

## Section 6

### CSBG Organizational Standards

## CSBG Organizational Standards

The State lead agency, the Arkansas Community Action Agencies Association and the Arkansas Community Action Agencies officially adopted the CSBG Organizational Standards as described in IM 138. The CSBG Organizational Standards have been included as a part of the State CSBG Policies and Procedures.

The State lead agency used FY 2015 as the baseline year for the Organizational Standards. Each eligible entity conducted a self-assessment that was validated by the State lead agency in April, 2015. Collectively the entities met 78% of the CSBG Organizational Standards at the time of the April, 2015 assessments.

The State lead agency will assess each eligible entity in FY 2016 and FY 2015 by on site monitoring.

The State lead agency in collaboration with Arkansas Community Action Agencies Association will provide technical assistant through training and Peer –to-Peer reviews during FY 2016 and FY 2017. Each entity is expected to be in 100% compliance with all 58 of the CSBG Organizational Standards by the time of the FY2017 on-site monitoring.

The State lead agency will neither modify the Center Of Excellence – developed Organizational Standards, nor make any exceptions in applying the Organizational Standards for any of the eligible entities.

# COE-developed Organizational Standards for Private, Nonprofit CSBG Eligible Entities

## ORGANIZATIONAL STANDARDS FOR PRIVATE, NONPROFIT CSBG ELIGIBLE ENTITIES

### 1. MAXIMUM FEASIBLE PARTICIPATION

#### Category One: Consumer Input and Involvement

Community Action is rooted in the belief that people with low incomes are in the best position to express what they need to make a difference in their lives. CSBG eligible entities work in partnership with the people and communities they serve. Community Action works in a coordinated and comprehensive manner to develop programs and services that will make a critical difference in the lives of participants. Individuals and families are well attuned to what they need, and when Community Action taps into that knowledge, it informs our ability to implement high-impact programs and services.

Research shows that through engagement in community activities such as board governance, peer to peer leadership, advisory bodies, volunteering, and other participatory means, the poor build personal networks and increase their social capital so that they are able to move themselves and their families out of poverty. Community Action is grounded in helping families and communities build this social capital for movement to self-sufficiency.

Standard 1.1 - The organization demonstrates low-income individuals' participation in its activities.

Standard 1.2 - The organization analyzes information collected directly from low-income individuals as part of the community assessment.

Standard 1.3 - The organization has a systematic approach for collecting, analyzing, and reporting customer satisfaction data to the governing board.

### **Category Two: Community Engagement**

No CSBG eligible entity can meet all of a community's needs independently. Through formal and informal partnerships, ongoing community planning, advocacy, and engagement of people with low incomes, partners ranging from community and faith-based organizations, educational institutions, government, and business work together with Community Action Agencies and other CSBG eligible entities to successfully move families out of poverty and revitalize communities.

Community Action is often the backbone organization of community efforts to address poverty and community revitalization: leveraging funds, convening key partners, adding the voice of the underrepresented, and being the central coordinator of efforts. It is not an easy role to play, but a vital one for families and communities.

Standard 2.1 - The organization has documented or demonstrated partnerships across the community, for specifically identified purposes; partnerships include other anti-poverty organizations in the area.

Standard 2.2 - The organization utilizes information gathered from key sectors of the community in assessing needs and resources, during the community assessment process or other times. These sectors would include at minimum: community-based organizations, faith-based organizations, private sector, public sector, and educational institutions.

Standard 2.3 - The organization communicates its activities and its results to the community.

Standard 2.4 - The organization documents the number of volunteers and hours mobilized in support of its activities.

### **Category Three: Community Assessment**

Local control of Federal CSBG resources is predicated on regular comprehensive community assessments that take into account the breadth of community needs as well as the partners and resources available in a community to meet these needs. Regular assessment of needs and resources at the community level is the foundation of Community Action and a vital management and leadership tool that is used across the organization and utilized by the community to set the course for both CSBG and all agency resources.

Standard 3.1 - The organization conducted a community assessment and issued a report within the past 3 years.

Standard 3.2 - As part of the community assessment, the organization collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for their service area(s).

Standard 3.3 -The organization collects and analyzes both qualitative and quantitative data on its geographic service area(s) in the community assessment.

Standard 3.4 - The community assessment includes key findings on the causes and conditions of poverty and the needs of the communities assessed.

Standard 3.5 - The governing board formally accepts the completed community assessment.

## 2. VISION AND DIRECTION

### **Category Four: Organizational Leadership**

Community Action leadership is exemplified at all levels across the organization and starts with a mission that clarifies Community Action's work on poverty. A well-functioning board, a focused chief executive officer (CEO)/executive director, well-trained and dedicated staff, and volunteers giving of themselves to help others will establish Community Action as the cornerstone and leverage point to address poverty across the community. Ensuring strong leadership both for today and into the future is critical.

This category addresses the foundational elements of mission as well as the implementation of the Network's model of good performance management (ROMA). It ensures CAAs have taken steps to plan thoughtfully for today's work and tomorrow's leadership.

Standard 4.1 - The governing board has reviewed the organization's mission statement within the past 5 years and assured that:

1. The mission addresses poverty.
2. The organization's programs and services are in alignment with the mission.

Standard 4.2 - The organization's Community Action plan is outcome-based, anti-poverty focused, and ties directly to the community assessment.

Standard 4.3 - The organization's Community Action plan and strategic plan document the continuous use of the full Results Oriented Management and Accountability (ROMA) cycle or comparable system (assessment, planning, implementation, achievement of results, and evaluation). In addition, the organization documents having used the services of a ROMA-certified trainer (or equivalent) to assist in implementation.

Standard 4.4 - The governing board receives an annual update on the success of specific strategies included in the Community Action plan.

Standard 4.5 - The organization has a written succession plan in place for the CEO/executive director, approved by the governing board, which contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy.

Standard 4.6 - An organization-wide, comprehensive risk assessment has been completed within the past 2 years and reported to the governing board.

### **Category Five: Board Governance**

Community Action boards are uniquely structured to ensure maximum feasible participation by the entire community, including those the network serves. By law, Community Action boards are comprised of at least 1/3 low-income consumers (or their representatives), 1/3 elected officials (or their appointees), and the remainder private-sector community members. 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. Boards are foundational to good organizational performance and the time invested to keep them healthy and active is significant, but necessary.

Standard 5.1 - The organization's governing board is structured in compliance with the CSBG Act:

1. At least one third democratically-selected representatives of the low-income community;
2. One-third local elected officials (or their representatives);
3. the remaining membership from major groups and interests in the community.

Standard 5.2 - The organization's governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.

Standard 5.3 - The organization's bylaws have been reviewed by an attorney within the past 5 years.

Standard 5.4 - The organization documents that each governing board member has received a copy of the bylaws within the past 2 years.

Standard 5.5 - The organization's governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its bylaws.

Standard 5.6 - Each governing board member has signed a conflict of interest policy within the past 2 years.

Standard 5.7 - The organization has a process to provide a structured orientation for governing board members within 6 months of being seated.

Standard 5.8 - Governing board members have been provided with training on their duties and responsibilities within the past 2 years.

Standard 5.9 - The organization's governing board receives programmatic reports at each regular board meeting.

### **Category Six: Strategic Planning**

Establishing the vision for a Community Action Agency is a big task and setting the course to reach it through strategic planning is serious business. CSBG eligible entities take on this task by looking both at internal functioning and at the community's needs. An efficient organization knows where it is headed, how the board and staff fit into that future, and how it will measure its success in achieving what it has set out to do. This agency-wide process is board-led and ongoing. A "living, breathing" strategic plan with measurable outcomes is the goal, rather than a plan that gets written but sits on a shelf and stagnates. Often set with an ambitious vision, strategic plans set the tone for the staff and board and are a key leadership and management tool for the organization.

Standard 6.1 - The organization has an agency-wide strategic plan in place that has been approved by the governing board within the past 5 years.

Standard 6.2 - The approved strategic plan addresses reduction of poverty, revitalization of low-income communities, and/or empowerment of people with low incomes to become more self-sufficient.

Standard 6.3 - The approved strategic plan contains family, agency, and/or community goals.

Standard 6.4 - Customer satisfaction data and customer input, collected as part of the community assessment, is included in the strategic planning process.

Standard 6.5 - The governing board has received an update(s) on progress meeting the goals of the strategic plan within the past 12 months.

## **2. OPERATIONS AND ACCOUNTABILITY**

### **Category Seven: Human Resource Management**

The human element of Community Action's work is evident at all levels of the organization and the relationship an organization has with its staff often reflects the organization's values and mission. Oversight of the chief executive officer (CEO)/executive director and maintaining a strong human resources infrastructure are key responsibilities of board oversight. Attention to organizational elements such as policies and procedures, performance appraisals, and training lead to strong organizations with the capacity to deliver high-quality services in low-income communities.

Standard 7.1 - The organization has written personnel policies that have been reviewed by an attorney and approved by the governing board within the past 5 years.

Standard 7.2 - The organization makes available the employee handbook (or personnel policies in cases without a handbook) to all staff and notifies staff of any changes.

Standard 7.3 - The organization has written job descriptions for all positions, which have been updated within the past 5 years.

Standard 7.4 - The governing board conducts a performance appraisal of the CEO/executive director within each calendar year.

Standard 7.5 - The governing board reviews and approves CEO/executive director compensation within every calendar year.

Standard 7.6 - The organization has a policy in place for regular written evaluation of employees by their supervisors.

Standard 7.7 - The organization has a whistleblower policy that has been approved by the governing board.

Standard 7.8 - All staff participate in a new employee orientation within 60 days of hire.

Standard 7.9 - The organization conducts or makes available staff development/training (including ROMA) on an ongoing basis.

**Category Eight: Financial Operations and Oversight**

The fiscal bottom line of Community Action is not isolated from the mission, it is a joint consideration. Community Action boards and staff maintain a high level of fiscal accountability through audits, monitoring by State and Federal agencies, and compliance with Federal Office of Management Budget circulars. The management of Federal funds is taken seriously by CSBG eligible entities and the Standards specifically reflect the board's oversight role as well as the day-to-day operational functions.

Standard 8.1 - The organization's annual audit (or audited financial statements) is completed by a Certified Public Accountant on time in accordance with Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirement (if applicable) and/or State audit threshold requirements.

Standard 8.2 - All findings from the prior year's annual audit have been assessed by the organization and addressed where the governing board has deemed it appropriate.

Standard 8.3 - The organization's auditor presents the audit to the governing board.

Standard 8.4 - The governing board formally receives and accepts the audit.

Standard 8.5 - The organization has solicited bids for its audit within the past 5 years.

Standard 8.6 - The IRS Form 990 is completed annually and made available to the governing board for review.

Standard 8.7 • private The governing board receives financial reports at each regular meeting that include the following:

1. Organization-wide report on revenue and expenditures that compares budget to actual, categorized by program; and
2. Balance sheet/statement of financial position.

Standard 8.8 - All required filings and payments related to payroll withholdings are completed on time.

Standard 8.9 - The governing board annually approves an organization-wide budget.

Standard 8.10 - The fiscal policies have been reviewed by staff within the past 2 years, updated as necessary, with changes approved by the governing board.

Standard 8.11 - A written procurement policy is in place and has been reviewed by the governing board within the past 5 years.

Standard 8.12 - The organization documents how it allocates shared costs through an indirect cost rate or through a written cost allocation plan.

Standard 8.13 - The organization has a written policy in place for record retention and destruction.

**Category Nine: Data and Analysis**

The Community Action Network moves families out of poverty every day across this country and needs to produce data that reflect the collective impact of these efforts. Individual stories are compelling when combined with quantitative data: no data without stories and no stories without data. Community Action needs to better document the outcomes families, agencies, and communities achieve. The Community Services Block Grant funding confers the obligation and opportunity to tell the story of agency-wide impact and community change, and in turn the impact of the Network as a whole.

Standard 9.1 - The organization has a system or systems in place to track and report client demographics and services customers receive.

Standard 9.2 - The organization has a system or systems in place to track family, agency, and/or community outcomes.

Standard 9.3 - The organization has presented to the governing board for review or action, at least within the past 12 months, an analysis of the agency's outcomes and any operational or strategic program adjustments and improvements identified as necessary.

Standard 9.4 - The organization submits its annual CSBG Information Survey data report and it reflects client demographics and organization-wide outcomes.

## Section 7

### State use of CSBG Funds

### **Distribution Formula**

Ninety (90) percent of funds made available to the State will be used to make grants to eligible entities for stated purposes of the Community Services Block Grant program. A total of 35% of funds will be awarded based on poverty in the area and 65% of funds will be awarded based on hold harmless.

State Act 345 specifies that CSBG funds appropriated for payments to eligible entities shall be allocated on the basis of equitable criteria established by the Arkansas Department of Human Services, Division of Community Services based upon application for programs.

### **Eligible Entities and Planned Allocations**

Act 345 of 1985 designates Community Action Agencies as eligible entities to carry out the Community Services Block Grant Program in Arkansas, as well as defines the geographic coverage area.

Through the administrative rule-making process, the State has established policies and procedures to be followed by eligible entities in carrying out the CSBG program in their specific service areas that are consistent with the requirements of the CSBG Federal Act and regulations.

Eligible entities have submitted information describing the programs, services and activities to be conducted in fiscal years 2016-2017. The general program components to be addressed are self-sufficiency, employment, education, income maintenance, housing, emergency services, nutrition, community participation, health and welfare independence.

The following is a list of eligible entities and geographic areas served. Combined, CAAs provide statewide coverage for all 75 Arkansas counties.

### **Grants Process**

Prior to receipt of funding, each CAA must submit an application (community action plan), which includes a community needs assessment. As required by federal law, the State has established reasonable program and fiscal requirements which eligible entities must meet to receive CSBG funding.

In order to be eligible for CSBG funding, each CAA shall conduct a public hearing on the needs of low-income persons in the service area, at least once every two years, and by the seventh month prior to the end of the State's second CSBG fiscal year of a two-year plan. The needs assessment of the primary poverty problems of the area, including the causes and effects of poverty, shall be updated at this time through citizen's input.

As a result of this hearing, the board shall adopt a Community Action Plan which will indicate the primary poverty problems the eligible entity will address and the share of available funds to be allocated to each. This CAP (and any subsequent amendments) must be approved by the eligible entity's Board of Directors and will serve as a basis for the projects proposed by the board for CSBG funding.

No later than ninety days before the end of the State's two-year grant period, the eligible entity shall submit a funding application to OCS, including the date of the most recent needs assessment and public hearing. Applications shall be submitted based on the federal fiscal year, unless otherwise approved by OCS. Poverty problems to be addressed shall include problems of low-income persons in:

- securing and retaining meaningful employment
- attaining an adequate education
- making better use of available income
- obtaining and maintaining adequate housing and a suitable living environment
- obtaining emergency assistance; including urgently needed health services, nutritional food, and other human services
- removing obstacles and solving problems blocking attainment of self-sufficiency
- participating in decisions which affect their lives
- addressing the needs of youth in low-income communities
- making more effective use of and coordinating with other programs

The Act requires the State to hold at least one legislative hearing every three (3) years in conjunction with the development of the State Plan. The Arkansas Legislative Council of the Arkansas General Assembly conducted a legislative hearing for fiscal years 2016-2017 on \_\_\_\_\_.

After getting State authority, the State lead agency expects to make funds available to eligible entities within 15 to 30 calendar days of receiving notice of grant award.

The Arkansas Department of Human Services, Division of County Operations, Office of Community Services, will use 5% of the total allocation for administration.

There will be a total of 5 State staff positions funded in whole or in part with CSBG funds under this State Plan.

The remaining 5% will be spent as discretionary funds. Approximately 65% of the Discretionary funds will be used to provide technical assistance and training needed by eligible entities and organizations. 15% of the funds will be used for coordination of State-operated programs and or local programs. 5% of the funds will be used to fund asset-building programs in the eligible entities. 5% will be used to fund innovative programs and activities by the eligible entities (may include fatherhood and strengthening families initiatives). 5% of the funds will be used for

technology upgrades for the eligible entities. The final 5% of the funds will be used for analysis of CSBG funds to determine if targeting greatest need. This will be further described in section 8 (State Training and Technical Assistance Plan).

### Planned CSBG 90 Percent Funding

<b>CSBG Eligible Entity</b>	<b>Year One</b>	<b>Year Two</b>
Arkansas River Valley Area Council, Inc 613 North 5th Street Dardanelle, Arkansas 72834	\$728,466	\$728,466
Black River Area Dev. Corp. 1403 Hospital Drive Pocahontas, Arkansas 72455	\$201,868	\$201,868
Central Arkansas Dev. Council 321 Edison Benton, Arkansas 72015	\$2,125,727	\$2,125,727
Community Action Program for Central Arkansas, Inc 707 Robins Street, Ste. 118 Conway, Arkansas 72034	\$362,113	\$362,113
Crowley's Ridge Dev. Council, Inc. 2401 Fox Meadow Lane Jonesboro, Arkansas 72401	\$900,782	\$900,782
Crawford-Sebastian Comm Dev. Council, Inc. 4831 Armor Street Fort Smith, Arkansas 72914	\$348,640	\$348,640
Community Services Office, Inc. 600 West Grand Avenue Hot Springs, Arkansas 71901	\$316,907	\$316,907
Economic Opportunity Agency of Washington, Co. Inc. 614 East Emma Avenue, Suite M401 Springdale, Arkansas 72764	\$322,665	\$322,665
Mississippi County, Arkansas Economic Opportunity Commission, Inc. 1400 North Division Street Blytheville, Arkansas 72316-1289	\$312,190	\$312,190
Mid-Delta Community Services, Inc. 610 South Biscoe Street Helena, Arkansas 72342	\$343,064	\$343,064
Northcentral Arkansas Dev. Council, Inc, 550 9th Street Batesville, Arkansas 72503	\$257,916	\$257,916

**Planned CSBG 90 Percent Funding**

<b>CSBG Eligible Entity</b>	<b>Year One</b>	<b>Year Two</b>
Office of Human Concern, Inc. 506 East Spruce Street Rogers, Arkansas 72757	\$302,699	\$302,699
Ozark Opportunities, Inc. 701 East Prospect Avenue Harrison, Arkansas 72601	\$478,225	\$478,225
Pine Bluff-Jefferson County Economic Opportunities Commission, Inc. 817 South Cherry Pine Bluff, Arkansas 71611	\$409,337	\$409,337
Southeast Arkansas Comm. Action Corp. 1208 North Myrtle Street Warren, Arkansas 71671	\$354,679	\$354,679
Southwest Arkansas Dev. Council, Inc. 3902 Sanderson Lane Texarkana, Arkansas 71854	\$369,938	\$369,938

## Section 8

### State Training and Technical Assistance Plan

## **State Training and Technical Assistance Plan**

The State will partner with the State Community Action Agencies Association and with outside consultants to provide training and technical assistance as needed and requested by the eligible entities in FY 2016 and in FY 2017. State CSBG staff will provide training and technical assistance in areas to include, but not limited to reporting, risk assessment, ROMA and financial management.

Training and technical assistance will focus on the whole agency approach to effectively increase the level of skills of the Board, executive staff, front line staff and other agency staff in areas to include, but not limited to : governance and Board training, community needs assessments, community action plans, community strategic planning, technology, financial management, and data analysts.

Eligible entities have requested training and technical assistance in the areas of family development, basic computer skills, ethics, health and safety, human resources, financial management, leadership, governance and board training, case management and risk assessment.

Focus in year-one will be around training and technical assistance on Organizational Standards 1.3; 3.1; 4.6; 6.1 and 9.3. These standards center on Risk Assessment, Comprehensive Community needs assessment, agency-wide strategic planning, data analysis, Community Action Plan Development and customer satisfaction data analysis.

Training and technical assistance will also include ROMA training, reporting and case management.

Focus in year-two will expand into technical assistance in the areas of year-one training.

Approximately 65% of the Discretionary funds will be used to provide technical assistance and training needed by eligible entities and organizations. 15% of the funds will be used for coordination of State-operated programs and or local programs. 5% of the funds will be used to fund asset-building programs in the eligible entities. 5% will be used to fund innovative programs and activities by the eligible entities (may include fatherhood and strengthening families initiatives). 5% of the funds will be used for technology upgrades for the eligible entities. The final 5% of the funds will be used for analysis of CSBG funds to determine if targeting greatest need.

The State CSBG staff will create individual staff development plans that will include receiving formal training from local, state, regional, and national sources.

## Section 9

### State Linkages and Communication

## **Linkages and Coordination**

As a condition for funding, Arkansas CSBG Policies and Procedures requires eligible entities to establish linkages between governmental and other social services programs to assure the effective delivery of such services to low-income individuals, identify gaps in services through the provision of information, referrals, case management and follow-up consultation, including the organizations listed below. Also, eligible entities will continue to partner with, as well as support innovative community and neighborhood-based initiatives related to the purposes of the CSBG Act [675C (b) (1) (B)].

### **1. Community Organizations**

- Boy/Girl Scouts
- Churches
- Community Coalitions
- County Resource Councils
- Domestic Violence Programs
- Faith-based organizations
- Family Day Care Homes
- Food Banks/Food Pantries
- Homeless Shelters
- Job Training Programs
- Local Initiative Support Group (LISC)
- Literacy Councils
- Red Cross
- Salvation Army
- Soup Kitchens
- Single Parent Scholarship Fund
- Statewide CAAs
- United Way

### **2. Government/Education**

- Adult Education and Literacy Councils
- Arkansas Development Finance Authority
- Childcare Programs
- Colleges and Universities
- Community Colleges/Technical Schools
- County DHS Offices
- County Extension Offices
- County Health Departments
- Educational Cooperatives
- Employment Security Department/Workforce Services
- Health Education Centers
- Home Instruction Program for Pre-school Youngsters
- Local government agencies
- Postal Service
- Public Housing Authority

School Districts  
Transitional Employment Assistance Programs  
Workforce Investment Boards/Workforce Alliance

3. **Clubs and Organizations**

Junior Auxiliary  
Kiwanis  
Lions Clubs  
Realtors Associations  
Rotary Clubs  
Sheriff's Associations

4. **Other**

Chambers of Commerce  
Foundations and Corporations  
Financial Institutions  
Health Professionals  
Legal Services  
Local Businesses  
Media  
Utility Providers

Planned activities of eligible entities will assist low-income persons to achieve greater community participation in community affairs. Low-income program participants are encouraged to become involved in programmatic policy and procedures through community programs, including:

- Head Start/Early Head Start Policy Advisory Council
- Federal Emergency Management Assistance Advisory Board
- Senior Wellness Centers Policy Advisory Committee
- County Resource Councils
- CAA Board of Directors
- Section 8 Resident Advisory Board
- Housing & Urban Development Advisory Board
- Local Emergency Food and Shelter Board
- Single Parent Scholarship Program
- Community Action Teams
- Community Involvement Workshops
- Local Advisory Board and Committees

The Assistant Director or his/her designee attends the monthly meeting of the eligible entities Executive Director and the Executive Director of the Arkansas Community Action Agencies Association. Feedback and updates of funding or program status are provided to the entities, and concerns are addressed at the meetings. Communication on a less formal basis is on-going in the form of email, telephone and mailings.

The State lead agency will report on State Accountability measures in order to ensure accountability and improve program performance. The state lead agency will provide feedback within 60 calendar days to local entities and the State Community Action Association regarding performance on State Accountability Measures. This feedback may be in various forms, including but not limited to, meetings and presentations, mailings, emails or social media.

## Section 10

### Fiscal Controls and Monitoring

## **FISCAL CONTROLS AND MONITORING**

DHS/OCS staff will conduct, at a minimum, an annual on-site program evaluation and compliance review of eligible entities in order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements and other requirements of the State.

As established in Section 678 B, the State will also conduct:

- an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds
- follow-up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State
- other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than CSBG) terminated for cause

The State lead agency conducts financial and compliance audits of block grant funds, which the State receives under the CSBG Act. Each audit will cover a one-year period and will be conducted in accordance with standards established by the Comptroller General for the audit of the governmental organizations, programs, activities and functions. Use of the Office of Management and Budget cost and accounting standards will apply.

A copy of the audit conducted by the Legislative Audit staff will be made available to the State Legislature 30 days after completion, a copy is provided the Legislative Audit Committee, and a copy will be forwarded to the Secretary. Appropriate documents, papers, and records shall be made available to the Secretary and Comptroller General of the United States, or any duly authorized representatives.

CSBG is not audited as a major program under the State's single audit. It is audited by the State's Legislative Audit Division as part of the Department of Human Services' audit.

### **Monitoring of Eligible Entities**

Before funds will be released to an eligible entity receiving an initial contract using OCS funds, the eligible entity shall submit a statement to OCS certifying that its accounting system meets OCS financial requirements and standard acceptable accounting practices. The accounting system must have internal controls adequate to safeguard their assets, check the accuracy and reliability of accounting data, promote operating efficiency, and encourage compliance with OCS policies. The certification must be furnished by an independent Certified Public Accountant (CPA).

Reporting – As a condition for funding, the eligible entity signs assurances that it will provide monthly financial reports and quarterly progress reports, in the form and at the time the Office of Community Services requires. State policy 4140 M requires that the eligible entity shall provide

monthly fiscal reports on the operation of funded project. This policy also states at the end of each quarter of its program year, the eligible entity shall report on the status of the implementation and operation of its work programs. All quarterly reports submitted to OCS subsequent to the last board meeting shall be presented for review and approval by the board. In addition to other safeguards, assurances are signed that the agency will, on an annual basis, conduct a single agency audit in accordance with OMB circular A-133 covering all funds received by the agency. A copy of the report will be provided to the Department of Health and Human Services.

In accordance with section 678, below is a description of monitoring activities:

Eligible entities must provide monthly financial reports documenting expenditure of funds requested. Reports are reviewed by OCS and fiscal staff to ensure funds requested are consistent with planned expenditures. Payment is made based on the monthly requests.

As part of the eligible entities community action plan (application), a budget is submitted detailing the proposed use of funds. The community action plan containing the proposed budget is reviewed and approved by the Office of Community Services.

The State Office of Community Services monitors will conduct, at a minimum an annual on-site program evaluation and compliance review of eligible entities in order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of the State.

- **Official Notification** – The Office of Community Services monitor contacts the eligible entity by telephone to establish monitoring dates for the program evaluation or compliance review. Follow-up correspondence is sent to the agency as official notification of the monitoring dates.
- **Entrance Conference** – The entrance conference is held with the executive director or designee(s) to discuss the purpose, process, format, and procedures to be followed during the monitoring visit.
- **Exit Conference** - An exit conference is held with the executive director or designee(s) to report findings during the monitoring visit. The executive director or designee(s) is given the opportunity to provide comments and present additional evidence where a finding may be disputed by the agency.
- **Report to Agency** – A monitoring report is forwarded to the agency. All monitoring reports must be reviewed and approved by the agency's Board of Directors.
- **Grantee Action Plans** – When there are findings, the eligible entity will be notified in writing, provided suggested recommendations for improvement, and required to submit a plan detailing the actions it will take to correct monitoring findings. Plans should be submitted within the timeframe specified by OCS. Plans are reviewed by OCS to ensure all findings have been adequately addressed. Where findings are not adequately

addressed, OCS will make necessary contacts with the eligible entity until all findings have been appropriately addressed, and will notify the agency when their plan is accepted.

**The Program Evaluation** – The program evaluation is primarily concerned with the quality of program reporting and service delivery as indicated by records and client interviews. During the on-site program evaluation, agency records are reviewed in order to support actual services provided by the eligible entity and reported to OCS. Case management records are reviewed to determine agency and client's progress made in reaching the client's established self-sufficiency goals. Monitors verify documentation at the eligible entities sites, and interviews with randomly selected clients are conducted to verify that services were provided as reported and to determine whether clients are satisfied with services received. A satisfaction survey is completed on each randomly selected client interviewed.

**Compliance Review** – The compliance review is primarily concerned with the review of eligible entity program administration and planning, financial functions, board leadership and development, agency director leadership and other requirements of the State.

During the on-site compliance review, agency records are reviewed in order to determine compliance in specific areas including but not limited to: obligation to provide services in designated area; adequate board representation; board powers, responsibilities and training; composition of board committees; by-laws requirements; public hearings; statement of purposes and strategy, and needs assessment requirement; eligible activities; eligible populations and residency; requirements for funding application; grant award; citizens access; code of conduct; and financial record keeping. During the on-site review, monitors verify records to determine agency compliance with CSBG policies and procedures. Board members, and in some instances the Executive Director, are interviewed to determine the level of knowledge of board powers, roles and responsibilities, as well as responsibilities of the Executive Director.

Monitoring of newly designated entities – OCS will conduct an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds. Follow-up reviews will be conducted including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State. Other reviews will be conducted as appropriate, including reviews of entities with programs that have had other Federal, State or local grants (other than CSBG) terminated for cause.

### **Designation of New Eligible Entities**

If an existing eligible entity terminates its service, the Office of Community Services will solicit applications from eligible entities and designate an eligible entity to provide services in the non-served area. The eligible entity shall be:

1. A private nonprofit organization that is capable of providing a broad range of CSBG services designed to eliminate poverty and foster self-sufficiency. Special consideration

will be given to qualifying organizations that are providing related services in the non-served area, consistent with the needs identified by a community-needs assessment.

2. A private nonprofit eligible entity that is geographically located in an area contiguous to or within reasonable proximity of the non-served area and that is already providing related services in the non-served area. The nonprofit eligible entity selected shall have its board constituted so as to assure adequate board representation as follows:
  - The private nonprofit eligible entity shall administer the Community Services Block Grant Program through a tripartite board that fully participates in the development, planning, implementation, and evaluation of the program to serve low-income communities
  - The members of the board shall be selected by the entity
  - The board shall be composed so as to assure that
    - a. elected public officials or their permanent representatives shall comprise one-third of the board
    - b. representatives of low-income persons shall comprise at least one-third of the board
    - c. representatives of business, industry, labor, religious, law enforcement, education or other major groups and interests in the community shall comprise the remainder of the board
3. If there is no private non-profit organization identified or determined to be qualified to serve as an eligible entity, the Governor may solicit applications from and designate a political subdivision to serve as an eligible entity to provide services in the non-served area. The political subdivision shall have a tripartite board or other mechanism to assure decision-making and participation by low-income individuals in the development, planning, implementation and evaluation of programs. The board shall be constituted so as to assure that no less than one-third of the members are representatives of low-income individuals and families in the neighborhoods and that they reside in the neighborhoods served.

### **Corrective Action, Termination or Reduction of Funding**

The State will comply with the requirements of Section 678C of the Act, in regard to corrective action, termination, or reduction of funding. Section 3200 of CSBG policies outlines these procedures in a section entitled, "Corrective Action, Suspension, Termination and Establishment of Eligible Entity Status". The policy is as follows:

**Corrective Action:** OCS shall require an agency to submit a Quality Improvement Plan (QIP) when OCS determines that an eligible entity has failed to comply with and meet the requirements contained in regulations or published administrative requirements of OCS, has failed to fulfill its funded work program, or has breached the terms of its funding agreement with OCS.

If the OCS Assistant Director determines that an emergency situation exists due to threat of imminent loss or waste of OCS funds and that immediate action is required due to the seriousness of the violation and/or is necessary to protect OCS funds or property:

- a. DHS/OCS shall notify the agency (by certified mail) of the deficiency to be corrected and may require that the eligible entity develop a Quality Improvement plan to correct the deficiency within sixty days from date of notice. DHS/OCS will establish a reasonable time frame for the eligible entity to correct the deficiency.
- b. DHS/OCS may immediately suspend the agency from participation pending an opportunity for appeal.
- c. DHS/OCS may offer training and technical assistance, if appropriate, to help correct the deficiency.

When training or technical assistance is offered by the State, OCS will prepare and submit to the Secretary a report describing the training and technical assistance offered within 60 days from the date of notification for QIP. If the State determines that such training and technical assistance are not appropriate, OCS will prepare and submit to the Secretary a report stating the reasons for this determination within sixty days from date of notification for QIP.

DHS/OCS will review the Quality Improvement Plan submitted by the agency and inform the eligible entity of its approval or disapproval status within 30 days from the date the Quality Improvement Plan is received by OCS.

If the plan is not approved, OCS will notify the eligible entity of disapproval (by certified mail), specify reason the plan was not approved, and give notice of suspension.

**Suspension:** The suspension notification shall include a date beyond which no DHS/ OCS funds may be expended by the entity, or alternatively, such other restrictions on DHS/OCS expenditures as OCS may require. If the eligible entity wishes to appeal this determination, it must submit a written request to the Assistant Director to remove the suspension. This request must be made within twenty days of the date of the suspension notice. The eligible entity may include a request for a meeting with the DCO Director upon which the DCO Director shall schedule such a meeting to be held within ten days of receipt of the request and issue a finding, in writing, within ten days of adjournment of the meeting.

If the DCO Director denies the appeal, the eligible entity may appeal to the DHS Director, in writing within ten days. The DHS Director shall schedule such an appeal to be held within ten days of receipt of the request and shall issue written findings within ten days of adjournment of the appeal hearing. If the DHS Director denies the appeal, OCS may initiate termination of status of the agency as an eligible entity. If entity requests review by HHS, no funds determination is final until HHS reviews.

**Termination of Funding:** OCS may initiate procedures to terminate the status as an eligible entity of a Community Action Agency in the following instances:

1. Where an eligible entity has been suspended under DHS/OCS CSBG Policy 3200 B, following either passage of the twenty days allotted for the eligible entity's appeal or a denial of the appeal by the DHS Director.

The procedures for termination of status as an eligible entity of a sub grantee shall be as follows:

- OCS shall provide the eligible entity with written notice (by certified mail) of OCS' intent to terminate the status of the eligible entity and the reasons for the termination. The notice shall specify the effective date of termination of status and termination of all OCS funded activities, which date shall be no sooner than sixty days from the time of sending such notice to the eligible entity. The notice shall also provide necessary program instructions, including any restrictions on eligible entity expenditures, pending the effective date of termination of status.
- The eligible entity may appeal, in writing, to the DCO Director within twenty calendar days following receipt of the notice of OCS' intent to terminate status. This appeal shall address the reasons for termination and, where appropriate, any corrective action taken, or proposed to be taken, by the eligible entity. The appeal may also include a request by the eligible entity that the DCO Director or his/her designee hold a public hearing before making a decision, in which case such a public hearing "on the record" shall be held within twenty days. At this hearing the eligible entity shall have the right to present evidence and argument on all issues contained in the appeal.
- The DCO Director shall make specific written findings of fact and conclusions of law and enter one of the following decisions:
  - a. Reverse the agency decision and remove the notice of intent to terminate.
  - b. Reverse the termination, but affirm the specific corrective action that must be taken in order for the agency to maintain its status as an eligible entity. If the eligible entity subsequently fails to take corrective action, OCS may terminate the agency.
  - c. Affirm the agency action. The eligible entity may request review by the federal funding agency. If an agency requests a review by the federal funding agency, no determination, other than an emergency action shall be

effective until the Federal funding agency affirms or rejects the State's finding of cause. The DHHS Director's decision is the final agency determination.

### **Voluntary Suspension of Status as Eligible Entity**

An eligible entity may request and OCS may approve voluntary suspension of the status of the eligible entity for a stated period of time. OCS shall make arrangements it deems necessary to assure the continued provision of services during the period of voluntary suspension. The voluntary status of suspension shall be lifted at the agreed upon time. If upon completion of the period of voluntary suspension, OCS determines that suspension shall continue, normal steps for corrective action prior to suspension shall apply, including the rights of appeal by the eligible entity. The eligible entity may request and OCS may approve the extension of the period of voluntary suspension.

### **State procedure for compliance with Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards [2 CFR 200.521]**

The State lead agency conducts financial and compliance audits of block grant funds, which the State receives under the CSBG Act. Each audit will cover a one-year period and will be conducted in accordance with standards established by the Comptroller General for the audit of the governmental organizations, programs, activities and functions. Use of the Office of Management and Budget cost and accounting standards will apply.

A copy of the audit conducted by the Legislative Audit staff will be made available to the State Legislature 30 days after completion, a copy is provided the Legislative Audit Committee, and a copy will be forwarded to the Secretary. Appropriate documents, papers, and records shall be made available to the Secretary and Comptroller General of the United States, or any duly authorized representatives.

### **Cooperation with Federal Investigations [Section 676 (b) (7)]**

The director and staff persons of the State lead agency are directed and required to cooperate fully with any federal investigation relative to State use or eligible entity use of CSBG funds. Any additional resources of State Government necessary to assist in such investigations are pledged, and will be provided. Each eligible entity is required, as a condition of funding, to provide written assurances they will allow and cooperate with any Federal or State investigation relative to the use of CSBG funds.

## Eligible Entities Monitoring Schedule

<b>CSBG Eligible Entity</b>	<b>Review Type</b>	<b>Target Date of next review</b>	<b>Date of Last Full Onsite Review</b>
Arkansas River Valley Area Council, Inc 613 North 5th Street Dardanelle, Arkansas 72834	On-Site Annual	FY1 Q3 FY2 Q3	December, 2014
Black River Area Dev. Corp. 1403 Hospital Drive Pocahontas, Arkansas 72455	On-Site Annual	FY1 Q3 FY2 Q3	May, 2014
Central Arkansas Dev. Council 321 Edison Benton, Arkansas 72015	On-Site Annual	FY1 Q3 FY2 Q3	July, 2014
Community Action Program for Central Arkansas, Inc 707 Robins Street, Ste. 118 Conway, Arkansas 72034	On-Site Annual	FY1 Q3 FY2 Q3	November, 2014
Crowley's Ridge Dev. Council, Inc. 2401 Fox Meadow Lane Jonesboro, Arkansas 72401	On-Site Annual	FY1 Q3 FY2 Q3	October, 2014
Crawford-Sebastian Comm Dev. Council, Inc. 4831 Armor Street Fort Smith, Arkansas 72914	On-Site Annual	FY1 Q3 FY2 Q3	July, 2014
Community Services Office, Inc. 600 West Grand Avenue Hot Springs, Arkansas 71901	On-Site Annual	FY1 Q3 FY2 Q3	April, 2014
Economic Opportunity Agency of Washington, Co. Inc. 614 East Emma Avenue, Suite M401 Springdale, Arkansas 72764	On-Site Annual	FY1 Q3 FY2 Q3	August, 2014
Mississippi County, Arkansas Economic Opportunity Commission, Inc. 1400 North Division Street Blytheville, Arkansas 72316-1289	On-Site Annual	FY1 Q4 FY2 Q4	September, 2014
Mid-Delta Community Services, Inc. 610 South Biscoe Street Helena, Arkansas 72342	On-Site Annual	FY1 Q4 FY2 Q4	July, 2014
Northcentral Arkansas Dev. Council, Inc. 550 9th Street Batesville, Arkansas 72503	On-Site Annual	FY1 Q4 FY2 Q4	October, 2014

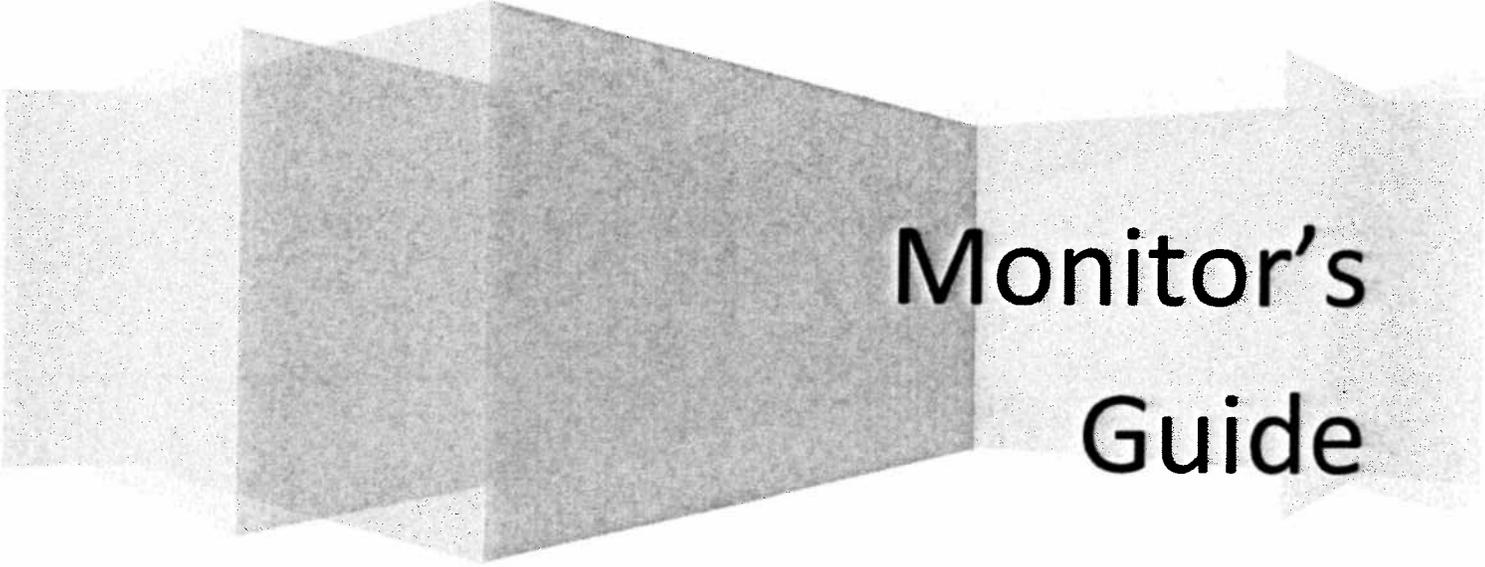
## Eligible Entities Monitoring Schedule

<b>CSBG Eligible Entity</b>	<b>Review Type</b>	<b>Target Date of next review</b>	<b>Date of Last Full Onsite Review</b>
Office of Human Concern, Inc. 506 East Spruce Street Rogers, Arkansas 72757	On-Site Annual	FY1 Q4 FY2 Q4	October, 2014
Ozark Opportunities, Inc. 701 East Prospect Avenue Harrison, Arkansas 72601	On-Site Annual	FY1 Q4 FY2 Q4	November, 2014
Pine Bluff-Jefferson County Economic Opportunities Commission, Inc. 817 South Cherry Pine Bluff, Arkansas 71611	On-Site Annual	FY1 Q4 FY2 Q4	June, 2014
Southeast Arkansas Comm. Action Corp. 1208 North Myrtle Street Warren, Arkansas 71671	On-Site Annual	FY1 Q4 FY2 Q4	October, 2014
Southwest Arkansas Dev. Council, Inc. 3902 Sanderson Lane Texarkana, Arkansas 71854	On-Site Annual	FY1 Q4 FY2 Q4	August, 2014

Arkansas Department of Human Services/Office of  
Community Services

# Monitoring Practices and Principles

Community Services Block Grant



Monitor's  
Guide

# Monitoring Practices and Principles

## **1. Purpose**

The CSBG Act of 1998 requires the State CSBG office to monitor local community action agencies at least once every three years (the Arkansas State CSBG office monitors CAAs annually).

DHS/OCS staff will conduct, at a minimum, an annual on-site program evaluation and compliance review of eligible entities in order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements and other requirements of the State.

As established in Section 678 B, the State will also conduct:

- an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds
- follow-up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State
- other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than CSBG) terminated for cause

The State lead agency conducts financial and compliance audits of block grant funds, which the State receives under the CSBG Act. Each audit will cover a one-year period and will be conducted in accordance with standards established by the Comptroller General for the audit of the governmental organizations, programs, activities and functions. Use of the Office of Management and Budget cost and accounting standards will apply.

A copy of the audit conducted by the Legislative Audit staff will be made available to the State Legislature 30 days after completion, a copy is provided the Legislative Audit Committee, and a copy will be forwarded to the Secretary. Appropriate documents, papers, and records shall be made available to the Secretary and Comptroller General of the United States, or any duly authorized representatives.

## Monitoring of Eligible Entities

Before funds will be released to an eligible entity receiving an initial contract using OCS funds, the eligible entity shall submit a statement to OCS certifying that its accounting system meets OCS financial requirements and standard acceptable accounting practices. The accounting system must have internal controls adequate to safeguard their assets, check the accuracy and reliability of accounting data, promote operating efficiency, and encourage compliance with OCS policies. The certification must be furnished by an independent Certified Public Accountant (CPA).

Reporting – As a condition for funding, the eligible entity signs assurances that it will provide monthly financial reports and quarterly progress reports, in the form and at the time the Office of Community Services requires. State policy 4140 M requires that the eligible entity shall provide monthly fiscal reports on the operation of funded project. This policy also states at the end of each quarter of its program year, the eligible entity shall report on the status of the implementation and operation of its work programs. All quarterly reports submitted to OCS subsequent to the last board meeting shall be presented for review and approval by the board. In addition to other safeguards, assurances are signed that the agency will, on an annual basis, conduct a single agency audit in accordance with OMB circular A-133 covering all funds received by the agency. A copy of the report will be provided to the Department of Health and Human Services.

In accordance with section 678, below is a description of monitoring activities:

Eligible entities must provide monthly financial reports documenting expenditure of funds requested. Reports are reviewed by OCS and fiscal staff to ensure funds requested are consistent with planned expenditures. Payment is made based on the monthly requests.

As part of the eligible entities community action plan (application), a budget is submitted detailing the proposed use of funds. The community action plan containing the proposed budget is reviewed and approved by the Office of Community Services.

The State Office of Community Services monitors will conduct, at a minimum an annual on-site program evaluation and compliance review of eligible entities in order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of the State.

- **Official Notification** – The Office of Community Services monitor contacts the eligible entity by telephone to establish monitoring dates for the program evaluation or compliance review. Follow-up correspondence is sent to the agency as official notification of the monitoring dates.
- **Entrance Conference** – The entrance conference is held with the executive director or designee(s) to discuss the purpose, process, format, and procedures to be followed during the monitoring visit.

- **Exit Conference** - An exit conference is held with the executive director or designee(s) to report findings during the monitoring visit. The executive director or designee(s) is given the opportunity to provide comments and present additional evidence where a finding may be disputed by the agency.
- **Report to Agency** – A monitoring report is forwarded to the agency. All monitoring reports must be reviewed and approved by the agency’s Board of Directors.
- **Grantee Action Plans** – When there are findings, the eligible entity will be notified in writing, provided suggested recommendations for improvement, and required to submit a plan detailing the actions it will take to correct monitoring findings. Plans should be submitted within the timeframe specified by OCS. Plans are reviewed by OCS to ensure all findings have been adequately addressed. Where findings are not adequately addressed, OCS will make necessary contacts with the eligible entity until all findings have been appropriately addressed, and will notify the agency when their plan is accepted.

**The Program Evaluation** – The program evaluation is primarily concerned with the quality of program reporting and service delivery as indicated by records and client interviews. During the on-site program evaluation, agency records are reviewed in order to support actual services provided by the eligible entity and reported to OCS. Case management records are reviewed to determine agency and client’s progress made in reaching the client’s established self-sufficiency goals. Monitors verify documentation at the eligible entities sites, and interviews with randomly selected clients are conducted to verify that services were provided as reported and to determine whether clients are satisfied with services received. A satisfaction survey is completed on each randomly selected client interviewed.

**Compliance Review** – The compliance review is primarily concerned with the review of eligible entity program administration and planning, financial functions, board leadership and development, agency director leadership and other requirements of the State.

During the on-site compliance review, agency records are reviewed in order to determine compliance in specific areas including but not limited to: obligation to provide services in designated area; adequate board representation; board powers, responsibilities and training; composition of board committees; by-laws requirements; public hearings; statement of purposes and strategy, and needs assessment requirement; eligible activities; eligible populations and residency; requirements for funding application; grant award; citizens access; code of conduct; and financial record keeping. During the on-site review, monitors verify records to determine agency compliance with CSBG policies and procedures. Board members, and in some instances the Executive Director, are interviewed to determine the level of knowledge of board powers, roles and responsibilities, as well as responsibilities of the Executive Director.



Monitoring of newly designated entities – OCS will conduct an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds. Follow-up reviews will be conducted including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State. Other reviews will be conducted as appropriate, including reviews of entities with programs that have had other Federal, State or local grants (other than CSBG) terminated for cause.

### **Designation of New Eligible Entities**

If an existing eligible entity terminates its service, the Office of Community Services will solicit applications from eligible entities and designate an eligible entity to provide services in the non-served area. The eligible entity shall be:

1. A private non-profit organization that is capable of providing a broad range of CSBG services designed to eliminate poverty and foster self-sufficiency. Special consideration will be given to qualifying organizations that are providing related services in the non-served area, consistent with the needs identified by a community-needs assessment.
2. A private non-profit eligible entity that is geographically located in an area contiguous to or within reasonable proximity of the non-served area and that is already providing related services in the non-served area. The non-profit eligible entity selected shall have its board constituted so as to assure adequate board representation as follows:
  - The private non-profit eligible entity shall administer the Community Services Block Grant Program through a tripartite board that fully participates in the development, planning, implementation, and evaluation of the program to serve low-income communities
  - 
  - The members of the board shall be selected by the entity
  - The board shall be composed so as to assure that:
    - a. elected public officials or their permanent representatives shall comprise one-third of the board
    - b. representatives of low-income persons shall comprise at least one-third of the board
    - c. representatives of business, industry, labor, religious, law enforcement, education or other major groups and interests in the community shall comprise the remainder of the board
3. If there is no private non-profit organization identified or determined to be qualified to serve as an eligible entity, the Governor may solicit applications from and designate a political subdivision to serve as an eligible entity to provide services in the non-served area. The political subdivision shall have a tripartite board or other mechanism to assure decision-making and participation by low-income individuals in the development, planning, implementation and evaluation of programs.

The board shall be constituted so as to assure that no less than one-third of the members are representatives of low-income individuals and families in the neighbourhoods and that they reside in the neighbourhoods served.

### **Corrective Action, Termination or Reduction of Funding**

The State will comply with the requirements of Section 678C of the Act, in regard to corrective action, termination, or reduction of funding. Section 3200 of CSBG policies outlines these procedures in a section entitled, "Corrective Action, Suspension, Termination and Establishment of Eligible Entity Status". The policy is as follows:

**Corrective Action:** OCS shall require an agency to submit a Quality Improvement Plan (QIP) when OCS determines that an eligible entity has failed to comply with and meet the requirements contained in regulations or published administrative requirements of OCS, has failed to fulfil its funded work program, or has breached the terms of its funding agreement with OCS.

If the OCS Assistant Director determines that an emergency situation exists due to threat of imminent loss or waste of OCS funds and that immediate action is required due to the seriousness of the violation and/or is necessary to protect OCS funds or property:

- a. DHS/OCS shall notify the agency (by certified mail) of the deficiency to be corrected and may require that the eligible entity develop a Quality Improvement Plan to correct the deficiency within sixty days from date of notice. DHS/OCS will establish a reasonable time frame for the eligible entity to correct the deficiency.
- b. DHS/OCS may immediately suspend the agency from participation pending an opportunity for appeal.
- c. DHS/OCS may offer training and technical assistance, if appropriate, to help correct the deficiency.

When training or technical assistance is offered by the State, OCS will prepare and submit to the Secretary a report describing the training and technical assistance offered within 60 days from the date of notification for QIP. If the State determines that such training and technical assistance are not appropriate, OCS will prepare and submit to the Secretary a report stating the reasons for this determination within sixty days from date of notification for QIP.

DHS/OCS will review the Quality Improvement Plan submitted by the agency and inform the eligible entity of its approval or disapproval status within 30 days from the date the Quality Improvement Plan is received by OCS.

If the plan is not approved, OCS will notify the eligible entity of disapproval (by certified mail), specify reason the plan was not approved, and give notice of suspension.

**Suspension:** The suspension notification shall include a date beyond which no DHS/ OCS funds may be expended by the entity, or alternatively, such other restrictions on DHS/OCS expenditures as OCS may require. If the eligible entity wishes to appeal this determination, it must submit a written request to the Assistant Director to remove the suspension. This request must be made within twenty days of the date of the suspension notice. The eligible entity may include a request for a meeting with the DCO Director upon which the DCO Director shall schedule such a meeting to be held within ten days of receipt of the request and issue a finding, in writing, within ten days of adjournment of the meeting.

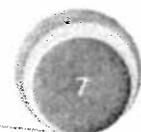
If the DCO Director denies the appeal, the eligible entity may appeal to the DHS Director, in writing within ten days. The DHS Director shall schedule such an appeal to be held within ten days of receipt of the request and shall issue written findings within ten days of adjournment of the appeal hearing. If the DHS Director denies the appeal, OCS may initiate termination of status of the agency as an eligible entity. If entity requests review by HHS, no funds determination is final until HHS reviews.

**Termination of Funding:** OCS may initiate procedures to terminate the status as an eligible entity of a Community Action Agency in the following instances:

1. Where an eligible entity has been suspended under DHS/OCS CSBG Policy 3200 B, following either passage of the twenty days allotted for the eligible entity's appeal or a denial of the appeal by the DHS Director.
- 2.

The procedures for termination of status as an eligible entity of a sub grantee shall be as follows:

- OCS shall provide the eligible entity with written notice (by certified mail) of OCS' intent to terminate the status of the eligible entity and the reasons for the termination. The notice shall specify the effective date of termination of status and termination of all OCS funded activities, which date shall be no sooner than sixty days from the time of sending such notice to the eligible entity. The notice shall also provide necessary program instructions, including any restrictions on eligible entity expenditures, pending the effective date of termination of status.
- The eligible entity may appeal, in writing, to the DCO Director within twenty calendar days following receipt of the notice of OCS' intent to terminate status. This appeal shall address the reasons for termination and, where appropriate, any corrective action taken, or proposed to be taken, by the eligible entity. The appeal may also include a request by the eligible entity that the DCO Director or his/her designee hold a public hearing before making a decision, in which case such a public hearing "on the record" shall be held within twenty days. At this hearing the eligible entity shall have the right to present evidence and argument on all issues contained in the appeal.



- The DCO Director shall make specific written findings of fact and conclusions of law and enter one of the following decisions:
  - a. Reverse the agency decision and remove the notice of intent to terminate.
  - b. Reverse the termination, but affirm the specific corrective action that must be taken in order for the agency to maintain its status as an eligible entity. If the eligible entity subsequently fails to take corrective action, OCS may terminate the agency.
  - c. Affirm the agency action. The eligible entity may request review by the federal funding agency. If an agency requests a review by the federal funding agency, no determination, other than an emergency action shall be effective until the Federal funding agency affirms or rejects the State's finding of cause. The DHHS Director's decision is the final agency determination.

### **Voluntary Suspension of Status as Eligible Entity**

An eligible entity may request and OCS may approve voluntary suspension of the status of the eligible entity for a stated period of time. OCS shall make arrangements it deems necessary to assure the continued provision of services during the period of voluntary suspension. The voluntary status of suspension shall be lifted at the agreed upon time. If upon completion of the period of voluntary suspension, OCS determines that suspension shall continue, normal steps for corrective action prior to suspension shall apply, including the rights of appeal by the eligible entity. The eligible entity may request and OCS may approve the extension of the period of voluntary suspension.

### **CSBG Organizational Standards**

The State lead agency, the Arkansas Community Action Agencies Association and the Arkansas Community Action Agencies officially adopted the CSBG Organizational Standards as described in IM 138. The CSBG Organizational Standards have been included as a part of the State CSBG Policies and Procedures.

The State lead agency used FY 2015 as the baseline year for the Organizational Standards. Each eligible entity conducted a self-assessment that was validated by the State lead agency in April, 2015. Collectively the entities met 78% of the CSBG Organizational Standards at the time of the April, 2015 assessments.

The State lead agency will assess each eligible entity in FY 2016 and FY 2015 by on site monitoring.

The State lead agency in collaboration with Arkansas Community Action Agencies Association will provide technical assistant through training and Peer –to-Peer reviews

during FY 2016 and FY 2017. Each entity is expected to be in 100% compliance with all 58 of the CSBG Organizational Standards by the time of the FY2017 on-site monitoring.

The State lead agency will neither modify the Center Of Excellence – developed Organizational Standards, nor make any exceptions in applying the Organizational Standards for any of the eligible entities.

*“The questions we ask today are not whether our government is too big or too small, but whether it works – whether it helps families find jobs at a decent wage, care they can afford, a retirement that is dignified. Where the answer is yes, we intend to move forward. Where the answer is no, programs will end. And those of us who manage the public’s dollars will be held to account, to spend wisely, reform bad habits, and do our business in the light of day, because only then can we restore the vital trust between a people and their government.”*  
President Barack Obama, Inaugural Address, January 20, 2009

## **2. Monitoring Standards**

- **Mutual Respect**  
In working with CAA boards, staff, and consultants, the Arkansas State CSBG office values and recognizes the unique knowledge, ability, and independence of each person. The State CSBG office is committed to treating all persons fairly and maintaining credibility by matching actions with words.
- **Open Communication**  
Effective communication is key in facilitating good working relationships with partners and the State CSBG office is committed to keeping lines of communication open. The purpose of communication is to assist in developing solutions to problems, to share program improvement ideas, and to provide information on new developments in the anti-poverty field.
- **Joint Problem Solving**  
The State CSBG office operates under the basic belief that a team approach to problem solving is in the best interest of all parties involved. The State CSBG office want to promote an environment in which the office and all Community Action partners will be open to change and can work together in exploring options and developing mutually agreeable solutions.

### **3. Monitoring Practices**

CAAs often focus their energies on 'preparing for the monitoring test', instead of implementing on-going SYSTEMS that will identify areas needing improvement.

The State CSBG office will assess the health of the entire agency, not just program-by-program compliance. This assessment will include general oversight, desk reviews, and on-site reviews of the following: community action plan, needs assessments, service delivery systems, administration/management systems, board and governance systems and financial systems.

#### **Governance – CSBG Law, Section 676B and Section 676(b)(10)**

- Board of Directors – composition, training, effectiveness, knowledge of roles and responsibilities, and attendance.

#### **Planning – CSBG Law, Section 676B(a)(1), Section 676B(b)(2), and Section 676(b)(11)**

- Agency Mission, Vision and Values
- Strategic planning, evaluation, and community assessment

#### **Evaluation – CSBG Law, Section 678E and Section 676(b)(12)**

- ROMA Implementation (Board and staff) on an agency-wide basis as a framework for sound management
- Agency outcomes and performance measures
- Reporting to funders and to the Board of Directors

#### **Partnerships – CSBG Law, Section 676(b)(9)**

- Coordination, collaborations and linkages with relevant partners

#### **Administrative systems and procedures – CSBG Law, Section 678D, Section 678F**

- Human Resources and personnel policies
- Procurement and inventory records
- Policies and Procedures Manuals
- CSBG Assurances and Prohibitions

#### **Fiscal Systems and Procedures – CSBG Law, Section 678D and 678F**

- Review monitoring reports for other funding sources
- Review Chart of Accounts and financial reports
- Review purchases and support documents

## **Governance – CSBG Law, Section 676B and Section 676(b)(10)**

### **Composition**

- Is the Board fully seated?
- How many openings are on the board and from which sectors?
- How long have these vacancies been open?
- Describe procedure used to fill vacancies.
- Board members representing a specific geographic area reside within the community he/she represents? Describe method used to verify residence.
- Has any board member exceeded the ten-year service limitation requirement?
- What is the board orientation process for new members?

### **Training**

- Does the board have an awareness of ROMA concepts as a result of ROMA training?
- Does the agency have an approved Board and Staff Development Training Plan?

### **Effectiveness**

- How does the board exercise oversight and ensure accountability for agency outcomes and fiscal integrity?
- Do the bylaws accurately reflect current practices including: elections, committee composition, attendance policy, annual meetings and vacancies?

### **Knowledge of roles and responsibilities**

- Does the board conduct an annual evaluation of the Executive Director?
- Is there a job description for the Executive Director?
- 
- What reports are provided to the board to keep it informed about progress, problems or changes needed in agency programs (listen for types of reports)

### **Attendance**

- If a review of the board minutes indicates low attendance, what efforts are being made to increase board member attendance? (Listen for familiarity with recruitment processes)

## **Planning – CSBG Law, Section 676B(a)(1), Section 676B(b)(2), and Section 676(b)(11)**

### **Agency Mission, Vision and Values**

- The agency has a written mission statement that is understood by staff and board

### **Strategic planning, evaluation, and community assessment**

- The agency has a current written strategic plan
- The strategic plan reflects understanding and application of ROMA goals and measures
- The strategic plan includes all programs and activities

## **Evaluation – CSBG Law, Section 678E and Section 676(b)(12)**

- ROMA Implementation (Board and staff) on an agency-wide basis as a framework for sound management
- Agency outcomes and performance measures
- Reporting to funders and to the Board of Directors

## **Partnerships – CSBG Law, Section 676(b)(9)**

- Coordination, collaborations and linkages with relevant partners

## **Administrative systems and procedures – CSBG Law, Section 678D, Section 678F**

- Human Resources and personnel policies
- Procurement and inventory records
- Policies and Procedures Manuals
- CSBG Assurances and Prohibitions
- Pending and past litigation

## **Fiscal Systems and Procedures – CSBG Law, Section 678D and 678F**

- Monitoring reports for other funding sources
- Chart of Accounts and financial reports
- Purchases and support documents
- Audit and results of previous/other monitoring/fiscal issues

#### **4. On-Site Monitoring**

- Entrance meeting – Executive Director and other Agency Staff
- Schedule and conduct interviews with Board, Clients and Partners
- Schedule dates and times for review of CSBG Program documentation
- Schedule dates and times for review of Agency finance documentation
- Schedule exit meeting – Executive Director and other Agency Staff

#### **5. Monitoring Follow-Up Process**

- No findings will be added to the monitoring report that was not discussed at the exit interview.
- The CAAs will receive a timely written report after the on-site visit which will officially inform the agency of any findings and/or deficiencies.
- When there are findings, the CAA must submit a corrective action plan detailing actions it will take to address monitoring findings. Plans must be submitted to OCS for approval, within the timeframe specified.
- The State CSBG office and ACAA will be available to provide training and technical assistance as deemed necessary.

CSBG Monitoring Checklist	
	Agency Organizational Chart
	Signed Board Minutes with media notices
	Board member list with street addresses and how verified
	Board member list by sector, county and service dates
	Board member committee lists
	Last two financial reports to the Board
	Description of Board orientation process
	Policies and procedures manuals (Personnel/Financial Procedures/Equal Opportunity and Affirmative Action, etc)
	EEOC Officer
	Written Conflict of Interest Polices
	Current inventory list and explanation of how inventory is tracked in accounting system
	Partnership agreements
	LIHEAP/WX/Head Start most recent monitoring reports
	Current Auditor contract (date approved by Board and OCS)
	Proof of payment of payroll taxes
	Copy of most recent 990 form
	Declaration page of fidelity (crime) bond with list of covered positions
	Proof of payment of fidelity (crime) bond
	Copy of General Ledger as pertains to CSBG and other funders as requested
	Copies of invoices, purchase orders and journal entries as requested
	Copies of all consultant contracts paid with CSBG dollars
	Payroll and personnel records of all CSBG paid employees
	CSBG Case management (Family Development) files/intake forms
	Bank reconciliations



## Board Interview

Member Name \_\_\_\_\_

Position \_\_\_\_\_

Service  
Dates \_\_\_\_\_

Committees \_\_\_\_\_

County of  
Residence \_\_\_\_\_

1. Does the board annually plan its work and evaluate its own performance?
2. Is the board active and engaged in fulfilling the mission of the agency?
3. Is the board driving the strategic plans for the agency?
4. Is the board should be well-trained regarding their fiduciary responsibilities?
5. Can the board explain the agency mission statement?

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Internal Controls and Standards for Financial Management

<b>Accounting System</b>	Yes	No
--------------------------	-----	----

1. The agency has written, current, approved fiscal procedures
2. Financial procedures are applied uniformly and universally throughout the agency (Head Start, satellite offices do not have separate systems and procedures)
3. Are the duties of accounting personnel of the organization defined in
  - a. In a written policy manual
  - b. By job description
4. Does the Accounting manual define who has approval authority and any limits of authority?
5. Does the Accounting Manual contain a chart of accounts?
6. Does the organization prepare audited financial statements and have A-133 audit conducted annually?
7. Has the A-133 audit report been submitted in accordance with A-133 timelines?
8. Does the organization have a written allocation plan for indirect costs?
9. Are journal entries approved and explained with supporting documentation?
10. Who is the approval authority for journal entries?
11. Are accounting records and valuables secured in a limited-access area?

<b>Cash Disbursements</b>	Yes	No
---------------------------	-----	----

1. Blank checks are accounted for and blank checks are not signed in advance
2. Bank accounts are reconciled monthly
3. Bank accounts and check signers are authorized by the board of directors
4. Is a check signing machine used?
5. Is the authority for a check to be signed delegated to someone not authorized to sign checks

<b>Budgetary Controls</b>	Yes	No
---------------------------	-----	----

1. The agency has a current agency wide budget
2. The board of directors and program manager receive regular financial statements
3. Are there budgetary controls in effect to preclude incurring obligations in excess of total funds available for an award?
4. Is there a comparison of budget with actual expenditures on a monthly basis?
5. The agency can provide an agency wide balance sheet upon request
6. The agency CFO can substantiate the balance sheet line items
7. The financial officer presents financial information at board meetings
8. The agency submits financial reports to funders on a timely basis
9. Financial reports are submitted correctly the first time

Consultants	Yes	No
-------------	-----	----

1. Are there written policies or consistently followed procedures regarding the use of consultants?
2. Are consultants required to sign consulting agreements outlining services to be rendered, duration of engagement, reporting requirements and pay rates?

Property Management	Yes	No
---------------------	-----	----

1. Does the agency prepare a physical inventory every two years?
2. Is the inventory reconciled with equipment records?
3. Does the inventory records include:
  - a. Description
  - b. Serial Number
  - c. Source of funds/grant number
  - d. Acquisition date
  - e. Location and condition
  - f. Unit acquisition cost

Purchases	Yes	No
-----------	-----	----

1. Does the agency have written purchasing procedures?
2. Does the purchasing procedures provide for:
  - a. Pre-numbered purchase orders
  - b. Procedures to insure procurements are competitive prices
  - c. Invoices matched with purchase orders and receiving reports
  - d. Segregation of duties for purchasing, receiving and voucher approval
  - e. Bid procedures in place that are board approved
3. Purchase orders are prepared before purchases are made and before invoices are received
4. Are there purchases charged to the grant that are not a part of the OCS approved form 2425?
5. Are there purchases charged to the grant that are not allowed under the CSBG statute?
6. Does the agency have Conflict of interest policies for vendors and consultant:
  - a. Board members
  - b. Purchases
  - c. Selecting and awarding officials

Travel	Yes	No
--------	-----	----

1. Does the organization have written travel policies?
2. Are travel charges reimbursed based on actual costs incurred or by use of per diem and/or mileage rates?
3. Are receipts for lodging and meals required when reimbursement is based on actual costs incurred?
4. Are travel requests approved prior to occurrence?
5. Do travel expense reports show purpose of the trip?

**Credit Cards**

Yes

No

1. Does the agency have written policies to control the use of the organizational credit cards, access to credit cards, and prohibit any personal expenditure?
2. Do policies require prior approval of expenditures, documentation of amounts charged and limit the amount and types of expenses?

**Audit**

Yes

No

1. Does the agency A-133 audit report contain:
  - a. Schedule of expenditures of federal awards
  - b. Report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards
  - c. Schedule of findings and questioned costs, including a summary of the auditor's results
  - d. Summary of schedule of prior audit findings
  - e. Data Collection form
  - f. Additional report for immaterial noncompliance and other items not required to be reported according to A-133 (management letter) or assurance one was not issued.
  - g. Agency's response/corrective action plan for each audit issue
  - h. The management letter was presented to the board

**Payroll and Personnel**

Yes

No

1. Is employment properly authorized?
2. Are changes in payroll properly authorized?
3. How long before payment is made to the appropriate vendor once an employees' benefit is withheld?
4. Are original time records properly prepared and approved by supervisors?
5. Are payroll records regularly compared with the records of the personnel department?
6. How is the payroll distributed to employees?
7. Who reconciles the payroll checking account?
8. Who prepares the quarterly payroll tax reports?
9. Who signs the payroll checks? Is it consistent with other authorized check signers?
10. Obtain a list from the Personnel department of all employees
11. Obtain a printouts (at least two from each year monitored) of the payroll that includes by pay period:
  - a. Hours worked
  - b. Gross pay
  - c. Deductions
  - d. Net pay amount
  - e. Cost center charged
12. Are there written personnel policies?
13. Does employee files contain the following:
  - a. Job description
  - b. Rate of pay
  - c. Drug Free Workplace Act Statement
  - d. Types and levels of fringe benefits

**Compensation Policies**

Yes

No

1. Agency has written, board approved policies that clearly define fringe benefits
2. Time sheets are signed by employee or by a responsible supervisory official who has first hand knowledge of the activities performed by the employee
3. Time sheets are consistent with actual pay

**Taxes, Premiums and Contributions**

Yes

No

1. All employee withholding and other taxes are paid on a timely basis
2. Monies withheld from employees' pay checks are used only to pay the taxes, premiums and contributions for which they were intended.
3. IRS reports have been properly completed and filed with the IRS (IRS 990, 941, and 1099)

**Benefits Administration**

Yes

No

1. Agency furnished vehicles are not available to employees for personal use
2. Use of agency credit cards by staff is tightly controlled
3. Agency credit cards are never used by employees to cover personal expenses
4. Leave obligations are calculated and recorded

### Client Survey

The purpose of this survey is to determine your level of satisfaction with the services and assistance provided by \_\_\_\_\_ Please provide a response to the item below.

1. What service(s) have you received from this agency?

Employment       Transportation       Educational Assistance

Food       Housing       Utility Assistance

Weatherization       Substance Abuse Treatment

Child Care       Did not receive services

Other: \_\_\_\_\_

a. If no services were received, check the reason(s) why.  
 Lack of agency funds       Did not qualify for services

Service requested was not available from the agency

Other: \_\_\_\_\_

b. Were you referred by **CAA** to another agency for assistance?

Yes       No

c. If yes, to which agency were you referred?

Health Dept       Salvation Army       DHS

Other: \_\_\_\_\_

2. On a scale of 1-5, 1 being the worst, 5 being the best, how courteous were the **CAA** staff members?

Not Courteous at all (1)       A Little Courteous (2)       Average (3)

Courteous (4)       Very Courteous (5)

3. On a scale of 1-5, 1 being the worst, 5 being the best, how quickly was the **CAA** staff able to assist you?

Very Slow (1)       Slow (2)       Average (3)

Quick (4)       Very Quick (5)

Comments \_\_\_\_\_  
\_\_\_\_\_

Additional Resources:

Public Law 105-285 Section 676B, Section 678D, Section 678E and Section 678F

Arkansas State CSBG Plan

NASCSP Monitoring Standards

OMB Circular A-133 Standards

OMB Circular A-110

OMB Circular A-122

A-87

I.M. 49

I.M. 82

I.M. 94

# Monitoring Process is Ongoing



# AGENCY COMPLIANCE REVIEW DOCUMENT

Agency:

Contact:

Reviewer:

Review Date(s):

PERIOD COVERED:

## AREA OF COMPLIANCE: SERVICE AREA (Ref. P&P 4100)

Should be determined through review of documents and interviews with the Executive Director.

Yes:   
No:

1. Agency serves all counties in its service area. If no, explain the method counties are served.

Yes:   
No:

2. Agency operates the CSBG program in its territory only, unless specifically approved to do otherwise by OCS.

## AREA OF COMPLIANCE: BOARD COMPOSITION (Ref. P&P 4120)

Should be determined through the review of documents (See by-laws and current Board list)

Yes:   
No:

3. Agency Board of Directors has the proper number of members.

Proper Number of Seats	<u>0</u>
Slots Filled	<u>0</u>
Slots Vacant	<u>0</u>

Yes:   
No:

4. Representatives of low-income persons constitute at least one-third of Board members.

Slots Filled	<u>0</u>
Slots Vacant	<u>0</u>

Low-income representatives are chosen (by low-income persons) through adequate democratic procedures.

Describe procedure to fill vacancy(ies) (BY-LAWS).

Describe procedure used to fill vacancy(ies), if any, since last monitoring visit.

Yes:   
No:

5. Representatives of community-at-large constitute one-third of Board members.

Slots Filled            0  
Slots Vacant            0

Describe procedure to fill vacancy(ies). (BY-LAWS)

Describe procedure the agency used to fill vacancy(ies) if any since last monitoring visit.

Yes:   
No:

6. Elected officials of each county are afforded equitable opportunity to serve on the Board and constitute at least one-third of Board members.

Slots Filled            0  
Slots Vacant            0

Describe procedure to fill vacancy(ies). (BY-LAWS)

Describe procedure agency used to fill vacancy(ies), if any, since last monitoring visit.

Yes:   
No:

7. Board members representing a specific geographic area reside within the community he/she represents. Describe method used to verify residence.

Yes:   
No:

8. No Board member has exceeded the ten-year service limitation requirement. (Not applicable to public officials but applicable to representatives of public officials.) Explain any exceptions.

Yes:   
No:

9. The Board has an orientation process for new members. Describe orientation process.

Date of last Board orientation:            00/00/00

List attendees:

<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	10. Each year Board's legal and fiduciary responsibilities and liabilities are formally addressed at a Board meeting or formal training session. Give last day of training: <u>00/00/00</u> Conducted by: List other Board trainings: Dates: <u>00/00/00</u> Conducted by:
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	11. Governing Board is aware that the Board is responsible for the hiring, firing, and evaluating the performance of the Executive Director. Is there a job description for the Executive Director? <b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/> Is the Board aware of the Executive Director's responsibilities? <b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	12. Governing Board evaluates the performance of the Executive Director annually. If not, how often?
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	13. Governing Board is aware that the Board determines major personnel, organization, fiscal, and program policies.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	14. Governing Board is aware that Board members may be responsible as individuals if they negligently or knowingly allow the misuse of funds.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	15. Governing Board is aware that the Board determines and approves overall program goals and the priorities for the CAA, including provisions for evaluating program performance against plans.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	16. Is there a job description for Board members?
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	17. Governing Board is aware that the grant is made to the Board and not the staff and that the Board is responsible for approval of all programs, applications, proposals, budgets, and amendments.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	18. Governing Board is aware that it is the responsibility of the Board to enforce compliance with all contract and grant requirements, and to ensure funds are spent for purposes in approved agency work programs.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	19. Governing Board is aware that it is the responsibility of the Board to ensure the extent and the quality of participation of the poor in programs of the CAA.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	20. Governing Board is aware that the Board determines rules and procedures for itself.
<b>Yes:</b> <input type="checkbox"/> <b>No:</b> <input type="checkbox"/>	21. Governing Board is aware that the Board is responsible for electing officers and the executive committee, if any, of the Governing Board.

Yes:   
No:

22. CAA Executive Director is aware of the Board responsibilities. If no, explain the provisions made for training the CAA Executive Director.

Yes:   
No:

23. The Governing Board is aware that it is responsible for developing short and long range strategic plans for the agency.

Date of plan (long range): 00/00/00  
Date of latest update: 00/00/00  
Date of plan (short range): 00/00/00

**AREA OF COMPLIANCE: BOARD COMMITTEES (Ref. P&P 4130)**

**Should be determined through review of Board minutes and other agency records.**

Yes:   
No:

24. Governing Board is aware that all committees of the Board should be comprised of the same makeup as the Board.

a. List standing Committees

Yes:   
No:

b. Are committees presently functioning?

Yes:   
No:

c. Is each committee comprised of the same makeup as the Board, as far as practical?

d. How often does each committee meet? \_\_\_\_\_

**AREA OF COMPLIANCE: BY-LAWS (Ref. P&P 4130)**

**Items should be answered through review of by-laws, Board minutes, Board notices, and other documents.**

25. Agency by-laws include the following:

Yes:   
No:

a. The total number of seats on the Board and the allotment of seats to public officials, representatives of low-income individuals, and representatives of community organizations.

Yes:   
No:

b. Procedures for selecting Board members.

Yes:   
No:

c. A description of any performance standards for members of the Board, the violation of which may be grounds for removal. This shall include standards of conduct.

Yes:   
No:

d. A description of specific procedures to be followed in case of removal of representatives.

Yes:   
No:

Are procedures for removal being followed? If no, explain.

Yes:   
No:

e. Procedures for selecting new Board members in case of a vacancy on the Board.

Yes:   
No:

f. It is stated that the quorum for a meeting of the Board be at least 50 percent of the non-vacant seats on the Board.

Yes:   
No:

g. Board meets at least quarterly. Explain exceptions.

Yes:   
No:

h. The by-laws designate the procedures, including persons responsible for convening board meetings.

Yes:   
No:

i. All meetings, other than executive sessions, are open to the public.

Yes:   
No:

j. Board members are provided a notice and agenda at least seven days in advance of meetings. List exceptions and explain.

Yes:   
No:

k. The public is given five days notice of Board meeting. List exceptions and explain.

Yes:   
No:

l. Minutes are taken at Board meetings and maintained at the principle office of the CAA.

Yes:   
No:

m. Minutes list Board members present or absent at each meeting.

Yes:   
No:

n. Board minutes list people present "other" than Board members.

Yes:   
No:

o. All minutes are signed by the Board Secretary.

Yes:   
No:

p. Minutes state a quorum was present at each meeting where the Board conducts agency business.

Yes:   
No:

q. Voting by proxy is prohibited.

Yes:   
No:

r. All minutes have been reviewed by the OCS monitor (since last monitoring visit).

Yes:   
No:

s. Were problem areas cited? List problem areas cited.

**AREA OF COMPLIANCE: ALTERNATES (Ref. P&P 4130)**

Should be answered through the review of documents (See by-laws and current Board list).

Yes:  26. Does Agency by-laws describe the selection and service of alternates?  
No:   
NA:

Yes:  27. Does Agency by-laws state that alternates are selected/elected in the same manner, at the same time, and by the same people who  
No:  have selected/elected the representatives.  
NA:

Yes:  28. Does Agency by-laws state that representatives of public officials may not select alternates to substitute for them?  
No:   
NA:

Yes:  29. Are alternates listed on the Board Membership roster?  
No:   
NA:

Yes:  30. Are alternates counted toward a quorum or do they cast votes only when his/her primary Board members are not present at  
No:  meetings?  
NA:

Yes:  31. Are alternates prohibited from holding an office on the Board?  
No:   
NA:

**AREA OF COMPLIANCE: PLANNING (Ref. P&P 4140)**

Should be answered through the review of documents. (See Board meeting minutes, CAA Plan, Statement of Purpose and Strategy, and Agency Needs Assessment form.

Yes:  32. Has Agency conducted a public hearing seven months prior to the beginning of the fiscal year on the needs and problems of low-  
No:  income persons of the area?

If yes, list date(s) of public hearing: 00/00/00 00/00/00 00/00/00

Total attendance at the hearing(s): 0

If no, explain why public hearing(s) was held at another time.

\_\_\_\_\_

Yes:  33. Agency Board adopted a "Statement of Purpose and Strategy" which indicates the primary problems the CAA will address and the  
No:  share of available funds to be allocated to program areas based on results of the public hearing. If yes, list date "statement of Purpose  
and Strategy" was adopted by the Board with evidence of Board approval.  
00/00/00

Yes:  34. The "Statement of Purpose and Strategy" has been forwarded to the State Agency.  
No:

Yes:  35. Has Agency conducted an annual Needs Assessment? If yes, list date. If no, please explain.  
No:

36. Agency's needs assessment was updated through citizen's input to include poverty problems (all

Yes:   
No:

a. securing and retaining meaningful employment;

Yes:   
No:

b. attaining an adequate education;

Yes:   
No:

c. making better use of available income;

Yes:   
No:

d. obtaining and maintaining adequate housing and a suitable living environment;

Yes:   
No:

e. obtaining emergency assistance;

Yes:   
No:

f. removing obstacles and solving problems blocking attainment of self-sufficiency;

Yes:   
No:

g. community participation; and

Yes:   
No:

h. mandated national goals/measures.

**AREA OF COMPLIANCE: ELIGIBLE ACTIVITIES (Ref. P&P 4140)**

Should be answered through interviews, review of funding application and review of other documents.

Yes:   
No:

37. Agency provides a range of services and activities which have a measurable and potentially major impact on causes of poverty. If no, explain.

Yes:   
No:

38. Eligible activities are designed to assist low-income participants including the poor to (not all

a. securing and retaining meaningful employment;

Yes:   
No:

b. attaining an adequate education;

Yes:   
No:

c. making better use of available income;

Yes:   
No:

d. obtaining and maintaining adequate housing and a suitable living environment;

Yes:   
No:

e. obtaining emergency assistance;

Yes:   
No:

f. removing obstacles and solve problems which block attainment of self-sufficiency;

Yes:   
No:

g. achieve greater participation in the affairs of the community; and

Yes:   
No:

h. become self-sufficient.

Yes:  No:  39. Agency makes effective use of other programs related to meeting the needs of low-income persons and communities as evidenced by the fact that CSBG funds constitute less than one-half of the CAA anti-poverty budget.

Yes:  No:  40. Agency provides on an emergency basis for the provision of such supplies and services, nutritious foods and related services as may be necessary to counteract conditions of starvation and malnutrition among the poor.

Yes:  No:  41. Agency coordinates and establishes linkages between governmental and other social programs to assure the effective delivery of such services to low-income individuals. Explain.

Yes:  No:  42. Agency encourages the use of entities in the private sector of the community in efforts to ameliorate poverty in the community. Explain.

**AREA OF COMPLIANCE: ELIGIBLE POPULATION (Ref. P&P 4140)**

Should be answered through interviews, review of documents and observation at agency facilities.

Yes:  No:  43. Agency uses current poverty guidelines to establish participant eligibility.

Yes:  No:  44. Poverty guidelines are posted in all agency facilities.

45. Agency has posters, policies and/or notification for the following items:

Yes:  No:  a. Equal Employment Opportunity;

Yes:  No:  b. Worker's Compensation;

Yes:  No:  c. Drug Free Workplace (Have employees signed notices);

Yes:  No:  d. American Disabilities Act;

Yes:  No:  e. Family Medical Leave Act; and

Yes:  No:  f. Fair Labor Standards Act.

**AREA OF COMPLIANCE: FUNDING APPLICATION (Ref. P&P 4140)**

46. Agency has submitted (or updated and submitted) documents required by the State Agency as

Yes:  No:  a. any changes in the Articles of Incorporation;  
Latest update: 00/00/00

Yes:  No:  b. by-laws  
Latest update: 00/00/00

Yes:  No:  c. personnel policies and procedures;  
Latest update: 00/00/00

Yes:  No:  d. a financial procedures manual;  
Latest update: 00/00/00

- Yes:  No:  e. administrative procedures manual;  
Latest update: 00/00/00
- Yes:  No:  f. affirmative action work plan and equal opportunity plan;  
Latest update: 00/00/00
- Yes:  No:  g. evidence of current bond;  
Latest update: 00/00/00
- Yes:  No:  h. checklist certification for MOA Monitoring  
Latest update: 00/00/00
- Yes:  No:  i. current listing of Board members by sector, county and service time;  
Latest update: 00/00/00
- Yes:  No:  j. current inventory list;  
Latest update: 00/00/00

Yes:  No:  47. Agency submitted application not later than 90 days before the end of the program year.

48. Agency has submitted (or updated and submitted) documents required by the State Agency as
- Yes:  No:  a. A work program with measurable objectives and activities for the agency to accomplish in each project area the CAA operates during the program year.
  - Yes:  No:  b. Mandated goals and outcome measures.
  - Yes:  No:  c. A budget which specifies the CSBG program costs to accomplish each of the projects.
  - Yes:  No:  d. A comprehensive administrative budget for the CAA which indicates how CSBG funds and funds

**AREA OF COMPLIANCE: GRANTS AWARD(S) (Ref. P&P 4140)**

Should be answered through review of monthly fiscal reports, quarterly reports, corrective action plans, and Board

Yes:  No:  49. Agency submits monthly fiscal reports postmarked by the 10th of each month. If no, explain.

Yes:  No:  50. Agency submits quarterly reports within 30 days after the end of the period covered by the report. If no, explain.

- Yes:  No:  a. Agency adequately explains variances of twenty percent or more from the approved work program in any activity or objective on quarterly reports when submitted.
- Yes:  No:  b. Agency submits necessary corrective actions it intends to perform to satisfy the work program activity or objectives.

Yes:  No:  51. Agency submits all quarterly reports to the Board for review and approval. Give dates all quarterly reports were approved by the Board.

Date (First Quarter): 00/00/00  
Date (Second Quarter): 00/00/00  
Date (Third Quarter): 00/00/00  
Date (Fourth Quarter): 00/00/00

Yes:   
No:

52. Agency submits monitoring reports to the Board for review and approval.

Yes:   
No:

53. Agency submits audit reports to the Board for review and approval.

Yes:   
No:

54. Agency is aware that failure to comply with any financial or program report at least thirty days in arrears may serve as the basis for suspension of funding.

**AREA OF COMPLIANCE: CITIZENS ACCESS (Ref. P&P 3100)**

55. The following documents are available during normal working hours for public inspection:

Yes:   
No:

a. funding application submitted to the State Agency for CSBG funds;

Yes:   
No:

b. CAA's most recent Articles of Incorporation;

Yes:   
No:

c. by-laws

Yes:   
No:

d. Board membership list;

Yes:   
No:

e. needs assessment;

Yes:   
No:

f. Statement of Purposes and Strategy;

Yes:   
No:

g. All contracts (including funding, consulting, goods and services, and delegate contracts) pertaining to

Yes:   
No:

h. all reports (including audits) made to the State Agency on projects funded with CSBG funds;

Yes:   
No:

i. minutes of the meetings of the Board of Directors; and

Yes:   
No:

j. position titles, salary ranges, and job descriptions for all compensated positions.

**AREA OF COMPLIANCE: CODE OF CONDUCT (Ref. P&P 3120)**

Should be answered through review of agency Code of Conduct document, personnel records and other agency documents.

Yes:   
No:

56. The CAA and its delegate agencies have published codes of conduct which prohibit the following:

a. Board members, employees, and members of their immediate families from soliciting or accepting

- (1) any contractor, potential contractors or a sub-contractor of the CAA;
- (2) any person applying for or receiving benefits or services through or from the CAA; and
- (3) any person in a position to benefit otherwise from the activities of the CAA.

Yes:   
No:

b. Board members, employees, or members of their immediate families having financial interest in the contracts of the CAA (except employment) which are supported by CSBG funds.

Yes:   
No:

c. Board members or employees of a CAA participating in any matter involving CSBG funds which

- (1) themselves or their immediate families
- (2) their business partners or business organizations with which they are associated; and
- (3) persons or organizations with whom they are negotiating or having arrangements

Yes:   
No:

d. Persons serving on CAA Board who are:

- (1) Board members or employees of a delegate agency, unless the agency is responsible for community planning for low-income areas served by the CAA.
- (2) employees of the CAA, DHS, U.S. Departments of Health and Human Services, Energy or Housing and Urban Development.

Yes:   
No:

e. Board members, employees, or members of their immediate families having financial interest in the contracts of the CAA (except employment) which are supported by CSBG funds.

Yes:   
No:

f. Persons holding positions of employment over which members of their immediate families exercise supervisory authority.

Yes:   
No:

g. Board members and employees of the CAA engaging in conduct which gives the appearance of violating any of the above standards.

**AREA OF COMPLIANCE: FINANCIAL (Ref. P&P 3180)**

**Should be answered through review of accounting records, audit reports, inventory lists, etc.**

Yes:   
No:

57. Agency maintains accurate, current and complete disclosure of funds so that they can be traced from receipt to actual delivery of services to low-income persons.

Yes:   
No:

58. Incoming checks are logged and deposited on a regular basis.

Yes:   
No:

59. Is the person(s) responsible for logging incoming checks also responsible for making deposits?

Yes:   
No:

60. Agency requires two signatures on all checks.

Yes:   
No:

61. Accounting records are supported by source documentation.

Yes:   
No:

62. The agency has a systematic method to assure timely and appropriate resolution of audit findings and recommendations.

Yes:   
No:

63. Are proper procurement procedures being followed?

**AREA OF COMPLIANCE: FINANCIAL (Ref. P&P 3180)**

Should be determined through review of Board minutes and other documents.

Yes:  64. When was current auditor selected? List date.

No:

Date: 00/00/00

Yes:  65. Was selection of current auditor approved by the Board of Directors? If no, explain.

No:

Yes:  66. Did agency obtain approval of current auditor from OCS?

No:

**AREA OF COMPLIANCE: REVISIONS TO POLICIES AND PROCEDURES**

Yes:  67. Agency has available an updated copy of the current State Agency Policies and Procedures

No:

**AREA OF COMPLIANCE: REVISIONS TO POLICIES AND PROCEDURES (REF. P&P 2130)**

Yes:  68. Agency has taken necessary steps, including the adoption of amendments to existing by-laws, if necessary, in order to comply with the requirements of these regulations.

No:

**AREA OF COMPLIANCE: SUSPENSION AND TERMINATION OF ELIGIBLE ENTITY STATUS (REF. P&P 3200)**

**AREA OF COMPLIANCE: SEVERABILITY (REF. P&P 2120)**