



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

Community Services Block Grant

Georgia State Assessment

Onsite Review

FINAL

(April 20 – 24, 2015)

GEORGIA STATE ASSESSMENT

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Georgia 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 Georgia designated the Georgia Department of Human Services, Division of Family and Children Services (DFCS) as the appropriate lead agency for the administration of CSBG. The Georgia CSBG provides funding, technical assistance, and support to 24 eligible entities serving 159 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 Georgia's CSBG and its eligible entities as evaluated by federal staff of the Division of Community Assistance (DCA) 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

SA's 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 examines the state's and its eligible entities' assurances of program, fiscal and governance operations, as well as the state's oversight procedures for its eligible entities.

Scope of Review

OCS Federal staff conducted the onsite review of the Georgia CSBG and its eligible entities from April 20 – 24, 2015. The periods reviewed included Fiscal Years (FY) 2013 and 2014.

Methodology

OCS reviewed documented procedures and practices for administrative, fiscal, and program operations and interviewed the Georgia state officials responsible for administering CSBG.

OCS reviewers:

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

II. State Assessment Findings and Recommendations

OCS identified areas for improvement in the administrative, financial, and program areas of Georgia's CSBG. Section 676 and 678B of the CSBG Act require the state to provide assurances that funds made available through the grant will be used for the purposes of the Act, and require that the state perform monitoring reviews to assure eligible entities meet performance goals, administrative and financial requirements, and to assure proper disbursement of and accounting for federal funds.

FINDING ONE:

Recapture and Redistribution of Unobligated Funds

Since 2001¹, Congressional appropriations instructions have routinely superseded a provision in Section 675C(a)(3) of the CSBG Act, which allowed a state to recapture and redistribute unobligated funds in excess of 20 percent of the amount distributed to an eligible entity to another eligible entity. Congressional appropriations instructions, which were originally communicated to states in Information Memoranda 61 (IM 61), require that to the extent CSBG funds are distributed by a state to an eligible entity, and have not been expended by such eligible entity, they shall *remain with such eligible entity* for carryover and expenditure into the next fiscal year.

OCS found that Georgia's accounting practices of unobligated CSBG funds did not adhere to the provisions under the Consolidated Appropriations Act. In FY 2013, Georgia reported \$4 million in unobligated CSBG funds; which were carried forward into FY 2014. Based on Georgia's accounting practices and journal entries the unobligated carryover balances were reclassified from the previous fiscal year and prorated across all of the 24 eligible entities. Reclassifying and prorating the unobligated carryover balance across all of the eligible entities constitutes recapture and redistribution of CSBG funds, which violates the provisions of the law under the Consolidated Appropriations Act.

Recommendation:

- 1.1 The Georgia Office of Financial Services (OFS) should update its accounting practices immediately to comply with Congressional appropriations instructions regarding the treatment of the unobligated carryover balances.

DFCS Response:

- 1.1 DFCS Office of Budgets has made the following changes:
 - All journal entries associated with Community Service Block Grant carryover expenditures are reviewed by DFCS Management and the Office of Financial

¹ <https://www.acf.hhs.gov/ocs/resource/im-no-61-fy-2001-csbg-carryover-funds-0>

Services (OFS) to certify that the funds are recaptured and redistributed according to the Federal regulations.

- DFCS Office of Budgets continues to work closely with CSBG Program staff to ensure all returned funds are captured and included in the redistribution of CSBG carryover funds.
- Community Service Block Grant carryover expenditures are tracked with unique coding to properly identify.
- DFCS Office of Budgets continues to work closely with the OFS to ensure that expenditures are reported appropriately.

OCS Response:

OCS agrees with corrective action taken by DFCS to ensure carryover expenditures are reported appropriately and in accordance with federal regulations.

FINDING TWO:

DFCS Monitoring Practices and Procedures Need Improvement

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 is required to conduct: 1) full onsite review of each entity at least once during a 3-year period; 2) onsite review of each newly designated entity immediately after completion of the first year in which the entity received CSBG funds; 3) follow-up reviews to eligible entities that fail to meet the goals, standards, requirements established by the State; and 4) other reviews as appropriate including reviews of entities with programs that have had other federal, state, or local grants terminated for cause.

Noncompliance - Monitoring of Eligible Entities

OCS found that DFCS did not perform the required monitoring reviews of its eligible entities in accordance with Section 678B(a). Of the 24 eligible entities in Georgia, the state conducted 11 full onsite monitoring visits from the beginning of FY 2013 through the first seven months of FY 2015 (the end of the OCS fieldwork). The state reported that the remaining 13 entities were scheduled for a full onsite monitoring by the end of FY 2015. Subsequent to OCS' fieldwork, the state reported in the FY 2017 State Plan that full onsite monitoring occurred at 11 of the 13 remaining eligible entities.

Fiscal Monitoring Procedures Need Improving

Per 45 C.F.R. § 92.40(a), grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantee monitoring must cover each program, function, or activity to assure compliance with applicable federal requirements and that performance goals are being achieved.

OCS found a lack of coordination between the DFCS Audit Liaison Unit, responsible for conducting third party reviews of the eligible entities single audits, and DFCS fiscal staff, responsible for program monitoring. As a result, the fiscal staff, responsible for monitoring the financial operations of the eligible entities, is not always aware of noncompliance issues identified during the third party review.

In addition, OCS found that two eligible entities did not submit the single audit reports to the Federal Audit Clearinghouse (FAC) as required. Although the Audit Liaison Unit has a process in place to review single audits reports, DFCS did not have a process in place to identify those eligible entities that had not submitted their single audit reports to the FAC.

Recommendations:

- 2.1 Develop procedures to strengthen coordination between the Audit Liaison Unit and the monitoring staff to ensure that comprehensive monitoring reviews are performed on all of the eligible entities.
- 2.2 Develop process and /or procedure to ensure eligible entities submit the single audit reports to the FAC.

DFCS Response:

- 2.1 The DFCS CSBG program management team and the DFCS Fiscal Compliance Audit Unit work together to ensure that all CSBG programs are reviewed/monitored through either or both: 1) a third party review audit program assessment and/or 2) a physical monitoring site visit. After items 1 and 2 are performed; any work papers are submitted to the Fiscal Program Director for review and approval them forwarded to the CSBG Supervisor for review and approval. DFCS program management and fiscal will continue to work together to keep the groups well informed on the review/monitoring of all CSBG entities.
- 2.2 All CSBG entities will submit their single audit reports to DHS OIG, who will then submit it to the Federal Audit Clearinghouse. In the event that an entity did not submit their audit report to DHS OIG; DHS OIG will contact the DFCS Fiscal Program Director who will then instruct the CSBG program management team to contact the entities and ensure they submit their reports. DFCS program management, fiscal, and DHS OIG will continue to work together to ensure that audit reports are submitted in a timely manner.

OCS Response:

OCS agrees with corrective action procedures taken by DFCS to strengthen coordination between the CSBG program management team and the DFCS Fiscal Compliance Audit Unit to ensure that all CSBG eligible entities are reviewed and/or monitored.

OCS agrees with corrective action procedures taken by DFCS to ensure single audit reports are submitted to FAC in accordance with federal regulations.

FINDING THREE:

DFCS Policy and Procedures for Fiscal Management are Outdated

DFCS policies and procedures for the administration of CSBG are outdated. The CSBG manual shows that the policy and procedures were updated June 2010 and reviewed June 2012. However, some of the requirements in the manual are obsolete. For example:

- DFCS fiscal management procedures for carryover refer to legislation which has been superseded since 2001 by the Congressional Appropriations Act.
- DFCS fiscal management procedures for the single audit requirements refer to the \$300,000 or more dollar threshold for agencies requiring an independent audit review of their financial statements. The dollar threshold for this requirement has changed twice – the current threshold is \$750,000 or more for agencies requiring an independent audit review.

Recommendation:

- 3.1 Update the policy and procedures manual governing CSBG management to reflect current guidance and compliance with federal regulations.

DFCS Response:

- 3.1 DFCS policies and procedures for the administration of CSBG program was last updated October 2016. The CSBG manual has been updated to reflect the current threshold of \$750,000 or more for agencies requiring an independent audit review. Carryover information in the GA CSBG Manual has been updated with the current approved procedures.

OCS Response:

OCS agrees with DFCS corrective action taken updating the policies and procedures to reflect current federal regulations and legislative requirements.

III. Georgia State Assessment

OCS identified areas that need improvement in the administrative, financial, and program areas of Georgia's CSBG.

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 Georgia designated the Department of Human Services (DHS), Department of Family and Community Services (DFCS) as the lead agency to administer CSBG.

Public/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) conditions 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.

In accordance with Section 676(a)(2)(B) and Section 676(a)(3), DFCS held the public hearing August 19, 2013 and the legislative hearing January 20, 2013. Documentation provided by the state showed that notification of the public hearing was made available to the public for inspection and comment on the DFCS official website.

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 not 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 Georgia, DFCS submitted the FY 2014 State Application and Plan September 30, 2013 in accordance with the CSBG statute. The State Plan 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(b)(11), each of Georgia's eligible entities is required to submit a comprehensive needs assessment annually with the Project Application Plan (PAP). The PAP 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. DFCS requires the PAP to be updated annually and a needs assessment completed every three years.

OCS reviewed the needs assessments for three eligible entities within the State of Georgia. OCS found that DFCS had established procedures and practices to help assure that its eligible entities accurately addressed the needs of the community and of its residents.

Administrative and Discretionary Use of Funds

Per Section 675C(2), 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. Per Section 675C(b)(1), the state shall use the remainder of the grant or allotment received for discretionary purposes.

Administrative Funds

The administrative funds cover salary costs, administrative and IT support for the office and staff that performed CSBG grant management activities. OCS verified a sample of administrative costs for IT services and administrative support for DFCS and DHS. OCS determined that the expenses were properly supported and entered in the general ledger to track funds within the department.

Discretionary Funds

The majority of discretionary funds were used to fund the Georgia Community Action Association. OCS determined that the expenses were properly supported and entered in the general ledger used by staff to track funds within the department.

Monitoring of Eligible Entities

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, and requirements established by the state.

OCS found that DFCS had not conducted a full onsite monitoring review of each eligible entity at least once during each three-year period as required by the statute. (*See finding on page 4.*)

The Table below illustrates Georgia monitoring schedule of its eligible entities.

Georgia Monitoring Schedule

Agency Name	Onsite Visits
ACTION	Mar 2012, Aug 2013
CSRA	Jul 2012, May 2013
CLAYTON	Mar 2012
Coastal Georgia	Sep 2012, Jun 2013
Coastal Plain	Aug 2012
Community Action for Improvement	Sep 2012, Jul 2013
Concerted Services	Oct 2012
EOA Savannah	Aug 2012
Economic Services Program	May 2012
Fulton-Atlanta	Jun 2012
Heart of Georgia	Nov 2012, Jun 2013
Macon-Bibb	Dec 2012
Middle Georgia	Oct 2012, Jun 2013
Ninth District	Nov 2012
North Georgia	May 2012, Mar 2013
Overview	Apr 2012, Apr 2013
Partnership	Jul 2012, Feb 2013
Southwest GA	June 2012
Tallatoona	Nov 2012
West Central	Apr 2012, Mar 2013
COBB County	Aug 2012
Henry County	Mar 2012, Jul 2013
Newton County	May 2012
Spalding County	Feb 2012

Training and Technical Assistance

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

In accordance with 675C(b)(1)(A), DFCS provided Training and Technical Assistance (T/TA) to its eligible entities to address monitoring findings and deficiencies. DFCS policy requires on-going training and technical assistance to new and existing employees who assume new CSBG responsibilities, and when monitoring reviews identify program deficiencies as part of corrective action.

Corrective Action, Termination, and Reduction of Funding

Per Section 678C, 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.

In accordance with Section 678C, DFCS had procedures in place to address corrective action, termination, and reduction of funding. Corrective action is determined by the monitoring team and addressed in the monitoring report. The entities are given 30 days to inform the state of the corrective action plan for addressing the deficiencies identified. The entities' corrective action plans include action taken to address deficiencies, individual responsible for addressing deficiencies, and timeframe for completion. *Note: DFCS did not terminate or reduce CSBG funding of its eligible entities in the periods under review.*

FINANCIAL OPERATIONS

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.

Georgia utilizes the statewide accounting system (PeopleSoft) to record all financial transactions in the general ledger. Each entity submits to the OFS within DHS an electronic request for reimbursement of expenditures. The entities summarize transactions monthly and enter the data into the Uniform Accounting System (UAS). The information entered into UAS is summarized and interfaced with Georgia's financial accounting system (PeopleSoft).

OCS reviewed the general ledger of CSBG programmatic and administrative transactions provided by the state. OCS verified a sample of transactions to DHS expenditure reports, administrative spreadsheet, and timesheets for the purpose of verification of allowability and allocability. OCS found that fiscal controls and accounting procedures were in place, and sufficient to 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 and in accordance with federal regulations.

Audits

According to 45 CFR §96.31, grantees and subgrantees are responsible for obtaining audits in accordance with OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit*

Organizations. Agencies expending \$750,000 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 (Single Audit)

In accordance with 45 CFR § 96.31 and 45 CFR § 75, Georgia obtained its single audits for state fiscal year end June 30, 2013 and state fiscal year end June 30, 2014. 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, the state auditor cited instances of noncompliance with the reporting of pass through amounts to the entities, and transparency reports not filed in a timely manner. OCS verified the comments from responsible officials and the corrective action plans and determined that DFCS has taken appropriate corrective action to address the findings.

State Monitoring – Eligible Entity Compliance (Single Audit)

In accordance with 45 CFR § 96.31 and 45 CFR § 75, the eligible entities obtained single audits for state fiscal year end 2013 and state fiscal year end 2014. OCS reviewed three of the eligible entities single audits and the state's fiscal monitoring procedures to determine whether timely and appropriate corrective action was taken in instances of noncompliance. OCS verified that DFCS Audit Liaison Unit performs a third party review of the single audits to ensure instances of noncompliance have been adequately addressed and appropriate corrective action has been taken.

However, DFCS fiscal monitoring procedures do not require coordination between the Audit Liaison Unit and the fiscal monitoring staff. Consequently, the fiscal staff responsible for monitoring the eligible entities is not always aware of the instances of noncompliance of other federal programs identified by the independent auditors. As CSBG may not be among the programs tested in the majority of agency single audits, information on instances of noncompliance in other programs—e.g. findings related to agency internal controls—is potentially relevant to CSBG fiscal monitoring. (*See finding on page 4.*)

Recapture and Redistribution of Unobligated Funds

Per Section 675C(a)(3), 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 nonprofit organization. However, since 2001, Congressional Appropriation language has provided instruction that supersedes the language in the enabling legislation. States must comply with the 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.”

Under the terms and conditions of the FY 2013 grant award, grantees shall adhere to a provision of law under the Consolidated Appropriations Act that require that to the extent FY 2013 CSBG funds are distributed by a state to an eligible entity, and have not been expended by such eligible entity, they shall remain with such eligible entity for carryover and expenditure into the next fiscal year. If FY 2013 funds are carried forward by such eligible entity into FY 2014, those funds must be fully expended and services provided on or before September 30, 2014. (*See finding on page 3.*)

State Carryover Requirements

For FY 2013, Georgia carried forward \$4,017,011 into FY 2014. OCS found that CSBG funds were fully expended and services were provided by its eligible entities on or before September 30, 2014.

Federal Financial Report

45 CFR § 92.40, § 92.41, and § 9 6.30(a), respectively, require that after the close of each statutory period for the obligation of block grant funds and after the close of each statutory period for the expenditure of block grants, each grantee shall report to the Department a financial summary using OMB Standard Form 425 – Federal Financial Report (FFR). Grantees are required to submit the information on the FFRs within 90 days of the close of the applicable statutory grant periods. Fiscal control and accounting procedures must be in place to permit the preparation of the FFR’s and the tracing of federal funds to a level of expenditure adequate to establish that funds have not been used in violation of the restrictions and prohibitions of the statute.

OCS found that for the FY 2013 grant award period (October 1, 2012 – September 30, 2014), Georgia submitted the FFRs in accordance with federal regulations. Georgia’s fiscal control and accounting procedures were in place to permit the preparation of the FFRs and OCS was able to trace CSBG funds to a level of expenditure adequate to establish that funds have not been used in violation of the restrictions and prohibitions of the statute.

PROGRAM OPERATIONS

Use of Ninety (90%) Percent of Funds

Per Section 672, the purpose and goals of CSBG is to provide assistance to states and local communities working through a network of community action agencies 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, Georgia reported providing services to 343,666 low-income individuals in 142,271 families. The chart below describes the services provided in FY 2013 which addressed conditions of poverty that create barriers to economic security.

FY 2013 CSBG Use of Funds: Georgia		
Programs	Amount Expended	Program Goals for Low-income families and individuals
Employment	\$1,523,110	Low-income participants who obtain employment and maintain employment, or become self-employed.
Education	\$837,867	Educational services provided for children and adults.
Income Management	\$421,012	Income management services provide to low-income families and individuals.
Housing	\$2,740,390	Housing services provided to improve the living environment.
Emergency Service	\$3,884,940	Services provided for emergencies and crisis intervention.
Nutrition	\$1,552,680	Nutrition services provided to low-income families and individuals.
Health	\$383,269	Health care services made accessible to low-income families and individuals.
Self-Sufficiency	\$3,414,302	Services provided to assist low-income in gaining or increasing economic security.
Linkages	\$1,221,924	Activities that “link” community members, groups, government, and commercial organizations that serve low-income communities.
Other	\$596,855	
Total FY Expenditure	\$16,576,349	

***Source: FY 2013 CSBG Information Survey (IS) DATA*

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.

In accordance with Section 676B, each eligible entity’s board 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 are elected public officials. The remaining members are members of business, industry, labor, religious organizations, law enforcement, education, or other major groups interested in serving the community. The state requires that each eligible entity maintain

a complete listing of their governing board members, board minutes, board rosters and other relevant documents for review. Each eligible entity must notify the state in writing of changes in the Board chair leadership. OCS found that DFCS eligible entities were in compliance with the CSBG statute governing Tripartite Boards.

Results-Oriented Management and Accountability (ROMA) System and Annual Reporting

Per Sections 678E (1) and 678E (2), each state that received 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 ROMA. Alternatively, states may design their own similar system.

Georgia participates in the ROMA system to measure performance and program outcomes. In collaboration with the Georgia State Association, a tracking system called EasyTrak is used by the eligible entities to collect ROMA data. All services are tracked through EasyTrak, which allows an agency to coordinate with other agencies in delivering services to the low-income population. During the time of OCS' review, DFCS program staff did not have access to the entities EasyTrak system for review and verification purposes. DFCS is currently working with the Georgia State Association to revise the EasyTrak system to include the feature.

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, 2014 for FY 2013 activities. 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 FY 2013 CSBG funds. The Annual Report must contain performance measurement outcome data which address the implementation of the national goals and measures.

OCS confirmed that DFCS submitted their annual report by March 31, 2014.

Limitation on Use of Funds

Per Section 678F, 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.

In accordance with Section 678F, Georgia policy prohibits eligible entities from using CSBG funds for the purchase or improvement of land, or the purchase, construction, or permanent improvement of any building or other facility. The CSBG Act includes a provision for a waiver that may only be sought when no other viable options exist and services to low-income families and individuals may be jeopardized. OCS found that Georgia was in compliance with Section 678F of the CSBG Act.

Child Support Services

Per Section 678G(b), 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), DFCS procedures require its eligible entities to inform custodial parents in single-parent families about the availability of child support services and refer eligible parents to the child support Enforcement Agency. DFCS program monitors verify the application of the process during their onsite monitoring review.

CONCLUSION

We would like to thank you, the staff, and the eligible entities visited for their cooperation and assistance during the State Assessment of Georgia. OCS agrees with corrective action taken by the DFCS in response to recommendations 1.1, 2.1, 2.2, and 3.1 and will close the recommendations.

This report is considered final. If you have any questions or concerns, please contact:

David Barrie
Branch Chief, Financial Operations and Accountability
Telephone: (202) 205-3589
Fax: (202) 401-4694
Email: David.Barrie@acf.hhs.gov

Correspondence may be sent to:
David Barrie
Branch Chief, Financial Operations and Accountability
Administration for Children and Families
Office of Community Services
Division of Community Assistance
330 C Street, S.W., 5th Floor
Mail Stop 5425
Washington, D.C. 20201

APPENDICES

At-A-Glance: Eligible Entities Site Visits

Central Savannah River Area Economic Opportunity (CSRA)

CSRA is a nonprofit agency that serves low-income individuals in 13 counties in Augusta GA. One highlighted program is the Homeownership Planning and Education Organization (HOPE). The HOPE program consists of four distinct services:

- ❖ **Home Buyer Education Workshops and One-on-One Pre-Purchase Counseling** are designed to educate families about the process of buying a home.
- ❖ **Foreclosure Intervention Counseling** is designed to assist homeowners in danger of foreclosure due to delinquent mortgage payments.
- ❖ **Financial Literacy/Budgeting/Credit Counseling** includes educational workshops, individual computer curriculum, and 1:1 budget counseling to assist persons in becoming more aware of financial matters, decreasing the likelihood of predatory lending and identity theft, and improving the participant's ability to manage resources to increase self-sufficiency.
- ❖ **Individual Development Accounts** – IDA Programs provide prospective homeowners a \$2 match for every \$1 saved in earned income, as a means to help them save more quickly for home purchase. Eligible participants receive individualized pre-purchase counseling and match funds not to exceed \$4000 during program participation. Eligible uses for IDA savings include down payment and closing costs for home purchases.

CSBG funds provide the majority of salary support, and allow CSRA to leverage funds from other sources. While CSRA partners with other Federal, state, and local funding sources, CSBG is the foundational financial support on which all other financial support is leveraged. The continued support of CSBG has allowed CSRA to leverage funds from the Assets for Independence Program on the Federal level, from the Georgia Department of Community Affairs on the state level, and from various financial institutions on the local level.

Fulton Atlanta Community Action Authority (FACAA)

FACAA serves low-income individuals and families in Atlanta and Fulton County. One highlighted program is “The Academy 4 Life” a life skills curriculum focused on empowering individuals to achieve economic self-sufficiency. The Academy 4 Life Saturday School - works closely with the state to provide customers life skills classes and counseling on various topics such as employment, financial management and personal development and strengthening of families. FACAA offers certificates for course completion in:

- ❖ Adult Basic Education/GED Preparation
- ❖ Be Your Own Boss Entrepreneurial Training
- ❖ Financial Literacy Education
- ❖ Construction Skills Training

❖ Employment Search Assistance

FACAA seeks to inform community groups, legislators and social policy makers about the current needs, problems or accomplishments of low-income citizens. The ultimate aim is to demonstrate that all citizens are important and can play a role in making a community active and viable.

Partnership for Community Action (PCA)

PCA serves low-income families and individuals in DeKalb, Gwinnett, and Rockdale counties. The following services are provided:

- ❖ DeKalb Neighborhood Leadership Institute (DLI) provides an opportunity for emerging leaders in the community to acquaint themselves with the various processes of the government, education, business, economic and community development. The participants are encouraged to get involved in the decision making processes of their communities.
- ❖ Open Doors Housing Program focuses on helping participants develop a greater understanding of financial decision-making and establish good financial habits. The program is designed to promote financial self-sufficiency and increase the clients' ability to acquire sustainable assets.
- ❖ Intergenerational Connection matches senior citizens with junior and senior high school students to help bridge the generational "gap". Youth are assigned to senior centers, nursing homes or assisted living facilities where they are able to spend time with senior citizens in recreational activities, letter-writing, and reading books. Each student receives a \$125 stipend to be used to purchase school clothing and supplies.

Report Contributors

Appendix II

Georgia State Staff:

Joycelyn Fowler, DFCS, Director CSBG
R. Demetrius Taylor, DHS Director of Budget
Bill Zisek, DHS Director, Office of Financial Services
Chris Wright, DFCS, Director Budget Services

Georgia Eligible Entities:

Central Savannah River Area Economic Opportunity (CSRA)
Fulton Atlanta Community Action Authority (FACAA)
Partnership for Community Action (PCA)

OCS Staff:

David Barrie, Financial Operations and Accountability Branch
Chief
Yolanda Brown, Program Specialist
Darlene Richardson, Auditor