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"The SEOO considers planning for activities that affect the poor to be a function of other agencies of state government. This attitude is consistent with their perception of their role as advocates of the poor....This attitude has resulted in a conflict between SEOO, CAAs and the Regional Office regarding the steps to be taken to achieve involvement of the poor in the planning process."

Response:

Any state plan to combat poverty within the State should start with quantitative data. The Staff Assistant for Planning, SEOO, attempted to collate whatever data was available throughout the State, but it was found that each state agency only collates and compiles statistics pertinent to its functions. As a result, the Assistant for Planning visited Mr. Carl Shaw, WR/OEO, San Francisco, who is in charge of budgeting and planning. There, he (Assistant for Planning) was told that Western Regional, which disperses \$75,000,000 per year, had no specific, accurate, quantitative data, nor any type of module as described in the SEOO manual. His suggestion was that "we wait". By "we", he meant SEOO and the other state agencies wait until such time as the fourth census count data from 1970 was available late in the spring of 1972. Mr. Shaw agreed that no meaningful planning could be accomplished or attempted until those fourth count census tapes became available and a clear idea of the demography of the poverty population in various areas of the State was determined. The criticism in the above paragraph quotes that this attitude has resulted in a conflict between SEOO, CAAs and Western Regional regarding the steps to be taken to achieve involvement of the poor in the planning process.

(2) Coordination of activities with state agencies whose activities affect the poor is recognized as desirable by the SEOO, but has not been emphasized as a priority objective. The priority which appears to be recognized by the SEOO which overrides coordination with other governmental units is its commitment that poverty programs would be better conducted and administered if they were placed under the control of local government.

(3) There is evidence that the SEOO has initiated some coordination activities with state agencies whose activities affect the poor. However, lack of proper follow-up by the SEOO has restricted the effectiveness of these coordination activities.

(4) There was no evidence that the SEOO has provided information to the state planning agency and/or CAAs to assist them in vertical or horizontal planning.

b. Conclusion: The SEOO has made little impact on CAAs or other state agencies in the area of program planning. It appears that helping CAAs to better plan programmatically is not a priority.

c. Recommendation: Training should be provided to SEOO Technical Assistance personnel on:

(1) Planning and Federal Grant Programs:

- (a) Role of state and local government
- (b) Role of CAAs
- (c) Role of CAMPS

(2) BOB Circular A-95.

#### 4. GRANT REVIEW, MONITORING, AND EVALUATION:

a. Perception:

(1) The perception of the performance of the California State Office of Economic Opportunity in the area of grant review, monitoring, and evaluation is pivotal in terms of the office's commitment to meet its obligations, as stated in the EOA of 1964, as amended, and OEO Instruction 7501-1, to OEO funded agencies in the State of California. There is a wide divergence between the undertaking of the SEOO, as stated in its own work program and grant application and its perceived and actual performance in this functional area.

Page 37 b. Conclusion (Charge)

"The SEOO has made little impact on CAAs or other state agencies in the area of program planning."

RESPONSE:

I consider this statement to be false at the outset. There is no mention made of the coordination between the Model Cities Liaison Group within the Lieutenant Governor's Office or some of the most recent and only available statistics that have been mailed to the CAAs. It should be further emphasized that many CAAs are in multiple-planning grant areas and have specific funds to carry on their own planning. Unfortunately, the information gathered by these people and what they have done has been refused or there has been lack of cooperation with the SEOO in the sharing of the information they have gathered.

"...There is a wide divergence between the undertaking of the SEOO, as stated in its own work program and grant application, and its perceived and actual performance in this functional area."

RESPONSE:

Perhaps the evaluators should look at the introduction of 7501-1, which allows a great deal of flexibility for SEOOs to meet the particular needs of a state administration. If the flexibility had not been built into the work program, there would have been something wrong with the evaluation of the work program and grant application as submitted.

(2) The function of an SECO is generally viewed as a supportive one wherein information gathered by a Technical Assistance Specialist or "Community Program Analyst" should be used not only to measure the agency's performance but for the purpose of suggesting possible steps to improve the agency and suggesting available resources to implement improvements. The SECO's stated view of this function is consistent with its grant refunding application and work program. However, a new twist of an investigative nature, with little or no analyses and technical assistance follow up was perceived by many of the CAAs interviewed. The qualifications and background as set forth in resumes of a significant number of individuals employed as Community Program Analyst would also seem to support this perception inasmuch as a large number of the Community Program Analysts on the SECO staff have had prior experience in law enforcement, as investigators or insurance adjusters. Information obtained from some of the CAAs interviewed would indicate a heavy emphasis on investigation with little or no on-site help or technical assistance follow up.

b. Findings:

(1) Consistent with OEO Instruction 7501-1, 7(c) and (g), Regional OEO invited appropriate SECO staff members to participate in some evaluations and pre-reviews. In at least two instances as to the former, SECO staff members invited did respond affirmatively (Berkeley and Oakland CAAs). However, with respect to the evaluation of Oakland, the SECO staff member reportedly withdrew prematurely. As to pre-reviews, SECO staff members were consistently involved but usually purely on a silent basis with little or no assistance being offered.

(2) Considering grant review, monitoring, and evaluation functions as perceived by the SECO, the reports received by the evaluation team from respondents showed that the SECO was extremely active in this area. However, the CAA Directors interviewed indicated that these functions were not performed in a positive or constructive manner. In a number of situations, actions by the SECO were clearly aimed at gathering information to discredit the programs of the very agencies being subjected to grant review, monitoring or evaluation. There was very little follow up in terms of analyses of problems, sharing the analyses with the agency under scrutiny, or suggesting steps to remedy the problems discovered.

(3) Broadly speaking, as a result of the investigative emphasis placed by the SECO on the grant review, monitoring, and evaluation function, the SECO's activity has a demoralizing effect on OEO funded agencies in the State. Such demoralization gave way to increased alienation and an isolationist attitude by the CAAs to the point that the SECO is no longer viewed as their advocate or as a provider of meaningful technical assistance.

# Federal Report

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## Charge

"Consistent with OEO Instruction 7501-1, 7(c) and (g), Regional OEO invited appropriate SEOO staff members to participate in some evaluations and pre-reviews. In at least two instances as to the former, SEOO staff members invited did respond affirmatively (Berkeley and Oakland CAAs). However, with respect to the evaluation of Oakland, the SEOO staff member reportedly withdrew prematurely. As to pre-reviews, SEOO staff members were consistently involved by usually purely on a silent basis with little or no assistance being offered.

## Response:

The Oakland monitor and other members of the SEOO staff did actively participate in the pre-reviews of the Oakland CAA. Significant input was made during the pre-review sessions and the Oakland monitor later assisted the Regional OEO field representative and the Regional Counsel in developing the "Letter of Understanding" to the agency.

Charge:

"b. Findings: (1) Consistent with OEO Instruction 7501-1, 7(c) and (g), Regional OEO invited appropriate SEOO staff members to participate in some evaluations and pre-reviews. In at least two instances as to the former, SEOO staff members invited did respond affirmatively (Berkeley and Oakland CAAs). However, with respect to the evaluation of Oakland, the SEOO staff member reportedly withdrew prematurely. As to pre-reviews, SEOO staff members were consistently involved but usually purely on a silent basis with little or no assistance being offered."

Response:

State OEO has attempted to attend pre-review sessions held by Regional OEO. It is interesting to note that this evaluation left out the fact that on three documented occasions this office was notified one day in advance of pre-reviews; hardly enough time to change staff priorities.

The claim that our staff members have withdrawn prematurely is erroneous and mis-placed.

The notion that pre-reviews should involve the active participation of our staff members in rhetorical debates misses the point of pre-reviews. Pre-reviews are sessions in which State and Regional offices come to listen to the progress that Community Action Agencies have made, and their new plans and priorities. At this time, Regional representatives, in their paternalistic and highly arrogant manner, dominate pre-reviews with the result being that pre-reviews become circuses in which low-income people receive little benefit in terms of their programs or in learning how to conduct their own personal lives.

c. Conclusion: The performance of the grant review, monitoring, and evaluation function by the California SEEO is looked on by CAAs as investigative which in its context is neither positive nor constructive, as originally intended, and is interpreted as punitive.

d. Recommendation:

(1) The SEEO should employ Technical Assistants and Community Program Analysts, if that title is retained, who have knowledge of a CAA's functions and purposes and who are prepared to and committed to carrying out those functions and purposes.

(2) Grant review, monitoring, and evaluation activities should be followed up with in depth technical assistance.

5. ADVOCACY FOR THE POOR:

a. Perception: Most SEEO staff members that were interviewed indicated by their responses to the questionnaire that they did not consider advocacy for the poor a significant function of the SEEO. The results of tabulating the questionnaire responses by SEEO personnel concerning the SEEO's role as advocate for the poor revealed the following results: Only 27% of the SEEO staff felt it had performed specific tasks related to the advocacy function, 59% did not know, and 14% said it had not. Only 2% of the CAAs responding felt the SEEO performed specific tasks related to this function--84% said no (see Tabulation Section). Often the SEEO staff members interviewed stated that they did not know of any instances where the SEEO had attempted to make state-poverty-related programs more responsive to the needs and desires of the poor and had no knowledge of any attempts to assess state administrative procedures nor of any efforts to make them more responsive to the needs and desires of the poor. Further, they had no knowledge of any attempts to develop career opportunities for the poor within other state agencies and had no knowledge of the SEEO consulting regularly with local CAAs and other representatives of the poor on legislation that they felt should be recommended to the Governor or the state legislature. In fact, the Senior Staff of the SEEO generally agreed that in the allocation of its staff resources advocacy for the poor received a low priority. One Senior Staff member estimated that only 2% of the SEEO's staff resources were allocated to advocacy for the poor while other Senior Staff members estimated the allocation in the 10% range.

b. Findings: Of the non-SEEO persons interviewed, few had any knowledge of the SEEO performing any advocacy role for the poor.

The prevailing opinion was that the SEOO had not demonstrated by any of its actions that it felt any responsibility for the advocate role. No poor persons were reported to have been appointed to any State boards or commissions. It is not felt that the SEOO would advocate making such appointments.

c. Conclusion:

(1) No evidence was discovered which would point to the SEOO as an advocate for the poor.

(2) The SEOO could not show any state administration changes directly attributable to the SEOO which would benefit the poor.

(3) There was no evidence that career opportunities have been made available in other state agencies as the result of the efforts of the SEOO.

(4) With perhaps one minor exception, the SEOO has not yet found it possible to hire poor persons within its own office.

(5) In short, the California SEOO has not fulfilled its role and responsibility of being an advocate for the poor.

d. Recommendation: Future grants to the SEOO should contain a special condition wherein the California SEOO specifically recognizes and accepts its role as an advocate for the poor. No future work programs from the California SEOO should be accepted unless it spells out in detail specific objectives relating to its advocacy role together with a detailed strategy of achieving the objectives stated.

"5. ADVOCACY FOR THE POOR: c. Conclusion: (1) No evidence was discovered which would point to the SEOO as an advocate for the poor. (2) The SEOO could not show any state administration changes directly attributable to the SEOO which would benefit the poor. . . (5) In short, the California SEOO has not fulfilled its role and responsibility of being an advocate for the poor."

Response

It is obviously the conclusion of individuals whose philosophical perspectives are much different than ours. It is hard for us to draw the conclusion from such comments that our evaluators are truly interested in solving the problems of poverty through responsible and legitimate actions.

Furthermore, it would be interesting to compare the technical assistance offered by our new and growing staff, in both quality and quantity, with established technical assistance organizations, such as SDI and ATAC.

CHARGE:

c. Conclusion:

(1) No evidence was discovered which would point to the SEOO as an advocate for the poor.

(5) In short, the California SEOO has not fulfilled its role and responsibility of being an advocate for the poor.

One of the conditions set forth by this office in the matter of the Santa Clara Legal Aid Society VISTA proposal was that "VISTA attorneys work on individual service cases only". This condition was set because of the following:

1. On February 26, 1970, the Executive Director of the Santa Clara Legal Aid Society in a letter to Superior Court Judge Kennedy, Santa Clara County, stated that there was a "change in direction", and the Santa Clara Legal Aid Society "programs under the existing under-funding must move into law reform and away from every day cases." On March 5, Judge Kennedy replied to Mr. Ono and stated that the matter had been discussed at the weekly conference of the Superior Court Judges, and that the Judges expressed considerable concern over the adverse effect it will have on indigent litigants. Judge Kennedy's letter further reads: "Because of the far reaching ramifications of your decision and because the need for legal services is so ever present and pressing, the Judges urge that you reconsider this decision."
2. In a letter to Robert Finch, then Secretary of HEW, on April 21, 1970, O. Vincent Bruno, Presiding Judge of the Superior Court, State of California, County of Santa Clara, voiced his concern, as well as that of the 21 Superior Court Judges of that court, "about the wholesale withdrawal of the program" from indigent litigants in these various fields where representation is desperately needed.
3. On January 6, 1971, the Santa Clara County United Fund, in a letter to the Santa Clara County Bar Association, voiced its concern regarding the "apparent diminishing legal aid and assistance services to the indigent by the Community Legal Services organization" and said that a study on this matter had been ordered. The letter further states that, "pending the results of the study, and in order to assure that indigents needing legal advice and assistance receive said help, the United Fund Board of Trustees has authorized the establishment for 1971 of a "drawing account" against which the Community Legal Services can seek reimbursement for services actually certified as having been given to indigent individuals and families.

4. Lengthy conversations with Superior Court Judge O. Vincent Bruno in San Jose during January of 1971. Judge Bruno stated that he is continually concerned that the poor are not being represented and are in dire need of individual representation.
5. A statement made at the Board meeting of the Santa Clara County Legal Aid Society on January 12, 1971, by a Board member, Mr. Richard Salaz from Gilroy, that individual legal service was badly needed by the poor in his community.

Thus, the above-mentioned condition was an insistence by this office that the poor receive all consideration and assistance they need.

Theresa McInnes  
VISTA Coordinator  
State Office of Economic  
Opportunity

"Future grants to the SEOO should contain a special condition wherein the California SEOO specifically recognizes and accepts its role as an advocate for the poor. No future work programs from the California SEOO should be accepted unless it spells out in detail specific objectives relating to its advocacy role together with a detailed strategy of achieving the objectives stated."

RESPONSE:

Here again, there is an apparent problem with the meanings of advocacy as it is my belief that SEOO has in fact performed the role of advocacy--but perhaps not in terms which are readily understandable by the evaluators. For example, constant communication between the Human Relations Agency Secretary and the Department of Social Welfare is ongoing relating to the Governor's new welfare reform program. A number of conversations and memorandums have been written in order to improve the particular program advocated by the Governor. Other forms of advocacy take place when various groups who have been shunned or discouraged by their local CAAs have come to the SEOO requesting its help in devising, constructing, and funding worthwhile programs. Certainly, this office initially evaluates each of these requests for its merits, and when it is proven that the CAA has been derelict in its duties to listen to these groups, the SEOO has expended its resources in developing such special programs, many of which may be in divergence with existing state programs. This difference that exists between the innovative programs brought to us and for which we give technical assistance we consider to be institutional changes which ultimately will benefit low-income persons.

## THE SEOO GRANTS

The parts of the Narrative Section that follow depart in some instances from the format of the earlier parts of the Narrative Section which discussed the SEOO's performance in relation to other agencies and with respect to its priority functions. For the most part the parts that follow deal briefly with the plans and priorities established by the SEOO and more specifically with the quality of the work programs submitted and with the SEOO's performance of those programs.

### 1. REGULAR GRANT:

This section of the Evaluation Report addresses itself largely to the CAP 81 and the work program submitted by the California SEOO. Both documents are quite general in nature.

The CAP 81 contemplated improvement in information about local needs and grantee capabilities through an expanded, outstationed and better trained field analyst staff. The SEOO has expanded its staff and has outstationed personnel in Southern California.

The plans and priorities also expected substantially increased capacity to the SEOO to create "a poverty information module" for SEOO, grantee, and legislative use in assessing needs, assigning priorities, and allocating resources to decrease poverty. There is no evidence that this has been achieved. Also, it does not appear that the SEOO has been able to provide other state agencies with comprehensive and current data on poverty "to assure a coherent and unified multi-agency approach to interpretation and use of information on poverty and anti-poverty resources."

SEOO priorities listed in the CAP 81 are: (1) to increase the scope, accuracy, and reliability of information on conditions of poverty and on the availability and use of all anti-poverty resources in California, for state and local planning, funding, coordinative, and legislative use, as well as in projects to stimulate public awareness of the conditions of poverty, (2) to provide, or arrange and coordinate the provision by other sources of, greatly improved multi-speciality technical assistance to grantees and other appropriate agents in the California anti-poverty effort, (3) to encourage both the already indicated trend of California governmental officials toward more involvement in anti-poverty programs and their increasing interest in the efficient, well-coordinated application of state governmental and private resources to the problems of poverty in California, and (4) to gain the capacity to mobilize business, volunteer, and foundation resources of a systematic consequential way to promote economic opportunity.

While it appears that the SEOO has made a start on these priorities, progress has been slow. Other state agencies have not yet felt the coordination efforts of the SEOO. It should be noted, however, that the resources conference of last December referred to elsewhere in this report does represent a major effort on the part of the SEOO.

The first goal listed in the CAP 81 is "to provide review of and assistance to grantees in greater depth by an increased and better trained analyst staff, with the object of providing sufficient intensity and continuity of State-CAA relationships to resolve as many areas as possible of mutual concern about programs prior to the refunding-review stage." The SEOO apparently has been unable to establish a meaningful relationship with many of the CAAs. Their review of CAAs may be designed to resolve areas of mutual concern about programs prior to refunding but it has not reached this goal in the view of many of the CAAs.

The third goal for the year starting July 1, 1970, was to develop assistance and demonstration projects in the use of volunteer services, excess property, and community college resources; in programs of technical aid to Indians, disadvantaged youth, and Headstart-Day Care projects. Little was learned about what the office has done regarding the use of volunteer services.

Little information was available on the other two goals for the year: completion of a systematic approach to SEOO planning and management by objectives and creation of an information module in conjunction with DHRD to enable comprehensive and systematic collection, compilation, storage, retrieval, and dissemination of data on poverty and anti-poverty resources in California.

The work program is extremely vague. The office was able to increase its staff substantially, through the demonstration and STAP grants.

#### Conclusions:

1. The SEOO has attempted to follow its vaguely-defined work program. In addition to adding the personnel provided by increased funding, it has also filled other positions indicated in the work program. The addition of the Community Program Analysts was designed to satisfy the assistance and review requirements of the grantees in California. It appears that the emphasis has been on the review rather than on assistance.

2. The SEOO has also, as called for in the work program, outstationed Community Program Analysts. It also appears that there has been some improvement in management of the office since last July.

3. The improved working relationships with Regional representatives, including participation in grantee pre-review, apparently

Page 42 -- 1. REGULAR GRANT (Charge)

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RESPONSE:

The first paragraph of the Sections listed in the CAP 81 has been answered throughout this document as concerns the mobilization of resources. The second one having to develop assistance of demonstration projects and voluntary services is now being met. An example of that was the efforts of this office to mobilize PSA stewardesses to provide volunteer work for the San Mateo Head Start programs. People were put in contact with the program and it is my understanding that several stewardesses did go to work voluntarily in the East Palo Alto program in San Mateo County. Other volunteer service programs are being developed including one that we are doing now between the unemployed engineers in aerospace in the Sacramento area and other areas of the State, as well as the poor bringing both groups together so that the technical skills of the engineers can be put to work with the laboring skills of the low income people to the mutual benefit of economic development of both groups.

The problem of goal definition, planning and management by technical assistance in the last application was one that we inherited when we took over this office after the last grant in August 1970. This has been remedied by specification of goals in the 1971-72 grant.

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Charge:

"1. Regular grant: The first goal listed in the CAP 81... ..The SEOO apparently has been unable to establish a meaningful relationship with many of the CAAs. Their review of CAAs may be designed to resolve areas of mutual concern about programs prior to refunding but it has not reached this goal in view of many of the CAAs.

Response:

Again the State Office of Economic Opportunity must ask what it means to establish a "meaningful relationship with many of the CAAs." Does this mean that we should merely accept their rhetoric and inefficiencies in many instances rather than going in and taking a hard-headed no-nonsense approach to this area of government. Assuming this position, one would have to say that all areas of government should behave in the same manner; this is hardly an acceptable position for any agency of government.

has been spotty, although the office has been participating to an extent in pre-reviews.

4. Only one poor person has been employed by the SEOO in a non-professional position as a kind of "girl Friday". The work plan indicates that "the opportunity to employ poor people on the SEOO staff does not exist. This is an area which State OEO expects to explore." John Sawicki stated, "This office has not undertaken to hire 'poor people' for one main reason, that nobody has ever applied, nor have we made a concentrated effort to recruit 'poor people'."

5. The work program also indicates that the increase in staff will enable the SEOO to gain the capacity to encourage the actual employment of poor people by other agencies and to participate in the development, implementation, and review of programs which serve them. If this capacity has been realized, the results apparently have been minimal. The same is true with the development of career opportunities for the poor in other state agencies.

6. While it is not clearly spelled out, the work program indicates worthwhile objectives in the area of technical assistance to grantees, mobilization of resources, and career development opportunities for poor people in state government. During the eight months this grant has been in force, it appears that adequate results have not yet been obtained.

7. The principal achievement has been in the area of review of grantees in order to help the Governor carry out his responsibilities under Section 242 of the Economic Opportunity Act.

## 2. STAP GRANT:

a. Facts: Effective May 1, 1970, OEO, Region IX, approved a STAP grant for \$114,184 which authorized the California SEOO to hire four specialists (management, low-cost housing, economic development, and community development) to provide long-range, on-site expert technical assistance to rural CAAs and poverty communities. The SEOO agreed as a special condition to the grant to operate within the provisions of the STAP guidelines and to use an advisory panel--with OEO representation--to review the qualifications of all candidates for positions under this grant.

b. Positive Findings: One of the most constructive, valuable activities of the SEOO in the past seven/eight months has been the performance of their STAP specialists where they have had the opportunity to work with a few rural CAAs. The STAP specialists were largely instrumental in organizing the successful State Resources Mobilization Conference in Sacramento in December, 1970. Valuable assistance, especially in the fields of management (Throne) and housing (Frane), was cited by several rural CAAs. In addition, the STAP housing specialist organized five housing workshops throughout the

Page 43 -- CONCLUSIONS (Charge)

While it is not clearly spelled out, the work program indicates worthwhile objectives in the area of technical assistance to grantees, mobilization of resources, and career development opportunities for poor people in state government. During the eight months this grant has been in force, it appears that adequate results have not yet been obtained.

RESPONSE:

Again, SEOO, the present SEOO administration, inherited the grant under which it operated for the 1970-71 period and the previous administration. The deficiencies in the previous grant have been remedied in the grant of the 1971-72 period.

state to tap the resources of the Farmers' Home Administration loan program. He also developed a promising intern training program of para-professionals in rural housing. The economic development specialist (Archer) has developed a Rural Transportation Cooperative (Placer County), has worked with minority contractors to develop a profit-making corporation, and has helped create "Indians Campground, Inc." to help low-income Indians use their reservation lands as commercial camping facilities.

c. Negative Findings:

(1) Three vacancies in the four STAP positions have occurred since September, 1970 (one by firing, one left to work for another SEOO, and one was just recently transferred to another grant (Demonstration) of the California SEOO). These vacancies were immediately filled by the SEOO Director without the use of an advisory panel which is a violation of the grant conditions.

(2) There is serious reservation on the part of the evaluation team that two of the three STAP replacements meet the qualifications of their job descriptions (Carter and Chickering).

(3) Two of the new people hired to fill STAP slots are not performing STAP functions (according to STAP guidelines) for much of their time, but are being used for such SEOO staff position as General Counsel (Chickering) and Technical Assistance Chief and "Deputy Director for Program Analysis" (Schur). The evaluation team observed that these two people appear to be quite capable but that STAP personnel are not meant to be used for SEOO staff assignments.

d. Results: The STAP program began in California with well-qualified people and the opportunity to provide valuable, needed technical assistance to rural poverty communities. Some useful technical assistance and resource mobilization has taken place, but the STAP program has not met its full potential because the STAP guidelines have not been followed.

e. Conclusion: Unless the SEOO uses qualified personnel for STAP and has them out in the rural communities to provide long-range, on-site technical assistance according to the STAP guidelines, the STAP program in California will be a failure and should not be re-funded.

3. DEMONSTRATION GRANT:

a. Facts: Effective August 15, 1970, WR/OEO approved a demonstration grant for \$162,170 for a 10.5 month funding to allow the California SEOO to hire professionals (plus two clerical personnel) to provide special technical assistance to OEO grantees in management speciality areas, in child development, and to develop and coordinate programs for low-income Indians.

Page 44 -- 2.c. STAP GRANT, NEGATIVE FINDINGS (Charge)

(1) Three vacancies in the four STAP positions have occurred since September, 1970 (one by firing, one left to work for another SEOO, and one was just recently transferred to another grant (Demonstration) of the California SEOO). These vacancies were immediately filled by the SEOO Director without the use of an advisory panel which is a violation of the grant conditions.

RESPONSE:

Future vacancies for the STAP grant will be filled in compliance with STAP grant guidelines. The previous ones were not followed because of the pressure of time and because of the lack of adequate personnel to be immediately on hand to do the job when it was needed.

(2) There is serious reservation on the part of the evaluation team that two of three STAP replacements meet the qualifications of their job descriptions (Carter and Chickering).

RESPONSE:

One STAP replacement who did not meet the qualifications of the position for which he was selected was transferred back into the CPA section. The second STAP selection, Mr. Jim Gordon, has an extensive economic development background including that in the anti-poverty program through SDI and has developed over a million and a half dollars of programs in the areas in which he had responsibility. The third person, Mr. Barny Schur, is both a professor of business and public administration at local Bay Area colleges and universities, and has had over seven years of program administrative experience in both the food stamp program and anti-poverty programs.

Lawry Chickering was hired to work both as a general counsel and in community development. The general counsel was an internal assignment outside of the normal STAP activities. However, under the STAP responsibility, Mr. Chickering has devoted at least 60% of his time in the development of community development programs including those on drugs, on prisoners, housing, employment development, and other legal problems that affect directly community development programs. Mr. Chickering also served on the National Advisory Council on Minority Business Enterprises before joining SEOO.

(3) Two of the new people hired to fill STAP slots are not performing STAP functions (according to STAP guidelines) for much of their time, but are being used for such SEOO staff positions as General Counsel (Chickering) and Technical Assistance Chief and "Deputy Director for Program Analysis" (Schur). The evaluation team observed that these two people appear to be quite capable but that STAP personnel are not meant to be used for SEOO staff assignments.

RESPONSE:

In order to run a STAP/TA section efficiently, one man has to be given overall management and administrative responsibilities for that section. This is inherent in any kind of planning, direction and control function in the management activities of any organization. Because of this problem, Barny Schur with his extensive background in management and administration was assigned these responsibilities for both STAP/TA section. Additionally, a line functional authority must be assigned to somebody in SEOO in order to work cooperatively with CAPs, department heads and Board Chairmen as well as other officials in the assessment, delivery and follow-up of TA activities. It, therefore, is altogether appropriate and fitting, in a management context, that one man be capable in performing this function and is selected from the TA or STAP section to oversee and supervise the entire TA program.

Staff assignments are inherent in any kind of TA organization be they engineers, doctors, dentists or any other kind of professional technician. Given the amount of funds in the STAP grant and the TA grant, it is impossible to divide long range onsite TA to CAPs throughout the State of California. It is too much to ask a man to stay onsite on a long range program to serve one or two CAPs when there is a need state-wide. Therefore, it is the premise of the SEOO to serve those CAPs whose problems can be solved first. The indepth complicated problems that would require long term onsite expensive services are not feasible for SEOO to undertake at this particular time and to a great degree these kinds of needs have been provided by ATAC and SDI for service.

b. Positive Findings: Some of the professionals eventually hired for these positions appear to be reasonably well-qualified. Some useful technical assistance was provided by the Early Childhood Development Specialist.

c. Negative Findings:

(1) The SEEO has not used this grant, and most of the professionals hired by the grant, to carry out the demonstration goals and work program. Some of the professionals hired under the grant have instead been used (see attached analysis section on manpower allocation on Blaker, Clark, Cunningham, Taylor, and Whitely) as Community Program Analysts (CPAs) for monitoring, investigating, and performing grant review functions for the greatest majority of their time. Even the latest organization chart of the SEEO (approved by Director Lewis K. Uhler about mid-February, 1971) shows that one professional (Clark - personnel management) is performing a CPA-type (investigative) function.

(2) As with the STAP grant, there has been no apparent attempt to isolate the functions of personnel under this grant from the regular SEEO grant thus making it difficult to assess the effectiveness of the program as a demonstration.

(3) The position of SEEO Indian (or "Special Programs") Coordinator was only filled on February 12, 1971, (six months after effective date of grant) and then by transferring a STAP Economic Development Specialist (Archer) to this position.

(4) Reports from grantee interviews show almost no positive reports on useful technical assistance provided by the specialists hired under this demonstration grant.

d. Results: While there was a great need for the services--on the part of OEO grantees--and the specialists hired seemed fairly well-qualified, this demonstration has been a failure as the technical assistance has not, in fact, been delivered except for a significant portion of the time of one specialists (Taylor - Early Childhood Development).

e. Conclusion: The demonstration grant should not be refunded. The most qualified specialists could be used by the SEEO in place of the less qualified CPAs in the regular program.

4. OAKLAND GRANT:

a. Perception: Although Oakland demonstration grant was written primarily to "support a technical assistance consultant to effect extensive improvement in the management of OEDCI and to review compliance with OEO regulations and special conditions," many believe the

Page 45 -- 3. c. DEMONSTRATION GRANT, NEGATIVE FINDINGS (Charge)

(2) As with the STAP grant, there has been no apparent attempt to isolate the functions of personnel under this grant from the regular SEOO grant thus making it difficult to assess the effectiveness of the program as a demonstration.

RESPONSE:

Comments made in STAP grant and other TA sections are germane to this whole thing and can be repeated as a summary.

Page 45--Charge

"Although Oakland demonstration grant was written primarily to 'support a technical assistance consultant to effect extensive improvement in the management of OEDCI and to review compliance with OEO regulations and special conditions', many believe the funds under this grant were used to support an investigation and to find reasons to close OEDCI and were not used to assist OEDCI with training and technical assistance."

Response

The charge fails to mention the specific items in the State grant to which the Oakland monitor is to address himself. The grant states, in Item I, page 2 of the work contract, that the monitor shall, at a minimum:

- (a) Review OEDCI compliance with OEO regulations and special conditions on the OEDCI grant;
- (b) Review OEDCI management and program operations, diagnose areas of weakness, and submit recommendations for improved performance to the President, OEDCI, Executive Director of OEDCI and OEO;
- (c) Upon request by OEDCI, provide technical assistance to the grantee or mobilize technical assistance resources from the SEOO staff and/or appropriate state agencies to assist the community action agency;
- (d) To coordinate the participation of the SEOO in the joint federal-state-city review of OEDCI programs to begin October 1, 1970;
- (e) Participate jointly with OEO staff in discussions with the CMIP contractor chosen by OEO and OEDCI. Submit recommendations to OEDCI and OEO for effective use of the CMIP grant.

These items place major emphasis on monitoring, evaluation and coordination with the appropriate Regional Office staff. The compliance with this part of the grant is evidenced by a letter from the OEO Regional Director of December 23, 1970, commending SEOO staff members for their efforts in the Oakland evaluation (attachment "A").

Charge

"The Executive Director reported that neither he nor the OEDCI Board were apprised of plans to fund this demonstration nor were they sent a CAP Form 76 for comment at the time the application was submitted or funded."

### Response

During the refunding process of OEDCI in May, 1970, SEOO requested that Western Regional OEO include, in the OEDCI grant, information about the SEOO monitor and the extent of his responsibilities in Oakland.

Western Regional OEO refused to make this information a part of the grant but, instead, the Regional Director stated he would instruct a representative to communicate the information orally to OEDCI.

### Charge

"The Regional IX, OEDCI field representative, Rick Morada, stated to an interviewer that he was not aware that the Oakland demonstration grant existed. Therefore, he could not comment on it. Morada said that the only thing he perceived the SEOO doing in OEDCI was investigation."

### Response

The fact that the Regional OEO representative assigned to OEDCI was unaware that the SEOO Oakland grant existed is no fault of SEOO. A primary responsibility of the Regional representative is to be knowledgeable of all such grants in areas within his jurisdiction.

### Charge

"There has been very little meaningful coordination between the appropriate Regional Office staff (field representative), the CAA or the special technical assistance consultant funded under this (SEOO) grant."

### Response

If a Regional OEO field representative did, in fact, make this statement, it would contradict statements made in the letter of the Regional Director of December 23, 1970, where he speaks of the positive efforts of SEOO in the Oakland evaluation (previous attachment "A").

### Charge

"The special technical assistance consultant has not regularly attended OEDCI Board and Executive Committee meetings. It was reported that the consultant attended only one such meeting."

### Response

The field representative for the Western Regional OEO and Board Members of OEDCI can substantiate that SEOO monitor attended most OEDCI Board meetings and several Executive Committee meetings.

### Charge

"No quarterly diagnostic reports have been submitted to the WR/OEO or OEDCI. Since August 1, 1970, there should have been two quarterly reports submitted."

### Response

SEOO, in cooperation with Western Regional OEO, the City of Oakland and Board members of OEDCI, conducted an in-depth study of OEDCI, which lasted approximately two months. The findings, along with recommendations, were submitted to OEDCI staff and the Board of Directors. As a result of these reports, a special committee of the OEDCI Board was assigned to review and submit recommendations concerning matters contained therein. A copy of the report of the special committee is attached.

### Charge

"The resume submitted for the person hired as the special technical assistance consultant under the grant does not meet the qualifications described in the grant.

"Mr. Espana, the special technical assistance consultant hired, was not approved by Region IX, OEO, as required by the grant."

### Response

In the opinion of the SEOO, the Oakland monitor had the qualifications to properly discharge the SEOO responsibilities of the subject grant. Furthermore, the grant does not require SEOO to obtain approval from WR/OEO in the selection of the Oakland monitor.

The effectiveness of the Oakland monitor and the other SEOO staff members who assisted in the evaluation of OEDCI is evidenced by the letter of the Regional OEO Director of December 23, 1970, and the acceptance of the SEOO report by the special committee of OEDCI (attachment "B").

### Charge

"There was no evidence that the SEOO had attempted to administer or implement this grant as written at the Oakland CAA. To date, there has been no meaningful technical assistance provided to OEDCI staff, Board or low-income groups."

### Response

The terms of the grant stipulate that technical assistance will be provided OEDCI upon request by the agency. Although no requests have been made for TA, SEOO did provide assistance in various ways:

- (1) In a letter to the President of OEDCI, it was stated that major weaknesses and questionable expenditures of funds existed in the Outreach program, and we offered the assistance of this office in rectifying these conditions.
- (2) In a letter to the President of OEDCI, we stated that irregularities had taken place in the target area elections, which resulted in several target area delegates of OEDCI being invalidly seated. We offered to assist the agency in its review of the matter.
- (3) In a letter to the President of OEDCI, we informed him of incidents of unauthorized political actions in which staff members of OEDCI had engaged and requested that instruction on OEO regulations be provided to all staff and Board members.
- (4) In response to a request by the Chairman of the Outreach panel to provide the panel with information about deficiencies in the Outreach program, the Oakland monitor attended a Saturday meeting in Oakland for this purpose. However, because of a lack of quorum, no official meeting was held.
- (5) In coordination with the Regional Office, staff members of SEOO assisted in monitoring the OEDCI target area elections of 1971. The Oakland monitor did, previous to the elections, assist at least one OEDCI advisory committee in learning about the plans and procedures and special grant conditions affecting the elections.
- (6) During the course of our examination of the financial records of the Neighborhood Service Program, a delegate agency of OEDCI, various methods relative to improving the internal controls were recommended and discussed with the staff.

(7) A detailed report was submitted to the Regional Auditor covering an analysis and comments of various CPA audits of OEDCI. Included was a recommendation that the report be discussed and reviewed with OEDCI in an effort to improve their accounting system and its internal controls.

(8) An on-site evaluation involving the cooperative and collaborative efforts of (a) Office of Economic Opportunity, Region IX, (b) California State Office of Economic Opportunity, (c) City of Oakland and (d) the Oakland Economic Development Council, Inc., was conducted of the OEDCI operations in November and December, 1970. Team members met daily for orientation, assignments and consultations. Each team member was required to submit a narrative report of his findings and opinions of each program evaluated. In an exit conference with OEDCI, it was mutually agreed that valuable technical assistance was derived from this evaluation. In addition, valuable technical assistance was provided at the time of the evaluation team's on-site visits to OEDCI headquarters, Area Service Centers, Teen-age Parent Participation Program at Oakland YWCA, American Indian Service Center, Filipino Information Service Center, Spanish-Speaking Community Action Center, Children's Vision Center and the Legal Aid Program location.

OFFICE OF ECONOMIC  
OPPORTUNITYWESTERN REGIONAL OFFICE  
100 McALLISTER STREET  
SAN FRANCISCO, CALIFORNIA 94102*Attachment A*

December 23, 1970

Mr. Lewis Uhler  
Director  
State Economic Opportunity  
Office  
800 Capitol Mall  
Sacramento, CA 95814

Dear Mr. Uhler:

Transmitted herewith is the report of the OEDCI On-Site Evaluation Team. The report represents the joint effort on the part of the Office of Economic Opportunity, California State Economic Opportunity Office, the City of Oakland, and Oakland Economic Development Council, Inc.

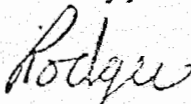
I would like to commend the following members of your staff for their contributions to a most difficult task:

1. Mr. Sal Espana
2. Mr. Jeff Clark
3. Mr. Charles Blaker
4. Mr. Robert Steele
5. Mr. L. Chickering

This significant inter-agency effort in the Oakland community action program represents the kind of mutual effort between the State and Federal Government that can be most beneficial to the poor. I look forward to an expansion of our mutual efforts in the coming year.

My best wishes to you and your family for a Merry Christmas and happy and prosperous New Year.

Sincerely,



H. RODGER BETTS  
Regional Director

FINDINGS OF THE INVESTIGATING COMMITTEE

Attachment  
(OEDCI Committee)

In accordance with the mandate of the Council of OEDCI, an Investigating Committee was formed.

This Committee is composed of Mr. Willie Rock, Mrs. Louise Albritten, Mr. Christopher Martin, Mr. Howard Ransom, Mr. Jim Flores, Mrs. Josephine Jiminez, Mrs. Lillian Love, Atty. John George, Mr. James Medina, Atty. Clinton White, and Rev. Thomas P. Grissom, Jr.

We had three meetings; January 4th, 8th, & 13th. At the first meeting, ten Committee Members were present, and three State and one Regional Resource Persons; the second meeting, eight Committee Members were present, and three State Resource Representative Persons; at the third meeting, seven Committee Members were present.

We were charged with the responsibility of investigating and determining the validity of the "On Site Evaluation Report", Part II of "The Oakland Economic Development Council, Inc., Community Action Program, from January 1, 1970 through December 31, 1970". We hereby submit the following findings as directed by the Council.

They are: In order of their sequence in the original report;

Number 1, page 3 was unanimously agreed upon by the Committee Members.

Number 2, page 3 is basically true.

Number 3, page 4 is true and verified by OEO's special conditions. It has since been corrected.

Number 4, page 4 is true. Inadequacies of previous years have been corrected, and the audit of June 1970 verifies this audit.

Number 5, page 4 is true. This is documented by OEO's letter of December 12, 1969. This has been corrected.

Number 6, page 4 is true.

Number 7, page 4 is true. It is documented by OEO communications of November , 1969, and December 10, 1969 MET DATES.

Number 8, page 4 involving Program Funds, we questioned the work "unauthorized". We support the fact it was dis-allowed.

CONTINUED

Number 9, page 5 is true. It is documented by OEC.

Number 10, page 5 is true, and documented by District Attorney indictments.

Number 11, page 5 is true. It is supported by OEO at special conditions.

Number 12, page 5 is true. Prohibited by By-Laws Sec. 6, Subdivision 8, and letter of August 3, and 26, 1970.

Number 13, page 5 is true, supported by minutes.

Number 14, page 5 is true, supported by letter from State OEC. It was voted upon by the Council not to take any action until we received directions from Regional OEO.

Number 15, page 5 is true.

The second phase of this report, pages 6 through 9, Items 1 through 6, are true. Item 7, and Section A, recognizes the fact that we did not comply with Special Condition No. 7. There was a difference of opinion within the Committee regarding the time. Target area committees were informed about the plans and the procedures for the elections.

Item 7B is true.

Item 7C regards Special Condition No. 21. The Council did approve the direct actions of November 10, 1970. The Council did not approve the actions of December 15, 1970. Items further documented by the minutes of OEDCI.

Item 8, page 10 documented two meetings only without legal quorum. Section A is false. There are some Council Members who have not lost confidence in OEDCI; however, there are some members who have lost confidence in the Administration Staff and, some Council Members.

8B. In view of the serious allegations of 8B, which are further documented by Judge Wilsons' letter dated October 21, 1969 to Mr. Ronald Rumsfeld, after serious study and discussion, we recommend that the Personnel Committee take appropriate disciplinary action.

Item 9. (1) We recommend that there be an ethnic balance within the staff. (2) We recommend that the staff be residents of Oakland. (3) We further recommend that all ethnic groups (see Atty. John George).

Item 10, Sections A and B are true, documented by letter of August 3, 1970. Section C is true, supported by the Executive Board's minutes of November 19, 1969. We further recommend that the newly appointed committee to meet with the Spanish Action Center Board and the Spanish Advisory Committee, report to this Council immediately with their findings and recommendations. Section D is true.

In conclusion, we are in agreement that the following is true:

1. The Board of Directors is lax in carrying out its functions as a policy-making body.
2. We have allowed and relied upon the staff to assume Council powers.
3. We have been remiss in examining progress, and monitoring the operation of this corporation in accordance with regulations.

CONTINUED

4. It is incumbent that we have Administration that can efficiently carry out the poverty program as laid down by CEO. Secondly, we further state, Administration must not usurp the powers of the Council. Thirdly, the staff must pass on to the Council, all communication and information that falls within the Council's jurisdiction.
5. We recommend that the staff shall set up work shops, seminars, etc., utilizing State and Federal expertise.
6. No public statements reflecting upon the Council shall be given to the news media, institutions or persons without prior approval of our Public Relations Committee. We recommend the immediate formalization of this committee.

funds under this grant were used to support an investigation and to find reasons to close OEDCI and were not used to assist OEDCI with training and technical assistance.

b. Findings:

(1) The Executive Director reported that neither he nor the OEDCI board were apprised of plans to fund this demonstration nor were they sent a CAP Form 76 for comment at the time the application was submitted or funded.

(2) The Region IX, OEDCI field representative, Rick Morada, stated to an interviewer that he was not aware that the Oakland demonstration grant existed. Therefore, he could not comment on it. Morada said that the only thing he perceived the SEOO doing in OEDCI was investigation.

(3) There has been very little meaningful coordination between the appropriate Regional Office staff (field representative), the CAA or the special technical assistance consultant funded under this grant.

(4) The special technical assistance consultant has not regularly attended OEDCI Board and Executive Committee meetings. It was reported that the consultant attended only one such meeting.

(5) No quarterly diagnostic reports have been submitted to the WR/OEO or OEDCI. Since August 1, 1970, there should have been two quarterly reports submitted.

(6) The resume submitted for the person hired as the special technical assistance consultant under the grant does not meet the qualifications described in the grant.

(7) Mr. Espana, the special technical assistance consultant hired, was not approved by Region IX, OEO, as required by the grant.

(8) There was no evidence that the SEOO had attempted to administer or implement this grant as written at the Oakland CAA. To date, there has been no meaningful technical assistance provided to OEDCI staff, board, or low-income groups.

c. Conclusion:

(1) The SEOO has not performed the terms and conditions of the grant.

(2) WR/OEO and SEOO both have neglected to fulfill their responsibility to inform the parties involved of the demonstration grant.

(3) There was not proper monitoring of this grant to insure that the conditions, goals, and objectives were being met by the grant.

d. Recommendation:

(1) The grant should be terminated.

(2) An audit examination of the funds expended under this grant should be conducted as soon as possible.

## THE SEOO AND THE REGIONAL OFFICE

### 1. PERCEPTIONS:

The California SEOO perceives its relationship with Regional OEO to be at best ambivalent and at worst founded on distrust and permeated by mutual indifference. While the State and the Region got off to a good start in their relationship, the situation rapidly deteriorated until regular communication between the State and the Region became almost non-existent.

The State has complained, among other things, of the following matters:

a. The state is not routinely invited to participate in the pre-reviews of all CAAs in the state. When the Region does extend an invitation, it is often too late to allow the State to make the necessary scheduling adjustments to enable their personnel to be in attendance. Moreover, the State has also complained that once pre-review dates have been set by the Region and the CAAs, these dates are changed at the last moment producing a disruptive effect on the deployment of State personnel.

b. The State complains that the Region is unwilling to supply it with audit reports on the CAAs and that the State has been required, therefore, to seek out alternate sources to obtain such reports and other financial information on the CAAs.

c. The State has not been brought into meaningful participation in evaluations conducted by the Region on community action agencies. Robert Hawkins, Director of Operations for the SEOO, described the situation as follows:

- (1) "The State Office of Economic Opportunity has participated in a joint evaluation and review of OEDCI. However, the outcome of this evaluation was most unsatisfactory, due to duplicity on the part of the Regional Office.
- (2) "We have also participated in a Task Force Evaluation with WR/OEO on the Berkeley Community Action Agency. However, the State Office has withdrawn from this Task Force, and has sent a letter to Regional OEO requesting written guarantees that the powers enumerated in OEO Instruction 7501-1 will be guaranteed to the State Office (see Attachments). This action

was taken in light of the behavior of the Regional Office in the Oakland area.

- (3) "Simply stated, the State Office no longer trusts the verbal agreements reached with Regional OEO, feeling that whenever it is to their advantage, they will double-cross the State Office."

d. In the area of training and technical assistance, John Sawicki reported that "This office has never been invited by Region IX to participate in any contract formation or technical assistance planning."

e. An illustrative example of the breakdown of communication between SEOO and the Regional Office, as perceived by Robert Hawkins, deals with a demonstration grant involving the concept of volunteer action. It appears that a proposal by the State for the funding of a demonstration grant was signed off by the Region but thereafter the funds were not released. Hawkins described the situation as follows:

- (1) "The funds for the demonstration program have not been received by our office. The ostensible reasons given by WR/OEO is that the work program is unsatisfactory. However, in discussion with Joe Maldonado in Washington, D. C., in December, 1970, it was ascertained that National OEO was moving away from volunteerism.
- (2) "It appears to me that the real reason why the volunteer grant has not been approved, stems from differences between our office and the Western Regional Office. The reasons for the volunteer grant not being funded by Regional OEO to the State Office of Economic Opportunity are not known to us. The following chain of events took place regarding this grant:"
  - (a) "Rodger Betts formally signed the CAP 14 with the original work program.
  - (b) "Approximately two to three weeks later, Rodger Betts, on the advice of the Western Region staff, put a freeze on releasing the monies to us until we redesigned the work program. It was his contention

that the work program did not fulfill the conditions of the grant.

- (c) "It was then suggested by Mr. Betts that Mr. Uhler and Mr. Sawicki redesign the work program, working with the Region staff. Mr. Uhler said he would do this, but unless Mr. Betts committed to release monies after the redesigning, Mr. Uhler felt it would be a waste of time.
- (d) "Mr. Uhler and Mr. Sawicki went to WR/OEO after the commitment was given to Mr. Uhler by Mr. Betts that the monies would be released after the redesigning of the work program had been accomplished by the Region staff.
- (e) "Mr. Uhler and Mr. Sawicki spent eight hours at Regional OEO designing everything the way Region staff suggested. We then returned to Sacramento and wrote it according to their terms.
- (f) "Approximately a week later, the new work program was sent to WR/OEO, and to this day, as far as I know, there has been absolutely no word from Rodger Betts as to why the money has not been released.
- (g) "Mr. Uhler has talked with Mr. Betts on several occasions regarding this grant, and also has communicated several times with Joe Casillas. The last word we have from Mr. Cassillas is that this grant is on ice until our relationship with Regional OEO is improved."

OFFICE OF ECONOMIC  
OPPORTUNITY

EXECUTIVE OFFICE OF THE PRESIDENT  
Region IX  
100 McAllister Street  
San Francisco, California 94102

April 7, 1971

Mr. Lewis K. Uhler  
Director  
Office of Economic Opportunity  
Department of Human Resources Development  
800 Capitol Mall, Sacramento 95814

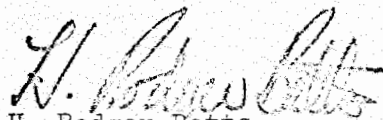
Dear Lew:

Thank you for your letter of March 26 relative to your Resources Mobilization and Technical Assistance Conference.

I regret that I will be out of the State during the Conference and thus will not be able to accept your invitation to speak on April 13. I have asked Joe Casillas to represent the Regional Office as your luncheon speaker on that date.

My best wishes for a successful Conference.

Sincerely,



H. Rodger Betts  
Regional Director

APR 14 1971

# OFFICE OF ECONOMIC OPPORTUNITY

EXECUTIVE OFFICE OF THE PRESIDENT

Region IX

100 McAllister Street  
San Francisco, California 94102

March 31, 1971

Mr. Lewis K. Uhler  
Director  
Office of Economic Opportunity  
Department of Human Resources Development  
800 Capitol Mall  
Sacramento, California 95814

Dear Lew:

I have received your letter of March 18 discussing activities within the Community Action Commission of Santa Barbara County, Inc.

Your description of circumstances surrounding the recent refunding of that agency contains substantial inaccuracies. Allow me to reconstruct those circumstances and to bring you up to date on our understanding of the current situation in Santa Barbara.

First, your office has frequently been informed that the Federal Office of Economic Opportunity does not hire or fire the staff of local Community Action Agencies. Our authority in this regard is limited to insuring that Community Action Agencies, through their Boards of Directors, conduct their personnel affairs in compliance with the Economic Opportunity Act, OEO regulations and their grant work program.

Second, there was no agreement to see that "two individuals would be eliminated from the program" in Santa Barbara as you contend. As stated above, we have no authority to make such an agreement. Further, at no time did you ask for such an agreement and at no time did we assent to such an agreement.

Third, we appreciated your bringing to our attention some confusion on the part of the Community Action Commission of Santa Barbara County, Inc., relating to a special condition on one of their grants. We subsequently issued a clarifying letter to the agency, a copy of which was sent to you. Refer to the letter of January 13 from our former Regional Counsel, Mr. James Deasy, to the CAC of Santa Barbara County, Inc. (Exhibit A).

Fourth, the following is a description of events relating to the two individuals mentioned in your letter:

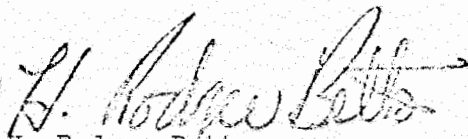
-- On December 23, 1970, this office took the initial action to inform the Santa Barbara CAC of possible violations by the two persons of personnel policies of both the CAC and OEO. In the same letter, we requested that the Board take appropriate disciplinary action if such violations did actually take place (refer to Exhibit B).

- On December 24, 1970, the Executive Director of the Santa Barbara CAC officially reprimanded both Mr. Alvarez and Mr. Compos as a result of our letter (refer to Exhibits C and D).
- On January 13, 1971, our then Regional Counsel (Mr. James E. Deasy) informed the Chairman of the Santa Barbara CAC that the Commission has final and complete authority as to the hiring and firing of any program coordinator (refer to Exhibit A).
- On January 19, 1971, the Executive Committee of the Santa Barbara CAC dismissed both Mr. Alvarez and Mr. Compos (refer to Exhibits E and F).
- On January 21, 1971, both Mr. Alvarez and Mr. Compos exercised their rights of appeal directly to the Board of Directors of the Santa Barbara CAC. The Board held an executive session that evening to discuss these appeals. They reversed the actions of their Executive Committee, and both employees were retained on a six-month probationary basis. On February 10, 1971, Mr. Mario Vasquez, Division Chief for North Coast California, met with the Board's Executive Committee to again discuss these two individuals. It was ascertained that both employees, at the end of their six-month probationary periods, would be fully evaluated by the Santa Barbara CAC. Appropriate personnel actions would then be taken by the CAC based on their performance evaluations (refer to Exhibit G).
- On March 18, 1971, the Commission suspended without pay Mr. Carlos Compos, as a result of recent conduct charges (refer to Exhibit H).

Regarding your statement that the Board of Directors of the Santa Barbara CAC has requested a thorough review of their agency by OEO, we are unaware of their taking any official action on this matter. The only request for any investigation was received by my office on January 28, 1971, by the former Commission Chairman, Mr. Cres De Alba. Mr. Vasquez met with the Executive Committee of the Commission on February 10, 1971, to discuss Mr. De Alba's request and concerns. As a result of that meeting, it was agreed by the Executive Committee that no further investigation was warranted over and beyond our regular on-going monitoring activities (refer to Exhibit G).

Regarding the last issue raised in your letter, OEO will definitely participate with your office in the monitoring of elections for target area representatives as soon as the CAC finalizes the election plans.

Sincerely,



H. Rodger Betts  
Regional Director

EXHIBIT A

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF ECONOMIC  
OPPORTUNITY

WESTERN REGIONAL OFFICE  
100 McALLISTER STREET  
SAN FRANCISCO, CALIFORNIA 94102

January 13, 1971

Mr. Cres De Alba, Chairman  
Community Action Commission  
of Santa Barbara County  
232 East Montecito Street  
Santa Barbara, California

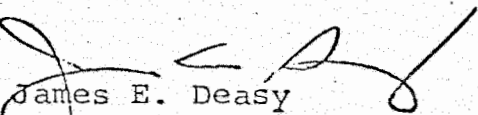
Dear Mr. De Alba:

I have just been advised of a letter received by your Executive Director dated August 31, 1970 relative to a change of work program for your Emergency Food and Medical Services grant, said letter being under the signature of your Regional OEO Field Representative.

Clarification has been requested as to the last sentence of the letter which ostensibly gives the right to hire the EFMS Coordinator to the policy advisory council. It should be made perfectly clear that said statement does not abrogate your commission's responsibility for the administration of the total CAC program in Santa Barbara County. Your commission has final and complete authority as to the hiring and firing of a program coordinator. What our Field Representative intended by her comment was only that EFMS guidelines provided that the policy advisory council shall assist in the selection of a project coordinator.

Should you have any further questions in this matter, please contact my office.

Sincerely,

  
James E. Deasy  
Regional Counsel



- cc: H. Rodger Betts  
Lewis Uhler  
Pete Peterson, SEOO Analyst  
Jim Duerr, Executive Director  
Apolinar Alvarez, EFMS Coordinator  
Louis Rodriguez, Chairman PAC  
Mario Vasquez  
Marguerite Mendoza

EXHIBIT B

December 23, 1970

Mr. James Duerr  
Executive Director  
Community Action Commission  
of Santa Barbara County, Inc.  
232 East Montecito Street  
Santa Barbara, CA 93102

Dear Mr. Duerr:

You are no doubt aware that at the 17th December, 1970 board meeting of the Community Action Commission of Santa Barbara County, two (2) project directors; Mr. Apolinar Alvarez, Director of the Emergency Food and Medical Services Project, and Mr. Carlos Campos, Director of the Youth Development Program; provided leadership for disruptive action together with the Santa Maria Neighborhood Area Council residents.

Inasmuch as this type of activity by staff violates the personnel policies of both the CAA community action agency and CEO, please advise us as to what disciplinary action you plan to take against these two (2) individuals. Response to the above is due in this office by close of business on Monday, 4 January, 1971. If you have any questions regarding the above, please contact the Acting Division Chief, as both Mrs. Mendoza and Mr. Vasquez are on leave.

Sincerely,

MARIA L. FORT  
Acting Division Chief

cc: Sal Aparicio, Chairman

EXHIBIT C

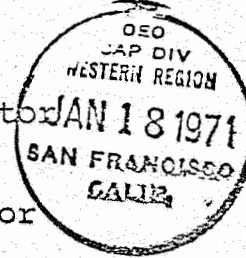
MEMORANDUM:

December 24, 1970

TO: Carlos Campos, Youth Coordinator

FROM: James Duerr, Executive Director

SUBJECT: ACTIONS AT COMMISSION MEETING



I must warn you against further disruptive actions such as occurred at the CAC Commission Meeting of December 17, 1970. When personnel of the CAC engage in such activities it is improper professional conduct and violates specific instructions of OEO (Memo 6907-2.)

Specifically you were out of line in using a loud voice and abusive language toward board members and marching out of the meeting with a disruptive group. Actions such as these only encourage such actions by others, and have the potential of making a bad situation worse. As an employee of the Community Action Commission you must remember that you are to respect the decisions of the commission although you might not agree with them.

I do understand that during the meeting and after the walk-out you actively discouraged the people involved. This was proper and is in full accordance with OEO Instructions. However you must remember that the public actions of a person carry a weight of influence often much stronger than what he may do behind the scenes.

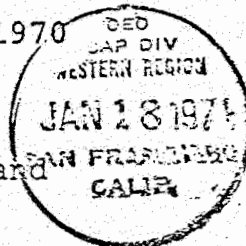
At this time I intend no further disciplinary action other than this warning (although you may expect my action to be reviewed by the Executive Committee.) A copy of this memorandum will be placed in your personnel file. However, any repetition will result in suspension of employment and possible dismissal.

If you have any questions regarding this please feel free to talk with me about it.

EXHIBIT D

MEMORANDUM:

December 24, 1970



TO: Apolinar Alvarez, Emergency Food and Medical Services Coordinator

FROM: James Duerr, Executive Director

SUBJECT: ACTION AT COMMISSION MEETING

I must warn you against further disruptive actions such as occurred at the meeting of December 17, 1970. When personnel of the CAC engage in such actions it is improper professional conduct, and violates specific instruction of OEO (Memo 6907-2.)

Specifically you were out of line in using a loud voice and marching out of the meeting with disruptive group in a situation that was disruptive and had potential to become worse.

As an employee of the Community Action Commission you must remember that you are to respect their decisions although you may not agree with them. However, in your situation I understand that you walked out with the group in order to maintain contact with these people and after leaving the meeting actively discouraged the people involved from engaging in further disruptive action. This was proper and is in full accordance with the OEO Instruction and the standards of professional conduct expected by the Commission.

At this time I intend to take no further disciplinary action other than this warning (although you may expect my action to be reviewed by the Executive Committee.) A copy of this memorandum will be placed in your personnel file. However, any repetition will result in suspension of employment and possible dismissal.

If you have any questions regarding this please feel free to talk with me about it.

# COMMUNITY ACTION COMMISSION

## *of Santa Barbara County*

348 93102

232 EAST MONTECITO STREET  
SANTA BARBARA, CALIFORNIA  
93101

805 965-1035

MEMORANDUM:

January 19, 1971

TO: Carlos Campos

FROM: James Duerr, Executive Director

SUBJECT: DISMISSAL

I regret to inform you that the Executive Committee has voted to dismiss you from your position as Youth Coordinator of the Youth Program. Since two weeks notice is required by the personnel policies, the effective date of your dismissal will be February 1, 1971. However, you are suspended from your duties effective immediately and shall immediately turn over all equipment, materials, records, and keys to the Business Manager, Mr. Rudd Martin.

The reasons for your dismissal are those previously placed in your personnel file and those outlined in the attached letter to you from the Commission President.

Your rights of appeal are outlined in the personnel policies of the Community Action Commission. In addition, the Office of Economic Opportunity Western Region has a special appeals officer to whom you may direct any complaint you might have.

I personally wish to thank you for the past assistance you have given to the Community Action Commission and regret that these instances of poor judgment have made it impossible for the Commission to continue you in its employment.

D/eq  
Attachment:

cc Mr. Cres De Alba  
Members of Executive Committee  
Personnel File  
Office of Economic Opportunity  
State Office of Economic Opportunity

EXHIBIT F

**COMMUNITY ACTION COMMISSION**  
*of Santa Barbara County*

1548 93102

232 EAST MONTECITO STREET  
SANTA BARBARA, CALIFORNIA  
93101

805 965-1035

MEMORANDUM:

January 20, 1971

TO: Apolinar Alvarez

FROM: James Duerr, Executive Director

SUBJECT: DISMISSAL

I regret to inform you that the Executive Committee has voted to dismiss you from your position as Coordinator of the Emergency Food and Medical Services Program. Since two weeks notice is required by the personnel policies, the effective date of your dismissal will be February 3, 1971. However, you are suspended from your duties effective immediately and shall immediately turn over all equipment, materials, records, and keys to the Business Manager, Mr. Rudd Martin.

The reasons for your dismissal are those previously placed in your personnel file and those outlined in the attached letter to me from the Commission President.

Your rights of appeal are outlined in the personnel policies of the Community Action Commission. In addition, the Office of Economic Opportunity Western Region has a special appeals officer to whom you may direct any complaint you might have.

I personally wish to thank you for the past assistance you have given to the Community Action Commission and regret that these instances of poor judgment have made it impossible for the Commission to continue you in its employment.

JD/aq  
Attachment

cc Mr. Cres De Alba  
Members of Executive Committee  
Personnel File  
Office of Economic Opportunity  
State Office of Economic Opportunity

EXHIBIT G

22 February 1971

Mr. Cres De Alba  
7374 Casitas Pass Road  
Carpinteria, California 93013

Dear Mr. De Alba:

Acting Director Frank Carlucci has asked me to respond to your recent telegram concerning complaints about the Santa Barbara County Community Action Commission. I regret the delay in responding to you; however, my staff had to make an extensive review of your list of complaints including several visits to Santa Barbara.

On 10 February 1971, Mr. Mario Vasquez, Division Chief for North Coast California which includes Santa Barbara County, met with the Executive Committee of the CAC to discuss the issues raised in your telegram:

1. Currently the CAC is operating in FY "E." FY "D" for the CAC ended on 30 November 1970 and as required by CEO regulations, an audit was performed on the CAC operations and activities. The audit was completed last week and will be presented within the next two weeks to the CAC. This audit report will enable us to receive an independent assessment of the financial operations and controls of the CAC. Until the audit report is received, we are unable to make any additional comments regarding the financial operations of the CAC. However, we can comment that we are unaware of any financial irregularities to date.
2. The entire CAC program operations were just evaluated by a special evaluation committee established by the CAC. The total evaluation report was presented to the CAC at its monthly January 1971 CAC board meeting for review and appropriate action.
3. In regard to the recent selection of the Director of the Youth Program and Director of Emergency Food and Medical Services, the employment of all staff is the sole responsibility of the CAC. Both of these staff people are currently employed by the CAC on a six months probationary period. At the end of this time period, the CAC will fully evaluate the performance of these two employees and will then take the appropriate action based on the performance evaluations. We concur that both employees selected for these two programs did not fully meet the job qualifications as advertised. However, both employees are also not

-2-

receiving the salaries advertised for these positions due to lack of their full qualifications.

As a result of the above statements, it is our feeling that no further investigation as requested in your telegram is warranted over and beyond our regular, on-going monitoring activities.

We appreciate your past services as the board chairman and regret your decision to resign from the CAC Board. Additionally, we appreciate your continuous interest and concern for the Santa Barbara CAC and Program Operations. You can rest assured that we will continue to provide all the necessary assistance to Santa Barbara in order to achieve a most effective program for the poor in your area.

Sincerely,

JOE D. CASILLAS

H. RODGER BETTS  
Regional Director

WR/FO/NC/MEVASQUEZ/jal  
22 February 1971  
Control No: 40913-964

cc: CR

EXSEC(2 2)

CR/OEO

Official File

Read File

Clearance:

Division mmw

RD pm

Telegram

TO EXSEC B810

1972 JAN 25 PM 6 10

ZVA2"0 (28)LA 177

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DIRECTOR OFFICE OF ECONOMIC OPPORTUNITY

HEW WASHDC 1200 17

I HAVE RESIGNED AS CHAIRMAN OF THE SANTA BARBARA COUNTY COMMUNITY ACTION COMMISSION AFTER 5 YEARS WORKING TO IMPLEMENT THE PROGRAM FOR THE LOW INCOME PEOPLE SIMPLY BECAUSE IT IS NOT WORKING. TWO BROWN BERET WERE HIRED BY THE CAC 6 MONTHS AGO ONE IN DIRECTOR OF THE YOUTH PROGRAM AND THE OTHER DIRECTS HEALTH AND FOOD STAMPS THEY WERE NOT QUALIFIED AND HAVE USED THEIR POSITION AND THE FUNDS FOR THEIR OWN PURPOSES THEY HAVE ALIENATED HE BLACKS, THE WHITE COMMUNITY AND HAVE STIRRED RADICAL PREJUDICES AND USED GOVERNMENT MATERIALS AND TIME ILLEGALLY THEY CONTROL

HE EXECUTIVE DIRECTOR AND HAVE MADE A LAUGHING STOCK OF SOME

SF-120V (2-6-68) WORTHWHILE PROJECTS NO ONE RADICAL GROUP SHOULD CONTROL

THE POVERTY PROGRAM AND I ENCOURAGE AN IMMEDIATE INVESTIGATION  
THE POVERTY PROGRAM AND I ENCOURAGE AN IMMEDIATE INVESTIGATION

CRES DE ALBA 7074 CASITAS PASS RD CARHINERIA.

7074.

DIRECTOR'S CONTROLLED MAIL	
ExSec Control No:	40913
Action Office:	#9
For Signature of:	Bello
Dispatch Due:	2/11
Copies:	19, 0, 65
Transmit By:	

1161 RVW 22  
22 MAR 1971

EXHIBIT H

# COMMUNITY ACTION COMMISSION

## *of Santa Barbara County*

232 EAST MONTECITO STREET  
SANTA BARBARA, CALIFORNIA  
93101

805 965-1035

March 19, 1971

Mr. Mario Vasquez  
Office of Economic Opportunity  
100 McAllister Street  
San Francisco, California 94102

Dear Mr. Vasquez:

### Special Conditions

The Community Action Commission held its regular meeting on March 18, 1971. All the Special Conditions have been implemented and the Commission voted upon them. The minutes of the meeting and documentation will be forwarded the early part of next week.

The Commission has also suspended, without pay, Mr. Carlos Campos until that time where Mr. Campos can meet with the Commission to explain his actions. At that time, a final decision will be made.

Sincerely,



ROGER E. HEROUX  
ACTING EXECUTIVE DIRECTOR

REH/ej  
cc Pete Peterson

MAK 29 1971

# OFFICE OF ECONOMIC OPPORTUNITY

EXECUTIVE OFFICE OF THE PRESIDENT  
Region IX  
100 McAllister Street  
San Francisco, California 94102

Mr. Lewis K. Uhler  
Director  
Office of Economic Opportunity  
Department of Human Resources Development  
800 Capitol Mall  
Sacramento, CA 95814

Dear Mr. Uhler:

Thank you for your thoughtful letter of March 9, reviewing funding problems and special needs of rural CAAs. I agree that many of the items you have listed are very real problems and they lend themselves to joint planning and strategies.

First: We believe that rural CAAs do receive proportionately less funding than urban CAAs. The main reason for this was that urban areas were quicker to get their CAAs organized than rural areas during the initial years of the Economic Opportunity Act. Subsequently, there has been a leveling off of Federal appropriations under the Economic Opportunity Act, and it has been an extremely difficult task to remedy this imbalance short of major cutbacks in urban CAAs.

However, we have pursued two policies at the regional level aimed at reducing the imbalance: (A) We have given priority consideration to rural areas whenever additional funds for special programs have become available; and (B) whenever there have been funding cutbacks, we have excluded rural CAAs, or at least in most cases, required a more limited reduction than that required of large urban CAAs. Next year, the projected appropriation under the EOA will again result in a cut of community action funds by up to 10% in this region. In working out options on how to absorb that cut, the assistance of regional SEOs will be invaluable. We hope that we will have some indication of the actual funding level of the region by May or early June, and we will confer with you further at that time.

Also in this regard, a new tool will soon be available to us with the 1970 Census analysis, that will be forthcoming beginning in the spring. We and the SEOs will have the capacity, unlike that of the past, to analyze the various ramifications and elements of poverty in each county in each state in our region. As you know, Mr. Leonard Downs, of your staff, met recently with Carl W. Shaw, Chief, Plans, Budget and Evaluation Division, at which time Mr. Shaw briefed Mr. Downs on the type of statistical analyses that will be available. It is our hope that a poverty analysis of each county will be prepared as a substitute for the present CAP Form 5, and that through this poverty profile we, in the Federal and State OEOs, will have a better base for reviewing program proposals and program results. In addition, this information, will give us an opportunity to be far more specific in our expectations of grantee performance, and as a corollary, I think grantees will be enabled to develop programs more relevant to their local problems. The Regional Office looks forward to a collaborative effort with your office, in utilizing this tool to the benefit of CAAs in California.

Finally, I would like to see your Community Program Analysts working with rural CAAs to help them mobilize additional resources. As you know, such activity is part of your OEO grant and is discussed in OEO Instruction 7501-1. This is an area where your office can, and should, make a positive contribution to the effective functioning of all CAAs. We stand ready to help you in this regard.


Second: To speed up the funding of all CAAs, your recommendation to inform the Regional Office and CAAs of the Governor's contemplated action on CAA refunding is most appreciated. I would, however, recommend that such notification from you be taken after the pre-review, rather than before it, so that your staff has had a full opportunity to review a CAA's operations with the formal participation of both the CAA and the Regional Office. I am looking forward to the immediate implementation of this procedure.


From the Regional Office end, we are proceeding with our plan to move into a two year grant application and funding program, as opposed to the current annual program. Also, we will soon be issuing instructions which very significantly reduce the amount of paperwork required of CAAs during the refunding process. Both of these steps should be of particular benefit to rural CAAs where the refunding process has been especially taxing on their limited staff resources. We will be discussing these changes with you further at our next Regional SEOO conference.

Third: Regarding generalization of model programs, I would agree that joint efforts should be made to disseminate such information to rural CAAs; however, I should point out that our experience thus far is that the local differences from one community to another are such that we have yet to come across a model which seems to have universal applicability. Of course, not finding such a model, or models, to date does not mean we should not continue the search, and I believe this is a potentially fruitful area for us to jointly explore.

I sincerely appreciate your thoughts and ideas on how <sup>we</sup> can improve anti-poverty activities in rural areas. I look forward to the California SEOO and the Regional Office working together in their implementation.

Sincerely,

  
H. Rodger Betts  
Regional Director

The State reports that to date no training work programs or workshops have been developed by the Regional OEO and the State to strengthen the State's staff capabilities. It appears that the State and Local Government Division, Headquarters, OEO, has recently interceded with a request that such training programs and workshops take place. Reportedly, John Crutcher, Director, State and Local Government Division, made a phone call to the California SEOO around the first of March urging that such training programs and workshops be initiated.

The State reports that the Region Office has not informed the State of the Region's funding plans for the State.

2. FINDINGS:

As far as the California SEOO is concerned, they believe that the Regional Office has deliberately ignored them, has withheld information which they believe they are entitled to have, has failed to invite the State to participate jointly in such areas as evaluations and development of the State funding plans, and have failed to insure that the State has an adequate opportunity to attend pre-reviews. There is a deep feeling of mistrust and a sense by the State that they had been "double-crossed" and treated in a manner suggesting duplicity.

3. CONCLUSIONS:

Whether the State's reaction to its relationship with the Region is misplaced or justifiable was difficult to determine in the light of the charges and counter-charges which have been made. The fact remains, however, that somehow the situation has been allowed to deteriorate far beyond the point where it can be easily corrected. Lines of communication have broken down; the effects of unproductive confrontations have not been mended; the situation has fed upon itself; doubt and mistrust have been generated out of proportion.

4. RECOMMENDATIONS:

Lines of communication between the State and the Regional Office should be immediately reopened. An agreement of the kind described in OEO Instruction 7501-1, Section 7.f. should be negotiated as soon as possible and in no case should refunding occur without such an agreement in force. Since an obvious impasse exists between WR/OEO and the SEOO, a higher authority both in the Governor's office and OEO should be called upon to assume the responsibility for resolving the impasse.

"Lines of communication between the State and the Regional Office should be immediately reopened. An agreement of the kind described in OEO Instruction 7501-1, Section 7.f. should be negotiated as soon as possible and in no case should refunding occur without such an agreement in force. Since an obvious impasse exists between WR/OEO and the SEOO, a higher authority both in the Governor's office and OEO should be called upon to assume the responsibility for resolving the impasse."

RESPONSE

Southern California SEOO maintains regularly scheduled meetings with representatives of WR/OEO. These meetings include discussions of mutual concern relative to Community Action Agencies in Southern California and how we might work together to provide viable programs to service the needs of the poor. Southern California SEOO maintains liaison with WR/OEO through Mr. Calvin Williams, South Coast Supervisor WR/OEO. Meetings are usually held after EYOA Board meetings so that discussion pertinent to EYOA can be made. Both SEOO and WR/OEO maintain that their staff is not large enough to do a job separately in servicing EYOA; consequently, they are working in concert to provide service to EYOA, the largest CAA in the State of California.

Page 51-- 4. RECOMMENDATIONS (Charge)

"Lines of communication between the State and the Regional Office should be immediately reopened. An agreement of the kind described in OEO Instruction 7501-1, Section 7.f. should be negotiated as soon as possible and in no case should refunding occur without such an agreement in force. Since an obvious passe exists between WR/OEO and the SEOO, a higher authority both in the Governor's Office and OEO should be called upon to assume the responsibility for resolving the impasse."

RESPONSE:

Reference should be made to the current SEOO Coordinator, Mr. Paul Katz, who will testify to the fact that such an agreement is currently being devised prior to negotiations and implementations.

## THE REGIONAL OFFICE AND THE SECO

### 1. PERCEPTIONS:

Regional Office field teams believe they have expended sufficient effort in their attempts to include SECO staff in discussions and activities relating to grantees, but report they have been turned down by an unresponsive SECO staff who either did not answer or failed to appear at pre-arranged meetings. A District Supervisor provided letters sent to the SECO asking for meetings, one of which was held on December 10, 1971. Another District Supervisor reported that his attempts to arrange joint meetings were frustrating, e.g. it took five months to get a roster of SECO personnel working in his area.

The Regional Office field teams and other Regional Office staff perceive Regional Office performance in supporting the SECO as a difficult job, particularly in light of their belief that much of what is being decided is a result of unilateral decisions made by someone else, higher-up in the Region or in OEO/Washington.

Failures by the Regional Office to work closely with the SECO are also explained by:

- a. The belief that the SECO lacks interest in working on anything but investigating CAAs which disturb the status quo.
- b. The acceptance by Regional Office staff of the SECO as "the enemy". Hence, the staff's unwillingness to provide support, share confidences, or make agreements which they do not expect will be kept.
- c. The perception of lack of competence in the SECO staff.
- d. The WR/OEO has not developed a clear-cut operational policy toward the SECO which is understood by all staff.

By not immediately obtaining resolution of SECO complaints about OEO staff, and vice versa, the Regional Office has left neither SECO nor Regional Office staff satisfied with working relationships. There is the case where a Regional Office field representative was publicly criticized by the SECO, unfairly and inaccurately in her view, with a resulting investigation of the field representative by the Regional

office and the dropping of the case. The issues were apparently not resolved. The SECO still considers this case as an example of Regional Office staff undermining the SECO.

## 2. FINDINGS:

Regional Office staff can document some efforts to include SECO staff in joint planning with regard to grantees. (See especially letters from Frankie Jacobs, District Supervisor.) Regional Office staff can document their notices and invitations to the SECO regarding pre-reviews, with adequate advance notice and with at least one instance when dates were changed to accommodate the SECO.

The Regional Office Grant Application Process does provide for applications to be sent to the SECO and with written notice of Regional Office receipt (by a carbon copy of the letter to the grantee acknowledging receipt).

The Regional Office included the SECO in two out of the three CAA evaluations it conducted, viz. in Berkeley and Oakland, but not in San Bernardino.

The Regional Office does not consult with the SECO before committing flexible or other funds. The SECO is advised of the availability of such funds only as a recipient of the general notice sent to all CAAS. There is one instance, however, when the Plans, Budget, and Evaluation Chief did consult with the SECO regarding using carry-over funds for innovative programs.

The Regional Office did not consult with the SECO on the 1971 State funding plan, explaining that it was a repeat of the 1970 plan which had been discussed with the SECO.

While the Regional Office did write for SECO comments on the Regional training and technical assistance plan and did receive a reply (considered not very helpful), it doesn't appear that SECO involvement was really encouraged.

There are no joint written agreements between the Regional Office and SECO concerning activities which may overlap.

The Regional Office does deal directly with some state agencies without a by-pass agreement with the SECO, e.g. with State Health and with Model Cities Coordinator in the Human Resources Department.

Key Regional Office staff who should relate to the SEOO and should know what is going on concerning the SEOO are more often than not left in the dark. The Planning Officer, the Training and Technical Assistance Chief, the SEOO Coordinator, and District Supervisors are not aware of what is transpiring beyond their own specific relations with the SEOO. The field representatives also don't know what is being done with the SEOO except in their direct concerns with grantee pre-reviews and through newspaper reports.

### 3. CONCLUSIONS:

Since top officials of OEO/Washington and the Regional Office have assumed some degree of responsibility for OEO relations with the California SEOO, very little Regional Office staff support for the SEOO was initiated, directed or supported. The exceptions are in field team planning, pre-reviews, and application processing, and while these were initiated at the field team level there doesn't seem to have been any direction or support from OEO Senior Staff.

As long as Regional Office staff feel that top OEO officials in OEO/Washington and the Regional Director are personally handling the California SEOO, they will be reluctant to initiate any actions which may be out of line with policy about which they have little knowledge and in the development of which they have not participated.

Since members of the Regional Office staff perceive the SEOO as the antagonist of the poor and OEO, they perceive their responsibility to support the SEOO as incomprehensible.

### 4. RECOMMENDATION:

OEO must clearly define and assign the responsibilities for OEO support of the SEOO to the Regional Office without undue interference.

The Regional Office must exercise leadership in resolving working relationships between the Regional Office and the SEOO and CAAs.

### 5. FINDINGS:

Performance of the SEOO in its role as advisor to the Governor is perceived as "good" by Regional Office staff members only on the assumption that the State administration's commitment is not aligned with the interests of the poor and the CAAs and OEO. (See Cal Williams, field representative, on why he answered "good".)

Members of the Regional Office staff do not believe the SEOO gives significant emphasis to resource mobilization except in isolated incidents.

There is no evidence of help to the OEO Regional Office in resource mobilization although the SEEO has done some work independently.

There has been either no SEEO coordination and planning with the Regional Office or so little that it has gone unnoticed by almost all Regional Office staff. The Regional Office Planning Officer reported that the only information on causes and conditions of poverty in the State received from the California SEEO arrived February 26, 1971. Leonard Downs of the California SEEO brought a copy of a tabulation showing welfare aid recipients by county in the State (see Attachments). There is no indication that the SEEO has at any time discussed with the Regional Office any problems posed by the federal and state statutory or administrative requirements that impede state level coordination of OEO-related programs.

The Regional Office staff is unaware of any attempts by the SEEO to act as an advocate for the poor.

Performance, especially as revealed by the style of most of the SEEO staff field work is perceived as antagonistic toward the poor.

The Regional Office staff reports that some technical assistance has been provided by the SEEO but rarely in consultation with the Regional Office to determine OEO grantee's needs for technical assistance, despite some attempts by Regional Office field staff to arrange such consultation. The SEEO participation in the development of the Regional Office training and technical assistance plan was reported as not helpful. Regional Office staff also report that the SEEO has not consulted with the Regional Office with respect to sponsoring or participating in training programs and workshops for CAA staff and board members. They identified the December, 1970, resource mobilization workshop conducted by the SEEO and state agencies in conjunction with A.T.A.C. (American Technical Assistance Corporation) for rural CAAs as the only example they know of where the SEEO has sponsored a workshop. The SEEO has consulted with OEO to assist grantees in taking corrective action recommended by OEO as a result of the evaluation of Oakland and Berkeley, but assistance from the SEEO to those grantees has not resulted. The SEEO does not consult with OEO to assist grantees in taking corrective actions recommended by OEO as a result of audit reports but this is because OEO neither shares audit reports with the SEEO nor encourages SEEO involvement.

Performance in grant pre-reviews is perceived as not helpful ranging from no-attendance to "partial" attendance in an "observer" role.

Monitoring is viewed as at best performed incompetently and usually destructively to CAAs and OEO. Very bitter feelings exist among Regional Office staff concerning the style and methods used by SEEO personnel.

Page 55, paragraph 5

Charge:

"The SEOO has consulted with OEO to assist grantees in taking corrective action recommended by OEO as a result of the evaluation of Oakland and Berkeley, but assistance from the SEOO to those grantees has not resulted.

Response:

The federal evaluators state that we have not provided technical assistance to the Berkeley CAP as a follow-up to the joint WR/OEO-SEOO Task Force Review. This is simply not true. Our records show that Charlie Blaker and Ted Carter have spent many hours providing technical assistance to the CAP in the areas of management and fiscal controls. We still have a long-term TA commitment that we are working on.

