

# RIPPLE EFFECTS

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How Community Action Works for  
North Carolinians and The State's Economy

August 2018



# OVERVIEW:

## Local Action, Statewide Impact

Each and every day, North Carolina's community action agencies assist people and families across the state in their efforts to overcome poverty, secure decent housing, access social services, pursue education, and obtain good jobs. In recent years, North Carolina's 34 community action agencies have assisted an average of 121,000 people annually—a number roughly equal to the population of Wilmington, the state's eighth most populous city.<sup>1</sup>

Community action agencies help to develop and deliver local strategies for ameliorating the immediate effects of poverty and for eliminating poverty's root causes. Funding for these programs comes from a mix of federal, state, local, and private dollars centered on the Community Services Block Grant, the contemporary version of a federal program created by the United States Congress in 1964 to "eliminate the paradox of poverty in the midst of plenty."<sup>2</sup>

Federal funding exists primarily to help individual men and women prosper and leave poverty, but those resources also have positive statewide impacts on economic output, jobs, incomes, and tax receipts. The more abstract benefits, however, often are overlooked given the modest size of North Carolina's yearly Community Services Block Grant—a grant that, in recent years, has supported an average of \$19 million in annual spending.<sup>3</sup>

Yet that seemingly modest investment in community action ripples out and expands the overall economy. Consider just a few of the statewide economic impacts identified in a recent analysis commissioned by the North Carolina Community Action Association, a nonprofit membership organization that represents local community action agencies:

Community Services Block Grant funding, when combined with certain direct program outcomes, generates \$43 million in additional statewide economic output annually; when leveraged funds are included, statewide economic output rises by \$450 million. In short, every \$1 in program spending sparks more than \$2 in added economic output.

Community Services Block Grant funding, when combined with certain direct program outcomes, supports a total of 415 jobs across all industry sectors; when leveraged funds are included, a total of 5,123 jobs are supported through funding for community action.

Community Services Block Grant funding, when combined with certain direct program outcomes, produces an estimated \$16 million annually in additional labor income; when leveraged funds are included, community action resources boost labor income in North Carolina by \$195 million annually.

Community Services Block Grant funding, when combined with certain direct program outcomes, yields an estimated \$2 million annually in additional state and local tax revenues; when leveraged funds are included, community action resources expand state and local tax collections in North Carolina by \$23 million per year.

If not for the state's annual Community Services Block Grant, North Carolina's economy would be smaller than it is, have fewer jobs than it currently has, and generate fewer tax receipts to support public services than is the case today.<sup>4</sup> And, without community action agencies, tens of thousands of low-income residents would be left to confront poverty on their own.

## About This Study

In 2018, the North Carolina Community Action Association, a nonprofit membership organization that represents the state's 34 community action agencies, commissioned an economic impact analysis of the effects that community action funding have on North Carolina's economy. South by North Strategies, Ltd., a research firm specializing in economic and social policy, conducted the analysis using IMPLAN 3.0 (Impact Analysis for PLANers), industry standard input-output modeling software.

Input-output modeling is a method for estimating the economic impact that a new economic activity would have in a given region. The tool allows analysts to estimate the projected effects that an exogenous or "outside" change in final demand resulting from a new economic activity would have on a local economy. The assumption is that any spending in a community resulting from the new activity would not have occurred "but-for" that activity.

Selected information about the research methodology is presented in this document on pages 11-13. Greater detail is provided in a technical essay available from the North Carolina Community Action Association.

# COMMUNITY ACTION IN NORTH CAROLINA: A Statewide Network For Good

Community action programs in North Carolina originated after the 1964 passage of the Economic Opportunity Act, federal legislation to “provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty.”<sup>5</sup> To that end, the federal government directed funds to qualified local nonprofit and public agencies to develop anti-poverty programs that were to operate with the “maximum feasible participation of the residents of the areas and members of the groups served.”<sup>6</sup>

## The Past and Present Need for Community Action in North Carolina

The North Carolina that existed in the early 1960s was a state gripped by poverty. As of 1961, according to one historical study, “37 percent of the state’s residents had incomes below the federal poverty line; half of all students dropped out of school before obtaining a high school diploma; and of adults [25] years of age and older, a fourth had less than a sixth-grade education and were, for all practical purposes, illiterate.”<sup>7</sup>

In subsequent years, a diverse set of public investments in educational and social programs, such as those authorized under the Economic Opportunity Act, combined with a remarkable statewide economic transformation, helped to reduce, though not eliminate, poverty in North Carolina.

Some 55 years later, an average of 1.6 million North Carolinians, or 17 of every 100, lived in households with incomes below the federal poverty level; on average, another 525,000 people, or five of every 100, lived in households with incomes between 100 and 125 percent of the poverty level.<sup>8</sup>



Altogether, 2.2 million North Carolinians, on average, now have incomes that qualify them to receive services from a community action agency. If all those individuals gathered together, they would form the state’s largest city—a city with more people than live in Charlotte, Raleigh, Greensboro, Durham, and Winston-Salem combined.<sup>9</sup>

## North Carolina's Community Action Network

Over the years, the community action framework authorized under the Economic Opportunity Act has undergone many changes; for instance, the authorizing legislation is now called the Community Services Block Grant Act. The program nevertheless remains the federal government's "only comprehensive investment exclusively focused on reducing poverty."<sup>10</sup> Another constant feature is the program's reliance upon local nonprofit and public organizations to develop anti-poverty programs and to administer these programs under the direction of boards comprised of representatives of low-income communities, public officials, and private-sector leaders.<sup>11</sup>

Each year, the federal government awards Community Services Block Grant funding to the North Carolina Department of Health and Human Services, which allocates at least 90 percent of the total grant to local agencies; of the remaining funds, a maximum of 5 percent is retained for statewide administration, another 5 percent, at most, for discretionary projects.<sup>12</sup> In federal fiscal year 2016, North Carolina obligated \$25 million in Community Services Block Grant funding, of which \$23 million passed through to local agencies.<sup>13</sup>

Although local agencies offer different programs, they generally provide three broad kinds of services.<sup>14</sup> Some funding supports emergency services, such as those designed to help a family experiencing a financial crisis avoid an eviction or maintain utility service.

Other funding underwrites "bundled services" that allow a person to overcome multiple obstacles, such as escaping homelessness, obtaining education, and finding employment.

Finally, many agencies offer early childhood services to prevent "multi-generational" poverty.

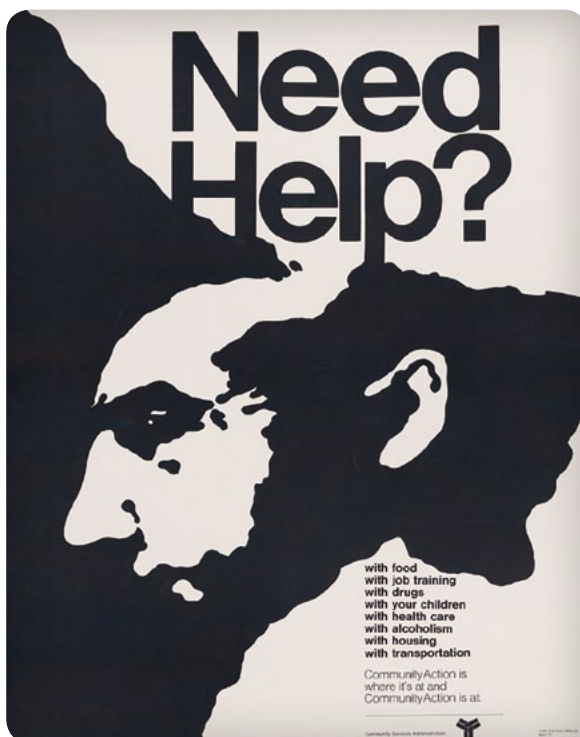


Photo: Library of Congress, 1977

## The Importance of Leveraged Funds

With Community Services Block Grant allocations that averaged just \$684,000 per agency in the most recent federal fiscal year, no community action agency in North Carolina can offer comprehensive programming based solely on its federal grant.<sup>15</sup> That core grant, however, enables local agencies to leverage additional dollars from a diverse array of federal, state, local, private, and philanthropic sources—dollars that allow agencies to act on a larger scale.

According to data from the North Carolina Department of Health and Human Services, the \$20 million in Community Services Block Grant funds expended in fiscal year 2016 leveraged \$245 million in additional public and private funds.<sup>16</sup> Some \$118 million of the total came from the federal government to support educational programs for low-income children, with another \$33 million earmarked for the operation of rental housing assistance programs. State and local governments in North Carolina, meanwhile, contributed \$22 million in funding, with another \$25 million coming from private sources.



In short, every \$1 in federal Community Services Block Grant funding helped to leverage more than \$12 in additional public and private resources.



## North Carolina's Community Action Agencies & Counties Served

<u>AGENCY NAME</u>	<u>COUNTIES SERVED</u>
Action Pathways, Inc.	Cumberland, Sampson
Alamance County Community Services Agency, Inc.	Alamance
Blue Ridge Community Action, Inc.	Burke, Caldwell, Rutherford
Blue Ridge Opportunity Commission, Inc.	Alleghany, Ashe, Wilkes
Catawba County Social Services	Catawba
Central Piedmont Community Action, Inc.	Chatham, Durham, Orange, Randolph
Charlotte Area Fund, Inc	Mecklenburg
Choanoke Area Development Association, Inc.	Bertie, Halifax, Hertford, Martin, Northampton
Coastal Community Action, Inc.	Carteret, Craven, Jones, Pamlico
Community Action Opportunities, Inc.	Buncombe, Madison, McDowell
Davidson County Community Action, Inc.	Davidson
Eastern Carolina Human Services Agency, Inc.	Duplin, New Hanover, Onslow
Economic Improvement Council, Inc.	Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell, Washington
Experiment in Self-Reliance, Inc.	Forsyth
Four Square Community Action, Inc.	Cherokee, Clay, Graham, Swain
Franklin-Vance-Warren Opportunity, Inc.	Franklin, Granville, Vance, Warren
Gaston Community Action, Inc.	Cleveland, Gaston, Lincoln, Stanly
Greene Lamp, Inc.	Beaufort, Greene, Lenoir, Pitt
I-CARE, Inc.	Alexander, Iredell
Johnston-Lee-Harnett Community Action, Inc.	Harnett, Johnston, Lee
Macon Program for Progress, Inc.	Macon
Mountain Projects, Inc.	Haywood, Jackson
Nash-Edgecombe Economic Development, Inc.	Edgecombe, Nash, Wilson
Passage Home, Inc.	Wake
Salisbury-Rowan Community Action Agency, Inc.	Cabarrus, Rowan
Sandhills Community Action Program, Inc.	Anson, Montgomery, Moore, Richmond
Southeastern Community & Family Services, Inc.	Bladen, Brunswick, Columbus, Hoke, Pender, Robeson, Scotland
Telamon Corporation, Inc.	Caswell, Person, Rockingham
Union County Community Action, Inc.	Union
W.A.M.Y. Community Action, Inc.	Avery, Mitchell, Watauga, Yancey
Wayne Action Group for Economic Solvency, Inc.	Wayne
Welfare Reform Liaison Project, Inc.	Guilford
Western Carolina Community Action, Inc.	Henderson, Polk, Transylvania
Yadkin Valley Economic Development District, Inc.	Davie, Stokes, Surry, Yadkin



# HOW COMMUNITY ACTION Works for Individual North Carolinians

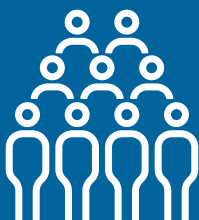
## Who Do North Carolina's Community Action Agencies Serve?

Of the individual participants for whom detailed demographic data are available, women account for 64 of every 100 people served by the state's community action agencies; men 35 of every 100.<sup>18</sup> Some 55 of every 100 participants identify as African American; 33 of every 100 as White.

Meanwhile, 40 percent of participants are children (under age 18), and 32 percent are prime-age workers (ages 24-54); 17 percent are older adults (ages 55+), while 11 percent are young adults (ages 18-23). Among adults ages 24 and older, nearly three-fourths possess no more than a high school diploma.

Those participants live in a total of 61,000 families.<sup>19</sup> Among families that provided demographic data, 52 of every 100 are led by a single mother, while 25 of every 100 contain single persons. Two-parent households account for 19 percent of the total; families led by a single father, 4 percent. Also, nearly two-thirds of served families rent their homes.

The overwhelming majority of participating families have extremely low-incomes. In all, 82 of every 100 families have incomes below the federal poverty threshold, or about \$25,000 for a four-person family).<sup>20</sup>



In recent years, North Carolina's community action agencies have served an average of 121,000 persons per year—a number roughly comparable to the population of Wilmington, the state's eighth most populous city.<sup>17</sup> Program participants live across the state and are drawn from a cross-section of society.

## What Services Do North Carolina's Community Action Agencies Offer?

Community action organizations offer a diverse set of programs related to employment, education, housing, emergency services, nutrition, and economic self-sufficiency, although the exact combination of offered services varies by organization. Additionally, because agencies typically provide one participant with multiple or “bundled” services, the number of services provided in a year normally exceeds the number of participants.



In the last year with complete data, North Carolina's community action agencies collectively generated more than 205,000 outcomes as defined by the federal government's mandated accountability system.<sup>21</sup>

Nearly one third of those outcomes related to child and family development goals, such as obtaining age-appropriate immunizations. Another fifth related to employment goals, such as obtaining and retaining a "living wage" job. Meanwhile, 10 percent of outcomes pertained to the delivery of emergency services, with an additional 9 percent tied to assistance for vulnerable populations, such as older adults and persons with disabilities.



Of the served families living in poverty, nearly half have extremely low-incomes, defined as being no more than half the poverty level, or roughly \$12,500 for a family of four.



# HOW COMMUNITY ACTION Works for North Carolina's Economy

North Carolina's community action programs exist, first and foremost, to help individual men and women thrive economically and move out of poverty. At the same time, the grant funds expended each year have sizable positive impacts on the state's economy.



Local community action spending ripples out and creates powerful collective effects that boost not just the economic prospects of low-income North Carolinians, but everyone who calls the state home.

Viewed in one light, the direct federal investment in North Carolina's community action network seems modest. In recent years, the state's federal Community Services Block Grant has supported an annual average of \$19 million in total spending, which translates into an investment of \$8 for every low-income resident of North Carolina.<sup>22</sup> That modest investment, however, multiplies and has a sizable impact on the state's economy when measured in terms of output, employment, and labor income; it also boosts state and local tax receipts.

To document those economic impacts, the North Carolina Community Action Association, a nonprofit membership organization that represents local community action agencies, commissioned an economic impact analysis. (Key concepts are defined in the sidebars on pages 11-13.) Specifically, the study considered two scenarios: one conservative, one more expansive.

The first scenario takes a narrow view of the economic activities associated with community action programs and considers only the economic impact of Community Services Block Grant expenditures in North Carolina and certain program outcomes. The total resources modeled in this scenario equal \$24 million annually.

The second scenario takes an expansive view and considers Community Services Block Grant spending, certain program outcomes, and the public and private resources leveraged by the community action network—resources that total roughly \$245 million. The total resources modeled in this scenario equal \$269 million annually.

The study found that, in both scenarios, North Carolina's economy would be smaller than it is, have fewer jobs than it does, and collect fewer taxes to support public services than is the case today if not for the receipt of the state's annual Community Services Block Grant.

## Input-Output Analysis Concepts and Terms

One way to measure the collective impact of community action spending on the economy of North Carolina is through the use of input-output modeling. This technique allows researchers to estimate the projected effects of an exogenous or “outside” change in final demand that results from a new economic activity in a location. The assumption is that the impacts stemming from the new economic activity would not have occurred “but-for” the initial outside change.

The addition of \$1 from outside a community theoretically can ripple out indefinitely, but for practical purposes, input-output modeling considers three rounds of impacts.

Imagine if a factory were to expand in response to increased demand for the goods it produces. The “direct impact” would be the value of the additional goods produced by the factory in response to the new external demand. Meanwhile, the “indirect impacts” would reflect the factory’s purchase of additional inputs needed to expand production. Gradually, the direct and indirect impacts should pass through to local households via higher incomes resulting in “induced impacts” that occur when the gains are spent. The total economic impact would be the sum of the direct, indirect, and induced effects.

Input-output modeling quantifies all three types of impacts. Ultimately, the model yields estimates of changes in employment, labor income, and economic output. It is also possible to use the models to estimate the additional tax receipts stemming from the changes.

Model results are conventionally presented as “regional multipliers” that express how many additional jobs or dollars might be added to the economy as a result of a new activity. Calculated from the average amount of local spending, the multiplier is the ratio between total impacts and direct impacts. Remember that multipliers do not indicate causation and vary for each activity.

## Two Ways of Modeling Economic Impact

The basic logic used to analyze the impact of North Carolina's community action agencies is how much statewide economic activity would be lost if the agencies and certain parts of their programs did not exist. For this logic to hold, the study focused on activities explicitly produced by the agencies and that would not have occurred "but-for" their existence and work.

More specifically, the research team reviewed data contained in the State of North Carolina's 2016 Community Services Block Grant Information System submission to the federal government. The researchers identified six program activities that lent themselves to analysis. Five activities related to programmatic spending, with the sixth one reflecting the increase in household income resulting from activities that help low-income families claim tax credits, such as the federal Earned Income Tax Credit. Each activity also received a standardized industry or commodity classification. Finally, the research team used those inputs to model two different scenarios: one conservative and one more expansive.

The first scenario took a narrow view of the economic activities associated with community action programs and considered only the economic impact of Community Services Block Grant expenditures in North Carolina and certain direct program impacts. This scenario modeled \$24 million in total resources. The second scenario, meanwhile, took a broader view and modeled the impact of Community Services Block Grant spending, certain direct program impacts, and all leveraged public and private resources reported by local agencies. This scenario modeled \$269 million in total resources.

The logic behind the second scenario merits consideration. As noted, the aim of this project was to model economic impacts that would not have occurred "but-for" the existence of community action agencies. The study considers leveraged resources along with federal Community Services Block Grant funding on the grounds that local agencies would be unable to leverage other resources absent a core federal grant.

Recognize that, regardless of scenario, input-output models are static ones that cannot adjust for future structural changes in a region's economy. Therefore, it is best to limit study periods of around three to four years.

This analysis estimates impacts in 2018 dollars and is useful for short-term projections.



Despite its popularity, input-output modeling suffers from limitations that result in the estimates in this report falling on the conservative side of the spectrum. Most importantly, the model only captures backward economic linkages between an industry and its suppliers, not forward linkages between producers and consumers. Additionally, a number of critical outcomes that community action agencies achieve cannot be modeled. Early childhood programs, for instance, are associated with numerous future economic impacts, yet this study omits those future benefits.

## Community Action Works to Boost the Size of North Carolina's Economy

Investments in North Carolina's community action programs expand the size of the state's economy. When viewed narrowly, the spending of the state's federal Community Services Block Grant, combined with the outcomes of selected economic self-sufficiency programs, alone generate more than \$43 million in additional statewide economic output annually; in other words, North Carolina's economy would be \$43 million smaller if not for the existence of the state's community action network.



When leveraged funds are added, North Carolina's community action programs yield a total economic impact of \$450 million per year; put differently, North Carolina's economy would be \$450 million smaller if not for the existence of the state's community action network.

Another way to measure the impact of community action programs on the overall size of the state's economy is through use of a regional multiplier. In both scenarios, every \$1 invested in community action programs generates more than \$2 in additional economic output. In the broader scenario, for example, every \$1 spent generated \$2.10 in additional output.





## Community Action Works to Create Jobs across North Carolina

Investments in community action programs support jobs across the state. The job impacts occur directly in community action agencies, indirectly in linked downstream industries, and broadly due to increased household spending induced by the direct and indirect impacts.

North Carolina's annual Community Services Block Grant directly supports the employment of 251 people. Another 55 jobs are indirectly supported in downstream industries, with another 109 additional jobs induced by increased household spending resulting from the direct and indirect jobs. In sum, 415 jobs are linked to North Carolina's community action programs, resulting in an employment multiplier of 1.65. Put differently, for each job created directly by community action agencies, 65 percent of an additional job is supported elsewhere in the state.

When leveraged funds are included, North Carolina's community action network supports 3,391 jobs. Another 467 jobs are indirectly supported in downstream industries, with 1,264 induced by the increased household spending resulting from the direct and indirect impacts.



Altogether, 5,123 jobs are linked to North Carolina's community action programs, yielding an employment multiplier of 1.51. In this expansive scenario, each job created directly by community action agencies supports 51 percent of an additional job elsewhere in the state.

In both scenarios, the majority of the indirect and induced jobs linked to local community action programs are within the real estate industry, which is unsurprising given how many local community action agencies provide housing programs. The effect is especially pronounced in the more expansive scenario due primarily to the inclusion of Housing Choice Vouchers (Section 8)—a federal program many community action agencies administer locally—as leveraged funds.

## Community Action Works to Raise Labor Income in North Carolina

Investments in community action programs raise the amount of labor income received by North Carolinians. Under the narrow view of community action, investments in local programs in North Carolina directly support \$9 million in labor income. About \$3 million is generated indirectly in downstream industries, with almost \$5 million in labor income induced by the direct and indirect impacts. Altogether, these investments in community action boost statewide labor income by \$16 million per year.

When leveraged funds are included, investments in local community action programs in North Carolina directly support \$122 million in labor income. Another \$20 million is generated indirectly in downstream industries, with another \$53 million in labor income induced by the direct and indirect impacts. Altogether then, investments in community action programs boost statewide labor income by \$195 million annually. Put differently, in this broad scenario, every \$1 in labor income paid by community action agencies in North Carolina supports an additional \$1.61 in labor income elsewhere in the state.

# Community Action Works to Generate State and Local Tax Receipts

The increased economic activity spurred by local community action programs generates additional tax receipts for the federal government, the State of North Carolina, and local governments across the state.<sup>23</sup>

When just the annual federal Community Services Block Grant to North Carolina is analyzed, the economic activities flowing from the state's community action programs result in \$4 million annually in added federal tax receipts and \$2 million in additional state and local taxes. The inclusion of leveraged funds, however, sparks an additional \$43 million per year in additional federal tax receipts and \$23 million in state and local taxes. In both scenarios, taxes on production and imports account for most new state and local tax revenues.



Of the \$23 million in state and local taxes generated under the broader view of community action, 89 percent came in the form of additional sales tax collections, property tax revenues, and personal income tax collections.

Without community action programs, then, the State of North Carolina and its local governments would have less money available each year to invest in vital public services like education.





# CONCLUSION: Community Action Works for North Carolina

North Carolina's local community action agencies exist, first and foremost, to help men and women across the state thrive and move out of poverty. At the same time, the resources invested in the state's network of community action agencies also have positive, if too often overlooked, statewide impacts on economic output, jobs, incomes, and tax receipts.

Systematic efforts to quantify the economic impacts associated with North Carolina's community action programs—programs made possible by North Carolina's annual federal Community Services Block Grant and the quarter-billion dollars in funds leveraged through that award—show that those impacts are sizable. Consider the following impacts that ripple out from a seemingly modest federal investment in North Carolina's community action programs:

Community Services Block Grant funding, when combined with certain direct program outcomes, generates \$43 million in additional statewide economic output annually; when leveraged funds are included, statewide economic output rises by \$450 million. In short, every \$1 in program spending sparks more than \$2 in added economic output.

Community Services Block Grant funding, when combined with certain direct program outcomes, supports a total of 415 jobs across all industry sectors; when leveraged funds are included, a total of 5,123 jobs are supported through funding for community action.

Community Services Block Grant funding, when combined with certain direct program outcomes, produces an estimated \$16 million annually in additional labor income; when leveraged funds are included, community action resources boost labor income in North Carolina by \$195 million annually.

Community Services Block Grant funding, when combined with certain direct program outcomes, yields an estimated \$2 million annually in additional state and local tax revenues; when leveraged funds are included, community action resources expand state and local tax collections in North Carolina by \$23 million per year.

If not for the state's annual Community Services Block Grant, North Carolina's economy would be smaller than it is, have fewer jobs than it currently has, and generate fewer tax receipts to support public services than is the case today. Without community action agencies, tens of thousands of low-income residents would be left to confront poverty on their own.

# CREDITS

This report was prepared by South by North Strategies, Ltd. for the North Carolina Community Action Association, Inc.

The primary author was John Quintero, with contributions from T. William Lester, Ph.D. and Mary Beth Williams. Rebecca Clendenin provided editorial assistance.

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The North Carolina Community Action Association is a proud member of the National Community Action Partnership.



## Notes

- <sup>1</sup> NC Community Action Association, "Our Agencies," last visited June 15, 2018, <http://www.nccaa.net/our-agencies>; National Association for State Community Services Programs, "State CSBG Fact Sheets," various years, <https://nascsp.org/csbg/csbg-data-collection-and-reporting/csbg-national-report-and-state-fact-sheets/>; and NC Office of State Budget and Management, "North Carolina Municipalities Ranked by the July 1, 2016 Estimated Population," last revised September 25, 2017, [https://files.nc.gov/ncosbm/demog/rankedbysize/largest\\_2016.html](https://files.nc.gov/ncosbm/demog/rankedbysize/largest_2016.html).
- <sup>2</sup> Economic Opportunity Act of 1964, Pub. L. No. 88-452.
- <sup>3</sup> Author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Years 2013-2016; all financial values adjusted for inflation to 2018 equivalents.
- <sup>4</sup> Author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Year 2016.
- <sup>5</sup> Economic Opportunity Act of 1964.
- <sup>6</sup> Economic Opportunity Act of 1964.
- <sup>7</sup> James Leloudis, "Leadership and Politics in the War of Poverty: The Case of the North Carolina Fund," Popular Government, Spring/Summer 2003, 4, <https://www.sog.unc.edu/publications/articles/leadership-and-politics-war-poverty-case-north-carolina-fund>.
- <sup>8</sup> Author's analysis of US Census Bureau, American Community Survey, Five-Year Estimates, 2012-2016.
- <sup>9</sup> Author's analysis of NC Office of State Budget and Management, "North Carolina Municipalities Ranked by the July 1, 2016 Estimated Population."
- <sup>10</sup> Rae Tamblyn, Community Services Block Grant Annual Report: 2015 (Washington, DC: National Association for State Community Services Programs, 2016), 4, <https://nascsp.org/wp-content/uploads/2018/02/2015-Report-F-CSBG-Full-Report.pdf>.
- <sup>11</sup> Tamblyn, Community Services Block Grant Annual Report: 2015, 4.
- <sup>12</sup> Tamblyn, Community Services Block Grant Annual Report: 2015, 43.
- <sup>13</sup> Kyle Gasser and Katy Kujawski, Community Services Block Grant: National Performance Update, 2016 (Washington, DC: National Association for State Community Services Programs, 2018), A1-A2, [https://nascsp.org/wp-content/uploads/2018/06/FFY-2016-National-Performance-Update\\_FINAL-WEB\\_05\\_16\\_2018.pdf](https://nascsp.org/wp-content/uploads/2018/06/FFY-2016-National-Performance-Update_FINAL-WEB_05_16_2018.pdf). A state has two years in which to expend its federal grant. The combination of carry-over funding from prior years, reserves for subsequent year spending, and the timing differences between federal and state fiscal years, among other factors, means that annual allocation and expenditure amounts seldom match.
- <sup>14</sup> Tamblyn, Community Services Block Grant Annual Report: 2015, 4-5.
- <sup>15</sup> Author's analysis of Gasser and Kujawski, Community Services Block Grant: National Performance Update, 2016, A2.
- <sup>16</sup> All data in this paragraph come from author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Year 2016.
- <sup>17</sup> National Association for State Community Services Programs, "State CSBG Fact Sheets," various years; and NC Office of State Budget and Management, "North Carolina Municipalities Ranked by the July 1, 2016 Estimated Population."
- <sup>18</sup> All data in this paragraph come from author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Year 2016.
- <sup>19</sup> All data in this paragraph come from author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Year 2016.
- <sup>20</sup> All data in this paragraph come from author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Year 2016; and US Department of Health and Human Services, "Poverty Guidelines: 2018," accessed June 15, 2018, <https://aspe.hhs.gov/poverty-guidelines>.
- <sup>21</sup> All data in this paragraph are from National Association for State Community Services Programs, "State CSBG Fact Sheets: Federal Fiscal Year 2016."
- <sup>22</sup> Author's analysis of NC Department of Health and Human Services, CSBG Information System Submission: Fiscal Years 2013-2016; all financial values adjusted for inflation to 2018 equivalents; and US Census Bureau, American Community Survey, Five-Year Estimates, 2012-2016.
- <sup>23</sup> A limitation of the input-output model used in this project is its inability to account for the specifics of state and local tax policies.

“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.”

— United States Congress, Economic Opportunity Act of 1964





[www.nccaa.net](http://www.nccaa.net)

