GREEN THUMB INC.
NATIONAL FARMERS UNION

CAP

Job Corps

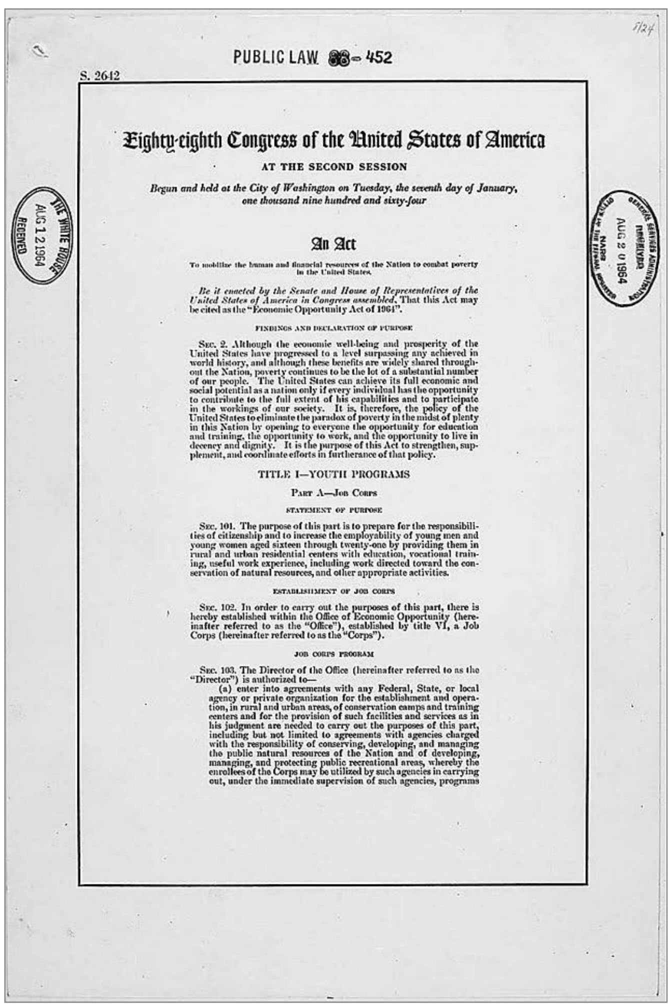
A HISTORY OF COMMUNITY ACTION

LEGAL SERVICES

VISTA

NEIGHBORHHOOD YOUTH CORPS

A HISTORY OF COMMUNITY ACTION



PUBLIC LAW 88-452

S. 2642

Eighty-eighth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Tuesday, the seventh day of January, one thousand nine hundred and sixty-four

An Act

To mobilize the human and financial resources of the Nation to combat poverty in the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act of 1964".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

TITLE I—YOUTH PROGRAMS

PART A—JOB CORPS

STATEMENT OF PURPOSE

SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

ESTABLISHMENT OF JOB CORPS

SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the "Office"), established by title VI, a Job Corps (hereinafter referred to as the "Corps").

JOB CORPS PROGRAM

SEC. 103. The Director of the Office (hereinafter referred to as the "Director") is authorized to—

(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs

BACKGROUND

There are several elements of American culture or history that caused the conditions that created the need for community action to be born and enabled it to thrive. On the frontier, people sometimes people really were "on their own." The myth of the "rugged individual" braving the elements was born. Assistance came from family and neighbors who helped with "barn-raisings", harvesting crops and baling hay. From the days of the early settlers, the spirit of mutual assistance has been an element of American society. The church and other voluntary associations became important social systems through which mutual assistance was organized.

In the 1890s, settlement houses were invented. This was a physical facility other than a church that served as a center of activity for human development and community organizing for social justice. Hull House in Chicago became the national model. Most settlement houses were for new European immigrants and provided language instruction, job training, social services and advocacy. These were staffed by women who "settled" or lived in their affected community and who helped European immigrants "settle" into life in America. By 1920, there were about 400 settlement houses.

In the early 1900s, colleges began to offer formal training in the principles and methods of a new profession of helping which was called "social work." In 1912, the women of Hull House persuaded the Illinois legislature to approve a new program of financial aid that gave small sums of public money each month to women, mostly widows of men killed in industrial accidents. These funds could only go to the "deserving poor" as determined by a committee of women from Hull House in Chicago, or by new committees organized in other communities.

The great depression of the 1930s overwhelmed the nation. The nation's families, churches, voluntary agencies, and state-funded social welfare programs were unable to cope with the magnitude of the economic and social problems. Up to this point the widely held social value reflected in most laws had been that the Federal government should not interfere with the economy. The Depression coupled with the "Dust Bowl" caused by bad farming practices caused a shift in social values and the public called for an expanded Federal role. The Federal government stepped in with a "New Deal" to provide retirement income through a new social insurance program called Social Security. Initially, it did not include domestic workers or farm workers – and about 2/3 of Black Americans worked in one of those two sectors. The "New Deal" also created the Unemployment Insurance System and many new banking and labor laws to manage the economy, regulate industry and protect workers. The Aid to Dependent Children program was created as part of the Social Security Act. ADC was modeled on programs that existed in 17 states, especially the Illinois model. ADC provided "temporary public assistance". Social workers were hired to determine who -- in keeping with the local social values – "deserved" assistance, to advise recipients about how to use the money, and help the mothers of those children to obtain the services and make the transitions necessary to get their lives back together (which in the 1930s usually meant to move back in with her family or to get married again).

Another interesting development took place in Chicago in the 1930s. The sociologists at the University of Chicago developed approaches to help youth attach to the mainstream society and to the world of work and to reduce delinquency. The sociologists got employers, church leaders, social agencies, elected officials and youth themselves into a process they called "a program of community action." A graduate student named Saul Alinsky worked in this program but decided it did not address what he saw as the real problem -- which was the lack of political power among youth and low-income people. He organized the Industrial Areas Foundation and started the decades-long debate about the effectiveness and drawbacks of providing social and educational services versus organizing for political power.

From the 1930s to the late 1950s, state and local governments had much of the responsibility for administering most of the programs created during the depression. Welfare offices in many places operated only a few hours per week, and were in locations difficult to reach.

After World War II the G.I. Bill and mortgage insurance programs provided money for college for veterans and propelled millions of people into the middle class. Blacks were barred from many schools and neighborhoods. The invention of television helped the public became more aware of the problems of the aged, the effects of segregation, of poor education, of health problems caused by malnutrition and hunger, of the need for people to be educated in order to get good jobs, and of the other difficulties experienced by minorities and the low-income population.

The U.S. Supreme Court decision in 1954 ruled in Brown vs. Board of Education that separate schools for blacks and whites in Topeka, Kansas did not provide an equal education, i.e., that "separate was not equal." This was a 180 degree reversal of the 1896 "Dred Scott Decision" in which the court had said that separate was equal. (How many other things should we be doing exactly the opposite of the way we do them now. i.e. stop putting nonviolent offenders in prison, stop letting kids drop out of high school, stop treating drug use as a crime instead of a health problem, etc..)

"Brown" was a dramatic expansion of Federal authority into what had previously been the domain of state's rights and local determination. In 1957, President Dwight Eisenhower sent troops to Little Rock, Arkansas to enforce the decision. To the surprise of many, the Federal government was in fact going to enforce the Supreme Court's decision. The decision led to an expansion of awareness of the discrimination that existed in other areas of publicly financed activity such as bus and train transportation, employment on government-funded projects, and in use of licensed public accommodations, including lunch counters, restaurants, and hotels. Citizens began to organize to seek equal rights in those areas, and the Civil Rights Movement (which has existed since before the nation was formed, e.g. the abolitionists) began to gain new support from the general public.

By the early 1960s, the economy was booming. A majority of the American public believed that everyone could enjoy "the good life", and that society as a whole had a responsibility for helping people (a) overcome barriers that prevented them from sharing in the fruits of American society and (b) to develop the capacities to realize the American Dream.

THE CREATION YEARS: 1961 – 1964

In 1961, President John F. Kennedy's "New Frontier" included new programs to prevent juvenile delinquency. The focal point was the President's Council on Juvenile Delinquency, which was chaired by U.S. Attorney General Robert Kennedy. In New York City, the President's Council funded Mobilization for Youth (MfY) as did the Ford Foundation and the City of New York. MfY organized and coordinated neighborhood councils composed of local officials, service providers, and neighbors to develop plans to correct conditions that led to juvenile delinquency. It also enlisted the aid of the school board and city council members to implement those plans.

The Ford Foundation was also funding other "gray areas projects," including one in New Haven, Connecticut, that recruited people from all sectors of the community to come together to plan and implement programs to help low-income people. The core idea in the New Haven project was the concept of the whole community working together. This idea came from the "program of community action" that had been developed by the "Chicago School" of sociologists in the 1930s. (After passage of the Economic Opportunity Act of 1964, MFY and the New Haven "gray areas project" were often cited as the "models" for the community action agency.)

Michael Harrington's book "The Other America" caused a stir at the White House. JFK had staff exploring three major types of strategies to improve the plight of the poor, including growing the economy as a whole, training people for the new jobs being created, or engaging in more specific community-based strategies.

After the assassination of President Kennedy in November 1963, President Lyndon Baines Johnson expanded the policy ideas initiated during the Kennedy administration. In his State of the Union message to Congress in January, 1964, President Johnson said:

Let us carry forward the plans and programs of John F. Kennedy, not because of our sorrow or sympathy, bus because they are right....This administration today, here and now, declares an unconditional War on Poverty in America.... Our joint federal-local effort must pursue poverty, pursue it wherever it exists. In city slums, in small towns, in sharecroppers' shacks, or in migrant worker camps, on Indian reservations, among whites as well as Negroes, among the young as well as the aged, in the boom towns and in the depressed areas.

The "War on Poverty" was born. In February. LBJ asked R. Sargent Shriver -- President Kennedy's brother in-law and head of the Peace Corps -- to head a task force to draft legislation. In August, the Economic Opportunity Act of 1964 (EOA) was passed. It created a federal Office of Economic Opportunity (OEO) in the Executive Office of the President. "Sarge" Shriver was named Director, and served until 1969. Many of the people who staffed the task force went to work at OEO.

Congress also passed the Civil Rights Act of 1964, which sought to eliminate discrimination in employment, public accommodations, transportation and other areas of life. The Economic Opportunity Act, designed to help implement that guarantee in the economic sector, stated in part: "It is therefore the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this nation by opening, to everyone, the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity." The EOA included new education, employment and training, and work-experience programs such as the Job Corps, the Neighborhood Youth Corps, and Volunteers in Service to America (VISTA, the "domestic Peace Corps"). And it empowered OEO and CAAs to seek changes in public policies that were discriminatory in their implementation.

THE FORMATIVE YEARS: 1964 – 1967

The federal OEO was created to lead the War on Poverty and to coordinate related programs of all other federal agencies. Community Action Agencies (CAAs) were created at the local level to fight the War on Poverty "at home." Initially, there were no statutory requirements as to their structure, so some CAAs were blue-ribbon panels created by the mayor, others were grass-roots organizations composed entirely of poor people, and others were started by groups of neighbors who met in the local church basement and started an unincorporated association. CAAs varied from grass-roots, community-controlled groups to those with experienced board members and a highly professional staff. In 1966, OEO required the associations to incorporate as private nonprofit organizations. And, especially in the South and in urban areas, many of the staff and board members of CAAs were also active in the local civil rights movement. The concepts of civil rights and the people from the civil rights movement were at the core of the thinking and operations of CAAs in the formative years. It is hard to overstate the synergy and energy present in civil rights organizations and CAAs. Working at OEO or in a CAA was not a j-o-b, it was a calling. It was a way of life.

The state and local governments were seen as not being very effective in eliminating poverty or discrimination. Many were seen as being part of the problem. This paper described earlier how the determination of "deserving poor" resulted in discriminatory patterns in ADC. The ratio of the registration of college students in the state universities in the South was even more striking -- thousands of white females and 0 (that's zero) black females. According to the local customs, the black females did not deserve either benefits from government programs or the opportunity for a higher education. Community action supported the social movements that were trying to change this racist reality. The EOA and the OEO bypassed the state and local governments and directly funded the community groups that were seeking social change. This direct funding was a key element of the community action concept. LBJ staffers like Bill Moyers, Joseph Califano and Budget Director George Schultz exchanged memos acknowledging the need for this to happen, but worrying about the political fallout.

Federal funds were provided through the OEO but the local CAAs determined the use of a substantial portion of the funds to meet the problems of low-income people as they defined them. These were called "local initiative funds" and were used for a wide variety of purposes, from helping people find work to providing basic education to improving housing to creating local community organizations and to supporting social action. One provision of the EOA called for the poor to have "maximum feasible participation" in identifying problems and in developing solutions -- and in obtaining jobs within the program. Across the nation, CAAs opened neighborhood centers in storefronts, housing projects, and other buildings in low-income areas to identify people who needed help and to determine eligibility, and to help the community organize to take action on its concerns. CAAs would take groups of people eligible for AFDC

and go sit in or picket outside the local welfare offices until they were served. Urban Renewal (black removal) programs were stopped cold in several cities.

CAAs worked to change public policy from those where aid or opportunities were given only to the "deserving poor" to a public policy where aid and opportunities were open to all who were eligible for it – regardless of race or other factors. Using the strategies of direct action, community organization and legal action, the CAAs challenged the structures of segregation head on – and won on virtually every front. The Legal Services lawyers won cases at the Supreme Court that eliminated the concept of "deserving poor" and established that if a person was eligible for a benefit they were entitled to it. Further, that entitlement constituted a property right, and state and local governments could not deprive them of it without good cause and a hearing. And, State and local government were obligated to implement Federal programs – they could not refuse to do so. Welfare offices were forced into opening during regular business hours, and in more than one location. Under prodding from CAAs, in 1967 Congress separated the functions of income maintenance from social services. Clerks were hired to determine eligibility, and tens of thousands of white social workers were then supposed to provide real social services without using the cudgel of threatening to terminate cash benefits. In most places, instead of providing social services to welfare recipients the social workers were moved into child and adult protective services and foster care. CAAs began to fill the services void created by the departure of the social workers.

The EOA also provided for the creation of economic opportunity offices at the state level to involve governors in the War on Poverty. While governors were not authorized to give prior approval on OEO grants, they did have the authority to veto any grant for any reason. Many, especially those in the South, exercised this statutory authority – usually over Legal Services program grants -- only to be checked by another provision of the EOA which provided for veto override by the Director of OEO. Among the thousands of grants each year there were only a handful of gubernatorial vetoes, and Shriver overrode almost all of them.

A new group of community leaders developed out of these neighborhood organizations, voicing the concerns of the poor and insisting on change. The philosophy, the values, the strength, and the personal commitments of community action were formed during this period.

It was also during this phase that the OEO hired 3,000 federal employees to manage and monitor all the new programs. Most of these people came from the CAAs, civil rights groups, universities, church leadership, labor unions, and other activist organizations.

The community action program (CAP) grew rapidly and invested substantial amounts of new federal funds into communities. There were many opinions about how to use the funds. Should CAAs be helping poor people organize to increase their political power? Or should the CAAs be helping people acquire the education and skills to get jobs in the burgeoning economy? Or, both? Should CAAs focus on adults who needed a few weeks of training in order to get a job? Or, focus on youth who needed work experience and training? Or, on children to help them become ready for school? The debates about where CAAs should invest energy and resources to produce the best results were intense, and continue to this day.

A confusing aspect of nomenclature is that CAAs are often called "CAPs" because they were formed under the Community Action Program division of OEO to administer funds for local Community Action Programs -- so the agency itself was also called a community action program.

THE RESTRUCTURING PHASE: 1967 – 1968

Some local elected officials especially in the big cities became concerned over the control of the CAA boards. Unhappy with the new power blocks outside their own political organizations, a few big-city mayors communicated their concerns to Vice President Hubert Humphrey (former Mayor of Minneapolis and President of the US Conference of Mayors) and to President Johnson and to Congress. As a result, Congress began to earmark new funds into congressionally defined National Emphasis Programs like Head Start and the Job Corps that restricted the ability of the CAAs to use the funds for other purposes. Congress also began to place restrictions on use of Federal funds for voter registration. President Johnson's initial enthusiasm for OEO and the War on Poverty began to decline, and his attention turned to the Vietnam War.

In late 1967, Congress passed the Green Amendment (Edith Green, D-OR) which required that a CAA must be designated by local elected officials as the official CAA for that area. After designation, OEO then recognized the CAA and provided funds. After months of negotiations, over 95 percent of the existing CAAs were designated and recognized. Interestingly enough, most of the existing CAAs in the Deep South were continued by the local officials. Most of the designation of an agency other than the existing CAA took place in big cities where Mayors felt a shift in political power taking place and designated themselves or a public agency. In California, where the California Rural Legal Assistance program had successfully sued Governor Reagan and his aide Ed Meese, the governor urged counties to designate themselves, and as a result about ½ of the CAAs in California are public agencies. Today, they are referred to as "Green" CAPs.

Congress also passed the Quie Amendment, which required that CAA boards of directors be composed of one-third elected officials, at least once-third low-income representatives selected by a democratic process, and the balance from the private sector.

By 1967, there were almost 1,800 CAAs covering about 2,200 of the nation's 3,300 counties. Most big cities had several CAAs. The OEO initiated a policy that required most single-county CAAs to join together into multi-county units, and that required that there be only one CAA in a large City or county.

By late 1968, about 1,000 CAAs had been designated under the Green Amendment and recognized by OEO, reorganized to meet the Quie Amendment criteria, and consolidated according to OEO policy. Virtually all of these CAAs are still in existence today. This process of local designation and Federal recognition created a unique set of local entities with a broadly defined mission and a Federal mandate to eliminate the causes of poverty and ameliorate the conditions of poverty. The commitment to these unique entities and this broad Federal mandate manifests itself in an effort to preserve these structures and that mandate. For example, when one of these entities has administrative problems a large number of people will rally to help it solve the problems rather than to have it go out of existence and have its unique Federal mandate disappear and its programs dispersed among other agencies.

Although the increase in the influence of local elected officials was a controversial issue for the leaders of poverty groups that had been operating independently or at a more grass-roots level, the Green and Quie amendments ultimately have had a positive effect on most CAAs. The formal connection of the political, economic, and community power structures proved to be a strength. In many places, the CAA board became the arena for local officials, the business sector, and low-income people to have a dialogue and to reach agreement on the policies, self-help activities, and programs to help their community.

CAAs also managed massive nationwide outreach programs, funded by the Federal government, to make people aware of and help them sign up for the new Food Stamp and Medicaid programs.

THE TRANSITION YEARS: 1969 – 1974

By 1969, many successful programs had been initiated by CAAs, including Head Start, community health centers, Legal Services, VISTA, Foster Grandparents, economic development, neighborhood centers, summer youth programs, adult basic education, senior centers, congregate meal preparation, and many other strategies and programs that dealt with specific local conditions.

The concept of using OEO and CAAs as "innovators and the testing ground" for new programs and then spinning off successful programs to be administered by other federal agencies had around since OEO was formed. In President Richard Nixon's first administration (1968—1972), he transferred programs from OEO to the Department of Health, Education, and Welfare (Head Start) and the Department of Labor (Job Corps, Neighborhood Youth Corps). Legal Services, Adult Basic Education and Title III Senior Food Programs obtained their own legislation and also spun off from OEO. The OEO staff who worked on each program, the money and the administrative oversight for a substantial part of CAA funding went along with these transfers to the new agencies.

During the first Nixon Administration, one of the OEO Directors was Donald Rumsfeld. Governor Reagan once again vetoed the legal services grant to the California Rural Legal Assistance program. As Sarge Shriver had done, Director Rumsfeld overrode that veto. (CRLA still provides legal services). Director Rumsfeld also signed an OEO Instruction 6320-1 describing the mission of the CAA that is still in use today by many states and CAAs. (Google it!) The first Nixon Administration also proposed the excellent Family Assistance Plan, which was developed by then Assistant Secretary of HEW Daniel Patrick Moynihan. Unfortunately it did not pass Congress. CAAs opposed it mostly because it did not include a uniform national benefit payment to lift up the dismal payment amounts of some states. In retrospect, this was a big mistake because a plan as good as the FAP did not reappear until 1995 -- and President Bill Clinton shot that plan down and stuck us with TANF that continues the perpetual fantasy that women on public assistance are going to get good jobs in the private sector. President Nixon also supported and signed legislation that provided a significant increase in social security benefits for seniors; the senior poverty rate dropped from about 34% to 12% overnight.

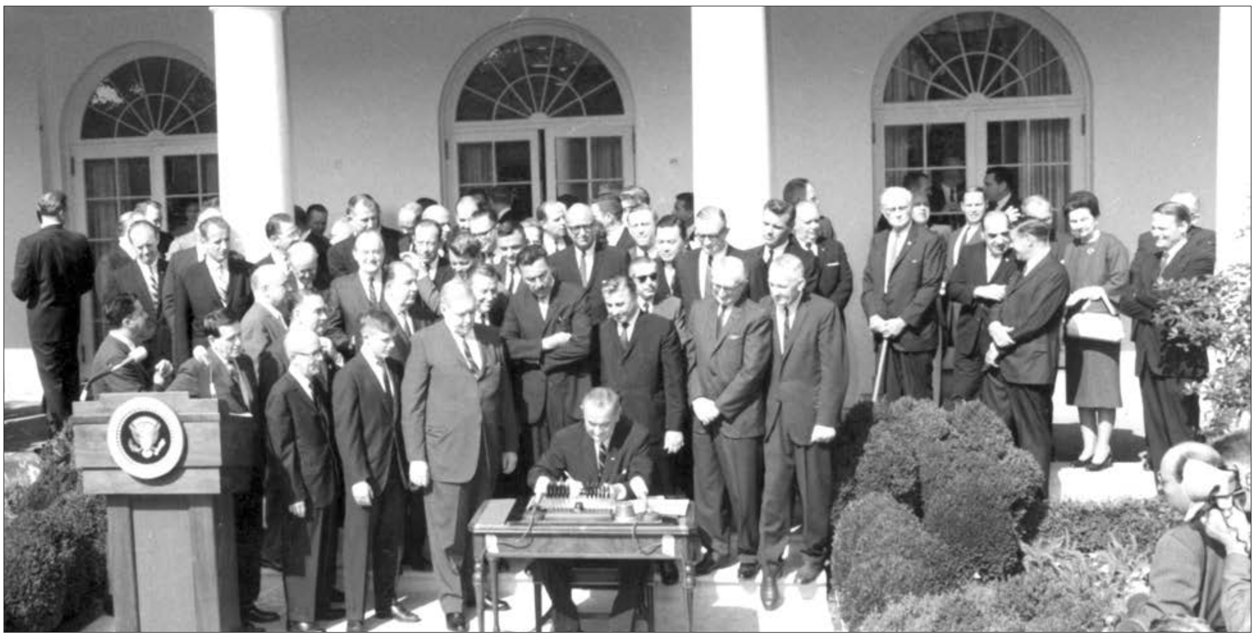
By the start of their second term in 1973, the Nixon Administration had changed its mind about a wide range of social policies and programs. Remember that President's Nixon's opponents in the 1972 race were George McGovern and his Vice Presidential running mate Sargent Shriver. In 1973, President Nixon did not request any funds for OEO's Community Action Program division. Congress nevertheless provided funds. Nixon appointed Howard Phillips as Director of OEO and told him to dismantle and close the agency and to not spend the money Congress provided -- to "impound" it. Acting Director Phillips sent notices to the OEO Regional Offices and the CAAs to cease operations and to close their offices.

The Nixon Administration used the financial scandals at a few big city CAAs and continuing concerns of a few mayors as part of their justification. There was talk within the CAA network about (a) getting off the front pages of local papers by reducing advocacy work and confrontations with Mayors, and (b) splitting the network into two pieces – urban and rural. The legislative committee of the national association of CAAs was chaired by Charles Braithwaite a CAA Director in rural Missouri and Bob Coard from the Boston CAA. They led the effort against splitting. They also led the effort to collect funds to hire lawyers – to sue the Nixon Administration. The Federal District Court in Washington, D.C., ruled that the President (a) could not refuse to spend funds that had been appropriated by Congress, and (b) that Acting Director Phillips did not have the authority to take the actions that he had taken. Phillips resigned without having ever been confirmed by the Senate. In response to President Nixon's concerns about managing Federal spending, the Congress created the "Anti Impoundment and Budget Reconciliation Act of 1974." In 1981, it was used to repeal the EOA of 1964 and to eliminate the CSA. We will return to this later.

THE PROGRAM MANAGEMENT YEARS: 1974 – 1981

Under President Gerald Ford, in 1974, the Community Services Amendments were passed. The OEO was renamed and the "new" Community Services Administration (CSA) was born. The OEO employees became CSA employees and continued to administer the programs. Community action had found a new home in the federal government, and apparently, a new supporter in President Ford. (Former President Ford was on the advisory committee for the Friends of VISTA for many years.)

Due to a half-dozen well publicized scandals of fiscal mismanagement, the emphasis was on improving fiscal administration and program management. "Good management" was the mantra for all federally-funded programs. Each time an anti-poverty agency had a management problem the people who had never liked the idea of federal funding for antipoverty programs anyhow would raise a cry to eliminate the entire program. And the simple "solution" was to turn a private nonprofit CAA into a public agency, which almost always resulted in a reduction in innovation and advocacy.



The federal statute for CSA had a set of very general "standards of excellence" and each CAA was supposed to describe how it was achieving them. In the late 1970s, under prodding from Congress, President Jimmy Carter initiated a large-scale effort to strengthen the planning and management systems of both CSA and the CAAs. The "Grantee Program Management System" required all CAAs to create strategic plans and to specify the outcomes and impacts of their efforts. By 1981, it had been largely implemented in Regions 1-8 (but not in 9 and 10). More than 8,000 people had been trained in the new system.

From 1974 to 1981, CSA continued to fund CAAs. CAAs continued to help communities and neighborhoods to initiate self-help projects such as gardening, solar greenhouses, and housing rehabilitation. They also helped create senior centers and congregate meal sites. Home weatherization and energy crisis transfer-payment programs were invented by CSA and the CAAs and turned into large-scale programs. However, most of the growth in federal spending for anti-poverty purposes flowed directly to individuals, through transfer payment programs like Food Stamps and Medicaid.

THE EARLY BLOCK GRANT YEARS: 1981 – 1993

President Ronald Reagan's administration wanted to substantially reduce the federal government's support for domestic social programs. Budget Director Stockman wanted to reduce the amount of federal money being invested in program development and innovation which he saw as just generating more demand for federal money. President Reagan proposed consolidating most federally funded human needs programs into several large, general purpose block grants, and to reduce the total amount of funding by 25 percent, and to delegate the responsibility for administering these block grants to the states. The Reagan proposals were largely approved by the Congress. Congress created eight new block grants consolidating more than 200 federal programs, reduced their funding, and turned administrative authority over to the states.

Formation occurred in April, 1965. Instead of a tri-county agency, the North East Community Action Corporation (NECAC) now covers 12 counties in North East Missouri and is 1 of 19 Community Action Agencies located in the State. Central office remains located in Bowling Green, MO.
Photograph submitted by: Janice Robinson, NECAC Deputy Director for Community Services

Opportunity Act group formed

From the Feb. 24, 1965 edition of the Bowling Green Times: Members of a Pike County committee which will study the feasibility of forming tri-county Economic Opportunity Act agency are shown an outline of the federal program by Dr. Ralph Dobbs (next to right, front row) at a meeting Tuesday. Left to right are: Front row, John Croll, area community development agent; Mrs. Annice Wells, Dr. Dobbs and Jack Scott. Back row, Frank Ward, Carl Pierce, James "Mac" Marshall and Murry Smith.

The court victory by CAAs in 1973 had resulted on Congress creating new "budget reconciliation" tools in the "Anti-Impoundment and Budget Reconciliation Act of 1974". "Budget reconciliation" is a budget-planning process that is supposed to balance total federal revenues with total expenditures. Reconciliation precedes the normal appropriations hearings and is outside of the normal reauthorization process where major changes in statutes normally take place. In one of life's ironies, President Reagan used the reconciliation tools to repeal the EOA, close CSA, cut the budget by 25% and to turn administration over to the states. The reconciliation tools were used to dramatically reduce the Federal commitment to eliminating poverty.

However, although President Reagan had proposed the elimination of federal funding for CAAs then and continued his "zero-budget" request throughout his term, Congress did not agree then, or since then. (For most of its 50-year life, support for community action has come primarily from communities and local elected officials including Congress rather than from the White House.) In September 1981, Congress provided that all CAAs designated and recognized by CSA were eligible to be funded under the 90 percent pass-through requirement of the Community Services Block Grant (CSBG). The CSBG provided for the continued funding of the "eligible entities," i.e., the CAAs, migrant programs, and certain other organizations that had been financed through local initiative funds by CSA.

However, Congress did repeal the EOA and in so doing eliminated the procedures and regulations for

Federal recognition of new CAAs. This was turned over to states. Furthermore, on September 30, 1981, the CSA was abolished. Rather that following the usually policy of allowing Federal employees to transfer into other programs when their program was cut or eliminated, the CSA staff (about 1,000 of them) were fired. A new Office of Community Services was created with about 30 staff to oversee phase-out of CSA activities (loan funds, etc.) and to pass the CSBG funds through to the state governments.

In 1981, at the start of this transition to state administration, many of the civil rights-era activists in CAAs were worried that the states in the Deep South might slip back into the old patterns where only whites received benefits or got hired to manage public programs. Fortunately this did not happen, and -- in an interesting turn of history – almost all of the "Deep South" states were and still are among the most committed to the concepts of community action and to CAAs as organizations. Four states, all "Rocky Mountain" states, obtained Congressional approval to evolve to a different form of administering CSBG funds.

States generally incorporated the CSBG into their existing approach for public administration. States like Missouri and Florida had most social services provided by state employees at the county level. It took them a while to figure out how to relate to CAAs, but eventually they did. States like Iowa and New York were used to contracting directly with nonprofits, so it was a smooth transition.

About a third of states explicitly maintained a commitment to the principles of the Economic Opportunity Act, created a high-profile state office and left the planning and management systems in place at the CAA level. About a third of states buried the new state CSBG office deep in the innards of state government, but left the local determination features of CAA operations in place.

And about a third of states tried to synthesize the CSBG into some other state operation, usually the Social Services Block Grant or an employment and training agency. Some of these states tried to shift CSBG uses at the local level to provide a specific type of direct service or to match other state desires, but over time CAAs and their state and national associations have created policies or statutes at the state level that enabled them to retain a great deal of local flexibility over use of CSBG funds.

On October 1, 1981 there were 932 CAAs and other eligible entities (a few Native American tribes and migrant organizations). CSA also funded 860 limited purpose agencies. These included every advocacy organization, think tank and university who had an interest in poverty or who developed new programs to reduce poverty. Budget Director David Stockman was largely successful in reducing the amount of money going for R&D in every Federal agency. The reduction in Federal investment in program development and evaluation and the elimination of an agency like CSA to coordinate R&D continues to hamper us to this day.

In the 1980s, CAAs expanded their role in energy-related programs like Weatherization and LIHEAP, and began to explore new strategies seen as appropriate for the economic and social values of the time, such as family-development programs, micro-business programs, youth programs, home-ownership programs, and programs for minority males. CAAs also expanded their role in housing renovation and housing development. The rights based strategies of the 1960s and 1970s had largely succeeded or had run out of steam. Civil rights issues moved from the streets to the lawyers and courtrooms. An effort to establish housing as a right did not succeed. The rights of people with disabilities were expanded. Health care as a right was discussed, but not established until the recent passage of the Affordable Care Act.

In the 1980s, the public began to lose faith that government programs were producing sufficient results. This was not just human development programs in nonprofit agencies, it was all programs and all forms of government, Federal state and local. "Waste, fraud and abuse" became the catch-phrase of President Reagan's era. In the early 1990s the Congress reacted to the public concerns and to their own hearings and made numerous amendments to the Chief Financial Officers Act requiring Federal agencies to do a better job of reporting on costs and results.

In 1993, Congress passed the Government Performance and Results Act (GPRA). This required all Federal agencies to: produce strategic plans with long-term goals and performance goals; and to identify results and outcome measures for their strategies; and ultimately to submit their budget requests to Congress based on the projected results they will produce. This has proved to be a major challenge for programs in all Federal agencies that had human development or block grant programs. As has been the case since the 1930s, any requirements a Federal agency itself must meet eventually are imposed on the entities that receive Federal money from it, including state and local governments and nonprofit agencies. This "trickle down" bureaucracy is present in all Federal programs.

To implement the intent of GPRA among states and CAAs, the HHS Office of Community Services and the national associations representing states and CAAs created a process to develop goals and outcome measures. This was a three year process that involved about 100 people, and it operated on a consensus basis. The system they produced is called the Results Oriented Management and Accountability system, or ROMA. It created six national goals with about 75 suggested outcome measures (10 or 12 for each goal) for states and CAAs to use. The design standard used to create the 6 goals was that the goal framework should (a) cover the very broad range of strategies contemplated by the CSBG statute and used by CAAs nationwide, and (b) be able to describe at least 90% of what CAAs are doing. Recognizing that the processes of invention and innovation at the local level will always be creating strategies and results that are not-yet-incorporated into the formal reporting system, ROMA allowed States and CAAs to add "local measures" to describe other new results that they were achieving.

ROMA'S ORIGINAL SIX NATIONAL GOALS:

1. Low-Income People Become More Self-Sufficient
2. The Conditions in which Low- Income People Live Are Improved
3. Low-Income People Own a Stake in Their Community
4. Partnerships Among Supporters and Providers of Services to Low-Income People Are Achieved
5. Agencies Increase Their Capacity to Achieve Results
6. Low-Income People, Especially Vulnerable Populations, Achieve Their Potential by Strengthening Family and Other Supportive Systems

It was hailed as a model system by the Federal Office of Management and Budget (OMB). Created as a voluntary system, ROMA has followed the typical "trickle down" evolutionary pathway where things start as a good idea, and morph into to voluntary adoption, to recommended adoption, to best practices, and eventually into law. ROMA is now required of all states and CAAs. In the early 2000s, the OMB began advocating that all Federal programs should have only a few (3-6) outcome measures, and should have a national performance goal for each results measure, and that states and local entities should be held responsible for producing their negotiated amount of that national performance goal. This "WIA-as-the-ideal-template" approach is a challenge to implement in any human development program, and especially difficult in a block grant. This dialogue between OCS, the CAA network and OMB has continued since then. The National Performance Indicators (NPIs) were created as a compromise with OMB to test out whether results produced under a block grant could be converted into use as performance goals.

All Federally funded programs must find ways to convince Congress they are producing the results that Congress wants. The underlying concern about school readiness and school performance started in the early 1990s and comes from a large majority of the members of Congress including both political parties. Beginning in the 1990s, Congress heard disturbing testimony in the hearings on the Elementary and Secondary Act about the low-impact of the program and the inability to prove results. Measures of educational attainment from other programs were also reviewed. Many members of Congress perceived an overall decline in school performance. These were manifested in the Head Start program in the narrow focus on child outcome indicators (adopted in 1996) that seek to measure what each child has learned and to link that to school readiness. This Congressional concern grew into the No Child Left Behind Act of 2001 (amendments to the ESEA Act) in which Congress tried to compel increases in school performance and child progress. For Head Start, the Bush Administration created a National Reporting System which had many problems, and has since been modified.

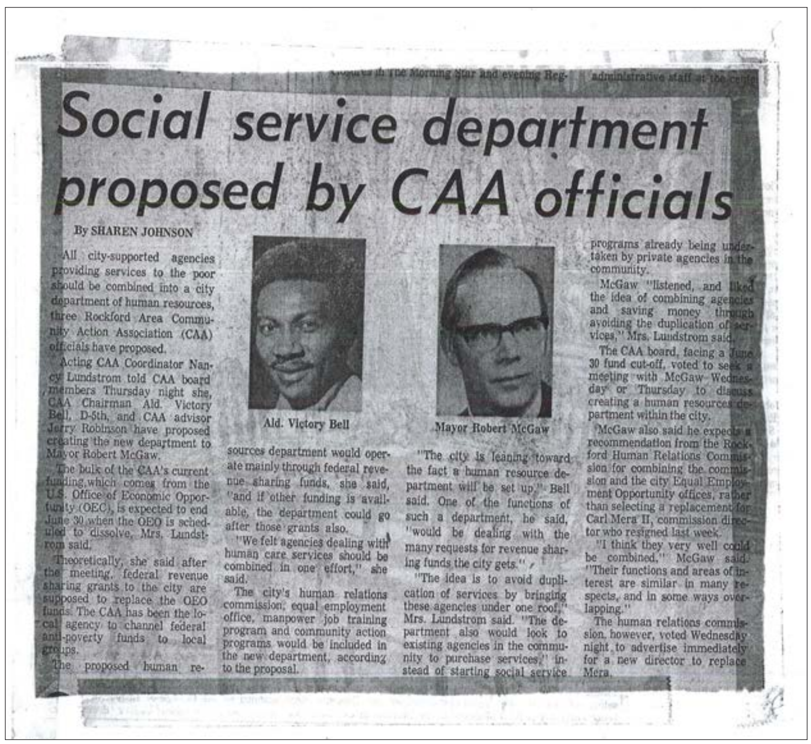
Back to CSBG. Even with reduced core funding that came with the block grant in 1981, CAAs were able to increase their leveraging of additional funds. One survey in 1986 showed that with a CSBG budget of slightly more than $300,000 the average CAA was able to leverage more than $2.9 million, a ratio of $9.50 of other funds for every dollar of CSBG funding. Agencies also recruited an average of eight (part time) volunteers for every paid staff person.

In the 1990s CAAs added numerous asset development programs like financial education, individual development account savings programs, first-time homebuyer and housing counseling programs, and working to reduce payday loans.

By 2002, the CSBG Annual Report which is prepared by the National Association for State Community Services Programs (NASCSP) showed the ratio of dollars leveraged for each CSBG dollar was now $15.52 from all other sources, including Federal money and the value of volunteer hours. About $5 of that $15.52 is from state, local and private money. The number of non-CSBG dollars from all sources administered by CAAs has increased from about $1.9 billion in 1981 to about $9.8 billion in 2002. In 2002, CAAs also received 40 million hours of volunteer services which is the equivalent of about 18,750 full time employees

For 2012, the NASCSP Annual Report stated that "Every dollar invested in CSBG leveraged $22.74 of other federal, state, local, and private funds. That statistic doesn't even include the significant increase in benefits and wages, tax revenue, and avoided costs to other federal safety net services as a result of improved economic opportunity. The statistics outlined in this report demonstrate the strength and value of CSBG as the national anti-poverty strategy that coordinates local, state, and federal efforts to end poverty and secure a promising future for our nation." The report is filled with impressive results. "365,642 families were helped to obtain $539,809 in federal or state tax credits. 15,002 low-income people completed postsecondary education and obtained a certificate or diploma.

The number of CAAs and other entities eligible for CSBG funds has increased since 1981 from about 932 to about 1,045. The number of counties covered by a CAA has increased from 2,300 in 1981 to about 3,200 of the nation's 3,300 counties. Since 1981 more than 500 CAAs have approved the request from one or more neighboring counties to join the CAA.



Social service department proposed by CAA officials

By SHAREN JOHNSON

All city-supported agencies providing services to the poor should be combined into a city department of human resources, three Rockford Area Community Action Association (CAA) officials have proposed.

Acting CAA Coordinator Nancy Lundstrom told CAA board members Thursday night she, CAA Chairman Ald. Victory Bell, D-5th, and CAA advisor Jerry Robinson have proposed creating the new department to Mayor Robert McGaw.

The bulk of the CAA's current funding, which comes from the U.S. Office of Economic Opportunity (OEC), is expected to end June 30 when the OEO is scheduled to dissolve, Mrs. Lundstrom said.

Theoretically, she said after the meeting, federal revenue sharing grants to the city are supposed to replace the OEO funds. The CAA has been the local agency to channel federal anti-poverty funds to local groups.

The proposed human resources department would operate mainly through federal revenue sharing funds, she said, "and if other funding is available, the department could go after those grants also.

"We felt agencies dealing with human care services should be combined in one effort," she said.

The city's human relations commission, equal employment office, manpower job training program and community action programs would be included in the new department, according to the proposal.

Ald. Victory Bell

Mayor Robert McGaw

"The city is leaning toward the fact a human resource department will be set up," Bell said. One of the functions of such a department, he said, "would be dealing with the many requests for revenue sharing funds the city gets."

"The idea is to avoid duplication of services by bringing these agencies under one roof," Mrs. Lundstrom said. "The department also would look to existing agencies in the community to purchase services," instead of starting social service programs already being undertaken by private agencies in the community.

McGaw "listened, and liked the idea of combining agencies and saving money through avoiding the duplication of services," Mrs. Lundstrom said.

The CAA board, facing a June 30 fund cut-off, voted to seek a meeting with McGaw Wednesday or Thursday to discuss creating a human resources department within the city.

McGaw also said he expects a recommendation from the Rockford Human Relations Commission for combining the commission and the city Equal Employment Opportunity offices, rather than selecting a replacement for Carl Mera II, commission director who resigned last week.

"I think they very well could be combined," McGaw said. "Their functions and areas of interest are similar in many respects, and in some ways overlapping."

The human relations commission, however, voted Wednesday night to advertise immediately for a new director to replace Mera.

BEYOND 2014

No paper on the evolution of community action would be complete without a mention of the very different circumstances under which we now find ourselves in contrast to those early decades. Given the nature of the economy and the social movements and legislative actions of the 1960s and 1970s virtually every strategy community action developed and used helped families and reduced poverty. Everything worked. Profits in the booming economy were passed on to workers, and the rising tide did lift all boats. Looking back, we can now see that starting in the 1970s, large employers began allocating a larger percentage of profits for managers and investors and a smaller percentage for workers. By the 1980s the social contract between employers and employees was changing rapidly. Pension plans were reduced, health benefits were cut, and entire industries or job categories had the workers replaced by computers or robots or had the work sent overseas. The rules under which the economy operates no longer ensure that the rising tide will lift all boats. Today, millions of people are unable to get into the boat at all. A strong back and a willingness to work are no longer enough to produce an income. Higher education, middle-class social skills and just plain luck are now essential to finding work. It is a paradox that even as community action has improved it ability to produce and measure results, the opportunities for people with low-income continue to decrease. This author believes that the poverty rate would be more than twice as high if it were not for community action and other human development and safety net programs.

Starting in 2013, the HHS Office of Community Services catalyzed a process to further improve community action. This was partly in response to new amendments to the Government Performance and Results Act (and attendant requirements from the OMB) and partly because every publicly funded program should do a periodic review and update. The National Association for State Community Services Programs, Community Action Partnership, the National Community Action Foundation (NCAF) and CAPLAW had individual assignments to disseminate effective methods for reducing poverty and to develop new methods. These organizations met many times with OCS, and met together under the umbrella of the Urban Institute. Though hundreds of local conversations in a truly bottom up process -- new performance standards for CAAs have been developed by the Partnership. These standards help CAAs produce a high degree of quality in planning, management, governance, financial systems, human resources and in measuring results. New theories of change and new ways of measuring results through "ROMA Next Generation" are also being developed by NASCSP. The CAA system of community based, locally governed organizations focused on reducing poverty and increasing economic opportunity and security is as good a quality or of better quality than any other publicly funded system of human development.

We know that energy conservation is just at the start of what needs to be done to deal with climate change and carbon emissions. There is increasing interest in two-generation approaches and in bundled services. Laura's Law may finally do something to help the small percentage of homeless people for whom other approaches do not work. New approaches are needed for housing. America needs new ways to reward people for working -- from the minimum wage to family friendly policies to expanding the EITC. Every human needs to get up every day and do something that improves themselves, their family, their neighborhood, their community and their country. We need new definitions of what constitutes work to include activities for personal or community betterment. Community action can help develop and test new ways to help people do those things.

CAAs continue to expand the local, state and federal resources to benefit low-income people. The philosophy of eliminating "the paradox of poverty in the midst of plenty" and strengthening economic security and expanding economic opportunity remain key concepts that motivate CAAs today. The commitments are solid, the framework is strong, the purposes are legitimate. The leadership of the community action movement is as smart and is working as harmoniously together as I have ever seen it. Let's re-make this "new normal" of an economy into something that works for everybody.

This was written by Jim Masters, CCAP, of the Center for Community Futures. Jim worked at OEO in the 1960s and for several CAAs since then. He calls this a social history based on personal experience as opposed to a research paper with a lot of footnotes. For those whose ideas (and perhaps even language) he has included here, he thanks you profusely and urges you to continue your good work. This was originally published by NACAA for the 25th and then the 40th Anniversaries of the passage of the EOC of 1964. He updates it here for the 50th Anniversary. Questions or comments? Contact jmasters@cencomfut.com.

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