



CAPLAW Webinar Transcript

Mastering the A-B-CSBGs: A Four-Part Fundamentals Series

Mechanics of CSBG

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[Veronica Zhang, CAPLAW]

Hello, everyone. Welcome to “Tuesdays with CAPLAW” in January. We’re excited to be doing this “Mastering the CSBG Fundamentals” with you—“Mastering the A-B-CSBGs”. Thank you to everyone who has been greeting those on the webinar in the chat. It’s been fun to see where you all are from, and to get weather reports from parts of the country that feel extra snowy or extra sunny, depending on where you are. We at CAPLAW are here in Boston. So, we are also reporting from a snowy landscape, having gotten a few inches yesterday.

We’re excited to be doing this webinar series with you. If you’ve been with us over the past few weeks, you know that we have been in a series on the fundamentals of the Community Services Block Grant Program. This is for both new and seasoned CSBG folks. It’s meant to be a refresher for those of you who have been working with a program for a while. And then also just a sort of crash course for those of you who may be newer.

We are on week 3 of our webinar series, and today we’ll be talking about the mechanics of CSBG. Just some housekeeping items at the outset, we will be recording this webinar and a transcript of the webinar, the recording, and a copy of the slides will be emailed to everyone who registered for the webinar series. So you should see those in the next few days. Archived webinars from the past two weeks are available on our resource library, and you may have received a copy of those in your email as well. And then lastly, we have one additional webinar to round out our January. Close out January with us next Tuesday, same time. We’ll be talking about monitoring and termination. A heavy topic to land on with our webinar series. If you registered for the webinar series, you do not need to register again, the same link that you used to join today’s webinar will work for all of the webinars in the series. So, we’ve got one more to go.

With that, my name is Veronica Zhang. I’m the Deputy Director and Senior Counsel at CAPLAW. I’m joined today by Allison Ma’luf, who is CAPLAW’s Executive Director and General Counsel, and the two of us will be tag teaming this presentation talking about the mechanics of CSBG. And we’re really here looking to get kind of, into the underside, and looking at the opening the box and seeing what’s inside—understanding the instruction manual for CSBG. And we’re going to do that by one, starting with the history of CSBG. And doing a sort of, quick overview of Community Services Block Grant funding, where it came from, how it’s evolved to where it is today, and how that informs the structure of the funding. And then we’ll be talking about a series of responsibilities, responsibilities of the state CSBG office, and we know that there are state CSBG offices who are joining us on this call. So that’s great. And we’ll talk about your responsibilities at the state as the direct recipients of CSBG funding from the federal government. We’ll talk about CAA responsibilities as the subrecipients of this funding.

And then lastly, some joint responsibilities, shared responsibilities.

And I'll just say at the outset that some of the topics that we're talking about here lend themselves to entire other webinars that inform how you might go about that particular responsibility. And so, this is not meant to be in depth on each of these topics. But to give you a sense of again, it's like an instruction manual, you're opening the book and figuring out how these various pieces work together.

So with that, I'll start with the history of CSBG. So why did we wait until the third webinar in this series to finally talk about the history of Community Action? Well, we think it's important to this particular topic, because the history of the funding has really shaped and impacted the structure of the funding as it exists today. And it's important to realize how some of the responses to Community Services Block Grant funding, over time, have produced legislative changes to CSBG that then impact how it works, how it flows, who's involved, today.

And so, we'll go back to 1964. Just shortly after the assassination of President John F. Kennedy, President Lyndon Johnson, in his State of the Union address in 1964, announced and urged Congress to undertake on a war on poverty, unconditional war on poverty. And later that summer, he signed what is known as the Economic Opportunity Act of 1964. And this is really the birthing of Community Action. It provided funding from the federal government directly to local organizations known as Community Action Programs. And it established these local centers of change that were intended to be responsive to the community's needs and to think about poverty alleviation strategies that would work in those communities. And the Economic Opportunity Act was also the funding that created programs such as Job Corps and VISTA programs.

Importantly, the Economic Opportunity Act gave birth to the Office of Economic Opportunity, which was a federal level office that had the authority to administer the funding that was created under the Economic Opportunity Act. And this economic—Office of Economic Opportunity—served as an incubator for other poverty alleviation programs, many of which are familiar to Community Action Agencies today: Head Start, the Legal Services Program, Comprehensive Health Services Program. Importantly, President Johnson appointed Sargent Shriver, who was then the Director of the Peace Corps—he was the brother-in-law of President John F. Kennedy—he directly appointed Sargent Shriver to lead the Office of Economic Opportunity.

And despite not having a lot of experience in this area, Sargent Shriver sort of tackled this task when he was first approached by President Johnson. He conducted a 16 week crash course on poverty to try to understand some of the root causes of poverty in the United States. And he really came to the conclusion that the centerpiece of the Economic Opportunity Act programs needed to be Community Action Programs, because Community Action was this local body that would be, again, responsive to the needs of the community. And we'll talk a little bit about some of the vision that he had for Community Action.

Here on this slide, we just wanted to show the logos of many of those Economic Opportunity Act programs, you may recognize some of these logos, for example, the Head Start logo is still the Head Start logo that exists today. You'll see the Community Action Program, the CAP logo. These logos were designed by a federal employee named Peter Masters, who joined the Office of Economic Opportunity at that time. And you'll see a common theme throughout these logos is this upward arrow that really showcase the optimism I think that Peter Masters felt. He was an immigrant to the United States, and had really been inspired by the programs that his family had benefited from. And then he joined the federal government's efforts as well.

And we show this because you'll notice that CAPLAW has recently been displaying this new logo that we have, which pays homage, we think, to the Economic Opportunity Act programs' logos, with its own sort of upward swoop. And that is our tribute to Peter Masters and the work of the many, many programs, all of which, you know, many of you have taken part in as well.

So with that little aside, to go back to Sargent Shriver. One of the centerpieces of the Economic Opportunity Act with respect to Community Action was this concept of maximum feasible participation. And the idea was that the federal government wanted to empower local organizations to be able to design poverty alleviation strategies that worked for them. They were obviously also working under the current, you know, political and social constraints of the day, which were, namely marked by the Civil Rights Movement and the understanding that there were lots of limits to participation in the political process due to segregation and the exclusion of certain communities from that political process. And so, the idea was that funding would go to local communities to be able to serve the community's needs.

In 1966, the Quie Amendment was passed, with an explicit requirement that a third of the boards of Community Action Programs be representative of low-income communities that were served, this has kind of evolved to what we know today as the consumer sector or the low-income sector of the board. This, as you can imagine, cause some tension with mayors, especially in big cities, that were concerned that this type of funding and this type of, sort of political power that was given to local Community Action Agencies would undermine the power of the local government. Because, unlike a lot of other federal funding sources that coordinated with the states or had money going to the states, and the states and local government had some control over that funding. This money was coming directly from the federal government and provided to local agencies.

And so, in response to that, you start to see some of the pushback to Community Action. And this is, again, it aligns with a lot of those sorts of, you know, ebbs and flows of the political process where you have reactions and counterreactions. But in 1967, there was the Green Amendment that was passed. And this is sort of a response to, you know, the requirement that 1/3 of the board had to be made up of low-income representatives of the community. The Green Amendment then established the other two sectors of the board required that elected public officials would also be part of the board. So this was sort of a, you know, an effort to ensure that there would be still some local influence on that board. And so now you have the tripartite board structure that we know today.

During this time, the Economic Opportunity Act was also amended to add further restrictions on political activities of Community Action Agencies and their employees, restrictions on voter registration efforts, again, seen as a response to some of the voter registration and advocacy efforts that Community Action Agencies were employing during this time. Between 1973 and 1975, you have these battles that are going on at OEO. And it's, it's kind of fascinating to read about these because you realize just how much you know, it was controversial in many ways to fund these types of agencies. And the OEO Director, who was appointed to oversee the Office of Economic Opportunity at this time, was told not to spend the funds that had been allocated to Community Action Programs. There was actually a lawsuit over this that was decided by the Federal District Court in the District of Columbia. And eventually what happened was that OEO, as an office, was dismantled, and in its place was formed a Community Services Administration office that still had some independence and authority within the executive branch of the government.

In 1981, President Reagan is elected on a mandate to limit government spending, federal government spending, and the size of the federal government. And as part of that the Economic Opportunity Act is repealed. And the programs that it had funded were consolidated into block grants. And so, you know, as

part of this repeal process, 57 different discretionary grant programs were consolidated into 9 block grants, that included the Community Services Block Grant, which was created in 1981, to replace the Community Action Program funding that had been available under the Economic Opportunity Act. And, you know, OEO, the Office of Economic Opportunity, which was the first federal office that was created to oversee Community Action Program funding that had been closed, and we now have the Community Services Administration.

In 1981, the Community Services Administration is further closed and the directive to oversee CSBG funding under this new Community Services Block Grant funding is transferred to what we now know as the Office of Community Services. And it was placed within the U.S. Department of Health and Human Services. So we see sort of the funding shift from a direct funding model from the federal government to local entities—now it is a block grant that passes, you know, to states. And then secondly, we see at the federal level, a change in the type of administration and oversight of the program from an independent federal agency, the Office of Economic Opportunity to now, under the direction of the U.S. Department of Health and Human Services, and the Office of Community Services.

So Community Action today, this is, you know, familiar to most of you, but we have approximately 1,000 Community Action Agencies across the country. Around 80% are nonprofit organizations, 501(c)(3) tax exempt, nonprofit organizations organized under their state laws, private entities. And then the remainder are we what we call public CAAs—they're local government entities, arms of local government. If you read the federal CSBG Act, you will not find mention of Community Action Agencies. They're referred to as eligible entities in the Act. And the importance of CSBG funds to CAAs is—just to highlight, you know, why we talk about CSBG funding, even though it is, generally speaking, not the largest source of funding for a Community Action Agency.

But it really is the funding that gives Community Action Agencies their identity as a Community Action Agency. It's what makes you an eligible entity and thus a Community Action Agency, even if that's not in the title of your agency. And further, it's a flexible source of funding. If you were on our webinar last week, we tried to spend time diving into the flexibilities of CSBG and how it can be used to coordinate the different programs that a Community Action Agency operates. And we'll talk a little bit about that today as one of the explicit purposes of CSBG. And then finally, it's important because as you saw from the amendment process, it has a significant impact on the board structure of the Community Action Agency, they must maintain the tripartite board structure.

So thank you for indulging us in our sort of history tour of Community Action. But you can see today that the structure of Community Action, from an oversight administration level, is that it is a source of funding from the US Department of Health and Human Services. It's under the Administration for Children and Families, ACF, the same part of you know, the Department of Health and Human Services that administers Head Start, for example, and is within a specific office, the Office of Community Services. And then at the state level, a state CSBG office is designated by the governor in each state to oversee the administration of eligible entities in that state. So the state CSBG office is the recipient of the funding from OCS. And then that state CSBG office subgrants awards to individual eligible entities or Community Action Agencies in the state.

So that guidance that applies to Community Action Agencies very much mirrors the structure of the funding. As you now have sort of seen, you have this federal Act, but it is a block grant. And so much of the authority for interpreting and implementing applying the federal Act will come at the state level. You have these very light federal block grant regulations that apply to CSBG funding. And that's found in 45 CFR

Part 96. At the federal level, there are information memorandum that are issued by the federal Office of Community Services as non-binding guidance. But very informative. These are non-binding guidance, but oftentimes states do either adopt them or defer to them as the state's interpretation of the federal CSBG Act. And that is permissible by the state to do that, because, you know, they're in charge of administering this program, and they can look to the federal guidance as a source of guidance. And then lastly, states can impose additional requirements that are not, that do not contradict the federal CSBG Act. And those can come in the form of statutes, regulations, award terms and conditions and also the state's own policies and procedures released as informal guidance. The key here again, is that states are primarily responsible for grant administration. So in the CSBG world, states are the first line of interpreters for the CSBG Act.

We talked a little bit about this last week, but we are going to be talking about how funding is used, and what the CSBG Act says about how states and eligible entities are to use Community Services Block Grant funding. So we'll mention allocation again here, which is that the Act requires that states pass through 90% of their allocation of CSBG funding. So CSPG is allocated according to a formula across the states, territories, and tribes, tribes are also recipients of CSBG funding. Then those states are required to pass along 90% of the funding to eligible entities. Of the remaining 10%, states have half of it, up to 5%, can be kept for the state's own administrative costs. And then for the remaining 5%, the remaining half of the state's funds, there are some restrictions on how they spend those funds.

And in this slide here, you can see some of the examples that the federal CSBG Act lists as possible uses of the 10% discretionary funds. The state can provide T/TA—training and technical assistance. Those costs do not count towards the state's 5% administrative cost limit. States can and often support the state association for TATA in their state. They can also support other statewide programs and initiatives that the state association is primarily responsible for—other innovative programs that either CAAs are conducting, or other community organizations operate. Some states pass along that additional 10% funding to Community Action Agencies directly, an addition to the 90% that is passed through to individual Community Action Agencies.

And then lastly, there's this general catch all provision, which is that states can use this funding to support other activities that are consistent with the purposes of the CSBG Act. And as we know, those purposes are very broad. And so the state has discretion, which is why we call them discretionary funds, the state has discretion to choose how to spend that funding. I see a question in the chat about defining innovative, there is no definition for innovative in the statute. And so again, going back to the key that states are the primary administrators of CSBG programs. With the 10% discretionary funds, states have discretion they can choose how to define innovative programs that they want to support. Remember that states do not have discretion over the 90%, that must be passed through to Community Action Agencies. And so there is no criteria for innovation there. I know that there is a desire within the entire network to be innovative. States don't have the discretion to set that criteria for the 90% funds, but for the 10% funds, it can choose how to spend that funding. Okay with that, yeah, I'll pass it on.

[Allison Ma'luf, CAPLAW]

That was great. Thank you, Veronica. And just so everybody knows, David Bradley of the National Community Action Foundation, who is also another national partner to this network, does a really amazing job of going into a lot of detail with some on the ground personal experience related to a lot of the history that that Veronica shared. So she basically gave you a taste of, the highlights for, the history that David Bradley provides. And so I strongly recommend catching that if you have, if you liked what you heard today, there's more of that. If you'd like to listen to more.

So I am going to dive into what the state is obligated to do with respect to the Community Services Block Grant funding. And this is really critical because the program is, as Veronica explained a block grant, which means that the state has a certain level of authority to facilitate that funding. CSBG is a little bit different with respect to the type of block grant that it is. It is a block grant with what we would say strings attached. And I think we've referenced that in some of our prior webinars. That just basically means that the federal Act does actually include some parameters with respect to the state's responsibilities and obligations. And I'm going to review some of those with you guys today and talk about where you can find those.

So the main sort of responsibility, or one of the main responsibilities of the state are listed on the next slide. Veronica's going to switch that for me. There we go. And before I jump into some of the responsibilities, well, this is kind of doing both on this slide, just to back it up just a quick minute. The federal CSBG Act actually does direct the governor of every single state to designate an office within that state to facilitate the funding. So just want to be clear about that. Every once in a while we do get questions at CAPLAW around well, how does the state office become the state office, and that's how. So there's even discretion there within the state with respect to which office within that state will actually facilitate the funding. And as many of you guys know, at the state level, and at the CAA level, sometimes that state facilitates some of the other funding that you receive from the federal government. Sometimes it just solely focuses on the Community Services Block Grant as the main source of federal funding that it facilitates, and oversees some other state funding or state projects. But it's basically an office within your state that's going to facilitate that funding.

And so with respect to that, as you can see, on this slide, that state offices receive the CSBG funding allocation, and I'll just add a little bit more here that isn't in the actual Act, but just some practical information. So that often works in different ways in all the different states. And what I mean by that is when the funding comes to your state, your state has sort of set up ways in which it's going to receive that funding. And that could be through the state legislature, that could be from, you know, through the governor directly to the state office, there's all different ways in which that money actually gets finally to that state office. Again, sometimes it's complicated. Sometimes it's super simple, indirect, but if ever you have sort of a delay in funding, then you will you one of the areas you may want to kind of look to and ask about is with respect to that process at the state level with getting that funding down to what we would refer to as the eligible sub grantee/Community Action Agency, CAA.

So the federal CSBG Act does require the state to submit what is referred to as a state plan to the Office of Community Services, which is the office as Veronica noted, that is designated to facilitate the funding. Just another layer to that—that office is located under the Administration for Children and Families, which is also where the Office of Head Start sits. So they all sort of sit there together at the federal level. So basically, the state, just like you have to do with respect to your receipt of the funding, has to submit some kind of plan in order to get that money. That's part of the process, they are the direct grantee of that funding.

And so in order to develop that plan, they have to have a hearing. And that is also in the Act. And so they are required to hold a public hearing on the state plan that you, as a stakeholder with respect to that funding, can come and participate in. We strongly encourage that all Community Action Agencies make sure that in addition to their state associations, make sure that they are involved with that state hearing that's being held with respect to that funding and with respect to the information that you have shared with your state, so that they can develop and create their plan. And we're going to dive into exactly what that plan often has in it, because it actually is quite prescriptive. The federal CSBG Act is quite prescriptive, prescriptive with respect to what states need to have in their plans.

And so also, states under the Act are directed to hold what's referred to as one legislative hearing on that plan every three years. And that legislative hearing is intended to be done in conjunction with whatever state plan public hearing you're having. So, you may not realize that this is happening. But this is something that states are required to do. And it is sort of speaking back to what I said before that the process by which this funding flows through the state is really different in every single state. So to make sure that the governing structures of your state are all on board with respect to this funding, there is this directive to have a legislative hearing.

And then another really important responsibility of the state that everyone is aware of, I believe on this call, is that the state is charged with oversight of that funding, they're charged with making sure that you are spending that funding in the way that is furthering the purposes of the CSBG Act. And this can be a collaborative effort. This is not necessarily a gotcha effort. This is an effort so that everybody is working together to meet the needs of the communities that are being served.

All right, now I'm going to dive into some of these points that were made on this slide. And in the next couple of slides. So just to kind of flesh out, I see there's some questions in here with respect to timing. And so to flesh out the application and the plan, there are a couple of bullets on this slide that do that. So when a state submits a plan to OCS, they can submit it for one or two federal fiscal years, I think most states do submit requests for funding for up to two fiscal years. But they're not required to. But they can do that. And they have to submit that plan no later than 30 days prior to when that fiscal year is going to start. And the application has to note, make sure it includes the different assurances and the way in which the state will meet those assurances that are listed in the federal CSBG Act.

So in these next couple of slides, I'm going to walk through the heart of those assurances, give you the gist of them, because it's important not only from the state perspective, but it's those assurances that are informing the way in which a Community Action Agency is going to help the state meet the purposes of the federal CSBG Act. Now, as I've already mentioned, the state is required to have a public hearing. And that public hearing is on the record and the state has to give you notice of that hearing, the notice has to be sufficient, and they have to give you an opportunity to comment on the plan. And that's really important. That's information that they're all also considering when they are finalizing the plan that they are submitting to OCS. The comments would address you know, the way in which the funds are going to be distributed and used by the different Community Action Agencies.

All right, so now I believe we're going to dive right into well, not quite, almost into their assurances. Just to make sure that we're dealing with all the mechanics, the state plan that is submitted could be revised by the state. There is language in the federal CSBG Act that specifically addresses revisions of the plan. In order to revise the plan, the state does, again, have to give an opportunity, not a hearing, but an opportunity for you as the public, Community Action Agencies included in that public, to inspect the plan to be able to review it and to submit comments with respect to the revisions to the plan. So it's important to note that if the plan is revised by the state at any time, that those are stakeholders with respect to that plan do have an opportunity to review those revisions and make comments with respect to them.

All right, now we're going to dive into the state assurances. And there are quite a few. And just to note, I'm sure you've noticed this by now. But we have put on each slide the section from the CSBG Act as it is in what we would refer to the public law. And that's the law under which it was originally developed, created and passed by Congress, we have references to those sections so that you can always go back and look to see where exactly this information that we're conveying to you, where it lives within the federal CSBG Act.

So as you'll see, we're going to go through really, what I would say, again, is the gist of the state assurances that the that each state CSBG office is required to give with respect to how they are monitoring and overseeing and using and making sure that this funding is used to further the purposes of the Act. And so, the one of the key assurances is noted on this slide. And I wanted to sort of list the ways that are listed in the Act, that are anticipated that a CAA's activities would engage in, an eligible entity would engage in, to meet those purposes and goals of the federal CSBG Act. And you can see it's quite a list. And much many of these activities are ones that, even though this Act was passed in 1981, are ones that you are still engaged in today, or some version or form of these activities.

You'll see that removing obstacles, that those communities that are supported as low income communities, individuals that are supported by agencies, removing their obstacles to self-sufficiency, making sure that they have access to meaningful employment, that they're getting financial planning education, that they are just getting educated in general with respect to high school, college, community college type education, all kinds of education, that they're getting housing, all of these different activities that Community Action Agencies are engaged in today. The state is making an assurance in the plan that it submits to OCS that it will oversee and make sure that those entities that are funded are furthering the purposes in the goals by engaging in activities like these.

So on the next slide, we also have some more assurances. And these assurances sort of harken back to a little bit more than mechanics, how are we making sure that the funding is getting used? And how are we allocating it in such a way. So as Veronica mentioned, the state is responsible for using 10% of that discretionary funding. And they have quite a lot of flexibility with respect to how they use that funding, as long as they're furthering the purposes of the Act. So in the state plan, they actually have to say how they're going to use that discretionary funding. So you can go there, and you can look, and you can see that and participate in the hearing, if you have some ideas or comments or feedback with respect to that, the use of that discretionary funding. And so also the way in which the state kind of fleshes out the plan that it's going to give to OCS, is to get from Community Action Agencies their community action plan.

So as you guys all know, or hopefully, if you don't, you will, after this webinar, know that that community action agency plan is informed by a needs assessment. And both the plan and the needs assessment are required by the Act, it is an assurance that the state will give to make sure that CAAs are preparing a plan and that that plan is informed by the needs of the communities that you are attempting to serve. And you'll also see that the state will want assurances, want Community Action Agencies to describe, and that description would likely be a part of their community action plan, you know, how they're going to deliver those services, how they're going to have linkages, such that there are no gaps in the services and meeting the needs that they're trying to meet within their communities. And that could be as simple as giving referrals, and referrals is a way in which, is specifically noted in the Act as a way in which you can close gaps with respect to linkages and services. How you're coordinating the public and private resources is that you're receiving an order to meet the needs of the communities that you're serving.

And again, we see this innovative term that was brought up earlier with respect to what does it mean to be innovative. And, interestingly enough in the Act, they do actually give some examples. Those examples were, of course, informed by the times that in which this Act was written, but I think some of those examples are still relevant today. Fatherhood initiatives are one way in which a Community Action Agency could be innovative. Helping families plan for the future is another way in which Community Action Agency can be innovative coming up with programs that meet those types of needs.

But what's really important to note, and I think one of the most important takeaways from this slide is that Community Action Agencies play a big part in helping the state meet their assurance to the federal government that they're going to spend these funds in a way that further the purposes and goals of the CSBG Act. All right, so we have a couple of more assurance slides to get through. And I just, I'm just checking the box to see if there's any questions that perhaps I haven't answered. Yeah.

Oh, you see, there's a question about employment, related to employment and how that relates to WIOA as a requirement that CSBG eligible entities are required partners?

Yes. And that's a great question. And this slide actually, is directly, I believe it's this slide is still directly related to that. So there is actually language in the federal CSBG Act that specifically requires community action agencies, if there is a need in their community, that's, that is addressed. And that comes to light through the needs assessment to provide employment related services to your community, that you do that. And when you do that, you're going to do that as a required partner in conjunction with the Workforce Investment, Workforce Innovation Act, it's actually no longer WIOA. It's actually WIA now, it was amended about, I think around 2016, or 17. And we I will say have a really nice resource which maybe Veronica will drop in the chat or Jon, where we sort of talk about the relationship between WIA and the Community Service Block Grant program. But there is language in the Act that does specifically address that. And that language actually is in line with the assurance that the state is giving with respect to coordinating and establishing linkages and also coordinating partnerships.

That language in the Act also has language in it that specifically calls out the relationship with WIA. Oh, sorry, it went from WIA to WIOA. My bad, the reverse. So thank you, Kristin, for correcting me on that. So as you see on this slide, we do have the language around coordinating and establishing linkages. And those are really anticipated to be with respect to between the governmental and social service providers. And the intent is to make sure that we are providing services effectively to the communities that we're servicing and that we're not duplicating services. And we're trying to avoid that duplication as much as we can. And also that we're forming partnerships to the extent that we possibly can, and we're coordinating those partnerships between other anti-poverty providers in the area and other community programs that are servicing and meeting the needs of the individuals and families that we are also servicing.

So these are assurances that the state is giving with respect to how it will work with the eligible entities that community action agencies that will be receiving funding, the CSBG funding under the state plan. So it's important for community action agencies to understand that the states are required to give these assurances, that they will work with you guys, community action agencies, to try to meet these needs with respect to linkages and partnerships under the federal CSBG Act.

There's also a provision in the assurances that talks about providing emergency services as needed, and we really saw that assurance come to life under the pandemic and during the pandemic, and did during that era of our existence, when we were really working night and day to make sure that we were meeting the needs of the communities, especially with respect to getting food and the essentials that they needed to continue.

Alright, and then the last state assurances slide, I know you guys thought we'd never get here, but there are a few sort of logistical matters that often come up with respect to the state and the state's responsibilities. And that has to do with really the assurances on this remaining slide and how the state addresses those responsibilities with respect to a community action agency or eligible entity.

The key one is that the state does give an assurance that it will not terminate or reduce a community action agency's CSBG funding either wholly or their proportional share, reduction of their proportional share, they won't reduce it below that without first providing that eligible entity or community action agency notice a hearing on the record a finding of cause and an opportunity for that community action agency to seek review of the state's decision from the Federal Office of Community Services. And so that's quite a process. I'm not going to go into the ins and outs of that process. And there's often a lot of questions around that process. That is the process that we're really going to dive deep into with respect to the last webinar that we're doing as a part of this series. You'll also see that in the Act, the state is required to give an assurance with respect to a performance measurement management system. And the Act specifically talks about the results oriented management and accountability system, Roma, that it will assure that community action agencies are participating in that kind of performance measurement management system. And if it isn't that system that it says in a system, a system that is like a Roma-esque system is what the language says. And lastly, there is an assurance that the states will make sure that eligible entities and community action agencies have a process that's been established. And usually this process is associated with your governance documents, that enables the community to petition your board, your community action agency, if that subsection of the community in particular, low income individuals, or groups that are representing those low-income individuals, could be religious organizations, could be another community organizations such as a PTO or a tenant authority group. If those groups feel like they are not being fairly represented in the governance structure of your community action agency, then they can submit a petition to your community action agency, that's all that there is with respect to the language around this obligation. And it really is up to the community action agency, oftentimes, as well as to the state sometimes gives some guidance on this to come up with a process by which they will review and respond to those petitions.

Alright, that is really all of the information with respect to state assurances that is, that are in the federal CSBG Act. And as you can see, there's a lot there to keep your state busy. There's a lot there to keep you as a community action agency busy. And so I want to just slightly shift gears now to talk about the state's responsibility to actually designate eligible entities within the state. And this is interesting, because we have gotten questions around, you know, do community action agencies have to reapply every year to receive their funding. And so basically, CAAs only have to reapply to receive funding if they actually are terminated or lose that funding. And so likely if they are terminated as an eligible entity, then they're not going to be eligible to reapply to receive that funding. They also have to maintain a tripartite board. And so if you're not doing that, and you're not meeting the goals and purposes of the CSBG Act, then your funding could be terminated and then the state would need to designate a new CAA. A state may also designate a new CAA if they find that there is a need to redistribute the funding throughout the state. And so I'm going to touch on that in just a minute and a couple of slides.

But with respect to this slide, what's really important to note is that there actually is no process that's set out in the federal CSBG Act with respect to how the state designates a community action agency within that state. What's established in the Act is really the type of entity that can serve as an eligible Institute or community action agency. And so when designating a community action agency, the Act does require the state to give preference to nonprofits. And we're going to talk a little bit more about that, and also can give priority with respect to that designation process to existing CAAs.

Alright. So next slide. So here are the two types of nonprofits that a state would consider when designating a community action agency if there is a need to do so. So in order to choose the nonprofit, you either have a nonprofit that is already located in the unserved area. So that's noted on the slides for both, or it is a nonprofit community action agency. So an eligible entity that is serving a contiguous service area, so a service area that's contiguous to the unserved area, and that needs to be reasonably contiguous to the

unserved area. You'll also see with option number one, that they have to be able to provide the types of services that community action agencies provide. That means they have to be able to further the purposes and goals of the CSBG Act to try to eliminate poverty to try to help low-income individuals and families be become self-sufficient. And, and then you'll also see that that is the same for a nonprofit community action agency. And arguably, they'd already be doing that they'd already be providing services related services in their area, but then also, they will be providing related services in the unserved area. And we have seen that happen throughout the network when there is unfortunate circumstances when a CAA is no longer able to serve an area and another CAA that is contiguous to that area comes in and begins providing services until a new entity can be designated. And oftentimes, the new entity that is designated is that CAA that has the capacity to continue to provide services in that unserved area, as well as in their current service area.

And then last but not least, that governance requirement is super important with respect to the tripartite board. For a nonprofit that is in the service in the service area already, they would need to be able to put a tripartite board in place for that nonprofit community action agency that's contiguous to the service area, they would need to be able to add board members from that service area who reside in that service area in each of the three areas of the tripartite board in order to ensure that they are meeting that tripartite requirement.

Next slide, please. So as you probably guessed, by the focus on nonprofit CAAs, the Act does contain specific language with respect to the designation of a public CAA, and a public CAA is only designated by the state and the state only has the option to designate a public CAA if there are no nonprofit CAAs available, willing, qualified to serve the unserved area.

Next slide. So, with respect to the timeline for designation, this sort of speaks back to you know, why do we need to designate a CAA? Why is there an unserved area, and so the state can begin listing applications for a new CAA when an area becomes unserved. When it becomes unserved is actually different depending on whether or not the need for service in that area resulted from a statewide redistribution of funding, which would result in a reduction of proportional share across the community action agencies in that state. In order for the state to move forward with the designation of a CAA pursuant to a statewide redistribution of funding, it needs to have give notice and have a hearing on the record and an opportunity for CAAs to comment on that change and have OCS review it with respect to whether or not the CAA was terminated and an existing area that now then becomes unserved, then there is also the process that the CAA would be provided with notice, hearing, a finding of cause, and an opportunity to appeal that decision to OCS. So one important note, which is actually in what we would refer to as the Block Grant regulations issued by HHS, is that the Office of Community Services and a state cannot award funds to a new CAA until that complete process has happened. The notice, the hearing on the record, the finding of cause, and an opportunity for federal review has to occur before new funding can flow to a CA. And that usually comes into play when you have a situation where a CAA is subject to termination, and perhaps is contesting that termination. That's when we see that provision arise to the level of of notice. All right, next slide, please. With that, I'm going to hand it over to you, Veronica.

[Veronica]

Thanks, I hope you took in all those responsibilities. There are a lot of them there. We'll move now to talking about some of the CAA, the eligible entities responsibilities. And as you'll see, many of them are connected to what the states are responsible for. Because ultimately, this is a partnership between the state CSBG office and the eligible entities in the state. And to the extent that there's a good working relationship between those two parties, we think that it will really facilitate the provision of services within

that state. So the first is the community needs assessment. So the basis for this requirement is found in the state assurance that Allison just talked about. One of those assurances is that the state CSBG office is submitting a state plan and that the state is going to get from each community action agency, a community action plan that includes a community needs assessment for the community served. This requirement really aligns with the overall purposes and goals of CSBG. Again, if you go back to the history of community action, the idea was to really resource these local organizations to serve the needs of their local population. And so how would community action agencies know what those needs are without conducting some sort of formalized assessment of that community. And so the idea here is that, you know, community action agencies are in tune with what's going on in their community, not just the needs, but also what other services are being provided to understand the type of services that would be most useful in their community.

And then lastly, the needs assessment also connects to the tripartite board structure of the agency, in that the different sectors of that board are intended to help inform what the overall needs and resources are in that community. And particularly, with the idea that maximum feasible participation is the intent and aspiration of the Community Services Block Grant to allow the low-income, consumer sector to participate in decision making that affects the services that they benefit from. So what are some of the elements of a community needs assessment? We actually have to go to another resource here, the federal CSBG Act doesn't have a lot of guidance on what goes into a community needs assessment other than sort of the connections to, you know, the purposes of CSBG, that connection to the tripartite board structure that we saw on the last slide.

But the Organizational Standards, which are a set of standards for building organizational capacity that were developed by the Centers of Excellence, and issued by OCS in the form of IM 138, and then required by a federal appropriations act for all states to implement either the standards in one IM 138, or a comparable list of standards. These standards talk about what a community assessment requires and some of those elements are that they have to be done within the past three years. And so there is a regular really updated set of community needs assessments that community action agencies should be incorporating into their community action plan. That plan should look at current data. Again, it's meant to be reflective of current needs, and should include, you know, data on gender, age and race and ethnicity with respect to the prevalence of poverty in that CAA's service area.

The Community Action Plan should take into account both quantitative and qualitative data. So you're looking at not just census or, you know, American Community Survey numbers, demographics and trends, but also speaking with residents in your communities to understand what the needs are. The community needs assessment should include some findings on the causes and conditions of poverty. Again, linking this back to the original intent of the Economic Opportunity Act was not just to distribute money and resources to low-income communities, but to really get at the causes and conditions of poverty and try to prevent cycles of poverty from continuing.

And then finally, the community needs assessment must be presented to the board of the organization, the governing body, and formally accepted via resolution by that governing body. And so that is something that if you're an administrator of CSBG at your agency, you should be thinking about with respect to you know, who has to be involved in developing the community needs assessment?

Some of the key points to note here are that the services that a community action agency decides to provide is driven really by that community needs assessment. It's not dictated by the state and the state should not be telling community action agencies what they should be doing with their CSBG funding. It's

very clear, again, that the uses of CSBG funding, first and foremost goes back to you know, what does our community need, as demonstrated in our community needs assessment. We talked about that in our webinar last week on uses of CSBG funds as well. Another point to note is that this community needs assessment for CSBG does not have to be a CSBG-specific community needs assessment. The community action agency may have other reasons for conducting community needs assessments for other programs or other funding sources at the CAA. The community assessment that is submitted to the state can be an assessment that is conducted in coordination with those other community needs assessments. And finally, IM 37, which talks about the uses of CSBG funds, makes clear that CSBG funding can be used to pay for community wide needs assessments that then have informed the CSBG program along with other programs that the community action agency fosters.

There is a lot more that we could say about community needs assessments. But here I want to refer you all to the wonderful resources that the National Community Action Partnership has developed on community needs assessments, they've got tools, templates that you can go to that showcase how to write a community assessment and how to approach them, who should be involved in the development of those assessments. And so look at their resource library, look at community needs assessment for a wide variety of resources there.

So from that community's assessment is the development of what's known as the Community Action Plan. And here again, the federal statute has little to say on the contents of the plan. And so we're going back to the Organizational Standards, to think about what goes into the plan. As you can see here, they're supposed to be outcome-based, anti-poverty-focused ties directly to the CAA. So this is really an outgrowth of the community needs assessment. It should document how the community action agency is planning to make use of the ROMA cycle and in terms of showing results and holding the program accountable for what it said it would do.

And then finally, the board has to be involved with the community action plan as well. Here the board is to receive annual updates on the success of the strategies that are outlined in that community action plan. So again, the board approved the community needs assessment each time it's prepared, at least once every three years. And then in each year of that community action plan that's informed by the community needs assessment, the board should be receiving regular updates.

With that, I know we just have one more section to go on some shared responsibilities between the state and the community action agencies.

[Allison]

Yeah, thanks Veronica. And we really just want to focus on one really important shared responsibility and that's what's listed on the next slide. And that's with respect to the Annual Report. If there is in the Act language around the state's responsibility to provide and issue an Annual Report with respect to its meeting of those assurances. And so that's why it's really important to understand those assurances. And when you look at the Annual Report, you'll see a lot of them reflected in the exact language from the Act, are reflected within those assurances. And so it's letting Congress, it's letting those who fund community action understand and know how we're using that funding, how we're meeting their performance requirements, that are expected of community action agencies with respect to the use of that funding.

And so as part of that, you'll see that when you look at the Annual Report, that it includes in their information about the amount of CSBG funds spent under direct program costs versus administrative costs, it will highlight things like the clients that are served. And you guys all know that there are different

modules. And I know that the Federal Office of Community Services has been doing some webinars with respect to the different modules in the annual report. And you're, and the state is obligated to report out on information related to language linkages and coordination, that assurance that I talked about earlier, that it works with community action agencies to ensure that those are being met and forming partnerships when able.

If there's any coordination among eligible entities and state associations, that's also often noted in the Annual Report, along with what kind of training and technical assistance that the state is obligated to provide. And we're going to sort of talk about that training and technical assistance within the framework of the monitoring that a community, that state does have with a community action agency. And you'll see that's where that obligation is in the Act.

So everything that the state is really reporting on with respect to this Annual Report that it's submitting is something that's required of them in the Act. They're giving an assurance that they are meeting these, these promises that they're making when they submit their state plan. And, and they're showing Congress that they're actually, and OCS, that they're actually doing it with this report. And so it's really critical that community action agencies and states work together to make sure that the states have the information that they need to populate this report and get it off to OCS so that it can be shared. And we can show everybody what great work and what hard work that we constantly do on a regular basis to support the individuals and families that we all serve.

So with that, I think we just have a few, just one more slide to point out our resource library. This is where you can find a lot of great information about the different topics that we discuss and in all different formats that hopefully, one will resonate with you. Our resource library is set up in such a way that you can put in filters to find a particular topic, resource that is geared towards a particular audience. So please take advantage of that.

With respect to the information we've talked about today, there's a number of resources in the library. One in particular is the CSBG Leaders Legal Guide. And if you search for that in the library you'll see there is a chapter that's on the Community Service Block Grant Act. And it puts in writing much of what we talked, we've talked about in today's presentation as well as what we've talked about in the prior two presentations, and will give you a sneak peek of what we're going to talk about in our last webinar.

So I think that's it with respect to the substance. And so we have just about 10 minutes. And I saw a couple of questions in the chat that I just wanted to speak to.

Someone asked about with respect to the 10% discretionary funding, and states issuing that funding in the form of grants. And one question was, do the entities that receive some of that 10% discretionary funding, if they are not Community Action Agencies, are they required to have a tripartite board? And the answer is no. The tripartite board requirement applies to that 90% pass through so you as the recipient of some of that 90% pass through have to have a tripartite board. You are considered an eligible entity for those purposes with respect to the discretionary funding, state associations, can receive some of that discretionary funding, when state associations do not have tripartite board. And then other nonprofits or entities in the network could receive or in your state or community could receive that funding.

We also got just a straightforward question, but I think it's important to mention, we refer a lot to Information Memorandum, Memoranda, IM is the acronym we use. And those can be found in, Jon put in the chat box on the Federal Office of Community Services website. Those Information Memoranda are the only

guidance that we have from the Federal Office of Community Services. And they actually have been continuing to issue those. Some of the ones we referred to today and we refer to in past webinars seem kind of old, they're still relevant to providing that guidance that can be helpful to both states and eligible entities. When you look at that guidance, it is geared and written towards and for generally state CSBG Offices, because that is the grantee of the Federal Office of Community Services. But even though it's sort of geared towards a state office, it actually contains a lot of helpful information that is important for eligible entities, community action agencies, to know and be aware of. Did you see any other questions in there, Veronica, that might be good for us to tackle.

[Veronica]

Yeah there are some questions, one about the tripartite board and parameters for size. And if there's any federal requirements for the size of the board, the short answer will be no, that there is no requirement for how large or how small the board should be, it just needs to be divisible by three, you can refer back to the first webinar that we did in this series. So two Tuesday's ago, and it's available on our resource library, where we talk about board selection and composition for more information about that your state may require in your either your state CSBG laws or your state nonprofit laws if you are a nonprofit organization, incorporated in your state, there may be minimum and maximum number of directors on your board. So that's another place to check.

[Allison]

And I'll just mentioned too, with respect to sort of CAPLAW, if there's a question that you put in the chat box that we don't directly answer, and we haven't had a chance to sort of respond and say, you know, contact us directly, please do contact us directly with your question. You can send your questions to CAPLAWInfo, is that right? Yeah. CAPLAW, I never emailed that, you know, so I always have to remind myself, it is CAPLAWInfo@caplaw.org, it's listed on our website on our Contact Us page. So please feel free to take a look at that and send us any questions. Sometimes people do ask questions that are very specific in the chat box. And we are happy to answer them. They just may not be relevant to the conversation we're having today.

And I would say, you know, one of the questions that came about a situation in particular looks like CAA service area where their county commissioners are potentially pushing back on CSBG funding. And so the question of, you know, can we get our money, our CSBG allocation if our local or state, public officials are not willing to sign off on that we will talk about this as part of next week's webinar, because you can think of that as essentially a termination or reduction in a community action agencies CSBG funding, and then what the process requirements are for states to do that, and then what remedies a community action agency will have in that situation. So we will, I'm going to hold that question for next week. That's great.

There's a question about using CSBG funds to make mortgage payments, which we talked about last week, and being able to pay for property taxes. So CSBG funds can be used to pay for mortgage payments which include principal interest and potentially taxes as well, depending on how the mortgage payments are structured. That has been clear from the IM that the Office of Community Services has released. So we're happy to speak more about that offline if the person who asked that question wants to reach out to us and I'd say take a look at that Information Memorandum too if you haven't had a chance, because it does kind of lay out OCS's view of that and that was an Information Memorandum that was a long time in the making that finally got issued in the pandemic era and I think it was one that they were very happy to finally be able to issue.

Alright, is there anything else? Oh, great. Veronica put the mortgage payment assistance Information Memorandum in the chat. Great. With that, I think we'll say have a good rest of your day and afternoon and we hope to see you next week, next Tuesday at 1pm Eastern time for our last webinar in this series. Thank you, everyone. Thanks. Take care. Bye bye.

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