



**Department
of State**

Community Services Block Grant
**Program and Fiscal
Monitoring Process and
Guidelines**

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Overview

The Community Service Block Grant (CSBG) program addresses the causes and conditions of poverty in communities. Through a network of Community Action Agencies, Community Action Programs, and Limited Purpose Agencies, called Eligible Entities, along with Community-Based Organizations and Native American Tribes, a range of services are provided to meet the needs of low-income New Yorkers in all of New York's 62 counties. The New York State Department of State (DOS) provides direction and support to local agencies to ensure that comprehensive services are provided.

As the CSBG administering agency, DOS establishes goals and objectives which guide program evaluation, monitoring, and oversight. The DOS Division of Community Services (DCS), in partnership with the Department of State Bureau of Fiscal Management (Fiscal) and the Office of General Counsel (Legal), ensures compliance with Federal and State statutes, laws, policies and procedures, and the executed contract. DCS is the primary liaison with Eligible Entities, Tribes, and Community Based Organizations (CBOs), collectively referred to as Subrecipients, by monitoring programs and offering training and technical assistance. Fiscal provides financial contract oversight, auditing and monitoring of fiscal expenditures related to CSBG funds.

Program and Fiscal Monitoring

In accordance with Public Law 105-285, Section 678B, codified at 42 U.S.C. 9914, as amended, DOS will conduct monitoring activities to determine whether Subrecipients meet the requirements of CSBG. Monitoring includes reviews to ensure compliance with provisions of the U.S. Department of Health and Human Services' (HHS) annual grant award, the New York State Contract for Grants, New York State and federal laws, the CSBG State Plan, the Uniform Guidance applicable to CSBG, federal and state policies, Generally Accepted Accounting Principles (GAAP), Subrecipients' policies and procedures, and audit requirements for federal awards. Monitoring for compliance with these requirements will take several forms. DOS will provide training and technical assistance to facilitate compliance with requirements and support expanding Subrecipient capacity.

DOS implements a four-pronged approach to monitoring. The first prong consists of periodic monitoring visits. The second prong is the federally mandated, triennial, comprehensive assessment process called the State Triennial Assessment Review (STAR). The third is a review of federally established Organizational Standards called the Annual Compliance Review of Organizational Standards (ACROS). The fourth prong consists of Fiscal monitoring which is conducted through reviews of agency books and records, and review of reports and audits.

General Responsibilities

Monitoring, comprehensive assessment and organizational compliance reviews are conducted by Community Services Program Analysts (PA) and Senior Accountants, also known as Fiscal Field Representatives (FFR), assigned to individual Subrecipients. DOS staff will conduct monitoring along with desk reviews of Subrecipients during the contract year. Monitoring is designed to provide DOS access to Subrecipient programs, services, documents, and records along with the provision for technical assistance and training. Desk reviews of documents, reports, and expenditures will complement visits throughout the year. These reviews may consist of, but are not limited to, the program and fiscal activities as defined below.

Program Monitoring Activities

DOS utilizes a variety of tools and activities to monitor Subrecipients. These are designed to gather relevant information to assist in monitoring the performance of entities funded through New York State's CSBG allocation. Monitoring activities include determining overall compliance with executed contracts, assessing outcomes, and providing targeted technical assistance as needed.

Starting in FFY 2023, DOS incorporated the use of a statewide CSBG database to further enhance monitoring and reporting. DOS utilized the database to collect CSBG Annual Reporting data from CSBG Eligible Entities for submission to HHS' Online Data Collection (OLDC) system. DOS will then move forward in developing the database to expedite the annual review of the CSBG National Organizational Standards in partnership with the CSBG network of Eligible Entities within New York State.

In moving forward to further expand the database, DOS will continue to work in partnership with the network to assess how best to streamline required reporting processes, reduce redundancies, and increase the efficiency in the contract approval process.

2024 and Beyond – DOS Model of CSBG Monitoring for Eligible Entities

In response to the feedback provided by the New York State network of CSBG Eligible Entities, DOS has continued to work to reduce redundancies and duplication while striving to increase direct training, technical assistance, and consistency in overall monitoring. Effective October 1, 2023 (FFY 2024), DOS will begin to transition its monitoring practices. DOS will redefine its focus of monitoring toward training and technical assistance, by assisting Eligible Entities in achieving and maintaining full operational compliance as identified within the annual and triennial assessments along with CSBG (NYS DOS) funded contracts on a triennial (3-year) basis. The anticipated transition will impact the following procedures:

- **STAR** (See **Attachment 1** – *formerly known as the TRACS* – **Attachment 3**): DOS will schedule the STAR on the same 3-year schedule as previously established.
 - The final score on the STAR will inform the technical assistance and monitoring to be conducted by DOS on a triennial basis.
 - DOS will utilize the database to assess the STAR for compliance.
- **STAR & ACROS** (See **Attachment 2**): Those Eligible Entities that have a STAR scheduled during the federal fiscal year will also be required to submit documentation needed to support the National Organizational Standards (ACROS) on or before the start date of the scheduled STAR. The final score of the STAR & ACROS for each Eligible Entity will inform the technical assistance and monitoring visits to be conducted by DOS on a triennial basis.
- **ACROS**: Those Eligible Entities that do not have a STAR scheduled for the federal fiscal year will be required to submit documentation needed to support the National Organizational Standards (ACROS) on or before March 31 of that year.
- **Monitoring**:
 - Minimum amount of monitoring (transition to new monitoring model): DOS will continue to utilize the “Risk Assessment Tool” (see **Attachment 4**) to inform the minimum number of visits required for each Eligible Entity each year until the STAR is completed and finalized. The final STAR score will be used to inform the number of monitoring visits for the next 3 years for each Eligible Entity.
 - DOS may adjust the minimum number of monitoring visits.
 - DOS will continue to follow-up, as needed, on the TRACS TAP until all “Not Met” Standards are resolved, or;
 - The TRACS TAP will be closed out prior to initiating the STAR.
 - Onsite monitoring: May be conducted to provide training and technical assistance, as needed, for each Eligible Entity to achieve full compliance with the ACROS, STAR and CSBG contract. Follow-up will be provided on any outstanding ACROS TAP, TRACS TAP, or STAR TAP, areas of compliance or other reporting documents/submissions, as needed.
 - Virtual monitoring: May be conducted to provide training and technical assistance in specific areas or as follow-up monitoring, as needed.
 - Supplemental monitoring: May be conducted on areas of compliance, contract documents to be processed, quarterly reports, and in conjunction with the review of annual and triennial assessments.

2024 and Beyond – DOS Model of CSBG Monitoring for Discretionary funded Subrecipients

DOS will utilize onsite and virtual monitoring for CBOs and Tribes funded under discretionary contracts. Typically, DOS' monitoring of discretionary funded Subrecipients will not include tripartite board composition requirements, completion of the ACROS or STAR, completion of the Fiscal and Program Quarterly Attestation Form, issuance by DOS of an Individualized Monitoring Plan (IMP), and submission of the Unaudited Financial Statements. DOS will assess these Subrecipients' risk of noncompliance through the vendor responsibility analysis conducted as part of contract execution. DOS will provide training and technical assistance to assist all Subrecipients in achieving required CSBG and/or contractual compliance. DOS will monitor Subrecipients using the following guidelines, but may adjust its monitoring practices to ensure the Subrecipient successfully performs the contract:

- *Discretionary contracts funded for a period of less than 120 days:* The assigned Program Analyst will monitor the Subrecipient's performance based on the final report summary and payment vouchers. Follow-up will be conducted as needed.
- *Discretionary contracts funded for a period of more than 120 days but less than 12 months:* The assigned Program Analyst will conduct a minimum of one onsite monitoring visit during the contract period and monitor the Subrecipient's performance based on quarterly reports and payment vouchers.. The PA will identify and communicate concerns to DOS Leadership should a Subrecipient fail to comply with.
- *Discretionary contract funded for 12 months or more:* The assigned Program Analyst will conduct a minimum of two onsite monitoring during the contract period and monitor performance based on quarterly reports and payment vouchers submitted by the Subrecipient. The Program Analyst (and DOS Fiscal Field rep, if needed) will provide training and technical assistance to assist the Subrecipient in achieving required CSBG and/or contractual compliance. The Program Analyst will identify and communicate concerns to DOS Leadership should a Subrecipient fail to meet contractual or CSBG requirements.

Program/Service Reviews

Program and service reviews are conducted for all contracts with CSBG funds. This is accomplished by reviewing the data provided in the program progress reports, through periodic observation of the programs in operation, and desk reviews of various documents such as those identified under the STAR.

Monitoring activities will include, but not limited to:

1. Conduct an annual review of the National Organizational Standards using the ACROS tool with each Eligible Entity. Every third fiscal year, DOS will conduct, in conjunction with the review of the National Organizational Standards, the New York State Triennial Assessment Review (STAR).
2. Monitor Eligible Entities for compliance with tripartite board composition, appointment documentation, and bylaws. This will be conducted through review of board meeting minutes, documents, and board meeting observations.
3. Review required reports submitted by Subrecipients for accuracy, completeness and compliance. These reports include PPR, Fiscal and Program Quarterly Attestation, MWBE, and Periodic Financial Reports.
4. Provide training, technical assistance, and information required for Subrecipients to satisfy all contract submission requirements including but not limited to; CSBG allocations, CSBG Work Plan and Budget, amendments, NYS contract documentation (i.e., signature pages, attachments, etc.) and processes (i.e., MWBE, Grants Gateway status, VRQ compliance, payment, etc.). Regional meetings provide training and technical assistance.
5. Have a meeting with Subrecipients to discuss changes, challenges, and improvements in functional areas (i.e., customer input & involvement, community engagement, community assessment, organizational leadership, board governance, strategic planning, human resource management, fiscal operations and oversight, data and analysis that may have impact on organizational operations.

6. Monitor the quality of reporting systems needed for data on CSBG reports (PPR and Annual Report).
7. Collaborate with DOS Fiscal and Legal personnel to assess Subrecipients' responsibility as vendors and training and technical assistance needs.
8. Participate in CSBG funded or related conferences and regional meetings to disseminate and collect CSBG, State Contracting, data collection and Best-Practice related information.
9. Assess performance submitted on the quarterly reports (see below) by the Subrecipient.
10. Assess income eligibility of participants enrolled in CSBG programs, services and activities.

CSBG Income Eligibility of funded services, programs and activities

DOS monitors all Subrecipient to ensure that they use the federal poverty line as a criterion of eligibility for CSBG funded services, programs and activities. DOS' Information Memorandum (IM), "Determining Income Eligibility for CSBG Funded Activities and Programs", dated 4/17/2023, provides guidance on how Subrecipients are required to apply this eligibility standard when using CSBG funds. This IM will be updated by DOS as the CSBG Act or the Consolidated Appropriations Act language changes regarding CSBG income eligibility, as necessary. Please see [Reports, State Plans and Guides | Department of State \(ny.gov\)](#).

Quarterly Reports submitted by Subrecipients.

- **MWBE Form F**
 - DOS MWBE Form F – MWBE Quarterly Report form provides quarterly updated information on payments made to NYS Certified M/WBE subcontractors.
 - Due date: Form F is due to DOS 10-days following the end of each quarter.
- **Fiscal and Program Quarterly Attestation Form*** (Please see **Attachment 6**):
 - The Fiscal and Program Quarterly Attestation form provides updated information to DOS on the Eligible Entity's status in the areas of fiscal, governance, administration, and reporting. Following a desk review, the PA or FFR will follow up as needed on the information provided.
 - Due date: This completed form is due to DOS 30-days following the end of each quarter.
 - The Eligible Entity must provide a copy of the Fiscal and Program Quarterly Attestation form to its board of directors.
- **Periodic Program Report (PPR) and PPR Narrative – Eligible Entities*:**
 - The PPR is a compilation of four (4) sections of the CSBG Workplan (Attachment C, Section C-2), which consist of all pages contained within:
 1. C-2a – WP Capacity Building which describes activities to increase agency/community capacity.
 2. C-2b – WP Agency Partners which describes types of partnerships to be developed during the contract period.
 3. C-2c – Work Plan and PPR describes programs, services and activities provided by the agency to address CSBG objectives (may include non-CSBG funded programs, services, and activities).
 4. C-2d – PPR Narrative describes anomalies identified each quarter in outcomes reported within the PPR.
 - It is the responsibility of the CSBG funded entity to ensure that the Program Progress Report Narrative explains each program's progress or challenges in meeting the planned outcomes as instructed on the form.
 - Due Date: The PPR and PPR Narrative sections are due to DOS 30 days following the end of each quarter.

- **Periodic Program Report (PPR) or Contract Summary – Tribes and Discretionary funded Subrecipients:**
 - The type of quarterly outcome data report used depends on the type, amount and contract period of discretionary funding received. Discretionary funded Work plans (Attachment C) that include a:
 - PPR (includes columns for quarterly data reporting) must be submitted 30 days following the end of each quarter during the contract period.

“Narrative Justification for Project” requires a final written narrative to summarize the performance (including purchases) completed as part of the funded initiative. This narrative is due 30-days following the last funded date of the discretionary contract.

****These monitoring requirements apply only to CSBG Eligible Entities, not Native American Tribes or Community Based Organizations (CBO) receiving discretionary funding.***

Tripartite Board Composition and Compliance

Tripartite Board monitoring requirement applies only to CSBG Eligible Entities, not Native American Tribes, Limited Purpose Agencies, or CBOs.

Board List of Current Directors

Eligible Entities are required to have on file with DOS a list of current directors on the board. With each new fiscal year, each Eligible Entity submits the “Board of Directors and Officers” list as part of the refunding contract package. Eligible Entities must promptly update the board list as changes occur, and must provide documentation to DOS to support that the board is in compliance with the bylaws and CSBG tripartite board composition requirements.

Board Documentation

To effectively monitor board activities, DOS requires each Eligible Entity to share board documents that support board composition and establish, as required by 42 U.S.C. § 9910(a)(1), that the board “fully participates in the development, planning, implementation, and evaluations of the program to serve low-income communities.” DOS requires that each Eligible Entity’s board contemporaneously submit board and subcommittee meeting minutes, updated bylaws, organizational operations manuals, and board policies.

Attend Board and Committee Meetings

DOS staff may participate in board meetings to observe board function and to share information. DOS may schedule additional visits with the board or board committees as determined by monitoring or training and technical assistance needs. DOS will complete the “Board Meeting Observation” form that documents observations of the meeting and include it with the Supplemental Monitoring Report. **(See Attachment 8)**

Program Monitoring Assessment & Reporting Tools

DOS will utilize program monitoring tools, including the ACROS and STAR, to identify areas of concern and items of potential risk that may require increased monitoring. The recommended minimum number of DOS DCS monitoring visits for each 3-year monitoring period is one*. Based upon the scoring of each assessment tool and areas of concern identified through the fiscal year, the frequency of visits conducted by DCS may be increased over the 3-year period. DOS Fiscal will continue to conduct monitoring visits based on the need to review financial documentation related to CSBG payments or reimbursements.

****These monitoring requirements apply only to CSBG Eligible Entities, not Native American Tribes or Community Based Organizations (CBO) receiving discretionary funding.***

Technical Assistance Plan (TAP)*

The Technical Assistance Plan (TAP) is developed as a result of any “Not Met” Standards in the STAR, and in partnership with

the Eligible Entity. The TAP may be updated annually with any “Not Met” Standards as part of the ACROS. The number of monitoring visits for the next three-year cycle, for each Eligible Entity, is informed by the level of training and technical assistance needed to achieve and maintain full compliance with all assessed Standards. The minimum number of monitoring visits for each Eligible Entity will be captured within the Individual Monitoring Plan (IMP) as noted below.

****These monitoring requirements apply only to CSBG Eligible Entities, not Native American Tribes or Community Based Organizations (CBO) receiving discretionary funding.***

Individual Monitoring Plan (IMP)*

An Individual Monitoring Plan (IMP) is developed and will be shared with each Eligible Entity prior to the start of each new three-year monitoring cycle. The purpose of the IMP is to establish and define monitoring activities to facilitate an effective partnership between the Eligible Entity and DOS during the monitoring cycle. The tailored monitoring plan determines the number and purpose of visits and will ensure compliance in the administration of the CSBG and supporting contract; technical assistance, and training needs as defined within the Technical Assistance Plan (TAP); along with the minimum number of program and fiscal visits. Additional visits may be conducted based on monitoring outcomes observed throughout the monitoring cycle. During the transition to a 3-year monitoring cycle, an IMP will continue to be developed annually for each Eligible Entity until the STAR has been completed and a TAP has been developed, if necessary. Once the STAR & related TAP processes are completed, the Eligible Entity’s monitoring activities will be identified based on the 3-year monitoring cycle within the IMP. **(See Attachment 7)**

****This monitoring requirement applies only to CSBG Eligible Entities, not Native American Tribes or Community Based Organizations (CBO) receiving discretionary funding.***

Supplemental Monitoring Report (SMR)

Starting in FFY 2024, the Division of Community Services (DCS) will begin to utilize the Supplemental Monitoring Report (SMR), formerly known as the Grantee Services Contract Report (GSCR), to follow-up on any unmet goals, standard and requirements identified in the STAR, respond to developments, including the termination of other federal, state, or local grants that are terminated for cause, that occur during the three-year cycle, and for routine monitoring. Supplemental monitoring activities documented within the SMR will include monitoring for ongoing tripartite board compliance, board meeting observations, contract and amendment interactions, CSBG work plan or budget planning, quarterly reporting, update(s) on the organization, and follow-up on the status of applicable Observations, Findings or Deficiencies. **(See Attachment 8)**

The SMR, following review and approval by the DCS management team, will be issued to the Eligible Entity within 60 days of the monitoring activity (or last activities) captured within the report.

Fiscal Monitoring Activities

Fiscal Reviews

FFRs conduct both on-site visits and desk reviews for the primary purpose of monitoring expenditure of CSBG funds and risk that negatively impacts CSBG programming. Monitoring includes a general review of the overall fiscal integrity of the Subrecipient and an in-depth review of related books and records, and fiscal activities. Samples of a Subrecipient’s expenditures are tested for compliance with CSBG requirements.

For routine monitoring, the assigned FFR will contact assigned Subrecipients to schedule visits. Unannounced visits may be conducted. The number of visits to a Subrecipient will vary and may change over the course of any period of time depending upon the results of the Fiscal Monitoring Frequent Assessment (FMFA) review, the needs of the Subrecipient, and financial risks identified through any DOS monitoring activity.

FFRs will:

1. Complete a Fiscal Monitoring Frequency Assessment annually for each Eligible Entity.
2. Conduct a comprehensive review of expenditures of CSBG funds and agency financial practices to ensure

compliance with all Rules and Regulations, and other provisions that apply.

3. Provide feedback on areas of concern related to contract requirements, allowable costs, and questioned or unallowed expenditures.
4. Conduct a general review of the overall fiscal integrity of the Eligible Entity.
5. Follow-up on concerns noted in the quarterly Fiscal and Program Attestation.
6. Provide limited guidance regarding CSBG forms and reports and contract requirements to Eligible Entity fiscal staff and board and finance committee members, as needed.
7. Provide feedback to PAs regarding findings, and other areas of concern that may impact compliance with the executed contract.
8. Review refunding applications, contracts, amendments, financial reports, unaudited financial statements, and state and federally required reports.
9. Conduct the STAR.
10. Prepare a GSCR-F after each monitoring visit. Upon finalization, distribute the GSCR-F to the Subrecipient's Executive Director, Finance Director, Board Chair and appropriate DOS staff.

To achieve the general monitoring responsibilities noted above, The FFR will conduct reviews of the Subrecipient's books and records. Documents to be reviewed may include, but are not limited to:

- revenue and expenditure reports
- general ledger transaction detail
- payroll registers and allocation reports
- time sheets and corresponding personal activity reports (PARS)
- agency and contract budgets
- bank statements and corresponding reconciliations
- indirect cost agreements/cost allocation plans
- invoices, cancelled checks and other disbursement documentation.
- independent audit(s)
- tax filings
- insurance policies
- balance sheets, trial balances, aged payable and receivable reports
- Fiscal Policy and Procedure manuals
- board/committee meeting minutes and document

Grantee Services Contact Report - Fiscal (GSCR-F)

Fiscal monitoring is documented within the GSCR-F form (**see Attachments 9 and 10**). FFRs will meet with staff during a visit to review expenditure and fiscal information in support of the executed contract. The GSCR-F is completed and returned to the Eligible Entity to demonstrate the status of the visit. Findings will be noted, and recommendations are made which will include deadlines for Eligible Entity response and/or correction in the form. Corrections or resolutions to findings are the responsibility of the Eligible Entity and should be communicated to the FFR as soon as possible.

Fiscal Monitoring Frequency Assessment (FMFA) Tool

A FMFA (**see Attachment 11**) will be prepared by the FFR annually for each Subrecipient. The purpose of the FMFA is to identify and assess areas of concern and items of potential risk that may require increased fiscal monitoring. The recommended minimum number of fiscal visits per year is two. Based upon the scoring of the FMFA or other issues identified through routine monitoring, this number may be increased to three, four or more.

The CSBG Funded Contract

Subrecipients are subject to the terms and conditions of the New York State Contract for Grants. The contract's budget establishes a plan for expending funding under the awarded contract. The contract's workplan establishes the programs, activities and services provided by the Subrecipient.

All obligations must be incurred during the approved term identified on the face page of the New York State Contract for Grants and must be consistent with the approved line-item budget and workplan. Deviation from the approved line-item budget does not create a liability of the Department of State. Subrecipients must submit requests to amend the budget and workplan to DOS. DOS will review these requests and, if approved, will approve them in writing. Subrecipients will have the opportunity to request budget amendments at the end of each budget period upon review of unaudited financial statements or financial reports if variances are identified. All amendments must comply with allowable costs and must support approved programming.

NYS CSBG Annual Federal Funding

NYS DOS must receive a Notice of Award (NOA) from the Department of Health and Human Services (HHS), Administration for Children and Families (ACF) prior to any disbursement of CSBG federal funds. During some years, and depending on when the federal budget is approved, DOS may receive NOAs that represent federal payment allotments for part of the federal fiscal year. The total CSBG grant awarded to New York State is dependent on the final NOA issued each fiscal year. There have been instances when the release of the final NOA has been delayed, until later into the fiscal year resulting in end-of-year budget adjustments for CSBG Eligible Entities. With this in mind, NYS DOS is committed to communicating the status of NYS CSBG annual funding (NOAs) to all Subrecipients throughout each year.

NYS Annual State Budget

New York State's fiscal year begins April 1 and ends on March 31. When approval of the state budget does not occur by April 1, it may be necessary for the State Legislature to pass "extender" bills to ensure government, essential services and schools receive payments to continue operations until the budget is approved and executed. Unless included in the language of each "extender" bill, payments to state contracts, including CSBG, may be held until the budget is executed. Subrecipients with approved contracts who may experience "hardships" due to the delayed approval of the state budget, may submit a request for payment or expedited payments to DOS at any time.

Contract Refunding/Amendment Process

DOS monitoring includes compliance with timelines for administrative processes, including contract development and execution. The Refunding Application package, as allowed by executed contract terms and conditions, contains all required federal and state forms and documents. The refunding package is sent to the Eligible Entity and technical assistance is provided as needed. Payment cannot be made on a contract until the refunding process is complete and the contract amendment is executed. Similarly, contracts requiring amendment, generally of the budget or workplan, cannot receive funding for the amended budget line until the amendment is fully executed. DOS must comply with NYS Office of Comptroller requirements in all refunding and amendment processes. Subrecipients will receive training and technical assistance in the preparation of documents. Each document will have a due date; it is critical for Subrecipients to comply with due dates to ensure timely flow of funding, and to prevent interruption in local services.

Identifying and Reporting Significant Issues Involving CSBG Subrecipients:

Process for Identifying and Reporting Observations, Findings, and Deficiencies.

There are three classifications for issues that may require special attention and further action that are identified during a monitoring visit or through other means by the PA and FFR: Observations, Findings, and Deficiencies. To determine proper classification and response, consultation may be needed with Program and/or Fiscal Supervisors and DOS legal counsel. Supervisors and legal counsel should be consulted as a matter of course any time non-compliance is found, and a Notice of Deficiency (NOD) is contemplated.

Observations (*Training and Technical Assistance/Recommendation of Practice change or improvement*)

An Observation is not a violation of laws, regulations, cost principles, contracts, State Plans, or policies. Observations require attention because they may be opportunities for improvement or may lead to Findings or Deficiencies. DOS will provide training, technical assistance and/or recommendations that will assist Subrecipients in addressing the Observation. Examples of an Observation may be a sustained drop in services provided by a Subrecipient and recommendations on increasing participant access. Another example may be adopting an internal control procedure to mitigate the risk of the misuse of funds.

Findings

Findings are minor or short-term violations of laws, regulations, cost principles, contracts, State Plans, or policies. Generally, Findings can be corrected by a Subrecipient through simple actions and have not existed longer than ninety days. Findings will be documented in the SMR or GSCR-F. A Finding may also be memorialized in a Letter of Concern. If appropriate, DOS may provide or arrange for training and technical assistance to address the Finding. Subrecipients are expected to correct a Finding immediately or within a reasonably short time.

For example, a FFR may note a small, immaterial disallowance. The Subrecipient then removes the cost from the CSBG ledger and charges it to an appropriate funding source before the next time it submits a voucher.

A Subrecipient that is not able to correct a Finding within the required timeframe may submit a written request to DOS explaining the circumstances that have prevented the Subrecipient from correcting the Finding and the anticipated date of correction. DOS, in its sole discretion, may extend the time in which a Subrecipient has to correct a Finding. Findings that proliferate or remain uncorrected may become Deficiencies.

Deficiencies

Deficiencies are substantial or long-term violations of laws, regulations, cost principles, contracts, State Plans, or policies. Generally, Findings that have persisted longer than 180 days without substantial improvements may become Deficiencies. Other examples of Deficiencies include lack of compliance with tripartite composition requirements across board meetings, a significant material disallowance, fraud, or a material failure to deliver services in the contract's workplan.

DOS will address Deficiencies with Eligible Entities according to section 678C of the CSBG Act (42 USC § 9915) and HHS's Information Memorandum #116, Corrective Action, Termination, or Reduction of Funding. Deficiencies will be documented in the SMR or GSCR-F and will generally require a written Notice of Deficiency. A Notice of Deficiency will require the Eligible Entity to correct the Deficiency, discuss whether training and technical assistance is appropriate, and whether a Quality Improvement Plan will be required.

Where DOS identifies a Deficiency with a CBO or Tribe DOS does not need to proceed according to section 678C of the CSBG Act (42 USC §9915) and HHS's Information Memorandum #116. DOS may still consider providing training and technical assistance or opportunities for corrective action. DOS may also suspend or terminate the contract.

When a Subrecipient corrects a Finding or Deficiency DOS will document its closure of the Finding or Deficiency. For Findings this may be accomplished through a PA's or FFR's confirmation with the Subrecipient that the Finding has been resolved and the corresponding absence of the Finding noted on future SMRs or GSCR-Fs. When DOS had issued a Letter of Concern to the Subrecipient DOS will document the closure of a Finding through a follow up letter. When DOS

provided an Eligible Entity with the opportunity to correct a Deficiency through a QIP DOS will issue a letter noting the successful completion of the necessary corrective action, and resolution of the Deficiency, in a letter to the Eligible Entity.

Annual Compliance Review of Organizational Standards (ACROS)

Not-for-profit Eligible Entities are required to comply with the 58 Organizational Standards identified in HHS Information Memorandum #138 (January 26, 2015). Public Eligible Entities must comply with 50 Organizational Standards. The State is required to verify compliance annually. In guidance to the States, HHS permits the States to verify compliance based on a desk review of a self-assessment conducted by the Eligible Entity. DOS encourages all Eligible Entities to use the Organizational Standard Self-Assessment Tool created by the Community Action Partnership in preparation for submission of all documents supporting compliance with the CSBG Organizational Standards. The tools can be located in the following links:

- Private: https://communityactionpartnership.com/publication_toolkit/organizational-standards-state-assessment-tool-for-private-cees/
- Public: https://communityactionpartnership.com/publication_toolkit/organizational-standards-self-assessment-tool-for-public-cees/

In early FFY 2023, DOS contracted with the Community Software Group (CSG) to provide a database that can be utilized by DOS and Eligible Entities to complete the annual self-assessment of the National Organizational Standards, among other processes. Eligible Entities will continue to be required to submit documentation to substantiate compliance that will be reviewed by the assigned PA and FFR. Once the review is completed by DOS, a report will be issued to the Eligible Entity. If applicable, Eligible Entities will have until September 30, each year to submit documentation to substantiate Standards that are “Not Met” in DOS’ initial review. DOS will develop a Technical Assistance Plan (TAP) for each “Not Met” Standard to help the Eligible Entity meet the Standard.

During FFY’s 2024 and 2025, DOS and CSG will provide the training and technical assistance necessary to transition into the full use of the database. DOS and CSG will communicate all updates with Eligible Entities during all phases of the database transition period through email, the DOS Newsletter, and announced trainings and network meetings.

State Triennial Assessment & Review (STAR)

Purpose

The STAR (**see Attachment 1**) was designed by DOS to comply with the CSBG Act, §678B, codified at 42 U.S.C. 9914, which requires each state to conduct a full review of each Eligible Entity at least once during each three-year period, and to assess compliance with the Organizational Standards. The organizational standards are assessed annually by DOS (See Annual Compliance Review of the Organizational Standards).

In 2023, the STAR was created in consultation with representatives from NYSCAA, the CSBG Advisory Council, and several CSBG Eligible Entities who participated in the CSBG Monitoring & TRACS workgroups from FFY’s 2021 through 2023. Based on feedback from the network in an effort to streamline, the focus of the new triennial assessment tool is to ensure compliance with New York State legislation, regulations, contracting requirements and CSBG network workgroup recommendations in all areas of organizational operations. Each State Standard is accompanied with specific guidance and recommended documentation and related activities that will identify how each State Standard can be classified as “Met.”

Process

Prior to an assessment, DOS will send blank STAR forms to the CEO and board chair of the Eligible Entity. The Eligible Entity is responsible for gathering responsive documentation to support each standard. Within each standard there is a list of document examples that may assist in demonstrating compliance. Eligible Entities may provide any document to demonstrate compliance and may do so on-site or prior to the assessment date. DOS will review the documents submitted for each standard to verify whether they have been met. While on-site DOS may request additional documents to assess an Eligible Entity’s compliance with Standards.

DOS may pursue electronic options to facilitate the exchange of documents for monitoring assessments. The goal is to have this completed by January 2024. Incorporating the STAR into a database may result in revisions to the process detailed above.

Rating

Ratings are based on the percentage of compliance documented compared to the total number of applicable standards which were determined to be “Met.”

Reports

Within 60 days following the last date DOS was on-site DOS will distribute a report to the Eligible Entity with the status of each Standard.

Follow Up

During the STAR process, if an Eligible Entity has “Not Met” a Standard, a Technical Assistance Plan (TAP) will be proposed by the Eligible Entity and approved by DOS. This may include but is not limited to identifying T&TA resources and outline a time frame for the Eligible Entity to meet the standard(s). The TAP may also provide a listing of requirements and/or recommendations for each “Not Met” area of compliance. DOS will verify the Eligible Entity’s progress in carrying out the recommendations in the plan during visits.

If appropriate, DOS may initiate action in accordance with section 678C of the CSBG Act (42 U.S.C. § 9915), including issuance of a Notice of Deficiency and the establishment of a Quality Improvement Plan (QIP) with clear timelines and benchmarks for progress.

In the event that, based on its assessments of the Eligible Entity, DOS determines the Eligible Entity is moving toward meeting the identified standards, under a technical assistance plan, QIP, or other oversight mechanism, and no ongoing significant deficiencies or material weaknesses have been noted, DOS may continue to constructively engage the Eligible Entity to meet the areas of compliance as required.

The failure of an Eligible Entity to meet multiple areas of compliance, or in cases where one or more serious deficiencies (including but not limited to, contractual non-compliance, financial irresponsibility, failure to adequately provide services, conversion, fraud, corruption or abuse) may reflect deeper organizational challenges and risk. In those cases, DOS must determine whether it may be necessary to take additional actions, including initiating action to reduce or terminate funding, in accordance with section 678C of the CSBG Act (42 U.S.C. § 9915; see also, CSBG IM 116, “Corrective Action, Termination, or Reduction of Funding,” issued May 1, 2012).

In the event that, a Federal entity (Office of Community Services, Office of the Inspector General or any of its agents) requests information for the purpose of a federal investigation/audit, NYS DOS will permit and cooperate in accordance with Section 678D of the CSBG Act. Federal requests for information will first be acknowledged by the DOS Program, then reviewed by NYS DOS Program/Fiscal/Legal/Executive. Once the response has been approved for release, it will be submitted to the appropriate requesting federal authority.

Terms of Use

ACROS	Annual Compliance Review of Organizational Standards (see Attachment 2)
ARU	Administrative Review Unit contained within the DOS Division of Community Services which distributes and processes contracts, contract amendments and the CSBG Annual Report.
CBO	Community Based Organization that receives CSBG discretionary funding.
CEO	Chief Executive Officer
CNA	Community Needs Assessment
CRU	Contract Review Unit contained within the DOS Bureau of Fiscal Management
CSBG	Community Services Block Grant
CSBG Workplan	NYS CSBG Community Action Plan
CSPA, PA	Program Analyst or Community Services Program Analyst, DOS Division of Community Services
DCS	Division of Community Services
Discretionary Funds	CSBG ‘remainder’ or ‘discretionary’ funds allocated to states to cover up to 5% administrative costs and 5% of statewide activities.
DOS	New York State Department of State
ED	Executive Director
Eligible Entity	A recipient of CSBG funds that receives a historical proportion of CSBG funds
FFR, Fiscal Rep or Fiscal Field Rep	Senior Accountant, DOS Bureau of Fiscal Management
FFY	Federal Fiscal Year
FPL or FPG	Federal Poverty Line or Federal Poverty Guidelines as determined by the U.S. Department of Health and Human Services each year.
GSCR	Grantee Services Contact Report is the DCS Monitoring Report form (used prior to FFY 2024).
GSCR-F	Grantee Services Contact Report – Fiscal, is the Fiscal Monitoring Report form (see Attachment 9)
IMP	Individual Monitoring Plan (see Attachment 7)
Low-Income Sector	Sector of the CSBG Tripartite Board composed of persons chosen in accordance with democratic selection procedures adequate that these members are representatives of low-income individuals and families in the neighborhood served.
MWBE	Minority-owned (or) Women-owned Business Enterprise
Organizational Standards	CSBG National Organizational Standards
PA, CSPA	Program Analyst or Community Services Program Analyst, DOS Division of Community Services
PPR	Program Progress Report (due 30 days after the end of each quarter within the contract period)
PPR – Narrative	Program Progress Report Narrative (tab contained within the CSBG Work Plan Attachment C).
Private Sector	Sector of CSBG Tripartite Board composed of “officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community services.”
Public Sector	Sector of CSBG Tripartite Board composed of “elected public officials, or their representatives.”

QIP	Quality Improvement Plan
Quarter	The CSBG federal fiscal year is broken into four reporting quarters as follows: Quarter 1 (Q1) is October 1 through December 31; Quarter 2 (Q2) is January 1 through March 31; Quarter 3 (Q3) is April 1 through June 30; and Quarter 4 (Q4) is July 1 through September 30.
SMR	Supplemental Monitoring Report (See Attachment 8)
STAR	State Triennial Assessment Review (see Attachment 1)
Subrecipient	Refers collectively to Eligible Entities, CBOs and Tribes that receive CSBG funds
T&TA	Training and Technical Assistance
TAP	Technical Assistance Plan
TRACS	Triennial Review for Accountability and Compliance with Standards (phased out with STAR, see Attachment 3)
Tribes	Native American Tribes or Tribal organizations that receives CSBG funding through New York State

Attachments

(The following attachments should be used as examples only. The templates may have been updated. Please consult your PA if a blank template is needed for use.)

Attachment 1	STAR (State Triennial Assessment Review)
Attachment 2	ACROS (Annual Compliance Review of Organizational Standards)
Attachment 3	TRACS (Triennial Review for Accountability and Compliance with Standards) – to be phased out with the STAR
Attachment 4	DOS CSBG Program Monitoring Frequency Assessment Tool (Risk Assessment)
Attachment 5	Program and Fiscal Quarterly Attestation Form
Attachment 6	Individual Monitoring Plan (IMP)
Attachment 7	Supplemental Monitoring Report (DCS use only)
Attachment 8	Grantee Services Contact Report – Fiscal (GSCR-F)
Attachment 9	Grantee Services Contact Report – Fiscal – Site Visit Attendance Record (GSCR-FA)
Attachment 10	Fiscal Monitoring Frequency Assessment tool
Attachment 11	Grantee Services Contact Reports (GSCR) – utilized prior to FFY 2024
Attachment 12	CSBG IM 138: Establishment of Organizational Standards for Eligible Entities