

# **Minnesota Community Action Program Policy and Procedures Manual**

## **Community Services Block Grant Minnesota Community Action Grant**

**2022**

Office of Economic Opportunity



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## **SECTION 1. OFFICE OF ECONOMIC OPPORTUNITY – GUIDING PRINCIPLES**

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**DHS-OEO has adopted five guiding principles in an effort to form meaningful and constructive partnerships with grantees. We believe that these principles will set a positive tone for working together.**

**Mutual Respect.** In working together, we will value and recognize the unique knowledge, ability and independence of each person. We are committed to treating all persons with equity and maintaining credibility by matching actions with words.

**Open Communication.** Effective communication is key in facilitating good working relationships. We are committed to keeping lines of communication open. We intend to communicate frequently, are open to you contacting us and are committed to listening to gain an understanding of your operations and assist you in pursuing your priorities.

**Joint Problem-Solving.** We believe that collectively we can arrive at the best solution to any situation, through a joint approach to problem solving. We aim to promote an environment in which we and our partners will be open to change and can work together in exploring options and developing mutually agreeable solutions. We have the responsibility to support agencies to function independently as they meet the needs of local communities within the parameters set by legislation.

**Valuing Diversity.** As an ally in state government we have a responsibility to support the many diverse cultures, perspectives, and abilities of people living in poverty. We support the value of all forms of diversity as community and individual assets, and ensure that we portray the diversity of people experiencing poverty in our work and daily decision-making.

**Ethical Code of Conduct.** Honesty and integrity are the foundation of our work. As stewards of public resources and trust, together we will comply with applicable laws, and act honestly and ethically.

## **SECTION 2. COMMUNITY SERVICES BLOCK GRANT OVERVIEW**

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The Community Services Block Grant Act (CSBG) (49 U.S.C. 9901 et seq.) is an appropriation from the U.S. Department of Health and Human Services to help communities address poverty issues. Minnesota is allocated money on a formula basis and is directed to fund anti-poverty grantees statewide to address the local issues of poverty within their communities. The statewide Community Action grantees are recognized by the State and Federal government as grantees for CSBG funding. Every county in Minnesota is served by one of the Community Action grantees.

CSBG is a flexible source of funding for these grantees to allow each community to properly address the issues of poverty found therein. Grantees operate under the direction of a tripartite board comprised of a public sector (elected officials), private sector (business representatives), and community sector (individuals with low-incomes). These boards are charged with implementing a community assessment to identify assets and challenges in the community and developing work plans and structuring programs to focus on these needs. The Community Action Program was founded in 1964 by the Economic Opportunity Act, part of President Lyndon B. Johnson's War on Poverty. Originally, federal Community Action Program funds flowed directly to local public and private Community Action Grantees. In 1981 CSBG was created by the federal Omnibus Budget Reconciliation Act, and direct federal funding to local grantees was replaced with state- administered block grants.

In accordance with Section 676(a) of the CSBG Act, the Governor of Minnesota has designated the Minnesota Department of Human Services (DHS) as the lead agency for administering the state's federal CSBG funds and Minnesota Community Action Grant (MCAG) funds through its Office of Economic Opportunity (OEO-DHS). MCAG is state appropriated funding for Community Action grantees and Tribal Governments to carry out community-based and operated programs for individuals and families with low-incomes. (MN Statute 256E.30). MCAG is used for the same purposes as CSBG.

The CSBG Act is found at: <https://www.acf.hhs.gov/ocs/resource/community-services-block-grant-statute>.

The Minnesota statute referring to MCAG is available at:

- [256E.30](#) FINANCIAL ASSISTANCE FOR COMMUNITY ACTION AGENCIES
- [256E.31](#) COMMUNITY ACTION AGENCIES & TRIBAL
- [256E.32](#) COMMUNITY ACTION PROGRAMS

In order to clarify the federal and state requirements for CSBG/MCAG and encourage the efficient use and management of these funds, OEO-DHS issues policies and procedures which are applicable to all recipient grantees funded through CSBG. These policies and procedures may be amended and updated as necessary.

## **SECTION 3. CSBG PROGRAM**

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### **3.1 CSBG STATE PLAN**

The CSBG Act requires Minnesota to submit a CSBG State Plan to OCS-HHS for each grant award period to describe the Minnesota' proposed use of CSBG funds and include assurances that CSBG will be used in accordance with legislative intent. OEO-DHS develops and submits a CSBG State Plan every two years by September 1. OEO-DHS solicit public comments during the process of developing the CSBG State Plan and posts the State Plan on the DHS website and in the State Register. OEO-DHS holds a public hearing, with notice sent to grantees, other stakeholders, and the public at least 30 days in advance. Minnesota also holds a legislative hearing every two years to gain public input and provide a review of CSBG programming and plans. Revisions to the CSBG State Plan may be made in response to written and verbal public comments.

### **3.2 GRANT FORMULA**

Minnesota will pass through at least 90% of its CSBG allocation to grantees. No more than 5% of the CSBG allocation may be used for the State's administrative expenses, and the remaining 5% may be used at the State's discretion to support activities consistent with the CSBG Act and with priorities identified in the State's CSBG Plan.

### **3.3 MINNESOTA COMMUNITY ACTION FUNDING ALLOCATION FORMULA**

OEO-DHS must pass through 90% of Minnesota's CSBG allocation to grantees. The allocation, or grant amount, of CSBG and MCAG for each grantee is determined by the state formula identified in [M.S. 256E.30 Financial Assistance for Community Action Agencies](#).

Per Minnesota statute, the distribution of Community Action funds to designated grantees is based on a formula that provides base and formula funding. Poverty population is calculated using the most recent U.S. Census American Community Survey data, which annually updates a 5 year average of people living below the federal poverty level. Each grantee receives an annual base funding amount based upon the poverty population in its service area.

- Base funding amounts per Community Action Agency and Tribal Nation for programs and services within their designated service area, are as follows:
  - \$50,000 for areas including populations with low-income up to 23,999 persons
  - \$100,000 for areas including populations with low incomes of more than 24,000 persons

All remaining funds of the annual money available after the base funding has been determined are be allocated to each agency and Tribal Nation in proportion to the size of the poverty level population in the service area compared to the size of the poverty level population in the state.

No more than 5% of Minnesota's CSBG allocation may be used for OEO-DHS' administrative expenses, and the remaining 5% may be used at OEO-DHS' discretion to support activities consistent with the CSBG Act and with priorities identified in Minnesota's CSBG Plan.

### **3.4 DISCRETIONARY OVERVIEW**

CSBG Discretionary Funds, 5% of the CSBG allocation to Minnesota, may be used at the State's discretion for projects that are consistent with the purposes of the CSBG legislation. OEO-DHS may award discretionary grants for a wide variety of projects as indicated within the State Plan. Organizations eligible to receive grants supported through discretionary funds include Minnesota's Grantees – Tribal Nations and Community Action Agencies, Minnesota Community Action Partnership (MinnCAP), and other organizations that support ameliorating the causes and conditions of poverty in Minnesota.

### **3.5 APPLICATION FOR FUNDS**

Grantees submit to OEO-DHS a biennial Community Action Plan for funds that outlines their plans for use of the CSBG funds and includes signed certifications that the grantees will comply with all federal and state requirements for CSBG grantees. Community Action Plans include, but are not limited to, a work plan and budget connected to the grantee's most recent community needs assessment and strategic plan. The Community Action Plan must be approved by the grantees' governing board prior to submission. OEO-DHS staff review the Community Action Plan to ensure all required elements are included and complete. The grantees are written into law, funds are not available for non-designated entities.

### **3.6 COMMUNITY ACTION PLAN**

Each Agency must have a bi-annual Community Action Plan developed under the guidance of the governing board, which provides a basis for directing and monitoring the grantee's efforts in addressing poverty-related problems in the community. A part of their strategic plan, this plan outlines the services and activities the grantee will implement with CSBG funding, based on the findings of the Community Needs Assessment.

For CAAs, the governing board's involvement and participation in the Community Action Plan is a vital component of compliance with the CSBG Act. The governing board's documentation should clearly show their ongoing involvement and leadership in the development, implementation, and evaluation of the Community Action Plan.

The board must also ensure that Results Oriented Management and Accountability (ROMA) goals and National Performance Indicators (NPIs) are incorporated in the formulation of the plan. For this reason, grantees' board members must receive ROMA training every three years.

The board must receive an update on the progress made on the Community Action Plan at least once every 12 months.

The Community Action Plans must include the following components:

- A description of the major poverty-related problems identified by the agency most recent Community Needs Assessment;
- Identification of current levels of anti-poverty efforts, including an inventory of current local initiatives that exist to address the identified poverty-related problems and any major service gaps at the local level;
- Selection of problems that the agency will target for direct intervention and the specific programmatic approaches to be taken;
- Goals, based on ROMA and NPIs, that state in precise terms what the agency proposes to accomplish through its activities during the period of the plan; and
- A plan for ongoing evaluation of the agency's activities.

Reference: Section 676(b) (11) of the [CSBG Act](#) and [OCS Information Memorandum 82 \(March 23, 2005\)](#)

### **3.7 GRANT CONTRACTS AND AMENDMENTS**

All grant contract agreements will be administered in accordance with applicable Federal and State rules and regulations. The contract outlines the legal requirements and agreements between OEO-DHS and grantees.

The funding cycle for CSBG is the federal fiscal year (October 1 - September 30). The funding cycle for MCAG is the state fiscal year (July 1 – June 30). The contract is effective from the date of the final signature at OEO-DHS.

Funding is reimbursement based and incurred costs can be submitted for reimbursement up to the date the contract is fully executed with the last signature.

A grant contract amendment must be processed anytime a change needs to be made to the language/funding of an existing contract. Amendments are required to add a budget line item, extend the end date, and increase/decrease the total grant award. There is a 100% variance allowed on existing budget line items.

### **3.8 GRANTEE KEY CONTACT CHANGES**

Grantees must notify the Director of OEO-DHS in writing as soon as possible when key contact changes occur, including executive directors, chief financial officer/finance director, and board chairs. Other changes should be shared too if those staff are funded with these grants or work within programs / services funded with these grants.

### **3.9 FINANCIAL STATUS REPORT**

A Financial Status Report (FSR) is used to request reimbursement and report expenditures through the Enterprise Grant Management System (EGMS). An FSR must be submitted every calendar month throughout the term of the grant contract, or until a final expenditure report is submitted. An FSR must be submitted even if there are zero expenditures for the reporting month. After an FSR is submitted and approved, OEO-DHS will issue the reimbursement using direct deposit within 30 days of submission. Only authorized users can access EGMS using the ID and Password provided by OEO-DHS. EGMS ID and Passwords should NOT be shared or transferred to another individual. The Enterprise Grant Management System can be accessed at: <http://egms.dhs.mn.us>.

### **3.10 BUDGET REVISIONS**

Any budget revision that exceeds 100% of the grant award requires prior approval and must include budget justification. Revisions can be done on a budget revision form which is available from the OEO-DHS.

### **3.11 NOTICE OF FUNDS AVAILABLE (NFA)**

During the grant contract period, OEO-DHS issues a Notice of Funds Available (NFA) to make projected funding that was included in the contract budget available to the grantee. When a NFA is issued, the funds available for draw down are increased in EGMS and a grantee may then submit a Financial Status Report to request reimbursement.

Minnesota Community Action Grant (MCAG) funds are made available through an NFA in July of each state fiscal year (July 1 – June 30). Federal Community Services Block Grant (CSBG) funds are made available through multiple NFAs, typically issued during each quarter of the federal fiscal year (October 1 – September 30). OEO-DHS releases federal CSBG funding within 30 days of receiving notification from OCS-HHS of a Minnesota CSBG grant award disbursement.

### **3.12 AUDIT REQUIREMENTS**

Grantee receiving \$750,000 or more of federal assistance in a fiscal year must obtain a financial and compliance audit made in accordance with the Single Audit Act, and Code of Federal Regulations, OMB Uniform Grant Guidance 2 C.F.R., 200, as applicable.

Grantees must submit a copy of the fiscal year audit to the OEO-DHS which includes comments on the findings and recommendations in the single audit report and management letter, including a plan for corrective action taken or planned, and comments on the status of corrective action taken on prior findings within nine months of completion.

If applicable, Grantees must make sure that sub-grantee audit reports are being obtained and adequately reviewed.

### **3.13 COST ALLOCATION AND ADMINISTRATIVE COSTS**

Under the Uniform Grant Guidance, the following cost allocation methods are both acceptable and allowable:

- Direct Cost Allocation
- Indirect Cost Rate, either:
  - Negotiated Indirect Cost Rate
  - 10% De Minimis Rate

Grantees develop cost allocation plans which are approved by each grantee's governing board as part of their Fiscal Policy and Procedures. In addition, these cost allocation practices are reviewed annually as part of the Single Audit Act procedures and during on-site monitoring visits. OEO-DHS will monitor actual costs allocated to grants during annual monitoring visits, and address any identified issues at that time. Each grantee's planned administrative costs are reported during the Community Action Plan review process in the Budget workbook. All administrative costs charged to CSBG and MCAG must be necessary to accomplish the goals of the grantee.

Although the CSBG Act does not establish a maximum percent of administration that can be charged to CSBG, OCS and OMB have established a national goal of limiting CSBG administrative expenses to no more than 16%. OEO-DHS will work with grantees that are not meeting the 16% goal on strategies for reducing administrative costs. Grantees should include their approved Indirect Cost Rate in their CSBG/MCAG budget with supporting documentation.

Reference: [OCS Information Memorandum 37](#)



## SECTION 4. COMMUNITY ACTION PROGRAMMING

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### 4.1 PROGRAM ELIGIBILITY FOR DIRECT SERVICES

Individuals and households receiving direct benefits paid with CSBG or MCAG funds must have incomes at or below 125% of the federal poverty level. This level is the base and on occasion, through Congressional action, the income limit is raised for direct benefit recipients. Watch for notification from DHS-OEO for these changes. Federal Poverty Guidelines are issued annually by the Department of Health and Human Services. Grantees are required to conduct eligibility screenings as part of their client intake process. Grantees must have written policies and procedures. Grantees may determine the types of documentation they require for income verification.

Reference:

- [CSBG Act](#), Section 673(2)
- Federal Poverty Guidelines <https://aspe.hhs.gov/poverty-guidelines>
- [OCS Information Memorandum 30 \(September 30, 1998\)](#)

### 4.2 ALLOWABLE ACTIVITIES

CSBG and MCAG funds can be used for a wide variety of activities designated to assist low-income families and individuals, including homeless households, refugees, migrant or seasonal farmworkers, families and individuals and elderly with the following:

1. To secure and retain meaningful employment;
2. To attain an adequate education;
3. To make better use of available income;
4. To secure needed transportation;
5. To obtain and maintain adequate housing and a suitable living environment;
6. To obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs;
7. To remove obstacles and solve problems that block self-sufficiency;
8. To achieve greater participation in the affairs of the community, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners; and
9. To make more effective use of other programs that aim to meet basic needs and promote greater self-sufficiency.

Grantees will identify the specific services and strategies they will provide in their Community Action Plan based on the findings of their Community Needs Assessment.

Reference: Section 676(b) (1) of the [CSBG Act](#).

### 4.3 UNALLOWABLE ACTIVITIES

Per Section 678F of the [CSBG Act](#), the following uses are unallowable for CSBG funds:

1. CSBG funds may not be used for the purchase or improvement of land, or the purchase, construction or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

2. Leasing of space, buildings, and/or other assets not associated with a CSBG purpose or allowable activity.
3. To ensure compliance with Section 678F(b) of the [CSBG Act](#), contract grantees must prohibit any partisan or nonpartisan activity or any political activity in an election for public office, and activities to provide voters and prospective voters with transportation to the polls or similar assistance in connection with an election, and any voter registration activity with CSBG funding.

## SECTION 5. COMMUNITY ACTION TRIPARTITE BOARD

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Federal legislation requires the establishment of a tripartite board for Community Action Agencies. As a condition of designation, Community Action Agencies administer their CSBG program through boards that direct and fully participate in the ongoing development, planning, implementation and evaluation of programs serving low-income communities.

### 5.1 TRIPARTITE BOARD REQUIREMENTS FOR COMMUNITY ACTION AGENCIES

An essential characteristic of a Community Action Agency is its tripartite board. Each CAA must be governed by a board of directors in the following categories:

- **Public:** One-third must be elected public officials or their representatives;
- **Community:** At least one-third must represent people with low-incomes from the populations served by the agency;
- **Private:** Remaining board members must represent major groups or interests within the communities served by the agency. They may represent private industry, labor, religious/faith, human services, law enforcement, education, legal, accounting, housing, or other major groups or interests.

The bylaws must stipulate that at least one third of board seats will be held by individuals with low-incomes or persons who can effectively represent the needs and interests of individuals with low-incomes.

### 5.2 DEMOCRATIC SELECTION PROCESS FOR COMMUNITY SECTOR

The Community Sector board members must be chosen in accordance with democratic selection procedures adequate to ensure that they are selected by, and represent, persons with low-income. They may be chosen directly by election or public forum, or through a similar democratic process such as an election to a position of responsibility in another significant service or community organization. In Minnesota, the **expectation** is that the Community Sector representatives are people with low incomes themselves. It is required that they reside in the geographic area being served by the agency and participate actively in the development, planning, implementation, and evaluation of CSBG-funded programs. Accommodations must be made to ensure there are no barriers to their participation, such as childcare and transportation.

### 5.3 PROCEDURE TO PETITION FOR REPRESENTATION

Grantees must have a procedure in their board bylaws, policy, or procedure manual through which individuals with low-incomes or any community and religious organization can petition for representation on the agency's board of directors.

Reference: Section 676B of the [CSBG Act](#) and [OCS Information Memorandum 82](#)

### 5.4 BOARD BYLAWS

All CAAs must have written bylaws that are consistent with the CSBG Act and all other applicable regulations, rules as well as with the CSBG Standards. The bylaws of CAAs must define the tripartite composition of the

board. The bylaws (or bylaw referenced policy) must also define procedures for democratic selection of the Community Sector representatives.

Per Organizational Standard 5.4, CAAs must have written bylaws that are reviewed and approved by the agency's board of directors and an attorney within the past 5 years.

The bylaws of Community Action Agencies must define the following:

- Responsibilities of the board;
- Board committees, which must include separate finance and personnel committees, and the authority of the committees;
- Officers and their duties;
- Conflict of Interest;
- Procedures for recruiting and seating new board members;
- Meeting frequency;
- Board quorum;
- Number of board members;
- Procedures for removing board members;
- Democratic procedures for filling Community Sector vacancies on the board;
- Board term limits; and,
- Board orientation and training requirements.

## **5.5 BOARD VACANCIES**

OEO-DHS expects board vacancies to be filled within 90 days. If a vacancy cannot be filled within 90 days, the CAA will notify OEO-DHS and provide a plan for filling the position. OEO-DHS tracks board vacancies to ensure compliance.

## **5.6 BOARD MEETINGS AND MINUTES**

Board meetings must be scheduled and held in accordance with the CAA's bylaws. Likewise, board attendance requirements must be outlined and followed in accordance with the CAA's bylaws.

All grantees must keep electronic copies of Board Minutes. Minutes may be requested by OEO-DHS for monitoring and annual Organizational Standards documentation review.

# **SECTION 6. GRANT ADMINISTRATION AND MONITORING**

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## **6.1 MONITORING PLAN**

OEO-DHS will monitor each Community Action grantee on-site at least once per state biennium. Grantees may also be subject to prioritized scheduling and/or additional monitoring under the following conditions:

- Newly designated grantees or newly merged grantees.
- Grantee has failed to meet goals, standards, or requirements established by OEO-DHS and additional on-site review is deemed necessary.
- Grantee has special issues, problems, or requests for assistance.
- Grantee has turnover in its executive director, chief financial officer, or other key positions.
- Grantee has had other federal, state, or local grants terminated for cause.

## 6.2 MONITORING PROCESS

OEO-DHS will make every effort to keep the following timelines when scheduling and issuing reports for monitoring visits:

- Monitoring visits will be scheduled a minimum of 1 month in advance.
- Monitoring tools will be sent out to the grantee at least 2 weeks prior to the scheduled visit.
- Monitoring reports will be sent within 60 days of the visit.

The OEO-DHS monitoring tools includes interviews with grantee leadership and reviews of fiscal records, participant case files, and other records related to the agency's programs and management. The purpose of the monitoring process is to verify compliance with federal CSBG requirements, state statutes, the grantee's Community Action Plan, ROMA, and OEO-DHS policies.

The monitoring report will be emailed to the grantee's Executive Director and the Board Chair.

## 6.3 CORRECTIVE ACTION

The following is the procedure for corrective action when a grantee is found to be out of compliance or poorly performing.

If OEO-DHS determines through a monitoring review that an agency is not in compliance with state and/or federal CSBG requirements or failing to meet the goals of their Community Action Plan, the specific issues will be verbally identified during the review and then documented in a written monitoring report delivered to the grantee within 60 days of the onsite monitoring review.

The monitoring report will document the basis for DHS's determination and the grantee will be asked to address the issues identified in the monitoring report within 60 days if the fiscal and human capital capacity is in place to correct the deficiency. The agency will provide documentation when corrections have been made to clear the performance or noncompliance issue.

A training and technical assistance plan (T/TAP) can be put in place when an agency does not have adequate resources and/or human capital to come into compliance. The plan would be created in partnership with the grantee and OEO-DHS follow-up would occur to ensure the grantee has come into compliance. Technical assistance may be offered concurrently with the notification of a deficiency/ies and would focus on the specific issues of the grantee to the extent possible.

A Quality Improvement Plan (QIP) would be put in place if a grantee has serious or unresolved noncompliance issue(s). This is the last step before termination or reduction of funding and would be implemented if either of the steps noted above have not been successful at correcting the deficiency. The policy for developing a QIP is defined in ([CSBG Act](#) 678C (a) (4) (A, B)).

- A letter of deficiency submitted to the grantee
- The grantee has 60 days to submit a Quality Improvement Plan (QIP) to correct the deficiencies to the OEO-DHS.
- OEO-DHS has 30 days to approve the plan.
- Appropriate time limits and reviews are developed as necessary.

OEO-DHS will offer training and assistance (as required by Section 678C of the CSBG Act) if appropriate to help the agency correct deficiencies. If an agency fails to correct deficiencies, DHS will follow the process outlined in Section 678C of the CSBG Act, [MN Rules Termination for Cause](#) and the guidelines provided in [OCS Information Memorandum 116](#). As required, DHS will communicate with OCS regarding the situation.

Once compliance is determined, the grantee will receive a confirmation of compliance and closure of the finding(s). If compliance is not met, the process will be repeated for determining proper corrective action. If compliance continues to not be met OEO-DHS must move to a termination of funding, unless the agency can show that they cannot meet the standards due to a lack of training or capacity.

The last step is termination or reduction of funding. OEO-DHS will follow the steps identified above and provide adequate time for review and appeal ([CSBG Act](#) 678C (a) (5)). OEO-DHS will not terminate or reduce funding until it has offered and/or provided adequate training and technical assistance and allowed a grantee to develop and carry out an adequate QIP.

## **6.4 FUNDING TERMINATION AND REDUCTION OF FUNDING**

DHS will reduce or terminate CSBG and/or MCAG funding for a grantee only if DHS determines that cause exists for such termination or reduction.

Reference: Section 676(c) of the [CSBG Act](#)

The only “cause” that can necessitate a reduction in funding would be:

- A statewide redistribution of funds in response to new census data;
- The failure of the grantee to comply with the terms of an agreement or a state plan, or to meet a state requirement.

The procedure for termination or reduction in funding is defined in Section 678C (a-c) of the [CSBG Act](#)

## **6.5 DESIGNATION AND DE-DESIGNATION OF GRANTEES**

The procedure for Designation or De-designation of grantees is defined in Section 676A of the [CSBG Act](#), [IM 116](#) and [MN Rules Cessation and Change Designation](#).

# **SECTION 7. PERFORMANCE MANAGEMENT**

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## **7.1 RESULTS ORIENTED MANAGEMENT AND ACCOUNTABILITY (ROMA)**

ROMA is a performance management framework which includes: the CSBG Organizational Standards; the State Accountability Measures; and the Federal Accountability Measures. The ROMA methodology involves practice of a data driven cycle: assessment, planning, implementation, achievement of results, evaluation, and re-assessment, etc. ROMA is required to be integrated into CAA management and administrative processes from conducting a needs assessment, implementing agency-wide strategic planning, the carrying out of services and strategies, and reporting and analyzing data.

### **THE COMMUNITY SERVICES NETWORK IS GUIDED BY THREE BROAD ANTI-POVERTY GOALS:**

- Goal 1: Individuals and families with low incomes are stable and achieve economic security.
- Goal 2: Communities where people with low incomes live, are healthy and offer economic opportunity.
- Goal 3: People with low incomes are engaged and active in building opportunities in communities.

CAAs will use ROMA methodology in their work toward realization of these goals. CAAs will report on the progress in meeting these goals via the CSBG Annual Report (Modules 2-4):

- Module 2—CSBG Grantee Expenditures, Capacity, and Resources
- Module 3—Community Level Initiatives and Outcomes

- Module 4—Individual and Family Level Services and Outcomes

CAAs are required through compliance with the organizational standards to implement actions that focus on results-oriented management and results-oriented accountability. CAAs develop and implement strategies to measure and record improvements in the condition of low-income people and communities in which they live that result from Community Action intervention. Information about outcomes and results are used by CAA tripartite boards and staff to determine overall effectiveness of programs, inform annual and long term planning, and to support agency advocacy, funding, and community partnership activities.

## **7.2 REPORTING REQUIREMENTS**

Each CAA will submit a complete and accurate CSBG Annual Report to OEO-DHS every year, or as requested by OEO-DHS. CAAs will also submit any additional documentation, including but not limited to success stories and information for legislative and public awareness purposes as requested by OEO-DHS. CAAs will also meet the specific reporting requirements detailed in the scope of work of the CAAs' grant awards and conduct and submit a triennial Community Needs Assessment and Community Action Plan biannually.

All data submitted by CAAs to OEO-DHS for reporting is expected to be reviewed, verified, and, unless otherwise specified, unduplicated to the greatest extent possible. CAAs will receive training on methods to assure ROMA data quality annually from OEO-DHS or other training/technical assistance provider.

OEO-DHS will review policies and procedures related to ROMA and reporting data during monitoring site visits and/or desk audits.

## **7.3 ORGANIZATIONAL STANDARDS**

Minnesota has adopted the organizational standards developed by the OCS-supported CSBG Organizational Standards Center of Excellence (COE), which reflect the requirements of the CSBG Act, good management practices, and the values of Community Action. These standards will ensure CSBG grantees have appropriate organizational capacity to deliver services to low-income individuals and communities.

Each grantee will have its Organizational Standards verified annually during regular desk review process and/or during monitoring visits.

For reference, please review [CSBG IM 138 State Establishment of Organizational Standards for CSBG Grantees](#)

## **7.4 TRAINING, TECHNICAL ASSISTANCE, AND OTHER ACTIVITIES**

OEO-DHS is responsible for providing grantees receiving CSBG and MCAG funds with a range of technical assistance and training in order to establish and maintain sound grant management and program practices. Technical assistance is available throughout the term of the grant.

Reference: Section 678A of the [CSBG Act](#)

## **7.5 AMERICAN CUSTOMER SATISFACTION INDEX (ACSI):**

The ACSI is a biannual survey administered to grantees and MinnCAP to measure OEO-DHS' effectiveness in meeting CSBG Act requirements, including development of the State Plan, Distribution of Funds, Use of Remainder/Discretionary Funds. Training and Technical Assistance, Monitoring and Corrective Action, Linkages, and overall satisfaction of grantees with their partnership with the State.

The State will share ACSI results with the grantees and MinnCAP, and will use ACSI survey results to improve its performance and quality of its partnership, training and technical assistance in each of the areas. We

appreciate grantee feedback so we can be a better partner. Results are aggregated and no individual grantee's remarks or scores are identified when results are published.

## **SECTION 8. OTHER REQUIREMENTS FOR CONTRACT GRANTEES**

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### **8.1 CONFLICT OF INTEREST POLICY**

Grantees must have a written conflict of interest policy that applies to all staff, board members, and volunteers. This policy should focus on the prevention of promoting one's personal agenda to enrich themselves or gain other advantages.

### **8.2 WHISTLEBLOWER POLICY**

Any "whistleblower" allegations of fraud or abuse, and any investigations initiated and completed by the grantee must be reported to OEO-DHS.

OEO-DHS is required to thoroughly investigate any instances of "whistleblower" complaints or allegations of fraud or abuse of CSBG or MCAG funds. In any instances in which complaints or allegations of fraud are considered credible, OEO-DHS will inform OCS of findings.

### **8.3 CHILD SUPPORT SERVICES AND REFERRALS**

Per Section 678G(b) of the [CSBG Act](#), grantees are required to inform custodial parents in single-parent families that they serve about the availability of child support services by referring eligible parents to the local child support agency.

### **8.4 VOTER REGISTRATION ACTIVITY POLICY**

[Minnesota Statutes, section 201.162](#) specifies that "each non-profit corporation that contracts with the state...shall provide non-partisan voter registration services for employees and the public." To assure that all contractors that do business with the state understand their obligation to comply with this statute, the provision is included in all contracts. Grantees must have a voter registration plan on file with OEO-DHS.

### **8.5 EQUIPMENT PURCHASE AND EQUIPMENT DISPOSITION**

The purchase and disposition of CSBG and MCAG purchased equipment by CAAs must be allowable and in accordance with CAA procurement policy and Uniform Grant Guidance. Additional guidance is available from OEO-DHS.

### **8.6 RECORD RETENTION**

Under Minnesota Statutes, section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices of the grantee and its employees, agents, or subcontractors relevant to this grant contract shall be made available and subject to examination by the OEO-DHS, including the contracting Agency/Division, Legislative Auditor, and State Auditor for a minimum of six (6) years from the end of this grant contract.

## SECTION 9. DEFINITION OF TERMS

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**American Customer Satisfaction Index (ACSI):** Part of the CSBG State Performance Measures, the ACSI is a survey administered to Community Action Grantees and MinnCAP to measure the State's effectiveness in meeting CSBG Act requirements, including development of the State Plan, Distribution of Funds, Use of Remainder/Discretionary Funds, Training and Technical Assistance, Monitoring and Corrective Action, and Linkages.

**Community Action Plan:** Submitted by Grantees to OEO-DHS every two years, this plan details community response to local need identified in the Community Needs Assessment and Strategic Plan, including specific programs, initiatives, and strategies offered by the CAA.

**Community Needs Assessment (CNA):** Completed by each CAA and submitted to OEO-DHS every three years, the CNA is a detailed analysis of the causes and conditions of poverty in the community.

**Community Services Block Grant (CSBG):** Federal block grant, anti-poverty program administered by the Federal Office of Community Services.

**CSBG Act (42 USC Ch. 106):** Part of the Coats Human Services Reauthorization Act of 1998, the act authorizes the purpose, use, limitations, as well as the application, administration, and reporting requirements of CSBG funds.

**CSBG State Plan:** The State's application for CSBG funding to the Federal Office of Community Services.

**Department of Health and Human Services (HHS):** The Federal department that houses the Office of Community Services and which administers the CSBG block grant.

**Enterprise Grants Management System (EGMS):** This is the DHS system grantees must use to submit Financial Status Reports and to request reimbursement for grant expenditures.

**Federal Fiscal Year (FFY):** The fiscal year for Federal funding is October 1 to September 30.

**Grantees (Community Action Grantees):** A Community Action grantee is an entity that carried a designation of Community Action Agency or other qualifying organization as of the day before the enactment of the Coats Human Services Reauthorization Act of 1998; and has retained that designation. In Minnesota, there are 24 Community Action Agencies and 11 Tribal Governments that receive funds and serve a specific geographic area of the state. All 87 counties in Minnesota are included within the service area or jurisdiction of Minnesota CAAs or Tribal Nations. Minnesota's designated entities are eligible to receive CSBG and MCAG funds. There are over 1,000 national grantees, including private and public entities, in the United States and its territories.

**Minnesota Community Action Grant (MN Statute 256E.30):** State appropriated funding for Community Action grantees and Tribal Nations to carry out community-based and operated programs for low-income individuals and families.

**Minnesota Community Action Partnership (MinnCAP):** The State Association for Minnesota's Community Action agencies.

**Monitoring Corrective Action:** An area of noncompliance observed during a monitoring visit or desk review.

**Monitoring Weakness:** An area of noncompliance observed during a monitoring visit or desk top review that did not rise to the level of finding.



**National Association for State Community Services Programs (NASCSPP):** The national association for state CSBG offices. NASCSPP provides training and technical assistance to the national Community Action network.

**Notice of Funds Available (NFA):** A NFA is issued by OEO-DHS to make projected funding that was included in the contract budget available to the grantee.

**Office of Community Services (OCS):** the Department of Health and Human Services, Administration for Children and Families, Office of Community Services is the Federal administrative agency over CSBG

**Office of Economic Opportunity, Minnesota Department of Human Services (OEO-DHS):** The Office of Economic Opportunity in the Minnesota Department of Human Services is designated by the governor to administer Minnesota's CSBG program.

**Results Oriented Management and Accountability (ROMA):** Part of the national performance management framework for the national Community Action network. ROMA is a complete management and accountability process focused on the results achieved by grantees that receive CSBG funds.

**State Fiscal Year (SFY):** The fiscal year for Minnesota funding is July 1 to June 30.

**Tripartite Board:** A required three-part governing or advising board for a CAA and which is made up of representatives from the public sector, private sector, and community sector (individuals with low-incomes).