



Ohio Community Services Block Grant

Policies and Procedures Manual

Effective Feb. 1, 2024



**Department of
Development**

The Ohio CSBG Policies and Procedures Manual has been prepared by the Ohio Department of Development (Development) Office of Community Assistance (OCA) and is intended for use by Development and Ohio's Community Action Agencies (CAAs). The manual provides key information contained in federal and state regulations and in the CSBG State Plan. This manual was developed to assist CAAs in the administration of federal funds and to be a reference on policies and procedures for the management of CSBG grant funding.

Failure to comply with requirements set forth in this manual may result in a default of the CSBG grant agreement. CAAs that fail to comply may be subject to disallowed costs, withholding of grant funds, reduction of grant funds, following a Technical Assistance Plan (TAP), termination of the grant, de-designation, and/or other penalties.

This manual will be reviewed and revised as needed. CAAs will be notified of all revisions. Policy changes identified in the annual CSBG State Plan or state-issued guidance may result in the modification of the contents of this manual. Should there be a discrepancy, the most-recent guidance will take precedent.

Notice of Enforceability

Ohio's CSBG program receives funding from the U.S. Department of Health and Human Services (HHS) to reduce poverty, build strong communities, and provide resources and services to support families in achieving self-sufficiency.

Development issues grants to individual eligible entities to perform CSBG services within specified service areas throughout the state. A CAA that receives a CSBG grant from Development is considered the grantee for purposes of federal accountability.

Ohio CSBG grantees shall comply with all federal and state regulations including the CSBG Act, Title 2 Code of Federal Regulations (CFR) 200, Title 45 CFR 75, the Ohio Revised Code (ORC) including Sections 122.66 through 122.702, the Ohio Administrative Code (OAC) including Rules 122:5-2-01 through 122:5-2-04, this manual, and any other applicable federal, state, and/or Development policies pertaining to CSBG as designated in the applicable grant agreement. Grantees must also ensure all partner agencies and subcontractors performing work paid for by CSBG comply with all applicable CSBG provisions.

Specific provisions of this manual subsequently amended or rescinded by administrative, legislative, or judicial action shall not negate the force and effect of the remaining provisions.

Contents

Section A – What is CSBG?	5
1. History and Oversight of CSBG	5
2. Results-Oriented Management and Accountability (ROMA)	5
3. Theory of Change	7
4. Fundable Activities	7
5. Eligibility	8
Section B – Development and OCA	8
1. Mission of Development	8
2. CSBG State Plan	8
3. CSBG Annual Report	9
4. CSBG Monitoring Process	10
5. Corrective Action	11
Section C – Ohio CAAs	12
1. Board Governance	12
2. Community Action Plan/CSBG Application	14
3. CSBG Budget	15
4. CSBG Grant Agreement	17
5. CSBG Reporting	17
6. Customer Intake Process	19
7. Customer Records	21
8. Code of Ethics and Conflict of Interest	22
9. Customer Appeals Process	22
10. Political Activity Policy	22
Section D – CSBG Discretionary/Training and Technical Assistance (T&TA) Funds	22
1. Designation of Allocation	22
2. Requests for Discretionary/T&TA funding	23
Section E – Accounting and Financial Procedures	23
1. Applicable Circulars, Federal Policies and Standards	23
2. Internal Accounting Controls	24
3. Budget Formation and Revisions	24

4. Advance	24
5. Reimbursement Requests.....	25
6. Legal Compliance	25
7. Audits	25
8. Equipment: Inventory, Procurement and Disposition.....	25
9. Carryover	27
10. Fidelity Bond	27
Section F – Termination of CSBG Grant and De-designation of CAA	27
1. Development Responsibilities	27
2. CAA Responsibilities	28
3. Emergency Provider	28
4. Public Hearing	28
Resources	28
1. OCA CSBG Provider Page	28
2. Theory of Change Diagram	29
3. Glossary of Community Action Acronyms	30

Section A – What is CSBG?

1. History and Oversight of CSBG

Community Action originated with President Lyndon B. Johnson’s War on Poverty and the Economic Opportunity Act, which established the Community Action Program (CAP). Through the CAP, public agencies and private nonprofits called Community Action Agencies (CAAs) were formed to promote self-sufficiency and respond to immediate social and economic needs within their communities. In 1981, the CAP and several other funding streams were consolidated into the Community Services Block Grant (CSBG) (P.L. 97-35).

The CSBG (49 U.S.C. 9901 et seq.) was created, “To provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for 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...” The CSBG Act mandates certain aspects of how state CSBG offices will operate in carrying out their defined roles as administrators of CSBG but leaves significant authority and flexibility in the hands of the states.

Although the purpose of the funding remained the same, the move to a block grant structure shifted a substantial amount of responsibility from the federal government to the states. Each state determines the formula used to distribute the block grant to the network of designated CAAs, taking care that all areas are adequately served. Nationally, more than 1,000 agencies work to end the causes of poverty in their communities.

The Ohio Department of Development partners with Ohio’s CAAs to ensure CSBG funds serve those in need, providing statewide support for crucial services such as employment, education, housing, emergency assistance and nutrition.

In accordance with the CSBG Act, ORC 122.69, and policies detailed in the CSBG grant agreement, Development is responsible for monitoring the use of CSBG funds and how funds are used to provide services. This is overseen by the Community Services Division (CSD) and implemented by OCA.

2. Results-Oriented Management and Accountability (ROMA)

ROMA is a complete management and accountability process that focuses on CAA activities and the results achieved. The Monitoring and Assessment Task Force, a task force of federal, state, and local CSBG network officials, created ROMA in 1994. Based upon principles contained in the Government Performance and Results Act of 1993, ROMA provides a framework for continuous growth and improvement among local CAAs and a basis for state leadership and assistance. It was designed to improve federal program effectiveness and public accountability by promoting a new focus on results, service quality and customer satisfaction.

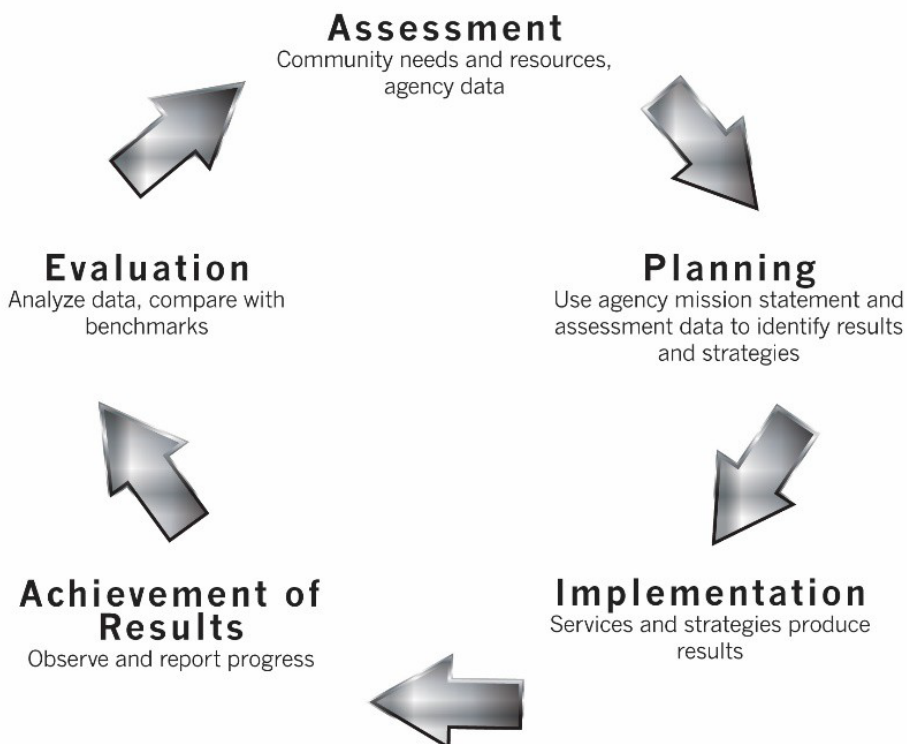
In 1998, the CSBG Reauthorization Act, Section 678E(a)(1), 42 U.S.C. § 9917(a)(1), made ROMA implementation a requirement for receiving federal CSBG funds, and established Oct. 1, 2001, as the start date for reporting CSBG outcomes in the context of ROMA performance-based management principles. This statutory mandate changed both the nature and pace of ROMA implementation throughout the CSBG Network.

CAAs are encouraged to undertake several ROMA implementation actions focused on results-oriented management and accountability.

Results Oriented Management Principles

- Assess poverty needs and conditions within the community.
- Define a clear anti-poverty mission for the CSBG network and the strategies and services to address those needs, both immediate and long term, in the context of existing resources and opportunities in the community.
- Identify specific improvements, or results, to be achieved among people with low- incomes and the communities in which they live.
- Organize and implement programs, services, and strategies within the agency and among partnering organizations, to achieve anticipated results.
- Develop and implement processes to identify, measure, and record improvements in the condition of people with low-incomes and the communities in which they live, that result from CSBG Network intervention.
- Use information about outcomes, or results, among agency tripartite boards and staff to determine overall effectiveness; inform annual and long-range planning; and promote new funding and community partnership activities.
- Encourage state CSBG offices and state CAAs to work in coordination to advance ROMA performance-based concepts among CSBG Eligible Entities through ongoing training and technical assistance (T&TA)

The Results Oriented Management and Accountability Cycle



3. Theory of Change

In 2011, Community Action leaders at the national level began to gather feedback on the core principles of CSBG. The network stated that it was critical for this theory of change to reflect elements of the current CSBG Act, incorporate CAA history, vision, and values; as well as include fresh and innovative thinking about the future of our work. The resulting Theory of Change document articulates core principles for the network, identifies CAA national goals, demonstrates CAAs' unique approach to addressing poverty, and makes a complicated system easier to understand.

The Theory of Change is intended to provide a graphic overview of the core principles, performance management framework, and services and strategies implemented to achieve the goals of Community Action across the nation.

The Theory of Change was developed to explain what Community Action is as a network. The Theory of Change:

- Describes the elements of a common framework CAAs use to produce change.
- Portrays the broad picture of Community Action: long-term goals, core principles, and system capacity.
- Identifies the assumptions and core principles that guide and design services and strategies to reach the long-term goals it hopes to achieve.
- Demonstrates commitment to accountability for the entire network through the Performance Management Framework and specifically to agency excellence through the Organizational Standards.
- Connects the foundation of a high performing national network to the services and strategies implemented by local CAAs in order to achieve the national Community Action goals.

The National Community Action goals were revised in 2018 from six goals to three. The three goals are as follows:

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.

The image in the Resources section at the end of this document provides a visual overview of the goals, services, strategies, core principles and performance management framework that has been nationally established.

4. Fundable Activities

Programs, activities, and services supported with funding through the CSBG program shall be intended for the benefit of persons living at an eligibility level designated by the United States Congress and conveyed by the federal U.S. Department of Health and Human Services (HHS).

The CSBG program will provide activities designed to assist low-income participants, including the elderly, poor, and youth, 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 obtain and maintain adequate housing and a suitable living environment.*
5. *To obtain emergency assistance through loans and/or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance.*
6. *To remove obstacles and solve problems which block self-sufficiency.*
7. *To achieve greater participation in the affairs of the community.*
8. *To make more effective use of other programs related to the purposes of this subtitle.*
9. *To provide, on an emergency basis, for the provision of such supplies and services, nutritious food and related services as may be necessary to counteract conditions of hunger among the poor.*
10. *To coordinate and establish linkages between governmental and other social services programs to assure the effective delivery of such services to low- income individuals, and*
11. *To encourage the use of entities in the private sector of the community in efforts to alleviate poverty in the community.*
12. *To provide rental and/or mortgage payment assistance as long as CSBG eligibility requirements are met.*

5. Eligibility

Client eligibility level is determined at or below a percentage of the official poverty line defined by the federal Office of Management and Budget (OMB). Federal poverty income guidelines are updated annually based on the most current OMB information. The currently used percentage of the poverty line for eligibility is 200%. CAAs are responsible for following the most current guidance.

Section B – Development and OCA

1. Mission of Development

Empowering communities to succeed.

That's the mission statement for the Ohio Department of Development, and it's what we work toward every day. Our values fit that mission statement.

We strive to be: Bold, Diverse, Responsive, Solution-focused.

2. CSBG State Plan

The CSBG Act requires states to submit a CSBG State Plan to the federal Department of Health and Human Services for each contract period. The plan describes the proposed use of CSBG funds and includes assurances that CSBG will be used in accordance with legislative intent. Development creates and submits a CSBG State Plan every two years.

Development is required to solicit public comments during the process of developing the CSBG State Plan. Development typically hosts several listening sessions, public and legislative hearings, conducts an electronic survey and continuously solicits feedback from stakeholders. The feedback collected is a key tool in ensuring Ohio is administering the CSBG program in alignment with the needs and goals of local communities throughout the state. CAAs are encouraged to submit feedback at any time by contacting their assigned community development analyst (CDA) or OCA management. Revisions to the CSBG State Plan may be made in response to written and verbal public comments. The draft and final versions of the CSBG State Plan will be posted on Development's website and an electronic copy is sent to each Ohio CAA. Included in the CSBG State

Plan is how Development will distribute CSBG funds in Ohio as follows:

90% allocated for Eligible Entities + 5.5% Discretionary and Training and Technical Assistance (T&TA) + 4.5% State Admin. = 100% of Grant

Development sets aside 5.5% of CSBG funds in accordance with Sec. 675.C(b)(1) (A through H) of the CSBG Act as discretionary funds. Organizations with focus on statewide training and technical assistance to CAAs are allocated 4.5% of the discretionary funds. A total of 1% of the discretionary funds are set aside for special projects of Eligible Entities. Priority for discretionary funds is given to those requests that provide new and innovative direct service programs aligning with the priorities listed in the CSBG State Plan and activities that are within federal guidelines.

3. CSBG Annual Report

Section 678 (E) of the CSBG Act requires states to annually prepare and submit a report on the measured performance of the state and the CAAs in the state. To meet the CSBG Annual Reporting requirement, Development collects information from Ohio CAAs on the uses and results of CSBG for the calendar year and reports the data to HHS before March 30 of the following year. The CSBG Annual Report includes expenditures of funds, customer characteristics, services provided, and outcomes achieved. The CSBG Annual Report is also used to improve performance, track results from year to year and ensure accountability. The CSBG Annual Report supports an enhanced focus on improved data collection, analysis, and continuous learning and is organized into four modules.

Module 1

State Administration

This module includes data on the state administration, the state's progress meeting goals noted in the State Plan, highlights from eligible entities, organizational standards, distribution and use of CSBG funds, training conducted, linkages and accountability, monitoring and corrective actions, single audit information, and ROMA participation.

Module 2

CSBG Eligible Entity Expenditures, Capacity and Resources

This module includes data on local agency CSBG expenditures, hours of CAAs capacity building, volunteer hours, staff certifications, partnerships, and other funding sources and amounts.

Module 3

Community Level

This module includes data on community level initiatives, community National Performance Indicators (NPIs) and community strategies.

Module 4

Individual and Family Level

This module includes data on individual and family NPIs, services, activities, customer characteristics and demographics.

4. CSBG Monitoring Process

Section 678B of the CSBG Act (42 U.S.C. § 9914) requires that State CSBG Lead Agencies conduct a “full onsite review of each CSBG grantee at least once every three years”, and to establish “performance goals, administrative standards, financial management requirements, and other requirements” that ensure an appropriate level of accountability and quality among the State’s eligible entities. An onsite review is required of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the CSBG program.

In accordance with guidance provided by HHS via CSBG Information Memorandum (IM) #138, OCA adopted the use of Organizational Standards developed by the “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 eligible entities have appropriate organizational capacity to deliver services to low-income individuals and communities.” The State CSBG Lead Agency is responsible for reviewing the status of Organizational Standards and completing risk assessments of all eligible entities annually.

Comprehensive onsite monitoring visits will be conducted every three years at a minimum, and more often if necessary. The comprehensive monitoring process is Development’s principal method for evaluating actual accomplishments against planned activities, determining the effectiveness of the CAA’s Community Action Plan, and verifying the CAA’s compliance with federal, state, and OCA requirements. The monitoring report provides objective feedback on opportunities for improvement and recommendations to address any deficiencies. The monitoring process also allows Development to identify the CAA’s best practices and innovative initiatives.

All Ohio CAAs will be comprehensively monitored in 2024 and beginning in 2025 one third of Ohio CAAs will be monitored each year. Prioritization will be based upon CSBG application accuracy, scoring on Organizational Standards, risk assessments, and need for training and technical assistance (T&TA). In compliance with HHS requirements, Development will complete a risk assessment and score Organizational Standards annually on all grantees.

Monitoring visits are arranged with the CAA in advance and include staff introduction, an agency tour, administrative and program evaluation, attendance at a board meeting, review of required and relevant materials, and an exit interview. The comprehensive monitoring will be done in a hybrid approach, with review of documentation occurring remotely in advance of the site visit, allowing for more time onsite to meet staff and board, tour facilities, and observe programs.

A self-assessment tool is provided in advance and CAAs are required to complete it prior to the documentation review. CAAs will assemble documentation of performance on each Organizational Standard and provide administrative documents and randomly selected customer files. CAAs will upload required materials into the specified location by the deadline provided and these will be reviewed by a CDA. Each standard will be assessed as *Met* or *Not Met*, and a percentage met score will be calculated. CAAs are expected to score as close to 100% as possible. The scores are reported to HHS. After the review, an onsite visit will be scheduled that coincides with a regularly scheduled board meeting. At the onsite visit, the CDA will review scoring of the Organizational Standards with CAA leadership and the board president. The CDA will also tour and observe various programs in all or most of the CAA’s locations, meet with CSBG funded program staff, attend the board meeting, and conduct an exit interview. CAAs will receive a copy of the completed monitoring tool with the official monitoring report.

The official monitoring report is sent to the CAA within 45 days of the monitoring visit. The monitoring report will indicate if a response is required and the timeframe for submittal of the response, which is generally 30 days after the receipt of the report. CAAs will have an opportunity to respond and provide evidence of meeting a standard or addressing any other compliance issue(s) after the onsite visit. In accordance with HHS Information Memorandum (IM) 138, in cases where a CAA may be unable to meet the standard in a reasonable time frame contingent on targeted technical assistance, Development and the CAA may develop a Technical Assistance Plan (TAP) or a Quality Improvement Plan (QIP) with clear timelines and benchmarks for progress.

Development's CSBG monitoring tools provide guidance for each category of Organizational Standards, and state requirements, policies, and procedures. The guidance includes examples of documentation that can be used to meet compliance in each category. The COE developed 58 standards which are organized in three thematic groups comprising nine categories:

1. Maximum Feasible Participation
 - Consumer Input and Involvement
 - Community Engagement
 - Community Assessment
2. Vision and Direction
 - Organizational Leadership
 - Board Governance
 - Strategic Planning
3. Operations and Accountability
 - Human Resource Management
 - Financial Operations and Oversight
 - Data and Analysis

The National Community Action Partnership provides many resources that outline and provide instruction about Organizational Standards, including a self-assessment tool. These can be found here:

<https://communityactionpartnership.com/organizational-standards/>

5. Corrective Action

CAAs failing to meet the terms of the federal regulations, state legislation, Development policies and procedures, and/or their own policies and procedures may face corrective action. If Development determines that an eligible entity fails to comply with the terms of the grant agreement to provide services or to meet appropriate standards, goals, performance objectives and other requirements, Development will:

1. Inform the CAA of the deficiency to be corrected.
2. Require the entity to correct the deficiency.
3. Offer training and technical assistance, if appropriate, to help correct the deficiency. This may be written into a Technical Assistance Plan (TAP).
4. Track and monitor the CAA's progress to correct the deficiencies.

CAAs must complete items noted on Development's CSBG Technical Assistance Plan Tracking Form by the date(s) listed on the form.

In accordance with *CSBG Act, 42 Section 678C, (4) (a) U.S.C. § 9914* if a CAA fails to correct any deficiencies stated in a TAP, the CAA will be placed on a QIP to correct the deficiencies in a reasonable period of time.

The QIP will state the identified deficiencies, the strategies to correct the deficiency, and specific timeframes for correcting the deficiencies.

Should a CAA fail to meet the requirements in the QIP, Development may initiate proceedings to terminate the designation of or reduce the funding of the eligible entity.

Causes

Example of issues that will result in corrective action include and are not limited to the following:

- Significant or repeated findings from monitoring visits.
- Declining performance (i.e., not expending CSBG funds, not achieving goals established in the grant application, etc.).
- Complaints from customers, employees, CAA board members, legislators, media, or other governmental agencies.
- Late, incorrect, or incomplete report(s) or application(s).
- Significant and unusual fiscal or audit issues.
- High turnover in staff at the agency.
- Any action that has placed a customer in imminent danger.
- Organizational Standards that were not met during the monitoring.
- Organizational Standards that were not resolved after a previous monitoring.

Section C – Ohio CAAs

1. Board Governance

The federal CSBG Act specifically requires the tripartite board of a CAA to “participate actively in the development, planning, implementation and evaluation” of CSBG-funded programs. Ohio CAAs must maintain a tripartite board structure in accordance with the *CSBG Act 42 Section 678B, U.S.C. § 9914* and IM #82. Community Action boards are uniquely structured to ensure maximum feasible participation by the entire community, including those the agency serves. By law, Community Action boards are comprised of:

- 1/3 of the members are elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the board.
- Not fewer than 1/3 of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and each representative of low-income individuals and families selected to represent a specific neighborhood within a community resides in the neighborhood represented by the member.
- The remainder of the members are private sector community members with expertise in business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

The tripartite board plays an important role in leading the CAA's compliance with the CSBG Organizational Standards. Many of the concepts and directives in IM #82 are reflected in the CSBG Organizational Standards, which require the tripartite board to be involved in matters such as:

- Reviewing the CAA's mission statement.
- Participating in strategic planning and the community needs assessment.
- Receiving strategic, organizational, and programmatic updates.
- Receiving financial and audit reports.
- Participating in the CSBG budget process.

To make this structure work as intended, CAAs must recruit board members thoughtfully, work within communities to promote opportunities for board service, and orient, train, and support them in their oversight role.

The Ohio Revised and Administrative Codes establish criteria to be met by each CAA's Board of Directors. See ORC Section 122.70, OAC Rule 122:5-2-02 and OAC Rule 122:5-2-04. These CAA board responsibilities are often expressed in by-laws which serve as the board's governing documents.

Further, Development has established additional guidelines based upon best practices in non-profit organizational advancement.

a. Certification of Board Members

Public and Private Sector Board Appointment Letters: Each board member elected to the board from the public and private sectors must have a board appointment letter that contains the name of the appointee, end dates, the signature of an authorized official from the organization the appointee represents, must be on official letterhead. Retirees must provide a resume and a letter of support that verifies their involvement in the community in the past 12 months. The appointing entity may be the member's employer, civic or religious organization or other organization with which the member is associated.

Low-income Sector Board Appointment Letters: CAAs are encouraged to facilitate inclusion of persons with current or previous lived experience. Each member elected to the board representing the low-income sector must have documentation that reflects a democratic selection/election process took place. Examples of appropriate documentation include: meeting minutes, voting ballots, and official appointment letter from the agency representing low-income individuals in the community served that states a democratic selection/election process. This letter must contain the name of the appointee, and signature of the appointee OR an authorized official. Please Note: This letter can be written by the person accepting the appointment.

Letters of Appointment are to be on file at the CAA main office and are subject to review during the onsite comprehensive monitoring visit.

Each CAA must maintain a current board roster on Development's designated form. Board member names and organizations represented must match the names and organizations on the board appointment letters. Beginning in 2024, the board roster form will be submitted each quarter with the quarterly ROMA report.

b. Board Development

Ohio code requires that CAA boards be comprised of not less than 15 nor more than 33 members. Development recommends that CAA by-laws allow for not less than 18 members, so that in the case of a vacancy, the agency will not be out of compliance for CAAs in Ohio. Vacancies are required to be filled within 90 days, and this should be reflected in agency by-laws.

Board membership is to be reflective of all counties served by the CAA when possible. CAAs serving multiple counties may need a greater number of board positions to fulfill this recommendation.

c. Ohio Sunshine Laws

Ohio's Sunshine Laws give residents access to government meetings and records. Ohio's Public Records Act and Open Meetings Act, also known as "Sunshine Laws," create an open government and help residents observe and take part in government meetings and activities and access records.

In accordance with the Ohio Sunshine Laws:

1. Board meetings must be conducted in person; CAAs may not conduct a meeting via electronic or telephonic conferencing.
2. No vote or other decision-making actions may take place in executive session.

2. Community Action Plan/CSBG Application

Section 678 (B) of the CSBG Act requires that states receive a Community Action Plan from each CAA, and that the CAA's governing board and community be involved in creating the plan. The Community Action Plan reflects the programs and services to be provided that will reduce the effects of poverty and foster self-sufficiency within the CAA's service area.

The Community Action Plan provides a detailed account of the specific needs of those in poverty in the CAA's service area as identified in the community needs assessment. The Community Action Plan is to provide a specific plan to address the identified needs. Each Community Action Plan includes Organization Information, Agency Resources, CSBG Budget, and ROMA Workplans. Each CAA submits their Community Action Plan as part of the CSBG grant application. Grant applications are submitted electronically every two years.

The CSBG Act requires the following items to be included in workplans, linkages, partnerships, and program implementation:

- a.** In cooperation with the Workforce Innovation and Opportunity Act (WIOA), CAAs are to develop programs or maintain linkages and partnerships to assure training and employment activities are provided to individuals with low incomes in the service area. (Section 676)
- b.** Agencies must inform the single parent families they serve about available child support services and make referrals. (Section 678G(b))
- c.** If a CAA conducts drug testing on any of its program participants, the agency must inform and refer any participant who tested positive to appropriate treatment services. (Section 678G(a))

3. CSBG Budget

The CSBG Budget is submitted by the CAA to Development within the application for funding. The formation of the budget is to be based upon historical data of existing programs and educated estimates for new workplans. Budgets are to align with the actual expenses recorded in the financial statements of the agency, are to follow guidance in CSBG IM #37 from HHS, and the following policies apply:

a. Staff

- All positions paid in part or full by CSBG funds must include a current position description.
- If a position is vacant at the time of application submission, the anticipated hire date is to be provided.

b. Fringe

- If a CAA has a federally approved fringe rate, that rate is to be used in the CSBG budget.

c. Administrative Costs

- Single audit costs must be budgeted to the Consultants/Contracts line item. While typically considered an administrative expense, 50% of the CSBG portion only, may be charged to operating expense.
- Based on a two-year budget period, the ceiling for administrative expenses is \$124,000 or 17% of the CSBG allocation, whichever is greater. The administrative amount cannot exceed 6% of the total funds received by the CAA from all funding sources.

d. Travel

- CAAs must have written board-approved travel policies consistent or more restrictive than those of the General Services Administration. Refer to www.gsa.gov for more information.
- Out of state travel must include the name of conference, purpose of travel, estimated cost and traveler's job title.

e. Equipment

- Purchase, rent or lease/purchase of equipment is allowable provided it is approved by Development as necessary for the performance of the program, the budget includes a description and unit cost of the item, and acquisition is the best option for use of funds to satisfy CSBG workplan needs.
- Written approval from Development is required in advance of purchase for all items with a unit cost of \$5,000 or more. To pursue approval from Development, three written quotes and a written justification are to be submitted to the assigned CDA.
- Security measures, maintenance plans and adequate insurance are required for all equipment purchased in whole or in part with CSBG funds.

f. Contracts

- Lease agreements, contracts, MOUs, and similar documents are to be maintained on file and made available to Development upon request and are outlined in the application.

g. Incentive Plans

- Incentive Plans must meet requirements outlined in CFR 200, be based on cost reduction, efficiency and/or safety, and only include allowable costs under CSBG and other federal and state statutes.
- The plans must be established prior to services being rendered and be included as a separate item in

the budget.

- Detailed, specific criteria outlining who is eligible, how the incentive is earned, and when it will be issued/paid must be presented to the CAA's board of directors.
- Incentive plans must be approved by the board of directors, and the approval is to be documented in meeting minutes.

h. Memberships

- CSBG funds may be used for up to 100% of **the minimum membership rate to associations that support and enhance the administrative and programmatic capacity and performance of Ohio CAAs. These are:**
 - Ohio Association of Community Action Organizations (OACAA)
 - Corporation for Ohio Appalachian Development (COAD)
 - Ohio Urban Community Action Network
 - National Community Action Partnership (NCAP)
 - 50% of the total amount of dues paid with CSBG funds to these organizations may be budgeted as operating expense.
- For all other organizations, agencies may budget up to 40% of membership dues. Of that amount, 50% may be charged to operating expenses.
- Approval from Development is required for all dues that are paid in part or in full with CSBG funds.

i. Indirect Costs

- If the CAA has an approved indirect cost rate agreement from their cognizant federal agency indirect costs must be budgeted to CSBG. All indirect costs must be classified as administrative costs.
- CSBG funds may be used to buy-down the indirect cost pool. Written notification estimating the change in the indirect rate because of the CSBG subsidy must be provided.
- Any time a CAA is issued a new indirect cost rate agreement, it must be submitted to the assigned CDA within 30 days of receipt.
- 2 CFR 200.414 states "any non-Federal entity that has never received a negotiated indirect cost rate...may elect to charge a de minimis rate of 10% of modified total direct costs which may be used indefinitely...if chosen, this methodology once elected must be used consistently for all Federal awards...." CAAs must inform Development in writing of the date the de minimis rate was adopted.

j. Capacity Building and Linkages

- CSBG funds budgeted for Capacity Building may not exceed 15% of the total allocation amount, without prior approval from Development. Requests for consideration are to be sent to the assigned CDA.
- CSBG funds budgeted for Linkages may not exceed 15% of the total allocation amount, without prior approval from Development. Requests for consideration are to be sent to the assigned CDA.

k. Subsidies

- CSBG funds may be utilized to subsidize the indirect costs of another grant if that program has administrative restrictions on either a dollar amount or percentage basis. The subsidy must be classified as administrative costs in the CSBG budget.
- CSBG can only subsidize Home Weatherization Assistance Program (HWAP) administrative costs after all HWAP administrative funds have been expended.
- CSBG funds cannot be used to subsidize the Home Energy Assistance Program (HEAP) administrative/operating grant unless preapproved by Development.
- Programmatic costs of another grant-funded program after that project ends and the program's

expenses are greater than revenue, can be budgeted to CSBG as a subsidy in Other Direct Costs.

- CSBG funds can only be used to subsidize other programmatic costs if the grantee can demonstrate the need by submitting documentation. Subsidies are evaluated on a case-by-case basis.

l. Matching Funds

- The use of CSBG funds as a match to another program is allowable if the match is required by the other program and that program is not fee-for-service or has the ability to make a profit. CSBG funds cannot be used to match other federal awards unless there is specific provision allowing the use of CSBG dollars.

m. Advertising Costs

- CAAs are to follow the Uniform Guidance found in 2 CFR 200.421.
- Program advertising may be budgeted to operations.
- Agency advertising and public relations designed solely to promote the CAA may not be paid for with CSBG funds.

n. Prohibited Costs

- The CSBG Act prohibits the use of funds for purchase or improvement of land or facilities unless a waiver is granted by Development.
- Entertainment and fundraising may not be paid for with CSBG funds.
- CSBG funds cannot be used to supplant other funds.
- CSBG cannot subsidize projects that are fee-for-service or have the opportunity for profit **regardless of whether a profit is or is not made.**

o. Carryover

- CSBG funding is intended to be invested in the community to enhance lives and further self-sufficiency. Programs are to be implemented that use up a CAAs allocation to address needs identified in the service area.
- Starting with 24-25 CSBG funding, carryover is limited to 15% of the CSBG allocation.
- If more than 15% remains at the end of the two-year grant period, the CAA is required to provide a written explanation and waiver request on agency letterhead that is signed by the executive director and president of the board of directors.
- After the completion of a two-year grant cycle, if CSBG funds have not been spent, the amount is verified and then distributed to the CAA.
- The eligible entity will update the CSBG grant application/Community Action Plan to reflect the additional program plans and services to utilize the carryover amount.

4. CSBG Grant Agreement

The CSBG grant agreement is a legally binding document describing the financial relationship between Development and CSBG recipients. Once the CSBG grant application/Community Action Plan has been submitted and approved, Development will send the CAAs a grant agreement for final review and signature. The grant agreement includes details regarding use of grant funds, certifications and assurances requirements, reporting guidelines and due dates, as well as other federal, state, and local obligations.

5. CSBG Reporting

Submitting timely and accurate financial and programmatic reports is required by the CSBG grant agreement.

The ROMA reports provide Development with information to analyze individual agency and statewide performance on a quarterly and annual basis. ROMA reports must accurately reflect activity occurring during the reporting period. The financial reimbursement requests are used by the CAA to draw down funds from Development. They must accurately reflect financial activity (expenditures and actual obligations) for the reporting period.

The reports are identified, and the due dates for each are listed in the grant agreement. This section reiterates the reports, submission deadlines, and a brief description of each report. Should there be a discrepancy, please follow the reporting requirements as outlined in the CSBG grant agreement.

a. Financial Monthly Reports

The CSBG financial monthly report must be submitted electronically by 5 p.m. of the 10th day following the end of each month until all grant funds are expended, or the CSBG grant agreement terminates. The report for each month of the term of the CSBG grant agreement is to be submitted whether or not costs are incurred. If the 10th day occurs on a weekend or state-designated holiday, reports are due by 5 p.m. the next business day. All report forms must be completed according to the instructions. All reports must be submitted on the forms provided by Development.

b. ROMA and Board Composition Quarterly Reports

ROMA quarterly reports are a tool for both Development and the CAAs to evaluate performance outcomes. Evaluating agency data on a quarterly basis plays a significant role in planning and measuring program goals and budget expenditures. The ROMA quarterly reports are based on targets defined in the CAA's Community Action Plan/CSBG grant application. Once reviewed, it allows both parties to discuss and adjust targets if necessary.

Based upon HHS guidance, Development will also review current board roster forms and board meeting minutes each quarter. These documents must be uploaded along with the submission of the ROMA report.

ROMA and Board Composition quarterly reports must be submitted electronically by the dates specified in the CSBG grant agreement. All report forms must be completed according to the instructions as provided by Development.

c. Generated Income Report – Biannual

In accordance with 2 CFR 200.80, "Program Income means gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance."

"Program income includes but is not limited to income from fees for services performed, the use of rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interests earned on any of them."

The Generated Income Report must be prepared and submitted if a grantee has generated income,

according to the instructions and dates specified in the CSBG grant agreement. The form can be obtained by emailing DEVCSBGFiscal@development.ohio.gov, and returning to the same email address.

d. CSBG Annual Report

The CSBG Annual Report is a part of the greater CSBG Performance Management Framework and ROMA Next Generation efforts. The CSBG Annual Report supports an enhanced focus on improved data collection, analysis, and continuous learning. Information will be used at all levels (national, state, and local) to improve performance, track results from year to year and assure accountability for critical outcomes. The CSBG Annual Report is to be reviewed by the CAA's board of directors.

Development collects and compiles data from all CAAs and grantees. This data is reported to HHS annually. The CSBG Annual Report is not only used as a tool to report data to HHS, but it is also used to demonstrate that the ROMA cycle is followed, measure statewide success, and identify new innovative programs and services.

The CSBG Annual Report must be submitted electronically by the date specified in the CSBG grant agreement or as determined by Development. All report forms must be completed according to the instructions as provided.

CSBG recipients are also required to submit a final CSBG financial report to Development. This report provides specific details on expenditures through the grant period. No budget categories may be overspent on the final financial report, and carryover amounts are determined after verified by Development.

6. Customer Intake Process

a. Income Calculations

Eligibility for services under CSBG is determined based on a household's income in relation to federal HHS poverty income guidelines issued annually and published in the Federal Register. Updated federal poverty income guidelines are effective immediately upon publication in the Federal Register unless otherwise specified by HHS.

Households at or below 200% of the official poverty line, or at the current eligibility level designated by the United States Congress or HHS, shall be eligible for all services funded by CSBG. For purposes of determining income eligibility for all activities, the period to be used in determining annual income must not be more than 12 months nor less than the 30-day period preceding the request for assistance. Poverty guidelines can be found here: <https://aspe.hhs.gov/poverty-guidelines>.

Eligible and excluded income types and specific guidance on how to calculate income can be located in the Energy Assistance Programs Guidelines that are updated annually. The Energy Assistance Programs Guidelines can be found on the OCA Provider Page: <https://development.force.com/OCAKnowledgeArticles/s/>.

Neither the federal CSBG Act nor HHS requires a particular process for determining client income eligibility. Screening is necessary to ensure that CSBG funds are being used for income-eligible clients. Ohio CAAs are to use the same criteria that have been established for Development's Energy Assistance Programs, including:

- Proof of income for each household member. Income includes Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Social Security, Pension, Alimony, Wages, Self-employment, Unemployment, etc.
- Copies of most recent utility bills if applicable.
- A list of all household members, including Social Security numbers and birth dates.

b. Income Reverification (Re-Establishing Customer Eligibility)

Household income for CSBG services must be re-verified every 12 months or anytime the customer's income changes. This reverification also includes completing a CSBG Intake Form. In addition, the customer's income must be reverified if the poverty income guidelines have changed since the customer's last visit, which will also need to be documented on an updated CSBG Intake Form.

Note: Customers who are participating in a CSBG funded program and have an income increase that makes them ineligible, must be permitted to complete the program.

c. Self-Declaration of Income Statement

Any household unable to supply complete income documentation must sign a self-declaration of income statement. If an agency representative has reason to believe income documentation does in fact exist, a concerted effort must be made to obtain complete and up-to-date income documentation. Qualifying an applicant to receive CSBG-funded services through the acceptance of a self-declaration of income statement should occur only when all attempts to obtain actual income documentation have failed. Persons claiming zero income must explain in detail their ability to meet their needs, i.e., their source(s) of food and shelter, etc.

The self-declaration statement should contain a "Certification and Waiver of Privacy Rights" statement. The applicant shall be informed that the CAA will check to verify the information on the self-declaration statement, and that by signing the "Certification and Waiver of Privacy Rights" statement the applicant authorizes the release of confidential information for income verification purposes.

The CAA must make a reasonable number of spot checks of family units to verify income given in the self-declaration statements. In making the spot checks, the CAA should contact appropriate sources, such as local departments of human services, the social security administration, or other appropriate sources to obtain written documentation. This documentation should be attached to the self-declaration statement.

d. Categorical Eligibility

Households receiving public assistance such as Prevention, Retention Contingency (PRC) programs; Ohio Works First; Temporary Assistance to Needy Families (TANF); Head Start; and Disability Assistance are categorically eligible for CSBG-funded services. However, these sources of income/public assistance and the associated dollar amounts must be documented.

e. Income Documentation for Target Areas

For some programs aimed at certain groups, especially youth and children, it may be difficult to obtain income documentation for each individual. In these cases, CAAs may document income levels in targeted geographic areas to verify the extent to which customers within that area are income eligible.

Documentation of target areas must be based on census tract data or other valid measures of the incidence of poverty within a defined geographic area within the CAA's service territory. At least 51% of target area residents must be income eligible for CSBG services to be provided to the group on this geographic basis.

The documentation and a request for a waiver from documenting household income for program participants must be submitted to the CAA's assigned CDA for review and approval. Waiver requests must explain in detail why it would be impossible or a hardship to collect income documentation for the CSBG-funded program in question. Services cannot be offered until the waiver is approved. Waivers granted will be added to the grant documentation in Salesforce by the CDA.

A waiver from individual household income documentation does not however constitute a waiver for completion of a CSBG Intake Form. A CSBG Intake Form must be completed if at all feasible and placed in the customer file. In the case where intake forms cannot be obtained, documentation of the waiver approval should be in the customer file.

f. Required Income Documentation

When programs or projects are funded by more than one funding source, income documentation is not always required for 100% of the customers participating.

The amount of CSBG funds spent to support a program expressed as a percentage of the total program budget may be used to determine the minimum percentage (number) of customers that must be demonstrated to be income- eligible for the CSBG-funded services in accordance with CSBG guidelines.

For example – CSBG provides 5% of total program funding for a Senior Medication Program which serves 200 seniors. CSBG income eligibility documentation is required for at least 5% of the participating seniors. In this case, CSBG income eligibility documentation would be required for at least 10 participants.

7. Customer Records

The following information should be uploaded into the CSBG customer's electronic application or maintained as a hard copy file:

- A completed, signed, and dated CSBG Intake Form
 - Social Security numbers are required for all eligible household members, regardless of age. For those who have applied for numbers but have not yet received them, mark it as "applying for" in the system for the first program year. In subsequent program years, the Social Security number must be obtained to continue the processing of the application.
- Verification of Household Income
- If applicable, proof of permanent disability
- Documentation of the customer's CSBG benefit, such as:
 - Copy of certificate of training completed
 - Documentation of program participation dates, times, outcomes
 - Copy of the rent/mortgage invoice, CAA's payment to the vendor, and the cancelled check
- If applicable, verification of any required co-payments due to maximum benefit allowed. Documentation that the customer has made a co-payment must be obtained prior to processing the CSBG benefit. Include explanation in the customer's file.

- If the application is denied, documentation of the reason for ineligibility
- Pending/Incomplete documentation

Customers' records should be maintained in accordance with the CAA's approved retention schedule and the CSBG grant agreement.

CAAs are required to protect the privacy of CSBG customer information. A written policy is to state how access to customer information by unauthorized persons is prevented. Procedures are to protect records about individuals that are retrieved by personal identifiers such as name, social security number. An individual has the right under the Privacy Act to seek access to and request correction or an accounting of disclosures of any such records maintained about him or her. Disclosure of customer information is prohibited without the prior written consent of the individual(s) to whom the records pertain, unless one of the twelve disclosure exceptions enumerated in subsection (b) of the Act applies.

8. Code of Ethics and Conflict of Interest

In accordance with ORC 122.70 (G), the board of directors of a CAA must adopt a Code of Ethics for the board of directors and the employees of the CAA. Each CAA must post public notices in a conspicuous place indicating that the Code of Ethics is available for inspection at the CAA during normal business hours.

CAAs are to have a Conflict of Interest policy that covers staff, board members and volunteers. The policy should focus on the prevention of self-dealing where an individual takes advantage of their position within the organization to enrich themselves or gain other advantages.

9. Customer Appeals Process

CAAs are required to ensure all customers are advised of the appeals process in relation to participation in CSBG funded programs. The process must be posted in areas accessible to customers. CAAs shall supply Development with a copy of its appeal process when requested.

10. Political Activity Policy

Per section 678F (b) of the CSBG Act and the Hatch Act, employees of funded programs are prohibited from engaging in partisan political activities and transporting voters to polls while working in an official agency capacity, even if CSBG funds are not used.

Section D – CSBG Discretionary/Training and Technical Assistance (T&TA) Funds

1. Designation of Allocation

Development designates 5.5% of its total CSBG allocation for Discretionary/ T&TA. Of this, 4.5% is granted to organizations that provide T&TA to the statewide network of CAAs. Development works with these entities to determine the educational needs of Ohio CAAs and reviews the training provided.

The remaining 1% Discretionary/T&TA funds are available on a limited basis to provide financial assistance for projects addressing a CAA's specific T&TA or discretionary needs. The following guidelines are to be followed when applying for these funds:

- a. There is no ceiling on the amount of T&TA funds that can be requested. However, Development reserves the right to reduce or deny any amount that appears excessive or unreasonable.
- b. CSBG discretionary funds may be used to pay for a portion of a larger, more costly project. CAAs should not plan a project based on receiving CSBG discretionary/T&TA funds until the request has been approved.
- c. While there is no requirement to match the grant with other funds, agencies are strongly encouraged to provide matching funds whenever possible.
- d. This grant may not be used to pay for general administrative costs.
- e. Development will review applications in order of receipt.
- f. Proposed activities may address but are not limited to the following areas:
 - Program development
 - Personnel management
 - Technology
 - Fiscal operations/management
 - Board training
 - Strategic planning
 - Implementation of specific projects identified through a strategic planning process

Examples of allowable expenditures include computer software and hardware, consultant fees, training manuals and publications, seminar site costs, registration fees, and trainers' travel expenses. The CAA may be required to submit an agency-wide computerization plan if funds for hardware are requested.

2. Requests for Discretionary/T&TA funding

When requesting CSBG Discretionary/T&TA funds, CAAs must submit an email to their assigned CDA that includes:

- a. Name, purpose/goals, scope for the project, and explanation of why the funds are needed.
- b. Start and end dates (project out at least four to six weeks before start date).
- c. Project budget including requested dollar amount and fair share of other programs dollar amounts, if any.
- d. Approved and signed board meeting minutes demonstrating board approval or a projected date for board approval.

If funds are available and the proposal is approved by Development, the CAA will be prompted to complete the electronic application. Please note the application is not officially approved until the grant agreement is signed by the CAA and Development.

If a unit cost is \$5,000 or more, Development's policy of obtaining three written competitive bids applies. An explanation of which bid was chosen and why should be provided in the narrative. If any professional/consultant assistance will be utilized, three bids are to be solicited. If the CAA is not able to obtain three bids, please provide an explanation. Provide a resume and/or capability statement for outside entities that will conduct any of the work.

Section E – Accounting and Financial Procedures

1. Applicable Circulars, Federal Policies and Standards

All CAAs are required to follow Generally Accepted Accounting Principles. The following federal rules govern

the CSBG program:

- 2 CFR 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 45 CFR 75: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards

Grants must also adhere to provisions in the CSBG grant agreement, the Ohio CSBG Policies and Procedures Manual, CSBG Grant Application Instructions, ORC, OAC, and other directives of Development.

2. Internal Accounting Controls

Internal accounting controls refers to all the various policies and procedures a CAA uses to minimize the risk of loss or inaccurate financial statements, and to conduct operations in an efficient manner. They include, but are not limited to the following:

- Segregation of duties
- Adequate accounting system access
- Safeguarding assets
- Accurate and timely recording of transactions
- Reconciliation of accounts and cash
- Adequate approval authority

The purpose is to establish and maintain effective internal controls that provide reasonable assurance that management of the award follows federal statutes, regulations, and terms and conditions of the award. Grantees are encouraged to utilize the Standards for Internal Control in the Federal Government (the Green Book) issued by the Comptroller General of the United States or the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

3. Budget Formation and Revisions

The CSBG budget is provided to Development in the CAA's grant application. The formation of the budget should be based upon historical data of existing programs and educated estimates for new workplans. Budgets are to align with the actual expenses recorded in the financial statements of the agency and are to follow guidance in CSBG IM #37 from HHS.

When accurate forecasting is implemented, it is expected that very few budget revisions will be needed. To manage workflow in the OCA office, CSBG budget revisions will be limited to two per calendar year, at months specified by Development at the beginning of each year. CAAs are to monitor expenditures and plan for revisions to take place on schedule. If new services are to be implemented that will require a revision, the timing of startup is to be planned with the revision schedule in mind. Only in the case of a catastrophic emergency will this policy be waived.

4. Advance

Development will issue one advance payment at the beginning of a new grant period in the amount of 1/24 of the CAA's allocation. The advance will not be sent until the grant agreement is fully executed, and HHS has released the Notification of Award for CSBG funding.

5. Reimbursement Requests

As described in the grant agreement, a monthly financial report is required which includes a reimbursement request. When a line item is more than 10% over the estimated budget, a budget revision will be required to receive a reimbursement. Closely calculating the initial budget is imperative so that revisions are not needed more often than the two times per year allowed in the specified months. Forecasting expenditures is required to stay ahead of line items going over by more than 10%.

6. Legal Compliance

CSBG grant agreements between Development and a CAA include reference to applicable laws, restrictions regarding allowable costs, required financial management practices and mandatory reporting requirements. Auditors generally test compliance with those laws and regulations which, if violated, could have a material impact on the program or the CAA.

7. Audits

CSBG funds are subject to the audit requirements described below. CAAs should reference 2 CFR 200, Subpart F, Audit Requirements for specific information regarding single audits.

If total federal expenditures in a grantee's fiscal year are less than \$750,000, a financial statement audit is required. It must be completed in accordance with Generally Accepted Governmental Auditing Standards. One copy of the audit report must be submitted to Development within nine months following the end of the entity's fiscal year or within 30 days following the issuance of the report, whichever is earlier. CAAs are to email the report to singleaudit@development.ohio.gov.

Single Audits

If total federal expenditures in a grantee's fiscal year are more than \$750,000 or more, a single audit of the entity is required. The audit report is submitted to the Single Audit Clearinghouse (SAC) as part of the reporting package. The reporting package is due within nine months following the end of the entity's fiscal year or 30 days from the date it was issued by the auditing firm, whichever is earlier. Within seven days following submission, the grantee must notify Development that the reporting package was sent to the SAC. Notification should be emailed to singleaudit@development.ohio.gov. Grantees may include an electronic copy of the audit report with the notification.

Audit fees charged to grants or indirect cost pools will not be allowable if audit reports are not submitted by the timeframes specified above.

8. Equipment: Inventory, Procurement and Disposition

Purchase, rental, or lease of equipment is an allowable use of CSBG funds provided all of the following criteria are met:

- a. The budget includes a description and unit cost of the equipment.
- b. The purchase, rental or lease is the best financial option to satisfy CAA needs.
- c. It is necessary for the performance of CSBG projects.

Inventory

For CSBG, equipment is defined as expendable or non-expendable.

- Non-expendable equipment has a useful life of one year or more and a unit cost of \$5,000 or more. Title or ownership of equipment acquired with grant funds remains with the grantee. However, Development retains a reversionary interest in the equipment. Non-expendable equipment must be inventoried utilizing the Property Inventory Form from the application. This applies to equipment purchased in whole or in part with CSBG funds since Oct. 1, 1990. All information on the form must be completed.
- Expendable equipment has a unit cost of less than \$5,000 and a useful life of less than one year. Expendable equipment is not required to be inventoried. However, the grantee may wish to maintain an inventory on items that have a high theft or loss level, e.g., laptops, cellular phones, etc.

Procurement

The grantee should follow its own written procurement policies when purchasing equipment unless this policy is more restrictive.

Any equipment with an acquisition cost of under \$5,000 may be acquired without prior grantor approval when it is contained in an approved budget.

Separate, written approval from Development is required for all equipment with a unit cost of \$5,000 or more prior to its purchase. The written approval will be contained in the application approval letter, budget modification approval letter, or in separate correspondence.

CAAs should submit at least three written competitive quotes, criteria for evaluating the quotes, and the selection of the successful quote. When the lowest amount is not accepted, the grantee must justify why the best quote was not the lowest one.

For equipment with a unit acquisition cost over the simplified acquisition threshold (currently at \$250,000), grantees should contact their field representative for instructions.

Disposition

Disposition of equipment purchased with CSBG dollars that had an acquisition cost of under \$5,000 does not require prior Development approval. The provisions in 2 *CFR* 200.313 (e) should be followed.

For any item of equipment purchased with CSBG funds that had an acquisition cost of \$5,000 or more, written approval is required before the equipment can be disposed. Disposal can be through sale, trade-in, scrap, or donation.

Grantees should submit a written request to dispose of equipment to their field representative. The request should include the current Property Inventory Form and describe the equipment, including serial or identification number, date of purchase and preferred method of disposition. Following Development approval, disposition information should remain on the CSBG Equipment Inventory Form, for one additional grant cycle. After that period, it may then be removed from the form.

When equipment is approved for sale, the grantee must allow for open competition and avoid conflicts of interest, real or apparent. The grantee must accept the highest bid for the equipment. Documentation of competition and all the bids must be retained.

The grantee may retain \$500 or 10% of the proceeds, whichever is less, from the sale of the equipment. The balance must be credited to expenses in the equipment cost category of the current CSBG period.

9. Carryover

Following review and approval of the final CSBG financial report, Development will confirm the amount of carryover and specify a date for submission of a budget revision to reprogram the funds. The budget revision must be submitted electronically by the date specified by Development. All forms must be completed according to the instructions as provided by Development.

CAAs must monitor the amount of funds that are expended during the grant cycle to ensure that services are being provided and funds are being utilized in accordance with the CSBG grant application and CSBG grant agreement. Advance approval from Development is required when CSBG funding to be carried over is greater than 15% of the original award. CAAs with excessive carryover may be placed on a TAP to develop a plan to ensure funds are effectively utilized to meet needs identified in the community assessment.

10. Fidelity Bond

A CAA receiving funds from Development is required to maintain surety fidelity bonding insurance that meets the following criteria:

- Covers all staff and board members who are directly responsible for fiscal control.
- The minimum liability shall be equal to the overall highest estimated cash balance on any given day of the year.
- Covers current program period.

Section F – Termination of CSBG Grant and De-designation of CAA

It is necessary to have procedures and requirements established if a CSBG grant closeout is necessary. In the event of a state-wide closeout, the federal funding source would provide closeout instructions which could alter the procedures listed below.

In Ohio, CSBG funding is only available to CAAs and training organizations that serve them. To be a CAA, acceptance of the extensive compliance criteria involved is required.

When termination of a CSBG grant is necessary, de-designation of the CAA will also occur. Several activities are required, some of these are the responsibility of the CAA, and some are the responsibility of Development.

1. Development Responsibilities

During the closeout, Development will have primary responsibility for the following:

- Notify the CAA of the effective termination date and provide the appropriate closeout instructions.
- Revise grant agreements, if necessary, to encompass closeout activities, identify allowable costs, and provide adequate funds to accomplish closeout. When determining closeout costs, Development will be guided by the appropriate guidance from HHS and the Uniform Administrative Requirements.
- Reallocate remaining CSBG funds to an emergency provider so that customer services are not interrupted.
- Determine disposition of grant-purchased equipment.
- Assist the CAA as necessary to accomplish a timely grant closeout and CAA de-designation.

- Notify HHS and amend the CSBG State Plan as may be required.
- Monitor the CAA closeout activities to assure accurate and timely completion.

Development's OCA Deputy Chief is the primary point of contact for the CAA.

2. CAA Responsibilities

During the grant closeout, the CAA will have primary responsibility for the following:

- Submit final reports as required by the date specified by Development.
- The final financial report must reflect grant expenditures for the entire grant cycle.
- All grant receivables must be collected, and liabilities paid. There must be no obligations on the final financial report.
- Program and customer information are to be passed on to the emergency provider as appropriate.

Closeout will be considered complete when all the activities listed above are executed (program property is secured; program obligations are paid). Please see OAC Chapter 122:5-1-03 for additional information regarding closeout.

3. Emergency Provider

In the event of termination of any provider of CSBG and to achieve continuity of services to eligible customers, Development may at its discretion, assign a temporary emergency provider.

4. Public Hearing

At the time a permanent CAA is chosen or designated, a public hearing will be held in accordance with OAC Chapter 122:5-1-04 to make the announcement and take all public comments. Please note, a public hearing is not required to name an emergency temporary provider.

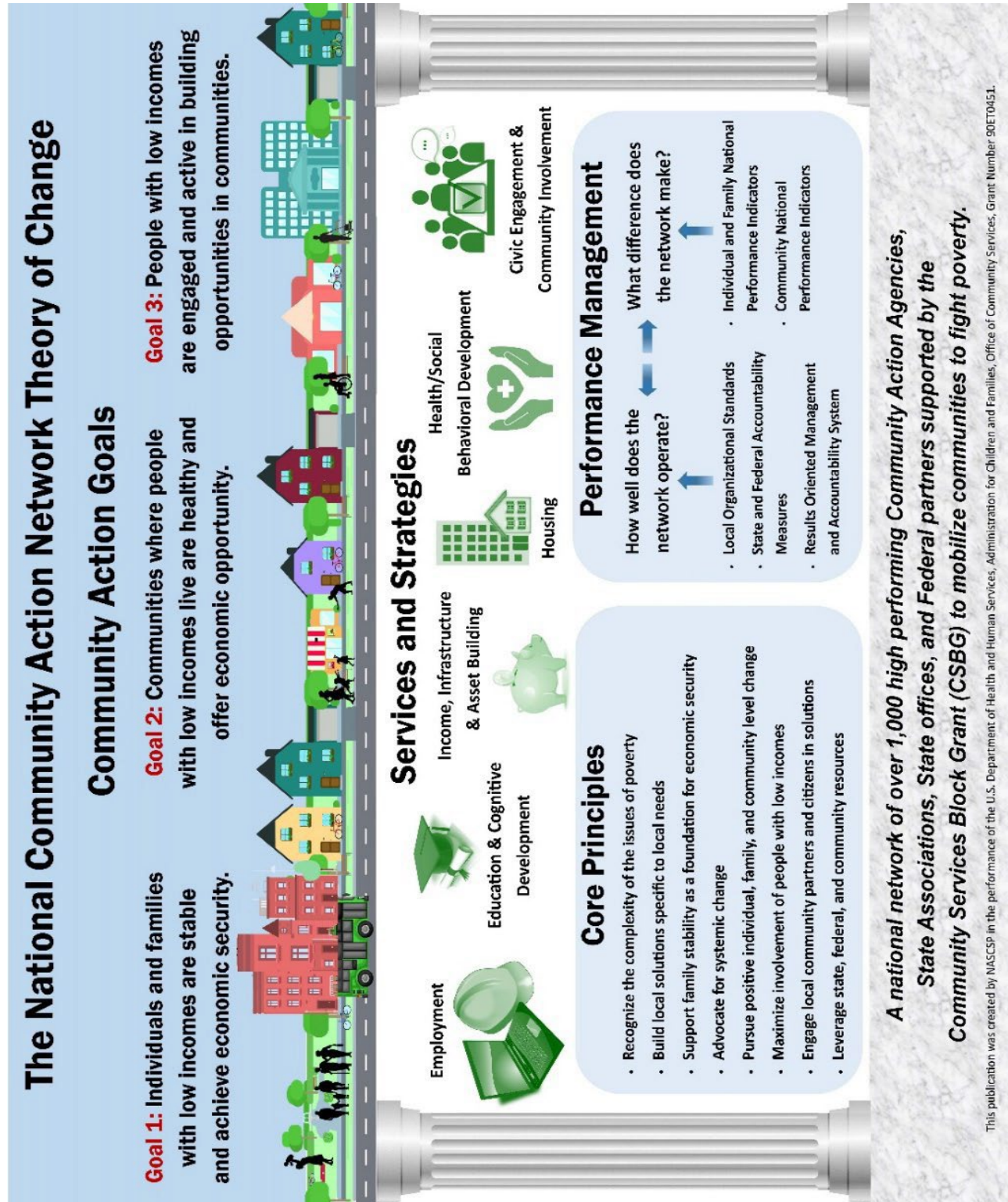
Resources

1. OCA CSBG Provider Page

Please visit the OCA CSBG Provider Page to access the resources listed in this manual:

<https://development.force.com/OCAKnowledgeArticles/s/>

2. Theory of Change Diagram



3. Glossary of Community Action Acronyms

A

ACF

“Administration for Children and Families” is a division of HHS. ACF’s mission is to promote the economic and social well-being of children, families, individuals and communities with leadership and resources for compassionate, effective delivery of human services. ACF administers numerous federal grant programs common to CAAs, such as CSBG, Head Start, Community Economic Development (CED), Low-Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant Program (SSBG).

ADA

“Americans with Disabilities Act of 1990” is a federal civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the general public.

C

CAA

“Community Action Agencies” are tax-exempt, nonprofit corporations or public entities funded by the federal CSBG via subgrants they receive from a state department designated by the state’s governor to facilitate the funding. To receive CSBG funding, an organization must maintain a specified board composition and be capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency.

CAP

Another term for CAA. The Economic Opportunity Act of 1964 authorized the creation of and funding for the nationwide Community Action Program, which was composed of local Community Action Programs (CAPs) across the country. The Economic Opportunity Act also referred to the local CAPs as CAAs.

CAPLAW

“Community Action Program Legal Services” a tax-exempt, nonprofit membership corporation dedicated to providing the legal, governance, and management resources necessary to sustain and strength the national CAA network.

CCDBG

“Child Care and Development Block Grant,” created by the Child Care and Development Block Grant Act, authorizes the Child Care and Development Fund (CCDF), which is a federal and state partnership program that provides financial assistance to low-income families to access childcare so they can work or attend a job training or educational program. States also use the CCDF to build the skills and qualifications of the teacher workforce, support childcare programs to achieve higher standards, and provide consumer education to help parents select childcare that meets their families’ needs.

CDBG

“Community Development Block Grant” program aims to ensure decent affordable housing, to provide services to the most vulnerable communities, and to create jobs through the expansion and retention of businesses. CDBG is one of the longest-running programs administered by the Federal Department of Housing and Urban Development (HUD).

CFDA

“Catalog of Federal Domestic Assistance” is the title of the program under which the Federal award was funded.

CFR

“Code of Federal Regulations” is the codification of rules of the executive departments and agencies of the federal government.

CNCS	“Corporation for National and Community Service” is a federal agency that focuses on improving the lives of the American people through programs that foster volunteer opportunities and service by fellow Americans. CNCS administers multiple federal programs such as AmeriCorps, Senior Corps, the Social Innovation Fund, and the Volunteer Fund.
COI	“Conflict of Interest” is a situation in which there is a personal or financial interest that compromises or could compromise a person’s independence of judgment in exercising his or her responsibilities.
CSBG	“Community Services Block Grant” is a federal block grant administered by Office of Community Services (OCS) located within ACF in HHS. CSBG funds the operations of a state-administered network of tax-exempt nonprofit corporations and public entities designated as CAAs to alleviate the causes and conditions of poverty in communities. CSBG funding supports projects that provide services and activities addressing employment, education, better use of available income, housing, nutrition, emergency services and/or health.
D	
DOE	“U.S. Department of Energy” is a federal agency that addresses energy, environmental and nuclear challenges through transformative science and technology solutions. DOE administers several federal grant programs, including the Weatherization Assistance Program (WAP).
DOJ	“U.S. Department of Justice” is a federal agency that enforces laws and defends the interests of the United States. DOJ administers several federal grant programs through the Office of Justice Programs (OJP), Office for Victims of Crimes (OVC), Office of Juvenile Justice and Delinquency Prevention, and the Office on Violence Against Women.
DOL	“U.S. Department of Labor” is a federal agency responsible for enforcing a variety of federal labor and employment laws such as the Family Medical Leave Act (FMLA), Fair Labor Standards Act (FLSA), Davis-Bacon Act, and Occupational Safety and Health Act. DOL also administers several grant programs including the Workforce Innovation and Opportunity Act (WIOA) programs in collaboration with the U.S. Departments of Education and HHS.
E	
ECLKC	“Early Childhood Learning and Knowledge Center” offers T&TA resources for the Head Start program from the federal Office of Head Start (OHS).
EEOC	“U.S. Equal Employment Opportunity Commission” is the federal agency responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person’s race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, age (40 or older), disability or genetic information.
EOA	“Economic Opportunity Act of 1964” initially authorized the federal funding of CAAs as a part of Lyndon Johnson’s War on Poverty. The Act was repealed in 1981 and replaced by the federal CSBG Act.
F	
FLSA	“Fair Labor Standards Act” is a federal statute that establishes minimum wage, overtime pay, recordkeeping, and child labor standards for full- and part-time workers in the private and public sectors.
FMLA	“Family and Medical Leave Act” is a federal law requiring covered employers to provide eligible employees with job-protected, unpaid leave for qualified medical and family reasons.

H**HHS**

“U. S. Department of Health and Human Services” is a federal agency that administers programs aimed at protecting the health of all Americans and providing essential human services through grant programs such as the CSBG, Head Start, and LIHEAP.

HUD

“U.S. Department of Housing and Urban Development” is a federal agency that administers programs aimed at creating strong, sustainable, inclusive communities and quality affordable homes, such as CDBG and the HOME Investment Partnerships Program which funds Community Housing Development Organizations.

I**IRS**

“Internal Revenue Service” is a bureau of the U.S. Department of the Treasury that administers and supervises the execution and application of federal tax laws.

L**LIHEAP**

“Low-Income Home Energy Assistance Program” is a federal block grant program administered by the federal OCS. LIHEAP assists eligible low-income households with heating and cooling energy costs, bill payment assistance, energy crisis assistance, weatherization, and energy-related home repairs.

N**NASCSP**

“National Association for State Community Services Programs” is a national membership association that advocates and enhances the leadership role of states in preventing and reducing poverty through its publications and training. NASCSP members mainly consist of state offices that facilitate CSBG and Weatherization Assistance Program (WAP) funding. NASCSP's vision encompasses the empowerment of low-income families to reach self-sufficiency in its broadest context, through helping states attain full utilization of their resources and implement an extensive array of services to these families, including weatherization, energy assistance, childcare, nutrition, employment, state energy programs, job training, and housing in urban, suburban, and rural communities.

NCAF

“National Community Action Foundation” is a non-profit organization that represents the funding and policy interests of CAAs before Congress and the federal Executive Branch. NCAF is funded solely by private contributions.

O**OCS**

“Office of Community Services” is located within ACF in HHS. OCS administers a number of social service and community development federal grant programs, including the CSBG, LIHEAP, and the SSBG.

OHS

“Office of Head Start” is located within ACF in HHS. OHS administers funding authorized by the Head Start Act, oversee entities that provide Head Start services, issues federal policy direction, and provides a T&TA system to assist Head Start recipients in providing comprehensive services to eligible young children and their families. Head Start funding is used to support preschool programs, which primarily serve 3- and 4-year-old children, and Early Head Start programs for infants, toddlers, and pregnant women.

OJP	“Office of Justice Programs” is within DOJ and provides innovative leadership to federal, state, local, and tribal justice systems, by disseminating state-of-the art knowledge and practices across America and providing federal grants for the implementation of these crime fighting strategies.
OMB	“Office of Management and Budget” is a federal Executive Office that oversees the performance of federal agencies and administers the federal budget. In particular, OMB establishes government-wide grant management policies and guidelines which are typically adopted by each federal agency via regulations issued by that agency. In 2013, OMB finalized its comprehensive overhaul of federal grant administrative, cost accounting and audit policies guidance, titled the <i>Uniform Administrative Requires, Cost Principles and Audit Requirements for Federal Awards</i> .
OSHA	“Occupational Safety and Health Administration” is overseen by DOL and aims to assure safe and healthful working conditions for working people by setting and enforcing health and safety standards and by providing training, outreach, education, and assistance.
OVC	“Office for Victims of Crime” is within DOJ and administers the Crime Victims Fund which is financed by fines and penalties paid by convicted federal offenders, not from tax dollars. OVC channels funding for victim compensation and assistance throughout the United States, raises awareness about victims’ issues, promotes compliance with victims’ rights laws, and provides T&TA and publications and products to victim assistance professionals.
P	
Partnership	“National Community Action Partnership” is a national, tax-exempt, nonprofit membership corporation that provides technical assistance, training, and other resources to the Community Action network. The resources provided by the Partnership enable the Community Action network to stay up to date on the latest best practices to fight poverty and empower low-income individuals and families to achieve self-sufficiency.
R	
ROMA	“Results Oriented Management and Accountability” is a performance-based initiative designed to preserve the anti-poverty focus of community action and to promote greater effectiveness among state and local agencies receiving CSBG funds.
S	
SNAP	“Supplemental Nutrition Assistance Programs” (formerly the Food Stamp Program) is a Food Nutrition Services (FNS) program administered by the U.S. Department of Agriculture (USDA). Working with state agencies, nutrition educators, and neighborhood and faith-based organizations, SNAP puts healthy food within reach for 28 million people each month via an electronic benefits transfer card used to purchase food at most grocery stores. Through nutrition education partners, SNAP helps customers learn to make healthy eating and active lifestyle choices.
SSVF	“Supportive Services for Veteran Families” is a federal grant program administered by the U.S. Department of Veterans Affairs that provides funding to nonprofit organizations and consumer cooperatives who can provide supportive services to low-income Veteran families living in transition to permanent housing.

T**T&TA**

“Training and Technical Assistance” is the planning, development, delivery, and evaluation of resources and activities designed to achieve specific learning objectives, resolve problems, and foster the application of innovative approaches.

TANF

“Temporary Assistance for Needy Families” is a federal block grant administered by OCS located within ACF in HHS. TANF is designed to help needy families achieve self-sufficiency by providing block grants to states to design and operate programs that accomplish one of the following four purposes of the TANF program to: provide assistance to needy families so that children can be cared for in their own homes; reduce the dependency of needy parents by promoting job preparation, work, and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

U**UGG
or UG**

“Uniform Grant Guidance” or “Uniform Guidance” is OMB’s comprehensive grant guidance titled the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards that establishes a government-wide grants management framework. The UG is generally codified at 2 C.F.R. Part 200 and has been adopted by all federal agencies. HHS is the one federal agency that recodified the UG in its entirety at 45 C.F.R. Part 75. The UG is intended to ease administrative burden and strengthen oversight over federal funds. In particular, the UG addresses topics relating to protecting and using federal funds such as procurement, property standards, financial management, monitoring, allowable costs (i.e., costs which may be paid for with federal funds) and audit requirements.

USC

“United States Code” is the official compilation and codification of federal statutes.

USDA

“U.S. Department of Agriculture” is a federal agency that provides leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on public policy, the best available science, and effective management.

W**WAP**

“Weatherization Assistance Program” is a federal grant program administered by the DOE and aims to reduce energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety.

WIC

“The Special Supplemental Nutrition Program for Women, Infants and Children” is a FNS program administered by the USDA. WIC provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.

WIOA

“Workforce Innovation and Opportunity Act” establishes a publicly funded workforce system, administered by DOL in collaboration with the U.S. Departments of Education and HHS. WIOA aims to align workforce development, education, and economic development programs with regional economic development strategies to meet the needs of local and regional employers.