

**Community Services Block Grant (CSBG)**  
**Corrective Actions: Termination and Reduction of Funding**

The State has developed the following protocol that addresses non-compliant eligible entities. Corrective actions are initiated promptly. The State uses the MN Rule which outlines a formal method of informing the entity of the deficiency to be corrected. The State provides 60 days for the entity to correct the problem and submit a Quality Improvement Plan (QIP). Within 30 days after receiving a Quality Improvement Plan from a non-compliant entity, the State approves or rejects the QIP.

If appropriate, the State offers training and technical assistance (T&TA) to correct the deficiency. The State submits all T&TA reports to the Office of Community Services. When T&TA is insufficient, the State submits a report to OCS explaining the reasons for termination or funds reduction. If the entity does not correct the problem, the State provides the non-compliant entity the opportunity for a hearing.

- The CSBG Act provides protections and responsibilities at the Federal, State and eligible entity levels.
- Communication and documentation are critical at all stages of corrective action, quality improvement and funding actions.
- CSBG Act procedures must be utilized in any instances of significant performance deficiency or risk.

Procedures regarding termination and reduction of funding are distributed through the Minnesota Administrative Rules Chapter 3350, on-line at [www.leg.state.mn.us](http://www.leg.state.mn.us) and through the Community Action manual developed by NASCSP and distributed to each new Executive Director at orientation.

- The State monitors eligible entities annually and follow-up occurs through on-going communications and additional visits as necessary.

**Steps in Termination or Reduction for Performance-Related Cause:**

1. Annual State review and monitoring
2. Determination of performance deficiency
3. Notification of performance deficiency
4. Communication of corrective action requirements
5. Technical assistance determination
6. Training & technical assistance offer (if appropriate)
7. Report on training and technical assistance offered
8. Quality improvement plan (discretionary)
9. Opportunity for hearing
10. Initiation of proceedings to terminate or reduce funding in accordance with the MN State Rule

**Documentation Tool for Corrective Actions,  
Reductions, or Terminations of CSBG Funding For Cause**

<b>Community Services Block Grant (CSBG) Legislative Requirement – Section 678C</b>	<b>Activities Undertaken by the State with respect to the Eligible Entity in Compliance with Section 678C</b>	<b>Documentation in the Proceedings</b>
<b>Step 1:</b> State conducts review pursuant to section 678B.  §678C(a), 42 U.S.C. §9915(a)	<i>Describe the review dates, procedures, key participants.</i>	<i>Cite monitoring reports, working papers, or key correspondence.</i>
<b>Step 2:</b> State determines, on the basis of a final decision in a review pursuant to section 678B, that an eligible entity fails to comply with the terms of an agreement, or the State plan, to provide services under this subtitle or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives).  §678C(a), 42 U.S.C. §9915(a)	<i>Describe the basis for State determination.</i>	<i>Cite monitoring reports, working papers, and key correspondence relevant to State determination.</i>
<b>Step 3:</b> State informs the entity of the deficiency to be corrected.  §678C(a)(1), 42 U.S.C. §9915(a)(1)	<i>Describe the dates and method of notification.</i>	<i>Cite relevant correspondence, meeting notes and other documentation of communication.</i>
<b>Step 4:</b> State requires the entity to correct the deficiency.  §678C(a)(2), 42 U.S.C. §9915(a)(2)	<i>Describe communication of State requirements, any associated deadlines or documentation requirements for eligible entities.</i>	<i>Cite relevant correspondence, meeting notes and other documentation of communication.</i>
<b>Step 5:</b> State determines whether training and technical assistance are appropriate.  §678C(a)(3)(B), 42 U.S.C. §9915(a)(3)(B)	<i>Describe the rationale for determining whether training and technical assistance are appropriate to correct the deficiency. If training and technical assistance are not appropriate describe the basis for this determination.</i>	<i>Cite meeting notes and other documentation of communication.</i>
<b>Step 6 (if appropriate):</b> State offers training and technical assistance, if appropriate, to help correct the deficiency.  §678C(a)(3)(A), 42 U.S.C. §9915(a)(3)(A)	<i>If applicable, describe the document the State's offer of training and technical assistance offered to correct the deficiency.</i>	<i>Cite relevant correspondence, meeting notes and other documentation of communication.</i>

<b>Step 7:</b>	<i>Provide a report documenting either:</i>	<i>Cite report submitted to HHS.</i>
State either:		
(A) prepares and submits to the Secretary a report describing the training and technical assistance offered; or	<ul style="list-style-type: none"> <li>• <i>the specific training and technical assistance offered; or</i></li> <li>• <i>the State rationale for not providing technical assistance</i></li> </ul>	
(B) <i>if the State determines that such training and technical assistance are not appropriate, prepares and submits to the Secretary a report stating the reasons for the determination.</i>	<i>If training and technical assistance is offered, document whether the offer was accepted, when training and/or technical assistance was provided, and whether it was successful in addressing the deficiency.</i>	
§678C(a)(3), 42 U.S.C. §9915(a)(3)	<i>Note: In instances in which training and/or technical assistance are provided and the eligible entity successfully addresses the deficiency, the State should maintain documentation and may provide to the Office of Community Services for future reference.</i>	
<b>Step 8 (Discretionary):</b> At the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably required to correct the deficiency), the State allows the entity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the State; and not later than 30 days after receiving from an eligible entity a proposed quality improvement plan, either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.	<i>Maintain documentation of any quality improvement plans, State deadlines to correct identified deficiencies, whether or not the State approves the quality improvement plan.</i>  <i>Note: In instances in which a quality improvement plan is implemented and the deficiency is corrected, the State should maintain documentation and may provide to the Office of Community Services for future reference.</i>	<i>Cite Quality Improvement Plans – If Applicable</i>
§678C(a)(4), 42 U.S.C. §9915(a)(4)		
<b>Step 9:</b> State provides adequate notice and an opportunity for a hearing.	<i>Describe, communication to eligible entity regarding the opportunity for a hearing, date of communication, and any applicable State policies, rules, or procedures.</i>	<i>Cite correspondence or public communication regarding the date and procedures for hearing.</i>
§678C(a)(5), 42 U.S.C. §9915(a)(5)	<i>If applicable, describe conduct of hearing to present and consider evidence relevant to State minutes or record of the presiding</i>	<i>If applicable, cite documentation of the hearing, including official</i>

*determination consistent.*

*If applicable, describe outcomes or findings of hearing.*

*hearing official, official(s) or individual(s) responsible for determination of hearing findings or decisions; a list of individuals participating in the hearing; evidence presented at the hearing; and any outcomes or findings.*

**Step 10:** State initiates proceedings to terminate the designation of or reduce the funding under this subtitle of the eligible entity unless the entity corrects the deficiency.

*Notification to eligible entity and HHS of State decision to terminate or reduce funding.*

*Upon request, OCS review of State determination.*

*Cite official correspondence to eligible entity and HHS.*

*If applicable, cite OCS approval or disapproval of State decision.*

§678C(a)(5), 42 U.S.C. §9915(a)(5)

*Designation or redesignation of eligible entity to serve un-served areas in accordance with CBSG Act.*

SAMPLE