

Why GAO Did This Study

CSBG is one of the key federal programs focused on reducing poverty in the United States. In fiscal year 2019, CSBG provided about \$700 million in block grants to states. In turn, states provided grants to more than 1,000 local agencies, which used the funding to provide housing and other services to program participants. HHS is responsible for overseeing states' use of this funding, and states have oversight responsibility for local agencies. GAO was asked to review CSBG program management.

This report examines (1) how HHS and selected states conduct their oversight responsibilities and (2) how HHS assesses the effectiveness of the CSBG program. GAO reviewed files for six of the 12 states where HHS conducted onsite compliance evaluations during fiscal years 2016 and 2017, and six states where HHS conducted routine monitoring—five of which were randomly selected. GAO visited three states, selected based on their CSBG funding amount and other factors, to conduct in-depth reviews of their monitoring activities. GAO also reviewed agency documents and interviewed HHS and selected state and local officials.

What GAO Recommends

GAO is recommending that HHS's new performance management approach include information on how its performance measure and state outcome measures align with program goals and how it will assess data reliability. HHS agreed with GAO's recommendation.

COMMUNITY SERVICES BLOCK GRANT

Better Alignment of Outcome Measures with Program Goals Could Help Assess National Effectiveness

What GAO Found

The Department of Health and Human Services (HHS) and the selected states GAO reviewed provided oversight of the Community Services Block Grant (CSBG) program through onsite visits and other oversight activities to assess grant recipients' use of funds against program requirements. Specifically, GAO found:

- **HHS and the selected states conducted required oversight activities.** The Community Services Block Grant Act requires HHS to conduct compliance evaluations for several states each year and requires states to conduct onsite visits to local CSBG recipients at least once every 3 years to evaluate whether recipients met various goals.
 - During fiscal years 2016 and 2017, HHS conducted onsite compliance evaluations for 12 states that it deemed most at risk of not meeting CSBG requirements.
 - GAO's visits to three states found that all three had conducted onsite visits to local grantees during the same fiscal years.
- **HHS and the selected states also conducted additional oversight activities.** This included routine reviews and quarterly calls.

HHS and state monitoring activities primarily identified administrative errors, instances of non-compliance and other issues, which grant recipients took steps to address. For example, a HHS fiscal year 2017 compliance evaluation found that in fiscal year 2015 one state neither implemented procedures to monitor and track findings from a state audit, nor monitored eligible entities as required.

HHS uses state outcome data to report on CSBG's national effectiveness, but these data are not aligned with the national program goals to reduce poverty, promote self-sufficiency, and revitalize low-income communities. HHS recently redesigned its' performance management approach to improve its ability to assess whether the CSBG program is meeting these three goals, but several elements of the approach do not align with leading practices in federal performance management. GAO found that HHS's redesigned approach does not demonstrate:

- How the agency's newly developed national performance measure—intended to provide a count of the number of individuals who achieved at least one positive outcome through CSBG funds—will assess the program in meeting national program goals.
- How the state outcome data, consisting of more than 100 state and local program measures, relate to CSBG's three national goals.
- How data collected from state and local agencies will be assessed for accuracy and reliability.

Without aligning its redesigned performance management approach with leading practices, OCS cannot properly assess its' progress in meeting CSBG's three national goals.