](#) (\$30.12); [social and human service assistants](#) (\$17.22); and [miscellaneous community and social service specialists](#) (\$22.14). When averaged, the hourly wage for these occupational pay rates is \$23.22. In order to account for fringe benefits and overhead, OCS multiplied the hourly wage by two for a total of \$46.44. Using this median hourly wage, the estimated annualized burden costs for each respondent is \$32,368.68 (697 [Average sub-grantee burden hours] x \$46.44 [median hourly wage]).

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

In order to calculate the estimated capital cost burden, OCS projected the cost burden estimate in four key areas for both grantees and sub-grantees, by year and by current capacity: (1) start up; (2) operation; (3) upgrades/modifications; and (4) systems training and technical assistance. OCS took into consideration that the costs would start high and then decrease over time, and presented this in a range.

Though this will be the fourth year reporting, based on feedback from grantees, OCS understands that most grantees are still in an implementation phase. The estimated range of cost burden per grantee is \$37,055 - \$130,221, with an average cost per grantee of \$83,638. The estimate range of cost burden per sub-grantee is \$4,125 - \$16,349, with an average cost per grantee of \$10,237. The tables below provide details on the expected reduction of costs over a three-year period.

Estimated Other Annual Costs to Respondents and Record Keepers

Instrument	Number of Respondents	AVERAGE RANGE annualized burden cost per response*	AVERAGE annualized burden cost per response	AVERAGE burden cost
CSBG Annual Report	52 grantees	\$37,055 - \$130,221	\$83,638	\$4,349,167.33
	1,009 sub-grantees	\$4,125 - \$16,349	\$10,237	\$10,328,964.83

Estimated Range of Annual Costs to Respondents and Record Keepers by Year

Year	ESTIMATED RANGE of burden costs per grantee	ESTIMATED RANGE of burden costs per sub-grantee
Year 1	\$42,510 - \$149,393	\$4,732 - \$18,756
Year 2	\$36,134 - \$126,984	\$4,022 - \$15,943
Year 3	\$32,520 - \$114,286	\$3,620 - \$14,348
*AVERAGE RANGE	\$37,055 - \$130,221	\$4,125 - \$16,349

14. Annualized Cost to the Federal Government

Federal Government Staff tasks associated with the collection of these data include:

1. **OLDC Form Development** – Developing specifications for the OLDC data collection forms. This is a one-time cost at the time of any revision.
2. **Grantee Communications and Training** – Notifying grantees of the reporting requirements, providing training through conference calls, webinars, and in-person, and conducting follow-up with grantees.

3. **Report Review and Analysis** – Reviewing submitted reports and working with grantees to assure complete, accurate and accountable information consistent with OCS guidance.

OCS will utilize a contractual interagency agreement for the development of web-based forms, architectural system design and development, and technical support. A cooperative agreement was used for form development and will be utilized for ongoing updates, training and technical assistance, as well as analysis of Annual Report data.

The table below furnishes information on the estimated federal staff hours and costs associated with each task:

TASK	Number of Hours	Rate	Total Cost
OLDC Form Development	360	\$66/hour	\$23,760
Grantee Communications and Training	320	\$66/hour	\$21,120
Report Review and Analysis	550	\$66/hour	\$36,300
Subtotal:			\$81,180

The table below furnishes information on the estimated federal contractor costs associated with each task:

TASK	Total Cost
CSBG Data Portal Development IAG	\$259,990
CSBG Data Cooperative Agreement	\$900,000
Subtotal:	\$1,159,990

Total federal government costs are \$1,241,170 over the three year period, or \$413,723 annually.

15. Explanation for Program Changes or Adjustments

There are minor changes to the information collection since the last OMB approval that will allow the continuous improvement of the data collected. These updates are detailed in section A1. Burden estimates have changed due to a change in the number of sub-grantees and an update to the estimated time to complete (as described in A12).

16. Plans for Tabulation and Publication and Project Time Schedule

As described under item A1, OCS will use the information from the Annual Report for a required annual report to Congress and is exploring options for making Annual Report information publically available online through a performance management website. OCS is currently within the ACF Authority to Operate (ATO) process, and expects to receive the ATO in 2020. During this time, OCS has provided updates to the CSBG Network on the status of the performance management website. Information from Module 1 will be shared

with OCS technical assistance providers for planning and prioritization of training and technical assistance.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

OCS will clearly display the OMB approval number, expiration date, and other required information on this information collection.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions necessary for this information collection.