



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

Community Services Block Grant

ILLINOIS State Assessment

On-Site Review

FINAL

(July 21 – 25, 2014)

ILLINOIS STATE ASSESSMENT

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY	3
BACKGROUND.....	3
STATE ASSESSMENT AUTHORITY.....	3
SCOPE OF REVIEW.....	3
METHODOLOGY.....	4
II. STATE ASSESSMENT FINDINGS AND RECOMMENDATIONS	5
III. STATE ASSESSMENT OF ILLINOIS.....	15
ADMINISTRATIVE OPERATIONS.....	15
DESIGNATION OF LEAD AGENCY	15
PUBLIC AND LEGISLATIVE HEARINGS	15
STATE APPLICATION AND PLAN.....	15
COMMUNITY ACTION PLAN AND COMMUNITY NEEDS ASSESSMENT	16
ADMINISTRATIVE AND DISCRETIONARY USE OF FUNDS	16
TRAINING AND TECHNICAL ASSISTANCE.....	19
CORRECTIVE ACTION, TERMINATION, AND REDUCTION OF FUNDING	19
FINANCIAL OPERATIONS	19
FISCAL CONTROLS AND AUDITS.....	19
RECAPTURE AND REDISTRIBUTION OF UNOBLIGATED FUNDS	20
STATE CARRYOVER REQUIREMENTS.....	21
FEDERAL FINANCIAL STATUS REPORT.....	21
PROGRAM OPERATIONS	21
USE OF 90 PERCENT OF FUNDS	21
TRIPARTITE BOARDS.....	22
ROMA AND ANNUAL REPORTING.....	22
ANNUAL REPORT.....	23
LIMITATION ON USE OF FUNDS.....	23
CHILD SUPPORT SERVICES	23
CONCLUSION	24
IV. APPENDICES	25
APPENDIX I.....	26
APPENDIX II	28

Illinois Community Services Block Grant

I. EXECUTIVE SUMMARY

BACKGROUND

The Community Services Block Grant (CSBG) 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 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 Illinois designated the Illinois Department of Commerce and Economic Opportunity (DCEO), as the appropriate lead agency for the administration of CSBG. The Illinois CSBG provides funding, technical assistance, and support to 36 eligible entities¹ and the Illinois Migrant Council serving 102 counties. The eligible entities provide an array of services according to the Community Action Plan 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 during a State Assessment (SA) of Illinois CSBG and its eligible entities as evaluated by Federal staff of the Division of State Assistance (DSA) in the 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

SAs are 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 Coats Human Services Reauthorization Act, Public Law 105-285. As per the CSBG statute, the SA evaluates the use of funds received by the state to determine compliance with provisions of the statute and the state's assurances of fiscal, program, and administrative operations.

SCOPE OF REVIEW

On May 5, 2014, OCS issued Information Memorandum (IM) 134, explaining that DSA would conduct an assessment of the State of Illinois during Federal Fiscal Year (FFY) 2014. OCS federal staff conducted the on-site review of the Illinois CSBG and its eligible entities from July 21 - 25, 2014.

¹ The term "eligible entities" is used throughout this report to refer to non-profit or public agencies that meet the requirements of Section 673(1)(A) and Section 676B of the CSBG Act. Eligible entities include Community Action Agencies and other eligible nonprofit and public agencies designated by the state.

METHODOLOGY

OCS reviewed documented procedures and practices for administrative, fiscal, and program operations from FY 2012 through FY 2013, and interviewed Illinois state officials responsible for administering CSBG.

OCS reviewers evaluated:

- Compliance of state-level assurances, administrative, fiscal, and program requirements; and
- The State's monitoring procedures and practices to determine the eligible entities compliance with the state-level assurances.

The detailed state assessment findings and recommendations are discussed in Section II.

II. STATE ASSESSMENT FINDINGS AND RECOMMENDATIONS

OCS identified noncompliance or potential noncompliance that needs further review with the CSBG statute relating to the Illinois revolving loan program, Tripartite Board structure, and a lack of procedures for establishing time frames for eligible entities to correct deficiencies.

FINDING ONE:

The State of Illinois is operating a revolving loan program with CSBG funds. Multiple elements of the loan program require further review regarding compliance with the CSBG statute, the US Treasury regulations and regulations promulgated by HHS.

Since 1984, the State of Illinois and the eligible entities have operated a CSBG revolving loan program. The loan program is designed to provide CSBG funds for loans to individuals and businesses for the purpose of economic development. The loans are made by eligible entities directly or through the Illinois Ventures for Community Action (IVCA). DCEO requires its eligible entities to set aside 10 percent of their CSBG allocation to fund economic development opportunities. This set-aside requirement may be used for the loan program or other activities for economic development such as job training. The Illinois Administrative Code Title 47: Housing and Community Development, Chapter 1, Part 120 and DCEO's internal Administrative Manual provide authority and provisions for how the CSBG loan program will be administered within the state. OCS noted that IVCA also receives CSBG discretionary funds in the form of grants from DCEO for administrative costs and for the loan program. For the most part, for the purposes of this finding, OCS is reporting on the use of funds allocated to the eligible entities.

Although this loan program is a longstanding element of the state's CSBG approach, it has not previously been the subject of an in-depth Federal review. Our initial review has identified a number of critical questions regarding consistency with Federal laws and regulations. These items are discussed in detail below.

Compliance with 90 percent pass-through requirement

Section 675C(a)(1) of the CSBG Act, 42 U.S.C. § 9907(a)(1), requires that not less than 90 percent of funds made available to a state shall be used by the state to make grants to eligible entities. DCEO requires that 10 percent of the eligible entities' allocation be set aside for economic development opportunities within the state. The eligible entities are given three options to satisfy the requirement: 1) participate in, and administer the CSBG loan program; 2) participate in the CSBG loan program administered by IVCA; and 3) participate in alternative use programs which include job placement and development programs, on the job training programs, etc. DCEO allows participation in any or all three options to satisfy the requirement.

The Illinois Administrative Code considers eligible entities that spend less than 50 percent of the 10 percent earmarked for economic development not in compliance with the grant agreement; CSBG loan funds held will be excluded from the allowable carryover and de-obligated by the Department. While the state has authority to create standards and performance requirements for the implementation of CSBG, OCS believes that a prescriptive set-aside for a set amount of funds may not be consistent with the CSBG statute, which allows eligible entities the discretion to address the needs of their communities based on local needs assessments. Additionally the practice of de-

obligating funds has the potential result in less than 90 percent of funds being distributed to eligible entities. This element of the state program requires further review.

Use of CSBG Loan Program Funds for Purchase or Improvement of Real Property

The Illinois Administrative Code and DCEO's Administrative Manual allow eligible entities to purchase and improve real property with recaptured/repaid CSBG loan funds. Under the waived use provisions CSBG loan funds can be used, to purchase and improve real property. Section 678F(a)(1) of the CSBG Act, 42 U.S.C. §9918(a)(1), prohibits the State, or any other person with which the state makes arrangements to carry out the purposes of CSBG from purchasing or improving land, or purchasing, constructing, or permanently improving any building or other facility with CSBG funds². DCEO must determine the extent, if any, of the use of CSBG funds for the purchase and improvement of real property.

Other Uses of CSBG Loan Program Funds

DECO's Administrative Manual also authorizes approval for corporate asset investment, debt recovery, development corporation buy-ins, asset trades, corporate crisis intervention, which may not meet the purposes of CSBG, and would therefore be unallowable.

Obligation period of CSBG loaned funds

Section 675C(a)(2) of the CSBG Act, 42 U.S.C. § 9907(a)(2), requires that funds distributed to eligible entities through grants for a fiscal year shall be available for obligation during that fiscal year and the succeeding fiscal year. CSBG loans are made through the eligible entities for a loan term not to exceed 10 years. DCEO does not track payments received to the original grant period. Furthermore, the state has interpreted that once the funds are drawn down by the eligible entity, they are considered expended. OCS believes this interpretation is inconsistent with federal law. The federal government retains a reversionary interest in the loaned funds and the receivable. Thus, in the absence of a Federal authorization, any repaid principal and interest received outside of the original two-year obligation period must be returned to the US Treasury. OCS has identified no federal authorization for ongoing use of funds beyond the original grant period.

Treatment of Interest earned on CSBG business loans and repaid principal

Our review indicates that the state's treatment of interest on loans requires review. The Illinois Administrative Code states that interest earned on CSBG-supported business loans is not a part of the perpetuation of the loan and may be used by the entity for any corporate (or program) purpose. DCEO's Administrative Manual allows interest earned on the CSBG businesses loans and the repaid/recaptured principal. OCS finds that the state's definitions and requirements regarding treatment of interest is in need of further review to assure consistency with Federal definitions and requirements.

² Section 678F(a)(2) of the CSBG Act, 42 U.S.C. §9918(a)(2), authorizes the Secretary to waive this limitation upon a state request if the Secretary finds that the request describes extraordinary circumstances and that the waiver will contribute to the state's ability to carry out the purposes of CSBG. To date ACF has received no request for a waiver.

Procedures Related to Illinois Ventures for Community Action (IVCA)

IVCA is a not-for-profit corporation whose purpose is to undertake job creation and economic development activities. IVCA administers a CSBG loan program alternative whereby eligible entities are allowed to transfer all or parts of the 10 percent set aside for economic development to IVCA. Eligible entities are however encouraged to operate their own loan program and to only transfer to IVCA if no economic development opportunities are available in their service area. In FY 2012, 20 of the 37 eligible entities transferred funds to IVCA.

When CSBG loan funds are transferred from the entities to IVCA, DCEO considers the funds expended and IVCA has until the end of the two-year obligation period to make a loan. Once a loan is made, the repaid principal is returned to IVCA to continue business throughout the state or in some cases returned to the eligible entity if the loan was made within the service area of the eligible entity.

For the funds provided to IVCA by the eligible entities, OCS has the same questions reported above regarding treatment of interest, time frames of expenditures, and allowable uses of CSBG funds. Other concerns with regard to IVCA include:

- IVCA publicly reports equity ownership in for-profit businesses. It appears, based on a review of the IVCA public filings and statements made on their website that most of their funds originate from CSBG. It is unclear how much of the CSBG funds administered by IVCA originated with the eligible entities and the original grant period.
- IVCA reports a loan in excess of \$700,000 to a related for-profit entity. The for-profit entity is not required to make records public.
- Three DCEO employees are liaison members of the IVCA Board of Directors. Because these employees are also responsible for monitoring and oversight, the roles and responsibilities of the state employees as board liaison members should be reviewed to assure no real or apparent conflict of interest exists.

Recommendation

Given the scope and complexity of the issues, OCS recommends:

- 1.1 If DCEO has not already done so it should suspend new loan activity for CSBG funds allocated to eligible entities pending a full review of the issues identified above. This suspension should also apply to CSBG funds transferred to IVCA by eligible entities. As necessary, in order to prevent a lapse of current funds during the period of state and federal review, the state and the eligible entities should reallocate funds for new loan activities to other allowable CSBG uses.

Department Response:

CSBG Policy Memorandum 17 Suspension of CSBG loan program was issued November 17, 2014. There has been no loan activity since that date.

OCS Response:

OCS agrees with DCEO's action to suspend the CSBG loan program, and suspend the transfer of CSBG loan funds to IVCA.

1.2 DCEO should develop and provide to OCS a full accounting and analysis within 30 days from issuance of the draft report:

- Account for all cash held in the loan program that was allocated to eligible entities and IVCA.
- Provide a detailed summary of all loans issued through the CSBG loan program including; CSBG funds invested since inception of the program, funds recaptured, funds repaid, funds used for other purposes, and outstanding receivable balance.
- Provide a detailed summary of all loans issued through the CSBG loan program including borrower, loan amount, status, and current loan balance.
- Provide documentation of investments held by IVCA that were purchased with CSBG funds, including documentation of the purchase or improvement of real property.
- Provide a detailed summary and documentation of expenditures made by eligible entities using repaid CSBG loan funds for the purchase or improvement of real property.

Department Response:

The Department can provide loan reconciliation reports for each eligible entity showing repaid principal being held.

The Department can provide a Financial and Hiring Status Report showing a summary of all loans and repaid principal uses of funds since inception. This report shows borrower, loan amount, and current loan balance of each project.

Fact sheets submitted at the time of closing are used to show the detailed usage of a project. Due to record retention policy, fact sheets submitted prior to 2012 have been disposed of in accordance to the Departments policy.

Upon examination of fact sheets submitted after 2012 there have been no uses of repaid CSBG loan funds for the purchase or improvement of real property by eligible entities.

OCS Response:

OCS is not able to accept the Department's response to Recommendation 1.2. OCS review of the documents disclosed a significant difference between cash held on hand reflected on the loan reconciliation reports for each eligible entity and the Departments All Agency summary tracking report.

To clarify its response DECO needs to provide an explanation for the discrepancy, documentation to support the variance, full accounting of all cash held in the loan program allocated to the eligible entities, IVCA, and CSBG loan funds invested by IVCA. The full accounting should provide a detailed reconciliation of the total cash held in the bank as represented on the "All Agency Summary Report" with the individual eligible entity loan status reports, IVCA status reports and, the financial and hiring status reports.

Due to the scope and complexity of the issues identified, Recommendation 1.2 will remain open and unresolved, until the state has satisfied OCS' request for additional information.

- 1.3 By January 10, 2017, the state must complete a full review including a legal review of the CSBG revolving loan program that includes a detailed analysis of all state procedures to assure consistency with the CSBG Act, applicable federal statutes and regulations, state statutes and administrative codes; and state rulemaking requirements. This analysis should consider all issues identified in this finding including allowable CSBG uses, and the ongoing federal interest in any repaid loan funds. Based on the analysis the state should report its results to OCS.

Department Response

Upon a thorough legal review of the State of Illinois CSBG revolving loan program, the Department has determined that its program policies and procedures as set forth in the CSBG Administrative Manual are in compliance with the legal authorities governing the program with one minor caveat. Under the reporting guidelines in Section 120.115 (I)(1)(A) of Title 47 of the Illinois Administrative Rules, the Grantee is required to submit the CSBG Loan Project Fact Sheet to the Department immediately following the closing of the loan (i.e. loan agreement signed and funds disbursed to the borrowing business). However, the correlating timeframe in the Department's CSBG Administrative Manual for such reporting and tracking purposes requires submittal within thirty (30) days following the closing of the loan. In this context, we believe that a 30-day time period reasonably falls within the scope of the language in the Illinois Administrative Rules.

While the state's treatment of interest is in compliance with the Illinois Administrative Rules, on all outstanding loans, the Department will treat interest as "program income" in accordance with the Federal OMB Circular guidelines.

- In 1987, the State of Illinois CSBG Program was monitored by HHS/OCS and received a Program Implementation Assessment in June of the same year. The final report was issued by OCS on February 3, 1988. No findings were issued with regard to the eligible entity using the interest for corporate purposes.
- At the time of the 1987 on-site monitoring, the Administrative Manual for the CSBG Loan Program was provided to OCS for review which includes language that interest maintained by the eligible entity may be used for corporate purposes, and no concerns or finds were raised.
- The state was subsequently monitored by HHS/OCS in 1994 and by OIG in 2012. Again no findings were issued regarding the interest being used for corporate purposes by the eligible entity.

Department Proposal

The Department proposes the following for expenditure of the recaptured funds and interest held by eligible entities:

- Recaptured funds and interest will continue to be held by the eligible entity that made the initial loan
- A plan developed by each entity with the intent to have all funds expended in a time period not to exceed five years of the effective date of the plan.
- The plan will include held repaid principal, interest and future payments made on existing loans.

- The Department will review and approve each plan, and a formal agreement will be drawn up.
- Quarterly programmatic and fiscal reports will be submitted to DCEO.
- The Department will reconcile expended funds to the Loan Reconciliation Status Report
- The Department will monitor to ensure program activities are eligible CSBG activities as described in the CSBG Act, and all cost are allowable.

OCS Response:

OCS does not agree with DECO’s response to Recommendation 1.3 and does not accept the Departments’ proposal. DECO’s response states that “while the state’s treatment of interest is in compliance with the Illinois Administrative Rules, on all outstanding loans, the Department will treat interest as “program income” in accordance with the Federal OMB Circular guidelines”. In order to clarify this issue DECO needs to provide a full accounting of the “program income”, a process on how the “program income” will be used, and describe how the state’s procedures are consistent with federal statutes and regulations.

While it is noted that OCS conducted on-site monitoring of the state in previous years (1987 and 1994), the states’ CSBG loan program has not been the subject of an in-depth Federal review. Our state assessment review in 2014 identified a number of critical questions regarding compliance and consistency with federal laws and regulations. Due to the scope and complexity of the issues identified, Recommendation 1.3 will remain open and unresolved, until the state has satisfied OCS’ request for additional information.

1.4 By January 10, 2017, based on the results of the review, the state must provide a plan for continuation, revision or termination of the loan program in compliance with federal and state requirements. The state must provide a plan that addresses necessary modifications to procedures, repayment of federal funds as appropriate and necessary rulemaking for any future revolving loan activities.

Department Response:

The Department suspended the CSBG loan Program effective November 17, 2014 and it will not be reinstated as stated in CSBG PM 17.

Department Proposal:

Recaptured funds and interest held by eligible entities:

- Recaptured funds and interest will continue to be held by the eligible entity that made the initial loan
- A plan developed by each entity with the intent to have all funds expended in a time period not to exceed five years of the effective date of the plan.
- The plan will include held repaid principal, interest and future payments made on existing loans.
- The Department will review and approve each plan, and a formal agreement will be drawn up.
- Quarterly programmatic and fiscal reports will be submitted to DCEO.
- The Department will reconcile expended funds to the Loan Reconciliation Status Report

- The Department will monitor to ensure program activities are eligible CSBG activities as described in the CSBG Act, and all cost are allowable.

Recaptured funds and interest held by IVCA:

- Recaptured funds and interest will be allocated back to eligible entities to be used for CSBG eligible entities
- A plan developed by each entity with the intent to have all funds expended in a time period not to exceed five years of the effective date of the plan.
- The plan will include held repaid principal, interest and future payments made on existing loans.
- The Department will review and approve each plan, and a formal agreement will be drawn up.
- Quarterly programmatic and fiscal reports will be submitted to the Department.
- The Department will reconcile expended funds to the Loan Reconciliation Status Report
- The Department will monitor to ensure program activities are eligible CSBG activities as described in the CSBG Act, and all cost are allowable.

Equity Investments held by IVCA:

- As equity distributions are received, the original CSBG amount will be paid back until the original investment is paid off allowing the portfolio to be closed.
- Recaptured funds will be allocated back to eligible entities as previously set forth.
- The Department will monitor the closing of the equity portfolio to ensure all equity investments are divested.

OCS Response:

While OCS agrees with DECO’s action to suspend the CSBG revolving loan program, we are not able to accept the Department’s proposal with respect to recaptured funds and interest held by eligible entities, and IVCA and equity investments held by IVCA. As stated above, OCS review of the documents disclosed a significant difference between cash held on hand reflected on the individual loan status reports and the Departments financial summary tracking report. Due to the scope and complexity of the issues identified, Recommendation 1.4 will remain open and unresolved until the state has satisfied OCS’ request for additional information, and describe how the State’s proposal is consistent with federal statutes and regulations.

FINDING TWO:

Noncompliance with State and Federal Requirements governing Tripartite Boards

Section 676B 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 neighborhoods served. One-third of the members of the Board are elected public officials and the remaining members are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups interested in the community served. Members must actively participate in the planning, implementation, and evaluation of the program that services their low-income communities.

Illinois state rules require a minimum of 15 members with one-third representation from the public sector (elected official), at least one-third from the client sector and the remaining balance from private and other public entities. The selection of members is to be made in accordance with the CSBG Act. There is to be a minimum of four meetings a year, a requirement that each grantee is to submit to DCEO the official minutes of the board meeting along with the quarterly CSBG report, listing of current board members by sector or representation with date of board appointment, current bylaws of the organization, and documentation of state corporate status.

DCEO's monitoring reviews identified two entities that are in noncompliance with state and federal requirements governing the Tripartite Board structure. The FY 2012 monitoring review identified one entity that had six Board vacancies, with the majority of the vacant seats existing over a six-month period. The agency had not submitted the required Board meeting minutes to DCEO for review during the 2012 program year, which continued through the 2013 program year. According to DCEO the entity has been out of compliance with the Tripartite Board structure since 2008. At the time of our review the board vacancy issues for the entities were still outstanding.

Recommendation:

- 2.1 DCEO should establish a definite time frame for the entities to comply with Tripartite Board requirement in accordance with Section 676B of the CSBG statute.

Department Response:

The Department is in the process of developing a policy requiring eligible entities to fill vacancies within 90 days of the seat becoming vacant. Entities which continue to have vacancies past 90 days will be placed on a technical assistance plan. Failure to respond to the Technical Assistance Plan would result in a quality improvement plan as detailed in OCS IM-116.

OCS Response:

OCS agrees with DCEO's corrective action regarding compliance with Tripartite Board requirements.

- 2.2 DCEO should have a clear process for placing entities on a corrective action plan or quality improvement plan when they have failed to meet board requirements in a timely manner. If technical assistance or training is needed to help the eligible entity complete the plan DCEO should provide such. DCEO should follow Section 678C and OCS IM-116 if agencies do not correct deficiencies within the time frames established.

Department Response:

Beginning with FY 2017 the Department has implemented a policy of reviewing the eligible entities board requirements at the time of application. Entities which have vacancies shall have special conditions placed on their grant. These special conditions will include a requirement of monthly reporting on board compliance. Agency's which continues to have vacancies past 90 days will be placed on a Technical Assistance Plan. Failure to respond to the Technical Assistance Plan would result in a Quality Improvement Plan which follows Section 678C and OCS IM-116.

OCS Response:

OCS agrees with DCEO's corrective action plan regarding compliance with Tripartite Board requirements.

FINDING THREE:

Lack of procedures for establishing definite time frames for Corrective Action

Section 678C requires that if the state determines, on the basis of a final decision that an eligible entity fails to comply with the terms of an agreement, or the state plan, to provide services ... or to meet appropriate standards, goals, and other requirements established by the state, the state shall;

- (1) inform the entity of the deficiency to be corrected;
- (2) require the entity to correct the deficiency;
- (3) (A) offer training and technical assistance, if appropriate to help correct the deficiency, and prepare and submit to the Secretary a report describing the training and technical assistance offered.
(B) if the state determines that such training and technical assistance are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination.

OCS found that DCEO did not establish definite time frames for corrective action when an entity repeatedly failed to meet state and federal requirements. DCEO monitoring reports and documentation of high risk agencies for FY 2012 and FY 2013 identified several eligible entities with repeat monitoring findings and/or deficiencies.

For example:

- Two entities were noncompliant with Section 676B of the CSBG statute Tripartite Board structure; and
- Four entities were reported as having repeated financial/fiscal deficiencies.

In FY 2013, DCEO required one of the entities to correct the deficiencies by placing them on a Quality Improvement Plan, however as of July 2014, major deficiencies remain uncorrected. Also, one entity has been noncompliant with the Tripartite Board structure since FY 2008.

Although, DCEO provided documentation to show training and technical assistance was provided, many of the repeat issues remain uncorrected. In addition, we noted the following language in DCEO's State Plan "the State of Illinois does not specify a period of time allotted for corrective action." Without establishing definite timeframes for corrective action, DCEO cannot provide assurance that the CSBG program is administered for its intended purpose and that Federal funds are safeguarded.

Recommendation:

- 3.1 DCEO should establish definite time frames for corrective action for an eligible entity that fails to meet State and Federal requirements.

Department Response:

Beginning with PY 2017 the Department has implemented new policies and procedures to assist in identifying training and technical assistance needs of the eligible entities at the time of application. Eligible entities are required to complete a programmatic risk assessment questionnaire. Based on what risks are identified, executed grants will contain special conditions highlight time frames for compliance.

OCS Response:

OCS agrees with DCEO's corrective action taken to implement policies and procedures to assist in training and technical assistance, and establish procedures to address time frames for compliance with state and federal regulations.

3.2 DCEO should take appropriate action when an eligible entity fails to correct findings/deficiencies within the established time frames.

Department Response:

The Department will continue to develop policy to define necessary corrective action steps to correct findings/deficiencies. Eligible entities will be placed on a technical assistance plan. Failure to meet the requirements of this plan will result in an entity being placed on a quality improvement plan, as detailed in OCS IM-116.

OCS Response:

OCS agrees with DCEO's plan to develop policies which define corrective action steps for eligible entities to correct findings/deficiencies in accordance with IM-116.

III. STATE ASSESSMENT OF ILLINOIS

OCS overall State Assessment of Illinois found noncompliance with the CSBG statute in administrative and program operations. We found the financial operations were in compliance with the CSBG statute and applicable Federal regulations.

ADMINISTRATIVE OPERATIONS

DESIGNATION OF LEAD AGENCY

Section 676(a) of the CSBG statute requires each state to designate a lead agency to administer CSBG. The lead agency shall develop the state plan, hold public and legislative hearings, and provide oversight of the eligible entities.

The Governor of Illinois designated DCEO as the lead agency for the administration of CSBG.

PUBLIC AND LEGISLATIVE HEARINGS

Section 676(a)(2)(B) requires a public hearing with, among other provisions, sufficient time for public comment, and Section 676(a)(3) states that in order to be eligible to receive a grant or allotment the state shall hold at least one legislative hearing every three years in conjunction with the state plan.

DCEO held the public hearing for the FY 2012-2013 State Plan August 17, 2011, and for the FY 2014-2015 State Plan August 21, 2013. Documentation provided by the state shows that notification of the hearings was published in local newspapers, mailed to eligible entities, and the draft state plans were made available for public inspection on DCEO's official website. OCS noted that the public hearings were held with sufficient time and statewide distribution of notices to provide the public an opportunity to comment on the proposed use and distribution of CSBG funds in accordance with Section 676(a)(2)(B).

DCEO held the legislative hearing for the FY 2012-2013 State Plan in accordance with Section 676(a)(3). The hearing was held by the Illinois House of Representative Appropriations Committee on March 23, 2011 and the Illinois Senate Appropriations Committee on April 7, 2011. The legislative hearing for the FY 2014-2015 State Plan was held April 2013 as required.

STATE APPLICATION AND PLAN

Section 676(a)(2)(A) and Section 676(b)(1-13) requires the lead agency develop the state plan to be submitted to the Secretary. The plan shall be submitted no later than 30 days prior to the beginning of the first fiscal year covered by the plan, and contain assurances that funds made available through the grant will be used for the reduction of poverty, revitalization of low-income communities, and empowerment of low-income families to become fully self-sufficient.

On behalf of the State of Illinois, DCEO submitted to OCS the FY 2012-2013 State Plan August 19, 2011, and the FY 2014-2015 State Plan August 12, 2013, in accordance with the statute. OCS accepted the FY 2012-2013 State Plan September 9, 2011, and the FY 2014 – 2015 State Plan September 16, 2013. The state plans contained administrative, financial, and programmatic

assurances that funds made available through the grant will be used to address the needs of low income communities, and empower low-income families to become fully self-sufficient.

COMMUNITY ACTION PLAN AND COMMUNITY NEEDS ASSESSMENT

Section 676(11) requires states to secure from each eligible entity in the state, a community action plan that includes a community needs assessment for the community served, which may be coordinated with community needs assessments conducted for other programs.

In accordance with the Section 676(11), DCEO requires each eligible entity to develop a community action plan that includes a community needs assessment. The community action plan serves as the basis for the annual CSBG application, providing quantitative and qualitative data for the agency's use in developing short- and long-term strategies to meet the needs of the area served. DCEO requires the community action plan to be updated annually and a full assessment completed every three years. We reviewed the community action plans and community needs assessments for three eligible entities within the State of Illinois.

OCS found DCEO had established procedures and practices to help assure that eligible entities accurately addressed the needs of the community and of its residents. The CSBG program manager sends out an email annually to all eligible entities outlining the administrative requirements of the community action plan, planning process, how CSBG funds are to be used, service delivery systems and program outcomes. Included are the requirements that the community needs assessment address, client type, results of an actual survey of clients and suggestions for programs and services. Once the plans are received from the eligible entities, they are reviewed using the CSBG Application Review Checklist and verified by the program manager.

ADMINISTRATIVE AND DISCRETIONARY USE OF FUNDS

Section 675C(2) requires that no state may spend more than the greater of \$55,000, or five percent, of the grant for administrative activities, including monitoring activities. Funds to be spent for such expenses shall be taken from the portion of the grant after the state makes grants to eligible entities. Section 675C(b)(1) requires that the state shall use the remainder of the grant or allotment received for discretionary purposes.

DCEO expended five percent of the CSBG grant award for administrative costs. The costs were distributed among personnel services, fringe benefits, indirect cost, other administrative, audit, and the Office of Information Management (OIM) – information technology staff.

OCS sampled two months, November 2011 and July 2012, where the state recorded \$199,922 and \$152,466 respectively in administrative costs and verified the amounts through the Grantee Reporting System (GRS).

DCEO discretionary expenses for fiscal year FY 2012-2013, included financial support to vendors for training and technical assistance, scholarship program for low-income students, and other support and technical assistance activities determined appropriate by the State.

OCS sampled a discretionary contract award for the fiscal year FY 2012-2013. The scope of the contract agreement was to perform: training and technical assistance, and program and

organizational development to the Community Action Network. The discretionary funds expended were verified through the GRS.

The chart below shows DCEO Administrative and Discretionary expenditures in FY 2012.

FY 2012 CSBG Funds Illinois³

Uses of Funds	Amount Expended	Percentage
Administrative	\$1,508,615.00	5%
Discretionary	\$1,472,492.00	5%

MONITORING

Section 678B(a) requires states to monitor local agencies to determine whether they meet performance goals, administrative standards, and financial management requirements, as well as other requirements of the state. The state shall conduct the following reviews of eligible entities: 1) full onsite review of each entity at least once during a three-year period; 2) onsite review of each newly designated entity immediately after completion of the first year in which the entity received CSBG funds; and 3) follow-up reviews to eligible entities that fail to meet the goals, standards, requirements established by the state.

OCS found DCEO performed the required monitoring and follow up reviews of its 37 eligible entities in accordance with the Section 678B(a). The table below shows DCEO’s monitoring schedule and activity during a three-year period.

DCEO Monitoring Schedule

Agency Name	Fiscal Dates Reviewed	Counties Served
BCMw Community Services, Inc.	10/2011, 12/2012	Bond, Clinton, Marion, Washington
Carver Community Action Agency	03/2011, 02/2013, 08/2013	Knox
CEFS Economic Opportunity Corporation	08/2011, 07/2012, 09/2013	Christian, Clay, Effingham, Fayette, Montgomery, Moultrie, Shelby
Community Action Partnership of Central Illinois	08/2011, 07/2012, 06/2013	DeWitt, Logan, Mason, Menard, Piatt, Fulton
Champaign County Regional Planning Comm.	04/2011, 04/2012, 04/2013	Champaign
Chicago Dept. of Family & Support Services	12/2011, 11/2012, 09/2013	Cook (City)
Community and Economic Development Association of Cook County	6/2011, 08/2012, 6/2013	Cook (Suburban)
Crosswalk Community Action Agency	10/2011, 10/2012, 10/2013	Franklin, Jackson, Jefferson, Williamson
Decatur-Macon County Opportunities	4/2011, 4/2012, 5/2013	Macon

³ Source: FY 2012 CSBG-IS Report

Agency Name	Fiscal Dates Reviewed	Counties Served
DeKalb County Dept. of Community Services	3/2011, 4/2012, 4/2013	DeKalb
DuPage County Dept. of Community Services	10/2011, 09/2012, 10/2013	DuPage
East Central Illinois CAA	04/2011, 06/2012, 05/2013	Ford, Iroquois, Vermilion
Embarras River Basin Agency, Inc.	09/2011,09/2012, 11/2013	Clark, Coles, Crawford, Cumberland Douglas, Edgar, Jasper, Lawrence, Richland
Illinois Valley Economic Development Corp.	09/2011, 09/2012,10/2013	Calhoun, Greene, Jersey, Macoupin
Kankakee County Community Services, Inc.	05/2011, 08/2012, 03/2012	Kankakee
Kendall-Grundy Community Service	4/2011, 5/2012, 5/2013	Grundy, Kendall
Community Action Partnership of Lake County	1/2011, 2/2012, 2/2013	Lake
Madison County Community Development	11/2011, 11/2012, 11/2013	Madison
McHenry County Housing Authority	3/2011, 3/2012, 5/2013	McHenry
MCS Community Services	7/2011, 8/2012, 3/2014	Cass, Morgan, Scott
Mid Central Community Action, Inc.	09/2011, 11/2012, 4/2014	Livingston, McLean
Northwestern Illinois CAA	8/2011, 8/2012	JoDaviess, Stephenson
Peoria Citizens Committee for Economic Opportunity, Inc.	7/2011, 7/2012, 7/2013	Peoria
Project Now, Inc.	8/2011, 8/2012, 8/2013	Henry, Mercer, Rock Island
Rockford Human Services Department	12/2011, 12/2012, 12/2013	Boone, Winnebago
Sangamon County Department of Community Resources	12/2011, 12/2012, 12/2013	Sangamon
Shawnee Development Council, Inc.	8/2011, 8/2012, 9/2013	Alexander, Hardin, Johnson, Massac, Pope, Pulaski, Union
St. Clair County CAA	12/2011, 12/2012, 12/2013	St. Clair
Tazwood Community Services, Inc.	3/2011, 3/2012, 4/2013	Tazewell, Woodford
Two Rivers Regional Council of Public Officials	11/2011, 10/2012, 10/2013	Adams, Brown, Pike, Schuyler
Tri-County Opportunities Council	12/2011, 12/2012, 11/2013	Bureau, Carroll, LaSalle, Lee, Marshall, Ogle, Putman, Stark, Whiteside
Two Rivers Head Start	2/11, 02/2013, 10/2013	Kane
Wabash Area Development, Inc.	11/2011, 11/2012, 03/2013	Edwards, Gallatin, Hamilton, Saline, Wabash, Wayne, White
Western Egyptian Economic Opportunities Council	6/2011, 6/2012, 8/2013	Monroe, Perry, Randolph
Western Illinois Regional Council	4/2011, 4/2012, 07/2013	Hancock, Henderson, McDonough, Warren
Will County Center for Community Concerns	10/2011, 11/2012	Will
Illinois Migrant Council	11/2012, 09/2013	Statewide

TRAINING AND TECHNICAL ASSISTANCE

Section 675C(b)(1)(A) allows states to use CSBG funds to provide Training and Technical Assistance (T/TA) to those entities in need of such training and assistance. Section 678C(a)(3) indicates states shall offer T/TA if appropriate to help correct eligible entities deficiencies.

In accordance with 675C(b)(1)(A) DCEO provided documentation to show T/TA was provided to the eligible entities to address monitoring findings and deficiencies. DCEO T/TA for: Tripartite Board compliance, fiscal monitoring and internal controls, cost allocation methodology, payroll, cash management, etc. However, OCS found many of the issues reported as findings and deficiencies by the monitoring staff remain uncorrected because DCEO did not establish definite time frames for corrective action. *(See detailed Finding Number 3 on page 7.)*

CORRECTIVE ACTION, TERMINATION, AND REDUCTION OF FUNDING

Section 678C states that if the state determines, on the basis of a final decision, that an eligible entity fails to comply with the terms of an agreement, or the State plan, to provide services ... or to meet appropriate standards, goals, and other requirements established by the state, the state shall:

- (1) inform the entity of the deficiency to be corrected;
- (2) require the entity to correct the deficiency; and
- (3) (A) offer training and technical assistance, if appropriate to help correct the deficiency, and prepare and submit to the Secretary a report describing the training and technical assistance offered; and
(B) if the State determines that such training and technical assistance are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination.

OCS found DCEO did not establish definite time frames for corrective action when an entity repeatedly failed to meet state and federal requirements. *(See detailed Finding Number 3 on page 7.)*

FINANCIAL OPERATIONS

FISCAL CONTROLS AND AUDITS

Fiscal Controls

45 C.F.R. § 96.30(a) requires states to maintain fiscal control and accounting procedures. Except where otherwise required by Federal law or regulation, a state shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to; (a) permit preparation of reports required by the statute, and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

OCS reviewed DCEO's general ledger for CSBG and expenses that included a detail report listing of programmatic and administrative transactions provided by the state. OCS was able to test a sample of transactions and vouchers to source documents such as DCEO expenditure reports, payroll administrative spreadsheet, and timesheets for the purpose of verification of allowability and

allocability. The state provided its policy for determining unallowable cost. OCS found that fiscal controls and accounting procedures were sufficient and in accordance with Federal regulations.

Audits

According to 45 CFR §96.31, grantees and sub-grantees 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 of Federal funds in any year must contract with an independent auditor to review their financial statements and federal expenditures. Section 678D(a)(b) requires the state to establish fiscal control and fund accounting procedures necessary to assure the proper disbursement of and accounting for federal funds paid to the state ... including procedures for monitoring the funds provided under this subtitle. 45 CFR §96.31 requires that appropriate corrective action is taken within six months after receipt of the audit report in instances of noncompliance with federal laws and regulations.

State Compliance with OMB A-133 (Single Audit)

In accordance with 45 CFR §96.31 and the Office of Management and Budget (OMB) Circular A-133, DCEO obtained single audits to review their financial statements and federal expenditures for Year End June 30, 2012 and Year End June 30, 2013. OCS reviewed the single audits to determine whether timely and appropriate corrective action was taken in instances of noncompliance with federal laws and regulations. For the single audits reviewed there were no instances of noncompliance with CSBG.

State Monitoring - Eligible Entity Compliance OMB A- 133 (Single Audit)

In accordance with 45 CFR §96.31 and OMB Circular A-133, the eligible entities obtained single audits for Year End June 30, 2012 and Year End June 30, 2013. OCS reviewed three of the eligible entities single audits and the states’ fiscal monitoring procedures to determine whether timely and appropriate corrective action was taken in instances of noncompliance. For the single audits reviewed, OCS found that one entity had compliance issues with tracking grant expenditures, and monitoring sub recipients. OCS verified that the DCEO monitored the single audits, and for the noncompliance issues identified DCEO required appropriate corrective action be taken.

RECAPTURE AND REDISTRIBUTION OF UNOBLIGATED FUNDS

Section 675C(a)(3) conditions that a state may recapture and redistribute unobligated funds in excess of 20 percent of the amount distributed to an eligible entity to another eligible entity or to a private non-profit organization. However, since 2001, Congressional Appropriation language has provided instruction that supersedes the language in the enabling legislation. Currently, states must comply with annual appropriation instructions requiring that, “to the extent Community Services Block Grant funds are distributed as grants by a state to eligible entities provided under the Act, and have not been expended by such entity, the funds shall remain with such entity for carryover into the next fiscal year for expenditure by such entity for program purposes.

Illinois Administrative Code Title 47: Part 120, Section 120.80 guidance regarding unexpended funds requires that the CSBG fund balance from the previous fiscal year will be subject to written approval of the Department, and carried into the grantee’s succeeding fiscal year CSBG. DCEO’s eligible entity grants are extended out 15-18 months to allow for 100 percent expenditure of funds.

OCS found that three eligible entities did not expend 100 percent of their funds within the CSBG two-year life cycle. At the end of the two year grant period DCEO de-obligated a total of \$169,047 from the eligible entities and re-obligated the funds on September 25, 2013 to a grantee in the form of a discretionary grant award.

STATE CARRYOVER REQUIREMENTS

DECO did not have carryover for FY 2012, as stated above the eligible entities are allowed to extend their grants out 15 - 18 months to allow for 100 percent expenditure of funds within the two-year life of the CSBG funding.

FEDERAL FINANCIAL STATUS REPORT

45 CFR §92.40, §92.41, and §96.30(b)(4), respectively, the grantee shall submit annual program progress and Federal Financial Report (FFR) using OMB Standard Form (SF) 425. The FFRs are due within 90 days of the close of the applicable statutory grant periods. Failure to submit reports on time may be the basis for withholding financial assistance payments, suspension, or termination of funding.

In accordance with 45 CFR DCEO submitted the annual FFR for FY 2012 to the Office of Grants Management (OGM) by mail December 30, 2013. However, OGM preferred method of receiving the report is electronically. In the future, OCS suggests DCEO ensure FFR submissions are submitted electronically.

PROGRAM OPERATIONS

USE OF 90 PERCENT OF FUNDS

Section 672 states that the purpose and goals of CSBG is to provide assistance to states and local communities working through a network of CAAs and other neighborhood organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient. Section 675 requires that not less than 90 percent of the funds made available to a state shall be used by the state to make grants for the purposes described in Section 672 to eligible entities.

In accordance with Section 672, DCEO reported providing services to 773,575 low-income individuals in 477,309 families. The chart below describes the services provided in FY 2012 which addressed conditions of poverty that create barriers to economic security.

FY 2012 CSBG Use of Funds: Illinois⁴

Service Category	Amount Expended	Program Goals for Low-Income Families and Individuals
Employment	\$3,472,500	Low-income participants who obtain employment and maintain employment, or become self-employed.
Education	\$1,495,401	Educational services provided for children and adults.

⁴ Source: FY 2012 CSBG-IS Report

Service Category	Amount Expended	Program Goals for Low-Income Families and Individuals
Housing	\$600,481	Housing services provided to improve living environment.
Emergency Service	\$6,617,776	Services provided for emergencies and crisis intervention.
Nutrition	\$1,781,854	Nutrition services provided to low-income families and individuals.
Health	\$2,169,437	Health care services made accessible to low-income families and individuals.
Self-Sufficiency	\$3,811,993	Services provided to assist low-income in gaining or increasing economic security.
Linkages	\$5,761,970	Activities that “link” community members, groups, government, and commercial organizations that serve low-income communities.
Income Management	\$250,446	Income management services provide to low-income families and individuals.
Other	\$430,347	Transportation, admin, summer basketball, program support and Illinois Ventures.
Total FY 2012 Expenditure	\$26,392,205	

TRIPARTITE BOARDS

Section 676B 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 neighborhoods served. One-third of the members of the Board are elected public officials and the remaining members are official or members of business, industry, labor, religious, law enforcement, education, or other major groups interested in the community served. Members must actively participate in the planning, implementation, and evaluation of the program that services their low-income communities.

DCEO’s monitoring reviews identified two entities that were in noncompliance with state and federal requirements governing the Tripartite Board structure. *(See detailed finding number 2 on page 8.)*

ROMA AND ANNUAL REPORTING

Section 678E(1) and 678E(2) requires that each state that receives funds shall participate in a performance measurement system and ensure that all eligible entities in the state participate to the extent to which programs are implemented in a manner that achieve positive results for the communities served. States may participate in the model evaluation system designed by OCS in consultation with the CSBG network called Results Oriented Management and Accountability System (ROMA). Alternatively, states may design their own similar system.

DCEO participates in the ROMA system to measure performance and program outcomes, and reports the data to the National Association for State Community Services Programs (NASCSPP) for inclusion in their Annual Report. Illinois requires its eligible entities to use the Single Tracking and

Report System (STARS), an on-line data management system to track and report data for ROMA. STARS is comprised of four systems: intake, CSBG, reports and administration. The intake systems collects client characteristics data statewide for CSBG, the CSBG system collects services and outcomes-based data on ROMA standards, the administration system collects key grantee information including the board membership lists and, the report system interacts with the other systems.

Summary reports and work program detail reports are reviewed prior to execution of a grant to ensure that work programs are reflective of the entities' Community Action Plans and in compliance with CSBG. Eligible entities are required to submit an outcomes report, unduplicated count report, and Board membership list 30 days after the close of each quarter.

During our review, OCS found that two eligible entities were doing double entry into STARS and another tracking system. Based on discussions with DCEO both agencies are using systems that were previously used for reporting by the state and were designed and implemented with ROMA as their backbone, just as the STARS system. Since both agencies are currently doing double entry, DCEO uses the STARS data for reporting. DCEO is currently working with both entities to ensure consistency and accuracy of ROMA data.

ANNUAL REPORT

Section 678E(2) requires 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. In accordance with OCS IM-133, the Annual Report must be submitted to OCS by March 31, of each year. The report should describe how the state and the eligible entities met its goals and objectives, as well as provide information on the types of projects supported with CSBG funds. The Annual Report must contain performance measurement outcome data which addresses the implementation of the national goals and measures.

Although OCS verified that DCEO submitted performance measurement information to NASCSP for inclusion in the Annual Report, the state did not provide its most recent CSBG Information Survey (IS) submission directly to OCS in accordance with CSBG IM-133. However, during the SA, OCS requested and received DCEO's CSBG Annual Report.

LIMITATION ON USE OF FUNDS

Section 678F states that grants may not be used by the state or by any other person ... for the purchase of improvement of land, or the purchase, construction, or permanent improvement of any building or other facility.

OCS found that DCEO's CSBG revolving loan program allows its eligible entities to purchase and improve real property with CSBG recaptured and/or repaid principal loan funds. OCS believes further review of multiple aspects of the revolving loan fund is necessary. *(See detailed Finding Number 1 on page 3.)*

CHILD SUPPORT SERVICES

Section 678G(b) states that during each fiscal year for which an eligible entity receives a grant such entity shall: (1) inform custodial parents in single-parent families that participate in programs,

activities, or services ... about the availability of child support services; and (2) refer eligible parents to the child support offices of State and local governments.

In accordance with Section 678G(b), DCEO provides the following information to its eligible entities to inform custodial parents of activities or services, and referral information of state and local governments: 1) child support application; 2) child support fact sheet; and 3) child support referral. DCEO's monitoring instrument tracks the child support services requirement annually and documents how the entity refers clients to the local office of the State Child Enforcement Agency.

CONCLUSION

We would like to thank DCEO staff, and the eligible entities visited for their cooperation and assistance during the State Assessment of Illinois. In accordance with Section 678B(c), please provide your responses to the findings and recommendations contained in the report within 30 days of receipt of the draft report. If your responses are not provided, and OCS has not received a request for an extension, this report will be considered final. If an extension is required, the state must provide within 30 days of receipt of the draft report, a justification of the circumstances that warrant an extension. After the issuance of a final report, the state will be required to develop and submit a Corrective Action Plan for Federal review. **Note:** Due to the complexity of recommendations 1.3 and 1.4 OCS has allowed the state until January 10, 2017 to respond to the respective recommendations.

Staff from OCS and its technical assistance grantees will be available to work with state staff in developing a plan of corrective action. If you have any questions or concerns, please contact:

Seth Hassett
Director, Division of Community Assistance
Office of Community Services
Administration for Children and Families
330 C Street, SW, 5th Floor
Washington, DC 20230
Telephone: (202) 401-4666
Fax: (202) 401-4694
Email: Seth.Hassett@acf.hhs.gov

APPENDICES

AT-A-GLANCE: Eligible Entities Site Visits

CHICAGO DEPARTMENT OF FAMILY & SUPPORT SERVICE

The Chicago Department of Family & Support Services (DFSS) is located in Chicago, IL and serves the city of Cook County. The following services are provided to low-income families and individuals in the City of Cook County.

- **Veterans Resource Office** – DFSS has two Veterans Resource office locations to serve Chicago’s U.S. military veterans. The North Area Veterans Resource Office specializes in assisting veterans with securing employment and related issues. The Central West Veterans Resource Office assists veterans with health-related issues.
- **Workforce Development Services** – DFSS provides job training and placement services to high-need populations, including formerly incarcerated individuals, homeless individuals and persons with limited English proficiency. Through employment preparation services, transitional jobs programs and skill training in high demand industries, individuals gain valuable work experience and skills needed for the workplace or move on to more advanced education and training programs.
- **Senior Services/Area Agency on Aging** – The golden diners’ program administered by DFSS each weekday, provides seniors (over 60 years of age) with hot nutritious lunches at approximately 60 sites throughout Chicago. Each year DFSS provides approximately 750,000 meals to over 25,000 older adults through the program. DFSS home delivered meals program provides approximately 3.2 million home delivered meals to more than 8,000 homebound older adults each year.

COMMUNITY AND ECONOMIC DEVELOPMENT ASSOCIATION OF COOK COUNTY

The Community and Economic Development Association of Cook County (CEDA) is located in Chicago, IL and serves suburban Cook County. The following services are provided to low-income families and individuals in suburban Cook County.

- **Housing Counseling/Information Referral** – CEDA provides counseling and household budgeting to eligible applicants to help maintain and achieve affordable housing. Financial assistance is provided to applicants who qualify to further assist them in reaching their housing goals. Applicants must enroll in the CSBG case management program to receive housing assistance.
- **Scholarship Program** – CEDA awards scholarships to assist CSBG-eligible applicants with post-secondary education at accredited Illinois universities, colleges and vocational schools as a means to increase self-sufficiency.
- **Food Nutrition** – To address food deserts in the south suburb, CEDA partnered with the Greater Chicago Food Depository to purchase and deliver fresh produce twice per month to a variety of sites to distribute to CSBG-eligible families.

WILL COUNTY CENTER FOR COMMUNITY CONCERNS

The Will County Center for Community Concerns (Will County) is located in Joliet, IL and serves Will County. The following services are provided to low-income families and individuals in Will County.

- **Family and Community Development** – Will County provides intensive case management by key staff members who are certified as family and community development specialists to promote self-sufficiency in the family. Together the case manager and family formulate goals and steps needed to achieve goals.
- **Housing Counseling** – Will County provides training and counseling to low-income renters and homeowners in areas including landlord/tenant relations, budgeting, and family life skills.
- **Employment Support** – Will County assists eligible heads of households to obtain/maintain employment by providing assistance with daycare cost, transportation and work supplies.

REPORT CONTRIBUTORS

Illinois State Staff :

Gail Hedges, CSBG Program Manager
Susan Campbell, Deputy Director
Tom Lawton, CSBG Grant Manager, Supervisor
Adrian Angel, CSBG Grant Manager and Fiscal Liaison
Donna Henry, CSBG Grant Manager
Bob Eddins, CSBG Grant Manager
Anita Patel, Chief Financial Officer
Kevin Burke, Fiscal Accountant

Illinois Eligible Entities:

Chicago Department of Family & Support Service
Community and Economic Development Association
Will County Center for Community Concerns

OCS Staff:

David Barrie, Financial Operations Branch Chief
Yolanda Brown, Program Specialist
Darlene Richardson, Auditor
John Thompson, Auditor