



ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Community Services | 330 C Street, S.W., Washington, DC 20201
www.acf.hhs.gov/ocs

Community Services Block Grant

Dear Colleague Letter

DCL#: CSBG-DCL-2020-21

DATE: July 10, 2020

TO: State CSBG Lead Agencies and CSBG Eligible Entities

SUBJECT: Roles of State CSBG Lead Agencies and CSBG Eligible Entities in Planning and Implementing CSBG CARES Act Grants

ATTACHMENT(S): N/A

Dear Colleagues,

The Office of Community Services (OCS) has received a number of questions from State Community Services Block Grant (CSBG) Lead Agencies and from CSBG eligible entities regarding state direction in the implementation of supplemental funds distributed under the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-36 (CARES Act). Many of these questions have been focused on what information is required prior to issuance of state contracts, whether a full community needs assessment is required prior to award of supplemental CSBG CARES Act funds, and whether states can prescribe or limit the types of CARES Act services provided by eligible entities.

To help address these questions, this letter discusses the role of states in (1) ensuring flexibility to meet urgent community needs, (2) creating procedures to amend plans and address new needs, (3) supporting locally identified services and strategies, (4) facilitating communication, performance management, and technical assistance, and (5) monitoring and accountability.

Ensuring Flexibility to Meet Urgent Community Needs

As outlined in [CSBG Information Memorandum 157](#) (IM-157), community needs resulting from COVID-19 are rapidly evolving and may differ from community to community. In IM-157, OCS encourages State CSBG Lead Agencies to place a priority on the efficient and ongoing release of necessary CSBG funding to support community-based services by eligible entities.

Because CARES Act funding is supplemental to the regular CSBG award, it is not necessary to duplicate information that has already been collected for the regular CSBG grants. In many instances, states have additional flexibility to simplify procedures in order to collect only the most essential information during an emergency response. States are encouraged to expedite the release of CARES Act funds where possible and appropriate, while also taking necessary actions to reduce the short-term administrative burden for eligible entities to assure that the attention of local eligible entities is focused on addressing immediate and urgent community service needs. This may include expedited amendments to Community Action Plans, blanket allowances to use CSBG resources for certain new purposes consistent with the CSBG Act, and imposing brief reporting requirements providing only the most essential information on an immediate basis, while allowing more detailed amendments to Community Action Plans to be processed at a later date.

While OCS encourages flexibility in methods of community service delivery, it recommends that states and eligible entities maintain the best possible records of expenditures and services delivered with CSBG resources at the community level to help ensure later reimbursement of any available resources. Consistent with instructions in the CARES Act, the CSBG CARES Act Terms and Conditions allow for costs that were incurred prior to the effective date of the CSBG CARES Act to prevent, prepare for, and respond to, Coronavirus Disease 2019 (COVID-19), domestically or internationally to be reimbursed. These pre-award costs, from January 20, 2020, through the effective date of the CARES Act award, March 27, 2020, may be reimbursed with the supplemental award funds. Expenses related to COVID-19 may include costs related to public health needs (such as costs related to obtaining personal protective equipment for staff and sanitizing facilities), as well as services and strategies to address individual, family, and community-level needs created by the economic impact of COVID-19 containment efforts (e.g., emergency food assistance, housing, utility assistance, employment assistance, case management and other services to help address emergency needs and promote individual, family, and community economic recovery).

Creating Procedures to Amend Plans and Address New Needs

OCS has created expedited procedures for distribution of CARES Act resources and amending State CSBG plans. Available funds have already been distributed to states with a requirement that a state plan revision (CARES Act Supplemental State Plan) must be submitted by September 1, 2020. OCS will communicate guidance on the CARES Act Supplemental State Plan through an Action Transmittal in the next week. For the purposes of this CSBG CARES Supplemental State Plan, a full public hearing is not required. However, Section 676(e)(2) of the CSBG Act (42 U.S.C. § 9908(e)(2)) does require that the state make each plan or revised plan prepared under this section available for public inspection within the state in such a manner as will facilitate review of, and comment on, the plan. Consistent with this requirement, the state must post the plan publicly (e.g., on the state's public website) for a reasonable timeframe and

should specifically notify eligible entities and other known stakeholders that a plan revision (CARES Act Plan) is available for a public review and comment.

The period of public inspection does not need to be completed before CARES Act funding can be allocated to eligible entities in subawards or contracts. **If the distribution formula from the accepted State CSBG Plan has not been modified from the accepted state plan, states may proceed with immediate allocation of these emergency supplemental funds to eligible entities according to the existing state formula.**

Supporting Locally Identified Services and Strategies

The determination of services and strategies to be implemented within each community must be made by eligible entities, consistent with the standard CSBG framework. The statutory framework outlined in the CSBG Act is based on a model of community-level needs assessment, planning, and service activities. Existing community needs assessments provide a base documentation of the conditions and needs within the community. States have flexibility to release CARES Act funds to meet immediate emergency needs, while providing eligible entities an opportunity to update needs assessments at a later date.

While the coordination of local efforts with emergency management and public health experts is critical in all emergencies, it is essential that any services and activities be conducted in a manner that is consistent with efforts to prevent disease transmission and efficiently manage the distribution of resources. This will require regular communication and coordination between State CSBG Lead Agencies and the eligible entities that plan and deliver CSBG community services.

State Technical Assistance, Coordination, and Performance Management

States may not direct that eligible entities use their share of CSBG CARES Act funds for specific services and strategies. To be consistent with the CSBG Act, decisions on local services and strategies paid for from the 90% of state awards allocated to eligible entities according to state formulas must be made at the community level. However, State CSBG Lead Agencies do play a critical role in ensuring high quality services in CSBG. Section 675C(b) of the CSBG Act (42 USC § 9907(b)) provides a range of activities that can be supported with the remainder of funds after distribution of 90% to eligible entities. As outlined in Section 675C(b), statewide activities that can be supported include: (A) providing training and technical assistance; (B) coordinating State-operated programs and services; (C) supporting statewide coordination and communication among eligible entities; (D) analyzing the distribution of funds to determine if funds have been targeted to the areas of greatest need; (E) supporting asset-building programs for low-income individuals, such as programs supporting individual development accounts; (F) supporting innovative programs and activities conducted by community action agencies or other neighborhood-based organizations to eliminate poverty, promote self-sufficiency, and

promote community revitalization; (G) supporting State charity tax credits; and (H) supporting other activities, consistent with the purposes the CSBG Act.

Monitoring and Accountability

States also may ensure high quality and accountable services through monitoring and program oversight activities designed to ensure accountability. While OCS encourages flexibility to address rapidly changing community needs, states must also incorporate CSBG CARES Act funding into monitoring plans to ensure appropriate review of expenditures and activities. Monitoring activities may occur during program implementation with the goal of identifying and preventing later audit findings or disallowances.

Summary - A Multi-level Partnership

As noted above, both eligible entities and State CSBG Lead Agencies have critical roles in addressing COVID-19-related needs. Key roles at each level are as follows:

- **Eligible Entity** – assess community needs, develop Community Action Plans, identify and implement community-based services and strategies to address needs related to COVID-19 and its public health and economic impacts; and
- **State CSBG Lead Agencies** – immediately distribute 90% of CARES Act funds to eligible entities, provide opportunity to meet emergency needs while updating needs assessments at a later date, support high quality community services through statewide communication, training, technical assistance, performance management, monitoring and reporting activities to ensure accountability.

At all levels of the CSBG network, it is critical to work in partnership to meet the needs of individuals and families with low income, including those with disabilities, seniors, or other particularly vulnerable circumstances. OCS will work in close partnership with states and eligible entities to support these activities through national communication, training, technical assistance, performance management, monitoring, and reporting.

Thank you for your attention to these matters. OCS looks forward to continuing to provide high quality services to OCS grantees.

/s/

J. Janelle George

Deputy Director

Office of Community Services