

**TO:** CSBG Eligible Entities

**FROM:** Stuart Campbell, Director, Office of Community Services Programs

**DATE:** April 23, 2020

**SUBJECT:** CSBG Policy Guidance on CSBG CARES Act Funding

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The novel coronavirus has had a significant impact on communities across Maryland. While we cannot predict how long or how devastating the impact will be, it is clear that low-income individuals, families, and communities will be disproportionately affected. It is equally clear that CSBG Eligible Entities (CEEs) in Maryland play a critical role in addressing the immediate and long-term needs of low-income communities across the state. This memorandum outlines guidance that CEEs should consider as they make decisions about the continuity of their operations.

#### **INTERPRETATION & APPLICATION OF EXECUTIVE ORDERS**

On March 30, 2020, Governor Larry Hogan issued an Executive Order ([Number 20-03-30-01](#)) prohibiting large gatherings and events, closing senior centers, and all non-essential businesses and other establishments and requiring all persons to stay at home. Paragraph six of the Order specifically excludes the closure of any local government unit, building, or facility; or, any non-profit organization or facility providing essential services to low-income persons, including, without limitation, homeless shelters, food banks, and soup kitchens. While it appears that CEEs would fall under these exemptions, Eligible Entities are encouraged to seek their own legal counsel for interpretation and application of this Order as well as any other Executive Orders issued by the Governor during this public health emergency.

#### **PROTECTING HEALTH & SAFETY OF EMPLOYEES AND VOLUNTEERS**

The spread of the coronavirus may impact daily routines and agency operations. CEEs should consider creating or updating their emergency response policies and procedures to include:

- Identifying work-related exposure and health risks to employees.
- Reviewing human resources policies to ensure the policies and practices are consistent with public health recommendations.
- Exploring policies and practices for flexible worksites or hours to increase physical distance between employees.
- Identifying essential business functions to maintain operations if interruptions to supply chains or increased absenteeism occur.
- Practicing the necessary measures intended to limit the spread of the virus.

#### **PROGRAM OPERATIONS**

CEEs may add or reduce hours or days of program operations, as needed. Notify your DHCD program staff by telephone or email of any changes in program operations or hours of operation.

## **ELIGIBLE USES OF CSBG FUNDING**

Federal fiscal year 2020 (FFY20) CSBG funds **may** be utilized to prevent, prepare for, and respond to the coronavirus in a manner that aligns with allowable activities and costs under the CSBG Act (42 USC §9901 et. seq.). CEEs must provide a Budget Revision Request to the Department for review and approval before reprogramming FFY20 CSBG funds.

FFY20 CSBG Supplemental funds **must** be utilized to prevent, prepare for, and respond to the coronavirus in a manner allowed under the CSBG Act. CEEs will be required to submit a Supplemental Community Action Plan and Limited Scope Needs Assessment in order to receive the full disbursement of FFY20 CSBG Supplemental funding.

## **CLIENT ELIGIBILITY**

Pursuant to CSBG Information Memorandum 154, in a disaster, states may consider circumstances where individuals may have been made low-income by the disaster, including disaster-related unemployment, and may establish appropriate procedures based on individual and family needs.

The Department recognizes that disaster/crisis-related unemployment may create circumstances where many individuals or families that may not have been eligible for assistance prior to the disaster/crisis may now be eligible. CEEs are encouraged to use the following three possible approaches:

- "Presumptive eligibility" determination based on unemployment.
- The use of signed declarations or affidavits of eligibility.
- Accepting eligibility certification paperwork from another Federal or State program.

Furthermore, the CARES Act permits states to increase eligibility to 200% of poverty for services furnished during federal fiscal years 2020 and 2021. The Department has elected to adopt this expansion of eligibility and will permit serving individuals at or below 200% of the Federal Poverty Guidelines utilizing CSBG CARES funds; as well as, CSBG funds allocated in 2019 and carried forward, and CSBG funds allocated FFY2020 and FFY2021.

## **SALARIES, WAGES AND FRINGE BENEFITS**

CEEs should follow their existing policies concerning the payment of salaries, wages, and fringe benefits, including leave. Federal grant funds may be used to pay for different types of leave (e.g. sick, emergency closures, etc.) so long as organizations follow criteria for a leave policy as set forth in Uniform Guidance (2 CFR 200).

Uniform Guidance specifically states that the cost of leave may be charged to federal grants if:

- The leave is provided under the established written leave policies.
- The costs are equitably allocated to all related activities; and
- The organization uses a consistent accounting basis for costing each type of leave.

The costs must also meet the basic considerations for cost allowability in 45 CFR § 75.402-411, requiring that all costs be necessary, reasonable, and allocable. CEEs should adopt or amend a formal policy that provides for paying staff in light of sick leave, emergency closure, or other reduction in staffing. Payment of salaries, wages, and benefits cannot be retroactively paid if a formal policy was not in place.

## **ORGANIZATIONAL STANDARDS**

CEEs are expected to continue to adhere to the CSBG Center of Excellence Organizational Standards and the timelines for completing Technical Assistance Plans. Please contact your DHCD Program Staff if you encounter issues or challenges with these requirements.

## **COMMUNITY NEEDS ASSESSMENT AND STRATEGIC PLANNING**

CEEs are expected to continue conducting Community Needs Assessments and Strategic Plans within the three- and five-year timeframes, respectively. Please contact your DHCD program staff if you encounter issues or challenges with these requirements.

## **REPORTING REQUIREMENTS**

CEEs are expected to submit their FFY19 Annual Report data by June 5, 2020. CEEs are also expected to continue submitting monthly Financial Status Reports for regular and discretionary CSBG funding. CEEs receiving discretionary funding are further expected to continue submitting quarterly progress reports. Please contact your DHCD program staff if you encounter issues or challenges with these requirements.

## **TRIENNIAL ON-SITE MONITORING**

Beginning in May 2020, CEEs that are scheduled for on-site monitoring during FFY20 will be contacted to coordinate logistics for their monitoring visit. The Department's Office of Community Services Programs (OCSP) will provide as much flexibility as is practicable in order to accommodate the needs of agencies being monitored. The Department is also awaiting further guidance from the US Department of Health and Human Services related to onsite monitoring and will adjust this policy as appropriate once the guidance is received.

## **UPDATED & REVISED GUIDANCE**

The impact of the coronavirus is a rapidly evolving public health emergency. The Department's OCSP will update or revise program guidance, as needed. CEEs are encouraged to contact the Office for clarification.