

Community Services Block Grant Final Monitoring Report

BACKGROUND

The Community Services Block Grant (CSBG) provides assistance to states and local communities working through a network of Community Action Agencies (CAAs) and other neighborhood-based organizations for the reduction of poverty – hereinafter referred to as eligible entities, 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 Wisconsin designated the Wisconsin Department of Children and Families (DCF) as the appropriate lead agency for the administration of CSBG. The State of Wisconsin CSBG provides funding, technical assistance, and support to eighteen (18) eligible entities. Together the agencies provide an array of services within the DCF to address local area 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.

MONITORING AUTHORITY

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

SCOPE OF REVIEW

OCS federal staff conducted an Onsite Review of the DCF CSBG and its eligible entities from Monday, March 02, 2020 through Friday, March 06, 2020. The periods reviewed included the Fiscal Year(s) (FY) 2018 grant award.

METHODOLOGY

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

OCS reviewers:

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

The State of Wisconsin Department of Children and Families (DCF) was sent an Initial Report on May 21, 2020, for which there were 45 days to provide a response. All written responses were read and evaluated.

PROGRAMMATIC AND FINANCIAL ANALYSIS:

Opportunities for Improvement

During our review of your programmatic operations, OCS found no programmatic issue that requires immediate attention. OCS documented the following opportunities for improvement.

- Item 1: The current process of assuring eligible entity compliance with the tri-partite board requirement is completed when they submit their applications and their Organizational Standards Desk Audit in October or during a monitoring visit, which is generally scheduled for once every three years. With the absence of policies requiring the entities to report vacancies as they occur, this allows for an extended period to pass without the state having knowledge of a vacancy. OCS noted that DCF places eligible entities on a Technical Assistance Plan (TAP) immediately upon learning of a board vacancy.
 - Recommended Action 1: Although the state will be implementing a new process in 2020 that will require their eligible entities to submit the status of their boards on a quarterly basis via the Spark database, OCS recommends that the state consider including in their Tripartite Board Policy a notification requirement and a grace period for entities to be in compliance with the CSBG tri-partite board requirement. The state may wish to consider a tiered approval authority for vacancies to allow flexibility for the eligible entities while conveying the importance of the requirement.

Grantees' Response:

DCF agrees with this recommendation and will implement the new procedure by December 31, 2020.

OCS Decision:

OCS believes the planned action to implement new procedures for ensuring tripartite board compliance will provide a reasonable basis for assessing how long vacancy board seats remain open.

- Item 2: Performance Measurement data is collected from the eligible entities annually, usually at the end of February, for the Annual Report. The data is also collected from eligible entities during on-site monitoring. When DCF conducts a monitoring review on-site, sample data is examined and the supporting documentation is reviewed at that time. DCF indicated that there are times when the eligible entity may change their data after it has already been collected and submitted to the OCS in March.
 - Recommended Action 2: It is recommended that the state either (1) collect the eligible entities performance data more than once a year, possibly twice a year or quarterly, or (2) provide the eligible entities with a grace period during which they are able to correct any mistakes to the data submitted.

Grantees' Response:

DCF disagrees with this recommendation. DCF believes that there were extenuating circumstances specific to the report review period that led to this recommendation, notably an Annual Report format that was new to the network and DCF's CSBG staff, errors in the coding in the SmartForms, and errors in the transposition of data to those SmartForms. DCF believes that those circumstances will not occur under future report review periods as agencies and DCF's CSBG office are now familiar with both the SmartForms and the reporting process and requirements. In addition, DCF remains compliant with the CSBG Act requiring states to collect CSBG Annual Report data from each agency annually. Doing so beyond annually would be unduly burdensome given our current CSBG office staffing level and would not necessarily achieve the goal of more accurate data collection. It should also be noted that DCF tests the Annual Report data as part of its monitoring efforts which allow opportunities to review this data more frequently as needed. Lastly, DCF offered a grace period of one-week last year for the collection of its 2018 data and approved additional extensions for agencies on a case-by-case basis. DCF will offer these courtesies again and is currently focusing on training and technical assistance efforts which we feel will have a greater impact on the accuracy of data than more frequent collection. For example, on May 20, 2020 DCF offered a virtual training and roundtable discussion for all CSBG agencies here in Wisconsin on completing the Annual Report and will continue to target accuracy of data collection with similar efforts.

OCS Decision:

The grantee has taken steps to reinforce that entities submit data that are reliable, accurate, and timely. OCS continues to strongly encourage the grantee to explore the manner and timeliness in which entities' data are collected and submitted.

- Item 3: DCF has financial monitoring procedures in place and does a level of indirect costs testing at eligible entities during monitoring visits. DCF does not reconcile the total amount, or rate, of indirect costs paid to eligible entities to the amount or rate of indirect costs in the approved budget.
 - Recommended Action 3: OCS recommends that DCF consider expanding testing of indirect cost to ensure the entity is charging the correct amount to the indirect cost rate agreement or cost allocation plan.

Grantees' Response:

DCF will take this recommendation under consideration.

OCS Decision:

The grantee agrees to evaluate the recommendation for improving testing of allowability of indirect or shared costs.

FISCAL ANALYSIS

During our review of your fiscal operations, OCS documented no issues of non-compliance or opportunities for improvement.

ADMINISTRATIVE ANALYSIS

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

NOTABLE PRACTICE

- Practice 1: OCS found that DCF maintains transparent reconciliations to assure accounting balances are correct when reporting the CSBG federal expenditures and unobligated balances on the Federal Financial Reports.

SUMMARY

This is our Final Monitoring Report concerning this site visit. There were no issues of non-compliance reported above. OCS staff is available to assist you in developing mutually agreeable solutions to address the aforementioned opportunities for improvement.

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