

For immediate release
February 15, 2011

For more information contact
Elaine West (573) 634-2969 ext. 21
ewest@communityaction.org

Jessica Long (573) 634-2969 ext. 25
jlong@communityaction.org

Core Funding for 19 Local Community Action Agencies at Risk

Today, Community Action Agencies across Missouri are facing the challenge of deciding which offices to close, which staff members to lay off and which services will end due to reduced funding for initiatives that support low income families. The budget proposal submitted to Congress by President Obama plans to cut many domestic programs including Community Services Block Grant funding by 50 percent in 2012, from \$700 million to \$350 million.

Last year, Missouri received \$17,412,276 from the federal Community Services Block Grant program, which allowed local Community Action Agencies to leverage private sector resources of \$23,047,586. Missouri's 19 Community Action Agencies, which have offices in every county and the city of St. Louis, use the funding to help people train for and get jobs, support business expansion, promote education, provide preventive health care and serve low-income senior citizens. More than 288,500 Missourians were served last year, including 122,500 children and 28,970 senior citizens.

"President Obama sent a message during his State of the Union address that a freeze on domestic spending would occur in order to reduce the deficit, and Community Action Agencies stood ready to do their part by reducing their spending and finding ways to help weather the economy with fewer resources," said Elaine West, executive director of the Missouri Association for Community Action (MACA). "However, no one anticipated that Community Action's core funding, the Community Services Block Grant, would be cut in half for next year and even dramatically reduced for the remainder of the current budget year."

The Community Services Block Grant program makes up less than a quarter of 1 percent of discretionary spending, which is only a small part of the federal budget. When fully funded, it represents less money than Congress sent abroad to Sudan or Ethiopia in foreign aid in 2009. Community Services Block Grants, however, were distributed across all 50 states to more than 1,100 communities.

Community Services Block Grant is a dedicated funding stream especially designed for Community Action Agencies. Most of the funds (83 percent) are used for initiatives designed **in** and **for** communities by each Community Action Agency's local tripartite board, which is made up equally of elected officials, community leaders, and low-income residents. The innovative programs Community Action Agencies develop and administer with the Community Services Block Grant are unique to the needs of each community and address a broad range of social issues. The state of Missouri has direct oversight of the projects developed by each agency and monitors them closely to ensure their effectiveness.

Recent initiatives include:

--The Bright Futures initiative in Joplin developed by Economic Security Corporation of Southwest Area to reduce the 20 percent high school dropout rate through a partnership with businesses, elected officials, the faith-based community and educators.

--A community garden in Trenton, organized by the Green Hills Community Action Agency, to feed 500 families and teach skills in growing and preserving food.

--A local resource center in Richland, where Missouri Ozarks Community Action, Inc. provides classes in life skills, GED, job readiness and resume building, as well as a computer lab for online job search and a place for veterans to meet with the local Veterans Administration representative.

"If Congress does not move to protect the Community Services Block Grant, local Community Action Agencies will have to close offices in rural counties, reduce staff, and cease projects such as the Bright Futures initiative," West pointed out. "This will prove especially harmful in small communities that serve elderly and extremely low-income populations, since no resources exist to replace those that will end."

The long- term effect of failing to invest in the economic security and stability of Missouri's communities and at- risk populations will be felt across the board in health care, unemployment, education, social services, and criminal justice. In addition, the closing of Community Action Agency offices would have a catastrophic impact in a state already reeling from 9.4 percent unemployment.