

**STATE OF ARKANSAS
CSBG RECOVERY ACT PLAN
FEDERAL FISCAL YEARS 2009-2010**

I. EXECUTIVE SUMMARY

The State of Arkansas hereby submits the Community Services Block Grant Recovery Act Plan for Fiscal Years 2009-2010. 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 American Recovery and Reinvestment Act, as well as the CSBG Act.

The State of Arkansas anticipates receiving \$13,595,871 in CSBG grant funds from the U.S. Department of Health and Human Services for Fiscal years 2009-2010, appropriated under the American Recovery and Reinvestment 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 IV 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.

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, as the lead agency for administration of the Community Services Block Grant Recovery Act Program. In addition, through Act 345 of 1985, the Arkansas Legislature has made the Department responsible for carrying out all aspects of the CSBG Act.

C. Public Inspection Requirements

The State of Arkansas has complied with public inspection requirements for the CSBG Recovery Plan by placing a legal notice in the statewide daily newspaper (Arkansas Democrat-Gazette) announcing the availability of the plan for review and public comment. The legal notice was published in the newspaper for five days (May 9-13, 2009). The plan was made available for review at all 16 Community Action Agencies and in the Office of Community Services during normal

business hours for seven business days (May 11-19, 2009). Parties who wished to comment on the proposed plan could also review the document via the Department of Human Services website (www.arkansas.gov/dhs/homepage.html) and submit comments in writing, by May 19, 2009, to: Office of Community Services, P.O. Box 1437/Slot S-330, Little Rock, AR 72203-1437. No public comments were received. See Attachment V for the Notice of Public Comment and ad copy.

II. FEDERAL AND CSBG RECOVERY ACT ASSURANCES

- A.** As part of the plan required by Section 676 of the Community Services Block Grant Act, as amended, (The Act), 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, unless otherwise stated in the American Reinvestment and Recovery Act ("Recovery Act") of 2009. See Attachment I for signed Assurances.
- B.** The State of Arkansas further agrees to the following, as required under the Recovery Act:
1. To submit a plan to the Secretary of the U.S. Department of Health and Human Services containing 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 the Recovery Act.
 2. To distribute not less than 99 percent of the Recovery Act allocations made available to the State by the Secretary to make grants to "eligible entities" as defined by Section 673(1) of the CSBG Act for the stated purposes of the Recovery Act.
 3. To make such funds available to eligible entities for obligation during the fiscal year and the succeeding fiscal year, subject to the provisions regarding carryover of unobligated funds as stated in the Appropriations Act. (H.R. 3061)
 4. To spend no more than one percent of the State allotment received under the Recovery Act for benefits enrollment coordination activities relating to the

identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs.

5. To fulfill supplemental reporting requirements for CSBG Recovery Act funds.
6. To provide information describing how the State will carry out activities and services supported by Recovery Act funds.

III. Administrative Structure

A. State Administrative Agency

The Arkansas Department of Human Services is the lead agency responsible for the Community Services Block Grant Recovery Act program 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 Recovery Act Program.

1. Mission and Responsibilities of the 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 needs of low-income Arkansans. This agency is responsible for providing technical assistance to local communities and local community action agencies in providing services to low-income individuals and families.

The Office of Community Services is responsible for the administration of the Community Services Block Grant, Emergency Shelter Grant, Home Energy Assistance Program, Weatherization Assistance Program, 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 needs of low-income Arkansans and the efforts of the community action network to improve the quality of life for individuals and families.

2. Goals of the Lead Agency

The goals of the lead agency in administering the Community Services Block Grant Recovery Act Program are to provide assistance to local communities through a network of 16 Community Action Agencies to:

- a. Provide a wide range of employment-related services and activities tailored to the specific needs of their communities.
- b. Use funds in a manner that meets the short-term and long-term economic and employment needs of individuals, families and communities, as well as empower low-income families and individuals in rural and urban areas to become fully self-sufficient.
- c. Make meaningful and measurable progress toward the reform goals of the Recovery Act with special attention to creating and sustaining economic growth and employment opportunities.
- d. Use funds to provide services and programs addressing employment, education, income management, housing, nutrition, emergency services and/or health to combat the central causes of poverty.
- e. Implement and support other Federal Statutory Purposes and Goals of the CSBG Act and Recovery Act.

3. Objectives of the Lead Agency

- a. Objective 1: Develop the CSBG State Recovery Act Plan for Fiscal Years 2009-2010, to be submitted to the U.S. Department of Health and Human Services, by May 29, 2009.
- b. Objective 2: Provide opportunity for public review and comment on the proposed use and distribution of Community Services Block Grant Recovery Act funds for Fiscal Years 2009-2010, from May 9-19, 2009.

- c. Objective 3: Conduct reviews of eligible entities for program evaluation and administrative compliance of the CSBG Recovery Act Program, at least once during Fiscal Years 2009-2010.
- d. Objective 4: Implement statewide benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs, during the grant period which ends September 30, 2010.
- e. Objective 5: Carry out the statutory purposes and goals of the CSBG Act and CSBG Recovery Act, and assure compliance with all applicable statutes, rules, regulations, policies and procedures, and reporting requirements set forth by Federal and State Government, during Fiscal Years 2009-2010.

B. Eligible Entities and Planned Allocations

Act 345 of 1985 designates Community Action Agencies (CAAs) 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.

The following is a list of eligible entities in Arkansas, proposed CSBG Recovery Act allocations for Fiscal Years 2009-2010, and geographic areas served. Combined, Community Action Agencies provide statewide coverage for all 75 Arkansas counties.

See Attachment II for a Map of the Arkansas Service Area.

ELIGIBLE ENTITIES**COUNTIES**

ARVAC	<p>Bob Adkison, Executive Director Arkansas River Valley Area Council, Inc. 13 North 5th Street Dardanelle, Arkansas 72834 Telephone: (479) 229-4861 FAX: (479) 229-4863 E-Mail: arvac@arvacinc.org</p> <p>CSBG Recovery Allocation: \$1,205,265</p>	<p>Conway Franklin Johnson Logan Perry Polk Pope Scott Yell</p>
BRAD	<p>James Jansen, Executive Director Black River Area Development Corp. 1403 Hospital Drive Pocahontas, Arkansas 72455 Telephone: (870) 892-4547 FAX: (870) 892-0707 E-Mail: jjansen@bradcorp.org</p> <p>CSBG Recovery Allocation: \$333,996</p>	<p>Clay Lawrence Randolph</p>
CADC	<p>Larry Cogburn, Executive Director Central Arkansas Development Council Post Office Box 580 722 Gaunt Street Benton, Arkansas 72018 Telephone: (501) 315-1121 Fax: (501) 778-9120 E-Mail: lcogburn@cadc.cc Web: www.cadconline.net LR Office: (501) 603-0909 LR Address: 5620 W. 12th St. Lonoke Office: (501) 676-0019</p> <p>CSBG Recovery Allocation: \$3,517,069</p>	<p>Calhoun Clark Columbia Dallas Hot Spring Lonoke Montgomery Ouachita Pike Pulaski Saline Union</p>
CAPCA	<p>Phylliss Fry, Executive Director Community Action Program for Central Arkansas 707 Robins Street, Ste. 118 Conway, Arkansas 72034 Telephone: (501) 329-3891 FAX: (501) 329-8642 E-Mail: phylliss@capcainc.org Web: www.cap-ca.org</p> <p>CSBG Recovery Allocation: \$599,125</p>	<p>Cleburne Faulkner White</p>

CRDC **Lloyd Price, Executive Director** Craighead
Crowley's Ridge Development Council, Inc. Crittenden
Post Office Box 16720 Cross
2401 Fox Meadow Lane Greene
Jonesboro, Arkansas 72401 Jackson
Telephone: (870)802-7100 Poinsett
FAX: (870)935-0291 St. Francis
E-Mail: lprice@crdcnea.com Woodruff
Web: www.crdcnea.com

CSBG Recovery Allocation: \$1,490,365

C-SCDC **Mark Whitmer, Executive Director** Crawford
Crawford-Sebastian Community Development Sebastian
Council, Inc.
Post Office Box 4069
4831 Armor Street
Fort Smith, Arkansas 72914
Telephone: (479) 785-2303
FAX: (479) 785-2341
E-Mail: mwhitmer@cscdcca.org
Web: www.cscdcca.org

CSBG Recovery Allocation: \$576,833

CSO **Leon Massey, Executive Director** Garland
Community Services Office, Inc.
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 Recovery Allocation: \$524,330

EOAWC **Kathleen Randall, Executive Director** Washington
Economic Opportunity Agency
of Washington County
614 East Emma Avenue, Suite M401
Springdale, Arkansas 72764
Telephone: (479) 872-7479
FAX: (479) 872-7482
E-Mail: krandall41@yahoo.com
Web: www.eoawc.org

CSBG Recovery Allocation: \$533,857

OOI	<p>Roger Ratchford, Executive Director Ozark Opportunities, Inc. Post Office Box 1400 701 East Prospect Avenue Harrison, Arkansas 72601 Telephone: (870) 741-9406 FAX: (870) 741-0924 E-Mail: ooi@windstream.net</p> <p>CSBG Recovery Allocation: \$791,234</p>	<p>Baxter Boone Marion Newton Searcy Van Buren</p>
PBJCEOC	<p>Betty Smith, Executive Director Pine Bluff-Jefferson County Economic Opportunities Commission, Inc. Post Office Box 7228 817 So. Cherry Pine Bluff, Arkansas 71611 Telephone: (870) 536-0046 FAX: (870) 535-7558 E-mail: pbjceoc@cei.net</p> <p>CSBG Recovery Allocation: \$677,258</p>	<p>Arkansas Cleveland Grant Jefferson Lincoln</p>
SEACAC	<p>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</p> <p>CSBG Recovery Allocation: \$586,824</p>	<p>Ashley Bradley Chicot Desha Drew</p>
SWADC	<p>Ricky Pondexter, Executive Director Southwest Arkansas Development Council 3902 Sanderson Lane Texarkana, Arkansas 71854 Telephone: (870) 773-5504 FAX: (870) 772-2974 E-Mail: rpondexter@cableone.net</p> <p>CSBG Recovery Allocation: \$612,072</p>	<p>Hempstead Howard Lafayette Little River Miller Nevada Sevier</p>

C. Allocation of Funds

In compliance with the Community Services Block Grant Recovery Act, the State of Arkansas will distribute 99 percent of Recovery Act allocations to eligible entities as defined by Section 673(1) of the CSBG Act, for purposes described in the CSBG Act and the Recovery Act. In Arkansas, eligible entities include 16 designated Community Action Agencies.

The Arkansas Department of Human Services, Division of County Operations, Office of Community Services, will use one percent of the total allocation for benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs.

Recovery Act Funds for FY 2009-2010 will be expended by September 30, 2010, per requirements by the U.S. Department of Health and Human Services. The remaining balance of unobligated or unexpended Recovery Funds will be returned to the U.S. Department of Health and Human Services, at the end of the grant period. According to 45 CFR 92.50(d)(2), "The grantee must immediately return to the Federal agency any balance of unobligated (unencumbered) cash advanced that is not authorized to be retained for use on other grants." Carryover balances beyond September 30, 2010 are prohibited.

D. Distribution Formula

Ninety-nine percent of CSBG Recovery Act funds made available to the State will be used to make grants to eligible entities for stated purposes of the Community Services Block Grant Recovery Act program. A total of 35 percent of funds will be awarded to eligible entities based on poverty in the area and 65 percent 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 Community Action Agency geographic coverage area (Distribution Formula).

As required by federal law, the State has established reasonable program and fiscal requirements which eligible entities must meet to receive CSBG funding. See Attachment VI for Arkansas CSBG Policies and Procedures.

IV. USE OF RESTRICTED FUNDS

A. State Benefits Enrollment Coordination

The Recovery Act states that one percent of the funds shall be used for benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs. To carry out this objective, the Office of Community Services will hire a Grants Coordinator that will be responsible for CAA outreach and benefits enrollment activities for all 16 eligible entities.

Income eligibility for services provided under the CSBG Recovery Act will be up to 200 percent of the official poverty guidelines, as set by the U.S. Department of Health and Human Services. This represents an increase in eligibility from 125 percent of poverty to 200 percent. As a result, outreach activities to increase awareness of CAA services will be necessary, especially for individuals and families that have not traditionally been eligible for assistance, due to income restrictions, per the CSBG Act.

As the Recovery Act also contains additional provisions and funding for other benefit programs in local communities, the Office of Community Services will assist Community Action Agencies with outreach efforts for the identification of these sources for purposes of client assistance, referrals, and enrollment.

B. Grant Awards for Eligible Entities

Ninety-nine percent of funds made available to the State will be used to make grants to Community Action Agencies for stated purposes of the Community Services Block Grant Recovery Act program.

Prior to receipt of funding, each Community Action Agency must submit a CSBG Recovery application and supporting documents, and sign 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 CSBG policy 4140M requires that eligible entities shall provide monthly fiscal reports on the operation of funded projects. 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.

In accordance with section 678 of the CSBG Act, state monitoring activities of eligible entities will apply. The Office of Community Services 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.

V. STATE COMMUNITY SERVICES PROGRAM IMPLEMENTATION

A. Service Delivery System of Benefits Enrollment Coordination

The Recovery Act states that one percent of the funds shall be used for benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs. To carry out this objective, the Office of Community Services will hire a Grants Coordinator that will be responsible for CAA outreach and benefits enrollment activities for all 16 eligible entities.

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As the Recovery Act also contains additional provisions and funding for other benefit programs in local communities, the Office of Community Services will assist Community Action Agencies with outreach efforts for the identification of these sources for purposes of client assistance, referrals, and enrollment.

The geographical service area will include all 75 counties in the State of Arkansas. CSBG Recovery Act programs and services in these areas will be provided by the 16 designated Community Action Agencies. A list of eligible entities (CAAs) is on Pages 6-9 of the Arkansas CSBG Recovery Act Plan.

B. Description of Recovery Act Projects

Proposed Recovery Act Projects will include services, programs, and activities to sustain economic growth and employment opportunities in local communities. Services provided will be based on the specific needs of the community, as identified by the community needs assessments conducted by each Community Action Agency. Targeted clients will include individuals and families with household incomes of up to 200 percent of federal poverty guidelines, which is an increase from a limit of 125 percent. This change in eligibility requirements will enable agencies to expand programs to assist individuals and families that previously may have been unable to receive services, due to income restrictions, as well as implement new programs to address emerging community needs. The following are samples of Recovery Act Projects for the State of Arkansas:

1. **Employment Programs** - designed to assist individuals in obtaining and maintaining employment amidst job layoffs and reduced hours, as well to increase employability of persons through personal development and positive self-worth, including:
 - Job placement programs, facilitating job interviews, creating job banks, providing referrals, offering counseling on career choice development, and developing new employment opportunities in the agency and within the community;
 - Job skills assessments, workplace skills training (i.e., typing, word processing, cashier simulation), job application assistance, and resume writing;
 - Employment preparation through training on interpersonal skills, effective communication, workplace behavior, and related personal and professional development (i.e., dress for success, time management, decision-making, goal-setting, and stress management), as well as identifying volunteer opportunities to build client skill levels;
 - Client resource area for employment readiness materials, internet job searches, job announcements/postings, job fairs, and related information.

- Employment support services to assist clients in maintaining new jobs by providing childcare assistance, transportation assistance, etc.
2. **Education Programs** - education and training related services including:
- Education assistance program to help clients who want to complete an ABE/GED program or improve literacy skills;
 - Scholarships for adult education including ESL, computer literacy, basic skills enhancement, job readiness, or college prep.
 - Scholarships for Personal Care Aide Certification or to pursue post-secondary education;
 - Expansion of Single Parent Scholarship Fund;
 - Education programs for youth in underserved areas;
 - Guidance about adult education opportunities in the community;
3. **Housing Programs** - designed to improve the living environment of low-income individuals and families including:
- Home-buyers counseling to enable clients to become more self-sufficient through home-ownership, credit repair assistance;
 - Foreclosure loss mitigation/prevention/education;
 - Assistance in locating affordable housing and applying for rent subsidies and other housing assistance;
 - Homelessness prevention and rapid re-housing programs;
4. **Emergency Services Programs** - designed for emergency services to combat crises including:
- Emergency temporary housing;
 - Rental or mortgage assistance;
 - Emergency food, clothing, and furniture;
 - Linkages with other services and organizations to assemble a combination of short-term resources and longer-term support.
5. **Nutrition Programs** - designed to support nutrition programs and services, including:

- Establishing and expanding food banks in underserved areas;
- Backpack nutrition project to provide supplemental nutrition to children from low-income families;
- Assisting food banks of faith-based and civic organization partners with food supplies and/or management support;
- Counseling regarding nutrition and food preparation;
- Providing meals in group settings;
- Initiating self-help projects, such as community gardens.

6. Self-Sufficiency Programs - designed to offer a continuum of services to assist individuals and families, up to 200% of poverty, in becoming more financially independent, including:

- Financial literacy classes to assist clients with income management and budgeting;
- Assessment of issues facing the family and resources the family has available to address these issues;
- A written plan for becoming more financially independent and self-supporting;
- Case management services that are selected to help the participant implement the plan (i.e. employment, job skills training, income maintenance, clothing, bus passes, emergency food assistance, career counseling, family guidance counseling, referrals to the Social Security Administration for disability benefits, assistance with locating possible jobs, assistance in finding long-term housing, etc).

7. Health Programs - designed to identify and combat a variety of health problems in the community served, including addressing gaps in care and coverage in the community, including:

- Recruitment of uninsured children to the State Children's Health Insurance Program (ARKids First);
- Health-related information for all ages, including Medicare/Medicaid enrollment;
- Periodic health screening;

- Treatment for substance abuse;
- Other health services, including dental care
- Transportation to health care facilities and medical appointments.

8. **Income Maintenance Programs** - designed to assist clients with financial management and making better use of available income, including:

- Individual Development Account (IDA) programs with match incentives to save, enter the financial mainstream, and build assets to purchase a home, pay for post-secondary education, start a small business or save a struggling small business;
- Financial management classes and assistance with budgeting techniques;
- Tax preparation assistance.

9. **Linkages** - designed for collaboration, coordination, and partnership with other local initiatives, including:

- Coordination among programs, facilities, and shared resources through information systems, communications systems, and shared procedures;
- Community needs assessments, followed by community planning, organization, and advocacy to meet these needs;
- Creation of coalitions for community change
- Removal of barriers, such as transportation problems, that keep low-income individuals from jobs or vital everyday activities;
- Support for other groups of low-income community residents who are working for the same goals as Community Action Agencies;
- Coordination with other public and private resources available to the community.

10. **Other** - expansion or improvement of existing programs and systems to better serve clients and meet community needs, including:

- Providing for agency technology updates and staff training, for improved data collection and client tracking;

- Expanding community outreach and coordination efforts, including a public awareness campaign to provide information about available services;
- Expanding youth outreach efforts to increase participation in youth activities, build self-esteem, and provide local employment opportunities;
- Establishing a resale/thrift shop to provide employment and training opportunities, as well as offer affordable merchandise to the community;
- Organizing Community Service Days to provide services beyond normal business hours, to offer convenient access to those who are employed or work outside the service area.

C. Service Delivery System for Recovery Act Projects

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 Recovery Act programs and services for low-income residents will address the following components, in accordance with the CSBG Act and CSBG Recovery Act: employment, education, housing, emergency services, nutrition, self-sufficiency, health, income maintenance, community linkages, and other services that create and sustain economic growth and employment opportunities. Conditions addressed are a result of community needs assessments conducted by eligible entities.

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

- County Outreach/Satellite 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
- Community-based Organizations
- Resource Centers
- Senior Citizens Centers
- Substance Abuse Centers

- WIA One-Stop Center
- Community Dental Clinic
- Benefit Bank

D. Linkages

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 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:

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
 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

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.

Arkansas DHS/Office of Community Services also is a partner with the Arkansas Head Start State Collaboration Office and entered into a Memorandum of Understanding with the Collaboration Office, ACAA, and the Arkansas Head Start Association, to foster collaborative strategies which result in improved program performance and better outcomes for children and families, as well as an improved working relationship between the Community Action and Head Start networks.

E. Coordination with Other Public and Private Resources

Community Action Agencies will coordinate CSBG Recovery Act Funds with other public and private resources that are managed within their organizations (i.e., Weatherization Assistance Program, Low-Income Home Energy Assistance Program, Emergency Food and Shelter Program, Head Start, Commodities, etc.), as well as with external agencies and organizations (i.e., Arkansas Department of Human Services, Workforce Investment Boards, Arkansas Single Parent Scholarship Fund, Homelessness Prevention and Rapid Re-housing Programs), to maximize the use of available resources and to avoid duplication and supplanting.

As part of the State's Benefits Enrollment Coordination activities, public and private resources will be identified for potential collaboration with Community Action Agency initiatives. The State has provided each Community Action Agency with a list of ARRA-funded housing programs for potential collaboration opportunities, and additional opportunities will be provided regarding other programs for coordination purposes.

F. Innovative Community and Neighborhood-based Initiatives

Planned activities of eligible entities will be based on community needs assessments. Each Community Action Agency also will seek to address gaps in local services that affect economic stability and growth, by developing and/or supporting innovative community and neighborhood-based initiatives that will achieve results consistent with the intent of the Recovery Act.

Planned activities also will include assisting low-income persons to achieve greater 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

G. Community Needs Assessments

Consistent with the CSBG Act 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. In Arkansas, community needs assessments are conducted at least once every two years. A public hearing is 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 CAA 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.

This requirement is in compliance with the assurance in 676(b)(11) of the CSBG Act stating "The State will secure from each eligible entity in the State, as a condition to receipt of funding by the entity, a community action plan (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."

VI. FISCAL CONTROLS AND MONITORING

A. State Program Monitoring

Section 678B(a) of the CSBG Act requires review of eligible entities. In Fiscal Years 2009-2010, the Office of Community Services will conduct, at a minimum, an annual full on-site program evaluation and compliance review of each eligible entity 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 678B, the State also will conduct:

1. An on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds;
2. 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
3. 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.

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 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 is provided to the Legislative Audit Committee, and a copy will be made available to the Secretary. Also, 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. The grant 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 is dated December 23, 2008, and covers the period of July 1, 2007 through June 30, 2008.

B. Monitoring of Eligible Entities

The Office of Community Services 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.

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

1. 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 4140M requires that the eligible entity shall provide monthly fiscal reports on the operation of funded projects. 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. 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 Audit is provided to the Arkansas Department of Human Services, Office of Community Services and the Office of Quality of Assurance Audit Section.

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.

2. 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 the Office of Community Services. Case management records are reviewed to determine agency and client progress made in reaching

the client's established self-sufficiency goals. Monitors verify documentation at the eligible entities' sites, and conducts interviews with randomly selected clients 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 client interviewed.

3. Compliance Review - The compliance review is primarily concerned with the review of the eligible entities' 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.

4. 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 approved.

C. Designation of New Eligible Entities

If an existing eligible entity terminates its service, the Governor 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 (which may be an eligible entity), that is geographically located in the non-served area, 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 official 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 application 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.

D. Corrective Action, Termination and Reduction of Funding

The State will comply with the requirements of Section 678C of the CSBG Act, in regard to corrective action, termination, or reduction of funding. Section 3200 of Arkansas 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: The Office of Community Services 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 the 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 OCS 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 Division of County Operations 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 Arkansas Department of Human Services 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 the entity requests review by the U.S. Department of Health and Human Services, no funds determination is final until HHS reviews.

3. Termination of Funding

a. The Office of Community Services 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 Arkansas CSBG Policy 3200B, 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. The Office of Community Services 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 Division of County Operations 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 an 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.

E. Voluntary Suspension of Status as Eligible Entity

An eligible entity may request and the Office of Community Services 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.

F. Eligible Entity Audits

The dates of the last audit received by the State from each eligible entity and the period covered by the audit are as follows:

ELIGIBLE ENTITIES	AUDIT DATE	PERIOD ENDING
ARVAC	November 13, 2008	June 30, 2008
BRAD	October 15, 2008	April 30, 2008
CADC	November 4, 2008	April 30, 2008
CAPCA	November 12, 2008	March 31, 2008
CRDC	October 15, 2008	April 30, 2008
C-SCDC	February 9, 2009	September 30, 2008
CSO	August 15, 2008	May 31, 2008
EOAWC	January 23, 2008	October 31, 2007
MCAEOC	May 2, 2008	December 31, 2007
M-DCS	March 31, 2009	December 31, 2008
NADC	November 13, 2008	February 28, 2008
OHC	October 10, 2008	December 31, 2007
OOI	August 31, 2008	February 28, 2008
PBJCEOC	April 27, 2009	September 30, 2008
SEACAC	October 2, 2008	June 30, 3008
SWADC	October 30, 2008	June 30, 2008

G. State Fiscal Tracking

In accordance with Section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009, the State of Arkansas has established a system of fiscal controls, procedures, and plans for separately tracking expenditures from funds

made available by the Recovery Act. Specifically, the Arkansas Department of Human Services has established a new coding structure to segregate funds received and expenditures made from ARRA funds, as required by federal agencies and the Arkansas Department of Finance and Administration, Office of Budget and Accounting.

All transactions will be processed and reported through a special Commitment Item achieved through utilization of a separate Fund Center and a separate range of Cost Centers, specifically for segregating ARRA funds. Additionally, unique Internal Order numbers will be assigned to separately track ARRA receipts and expenditures. CSBG Recovery Act funds are included as designated line items for Administrative revenue and expenditures and Program revenue and expenditures in the ARRA Coding Structure and Funds Management System.

VII. REPORTING AND REGISTRATION REQUIREMENTS

In accordance with Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, John Selig, Director of the Arkansas Department of Human Services (the designee of Governor Mike Beebe, Chief Executive of the State of Arkansas), hereby agrees to the following reporting and registration requirements:

- A. The reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act.
- B. Recipients and their first-tier recipients must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded with Recovery Act funds. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration.
- C. The recipient shall report the information described in section 1512(c) using the reporting instructions and data elements that will be provided online at www.FederalReporting.gov and ensure that any information that is pre-filled is corrected or updated as needed.