Proposed
COMMUNITY SERVICES BLOCK GRANT ORGANIZATIONAL PERFORMANCE STANDARDS & IMPLEMENTATION FRAMEWORK RECOMMENDATIONS

Submitted to the Office of Community Services, Administration for Children and Families, U.S. Department of Health and Human Services
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“First we say don’t prejudge the poor.
They have much to teach us all.
Second, don’t prejudge the so-called ‘establishment.’
It has the capacity to listen, to respond.
And third, don’t cry failure at the first sign of controversy.
Many well-meaning people say:
“Why ask the poor how to conquer poverty?
If they know they wouldn’t be poor.
It’s alright for them to have jobs in the program but
they shouldn’t design the campaign.’
To which we reply:
‘When a man goes to a doctor, the first thing the
doctor usually does is ask,
“What’s wrong? How do you feel….”?
That’s what we are asking the poor.
“Where does it hurt’… we have to ask these questions—
and keep asking them.
That’s what involvement of the poor is all about.”
— Sargent Shriver
For the purposes of this document, the following definitions apply:

**Private CSBG-Eligible Entity** - Nonprofit 501(c)(3) organizations serving local communities that are eligible to receive Community Services Block Grant funding. These nonprofit entities are governed by a tripartite board of directors, run operationally by an Executive Director or CEO, and may receive funding from a variety of public and private sources.

**Public CSBG-Eligible Entity** - Units of local governmental entities, such as a county or city government, eligible to receive Community Services Block Grant funding. Many “Public CEEs” operate programs directly out of the government/municipal department while others subcontract to nonprofits in their communities to provide services. They are advised by a tripartite board/advisory body.
EXECUTIVE SUMMARY

The Administration has called for greater program accountability and measurable results from government-funded programs. The Community Action Network shares this agenda. This document details how the Organizational Performance Standards and proposed implementation framework will document the accountability of local Community Service Block Grant Eligible Entities, and serve as a capacity-building tool to help agencies provide comprehensive and coordinated anti-poverty services across America.

Developing the Organizational Performance Standards has been an initiative involving all stakeholders at the federal, state and local levels of the Community Action Network. Outside experts in performance management have lent expertise to this effort. Further information on the history, background and process of the project is in the next section of this document.

How performance standards are implemented is no less important than the standards themselves. The detailed recommendations begin with a discussion of overarching implementation considerations, focusing on the current environment as well as the unique structure of the Community Action Network.

The Organizational Performance Standards are designed to be used by both local CSBG-Eligible Entities and State CSBG Lead Agencies. The Standards provide a consistent national framework for demonstrating accountability as well as increasing capacity. The Standards have been developed using the following guidelines:

- Straightforward and specific
- Limited number
- Easily measurable
- Balance new standards with already high performance expectations
- Account for Network diversity, including both private and governmental local entities as well as entities' rural, urban and suburban operating environments

The Standards have been developed in three thematic groups, comprising nine categories and 56 Standards:

Maximum Feasible Participation
- Consumer Input and Involvement
- Community Engagement
- Community Assessment

Vision and Direction
- Organizational Leadership
- Board Governance
- Strategic Planning

Operations and Accountability
- Human Resource Management
- Financial Operations and Oversight
- Data and Analysis

The Community Action Partnership is pleased to be coordinating this effort, together with the CSBG Working Group, a 50-member body made up of CSBG Eligible Entities, State Associations and Regional Performance Innovation Consortia, State CSBG Lead Agencies and outside content experts. The full document is available at www.communityactionpartnership.com.
The Community Action Network has a five-decade history of responding to change and increased accountability. This is evidenced by its ability to shift to an effective block grant model in 1981, and to create the Results Oriented Management and Accountability (“ROMA”) framework following the Government Performance and Results Act of 1995. Over the past decade, the Network has navigated increased financial and program oversight.

When President Obama proposed cutting Community Action in his 2011 State of the Union address, and called for greater program accountability in his proposed budget a few weeks later, the Community Action Network reacted to his call and responded promptly. In April of 2011, the Community Action Partnership and the National Association for State Community Services Programs (“NASCSP”) jointly convened the CSBG Working Group, a representative body of State CSBG Lead Agencies, Community Action State Associations and CSBG Eligible Entities to develop a coordinated response to the Administration that launched the development of the Organizational Performance Standards. These Standards are being submitted to the Office of Community Services in July 2013.

The CSBG Working Group

The original CSBG Working Group worked throughout 2011 to develop proposed standards and an implementation framework that provided HHS/ACF/OCS with a preliminary model of how such standards could be developed and used. In the spring of 2012, HHS/ACF/OCS issued a funding opportunity announcement seeking proposals to develop and design the implementation of what have come to be called the Organizational Performance Standards. Through a competitive grants process, the Partnership secured the grant and the responsibility to formally coordinate the development of the Standards, an implementation framework, assessment tools, and training and technical assistance resources to assist CEEs and State CSBG Lead Agencies in these efforts.

With the support of the OCS funding, the CSBG Working Group was expanded from its original 20 members to over 50 individuals, with balanced representation from State CSBG Lead Agencies, Community Action State Associations and CSBG-Eligible Entities, and including the national CSBG partners (NASCSP, CAPLAW and NCAF) as well as external content experts.

The CSBG Working Group and the Community Action Network as a whole have been seriously engaged in this process and have contributed significant hours to the project, demonstrating the important nature of this work. Since October 2012, CSBG Working Group members along with members of the Network have invested over 3,500 documented hours to full Working Group and Committee meetings, and to national and regional listening sessions. This report is the result of their extraordinary efforts.

The Working Group’s efforts began with a thorough environmental scan of existing tools and resources that would inform this initiative. They examined current State CSBG Lead Agency monitoring tools, Community Action tools such as the Partnership’s Excellence Standards (based on the US Department of Commerce’s Malcolm Baldrige model) and the Northeast Institute for Quality Community Action’s (“NIQCA”) self-assessment and peer review resources. The group looked at other high-quality non-profit tools such as the Maryland Nonprofit Standards for Excellence: An Ethics and Accountability Code for the Nonprofit Sector, (adopted in seven other states) and Independent Sector’s Principles for Good Governance and Ethical Practice: A Guide for Charities and Foundations.

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This search yielded substantial information on the variety of quality capacity-building tools being utilized both within and external to the Community Action Network. It also clearly demonstrated the variety and variability of accountability tools and measures in use across the nation. While there are many similarities in how State CSBG Lead Agencies monitor CSBG–Eligible Entities (CEEs) across states, there are also substantial differences between states. One intended outcome of this project is to standardize the national accountability measures for CEEs, while preserving the State flexibility inherent and desirable in a block grant.

**Communication and Qualitative Input**

The development of the Standards has been accomplished with full transparency to the Community Action Network, with regular two-way communication through a variety of channels:

- **Listening Sessions.** 22 online regional and 5 in-person national sessions have deeply informed the development and the refinement of the OPS. The use of two-way web technology has enabled constituents in every ACF region to have meaningful input into the process.

- **National Update Webinars.** Four members of the CSBG Working Group (two each from the Partnership’s and NASCSP’s Boards of Directors) have led three national webcasts (December 2012, February 2013 and May 2013) with updates on both the Standards and the Results–Oriented Management and Accountability (ROMA) Center of Excellence with an average 337 unique sites logging in per event. Continuing the project’s intentional transparency, a fourth National Update Webinar has been scheduled for July 11, 2013, the day after the Standards are submitted to OCS.

- **Conferences/Travel.** In the 9 months since the project began, staff have presented at a significant number of state/regional conferences: AL, AR, AZ, FL, GA, IL, KY, LA, MI, MT, NC, OH, SC, VA, Region 1, Region 2, Region 6 and Region 9, with planned sessions in CO, IA, KS, SD, MN and Region 4. In addition, staff have presented at four national gatherings: the Partnership’s Management and Leadership Conference, NASCSP’s Training Conference, the annual ROMA Trainer In–Service, and the national CAPLAW training. These interactive sessions have served to both gather and disseminate information, as well to obtain feedback at all stages of the project.

**Quantitative Survey Information**

This rich diversity of qualitative input has been critical to developing high-quality Standards. However, qualitative feedback alone is insufficient to assess the Network’s response to the draft Standards. The Partnership conducted an in–depth, online national Network survey of State CSBG Lead Agencies, Community Action Associations and CSBG Eligible Entities to measure their level of agreement/disagreement with each Standard, and offering the opportunity for detailed feedback on
each response. There were 634 surveys completed, and the results indicate the Network’s broad acceptance of the Standards.

Eighty–seven percent of the responses were submitted by CSBG Eligible Entity staff or board members (at least 280 unique organizations), 5% were from State Associations (at least 25 unique organizations) and 8% were from State CSBG Lead Agencies (at least 30 unique States). Regional response rates ranged from adequate to very good, as shown in Figure 1.

The demographics of the CEEs were comparable to the national makeup of the Network in terms of budget size, rural/urban/suburban settings, private 501(c)(3) vs local governmental entity structure, and whether or not organizations administered Head Start programs. These demographics demonstrate the representative nature of the survey data.

Looking comprehensively, 86% of respondents gave all draft Standards a combined rating of strongly agree, agree or neutral. Specifically, only 9 Standards received a combined rating of disagree or strongly disagree from between 9% and 15% of respondents.

Field Testing in Pilot Projects

In order to demonstrate whether the Standards will work in the field, the Partnership conducted a pilot project. This involved developing and testing organizational self-assessments and the parallel State CSBG Lead Agencies’ monitoring assessments. The pilot project was conducted in 11 states, with a total of 34 demographically-diverse local organizations:

- Alabama
- Arkansas
- California
- Iowa
- Michigan
- Minnesota
- Nebraska
- North Carolina
- Ohio
- Oregon
- Washington

The pilot project had three purposes. The first was to test the usability of the Standards in the field to determine whether each Standard was well–written, clear and specific. Second, it measured whether there was a consistent understanding of the Standards by States and CEEs. And third, it evaluated whether the draft tools provided for an accurate measure of whether an organization met or did not meet each Standard.

The information gleaned from the pilot was specific and useful. It showed which Standards were framed imprecisely, resulting in differing interpretation of how to meet those Standards. It pointed out areas where Standards overlapped, leading to duplicative and therefore unnecessary assessment. And finally, it showed where additional guidance is needed to assure an even national implementation of the Standards.

Conclusion

The Standards and the Implementation Recommendations included in this report represent the best efforts of all the above participants in the process. They have been vetted by the Network and other experts and field–tested in a variety of settings. The Partnership is confident that the Administration will find these Standards both rigorous and reasonable, enabling agencies to fully demonstrate their capacity and accountability.

The process of creating the Standards has been a national undertaking of the Community Action Network, on a scale not seen since the Monitoring and Assessment Task Force in the mid–1990s. Thanks to improved internet and video technology, the Standards project has reached more

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members of the Network and allowed them to participate more fully than in past national efforts. The Network’s investment of time and energy has been enormous, when seen in light of the still record levels of consumer and community needs, as well as funding cuts.

This project would not have been possible without the support of the Office of Community Services and their dedicated staff. Their assistance has supported the Partnership in accessing outside expertise, maintaining project rigor, and adhering to the unique purposes of the Community Services Block Grant. By convening the Performance Management Task Force and supporting access to outside expertise and helping build Network awareness and engagement, they have helped make this project successful; it has been a true partnership that will benefit the low-income people and communities that the Community Services Block Grant was created to serve.

The use of outside experts such as Lisbeth Schorr (Center for the Study of Social Policy), Beryl Radin (Georgetown), Harry Hatry (Urban Institute), Steven Redburn (George Washington), David Berman (NYC Mayoral Commission for Economic Opportunity) and Issac Castillo (Washington DC Promise Neighborhood Initiative) has added perspective and rigor to the Standards, and helped the Network understand how this effort fits into national accountability efforts. The Partnership is particularly indebted to the Urban Institute for convening performance management experts not readily accessible to many organizations, as well as to partners Wipfli and NIQCA who have provided expertise and advice during the process.

The Partnership is grateful to CAPLAW, NCAF and NASCSP for their continued collaboration. This joint national effort would not have been possible without their strong support and engagement. State CSBG Lead Agencies and the Regional Performance and Innovation Consortia, together with their partner State Associations, have contributed significantly to this process. They have coordinated input, been involved in the pilot project, and have been the conduit for information to and from the Network. The local CSBG Eligible Entities have provided substantial input into the Standards, critical thinking on revisions and implementation, and expedited field-testing of the Standards and assessment tools. As with other initiatives that shaped Community Action in the past, this effort has truly been Network-wide undertaking. The Partnership’s Board and Staff extend our deep and sincere gratitude to all those engaged in this effort.
**IMPLEMENTATION FRAMEWORK**

**Introduction**

Performance management – using knowledge to drive change, initiate improvements and generate reliable outcomes – is the key to making a difference for low-income individuals and families and improving their communities. The Office of Community Services (“OCS”) has initiated a rigorous, multi-pronged approach for strengthening and significantly improving the Community Action Network’s ability to generate and document its powerful outcomes that reduce poverty.

This effort is built on the premise of mutual responsibility and accountability at the national, state and local levels, and involves the creation of both efficiency and effectiveness measures at all three levels. The Community Action Partnership (“Partnership”) has been tasked with developing the measures to ensure that local entities receiving Community Services Block Grant (“CSBG”) funding have the core capacity to deliver high-quality, coordinated, and comprehensive services and meaningful advocacy.

In cooperation with the CSBG Working Group (fully described in the preceding History, Background and Process Overview), and with significant input from the Community Action Network, the Community Action Partnership is pleased to offer OCS the following recommendations for implementing Organizational Performance Standards for local CSBG-Eligible Entities.

These recommendations begin with a discussion of overarching implementation considerations, focusing on the current environment, as well as the unique structure of the Community Action Network. The second section presents detailed and specific recommendations for States’ and local entities’ adoption and implementation of the Organizational Performance Standards, and builds on the Network’s existing systems for accountability. The third section delineates the recommended framework for implementation. The final section consists of the Organizational Performance Standards.

**Overarching Implementation Considerations**

- **Block Grant Environment.** The operating environment at the federal, state and local levels has changed significantly since the CSBG program was created by Congress in 1981, and last reauthorized in 1998. The Organizational Performance Standards serve to provide a consistent framework at the national level for this complex and unique block grant, while maintaining the states’ flexibility required in a block grant environment.

- **Funding Reductions.** The current environment of proposed funding cuts to CSBG, sequestration and other pressures pose challenges for implementation of the Organizational Performance Standards. For many States and CSBG-Eligible Entities, resources will be stretched and additional costs incurred to become fully compliant within the timeline proposed below. If the President’s proposed reduction in CSBG of 50% is implemented, a longer rollout period than that proposed below will be required, and a scaling back of recommendations that have cost implications will need to be considered.

- **Performance Management.** As noted above, the development and implementation of the Organizational Performance Standards are part of a larger Performance Management initiative. The Urban Institute is creating standards and performance measures for the federal Office of Community Services and State CSBG Lead Agencies and the National Association for State Community Services Programs (“NASCSP”) is updating the Results Oriented Management and Accountability (“ROMA”) framework and outcome documentation.

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processes. The implementation of the Organizational Performance Standards should not happen in a vacuum; the implementation of changes to the full Performance Management System for CSBG is essential to answering the Administration’s call for greater accountability at all levels.

**• Diversity of Local CSBG-Eligible Entities.** At the local level, the Community Action Network is made up of both nonprofit 501(c)(3) organizations and units of local government. The Organizational Performance Standards have been developed in a manner that is cognizant of the unique circumstances of governmental units while striving to align standards for governmental units with those applicable to nonprofits, whenever possible. The expectations are the same for public and private CSBG-Eligible Entities (“CEEs”). The fact that certain Organizational Performance Standards may not apply to public CEEs is due to the nature and structure of local governmental units and in no way should be construed as establishing lower expectations for public CSBG-Eligible Entities.

**• Administrative Costs/Program Costs.** The CSBG Working Group and the Partnership have taken care to ensure that the recommended Organizational Performance Standards are reasonable at their foundation and add to the ability of the Community Action Network to demonstrate high performance and accountability. The Community Action Network has strived to decrease the use of CSBG funds for organizational administrative costs. CEEs are good stewards of federal resources as documented by the Urban Institute’s 2012 report on the use of CSBG for administrative costs during the American Recovery and Reinvestment Act documents that “CAAs (CEEs) spent, on average, somewhat less on agency-wide administrative expenses (6.8 percent) than a comparable group of nonprofits (8.2 percent)”. Many of the Organizational Performance Standards by their definition are administrative in nature. This is an appropriate use of CSBG funds, and it must be recognized that this process will likely increase administrative costs over the next two to three years. If further Standards are suggested, the same consideration must be given to assessing the probable costs of implementing them. Therefore, the Administration should use caution when implementing organization-wide standards and recognize that implementation of the Standards may increase administrative costs of CSBG-Eligible Entities, as well as State CSBG Lead Agencies.

**• Training and Technical Assistance.** Given the challenges noted above, sufficient additional funding to support the implementation of the Organizational Performance Standards, in addition to the current funding for national T/TA efforts under Information Memorandum 123, must be made available at the national, regional, state, and local levels. In addition, resources to support individual T/TA for CSBG-Eligible Entities are needed. Other federal networks (e.g., Head Start) ensure this access and the Community Action Network should be provided the same level of support.

**• Data.** Reliable, comprehensive data is key to documenting the outcomes of Community Action efforts at the local, state and national levels, particularly the movement of families to self-sufficiency. CSBG-Eligible Entities have invested in data collection and reporting systems, yet significant barriers continue to exist for data integration. For instance, federally funded programs such as WIC and HUD Section 8 prohibit data integration, and many funders require the use of proprietary data systems that inhibit data aggregation; these issues need to be addressed at the federal and state levels. As such, for many if not most Eligible Entities, it is incredibly challenging to document an unduplicated count of customers served as a whole by each Eligible Entity. Even more importantly, lack of data aggregation impedes the ability to document what bundle of services or programs have had a significant role in a family’s move to self-sufficiency. Strong consideration was given to requiring an unduplicated count
of clients served; until the barriers are addressed, a performance standard in this area is unrealistic, although something to strive for in the future. The White Paper being submitted by the National Association for State Community Services Programs (NASCSP) in July 2015 will address the importance of high quality data collection, integration, and aggregation in further detail.

• **Designation of New Eligible Entities.** As permitted by the federal CSBG Act, it is recommended that in designating new CSBG-Eligible Entities in unserved areas, States give preference to other CSBG-Eligible Entities providing related services in that service area who are meeting the Organizational Performance Standards. If no such CSBG-Eligible Entity exists, then the entity proposed for designation should be required to demonstrate that it meets all of the Organizational Performance Standards and can provide anti-poverty services in accordance with the letter and spirit of the CSBG Act.

**Implementation Recommendations**

As has been the case with other major initiatives in the Community Action Network, it will be critical that the Office of Community Services issue Information Memoranda (“IM”) that detail the importance of, and concrete guidance around, the Organizational Performance Standards. OCS Information Memorandum 49 (2001) set out the challenges, responsibilities and strategies of that time, and detailed the implementation of Results Oriented Management and Accountability. Initiating performance management at the local, state and national levels will require similarly detailed communications. The Partnership recommends one IM describing the overall performance management efforts, strategies and desired outcomes at the local, state and national levels, and three additional IMs addressing the implementation of Standards, changes in ROMA, and State and OCS standards/measures, respectively. The Partnership looks forward to assisting OCS in the development of these communications.

**Voluntary/Early Adoption**

During the course of developing the Organizational Performance Standards, several States and many CSBG-Eligible Entities have expressed strong interest in being early adopters. This interest should be encouraged in the initial IM, and in T/TA offered through the CSBG T/TA Partners including: Organizational Standards Center of Excellence, National Risk Mitigation and Quality Improvement Training and Technical Assistance Center, the soon to be funded Learning Communities Resource Center, ROMA Next Generation Center of Excellence, CAPLAW, NASCSP, Community Action Partnership, Regional Performance and Innovation Consortia, Community Action State Associations, and State CSBG Lead Agencies. Voluntary adoption will offer a ramp-up period for those States and CSBG-Eligible Entities that elect to participate, and will provide valuable data on the capacity required to fully implement the Standards across the Network. In FFY2014, the Partnership will both assist the early adopters and compile data on their efforts through the work of the Organizational Standards Center of Excellence and other initiatives.

The Partnership has developed draft tools for both CSBG-Eligible Entities’ and State CSBG Lead Agencies’ use that were field-tested in the pilot projects. The tool for CSBG-Eligible Entity self-assessment supports organizations in targeted capacity building to meet Standards in all areas, and will be finalized and made available to the Network by 9/15/13. The tool for States aligns with the CSBG-Eligible Entity tool (noting that States have the flexibility to incorporate it into their own tools), and will also be finalized and made available to the Network by 9/15/13.

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IMPLEMENTATION FRAMEWORK

It should be noted that if a State wishes to formally adopt/mandate the Organizational Performance Standards prior to any OCS directive, the recommendations set out below under “Formal Implementation” would need to be followed.

Formal Implementation

If the Office of Community Services wishes to require the nationwide adoption of the Organizational Performance Standards, changes to the federal CSBG Act would be necessary. Whether or not adoption is required by OCS, however, if a State voluntarily decides it would like to adopt the Standards, a number of preliminary steps are necessary prior to full implementation. These steps will require varying lengths of time to complete, dependent upon individual state laws and processes, and the receptiveness of the CSBG-Eligible Entities to the Standards. These activities include, but are not limited to, the following:

• In adopting the Standards, follow state administrative law for adoption of rules and regulations, which may include notice and comment periods and/or hearings, and in some cases, approval by the state legislature;
• Include Organizational Performance Standards in the State Plan submitted to the Office of Community Services;
• Notify OCS in writing if the State intends to modify any Organizational Performance Standard;
• Modify and finalize monitoring tools that will be used to assess CSBG-Eligible Entity performance so that they incorporate Organizational Performance Standards and offer the opportunity for CSBG-Eligible Entity feedback on the tools;
• Develop revised CSBG contracts in coordination with State CSBG Lead Agency legal counsel; and
• Train State CSBG Lead Agency staff, including monitors, on the Standards.

It is strongly recommended that States require CSBG-Eligible Entities to meet all Standards. However, several Standards require more time and resources to fully implement within each CSBG-Eligible Entity and across the Network. It is recommended that the eleven Standards enumerated below have a target date that extends one year past the initial implementation date. The Standards that should have the later target date include:

  a. 4.5: Agency-wide risk assessment
  b. 5.3: Bylaws review by an attorney
  c. 6.1 – 6.5: Agency-wide strategic planning
  d. 7.1: Attorney review of personnel policies
  e. 7.3: Current written job descriptions
  f. 8.5: Audit procurement
  g. 8.9: Agency-wide budget

Once a State adopts the Standards in accordance with state law and incorporates the Organizational Performance Standards into the State Plan and its contracts with CSBG-Eligible Entities, those standards would then become a “state requirement” which, if not met, could result in findings, deficiencies and termination of CSBG designation or reduction of funding. In reducing or terminating an Eligible Entity’s CSBG funding, the State would need to follow the CSBG Act and should look to the guidance currently found in OCS IM 116 on the process to be followed. See Figure 2.
Specifically:

**Monitoring.** Section 678B(a) of the CSBG Act (codified at 42 USC 9914 (a)) requires that States conduct monitoring visits and a full on-site review of each CSBG-Eligible Entity at least once during each three-year period. The CSBG Act also requires that States conduct an on-site review of each newly-designated entity immediately after the completion of the first year in which the entity receives CSBG funds. States are required to “determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of a State.” It is thus up to the States to determine the type of monitoring to conduct and the procedures to use within the parameters of the federal CSBG Act. Moreover, no national uniform monitoring tools and procedures currently exist.

Every question in a State CSBG Lead Agency’s monitoring tool that may result in a deficiency, i.e. a finding that could result in a reduction in or termination of funding by the State, should be tied to a legal requirement such as the federal CSBG Act, including prohibitions on discrimination that are incorporated into Section 678F(c) of the CSBG Act (codified at 42 USC 9918(c)) and those Office of Management and Budget (OMB) circulars that are incorporated into the CSBG Act (cost and accounting standards); a State’s CSBG act and/or regulations (if consistent with the federal CSBG Act); legally enforceable provisions of a CSBG-Eligible Entity’s CSBG contract with the State, and any performance standards that have been adopted in accordance with the State’s administrative procedure laws. Legal requirements place an organization on notice of the standards by which it is required to operate.

**Noting and Addressing a Deficiency.** The federal CSBG Act requires the State CSBG Lead Agency, after providing adequate notice and an opportunity for a hearing, to initiate proceedings to terminate the CSBG designation or reduce the funding of an Eligible Entity if the entity does not correct a deficiency found in a monitoring review. The Act defines the “cause” a State must determine exists to initiate a reduction in or termination of funding (see Section 1 in Part V). The term “cause” in the CSBG Act includes a CSBG-Eligible Entity’s failure to comply with the terms of its CSBG agreement with the State, the State Plan or a State requirement. Thus, the State may, within the parameters of the federal CSBG Act, establish when a monitoring finding rises to the level of a deficiency.

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Providing Training and Technical Assistance (or Access to T/TA). The federal CSBG Act requires that a State CSBG Lead Agency offer T/TA, if appropriate, to help correct a deficiency. When a State CSBG Lead Agency provides T/TA, it must prepare and submit a report to OCS describing the assistance offered. A State CSBG Lead Agency may offer T/TA concurrently with a deficiency notification. Additionally, the T/TA should focus on the CSBG-Eligible Entity’s specific deficiencies or the issues underlying them. Many States CSBG Lead Agencies consistently offer T/TA and often work with a State’s Community Action Association in doing so.

Developing a Quality Improvement Plan (QIP). It is within a State CSBG Lead Agency’s discretion whether to give a CSBG-Eligible Entity the opportunity to develop and implement a quality improvement plan (QIP) to correct a deficiency. However, a State’s discretion to deny a CSBG-Eligible Entity the opportunity to submit a QIP (also known as a corrective action plan) is generally limited to situations where the seriousness of the deficiency and the time required to correct it would make a QIP untenable. A CSBG-Eligible Entity’s QIP must be able to correct a deficiency within a reasonable time period as determined by the State CSBG Lead Agency.

If a State CSBG Lead Agency grants a CSBG-Eligible Entity the opportunity to submit a QIP, it must give the CSBG-Eligible Entity 60 days (after it informs the CSBG-Eligible Entity of the deficiency) to develop and implement the QIP. The State CSBG Lead Agency must notify a CSBG-Eligible Entity of its decision to approve or not approve the QIP within 30 days of receiving it from the CSBG-Eligible Entity. If a State CSBG Lead Agency does not approve the QIP submitted by the CSBG-Eligible Entity, the State CSBG Lead Agency must also specify the reason(s) why when it notifies the CSBG-Eligible Entity of its decision. See Figure 3 above.

Addressing Unresolved Deficiencies. A State CSBG Lead Agency must initiate proceedings to terminate or reduce funding if a CSBG-Eligible Entity fails to correct a deficiency. However, the State may do so only after it has met its responsibilities and provided the CSBG-Eligible Entity with 1) adequate notice; 2) an opportunity for a hearing on the record; and 3) a determination by the State, after the hearing, that “cause” as defined in the CSBG Act exists for termination or a funding reduction. It is within the State’s discretion to determine the format of the notice and hearing it will provide a CSBG-Eligible Entity. Any notice and hearing provided should be consistent with applicable State policies, rules or statutory requirements, including the State’s administrative procedures act. The notice and hearing procedures should also be made available to the CSBG-Eligible Entity.
No federal or state authority exists for a State to waive or ignore a CSBG-Eligible Entity’s right to notice and an opportunity for a hearing nor should one be put in place.

As required by the CSBG Act, States are to include in their State plans an assurance that they will not reduce a CSBG-Eligible Entity’s funding “below the proportional share of funding the entity received in the previous fiscal year” before providing notice and an opportunity for a hearing on the record. A CSBG-Eligible Entity’s proportional share refers to the percentage of the State’s total non-discretionary CSBG funds awarded to the entity. If a State CSBG Lead Agency attempts to reduce a CSBG-Eligible Entity’s proportional share of CSBG funding, the State must provide the entity with the same due process required for the termination of the CSBG designation.

If, after the hearing, the State finds “cause” to terminate or reduce federal funding, the CSBG-Eligible Entity may request federal review of the State’s decision to reduce or terminate funding. OCS is required to complete the appeal submitted by a CSBG-Eligible Entity no later than 90 days after it receives from the State all necessary documentation relating to the State’s determination. If OCS does not overturn the State’s decision by the end of the 90-day period, the State’s decision to terminate or reduce funding is automatically affirmed.
PROPOSED ORGANIZATIONAL PERFORMANCE STANDARDS

MAXIMUM FEASIBLE PARTICIPATION

CATEGORY ONE: Consumer Input and Involvement

Community Action is rooted in the belief that people with low incomes are in the best position to express what they need to make a difference in their lives. CSBG-Eligible Entities work in partnership with the people and communities they serve. Community Action works in a coordinated and comprehensive manner to develop programs and services that will make a critical difference in lives of participants. Individuals and families are well attuned to what they need, and when Community Action taps into that knowledge, it informs our ability to implement high impact programs and services.

Research shows that through engagement in community activities such as board governance, peer to peer leadership, advisory bodies, volunteering, and other participatory means, the poor build personal networks and increase their social capital so that they are able to move themselves and their families out of poverty. Community Action is grounded in helping families and communities build this social capital for movement to self-sufficiency.

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<tr>
<th>STANDARD 1.1 • PRIVATE</th>
<th>The Organization demonstrates low-income participation in its activities.</th>
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<td>STANDARD 1.1 • PUBLIC</td>
<td>The Department demonstrates low-income participation in its activities.</td>
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<td>STANDARD 1.2 • PRIVATE</td>
<td>The Organization analyzes information collected directly from low-income individuals as part of the Community Assessment.</td>
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<tr>
<td>STANDARD 1.2 • PUBLIC</td>
<td>The Department analyzes information collected directly from low-income individuals as part of the Community Assessment.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>STANDARD 1.3 • PRIVATE</td>
<td>The Organization has a systematic approach for collecting, analyzing, and reporting customer satisfaction data to the governing board.</td>
</tr>
<tr>
<td>STANDARD 1.3 • PUBLIC</td>
<td>The Department has a systematic approach for collecting, analyzing, and reporting customer satisfaction data to the tripartite/advisory board, which may be met through broader local government processes.</td>
</tr>
</tbody>
</table>

“Participation is an affirmation of the right of every individual and group to take part in the conduct of public affairs, but also a part of the solution to poverty and social exclusion. Anti-poverty and development policies are more likely to be effective, sustainable, inclusive and equitable if they are the result of participatory processes. Participatory methods are important tools for empowerment, accountability and ending the cycle of deprivation and dependency in favour of the autonomy and social inclusion of persons living in poverty.”

– United Nations, Office of the High Commissioner for Human Rights. (June 2013)
No CSBG Eligible Entity can meet all of a community’s needs independently. Through formal and informal partnerships, ongoing community planning, advocacy, and engagement of people with low incomes, partners ranging from community and faith-based organizations, educational institutions, government, and business can work together to successfully move families out of poverty and revitalize communities.

Community Action is often the backbone organization of community efforts to address poverty and community revitalization: leveraging funds, convening key partners, adding the voice of the underrepresented, and being the central coordinator of efforts. It is not an easy role to play, but a vital one for families and communities.

**MAXIMUM FEASIBLE PARTICIPATION**

**CATEGORY TWO: Community Engagement**

**Standard 2.1 • Private**

The Organization has documented or demonstrated partnerships across the community, specifically including other anti-poverty organizations in the area.

**Standard 2.1 • Public**

The Department has documented or demonstrated partnerships across the community, specifically including other anti-poverty organizations in the area.

**Standard 2.2 • Private**

The Organization utilizes information gathered from key sectors of the community in assessing needs and resources. This would include at minimum: community-based organizations, faith-based organizations, private sector, public sector, and educational institutions.

**Standard 2.2 • Public**

The Department utilizes information gathered from key sectors of the community in assessing needs and resources. This would include at minimum: community-based organizations, faith-based organizations, private sector, public sector, and educational institutions.

**Standard 2.3 • Private**

The Organization communicates its activities and its results to the community.

**Standard 2.3 • Public**

The Department communicates its activities and its results to the community.

**Standard 2.4 • Private**

The Organization documents the number of volunteers and hours mobilized in support of its activities.

**Standard 2.4 • Public**

The Department documents the number of volunteers and hours mobilized in support of its activities.

“Never doubt that a small group of thoughtful, concerned citizens can change the world. Indeed it is the only thing that ever has.” — Margaret Mead
**CATEGORY THREE: Community Assessment**

Local control of federal CSBG resources is predicated on regular comprehensive community assessments that take into account the breadth of community needs as well as the partners and resources available in a community to meet these needs. Regular assessment of needs and resources at the community level is core to the foundation of Community Action and a vital management and leadership tool that is used across the organization and utilized by the community to set the course for both CSBG and all agency resources.

<table>
<thead>
<tr>
<th>Standard 3.1 • Private</th>
<th>The Organization conducted a Community Assessment and issued a report within the past 5 years.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 3.1 • Public</td>
<td>The Department conducted or was engaged in a Community Assessment and issued a report within the past 5 years, if no other report exists.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard 3.2 • Private</th>
<th>As part of the Community Assessment, the Organization collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for their service area(s).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 3.2 • Public</td>
<td>As part of the Community Assessment, the Department collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for their service area(s).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard 3.3 • Private</th>
<th>The Organization collects and analyzes both qualitative and quantitative data on its geographic service area(s) in the Community Assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 3.3 • Public</td>
<td>The Department collects and analyzes both qualitative and quantitative data on its geographic service area(s) in the Community Assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard 3.4 • Private</th>
<th>The governing board formally accepts the completed Community Assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 3.4 • Public</td>
<td>The tripartite board/advisory body formally accepts the completed Community Assessment.</td>
</tr>
</tbody>
</table>

“What do customers value? – what satisfies their needs, wants, and aspirations – is so complicated that it can only be answered by customers themselves… Leadership should not even try to guess at the answers but should always go to the customers in a systematic quest for those answers.” — Peter Drucker
**VISION AND DIRECTION**

**CATEGORY FOUR: Organizational Leadership**

Community Action leadership is exemplified at all levels across the organization. Starting with a mission that clarifies Community Action’s work on poverty, to a well-functioning board and a focused Chief Executive, well-trained and dedicated staff, and volunteers giving of themselves to help others, Community Action is the cornerstone and leverage point to address poverty across the country. Ensuring strong leadership both for today and into the future is critical.

This category addresses the foundational elements of mission as well as the implementation of the Network’s model of good performance management (ROMA). It ensures CAAs have taken steps to plan thoughtfully for today’s work and tomorrow’s leadership.

<table>
<thead>
<tr>
<th><strong>Standard 4.1 • Private</strong></th>
<th>The governing board has reviewed the Organization’s mission statement within the past 5 years and assured that:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. The mission addresses poverty; and</td>
</tr>
<tr>
<td></td>
<td>2. The Organization’s programs and services are in alignment with the mission.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Standard 4.1 • Public</strong></th>
<th>The tripartite board/advisory body has reviewed the Department’s mission statement within the past 5 years and assured that:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. The mission addresses poverty; and</td>
</tr>
<tr>
<td></td>
<td>2. The CSBG programs and services are in alignment with the mission.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Standard 4.2 • Private</strong></th>
<th>The Organization’s Community Action Plan is outcome-based, anti-poverty focused, and ties directly to the Community Assessment.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Standard 4.2 • Public</strong></th>
<th>The Department’s Community Action Plan is outcome-based, anti-poverty focused, and ties directly to the Community Assessment.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Standard 4.3 • Private</strong></th>
<th>The Organization’s Community Action Plan and Strategic Plan document the continuous use of the full ROMA cycle or comparable system (assessment, planning, implementation, achievement of results, and evaluation). In addition, the Organization documents having used the services of a ROMA-certified trainer (or equivalent) to assist in implementation.</th>
</tr>
</thead>
</table>

| **Standard 4.3 • Public** | The Department’s Community Action Plan and Strategic Plan document the continuous use of the full ROMA cycle or comparable system (assessment, planning, implementation, achievement of results, and evaluation). In addition, the Department documents having used the services of a ROMA-certified trainer (or equivalent) to assist in implementation. |

*“Leadership is the capacity to translate vision into reality.” — Warren Bennis*
| **Standard 4.4 • Private** | The Organization has a written succession plan in place for the CEO/ED, approved by the governing board, which contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy. |
| **Standard 4.4 • Public** | The Department adheres to its local government’s policies and procedures around interim appointments and processes for filling a permanent vacancy. |
| **Standard 4.5 • Private** | An organization-wide risk assessment has been completed within the past 2 years and reported to the governing board. |
| **Standard 4.5 • Public** | The Department complies with its local government’s risk assessment policies and procedures. |
 CATEGORY FIVE: Board Governance

Community Action Boards are uniquely structured to ensure maximum feasible participation by the entire community, including those the Network serves. By law, Community Action Boards are comprised of 1/3 low-income consumers (or their representatives), 1/3 elected officials (or their appointees), and 1/3 from the private sector of the community. To make this structure work as intended, CAAs must recruit board members thoughtfully, work within communities to promote opportunities for board service, and orient, train, and support them in their oversight role. Boards are foundational to good organizational performance and the time invested to keep them healthy and active is significant, but necessary.

**Standard 5.1 • Private**

The Organization’s governing board is structured in compliance with the CSBG Act:

1. At least one third democratically-selected representatives of the low-income community;
2. With one-third local elected officials (or their representatives); and
3. The remaining membership from major groups and interests in the community.

**Standard 5.1 • Public**

The Department’s tripartite board/advisory body is structured in compliance with the CSBG Act, by either:

1. At least one third democratically-selected representatives of the low-income community;
2. With one-third local elected officials (or their representatives); and
3. The remaining membership from major groups and interests in the community.

**Standard 5.2 • Private**

The Organization’s governing board has written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.

**Standard 5.2 • Public**

The Department's tripartite board/advisory body either has:

- Written procedures that document a democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.
- OR another mechanism specified by the State to assure decision-making and participation by low-income individuals in the development, planning, implementation, and evaluation of programs.

Please note under IM 82 for Public Entities the law also requires that a minimum of 1/3 of tripartite board membership be comprised of representatives of low-income individuals and families who reside in areas served.

“Nonprofit boards are ultimately responsible for the organizations that they oversee, and are one of the primary vehicles through which citizens participate in the nonprofit sector”.
— Francie Ostrower, Urban Institute
<table>
<thead>
<tr>
<th>Standard 5.3 • Private</th>
<th>The Organization’s bylaws have been reviewed by an attorney within the past 5 years.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 5.3 • Public</td>
<td>The Department documents that each tripartite board/advisory body member has received a copy of the governing documents, within the past two years.</td>
</tr>
<tr>
<td>Standard 5.4 • Private</td>
<td>The Organization documents that each governing board member has received a copy of the bylaws within the past two years.</td>
</tr>
<tr>
<td>Standard 5.4 • Public</td>
<td>The Department documents that each tripartite board/advisory body member has received a copy of the governing documents, within the past two years.</td>
</tr>
<tr>
<td>Standard 5.5 • Private</td>
<td>The Organization’s governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its bylaws.</td>
</tr>
<tr>
<td>Standard 5.5 • Public</td>
<td>The Department’s tripartite board/advisory body meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its governing documents.</td>
</tr>
<tr>
<td>Standard 5.6 • Private</td>
<td>Each governing board member has signed a conflict of interest policy within the past 2 years.</td>
</tr>
<tr>
<td>Standard 5.6 • Public</td>
<td>Each tripartite board/advisory body member has signed a conflict of interest policy, or comparable local government document, within the past 2 years.</td>
</tr>
<tr>
<td>Standard 5.7 • Private</td>
<td>The Organization has a process to provide a structured orientation for governing board members within 6 months of being seated.</td>
</tr>
<tr>
<td>Standard 5.7 • Public</td>
<td>The Department has a process to provide a structured orientation for tripartite board/advisory body members within 6 months of being seated.</td>
</tr>
<tr>
<td>Standard 5.8 • Private</td>
<td>Governing board members have been provided with training on their duties and responsibilities within the past two years.</td>
</tr>
<tr>
<td>Standard 5.8 • Public</td>
<td>Tripartite board/advisory body members have been provided with training on their duties and responsibilities within the past two years.</td>
</tr>
<tr>
<td>Standard 5.9 • Private</td>
<td>The Organization’s governing board receives programmatic reports at each regular board meeting.</td>
</tr>
<tr>
<td>Standard 5.9 • Public</td>
<td>The Department’s tripartite board/advisory body receives programmatic reports at each regular board/advisory meeting.</td>
</tr>
</tbody>
</table>
Establishing the vision for a Community Action Agency is a big task and setting the course to reach it through strategic planning is serious business. CSBG-Eligible Entities take on this task by looking both at internal functioning and at the community's needs. An efficient organization knows where it is headed, how the board and staff fit into that future, and how it will measure its success in achieving what it has set out to do. This agency-wide process is board-led and ongoing. A “living, breathing” Strategic Plan with measurable outcomes is the goal, rather than a plan that gets written but sits on a shelf and stagnates. Often set with an ambitious vision, Strategic Plans set the tone for the staff and board and are a key leadership and management tool for the organization.

<table>
<thead>
<tr>
<th>STANDARD 6.1 • PRIVATE</th>
<th>The Organization has an agency-wide Strategic Plan in place that has been approved by the governing board within the past 5 years.</th>
</tr>
</thead>
<tbody>
<tr>
<td>STANDARD 6.1 • PUBLIC</td>
<td>The Department has a Strategic Plan, or comparable planning document, in place that has been reviewed and accepted by the tripartite board/advisory body within the past 5 years. If the Department does not have a plan, the tripartite board/advisory body will develop the plan.</td>
</tr>
<tr>
<td>STANDARD 6.2 • PRIVATE</td>
<td>The approved Strategic Plan addresses reduction of poverty, revitalization of low-income communities, and/or empowerment of people with low incomes to become more self-sufficient.</td>
</tr>
<tr>
<td>STANDARD 6.2 • PUBLIC</td>
<td>The approved Strategic Plan, or comparable planning document, addresses reduction of poverty, revitalization of low-income communities, and/or empowerment of people with low incomes to become more self-sufficient.</td>
</tr>
<tr>
<td>STANDARD 6.3 • PRIVATE</td>
<td>The approved Strategic Plan contains Family, Agency, and/or Community goals.</td>
</tr>
<tr>
<td>STANDARD 6.3 • PUBLIC</td>
<td>The approved Strategic Plan, or comparable planning document, contains Family, Agency, and/or Community goals.</td>
</tr>
<tr>
<td>STANDARD 6.4 • PRIVATE</td>
<td>Customer satisfaction data and customer input, collected as part of the Community Assessment, is included in the strategic planning process.</td>
</tr>
<tr>
<td>STANDARD 6.4 • PUBLIC</td>
<td>Customer satisfaction data and customer input, collected as part of the Community Assessment, is included in the strategic planning process, or comparable planning process.</td>
</tr>
</tbody>
</table>

“Building around mission and long-term goals is the only way to integrate shorter-term interests. Then management can always ask, ‘Is an objective lading us toward our basic long-range goal, or is it going to sidetrack us, divert us, make us lose sight of our aims?’ St. Augustine said, ‘One prays for miracles but works for results.’ Your plan leads you to work for results. It converts intentions into action” — Peter Drucker
<table>
<thead>
<tr>
<th><strong>STANDARD 6.5 • PRIVATE</strong></th>
<th>The governing board has received an update(s) on meeting the goals of the Strategic Plan within the past 12 months.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STANDARD 6.5 • PUBLIC</strong></td>
<td>The tripartite board/advisory body has received an update(s) on meeting the goals of the Strategic Plan/Comparable Planning Document within the past 12 months.</td>
</tr>
</tbody>
</table>
OPERATIONS AND ACCOUNTABILITY

CATEGORY SEVEN: Human Resource Management

The human element of Community Action’s work is evident at all levels of the organization and the relationship an organization has with its staff often reflects the organization’s values and mission. Oversight of the chief executive and maintaining a strong human resources infrastructure are key responsibilities of board oversight. Attention to organizational elements such as policies and procedures, performance appraisals, and training lead to strong organizations with the capacity to deliver high quality services in low-income communities.

<table>
<thead>
<tr>
<th>Standard 7.1 • Private</th>
<th>The Organization has written personnel policies that have been reviewed by an attorney and approved by the governing board within the past 5 years.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 7.1 • Public</td>
<td>Local governmental personnel policies are outside of the purview of the Department and the tripartite board/ advisory body, therefore this standard does not apply to public entities.</td>
</tr>
<tr>
<td>Standard 7.2 • Private</td>
<td>The Organization makes available the Employee Handbook (or personnel policies in cases without a Handbook) to all staff and notifies staff of any changes.</td>
</tr>
<tr>
<td>Standard 7.2 • Public</td>
<td>The Department follows local governmental policies in making available the Employee Handbook (or personnel policies in cases without a Handbook) to all staff and in notifying staff of any changes.</td>
</tr>
<tr>
<td>Standard 7.3 • Private</td>
<td>The Organization has written job descriptions for all positions, which have been updated within the past 5 years.</td>
</tr>
<tr>
<td>Standard 7.3 • Public</td>
<td>The Department has written job descriptions for all positions. Updates may be outside of the purview of the Department.</td>
</tr>
<tr>
<td>Standard 7.4 • Private</td>
<td>The governing board conducts a performance appraisal of the CEO/Executive Director within each calendar year.</td>
</tr>
<tr>
<td>Standard 7.4 • Public</td>
<td>The Department follows local government procedures for performance appraisal of the Department Head.</td>
</tr>
</tbody>
</table>

“Teamwork is the ability to work together toward a common vision. It is the fuel that allows common people to attain uncommon results.” — Andrew Carnegie
<table>
<thead>
<tr>
<th>Standard 7.5 • Private</th>
<th>The governing board reviews and approves CEO/Executive Director compensation within every calendar year.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 7.5 • Public</td>
<td>The compensation of the Department head is made available according to local government procedure</td>
</tr>
<tr>
<td>Standard 7.6 • Private</td>
<td>The Organization has a policy in place for regular written evaluation of employees by their supervisors.</td>
</tr>
<tr>
<td>Standard 7.6 • Public</td>
<td>The Department follows local governmental policies for regular written evaluation of employees by their supervisors.</td>
</tr>
<tr>
<td>Standard 7.7 • Private</td>
<td>The Organization has a whistleblower policy that has been approved by the governing board.</td>
</tr>
<tr>
<td>Standard 7.7 • Public</td>
<td>The Department provides a copy of any existing local government whistleblower policy to members of the tripartite board/advisory body at the time of orientation.</td>
</tr>
<tr>
<td>Standard 7.8 • Private</td>
<td>All staff participate in a new employee orientation within 60 days of hire.</td>
</tr>
<tr>
<td>Standard 7.8 • Public</td>
<td>The Department follows local governmental policies for new employee orientation.</td>
</tr>
<tr>
<td>Standard 7.9 • Private</td>
<td>The Organization conducts or makes available staff development/training (including ROMA) on an ongoing basis.</td>
</tr>
<tr>
<td>Standard 7.9 • Public</td>
<td>The Department conducts or makes available staff development/training (including ROMA) on an ongoing basis.</td>
</tr>
</tbody>
</table>

“Management emphasis should always be on performance. But especially for a non-profit organization, it must also be on developing people. Staff and volunteers require clear assignments that tap their strengths and allow them - through training, encouragement, and the right challenges – to expand these strengths.” — Peter Drucker
The fiscal bottom line of Community Action is not isolated from the mission, it is a joint consideration. Community Action boards and staff maintain a high level of fiscal accountability through audits, monitoring by state and federal agencies, and compliance with federal Office of Management Budget circulars. The management of federal funds is taken seriously by CSBG Eligible Entities and the Standards specifically reflect the board’s oversight role as well as the day to day operational functions.

**Operational and Accountability**

**Category Eight: Financial Operations and Oversight**

The Organization’s annual audit (or audited financial statements) is completed by a Certified Public Accountant on time in accordance with OMB A-133 (if applicable) and/or State audit threshold requirements.

The Department's annual audit is completed through the local governmental process in accordance with OMB A-133 (if applicable) and/or State audit threshold requirements. This may be included in the municipal entity's full audit.

All findings from the prior year’s annual audit have been assessed by the Organization and addressed where the governing board has deemed it appropriate.

The Department follows local government procedures in addressing any audit findings related to CSBG funding.

The Organization’s auditor presents the audit to the governing board.

The Department’s tripartite board/advisory body is notified of the availability of the local government audit.

The governing board formally receives and accepts the audit.

The Department’s tripartite board/advisory body is notified of any findings related to CSBG funding.

The Organization has solicited bids for its audit within the past 5 years.

The audit bid process is outside of the purview of tripartite board/advisory body therefore this standard does not apply to public entities.

“The lesson of the recession is that boards must engage not only in financial oversight but also in the pursuit of sustainability. To do this well, boards have to be composed of financially literate members who engage in real-time analysis and focus on answering the complex business-model questions their organizations face today.” — Jeanne Bell, CompassPoint
<p>| <strong>Standard 8.6 • Private</strong> | The IRS Form 990 is completed annually and made available to the governing board for review. |
| <strong>Standard 8.6 • Public</strong> | The federal tax reporting process for local governments is outside of the purview of tripartite board/advisory body therefore this standard does not apply to public entities. |
| <strong>Standard 8.7 • Private</strong> | The governing board receives financial reports at each regular meeting that include the following: 1. Organization-wide report on Revenue and Expenditures that compares Budget to Actual, categorized by program; and 2. Balance Sheet/Statement of Financial Position. |
| <strong>Standard 8.7 • Public</strong> | The tripartite board/advisory body receives financial reports at each regular meeting, for those program(s) the body advises, as allowed by local government procedure. |
| <strong>Standard 8.8 • Private</strong> | All required filings and payments related to payroll withholdings are completed on time. |
| <strong>Standard 8.8 • Public</strong> | The payroll withholding process for local governments is outside of the purview of the Department, therefore this standard does not apply to public entities. |
| <strong>Standard 8.9 • Private</strong> | The governing board annually approves an organization-wide budget. |
| <strong>Standard 8.9 • Public</strong> | The tripartite board/advisory body has input as allowed by local governmental procedure into the CSBG budget process. |
| <strong>Standard 8.10 • Private</strong> | The Fiscal Policies have been reviewed by staff within the past 2 years, updated as necessary, with changes approved by the governing board. |
| <strong>Standard 8.10 • Public</strong> | The Fiscal Policies for local governments are outside of the purview of the Department and the tripartite board/advisory body, therefore this standard does not apply to public entities. |
| <strong>Standard 8.11 • Private</strong> | A written procurement policy is in place and has been reviewed by the governing board within the past 5 years. |
| <strong>Standard 8.11 • Public</strong> | Local governmental procurement policies are outside of the purview of the Department and the tripartite board/advisory body, therefore this standard does not apply to public entities. |</p>
<table>
<thead>
<tr>
<th>Standard 8.12 • Private</th>
<th>The Organization documents how it allocates shared costs through an indirect cost rate, or through a written cost allocation plan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 8.12 • Public</td>
<td>A written cost allocation plan is outside of the purview of the Department and the tripartite board/advisory body, therefore this standard does not apply to public entities.</td>
</tr>
<tr>
<td>Standard 8.13 • Private</td>
<td>The Organization has a written policy in place for record retention and destruction.</td>
</tr>
<tr>
<td>Standard 8.15 • Public</td>
<td>The Department follows local governmental policies for document retention and destruction.</td>
</tr>
</tbody>
</table>
**OPERATIONS AND ACCOUNTABILITY**

**CATEGORY NINE: Data and Analysis**

The Community Action Network moves families out of poverty every day across this country and needs to produce data that reflect the collective impact of these efforts. Individual stories are compelling when combined with quantitative data: *no data without stories and no stories without data*. Community Action needs to better document the outcomes families, agencies, and communities achieve. The Community Services Block Grant funding confers the obligation and opportunity to tell the story of agency-wide impact and community change, and in turn the impact of the Network as a whole.

| **Standard 9.1 • Private** | The Organization has a system or systems in place to track and report services customers receive. |
| **Standard 9.1 • Public**  | The Department has a system or systems in place to track and report direct services customers receive. |

| **Standard 9.2 • Private** | The Organization has a system or systems in place to track Family, Agency, and/or Community outcomes. |
| **Standard 9.2 • Public**  | The Department has a system or systems in place to track Family, Agency, and/or Community outcomes. |

| **Standard 9.3 • Private** | The Organization has analyzed its outcomes within the past 12 months. |
| **Standard 9.3 • Public**  | The Department has analyzed its outcomes within the past 12 months. |

| **Standard 9.4 • Private** | The Organization submits its annual CSBG Information Survey Data Report and it reflects organization-wide outcomes. |
| **Standard 9.4 • Public**  | The Department submits its annual CSBG Information Survey Data Report and it reflects CSBG-funded outcomes. |

"Managing to outcomes means investing in continuous collection and use of information to guide the organization’s decisions and operations." — Mario Morino
The Community Action Partnership thanks the members of the CSBG Working Group and its Committees

Tricia Auberle  Oklahoma Association of Community Action Agencies, Inc.
Verna Best  North Carolina Department of Health & Human Services
Bill Brand  Iowa Department of Human Rights, Division of Community Action Agencies
Tom Clancy-Burns  Community Action Partnership of Oregon
Vaughn Clark  Oklahoma Department of Commerce, Office of Community Development
Teresa Cox, CCAP  Mid-Willamette Valley Community Action Agency (Oregon)
Cynthia Croom  Tennessee Association of Community Action
Lorraine Daniels  Georgia Community Action Association
Joe Devany, CCAP  Ohio Heartland Community Action Commission
Karla DiGirolamo  New York State Community Action Association
Dan DuHamel, CCAP  Minnesota Department of Human Services, Office of Economic Opportunity
John Edwards, CCAP  Northeast Florida Community Action Agency, Inc.
Eleanor Evans  Community Action Program Legal Services (CAPLAW)
Rhonda Evans, CCAP  Connecticut Association for Community Action
Ed Gerardot, CCAP  Indiana Community Action Association, Inc.
Connie Greer, CCAP  Minnesota Department of Human Services, Office of Economic Opportunity
Lynn Grogan, CCAP  California/Nevada Community Action Partnership
Pamela Harrison  California Department of Community Services and Development, Community Services Division
Joelle Hoefl  Minnesota Department of Human Services, Office of Economic Opportunity
Kelley Jacobson  Connecticut Association for Community Action
Tiffany Jarvis, CCAP  Kansas Association of Community Action Programs
Yolonda Johnson  Charleston County Human Services (South Carolina)
Robert Jones  Community Action Kentucky
Gretchen Knowlton  National Association for State Community Service Programs (NASCSP)
Dan Leppo  Community Action Association of Pennsylvania
Steve Lipton  Wipfli, LLC
Anita Lichtblau  Community Action Program Legal Services (CAPLAW)
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