



DEPARTMENT OF HEALTH & HUMAN SERVICES
Administration for Children and Families
Office of Community Services

Community Services Block Grant Program

Mississippi State Assessment

Desk Review

Final

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Mississippi State Assessment

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Mississippi Community Services Block Grant

Executive Summary

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The Community Services Block Grant (CSBG) program provides assistance to States and local communities, working through a network of Community Action Agencies (CAAs) and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient. CSBG-funded programs create, coordinate, and deliver a broad array of programs and services to low-income Americans. The grant's purpose is to fund initiatives to change conditions that perpetuate poverty, especially unemployment, inadequate housing, poor nutrition, and lack of educational opportunity.

The Mississippi CSBG program provides funding, technical assistance and support to 19 multipurpose Statewide eligible entities or CAAs¹ serving 82 counties. The CAAs provide an array of services according to the Community Action Plan (CAP) formulated to address local needs. Services may include: housing, energy assistance, nutrition, employment and training as well as transportation, family development, child care, health care, emergency food and shelter, domestic violence prevention services, money management, and micro-business development. The information contained in this report was compiled from a State Assessment (SA) of the Mississippi Community Services Block Grant program and its eligible entities as evaluated by Federal staff of the Division of State Assistance, Office of Community Services (OCS), an office within the Administration for Children and Families (ACF), U.S. Department of Health and Human Services (HHS).

State Assessment Authority

[C-1 1/72-72/72](#)

State Assessments (SAs) are conducted to examine the implementation, performance, compliance, and outcomes of a State's CSBG program to certify that the State is adhering to the provisions set forth in Sections 678B and 676(b) of the Coats Human Services Reauthorization Act, Public Law 105-285. On December 21, 2007, OCS issued Information Memorandum 105, explaining that DSA would conduct both on-site and desk monitoring visits during Federal Fiscal Years 2008-2010. Federal staff conducted a desk review of the Mississippi CSBG program and its eligible entities from January 18 to February 19, 2008. The evaluation included interviews and data collection. As per the statute, the SA examines the State and its CAAs' assurances of program operations including:

1. Activities designed to assist and coordinate services to low-income families and individuals, including those receiving assistance under the Temporary Assistance to Needy Families (TANF) program, the elderly, homeless, and migrant and seasonal workers, and youth;
2. Coordination of service delivery to ensure linkages among services, including as it relates to employment and training activities, the Low Income Home Energy Assistance Program (LIHEAP), and with faith-based and other community-based charitable organizations, and other social services programs;
3. Innovative approaches for community and neighborhood-based service provision;

¹ The terms eligible entities and CAAs are used interchangeably.

4. Ability to provide emergency food and nutrition to populations served;
5. Adherence to statutory procedures governing the termination and reduction of funding for local entities administering the program;
6. Adequate and appropriate composition of Tripartite Boards and rules of CAAs;
7. Appropriate fiscal and programmatic procedures to include a MSCAP from each CAA that identifies how the needs of communities will be met with CSBG funds; and
8. Participation in the performance measurement system, the Results Oriented Management and Accountability (ROMA) initiative.²

The SA also examines the fiscal and governance issues of the eligible entities that provide CSBG-funded services in local communities, the CAAs, as well as the State's oversight procedures for these entities. Fiscal and governance issues examined include:

1. Distribution methodology for disbursement of CSBG funds to sub-State eligible entities;
2. Fiscal controls and accounting procedures;
3. State administrative expenses;
4. Mandatory public hearings conducted by the State Legislature; and
5. General procedures for governing the administration of the CSBG Program, including board governance, non-discrimination provisions, and political activities prohibitions.

Methodology

The State Assessment consists of two levels of evaluation by Federal staff.

1. Federal staff examined the State-level assurances and fiscal and administrative governance issues regarding the CSBG program in interviews and data collection with State officials.
2. Federal staff also conducted desk assessments of the State's monitoring of local Community Action Agencies to determine compliance with assurances and governance requirements by gathering information from local agencies engaging in additional interviews and data collection.

State-level interviews included the following Division of Community Services officials: Sollie Norwood, Director; Tina Ruffin, Deputy Director; Lillian Smith, Fiscal Officer; Ronza Anderson, Branch Director; Robert Mulholland, Analyst; Rose Levy, Director, Accounts Receivable; Richard Ferrell, Grants Management; Brandy Zuber, Director, Budget; and Tom Broomfield, Cost Allocation. [B-9 1/2](#)

Local eligible entities interviewed via teleconferences included: Adams-Jefferson-Franklin-Clairborne CAA, (AJFC) Natchez, Mississippi; Bolivar County CAA, Cleveland, Mississippi; Pearl River Valley CAA, Columbia, Mississippi; and United CAA, Ashland, Mississippi.

Office of Community Services reviewers included: Brandy RayNor-Hill, Program Operations Acting Team Leader; Frances Harley, Auditor, Financial Operations Team Leader; Isaac Davis, Program Specialist; James Henry, Program Specialist; and Michael Pope, Auditor. [B-10 1/1](#)

² Some assurances have been combined where appropriate.

Assessment and Findings

[B-7 4/5-5/5](#)

The OCS reviewers collected information pertaining to the fiscal and programmatic procedures of the State agency, as well as other general information about State’s program, including:

- Administrative, program and financial operations for the State and each CAA visited;
- Brochures and literature on services provided;
- Most recent CSBG Financial Summary Report;
- SF 269 report for Fiscal Year (FY) 2006 showing total funds authorized;³
- Audited Financial Statements; and
- The Mississippi State CSBG Plan.

Fiscal and Governance Operations

[E-4l 5/87-87/87](#)

The CSBG statute requires that each State designate a lead agency to administer the CSBG program, and provide oversight of agencies that administer programs in the communities, or Community Action Agencies. The lead agency operating the CSBG funds is the Mississippi Department of Human Services (MDHS). Nineteen CAAs are designated to receive CSBG funds in Mississippi, who then are responsible for the local level delivery of CSBG program activities and services. Of the block grant distributions made to eligible entities in FY 2006, Mississippi allocated 90 percent of Community Services Block Grant funds to local eligible entities. Mississippi used five percent of the CSBG funding for their administrative expenditures in FY 2006, and five percent for training and technical assistance to agencies in need of such, and funding to non-eligible entities addressing non-traditional community needs. Table 1 demonstrates how the funds allocated to Mississippi were utilized.

[E-4l 1/87](#)

The Eligible Family Literacy Services, Poverty Line states, “Whenever the State determines that it serves the objectives of the block grant program established under this subtitle, the state may revise the poverty line not to exceed 125% of the official poverty line otherwise applicable under this paragraph.”

[C-1 29/72](#)

OCS reviewers found that the State served individuals up to 150% of poverty. OCS reviewers requested all supporting documentation. However, the State did not provide documentation to either support their reasoning to increase the poverty income threshold level to 150%, or the other Federal resources used to increase the eligibility determination to 150%.

Table 1

[E-4l 9/87](#)

Use of FY 2006 Funds: Mississippi		
Uses of Funds	Amount Expended	Percentage of Expenditures
Grants to Local Eligible Entities	\$8,606,526	90%
Administrative and Monitoring Costs	\$498,891	5%
Training and Technical Assistance	\$498,891	5%
Total Used in FY 2006	\$9,977,821	100%

³ The SF 269—Long Form is used to report the amount of program income earned and the amount expended.

Administrative expenditures of the grant were used for the management and monitoring oversight of the program. Priority areas for discretionary spending were identified by local faith and community-based organizations, in collaboration with the State. Discretionary funding was needed for critical activities to address improvements to agency systems, program development, personnel management, fiscal operations, board training, and strategic planning. As noted the State appeared to serve individuals who exceeded 125% of poverty. There were no additional irregularities in fiscal government found by the Federal reviewers.

Administrative Monitoring and Accountability

D-3d

The CSBG statute requires States to monitor local agencies to determine whether they meet performance goals, administrative standards and financial management standards, as well as other State-defined criteria. The State has procedures to ensure that all CAAs have systems of governance, financial and human resource management, program and service delivery, and community relations. The State requires the CAAs to submit applications to receive their CSBG allotments annually. The application becomes a grant agreement between the State and the CAAs and includes assurances, goals, plans, agency budgets, and procedures for developing and implementing services. The process requires CAAs to submit an application to Mississippi for approval, based on: 1) standard forms; 2) governing board approval; and 3) information about how entities will provide services in their communities. States are required to perform monitoring duties in a full on-site review at least once every three years for each CAA.

Field representatives conduct annual on-site visits to each eligible entity. MDHS recently changed its monitoring schedule from once every three years to annually. A draft monitoring report is developed and issued within 30 days of the on-site visit. The report identifies deficiencies, issues, and concerns requiring corrective action(s) as approved by the board. Follow-up visits take place if deficiencies and problems were noted during the on-site visit. A final report is sent to the board chair and the Executive Director of the agency.

Financial Monitoring and Accountability

D-1m

The State is required to perform full on-site monitoring reviews at least once every three years for each CAA. The State conducts on-site fiscal monitoring for its 19 eligible entities on an annual basis. Not all site visits require a focus on the entire CSBG program but may focus on specific areas during the State's assessment the review of the agency's administration of other Federal grant programs such as Low Income Home Energy Assistance Program (LIHEAP); Results Oriented Management and Accountability (ROMA); board issues; or training and technical assistance. The State's three-year monitoring schedule is listed below in Table 2.

Table 2

Mississippi Department of Human Services FY 2006 CSBG/CAA Monitoring Schedule		
Eligible Entities	Monitoring Visit	Counties Served
Adams-Jefferson-Franklin-Clairborne Community Action Agency	May 30 – June 2, 2006	Adams, Claiborne, Copiah, Franklin, Jefferson, Lawrence, Lincoln
Bolivar County Community Action Agency, Inc.	June 13-16, 2006	Bolivar
Central Mississippi, Inc.	April 18-21, 2006	Attala, Carroll, Grenada, Holmes, Leflore, Montgomery, Yalobusha
Coahoma Opportunities, Inc.	April 25-27	Coahoma
Gulf Coast Community Action Agency, Inc.	August 13-17, 2007	Hancock, Harrison, George, Green, Stone
Hinds County Human Resource Agency	December 18-22, 2006	Hinds
Jackson County Civic Action Committee, Inc.	March 10-14, 2008	Jackson
LIFT, Inc.	June 11-15, 2007	Calhoun, Chickasaw, Itawamba, Lafayette, Lee, Monroe, Pontotoc, Union
Madison County Human Resource Agency, Inc.	August 15-18, 2006	Madison
Mid-State Opportunity, Inc.	June 13-16, 2006	Desoto, Panola, Quitman, Tallahatchie, Tate, Tunica
Multi County Community Service Agency, Inc.	July 10-14, 2007	Clarke, Jasper, Kemper, Lauderdale, Newton, Wayne, Smith, Scott, Neshoba
Northeast Mississippi Community Services, Inc.	September 11-14, 2006	Alcorn, Marshall, Prentiss, Tishomingo
Pearl River Valley Opportunity, Inc.	May 15-18, 2007	Covington, Forrest, Jefferson Davis, Jones, Lamar, Marion, Pearl River, Perry
Prairie Opportunity, Inc.	November 7-9, 2006	Choctaw, Clay, Lowndes, Noxubee, Oktibbeha, Webster, Winston
Simpson County Community Action Agency	September 25-27, 2006; October 4-5, 2006	Simpson
Southwest Mississippi Opportunity, Inc.	August 28-September 1, 2006	Amite, Pike, Walthall, Wilkinson
Sunflower-Humphreys Counties Progress, Inc.	July 26-28, 2006	Sunflower, Humphreys
United Community Action Committee, Inc.	August 7-11, 2006	Benton, Tippah
Warren-Washington-Issaquena Sharkey Community Action Agency	June 19-23, 2006	Sharkey, Issaquena, Warren, Washington, Yazoo

Monthly financial reporting and annual on-site financial and program reviews reinforce the State's mandate to comply with standards of the Office of Management and Budget (OMB), in relation to the expending of CSBG funds, State policies, the CSBG Statute, and OCS Information Memoranda. It is critical to ensure that follow-up reviews, including prompt return visits, are made to eligible entities that fail to meet the goals, standards, and requirements established by the State. If an eligible entity fails to comply with the terms of agreement of their contract with the State, the State Plan, or meet appropriate standards, goals and other requirements established by the State, the State should implement a corrective action plan, termination, and/or reduction of funding.

OCS reviewed financial reports for information on allowable cost and activities associated with annual financial training and technical assistance. Annual financial training includes training on the completion of financial forms, OMB Circulars, and other related topics.

The State's CSBG program year is from January 1 through December 31. The last quarter, October 1 through December 31, is the first quarter of the new Federal fiscal year. Mississippi's eligible entities grant agreements cover nine months and are then later amended to cover the entire 12 months once the State receives its first quarter federal CSBG grant award. Any costs incurred by entities prior to that first quarter are reimbursable subject to the State's receipt of Federal fiscal year funds.

OCS reviewed data from the Mississippi State Accounting System (MSAS), the primary financial information system for the State. MSAS facilitates State budget planning and long-range financial programming. OCS reviewers were provided access to the website to verify the system's operation and financial reporting capabilities.

In order to verify that fiscal controls and adequate accounting practices were in place, OCS reviewers examined various transactions and monthly financial reports. The State operates on a reimbursement system, and monthly reports are the primary tools for evaluating allowable expenditures and tracking budget line items. Monthly reports are reviewed by State fiscal staff and subsequently reviewed by the Fiscal Manager before payments are processed. CAAs are encouraged to use an electronic transfer system for fund reimbursements. OCS reviewers examined the monthly reports approval process and a sampling of the subsequent CSBG disbursement to entities.

Administrative costs include salaries and benefits of 12 State employees paid through CSBG. Hours charged to the CSBG program varies weekly based upon the amount of time spent working on CSBG-related projects. OCS reviewers examined a sampling of the hours charged for CSBG-related projects and how the recorded time is processed through payroll. Mississippi does not issue nor use credit cards for employee expenditures. The State uses direct billing for all employee-related expenses, including travel. OCS reviewers examined the procurement policies and procedure manuals used by MDHS.

OCS reviewers examined the MDHS internal audit process. Audits are performed by the Operations Division, Audit Office staff. State auditors examined all MDHS funding made to eligible entities dating back to the previous MDHS audit. Audit findings were reported to CAA Executive Directors and Boards of Directors. Findings were reviewed for appropriate support documents for completion and closure. The CAA Boards of Directors are required to respond to

the notification letter within 30 days with a written corrective action plan which address findings. Audit Office staff must review and approve corrective action plans. CAA's failure to respond within the allotted timeframe may result in disciplinary actions being taken by MDHS, up to and including funds de-obligation. The lead auditor is the State official responsible for audit follow-up activities, including resolution and corrective action monitoring. Technical assistance is available through MDHS on a case-by-case basis for those CAAs with audit findings. The OCS reviewers had no findings for technical assistance.

OMB Circular A-133, Single Audit Act of 1997

[F-7](#)

According to 45 CFR §96.31, grantees and subgrantees are responsible for obtaining audits in accordance with OMB Circular A-133, "*Audits of State, Local Governments, and Non-Profit Organizations.*" Agencies expending \$500,000 or more in any year, must contract with an independent auditor to review their financial statements and Federal expenditures. The auditing firm conducts the fieldwork, issues the audit report, and submits the required reporting forms to the Federal Audit Clearinghouse with reportable findings. The State CSBG Plan submitted to OCS states that an audit report is prepared annually.

State audits are performed to determine whether: 1) costs and program income activities were properly summarized and reported; 2) internal controls meet MDHS standards; 3) costs charged to the grant were allowable; and 4) the State is in full financial compliance.

The State audits are conducted under the standards of the Institute of Internal Auditors. MDHS also considers the government auditing standards promulgated by the Comptroller General, U.S. Government Accountability Office, in performance of their duties.

The Office of the State Auditor has completed their most current audit of selected accounts included on the financial statements of the MDHS for the year ended June 30, 2005. The State Auditor concluded that no matters involving State internal control over financial reporting and its operations were considered to be material. The results of their tests disclosed no instances of noncompliance or other matters required to be reported under *Government Auditing Standards*. A copy of the audit report was provided to OCS reviewers.

OCS reviewers also examined the Data Collection Form for reporting on Audits of States, Local Governments, and Non-Profit Organizations found on the Federal Audit Clearinghouse website. The OCS reviewers found the State forms complete and in accordance with the Federal requirements. The State Auditor found no areas of noncompliance, reportable conditions, including material weaknesses, questioned costs, fraud, or other reportable items for CSBG. OCS reviewers concluded that the audit procedures currently being used by Mississippi and its CAAs are in accordance with generally accepted auditing principles.

Recapture and Redistribution

[E-4I 13/87](#)

The State certifies in their State CSBG plan that it adheres to Section 678C of the CSBG Act. The certification of assurances' made by the lead State CSBG official in the Mississippi State Plan submitted to the Office of Community Services. The State also assures OCS that it would not reduce a CAA's funding below the proportional share of funding it received in the previous fiscal year, except in accordance with the requirements of the CSBG Act. No instances of noncompliance were identified in the review.

Carryover Balance

The State's CSBG "Carryover Balance" requirements are explained in the Mississippi Administrative Code on policies and procedures. CSBG carryover funds for the past two years indicate that \$60,087 was carried over from fiscal year 2005 to fiscal year 2006.

OCS reviewers suggested alternative approaches in strengthening the State's internal control procedures to ensure CSBG funds are properly accounted.

Public Hearings

[C-1 1/72-72/72](#)

In accordance with Public Law 105-285, Title II, Section 676(a)(2)(B), 42 U.S.C. 9901, at the beginning of each fiscal year, a State must prepare and submit an application and State Plan covering a period of one year and no more than two fiscal years. Each year the State's CSBG State Plan is sent to the CSBG Advisory committee, the State General Assembly, and all eligible entities. In conjunction with the development of the State Plan, the State will hold at least one public hearing. On June 21, 2005, the State sponsored the 2006 Legislative Public Hearing in Meridian Mississippi on the Community Service Block Grant Program under Section 26 of the Omnibus Budget Reconciliation Act of 1981.

Tripartite Boards

[D-3g](#)

The State requires the 19 CAAs that are private, non-profit agencies to submit a listing of their Tripartite Board membership prior to being approved to administer the CSBG program. CAAs must comply with Section 676B of the CSBG Statute which requires that members are chosen in accordance with democratic selection procedures to assure that not less than one-third of its members are representatives of low-income individuals and families who reside in the neighborhood served. The remaining members are public officials or members of business, industry, labor, religious, law enforcement, education, or other major groups interested in the community serviced. Members must actively participate in the planning, implementation, and evaluation of the program that services the low-income communities.

Each CAA must have their Tripartite Board certified annually to ensure the board has received an orientation and/or training, which outlines and describes their responsibilities and liabilities. The certification of the Tripartite Board training must be documented in their minutes. The minutes must include the type of training, dates(s) of the training, and who attended in the approved minutes. Additionally, certification must include an annual audit of services and expenditures, and reporting requirements for State, Federal, and other funding sources. These requirements are included in the contract signed between the CAA and the State, the CSBG

manual, the State Plan, and in the CSBG statute. The State-outlined responsibilities of the Tripartite Board include:

- Ensuring that all administrative requirements are met;
- Establishing policies, rules, regulations and bylaws consistent with the agency's mission;
- Establishing accounting systems and fiscal controls consistent with general accounting principles;
- Establishing policies prohibiting nepotism;
- Avoiding conflict of interest;
- Involvement in directing the agency's operation through regular board meetings; and
- Acceptance of liability for and resolving any questioned cost identified by audits.

In accordance with Federal and Mississippi State law, each CSBG grantee, in order to be in full compliance, is required to adhere to the composition, documentation, by-laws, board manual and board meeting minutes as detailed in the CSBG Act of 1998, Section 676B. The State CSBG office monitors board composition and follows up with the agency when the representation needs to be adjusted. OCS reviewers found the State to be in compliance with this standard.

The State believes that an effective board is mission driven, evaluates agency programs and operations, and ensures agency resources are used effectively, honestly evaluates the Executive Director's performance and leadership, monitors the financial status of the agency, and works to ensure the agency operates within legal guidelines. MDHS assures that each eligible entity is in compliance with the Federal law regarding Tripartite Boards by providing information regarding the requirements of a Tripartite Board to each eligible entity in three documents: CSBG Operations Manual, the CSBG Grant Agreement, and the CSBG assurances submitted with the State Plan each year.

Additional Administrative or Fiscal Operations Findings

Fiscal controls for eligible entities are mandated by MDHS's policies and procedures. All eligible entities are required to maintain an updated financial procedures manual that establishes procedures to meet fiscal standards set forth by State policies. Additionally, financial policies and procedures for eligible entities must be approved by their Boards of Directors and reviewed by State. The State requires a series of financial reports from all eligible entities. Financial reports are required monthly, quarterly financial reports are due within 30 days of the end of each quarter, and annual fiscal reports are required at the end of the fiscal year. The annual on-site compliance reviews conducted by the State also determine compliance to specific areas including financial compliances. Failure to comply with State reporting requirements may result in corrective action including suspension of grant awards.

An analysis of the information received during interviews and documentation received during and after the assessment of the Mississippi CSBG program indicates that the State has in place adequate program and financial systems to oversee CSBG funds. However, the OCS reviewers were unable to obtain following: 1) the requested documents in a timely manner; 2) statistically sample the State's General Ledger to determine if expenditures are allowable, allocable and supported by documentation; and 3) the State's accounting system was capable of generating

accounting reports when requested. OCS reviewers determined that the State’s records management process needs improvement.

The OCS reviewers conducted an analysis of the State’s records and procedures, which included administrative, financial, and programmatic operations. The OCS reviewers determined that there are some additional written policies and procedures needed to ensure compliance with the CSBG statute and the purposes of the Act.

Program Operations [D-2k](#)

The State reported demographic information on individuals who received services using CSBG funds in FY 2006. The CAAs operate numerous programs designed to meet the needs identified in their respective service areas. Due to different local needs, not all CAAs provide services in all priority areas. During this State Assessment, agency records were reviewed to assess actual services provided. The assessment instrument addresses the following areas: client services received, expenditures, staff responsibility, board governance, by-laws, board meeting minutes (with verification and comments on each area), board manual, personnel, planning and operations, CSBG assurances, fiscal, T&TA grants, T&TA grant review, and agency postings (i.e., worker’s compensation, client appeals).

The State reported individuals served using CSBG funds in FY 2006. The eligible entities are operating numerous programs designed to meet the needs identified in their respective service areas. Because the demographic data show different local needs, not all entities can provide extensive services in all priority areas. The CAAs in Mississippi have mobilized and coordinated community resources to integrate immigrants into the local economy. Supportive services and community outreach projects provided by the entities or respond to low-income workers’ health care needs. As reflected in the Table 3, CSBG family income data where families were served by the CAAs were used to estimate the percentage of individuals living in poverty.

States and CAAs categorize their expenditures of CSBG funds according to the statutory list of program purposes. The categories are as follows:

- Securing and maintaining employment;
- Securing adequate education;
- Improving income management;
- Securing adequate housing;
- Providing emergency services;
- Improving nutrition;
- Creating linkages among anti-poverty initiatives;
- Achieving self-sufficiency; and
- Obtaining health care.

Table 3 shows some reported characteristics of individuals and families served throughout the State.

Table 3**D-2k**

CSBG Client Characteristics and Statistics Reported by State	
Race/Ethnicity By Number of Persons:	
Hispanic or Latino	303
African American	95,512
White	23,268
Other	303
Multi-race	420
Education: Years of Schooling by Number of Persons:	
0-8 years	14,668
9-12, non graduates	14,877
High school graduate/GED	23,354
12+ some postsecondary	6,402
2 or 4 year college graduates	5,748
Insured/Disabled:	
No Health Insurance	18,443
Disabled	19,145
Surveyed About Insurance	114,586
Surveyed About Disability	101,864
Households Headed By Single Parent:	
Female	14,641
Male	665
Two Parent Household	2,834
Single Person	21,678
Two Adults, No Children	3,500
Family Housing by Number of Families:	
Own	23,075
Rent	23,090
Homeless	683
Level of Family Income as Percentage of Federal Poverty Guideline by Number of Families:	
Up to 50%	6,663
51% to 75%	17,058
76% to 100%	10,118
101% to 125%	8,047
126% to 150%	5,284
151% or more	3,748

The State requires agencies receiving CSBG funds to prepare and submit to the State an application referred to as a “Community Action Plan.” The application becomes a grant agreement between MDHS and the CAA and includes assurances, goals, plans, agency budgets, and procedures for developing and implementing services. The process requires CAAs to submit an application to Mississippi for approval based on: 1) standard forms; 2) governing board approval; 3) information based on priority needs; and 4) information about how entities will provide services in their communities.

Based on the OCS Results Oriented Management and Accountability process, the grant agreement outlines the following requirements for State CAAs:

- A community needs assessment;
- A description of the service delivery system for low-income individuals and families in the service area;
- A description of linkages that will be developed to fill gaps in service through information, referral, case management and follow-up consultations;
- A description of how funding will be coordinated with other public and private resources; and
- A description of outcome measures for providing services and promoting self-sufficiency and Mississippi community revitalization.

Detailed below are the program activities associated with CSBG funds as used by CAAs in the State.

Employment Programs

[D-2I](#)

In FY 2006, the State reported spending \$1,055,102 in CSBG funds to support a range of services designed to assist low-income individuals in obtaining and maintaining employment. These services include:

- Support for TANF recipients who are preparing to transition to self-sufficiency or for former TANF recipients who need additional support to find or maintain employment;
- Support for job retention, including counseling, training, and supportive services, such as transportation, child care, and the purchase of uniforms or work clothing;
- Skills training, job application assistance, resume writing, and job placement;
- On-the-job training and opportunities for work;
- Job development, including finding employers willing to recruit through the agency, facilitating interviews, creating job banks and providing counseling to employees, and developing new employment opportunities in the community;
- Vocational training for high school students and the creation of internships and summer jobs; and
- Other specialized adult employment training.

Education Programs

[D-2I](#)

In FY 2006, the State reported spending \$835,045 in CSBG funds to provide education services such as:

- Adult education, including courses in ESL and GED preparation with flexible scheduling for working students;
- Supplemental support to improve the educational quality of Head Start programs;
- Child care classes, providing both child development instruction and support for working parents or for home child care providers;
- Alternative opportunities for school dropouts and those at risk of dropping out;

- Scholarships for college or technical school;
- Guidance about adult education opportunities in the community;
- Programs to enhance academic achievement of students in grades K–12, while combating drug or alcohol use and preventing violence; and
- Computer-based courses to help train participants for the modern-day workforce.

Housing Programs

[D-2I](#)

In FY 2006, the State reported spending \$1,565,873 for CSBG-coordinated housing programs to improve living environment of low-income individuals and families. CSBG-funded activities may include:

- Homeownership counseling and loan assistance;
- Affordable housing development and construction;
- Counseling and advocacy about landlord/tenant relations and fair housing concerns;
- Assistance in locating affordable housing and applying for rent subsidies and other housing assistance;
- Transitional shelters and services for the homeless;
- Home repair and rehabilitation services;
- Support for management of group homes; and
- Rural housing and infrastructure development.

Emergency Services Programs

[D-2I](#)

In FY 2006, the State reported spending \$679,431 for emergency services to combat many kinds of crisis. Crisis management services may include:

- Emergency temporary housing;
- Rental or mortgage assistance, intervention with landlords;
- Cash assistance/short term loans;
- Energy crisis assistance and utility shut-off prevention;
- Emergency food, clothing, and furniture;
- Crisis intervention in response to child or spousal abuse;
- Emergency heating system repair;
- Crisis intervention telephone hotlines;
- Linkages with other services and organizations to assemble a combination of short-term resources and longer-term support; and/or
- Natural disaster response and assistance.

Nutrition Programs

[D-2I](#)

In FY 2006, the State reported spending \$505,366 in CSBG funds to support nutrition programs. The State and its eligible entities are providing various types of emergency food services. Nutritional services include meals for Head Start children, hot meals for the homeless and the elderly, donated foods and food banks, community outreach and referral to other services. Information and counseling is also provided on proper diet, budgeting funds for groceries as well as nutritional value of various foods. Many of the agencies are the only available source of

nutritional assistance for the communities. Some agencies provide food baskets and dinners during the holidays. Specific nutritional services provided by the State's CAAs are:

- Organizing and operating food banks;
- Supporting food banks of faith-based and civic organization partners with food supplies and/or management support;
- Counseling regarding family and children's nutrition and food preparation;
- Distributing surplus USDA commodities and other food supplies;
- Administering the Women, Infants, and Children (WIC) nutrition program;
- Preparing and delivering meals, especially to the homebound elderly;
- Providing meals in group settings; and/or
- Initiating self-help projects, such as community gardens, community canneries, and food buying groups.
- Information/referral/counseling;
- Hot meals such as breakfasts, lunches, or dinners for congregate or home delivery meals;
- Neighborhood and community gardens, community canneries and projects to help families and individuals preserve fruit and vegetables; and
- Nutritional training in home economics, child and baby nutrition, diets, and available federal or State programs.

Self-Sufficiency Programs

[D-2I](#)

In FY 2006, the State reported spending \$915,008 on self-sufficiency programs. Self-sufficiency programs offer a continuum of services to assist families in becoming more financially independent. Such programs generally include:

- An assessment of the issues facing the family or family members and the resources the family brings to address these issues;
- A written plan for becoming more financially independent and self-supporting; and
- Services that are selected to help the participant implement the plan (i.e. 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.).

Health Programs

[D-2I](#)

In FY 2006, the State reported spending \$589,206 on CSBG-funded health initiatives that are designed to identify and combat a variety of health problems in the community served. CSBG funds may be used to address gaps in the care and coverage available in the community. Eligible entities may use CSBG funds for health initiatives that include:

- Recruitment of uninsured children to a State insurance group or State Children's Health Insurance Program (SCHIP);
- Recruitment of volunteer medical personnel to assist uninsured low-income families;
- Prenatal care, maternal health and infant health screening;
- Assistance with pharmaceutical donation programs;

- Health-related information for all ages, including Medicare/Medicaid enrollment and claims filing;
- Immunization;
- Periodic screening for serious health problems, such as tuberculosis, breast cancer, and HIV infection, and for mental health disorders;
- Health screening of all children;
- Treatment for substance abuse;
- Other health services including dental care, health insurance advocacy, CPR training, and education about wellness, obesity, and first-aid; and/or
- Transportation to health care facilities and medical appointments.

Income Management Programs

[*D-2I*](#)

In FY 2006, the State reported spending \$764,148 on income management programs using CSBG grant funds. Services supported include:

- Development of household assets, including savings;
- Assistance with budgeting techniques;
- Consumer credit counseling;
- Business development support;
- Homeownership assistance;
- Energy conservation and energy consumer education programs, including weatherization;
- Tax counseling and tax preparation assistance; and
- Assistance for the elderly with claims for medical and other benefits.

Linkages

[*D-2I*](#)

In FY 2006, the State reported spending \$2,629,951 on linkage initiatives. Linkage programs can involve any or all of a variety of local activities which CSBG supports because of the block grant's statutory mandate to mobilize and coordinate community responses to poverty. These include:

- 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 changes, such as, reducing crime or partnering businesses into partnership with low-income neighborhoods in order to plan long-term development;
- Efforts to establish links between resources, such as transportation and medical care or other needed services, programs that bring services to the participants, such as mobile clinics or recreational programs, and management of continuum-of-care initiatives;
- The removal of the barriers such as transportation problems, that keep the poor from jobs or from vital everyday activities; and
- Finally, support for other groups of low-income community residents who are working for the same goals as the CAA.

At the local level, the CSBG program coordinates with labor programs, transportation programs, educational programs, elderly programs, energy programs, community organizations, private businesses, churches, the United Way, and various youth organizations and programs. The State's eligible entities coordinate with other service providers and act as a focal point for information on services in their service area. They identify gaps in services and work with other providers to fill those gaps. Entities have organized meetings and participated in task forces with local service provider groups.

Linkage programs and activities include elderly projects, area wide multiple transportation projects for clients and families, the food banks, youth summits, fatherhood initiatives, urban sports initiative, and others that involve community wide participation. The various local needs assessments conducted by eligible entities involve local service providers and citizens of the community in determining primary community needs and developing priorities for providing the appropriate programs and services to meet the needs.

Programs for Youth and Seniors

[D-2I](#)

In FY 2006, the State reported spending \$833,238 on programs serving seniors, and \$1,047,808 on programs serving youth. Services noted under these categories were targeted exclusively to children and youth from ages 6–17 or persons over 55 years of age. Seniors' programs help seniors to avoid or address illness, incapacity, absence of a caretaker or relative, prevent abuse and neglect, and promote wellness. They include:

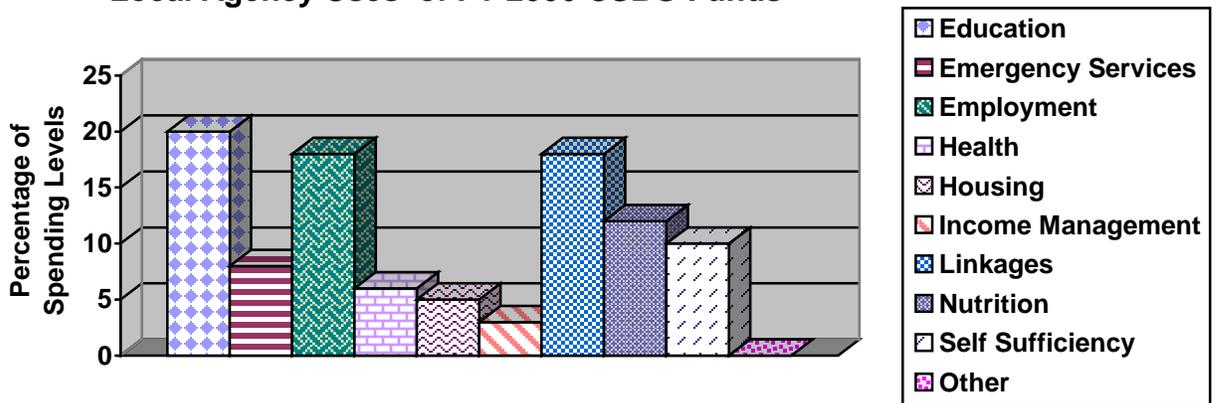
- Home-based services, including household or personal care activities that improve or maintain well-being;
- Assistance in locating or obtaining alternative living arrangements;
- In-home emergency services or day care;
- Group meals and recreational activities;
- Special arrangements for transportation and coordination with other resources;
- Case management and family support coordination; and
- Home delivery of meals to insure adequate nutrition.

Youth programs, in many cases, include such services as:

- Recreational facilities and programs;
- Educational services;
- Health services and prevention of risky behavior;
- Delinquency prevention; and
- Employment and mentoring projects.

The chart below identifies the proportion of CSBG local expenditures devoted to the operational purposes noted above.

Local Agency Uses of FY 2006 CSBG Funds



Results Oriented Management and Accountability (ROMA) System

Beginning in FY 2001, States were required to participate in a system to measure the extent to which programs are implemented in a manner that achieves positive results for the communities served. States may participate in the model evaluation system designed by the Office of Community Services in consultation with the CSBG network called the Results Oriented Management and Accountability System, or ROMA. Alternatively, States may design their own similar system. States are to report to OCS their progress on the implementation of performance measurement practices.

Based on interviews and analyses of the ROMA reports, OCS reviewers identified discrepancies in the ROMA data. The OCS reviewers recommended that the State provide further assistance specific to case management and data discrepancies.

In Information Memorandum Number 49, OCS encourages the States to submit complete, accurate, and timely annual reports to OCS on the “measured performance of the State and the eligible entities in the State.”

CAA Summaries

Adams-Jefferson-Franklin-Claiborne Community Action Agency, In. (AJFC)

AJFC CAA is a private non-profit organization incorporated in August 1966 to administer programs that address housing, health, employment, self-sufficiency, counseling, tax preparation, emergency home heating and cooling assistance, and special services responding to crisis requests for financial assistance to acquire safe, affordable housing and pay emergency costs. The Workforce Development Program helps residents prepare for employment through activities such as job-readiness training, customer service training, computer studies, and job search assistance and placement.

AJFC is located in Natchez, Mississippi. The agency had an annual budget of \$9,444,863, which included \$547,883 CSBG funds. The agency serves Adams, Claiborne, Copiah, Franklin, Jefferson, Lawrence, Lincoln counties. In 2006, AJFC served 10,107 low income individuals.

Bolivar County Community Action Agency (BCCAA)

BCCAA is a private non-profit corporation chartered on June 16, 1965 for the purpose of providing work and education assistance to the impoverished of the Mississippi Delta in Bolivar County. BCCAA is also a 501(c)(3) tax exempt organization with a 21-member Board of Directors composed of equal representation from the public, private and low-income sectors.

BCCAA provides a variety of services including preschool child care, senior companion program, a transitional and homeless shelter, a home buyer's program, a youth adolescent offenders program, a mentoring and male participant program, utility/rental assistance, and entrepreneurial training program.

BCCAA is located in Cleveland, Mississippi. The agency had an annual budget of \$9,055,900, which included \$212,259 CSBG funds. In 2006, the agency served 2,543 low income individuals.

Pearl River Valley Opportunity, Inc. (PRVO)

PRVO was incorporated on August 27, 1965 to provide comprehensive services to socially and/or economically disadvantaged individuals, families, and businesses. The services generally include emergency assistance to combat poverty affecting the citizens of its chartered counties. Services generally include emergency services, youth services, housing loans, home improvement and job creation loans, aging services, and transportation.

PRVO is located in Columbia, Mississippi. The agency had an annual budget of \$14,095,042, which included \$973,308 CSBG funds. The agency serves Covington, Forrest, Jefferson Davis, Jones, Lamar, Marion, Pearl River, and Perry counties. In 2006, the agency served 19,628 low income individuals.

United Community Action Committee, Inc. (UCAC)

UCAC was incorporated March 25, 1966 to administer the programs of the Governor's Office of Community Services, Health and Human Services and other related agencies. UCAC programs aim to work with the poor and the public and private sector, to identify and address the causes of poverty. The services generally include emergency services, youth services, housing loans, home improvement and job creation loans, aging services, and transportation.

UCAC is located in Ashland, Mississippi. The agency had an annual budget of \$1,503,487, which included \$87,081 CSBG funds. The agency serves Benton and Tippah counties. In 2006, the agency served 1,230 low income individuals.

OCS reviewers examined documents such as a human resources policy manual, organizational chart, consolidated financial statements, audit reports, CSBG application, ROMA data, needs assessment, a sample of personnel files, strategic plan, board meeting minutes, and program brochures. No irregularities were noted by the OCS reviewers.

Assessment Summary and Recommendations

Finding 1 – The State was unable to provide the requested documentation in a timely manner.

[D-1o](#)

In accordance with Section 678D, a State that receives funds shall make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.

According to 45 CFR §92.43 (4)(ii)(e), “The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of grantees and subgrantees which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts.”

An analysis of the information received during interviews and documentation received during and after the assessment of the Mississippi CSBG program indicates that the State has in place adequate program and financial systems to oversee CSBG funds. However, the OCS reviewers found it difficult to 1) obtain the requested documents in a timely manner; 2) statistically sample the State’s General Ledger to determine if expenditures are allowable, allocable and supported by documentation; and 3) determine if the states accounting system was capable of generating accounting reports when requested. OCS reviewers determined that the State’s records management process needs improvement.

Recommendation:

We recommend that the State

- 1.1 Implement policies and procedures to enhance its program so that information is readily available for review in a timely manner.

State’s Comments:

The Division of Community Services stated that they have met with the Division of Budgets and Accounting to ensure that documentation needed for future reference, review, examination, copying, or mechanical production on or off the premises, upon a reasonable request for items by the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, is readily made available.

DSA Comment:

DSA acknowledges the efforts taken by the Division of Community Services. We suggest the Division of Community Services reinforce the discussion by incorporating written policies and procedures for the dissemination of information requested by the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives.

Finding 2- The State did not provide adequate documentation to support their use of the 125% poverty guideline. [D-1o](#)

The Eligible Family Literacy Services, Poverty Line states, “Whenever the State determines that it serves the objectives of the block grant program established under this subtitle, the state may revise the poverty line not to exceed 125% of the official poverty line otherwise applicable under this paragraph.”

OCS reviewers requested all supporting documentation. However, the State did not provide documentation to either support their reasoning to increase the poverty income threshold level to 150%, or the other Federal resources used to increase the eligibility determination to 150%.

Recommendation:

We recommend the State

- 2.1 Develop and maintain the required documentation to explain how the State is paying the percentage of services for individuals who exceed 125% from its other programs, i.e. LIHEAP, SSBG, or a State programs as required in CSBG 673(1)(B)(2).

State’s Comments:

Based on the interpretation of the Community Service Block Grant Act, Section 675C Use of Funds (iii) Charity Must Primarily Assist Poor Individuals - (1) IN GENERAL, it states "An organization meets the requirements of this clause only if the appropriate State authority reasonably expects that the predominant activity of such organization will be the provision of direct services within the United States to individuals and families whose annual income generally do not exceed 185 percent of the poverty line in order to prevent or alleviate poverty among such individuals and families".

Due to the extreme hardship on many elderly and disabled clients receiving Social Security and Supplemental Income, and based on our interpretation of this section, we classified the Community Action Agencies as being eligible to serve clients at this level and remain within guidelines. This vulnerable client population was struggling due to the excessive cost for medicine and they were being forced to choose between medicine, food and other basic needs. The State Plan was submitted and on page 9 it stated "the State's eligibility requirements are 150% of the OMB Poverty Guidelines". The Division of Community Services conducted the appropriate Public Hearing to get input from the community. The State Plan was approved for implementation during the 2006-2007 program year. When notified that the maximum approval eligibility requirement was 125% of the OMB Guidelines, the Division of Community Services immediately notified the Community Action Agencies to make the required eligibility change. Since January 1, 2008 the Division of Community Services has been operating at 125% OMB eligibility and a total of 935 disabled and 1,632 elderly clients have been denied services.

DSA's Comments:

The Corrective Action Plan issued by Mississippi, does not respond to the finding nor does it release the State of their responsibilities as the administrative agent to ensure proper oversight of the CSBG program. The State was asked to provide the required documentation to explain how the State was paying the percentage of services for individuals who exceed 125% from its other programs, i.e., LIHEAP, SSBG, or a State program as required in CSBG 673(1)(B)(2). To date, the requested documents issued by the State pertaining to the CSBG income eligibility requirements have not been received.

In reference to the State denying services to the disable and senior populations, we strongly recommend that the State evaluate and analyze the needs of the disable and senior population to determine what the needs are. When the needs have been determined, work in conjunction with the eligible entities to identify resources to address these needs.

Finding 3 – The State did not have policies or procedures in place for verifying the ROMA data entered by the CAA's Case Management staff. [D-10](#)

Based on interviews and analyses of the ROMA reports, OCS reviewers identified discrepancies in the ROMA data.

Information Memorandum Number 49, OCS encourages the States to submit complete, accurate, and timely annual reports to OCS on the “measured performance of the State and the eligible entities in the State.”

Recommendation

We recommend the State:

- 3.1 Implement policies and procedures for verifying the accuracy of the ROMA data.
- 3.2 Provide further assistance to the CAAs specific to case management and data discrepancies.

State's Comments

The Division of Community Services is working in partnership with the Community Action Agency Task Force Committee to design and implement policies and procedures to ensure accurate data of the MS Roma System. This system will serve as a tool for the Division of Community Services with monitoring and evaluating the accurate reading, compilation, and analysis of data.

The Division of Community Services has also designed procedures to assist the case management staff with data discrepancies. The first MS Roma Technical Assistance training was provided April 30 - May 2, 2008 in Philadelphia, Mississippi. The MS Roma 101 training was for all case management staff that included the role, inputting data, the analysis of data, capturing data and leveraging. The second Technical Assistance Training is scheduled for June 24 - June 26 in Tunica, Mississippi. An outlined schedule of MS Roma Technical Assistance Training will be provided to the case management staff thereafter on a quarterly basis.

DSA's Comments

The DSA would like to commend the Division of Community Services in working in partnership with the Community Action Agency Task Force Committee to design and implement policies and procedures to ensure accurate data is reported into the MS Roma System.

CSBG 678E (a) (2), states that each State shall annually prepare and submit to the Secretary a report on the measured performance of the State and the eligible entities in the State. Prior to the participation of the State in the performance measurement system, the State shall include in the report any information collected by the State by the State relating to such performance.

The Division of Community Services should provide
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