



Administration for Children and Families

Office of Community Services
Division of State Assistance

Community Services Block Grant (CSBG) State Monitoring Role

NASCSP State Orientation

Tuesday, March 04, 2014



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Key Topics

- Federal vs. State monitoring responsibilities
- Statutory Requirements
- Components of Full Onsite Monitoring – Financial, Administrative, and Program Reviews
- Skills for Effective Oversight
- Correction of Deficiencies – Quality Improvement Plans
- Actions for Cause
- Coordination with Office of Community Services



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Federal vs. State Monitoring



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CSBG Monitoring Infrastructure

Federal Monitoring

- Annual review of State CSBG Plans to assure compliance with statutory requirements
- Statutorily Required State Assessments
- Risk Assessment of States
- Ad Hoc Financial Monitoring – Review of Audit Results
- Review of State Corrective Action Plans
- Document Management – Records Retention

State Monitoring

- Annual review of eligible entity needs assessments and plans
- Statutorily Required Full Onsite Review of Eligible Entities – At least once every 3 years
- Onsite review of newly designated entities
- Follow-up reviews with eligible entities that fail to meet the goals, standards, and requirements established by the State
- Other reviews as appropriate.



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CSBG Act Requirements



CSBG Act Requirements

- Full onsite review of each such entity at least once during each 3-year period.
- Onsite review of each newly designated entity immediately after the completion of the first year
- Follow-up reviews 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 terminated for cause.



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Full Onsite Monitoring Components



Full Onsite Monitoring

- Financial
 - Use of Single Audit A-133
 - Review of Ledger – Allowable Uses
 - Resolution of Findings
- Administrative
 - Board Compliance
 - Internal Controls
- Program
 - Needs Assessment
 - Community Action Plan – Range of Services
 - ROMA



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Skills for Effective Monitoring



Skills for Monitoring

- Financial, Administrative, and Program Analysis
- Consider Team Model
- Consistent Tools and Protocols
- Team Model or Targeted Assessments
- Cross-Disciplinary Training



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Corrective Actions and Quality Improvement



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Key Points

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



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Note: Responsibility to Investigate Issues

- Review when funds are terminated for cause in related programs (e.g. Head Start, Low Income Home Energy Assistance Program (LIHEAP), and the Weatherization Assistance Program) to assure similar issues or concerns do not exist with CSBG funds
- Investigate any “whistleblower” allegations of fraud or abuse of CSBG funds and notify Federal authorities
- HHS Hotline: 1-800-447-8477



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CSBG Information Memorandum 116 Corrective Action, Termination, or Reduction of Funding of CSBG-Eligible Entities

- Issued December 4, 2009
- Step-by-step description of necessary procedures for corrective actions, quality improvement plans, termination or reductions in funding for cause
- Emphasis on corrective actions and quality improvement
- No new deadlines or program requirements



Cause for Changes to Proportional Share

- Statewide Redistribution of Funds – Changes due to census data, other appropriate data (e.g. poverty data), designation of new eligible entity, or severe economic dislocation – *CSBG Act, Section 676(c)(1)(A)*
- Failure to Comply with State Plan, Standard, or Requirement – *CSBG Act Section 676(c)(1)(B) and Section 676(c)(2)*



10 Key Steps in Termination or Reduction for Performance-Related Cause

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



Quality Improvement Plan

- State must consider seriousness of deficiency and time reasonably required to correct deficiency
- If Quality Improvement Plan warranted, State must allow entity to develop and implement plan within 60 days of being informed of deficiency
- Quality Improvement Plan should identify:
 - Actions that will be taken to correct deficiency;
 - State-approved timeframe for completion of actions.
- State must review and issue a decision on whether to approve a plan not later than 30 days after receiving plan and specify reasons if not approved.



Opportunity for Hearing

- States must provide an opportunity for a hearing prior to terminating eligibility for CSBG funding or reducing proportionate share of CSBG funds.
- Hearing procedures should be consistent with applicable State policies, rules, or statutes.
- Subject to Federal review
- Suggested documentation includes:
 - Notice of hearing
 - Hearing official(s)
 - Names of participants
 - Documentation of evidence



Opportunity for Federal Review

- A Federal review of decision to terminate or reduce funding may be requested within 30 days of notification of State decision.
- State may not discontinue present or future funding until Department of Health and Human Services (HHS) response.
- CSBG Act specifies that HHS must complete review within 90 days after receiving all necessary documentation for review.



Additional Options to Protect Federal Funds

- Cost reimbursement with review of expenditures during a period of Quality Improvement Plan to mitigate substantial risks.
- Formal investigation and referral of allegations of waste, fraud, or abuse of funds.



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Communication with OCS



Communication with OCS

- Early notification of monitoring findings
- Regular communication with Critical Issues
- Use IM-116 to track corrective action steps
- Discussion of any changes to funding allocations will prevent issues if Federal review requested.
- Share best practices
- Utilize NASCSP and other TA providers