



CENTER FOR COMMUNITY SERVICES DIRECTIVE

Title: Administrative Procedures for CSBG

Directive #: C2018-01

Effective: October 1, 2018

To: Community Services Block Grant Subgrantees

From: Lynette Praster, Director – Center for Community Services *LP*

1.0 Purpose

To establish administrative procedures for CSBG eligible entities (CEE) to demonstrate compliance with federal regulations.

2.0 Revision History

This CSBG Directive is effective October 1, 2018 and replaces C2016-01.

3.0 Policy

By-laws – It is the responsibility of the tripartite board of each non-profit agency to determine by-laws appropriate for the administration of that agency. All by-laws must contain specific agency operations in the following areas:

- All by-laws should be reviewed by the board periodically. However, the by-laws must be reviewed by legal counsel every five (5) years to ensure they are current and relevant.
- By-laws should be uploaded to the Organizational Standards report in COPOS under standard 5.3.

A. Board Composition

Boards must consist of at least 15 members but no more than 51 members. Boards for both private and public CEEs must contain the following tripartite representation for board membership:

- At least one-third representing the low-income population who are chosen by democratic selection procedures in the area served. A description of how these procedures will be implemented must be stated in the board's by-laws. Representatives must reside in the service area of the agency as required by Section 676B of the Community Services Block Grant Act

(Public Law 105-285, the Community Opportunities, Accountability, and Training and Educational Services Act of 1998).

- Exactly one third elected public officials currently holding office or their designated representative. If the number of elected officials reasonably available and willing to serve is less than one-third of the membership of the board, appointed public officials may be counted in meeting the one-third requirement.
- The remainder must be members of business, industry, labor, faith based, human service, education or other major groups and interests within the community.
- For CEEs that are political subdivisions or migrant/farm worker organization or other limited-purpose agencies, an administrative board must be established. A tripartite administrative board is constituted in the same manner as a tripartite governing board. An administrative board must involve representatives of the client population and the private sector in the determination of program policies and procedures rather than provision of advice. [See CSBG Directive C2018-03, Administrative Boards for additional guidance.]
- Although not required, boards may form committees comprised of volunteer, non-voting members of the community to assist and advise on agency activities.

See Directive C2018-02, Governing Boards for Private Entities, for specific guidance about tripartite board representation.

B. Length of Service

Public officials or their representatives serve at the request of the designating officials as long as the public official is holding office. The tenure for representatives of the low-income population and of the private organizations will be at the discretion of the board and must be stated in the board's by-laws. Term limits may be included if determined necessary by the board.

The CSBG statute does not require term limits. However, DCED recommends the establishment of term limits. Addressing term limits or periods of service in board by laws helps to ensure that membership is truly representative of the current residents of the area served, including racial and ethnic composition, as determined by periodic selection or re-selection by the community based on the demographic changes documented in most recent community needs assessment (CNA). CEEs may impose such limits through inclusion in the by-laws, indicating that the service of board members is prioritized and evaluated for at least attendance and commitment on a documented basis. This analysis should include board members are either replaced due to lack of commitment (i.e. missing a specific number of meetings, lack of participation, etc.) and/or re-nominated based on the recommendations of a nominating committee.

C. Board Authority

CEEs must have either a governing board or an administrative board. Refer to CSBG Directive C2018-02, Governing Boards or C2018-03, Administrative Boards, for specific guidance on board authorities and responsibilities.

D. ROMA Training for Boards and Agency Staff

All new board members and staff must have ROMA Training within six (6) months of being seated or

hired. The entire board and staff must undergo ROMA refresher training conducted by a Nationally Certified ROMA Trainer (NCRT) every twenty-four (24) months at a minimum. Board meeting minutes should reflect board participation to illustrate compliance with this requirement.

E. CSBG Organizational Standards

The purpose of the organizational standards is to ensure that all eligible entities have appropriate organizational capacity, not only in the critical financial and administrative areas important to all nonprofit and public human service agencies, but also in areas of unique importance for CSBG funded eligible entities. These standards have been established by CSBG Information Memorandum (IM) 138 and are organized in three groups comprising nine categories and totaling 58 standards for private, nonprofit eligible entities and 50 for public entities.

1. Maximum Feasible Participation
 - Consumer Input and Involvement
 - Community Engagement
 - Community Assessment
2. Vision and Direction
 - Organizational Leadership
 - Board Governance
 - Strategic Planning
3. Operations and Accountability
 - Human Resource Management
 - Financial Operations and Oversight
 - Data and Analysis.

More information on compliance and reporting for the Organizational Standards can be found in CSBG Directive C2018-05 Reporting Requirements.

F. Board Code of Ethics

Three (3) primary legal principles should be followed by the tripartite board. These principles are:

1. Obedience is the duty of board members to ensure that the organization does what is expected of it and does not undertake any action that is beyond its powers as defined by statutes, its corporate charter or by laws.
2. Diligence is the duty of board members to ensure against negligent mismanagement. Such mismanagement can hinge on inaction as well as overt actions. Mismanagement stemming from inaction results when specific responsibilities have been delegated to a board member or committee and that person or group fails to exercise diligent inquiry or oversight that might include failure to attend or hold board meetings to seek out the information necessary to carry out the responsibilities that were delegated to the person or committee.
3. Loyalty is the duty of board members to adhere to the mission of the organization, to adhere to the authorities granted to the organization and requires that board members not engage in personal activities in such a manner as to cause harm or to take advantage of the organization.

G. Board Meeting Requirements

Board meetings should be held at least quarterly. A quorum must be present for all decisions requiring

voting. The constitution of a voting quorum must be described in the board's by-laws. Board meetings must be formally documented by minutes. By-laws must include this specific operational requirement.

H. Fiscal and Program Management

A description of the responsibility of the board for the setting of policy governing contract and fiscal management of CSBG programs should be included. All CSBG-funded programs are required to follow all articles of the agency's CSBG contract and sub-contracting guidelines.

I. Non-Discrimination

No funding will be awarded to an agency under this program unless the agency certifies that the agency will not discriminate against any employee or against any person seeking employment or assistance by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable federal laws. All contracts for work to be paid with grant funds must contain the Commonwealth's official nondiscrimination clause.

J. Conflict of Interest

An officer, director, or employee of an agency who is a party to or has a private interest in a project or program will disclose the nature and extent of the interest to the governing body of the agency and may not vote on action of the agency concerning the program, nor participate in the deliberations of the agency concerning the program.

Individuals serve on tripartite boards to advance the interests of the agency, its clients, and the community. They do not serve to advance personal interests but have a duty of loyalty to the agency. The very nature of the tripartite board which includes community representation creates possible situations in which distinctions of loyalty and interest need to be kept clear and unambiguous.

To safeguard against situations in which the loyalty, interest or intent of the board member action may be questionable, the following minimum conflict of interest practices are recommended:

1. Clear, written policy

Each agency should have a clear, written policy concerning conflicts of interest or loyalty among board members and agency staff that describes in detail:

- a. Full disclosure of financial interest requirements for all board members and staff;
- b. Conditions and procedural requirements for board members and/or staff withdrawal from any action for which a real or potential conflict of interest might exist;
- c. Transparency and full record keeping of all board and agency financial decisions and the parties involved in the actions and decisions; and
- d. Policies and procedures for independent prior review of actions or decisions that may pose potential conflict of interest issues.

2. Avoidance of situations that advance or appear to advance board member interest

The very nature of tripartite representation on boards creates potential conflict of loyalty or interest situations in which board members help the agency to establish linkages with public and

private community resources and services. This outreach may result in financial arrangements or contracts involving expenditure of agency funds. Board members have inside knowledge or agency activities and operations including current and future employment opportunities within the agency. To avoid situations in which a conflict of interest or loyalty would occur, or the appearance of such a conflict, the following is recommended:

- a. Competitive bidding procedures should be used for large financial transaction situations in which a board member or agency staff member has an interest in, or relationship to, one or more providers of the needed goods or services. If such a potential is unclear, the agency and its board should refer the issue to a pre-identified independent conflict of interest consultant or group for a determination. For smaller transactions that may involve board or staff member interests, a process involving collection of comparable quotes, prices, or salaries may suffice.
- b. If, after a competitive process, a provider with ties to a board member or staff is selected to enter into a financial arrangement with the agency, the affected board member and staff must disassociate themselves from participating in any decisions regarding the conduct of the financial relationship. Neither board member nor staff may benefit personally, in any way, from the financial relationship between the agency and the provider with which they have a connection.
- c. Board membership should not be used as a stepping stone to agency employment. Board members should not seek or receive employment from the agency in any part-time or full-time capacity during their service on the board. Board members wishing to be considered for employment should resign their position and wait a specified period of time designated by the board, but at a minimum of six (6) months, before applying for a paid position within the agency. This waiting period is recommended to avoid both the actuality and appearance of undue advantage board membership affords in the hiring of agency management and staff.
- d. Board members and their families should not enjoy any financial gain from their position, including receipt of salary, goods or special services for their board participation. Board members may be reimbursed for expenses associated with board service, such as incidental costs of supplies, or mileage, per diem, and lodging expenses incurred while attending out of town conferences or training approved by the entire board.
- e. Agencies and board should err on the side of caution in all matters that might create or appear to be a conflict of interest. They should use their best judgement in all potentially questionable conflict of interest situations and call upon independent, outside counsel, both legal and ethical, to screen plans before action.

It should be noted that board members, especially those that represent low-income individuals or families, are not excluded from being clients of the agency and receiving program services for which they are eligible. These board members should not, however, receive preferential treatment in the nature or timing of such services.

K. Client Files

The agency will establish written policies for the maintenance of client files and provisions of confidentiality of those files. Client files must should contain the following information at a minimum:

- Intake forms with client signature
- Eligibility determination
- Unique Client Identification Number
- Case Management Plan (if applicable)/ Client Self Sufficiency Plan – Must be signed by client and staff member assigned
- Service documentation, including progress/case notes
- Discharge or termination of services plan

L. Personnel Policies

1. Written Policies

The board must establish written personnel policies, rules, and regulations. They must conform with all applicable federal and state laws governing the types of employees employed by the agency. They must be made available to all staff members. The format is at the discretion of the agency. The following topics must be covered:

- Recruitment, application, appointment and job descriptions;
- Types of employees;
- Pay plan and rules for rates of compensation, increments, anniversary dates, costs of living factors, compensatory time, overtime, temporary reassignment, promotions, demotions and transfers;
- Benefits and eligibility for benefits for employees by employment status – fringe benefits, annual leave, compensatory time, holidays, sick leave, benefits for work related injuries and disease, parental leave, military leave and administrative leave;
- Attendance – hours of work, rest periods and meal periods;
- Employee development – in-/out service training including developing a working knowledge of ROMA Principles as they relate to the performance of the employee’s job duties.
- Performance evaluation – standards, evaluation period, rating definitions, evaluators and evaluation review;
- Conduct, disciplinary action and prohibitions;
- Employee grievance procedures;
- Termination of Employment – voluntary and involuntary

2. Salaries and Leave

Salaries will be set in accordance with applicable state and federal laws. Fringe benefits paid from CSBG funds must be in accordance with the written established policies consistently followed by the CEE. Further, such costs charged to the CSBG must be in proportion to the relative amount of time the staff involved actually devotes to CSBG activities. This must be supported by time sheets signed by the employee. Reimbursement of employees for unused leave must be in accordance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Final Rule, 2CFR Chapter 1, Chapter 2, Part 200, et. al. (aka the “Super Circular”).

3. Travel

CEEs and their sub-grantees must make use of current state travel reimbursement rates, or rates established by their tripartite board or local government in the case of public Community Action Agencies. When a CEE elects to establish its own reimbursement rates, such policies must be committed to writing. See 2011 Fiscal Directive #1, issued October 1, 2011.

4. Affirmative Action

In accordance with both federal and state policies, all agencies must develop a written affirmative action plan that details the activities and a timetable for the agency to involve minority groups and women at every level of employment and decision making within the agency.

5. Nonsmoking Policy for Children's Services

Smoking within any indoor facility owned or leased by an agency or its sub-grantees utilized for the provision of routine or regular kindergarten, elementary or secondary education or library services of children is prohibited.

Smoking within any indoor facility owned or leased by an agency or its CSBG sub grantees utilized for the provision of routine or regular health care, day care or early childhood development (including Head Start) services to children is prohibited.

6. The Americans with Disabilities Act

No individual with a disability will, on the basis of the disability, be excluded from services provided or administered with CSBG funds.

The Commonwealth will be held harmless from all losses, damages, expenses, claims, demands, suits and actions as a result of the CSBG grantee's failure to comply with The Americans with Disabilities Act.

Note: A current copy of the agency's Personnel Policies and Affirmative Action Plan must be made available upon request.

4.0 Effective Date

This directive takes effect October 1, 2018 and replaces C2016-01. It will remain in effect, in its entirety, until it is amended, replaced, superseded, or nullified. Only a directive from the Center for Community Services or equivalent office may countermand any statement herein contained.

cc: Center for Community Services Staff
Fiscal Management Center, DCED