Community Services Block Grant
Final Monitoring Report

BACKGROUND

The Community Services Block Grant (CSBG) provides assistance to states and local communities working through a network of local eligible entities (generally known as Community Action Agencies). These eligible entities support locally-identified services and strategies for revitalization of low-income communities and the empowerment of low-income families to become fully self-sufficient. CSBG-funded activities create, coordinate, and deliver a broad array of 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 Governor of Vermont designated Vermont Office of Economic Opportunity (OEO) as the appropriate lead agency for the administration of CSBG. The State of Vermont CSBG provides funding, technical assistance, and support to five (5) eligible entities. Together the agencies provide an array of services within the State of Vermont to address local area needs. Services may include housing, energy assistance, nutrition, employment and training, as well as transportation, family development, childcare, health care, emergency food and shelter, domestic violence prevention services, money management, and micro-business development.

MONITORING AUTHORITY

CSBG Monitoring is conducted to examine the implementation, performance, compliance, and outcomes of a state’s CSBG and to certify that the state is adhering to the provisions set forth in Title II – Community Services, of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Public Law 105-285 (Section 678B(c)). As per the CSBG statute, the onsite review examines the state and its eligible entities assurances of program, fiscal and governance operations, as well as the state’s oversight procedures for its eligible entities.

SCOPE OF REVIEW

OCS federal staff conducted the on-site review of the Vermont CSBG and its eligible entity from Monday, November 04, 2019 through Friday, November 08, 2019. The periods reviewed included the Fiscal Year(s) (FY) 2017 grant award.

METHODOLOGY

OCS reviewed documented procedures and practices for administrative, fiscal, and program operations and interviewed the Vermont officials responsible for administering CSBG. OCS reviewers:

- Evaluated compliance of state-level assurances, administrative, fiscal, program, and governance requirements.
• Evaluated the state’s monitoring procedures and practices to determine eligible entities compliance with the state-level assurances.

The Vermont OEO was sent an Initial Report on February 25, 2020 for which there were 30 days to provide a response. All written responses were read and evaluated.

PROGRAMMATIC ANALYSIS:

During our review of programmatic operations, OCS identified one opportunity for improvement.

Opportunities for Improvement
• Item 1: As required under Section 6788 of the CSBG Act, entities' boards must be comprised of at least one third representatives of low-income individuals and families, one third elected officials (or their appointees), and the remainder business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

During the period of review (i.e. FY 2017), the state did not have documented process or timeline to ensure the entities' tripartite board compliance. Although there was no formal documented standard operating procedures, it is noted in the monitoring report that the state was holding the entity accountable in getting the vacancy filled. From a review of the monitoring reports, the entities had a total of seven vacancies in the low income and public sector representation, OCS was unable to determine the length of the vacancies from the data captured by the state.

  ○ Recommended Action 1: Establish a finalized policy on tripartite board compliance that includes filling vacancies in tripartite boards within a reasonable time period.

FISCAL ANALYSIS

During our review of your fiscal operations, we found one issue of non-compliance or opportunity for improvement that has since been corrected prior to our fieldwork and no further action is required.

OCS noted that the support of the business office within the Office of Economic Opportunity was invaluable in addressing this issue prior to our fieldwork. The business office has provided robust, competent, and effective support of the CSBG team. It is also noteworthy that the state CSBG personnel identified the potential for this issue after attendance at a national conference and discussions with OCS staff.

Issue of Non-Compliance
• Issue 1: In fiscal year 2017, OEO used a total first-in, first-out method of drawing grant funds. This method increases the risk that funds allocated and committed to an entity will be used to provide monies to another agency. This also increases the risk that the state will not be able to comply with 45 CFR 96.30(a) that requires the state to report to the level of expenditure. The advance payments to the eligible entities and the full use of the state portion of CSBG sufficiently mitigated the risk of this process.
Required Action: Subsequent to the fiscal year 2017 and prior to the OCS site visit, the state transitioned to a reconciliation of state accounting to the Payment Management System (PMS) to assure proper allocation of CSBG funds in federal fiscal year (FFY) 2019. No further action is required at this time.

Grantees’ Response:

Thank you. We have no comments to make and gratefully accept this report and its recommendations.

OCS Decision:

The grantee has resolved the issue to our satisfaction. This finding is closed.

ADMINISTRATIVE ANALYSIS

During our review of your administrative operations, we found no issues of non-compliance or opportunities for improvement.

SUMMARY

This is our Final Monitoring Report concerning this site visit. For issues of non-compliance reported above that have not been identified as closed by OCS, specific action is required detailing your plans to correct the issues. You will have 45 calendar days, after issuing the Final Monitoring Report, to respond with a Corrective Action Plan.

OCS staff is available to assist you in developing mutually agreeable solutions to correct the issues of non-compliance. Within 15 calendar days of receiving your Corrective Action Plan (CAP), a Response to CAP letter will be issued indicating whether or not OCS is satisfied that all the areas of non-compliance have been addressed. Once OCS is satisfied that the non-compliance issues have been resolved a Monitoring Close-Out Letter will be issued.

If you or your staff have any questions, please contact David Barrie at (202) 205-3589 or david.barrie@acf.hhs.gov.