



**State of New Jersey**  
DEPARTMENT OF COMMUNITY AFFAIRS

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*Governor*

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**DIVISION OF HOUSING AND COMMUNITY RESOURCES  
OFFICE OF COMMUNITY SERVICES**

**PROGRAM INFORMATION MEMORANDUM (PIM) #99-101**

DATE: December 1, 1999

TO: NJ Community Action Agency (CAA) Executive Directors

AFFECTED PROGRAMS: All

SUBJECT: **MAJOR VARIABLES AND THEIR UTILIZATION IN NEW JERSEY'S  
INTRA-STATE CSBG ALLOCATION FORMULA**

Beginning with CSBG/RBC intra-state allocations in FY 2000, New Jersey is implementing a revised distribution formula as referenced in its FY 2000 CSBG State Plan and subsequent State Plans. Applicable to 90% of the State's annual CSBG federal allocation which, by statute, must go to designated "eligible entities" (i.e. community action agencies), this revised distribution formula (see Program Policy Bulletin #99-1 for specific policy wording) holds agencies harmless at 90% of their base funding levels for the prior funding year. In any years where the funds available exceed this hold harmless level, those additional funds will be allocated by a formula keyed to: a) distribution of the State's low-income population; b) leveraging of funds to augment the CSBG allocation; and c) agency performance. This PIM discusses how each of these three variables will be applied in employing the formula to allocate funds.

**1. New Jersey's 125% Poverty Population:**

A chart, based on the most recent national decennial census, will be used to show the percentage of New Jersey's 125% low-income population (individuals with incomes below 125% of the federally established poverty threshold at the time of the census) who reside in the catchment area of each geographically based CSBG "eligible entity". Funds to be allocated based on this variable will be distributed utilizing these same percentages weighted by each agency's base funding level and the extent of its underfunding. These funds will only be provided to those agencies whose percentage of the total 90% set-aside for the previous funding year remains less than their percentage of the State's 125% poverty population.



**2. Leveraging:**

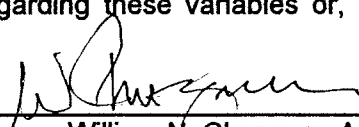
For purposes of this revised formula, only non-CSBG funds leveraged in conjunction with CSBG funds (i.e. in projects or services funded in some part by CSBG dollars) will count towards a leveraging credit. The data used to determine each agency's leveraging level will be the non-CSBG funds reported in Section E, Tables 1 and 2 of the most recent CSBG annual survey (CSBG-IS) to have been formally submitted to Washington by the State. Data from annual surveys still in process and not yet submitted by the State will not be utilized. A chart will be developed which groups all CAAs into one of three categories based on their leveraging levels: above norm, norm, or below norm. Funds to be allocated based on this variable will be allocated only to agencies falling into the high or average performer categories, and will be distributed utilizing a system which reflects the agency's base funding level while assigning twice the weighting to high performers as to average performers. Agencies falling into the low performer category will receive no funds under this component of the formula.

**3. Performance:**

For purposes of this formula, performance will be calculated using an assessment tool completed by the OCS Program Manager assigned to assist and monitor each CSBG community action grant. The tool, which includes both objective (accurate and complete applications, quarterly reports submitted on time, etc.) and subjective (agency capacity, quality of services performed, etc.) elements, will result in a numerical score. A chart will be developed which groups all CAAs into one of three categories based on their scores: above norm, norm, or below norm. Funds to be allocated based on this variable will be allocated only to agencies falling into the high or average performer categories, and will be distributed utilizing a system which reflects the agency's base funding level while assigning twice the weighting to high performers as to average performers. Agencies falling into the low performer category will receive no funds under this component of the formula. Note: in any years when an agency's contract is executed as "High Risk", funding under this variable will be reduced by 25% and those funds proportionally distributed to the other agencies receiving funds under this variable.

Please contact your assigned NJOCS Program Manager should you have any questions regarding these variables or, more generally, the allocation formula.

SIGNED: \_\_\_\_\_

  
William M. Cheezum, Administrator  
Office of Community Services  
Division of Housing and Community Resources

WNC:JOL:fsa  
Attachment

c: Keith Jones, Acting Division Director  
Jacques Lebel, Assistant Director  
Related State Staff