



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Cara M. Christ, MD, MS
Interim Director

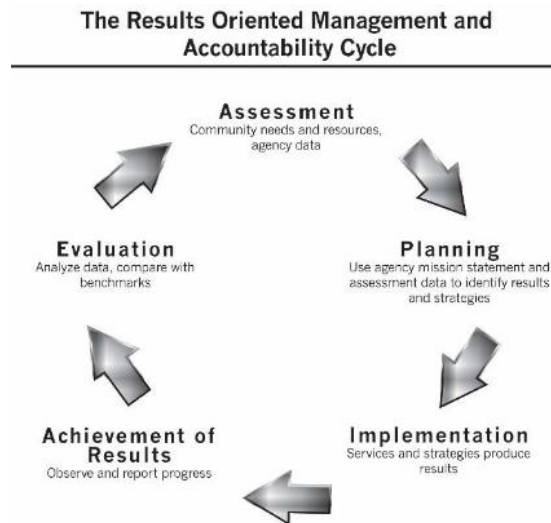
May 8, 2020

To: CSBG-Eligible Entities
From: Community Action and Aging Programs Administration
Re: Uses and Requirements of CARES Act CSBG Funding

Allowable CSBG Activities

The goals of the CSBG Program are defined as “the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient” (P.L. 105-285 § 672). With very few exceptions (e.g. no political campaigning), the CSBG Act does not place restrictions on the activities which may be performed in pursuit of these goals. Instead, the Act merely mandates that CSBG activities be planned in alignment with a triennial assessment of local community needs.

To be explicit: **CSBG activities can take nearly any form.** This flexibility is the perhaps the greatest strength of CSBG. However, the absence of a predetermined program structure means that in order to be maximally responsible fiduciaries of these public funds, we must continually evaluate and—as appropriate—adjust our approaches. Such is the essence of the ROMA cycle:



In short, a program of CSBG activities must be derived from analysis of the following questions:

- What kind of gap exists between our community’s present situation and a revitalized, self-sufficient community?
- How can that gap be bridged?
- What lessons from the past can we carry into the future?

Use of CARES Act Funding

The CARES Act appropriated \$1 billion for CSBG nationwide. Not only is this an unprecedented amount of CSBG funding (slightly exceeding even ARRA in 2009), but it is also available for use through a special extended period ending September 30, 2022. This appropriation thus creates a rare opportunity to

explore long-range strategies of poverty reduction to which there may ordinarily exist daunting financial barriers. **We encourage you to think big.** Start with a vision and work backwards to uses of the CSBG funds. The COVID-19 pandemic necessitates not only rapid response to individuals' immediate crises but also structural recovery at the community level over the coming years. These CSBG funds can be a key resource in the achievement of both ends.

Requirements for CARES Act Funds

As the CARES Act funds were appropriated specifically for response to COVID-19, it is necessary to discretely plan these funds within the structure of Community Needs Assessments and CAP Plans. Note that this does not mean that CSBG activities funded under CARES must be health-related. Please refer to the CAPS COVID-19 Guidance on the DAAS Policy and Procedure website for discussion of what constitutes a "response to COVID-19."

Specific submission requirements are as follows:

- **Community Needs Assessment:** Please submit an addendum to your Community Needs Assessment **no later than July 31, 2020**. There is no required format or length for this addendum. However, it should address the following points:
 - How has COVID-19 impacted your community?
 - What has been the effect of various mitigation efforts (e.g. the federal increase in unemployment benefits)?
 - What ongoing and future impacts of COVID-19 on your community are probable?
- **CAP Plan:** You may either integrate COVID-19 response into your ordinary FY 2021 CAP Plan submission or discuss it separately in an addendum. Either way, please submit this information **no later than July 31, 2020**, ensuring to address the following points:
 - What current activities are you planning/performing in response to COVID-19?
 - What long-range strategies are you exploring for recovery and revitalization post-COVID-19?

We encourage you to undertake the ROMA planning process as soon as possible. However, please note that submission of these documents is **not** a precondition for beginning to use the CARES Act funds immediately upon their becoming available.

Itemized Service Budget (ISB)

You will be required to submit an ISB as a component of receiving the CARES Act allocations. However, it is recognized that situations are fluid and plans must sometimes change. Please note that you are never "locked in" to an ISB as originally submitted. While changes must be approved, you may request modification to budget lines by reaching out to your assigned Contracts Management Specialist.

Sincerely,



Edward Chien
Community Action Program Manager
Community Action and Aging Programs Administration
Arizona Department of Economic Security