

## **Community Services Block Grant Program (CSBG)**

**CS-017-01**

### **CSBG Claims: Minimum Threshold Change**

**Effective Date:** July 14, 2017

**Release Date:** June 28, 2017

**Background:** Community Action Agencies may claim reimbursement for Community Service Block Grant obligated funds from IHCDCA for expenses related to the amelioration of poverty under the approved Cost Principles of the Office of Management and Budget. To claim expenses the CAA's must submit claims to IHCDCA and should keep all supporting documentation. Since 2013, IHCDCA has not require supporting documentation to be submitted for claims under \$1,000.

During the recent Health and Human Services (HHS) monitoring visit, monitors noted that IHCDCA must collect supporting documentation for all claims and could not allow a minimum threshold.

HHS's requirement based on Section 678D. of the CSBG statute 42 USC 9916. —requires that grantees:

#### ***FISCAL CONTROLS, PROCEDURES, AUDITS, AND INSPECTIONS.—***

*“(1) IN GENERAL.—A State that receives funds under this subtitle shall—(A) establish fiscal control and fund accounting procedures necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this subtitle, including procedures for monitoring the funds provided under this subtitle; (B) ensure that cost and accounting standards of the Office of Management and Budget apply to a recipient of the funds under this subtitle; (C) subject to paragraph (2), prepare, at least every year, an audit of the expenditures of the State of amounts received under this subtitle and amounts transferred to carry out the purposes of this subtitle; and (D) make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.”*

IHCDCA must have an accounting system in place to accurately trace every CSBG dollar disbursed. Supporting documentation must be available to the IHCDCA and HHS to ensure the funds are accurately accounted for and disbursed. However, IHCDCA has the discretion to determine which documents it requests from the local agencies in order to ensure the funds are spent appropriately. Therefore, in order to comply with this requirement, IHCDCA will require LSPs to submit detailed General Ledger print-outs as supporting documentation for claims under \$1,000.

**Policy Change:** Effective for all claims submitted on and after July 14, 2017, IHCDCA will no longer reimburse CSBG claims without detailed supporting documentation for all expenses being claimed. However IHCDCA will allow a General Ledger print-out detailing specific purchases as sufficient supporting documentation to be submitted with each claim. Grantees should continue to keep all supporting documentation (including receipts, invoices, checks, etc) for their own records and for monitoring and auditing purposes.