ARKANSAS COMMUNITY SERVICES BLOCK GRANT

FY 2012-2013 STATE PLAN AND APPLICATION

I. EXECUTIVE SUMMARY

The State of Arkansas hereby submits the Community Services Block Grant State Plan and Application for Fiscal Years 2012-2013. This plan contains the necessary provisions, which adequately describe the programs for which assistance is sought under this subtitle, and which are consistent with the requirements of the CSBG Act.

A. CSBG State Legislation

The State of Arkansas' statutory authority for the Community Services Block Grant Program is the "Community Service and Community Action Program Act of 1985" (Act 345). See Attachment VII for the Legislation. Through this Act, the Arkansas Legislature institutionalized the Community Services Program and determined that it will be carried out primarily through the State's local Community Action Agencies. The Act also determined service areas of these agencies to include all seventy-five counties and mandated 90 percent pass through of CSBG funds to these agencies. The Act limits state administrative expenditures of CSBG funds to five percent; the remaining five percent will be used as discretionary funds. The types of community services provided are consistent with requirements of the CSBG Federal Act.

B. Designation of Lead State Agency

Governor Mike Beebe, as the Chief Executive for the State of Arkansas, designates the Arkansas Department of Human Services, Division of County Operations, Office of Community Services, as the lead agency for administration of the Community Services Block Grant. In addition, through Act 345 of 1985, the Arkansas Legislature has made the Department responsible for carrying out all aspects of the Act. See p.ii for a letter of designation signed by Governor Mike Beebe.

C. Public Hearing Requirements

The State of Arkansas has complied with public and legislative hearing requirements of the CSBG Act regarding the State Application and Plan, as follows:

1. **Public Hearing**

The Act requires the designated lead agency to conduct at least one Public Hearing to provide an opportunity for comment on the proposed use and distribution of funds, in conjunction with development of the State Application and Plan. Arkansas held one public hearing, on June 21, 2011, in Malvern, Arkansas. Notice of the hearing was published in the statewide daily newspaper for three consecutive days and posted on the Arkansas Department of Human Services website. The public was offered the opportunity to comment on the proposed use and distribution of funds for the plan period (fiscal years 2012-2013). See Attachment IV for documentation of the Public Hearing.

2. **Legislative Hearing**

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 2010-2011 on September 15, 2009. The Legislative Council also held a legislative hearing in conjunction with the development of the 2012-2013 State Plan, on August 15, 2011. See Attachment IX for documentation of the August 15, 2011 legislative hearing. The official report from the hearing will be submitted as an addendum.

3. **Public Inspection of State Plan**

The Act requires the State to make the Plan available for public inspection, to facilitate review of and comment on the plan. The State Plan for fiscal years 2012-2013 was made available for public inspection and comment from June 1, 2011-July 1, 2011, at all Community Action Agencies, the Arkansas Department of Human Services website, and the Office of Community Services. Those who wished to comment could respond orally at the Public Hearings, submit written comments through their local Community Action Agency, or submit comments directly to the Office of Community Services. Notice of the public hearing and comment period was provided in the Arkansas statewide daily newspaper and via the Arkansas Department of Human Services website. Copies of the plan will be made available at the Arkansas State Library, Arkansas Department of Human

Services, Legislative Council, Community Action Agencies, and the DHS website.

II. FEDERAL AND CSBG STATUTORY ASSURANCES

As part of the biannual application and plan required by Section 676 of the Community Services Block Grant, as amended (42 U.S.C. 9901 et seq.), John Selig, Director of the Department of Human Services and designee of the chief executive of the State of Arkansas, hereby agrees to the Assurances in Section 676 of the Act. See Attachment V for the signed Statement of Programmatic Assurances, Administrative Assurances, and Administrative Certifications, which includes the following:

A. Programmatic Assurances

Assurance 1 – "Use of Funds"
Section 676(b)(1)

An assurance that funds made available to the State will be used to support activities designed to assist low-income families and individuals, including families and individuals receiving assistance under part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.), homeless families and individuals, migrant or seasonal farm workers, and elderly low-income individuals and families; and a description of how such activities will enable the families and individuals to:

a. remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of Title IV of the Social Security Act);

b. secure and retain meaningful employment;

c. attain an adequate education, with particular attention toward improving literacy skills of low-income families in the communities involved, which may include carrying out family literacy initiatives;

d. make better use of available income;

e. obtain and maintain adequate housing and a suitable living environment;

f. obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and

g. achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to:

   1. document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication; and

   2. strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts.

Section 676(b)(1)(B)

An assurance that funds are used to address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as programs for the establishment of violence-free zones that involve youth development, and intervention models, as well as after-school child care programs.

Section 676(b)(1)(C)
An assurance that funds will be used to make more effective use of, and to coordinate with, other programs related to the purposes of this subtitle (including State Welfare Reform efforts).

<u>Assurance 2 – "Use of Discretionary Funds"</u>
Section 676(b)(2)

An assurance that five percent of funds will be used in accordance with the Community Services Block Grant program,

including innovative community and neighborhood-based initiatives related to the purposes of the Act such as:

1. providing training and technical assistance to eligible entities in need of such training and assistance;

2. coordinating State-operated programs and services, and at the option of the State, locally-operated programs and services targeted to low-income children and families, with services provided by eligible entities and other organizations funded under this subtitle, including detailing appropriate employees of State, eligible entities, or organizations funded under this subtitle;

3. supporting statewide coordination and communication among eligible entities;

4. analyzing the distribution of funds made available under this subtitle within the State to determine if such funds have been targeted to the areas of greatest need;

5. supporting asset-building programs for low-income individuals, such as programs supporting individual development accounts;

6. supporting innovative programs and activities conducted by Community Action Agencies or other neighborhood-based organizations to eliminate poverty, promoting self-sufficiency, and promoting community revitalization;

7. supporting State charity tax credits; and

8. supporting other activities, consistent with the purposes of this subtitle.

<u>Assurance 3 – "Secure Information From Eligible Entities"</u>
Section 676(b)(3)

An assurance the State agency will provide the following information provided by eligible entities in the State, including:

1. a description of the service delivery system, for services provided or coordinated with funds made available through grants made under 675C(a), targeted to low-income individuals and families in communities within the State;

2. a description of how linkages will be developed to fill identified gaps in services, through the provision of information, referrals, case management and follow up consultations;

3. a description of how funds made available through grants made under section 675(a) will be coordinated with other public and private resources; and

4. a description of how local entities will use the funds to support innovative community and neighborhood-based initiatives related to the purposes of the Community Services Block Grant, which may include fatherhood initiatives and other initiatives with the goal of strengthening families and encouraging effective parenting.

Assurance 4 – "Nutrition and Emergency Assistance"
Section 676(b)(4)

An assurance that eligible entities in the State will provide, 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 low-income individuals.

Assurance 5 – "Coordination and Linkages"
Section 676 (b) (5)

An assurance that the State and eligible entities in the State will coordinate and establish linkages between governmental and other social services programs, to:

1. assure the effective delivery of such services to low-income individuals and to avoid duplication of such services;

2. coordinate the provision of employment and training activities in the State and in communities with entities providing activities through statewide and local workforce investment systems under the Workforce Investment Act of 1998.

Assurance 6 - "Coordination of Anti-Poverty Programs"
Section 676(b)(6)

An assurance that the State will ensure coordination between antipoverty programs in each community in the State, and ensure, where appropriate, that Emergency Energy Crisis Intervention Programs under Title XXVI (relating to low-income home energy assistance) are conducted in such community.

Assurance 7 - "Cooperation With Federal Investigations"
Section 676(b)(7)

An assurance that the State will permit and cooperate with Federal investigations undertaken in accordance with section 678D.

Assurance 8 - "Termination of Funding"
Section 676(b)(8)

An assurance that any eligible entity in the State that received funding in the previous fiscal year through a Community Services Block Grant under this subtitle, will not have its funding terminated under this subtitle, or reduced below the proportional share of funding the entity received in the previous fiscal year, unless, after providing notice and an opportunity for a hearing on the record, the State determines that cause exists for such termination or such reduction, subject to review by the Secretary as provided in section 678C(b).

Assurance 9 - "Program Coordination and Partnerships"
Section 676(b)(9)

An assurance that the State and eligible entities will, to the maximum extent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations.

Assurance 10 - "Petition for Board Representation"
Section 676(b)(10)

An assurance that the State will require each eligible entity in the State to establish procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its

organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation.

Assurance 11 – "Community Action Plan"
Section 676(b)(11)

An assurance that as a condition to receive CSBG funding, the State will secure a community action plan from each eligible entity in the State (which shall be submitted to the Secretary, at the request of the Secretary, with the State Plan) that includes a community needs assessment for the community served, which may be coordinated with community-needs assessments conducted for other programs.

Assurance 12 – "Participation in ROMA"

An assurance that the State and all eligible entities in the State are participating in the Results Oriented Management and Accountability System, another performance measure system for which the Secretary facilitated development pursuant to section 678E(b)of the Act.

Assurance 13 – "Implementation of Assurances"
Section 676(b)(13)

An assurance that the State will provide information in this plan describing how the State will carry out the assurances in the Act.

B. Administrative Assurances

Assurance 1 – "CSBG Application"
Section 675A(b)

An assurance that this application to the Secretary contains information and provisions that describe the programs for which assistance is sought under the community services block grant program prepared in accordance with and containing the information described in Section 676 of the Act.

Assurance 2 – "Use of Funds"
Section 675C(a)(1-2)

An assurance that not less than 90 percent of the funds made available to the State by the Secretary under Section 675 of the Act will be used to make grants to eligible entities for the

stated purposes of the community services block grant program, and to make such funds available to eligible entities for obligation during the fiscal year and the succeeding fiscal year, subject to the provisions regarding recapture and redistribution of unobligated funds.

Assurance 3 – "Carryover Funds"
Consolidated Appropriations Act, 2010, Pub. L.111-117

An assurance that to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the CSBG Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes.

Assurance 4 – "Administrative Expenses"
Section 675C(b)(2)

An assurance that no more than the greater of $55,000 or 5 percent of the grant received under Section 675A or the State allotment received under section 675B will be spent for administrative expenses, including monitoring activities.

Assurance 5 – "Charity Tax Credit"
Section 675(c)

An assurance that the State will comply with the requirements and limitations specified in Section 675(c) regarding use of funds for statewide activities to provide charity tax credits to qualified charities whose predominant activity is the provision of direct services, within the United States, to individuals and families whose annual incomes generally do not exceed 185 percent of the poverty line, in order to prevent or alleviate poverty among such individuals and families.

Assurance 6 – "Public Hearing"
Section 676(a)(2B)

An assurance that the lead agency will hold at least one hearing in the state with sufficient time and statewide distribution of notice of such hearing, to provide to the public an opportunity to comment on the proposed use and distribution of funds to be provided through the grant or allotment under Section 675 for the period covered by the State Plan.

Assurance 7 – "Designated Agency"
Section 676(a)(1)

An assurance that the State has designated an appropriate State agency for purposes of carrying out community services block grant activities.

Assurance 8 – "Legislative Hearing"
Section 676(a)(3)

An assurance that at least one legislative hearing will be held every three years in conjunction with the development of the State Plan.

Assurance 9 – "Public Inspection"
Section 676(e)(2)

An assurance that the State plan or revised State Plan will be made available for public inspection in such a manner as will facilitate review of and comment on the plan.

Assurance 10 – "Review of Eligible Entities"
Section 678B(a)

An assurance that the following reviews of eligible entities will be conducted:

(a) full onsite review of each such entity at least once during each three-year period;

(b) an onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program;

(c) 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;

(d) other reviews as appropriate, including reviews of entities with programs that have had other Federal, State or local grants (other than assistance provided under the community services block grant program) terminated for cause.

Assurance 11 – "Compliance"
Section 678(C)(a)

An assurance that in the event the State determines that an eligible entity fails to comply with the terms of an agreement or the State plan, to provide services under the community services block grant program or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State will comply with the requirements outlined in Section 678C of the Act, to:

(a) inform the entity of the deficiency to be corrected;

(b) require the entity to correct the deficiency;

(c) offer training and technical assistance as appropriate to help correct the deficiency, and submit to the Secretary a report describing the training and technical assistance offered or stating the reasons for determining that training and technical assistance are not appropriate;

(d) at the discretion of the State, offer the eligible entity an opportunity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan and to either approve the proposed plan or specify reasons why the proposed plan cannot be approved;

(e) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding to the eligible entity unless the entity corrects the deficiency.

Assurance 12 – "Fiscal Controls"
Section 678D(a)(1-2)

An assurance that fiscal controls, procedures, audits and inspections are established as required under Sections 678 of the Act.

Assurance 13 – "Unexpended Funds"
Section 678D(a)(3)

An assurance that the State will repay to the United States any amounts found not to have been expended in accordance with the Act, or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under the community services block grant program.

Assurance 14 – "ROMA"
Section 678E(a)(1)

An assurance that all eligible entities in the State are participating in the Results-Oriented Management and Accountability (ROMA) System.

Assurance 15 – "Annual Report"
Section 678E(a)(2)

An assurance that the State will prepare and submit to the Secretary an annual report on the measured performance of the State and its eligible entities, as described under 678E of the Act.

Assurance 16 – "Prohibition of Funds"
Section 678F(a)

An assurance that the State will comply with the prohibition against use of community services block grant funds for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility, as described in Section 678F of the Act.

Assurance 17 – "Political Activity"
Section 678F(b)

An assurance that programs assisted by Community Services Block Grant funds shall not be carried out in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with any partisan or nonpartisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office; any activity to provide voters or prospective voters with transportation to the polls or similar assistance with any such election, or any voter registration activity.

Assurance 18 – "Discrimination"
Section 678F(c)

An assurance that no person shall, on the basis of race, color, national origin or sex be excluded from participation in, be

denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with community services block grant program funds. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or with respect to an otherwise qualified individual with a disability as provided in Section 504 of the Rehabilitation Act of 19734 (29 U.S.C. 12131 et seq.) shall also apply to any such program or activity.

Assurance 19 – "Religious Organizations"
Section 679

An assurance that the State will consider religious organizations on the same basis as other nongovernmental organizations to provide assistance under the program so long as the program is implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution; not to discriminate against an organization that provides assistance under, or applies to provide assistance under the community services block grant program on the basis that the organization has a religious character; and not to require a religious organization to alter its form of internal government except as provided under Section 678B or to remove religious art, icons, scripture or other symbols in order to provide assistance under the community services block grant program.

C. Administrative Certifications

Certification 1 – "Cost and accounting standards"

An assurance that cost and accounting standards of the Office of Management and Budget (OMB Circular A-110 and A-122) shall apply to recipients of Community Services Block Grant program funds.

Certification 2 – "Environmental Tobacco Smoke"

An assurance the State will comply with the requirements of Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by a Federal grant, contract, loan or loan guarantee. The State further agrees that it will require the language of this certification to be included in any

subawards, which contain provisions for children's services and that all subgrantees shall certify accordingly.

III. COMPLIANCE WITH FEDERAL STATUTORY ASSURANCES

Compliance with Section 676 (b) (1) (A-C)
Use of Funds

Consistent with Federal and State Policies and Procedures, each eligible entity is required to 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. A public hearing shall be held to provide the public an opportunity to comment on the proposed use and distribution of funds based on the results of the needs assessment.

As a result of the hearing, the board must adopt a Statement of Purposes and Strategy, which indicates the primary poverty problems of the area, which the eligible entity will address each year, and the share of available funds to be allocated to each problem area. This serves as a basis for the services proposed by the local board for funding. The needs assessment may be coordinated with community-needs assessments conducted for other programs.

The State has designated as eligible for CSBG funding only those activities listed as eligible for funding in the Act. Activities include those which:

1. remove obstacles and solve problems that block the achievement of self-sufficiency (including self-sufficiency for families and individuals who are attempting to transition off a State program carried out under part A of Title IV of the Social Security Act);

2. secure and retain meaningful employment;

3. attain an adequate education; with particular attention toward improving literacy skills of low-income families;

4. make better use of available income;

5. obtain and maintain adequate housing and a suitable living environment;

6. obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs;

7. achieve greater participation in the affairs of the communities involved; including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to:

    a. document best practices based on successful grassroots intervention in urban areas; to develop methodologies for widespread replication; and

    b. strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;

8. address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development programs that have demonstrated success in preventing or reducing youth crime; and

9. make more effective use of, and to coordinate with, other programs related to the purposes of this subtitle (including State welfare reform efforts).

The State will not approve an application which does not address a minimum number of designated services called for in Section 676 (b)(1)(A-C) of the Act and no activities are approved which are outside the scope of services called for in that section of the Act. In that way, the requirements of Section 676(b)(1)(A-C) about use of the funds for provision of allowable community services are met from a planning aspect.

The State requires, as a condition of continued funding, that eligible entities provide monthly fiscal reports and quarterly program reports to assure that the programs and expenditures are progressing consistently with the approved plans. Any downward program variances of 20% or more where eligible entities did not meet their plan must be satisfactorily explained. Corrective actions must be supplied where appropriate.

In addition to the reports submitted and reviewed, each eligible entity is visited at least once annually for an on-site evaluation of program performance, as well as compliance monitoring of Federal and State Policies and Procedures regulatory requirements. This is intended to assure that funds are used to provide community services to low-income clients as in the approved plan. Spot checks of client records are carried out to verify the documentation provided by the eligible entities, and interviews with randomly selected clients are conducted to verify that services were provided as reported and to see whether clients are satisfied with services received. A satisfaction survey will be completed on each randomly selected client. The program reviews will be conducted annually, at a minimum, as stated earlier, in accordance with the Act.

Training and technical assistance are provided during the course of a year to further enhance the quality of the services and programs. The assistance provided is primarily by State CSBG staff and the Arkansas Community Action Agencies Association (ACAAA), but consultant services are utilized when necessary.

A Community Action Agency Peer Review will be conducted on at least six eligible entities annually. The purpose of the Peer Review is to assess the design, performance, efficiency, and effectiveness of the agency's management systems, to ensure compliance with applicable laws, rules and regulations to safeguard the agency's assets, ensure that planned outcomes are achieved, and to project eligible entity vision/values through the organization into its community.

Compliance with Section 676 (b) (2)
Use of Discretionary Funds

No more than 5% of the grant will be spent as a discretionary fund within the State agency to fund activities deemed to be useful to advance the purposes of the Act. In fiscal years 2012-2013, approximately 20% of CSBG funds will be set aside for victims of natural disasters who meet the poverty guidelines. Approximately 50% will be used to provide technical assistance and training needed by eligible entities and organizations which serve the low-income communities, which training and assistance would not otherwise be available to them. The remaining 30% will be used to fund discretionary projects of CAAs, nonprofit agencies and organizations. The percentages are only estimates of discretionary fund usage. The State's needs will dictate the criteria and guidelines for such projects.

Compliance with Section 676 (b) (3)
Secure Information from Eligible Entities

Eligible entities will provide information to the State containing:

1. a description of the service delivery system, for services provided or coordinated with the funds made available through grants made under section 675 C(a), targeted to low-income individuals and families;

2. a description of how linkages will be developed to fill identified gaps in services, through the provision of information, referrals, case management, and follow-up consultations;

3. a description of how funds made available through grants made under section 675 C(a) will be coordinated with other public and private resources, and

4. a description of how the local entity will use the funds to support innovative community and neighborhood initiatives related to the purposes of this subtitle, which may include fatherhood initiatives and other initiatives with the goal of strengthening families and encouraging effective parenting.

Compliance with Section 676 (b) (4)
Nutrition and Emergency Assistance

The State will require eligible entities to include in community action plans how they will comply with the federal requirement to provide, 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 low-income individuals.

Compliance with Section 676 (b) (5)
Coordination and Linkages

The State and eligible entities will coordinate and establish linkages between, governmental and other social services programs to assure the effective delivery of such services to low-income individuals and to avoid duplication of such services. As a condition for funding, Arkansas CSBG Policy 4140 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. Eligible entities also describe in their community action plans how they will coordinate with other programs and leverage additional public and private resources.

CAAs will continue to serve on local Workforce Investment Boards, as a result of the Office of Community Services' participation in the statewide workgroup to assist in the development of the Workforce Investment Act Unified State Plan.

Compliance with Section 676 (b) (6)
Coordination of Anti-Poverty Programs

Both the CSBG program and the State HEAP program for Emergency Crisis Intervention are located in the same agency of State Government (Arkansas Department of Human Services). The Governor and the Director of the Department of Human Services have made it clear to both programs that they support and encourage the coordination of local anti-poverty activities with the crisis intervention program. This has been in effect for several years. The eligible entities have utilized the HEAP Program in both assuring appropriate disbursals of crisis funds to eligible persons, and also in supporting weatherization services through this program.

Compliance with Section 676 (b) (7)
Cooperation with Federal Investigations

The director and staff persons of the State 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.

Compliance with Section 676 (b) (8)
Termination of Funding

As outlined in section 678C (b) of the Act, the State will comply with the hearing review requirement when the State determines an eligible entity's designation will be terminated or funds reduced.

Compliance with Section 676 (b) (9)
Program Coordination and Partnerships

The State Agency and eligible entities will, to the maximum extent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations. As a condition for funding, eligible entities will describe how they will coordinate programs.

Compliance with Section 676 (b) (10)
Petition for Board Representation

Each eligible entity will be required to establish procedures for a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation.

Compliance with Section 676 (b) (11)
Community Needs Assessments

The State will comply with the requirement to secure from each eligible entity in the State, as a condition for funding, a community action plan. Each community action plan will include: a community needs assessment for the community served; a description of the service delivery system targeted to low-income individuals and families in the service area; a description of how linkages will be developed to fill identified gaps in services through information, referral, case management if applicable, and follow-up consultation; a description of outcome measures to be used to monitor success in promoting self-sufficiency, family stability, and community revitalization. Community needs assessments may be coordinated with community needs assessments conducted for other programs.

Compliance with 676 (b) (12)
Participation in ROMA

The State and all eligible entities in the State are participating in the Results Oriented Management and Accountability System that meets requirements.

The State and eligible entities began implementation of ROMA in fiscal year 1997. Fiscal year 2012 will be the 15th year the State and eligible entities have been participating in ROMA at the state level.

Eligible entities are mandated to report outcomes for the six national goals and performance indicators. Eligible entities must report outcome measures under each appropriate goal for all major programs and activities administered. Reporting on measures is an important component of the broader community action initiative to revitalize and strengthen the community services network.

Case management is one process used by agencies to assist clients to reach their established goals and move them toward self-sufficiency. Although outcomes are reported under the measures selected, the range of activities and services provided by the agency to assist clients are reported by program components (i.e. education, housing, emergency services, etc.).

Case management activities are monitored annually as a part of the regular program evaluation of agencies. Statewide training sessions are provided to all CAAs. If there is a need for training and technical assistance during routine monitoring visits, state monitors will provide training or provide needed assistance. Additionally, statewide trainings are scheduled for all CAAs as needed, and a ROMA Workgroup consisting of CAAs, State OCS, and ACAAA staff meet quarterly.

Compliance with 676 (b) (12)
Implementation of Assurances

The "Plan for Compliance with Federal Statutory Assurances" describes how the State will implement and comply with the assurances outlined in the Act, as agreed.

IV. Administrative Structure

A. State Lead Agency

The Arkansas Department of Human Services is the lead agency responsible for the Community Services Block Grant activities in the State of Arkansas. More specifically, the Office of Community Services (OCS), within the Division of County Operations, will be responsible for administering the Community Services Block Grant Program.

B. Mission and Responsibilities of Lead Agency

The mission of the Arkansas Department of Human Services is to improve the quality of life of all Arkansans by protecting the vulnerable, fostering independence, and promoting better health.

It is the mission of the Office of Community Services to be the lead agency in state government in dealing with the problems of the poor. This agency is responsible for providing technical assistance to local communities and local agencies in providing community services to low-income persons.

OCS is responsible for the administration of the Community Services Block Grant, Emergency Shelter Grant, Home Energy Assistance Program, Weatherization Assistance, and other grant programs designated by state government to be administered by OCS. OCS is charged with informing the Governor, Legislature and state government about the problems of the poor and the overall efforts of the agency and eligible entities to improve the quality of life for Arkansans.

C. Goals and Objectives of Lead Agency

The goals of the lead agency in administering the CSBG Program are to provide assistance to local communities through a network of eligible entities for the reduction of poverty and the revitalization of low-income communities, as well as the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient; and to support other Federal Statutory Purposes and Goals of the CSBG Act.

The objectives of the lead agency are as follows:

Objective 1: Develop the CSBG State Plan and Application for Fiscal Years 2012-2013, to be submitted to the U.S. Department of Health and Human Services, by September 1, 2011.

Objective 2: Hold at least one public hearing in the State, with sufficient time for statewide distribution of notice of such hearing, and provide opportunity for public comment on the proposed use and distribution of Community Services Block Grant funds for Fiscal Years 2012-2013, before September 1, 2011.

Objective 3: Conduct reviews of eligible entities for program evaluation and administrative compliance, under Section 678, at least once annually, during Fiscal Years 2012-2013.

Objective 4: Carry out the statutory purposes and goals of the CSBG Act and assure compliance with all applicable statutes, rules, regulations, policies and procedures set forth by Federal and State Government, during Fiscal Years 2012-2013.

D. 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 2012-2013. 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, proposed CSBG annual allocation for Fiscal Years 2012-2013, and geographic areas served. Combined, CAAs provide statewide coverage for all 75 Arkansas counties.

ELIGIBLE ENTITIES		COUNTIES
ARVAC	**Arkansas River Valley Area Council** Bob Adkison, Executive Director Post Office Box 808 13 North 5th Street Dardanelle, Arkansas 72834 Telephone: (479) 229-4861 FAX: (479) 229-4863 E-Mail: arvac@arvacinc.org **CSBG Allocation: $741,396**	Conway Franklin Johnson Logan Perry Polk Pope Scott Yell
BRAD	**Black River Area Development Corp.** James Jansen, Executive Director 1403 Hospital Drive Pocahontas, Arkansas 72455 Telephone: (870) 892-4547 FAX: (870) 892-0707 E-Mail: jjansen@bradcorp.org **CSBG Allocation: $205,451**	Clay Lawrence Randolph
CADC	**Central Arkansas Development Council** Larry Cogburn, Executive Director Post Office Box 580 321 Edison Ave. Benton, Arkansas 72018 Telephone: (501) 315-1121 Fax: (501) 778-9120 E-Mail: lcogburn@cadc.com Web: www.cadc.com LR Office Number: (501) 603-0909 LR Address: 5401 S. University Lonoke Number: (501)676-0019 **CSBG Allocation: $2,163,457**	Calhoun Clark Columbia Dallas Hot Spring Lonoke Montgomery Ouachita Pike Pulaski Saline Union
CAPCA	**Community Action Program for Central Arkansas** Archie Musselman, Executive Director 707 Robins Street, Ste. 118 Conway, Arkansas 72034 Telephone: (501) 329-3891 FAX: (501) 329-8642 E-Mail: archie.musselman@capcainc.org Web: www.capcainc.org **CSBG Allocation: $368,540**	Cleburne Faulkner White

CRDC	**Crowley's Ridge Development Council, Inc.** Troy Branscum, Executive Director Post Office Box 16720 2401 Fox Meadow Lane Jonesboro, Arkansas 72401 Telephone: (870)802-7100 FAX: (870)935-0291 E-Mail: troybranscum@crdcnea.com Web: www.crdcnea.com **CSBG Allocation: $916,769**	Craighead Crittenden Cross Greene Jackson Poinsett St. Francis Woodruff
C-SCDC	**Crawford-Sebastian Community Development Council** Mark Whitmer, Executive Director Post Office Box 4069 4831 Armor Street Fort Smith, Arkansas 72914 Telephone: (479) 785-2303 FAX: (479) 785-2341 E-Mail: mwhitmer@cscdccaa.org Web: www.cscdccaa.org **CSBG Allocation: $354,828**	Crawford Sebastian
CSO	**Community Services Office** Leon Massey, Executive Director Post Office Box 1175 600 West Grand Avenue Hot Springs, Arkansas 71901 Telephone: (501) 624-5724 FAX: (501) 624-1645 E-Mail: lemass@csohs.org **CSBG Allocation: $322,531**	Garland
EOAWC	**Economic Opportunity Agency of Washington Co.** Michael Lanier, Executive Director 614 East Emma Avenue, Suite M401 Springdale, Arkansas 72764 Telephone: (479) 872-7479 FAX: (479) 872-7482 E-Mail: mlanier@eoawc.org Web: www.eoawc.org **CSBG Allocation: $328,392**	Washington

MCAEOC	**Mississippi County, Arkansas Economic Opportunity Commission** Samuel Scruggs, Executive Director Post Office Drawer 1289 1400 North Division Street Blytheville, Arkansas 72316-1289 Telephone: (870) 776-1054 FAX: (870) 776-1875 or (870) 776-1880 E-Mail: sam.scruggs@sbcglobal.net **CSBG Allocation: $317,731**	Mississippi
M-DCS	**Mid-Delta Community Services** Margaret Staub, Executive Director Post Office Drawer 745 610 South Biscoe Street Helena, Arkansas 72342 Telephone: (870) 338-6406 FAX: (870) 338-3629 E-Mail: mmstaub@suddenlinkmail.com **CSBG Allocation: $349,153**	Lee Monroe Phillips Prairie
NADC	**Northcentral Arkansas Development Council** Brad Cummings, Executive Director Post Office Box 3349 550 9th Street Batesville, Arkansas 72503 Telephone: (870) 793-5765 FAX: (870) 793-2167 E-Mail: bcummings@nadcinc.org **CSBG Allocation: $262,495**	Fulton Independence Izard Sharp Stone
OHC	**Office of Human Concern** Al West, Executive Director Post Office Box 778 506 East Spruce Street Rogers, Arkansas 72757 Telephone: (479) 636-7301 FAX: (479) 636-7312 E-Mail: alwest@eohc.org Web: www.eohc.org **CSBG Allocation: $308,071**	Benton Carroll Madison

OOI	**Ozark Opportunities, Inc.** Richard T. Atkinson, Executive Director Post Office Box 1400 701 East Prospect Avenue Harrison, Arkansas 72602 Telephone: (870) 741-9406 FAX: (870) 741-0924 E-Mail: exdirooi@windstream.net **CSBG Allocation: $486,713**	Baxter Boone Marion Newton Searcy Van Buren
PB-JCEOC	**Pine Bluff-Jefferson County Economic Opportunities Commission, Inc.** David Knight, Executive Director Post Office Box 7228 817 So. Cherry Pine Bluff, Arkansas 71611 Telephone: (870) 536-0046 FAX: (870) 535-7558 E-Mail: dknight@pbjceoc.org **CSBG Allocation: $416,602**	Arkansas Cleveland Grant Jefferson Lincoln
SEACAC	**Southeast Arkansas Community Action Corp.** Larry Henderson, Executive Director Post Office Box 312 1208 North Myrtle Street Warren, Arkansas 71671 Telephone: (870) 226-2668 FAX: (870) 226-5637 E-Mail: larry.henderson@seacac.com **CSBG Allocation: $360,975**	Ashley Bradley Chicot Desha Drew
SWADC	**Southwest Arkansas Development Council** I. Donald Nelson, Executive Director 3902 Sanderson Lane Texarkana, Arkansas 71854 Telephone: (870) 773-5504 FAX: (870) 772-2974 E-Mail: donaldnelson@cableone.net **CSBG Allocation: $376,504**	Hempstead Howard Lafayette Little River Miller Nevada Sevier

V. Limitations on Use of Funds

A. Ninety Percent Pass Through Provision

In compliance with the Community Services Block Grant Act, section 675 (C) (a) (1), the State of Arkansas will not use less than ninety percent of the funds allotted to the State to make grants to eligible entities (Community Action Agencies) for the purposes described in section 676(b)(1) of the Act.

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

The remaining 5% will be spent as a discretionary fund within the State agency to fund activities deemed to be useful to advance the purposes of the Act. Approximately 20% of CSBG funds will be set aside for victims of natural disasters who meet the poverty guidelines. Another 50% will be used to provide technical assistance and training needed by eligible entities and organizations, which serve the low-income communities, which training and assistance would not otherwise be available to them. The remaining 30% will be used to fund discretionary projects of CAAs, nonprofit agencies and organizations. The percentages are only estimates of fund usage. The State's needs will dictate the criteria and guidelines for such projects.

B. 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. See Attachment III for Percentage Share of Arkansas Persons Living in Poverty By County and By CAA geographic coverage area (Distribution Formula).

C. 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 Statement of Purposes and Strategy which will indicate the primary poverty problems the eligible entity will address and the share of available funds to be allocated to each. This statement (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. OCS approval is not required for the contents of the Statement of Purposes and Strategy, but an informational copy of this document must be forwarded to OCS upon adoption or amendment by the eligible entity.

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:

1. securing and retaining meaningful employment;

2. attaining an adequate education;

3. making better use of available income;

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

5. obtaining emergency assistance; including urgently needed health services, nutritional food, and other human services;

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

7. participating in decisions which affect their lives;

8. addressing the needs of youth in low-income communities; and

9. making more effective use of and coordinating with other programs.

VI. FISCAL CONTROLS AND MONITORING

The Act also calls for review of eligible entities. In Fiscal Years 2012-2013, 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:

(a) an on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds;

(b) 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; and

(c) 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 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 books,

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. The most recent audit for the Department of Human Services covers the period of July 1, 2009 through June 30, 2010.

A. 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 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.

B. 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:

   a. 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.

   b. The members of the board shall be selected by the entity.

   c. The board shall be composed so as to assure that:

      (1) elected public officials or their permanent representatives shall comprise one-third of the board;

      (2) representatives of low-income persons shall comprise at least one-third of the board;

(3) 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.

C. 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:

1. 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. 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. OCS will establish a reasonable time frame for the eligible entity to correct the deficiency.

b. OCS may immediately suspend the agency from participation pending an opportunity for appeal.

c. 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.

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.

2. Suspension: The suspension notification shall include a date beyond which no OCS funds may be expended by the entity, or alternatively, such other restrictions on 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.

3. Termination of Funding

a. 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 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) As provided in any exclusion or debarment law or rule.

b. The procedures for termination of status as an eligible entity of a subgrantee shall be as follows:

(1) 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.

(2) 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.

(3) 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.

D. 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.

VII. COMMUNITY SERVICES PROGRAM IMPLEMENTATION

A. Service Delivery System

There are 16 Community Action Agencies in the State of Arkansas, which will provide statewide coverage for all 75 counties. See Attachment II for a map of the Service Area. A range of programs and services for low-income and elderly residents will address the following components, in accordance with the CSBG Act: self-sufficiency, employment, education, income maintenance, housing, emergency services, nutrition, community participation, health, and welfare independence. Conditions addressed are a result of needs assessments conducted by eligible entities.

In addition to CAA Offices, the service delivery system will include the following facilities to maximize the reach and impact of eligible entities:

- County Outreach Offices
- Community Development Corporations
- Emergency Homeless Shelters
- Family and Community Service Centers
- Family Planning Clinic
- Food Banks/Food Pantries
- Head Start/Early Head Start Centers
- Neighborhood Service Centers
- Non-profit Technical Center
- Resource Centers
- Senior Citizens Centers

- Substance Abuse Centers
- WIA One-Stop Center
- Community Dental Clinic

Additionally, eligible entities will offer the following programs, services and activities, including advocacy, counseling, family development, and case management:

1. **Employment**
   Employment Counseling
   Job Readiness and Placement Programs
   On-the-Job Training Program
   Resume Preparation Assistance
   Transitional Employment Assistance Programs
   Transportation Programs
   Workforce Investment Act Programs

2. **Education**
   Adult Basic Education/GED
   Adult Literacy Programs
   Child and Family Development
   Comprehensive Child Development
   Computer/Technical Training
   Employment Skills Training
   Head Start/Early Head Start
   Special Skills Training
   Youth Development Programs

3. **Income Maintenance**
   Asset Development Program
   Budget Counseling
   Economic Literacy Classes
   Energy Education
   Income Utilization Classes
   Individual Development Account Program

4. **Housing**
   Homebuyer Education
   Housing Rehabilitation
   HUD Section 202 Rental Subsidy
   HUD Section 8 Housing
   Weatherization Assistance

5. **Emergency Services**
   Disaster Relief
   Domestic Violence Intervention
   Emergency Food, Clothing and Shelter

Emergency Medical Care
Legal Assistance
Low-Income Home Energy Assistance
Rent and Utility Assistance

6. **Nutrition**
   Child Nutrition Programs
   Commodity Distribution
   Congregate Meals
   Elderly Nutrition Programs
   Healthy Start Programs
   Home Delivered Meals

7. **Health**
   Elderly Socialization Programs
   Family Planning/Pregnancy Prevention
   Health Screenings
   Physical Fitness
   Substance Abuse Prevention
   Support Groups
   Teen Abstinence Program

8. **Welfare Independence**
   Information and Referral Services
   Life Skills Programs
   Single Parent Scholarship Programs
   Transportation

B. Linkages and Coordination

As a condition for funding, Arkansas CSBG Policy 4140 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.

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 Office of Community Services will continue to collaborate with the Arkansas Community Action Agencies Association (ACAAA) to provide training and technical assistance to eligible entities.

C. Tripartite Board

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 board shall be composed so as to assure that:

1. elected public officials or their permanent representatives shall comprise one-third of the board;

2. representatives of low-income persons shall comprise at least one-third of the board;

3. 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.

D. National Performance Indicators

The use of results-oriented management principles and reporting on national performance indicators are important components of revitalizing and strengthening the Community Action network. Arkansas eligible entities will continue to use ROMA and report outcomes to OCS, in accordance with reporting requirements in Arkansas CSBG Policy 4140. See Attachment VI for national goals and performance indicators, as well as state measures.