Comprehensive Administrative Review

CSBG/CAR TOOL
TUNE UP SERVICE

ihcda
Indiana Housing & Community Development Authority

FEDERAL GOVERNMENT

AGENCY SERVICES
AGENCY STAFF
THE GOVERNING BOARD
COMMUNITY ACTION AGENCY

CAR MONITOR
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Community Service Block Grant
Comprehensive Administrative Review

Summary
The Department of Health and Human Services (HHS) provides funding for the Community Service Block Grant (CSBG). The purpose of CSBG is to provide assistance to State and local communities to reduce poverty, revitalize low-income communities, and to empower low-income families and individuals in rural and urban areas to become fully self-sufficient. These federal funds are sent to the State of Indiana, which distributes them to the CSBG eligible entities, hereafter called agency to provide valuable services in their communities. HHS has charged each state with the task of overseeing and ensuring that funds are disbursed to the agency and are administered in accordance with federal regulations.

In 2007, the Governor designated the Indiana Housing and Community Development Authority (IHCDA), as the State of Indiana's lead agency with oversight authority to oversee this process. Agencies within the State of Indiana are made up of both private and public not-for-profit organizations that administer programs and services throughout their designated service area. Additionally, the primary responsibility of the organizations governing board is to assure that the organization not only meets all Federal and State requirements, hereafter called Organizational Standards. This tool will provide agencies with a detailed guide on implementation of federal and state requirements to provide high quality services to low income people and its community.

State CSBG Lead Agencies will report to HHS using the CSBG Annual Report, the “Actual” Organization Standards Performance achieved by community action agencies within the state. The reported progress indicators will indicate the number of agencies that meet 70-79%, 80-89%, 90-99% and those with 100% of the standards. The percentage meeting Organizational Standards by category will also be provided. The “Target” performance established by IM-138 is 100%.

Monitoring Objective
Monitoring is a required practice that allows agencies to continually improve outcomes as they strive to adopt high impact strategies to assist in meeting the needs of its community. Monitoring is also an effective tool for risk mitigation to protect the agency and its assets. To successfully assist each agency in fulfilling its mission, IHCDA utilizes a “whole agency” approach centered on collaboration and communication with our partners, which allows them to build capacity so they can excel in working to eliminate poverty.

The Office of Community Services within HHS, working with the National Partners, has positioned CSBG and Community Action as a model of National Performance Management through the use of the Organization Standards and ROMA Next Generation.

Effective communication, transparency and mutual respect are vital in facilitating a good working relationship. The purpose of open communication is to tie these concepts together in order to provide program objectives and requirements, assist in developing solutions to problems, to share program improvement ideas, and provide information on new developments. We operate with the basic belief that a team approach is in the best interest of the agencies long term growth and that the monitoring process is the mechanism for this interaction to occur. To ensure proper communication is achieved the following communication plan will be utilized:

- Keep agencies updated on any changes to the monitoring policies and/or procedures
- Send all monitoring correspondences preliminary and final report to the Executive Director
- Provide the agency with the monitoring time table for the on-site review, report, follow-up and closeout
- Conduct an entrance and exit conference with Executive Director and key leadership staff
CSBG Monitoring Authority

Under Section 678B of the CSBG Act, 42 U.S.C. & 9914, State CSBG lead agencies have the authority to establish and monitor goals, standards and requirements that assure an appropriate level of accountability and quality among the State’s agencies, in addition to being a good business practice. This assurance requires that an onsite compliance review, called a Comprehensive Administrative Review (CAR), is conducted at least every three years, after the first year for newly designated entities, or as appropriate.

IHCDA utilized a combination of resources to complete this monitoring tool, all of which are consistent with its past State monitoring requirements and new Federal regulations and standards. A general list of those resources are listed below, but are not limited to:

- Public Law (PL)
- OCS Information Memorandums (IMs)
- IHCDA Annual Grant Agreement and CSBG Program Administration Manual (IHCDA)
- Indiana Code (IC)
- Office of Management and Budget (OMB) Grants Management Circulars
- Generally Accepted Accounting Principles (GAAP)
- Model Policies by Community Action Program Legal Services, Inc. (CAPLAW)
- CSBG National Community Action Partnership (NCAP)
- National Association for State Community Services Programs (NASCSP)
- CSBG Training and Technical Assistance Resource Center

Community Programs Division Monitoring Approach

Currently, IHCDA monitors its CSBG sub-grantees at least once during a three year period (IM-97), with its Comprehensive Administrative Review (CAR). The Low Income Home Energy Assistance Block Grant (LIHEAP), Individual Development Account (IDA) and Weatherization Assistance Program (WAP) sub-grantees are monitored along with the CSBG program as part of the Community Programs combined monitoring. According to each grant agreement, each organization is required to meet a set of performance benchmarks set forth by state program requirements, federal regulation or budget restrictions.

In April 2016, IHCDA combined its monitoring programs for CSBG, IDA, LIHEAP and WAP. Through the former monitoring process, IHCDA has learned the burden on its sub-grantees preparing for compliance reviews and wishes to decrease the overall number of monitoring days on site, through this consolidated approach. While on-site, we ask your cooperation and assisting us in completing the monitoring as diligently as possibly:

- Please upload the requested documents within the appropriate time period so we can begin reviewing material prior to arrival
- Please provide the monitoring team with a conference room, office or work space
- Please provide access to Ethernet cables or WI-FI connection to the internet
- Please assure all key leadership staff and governing board representatives are available at some time during the monitoring visit for interviews to obtain knowledge of process area and ask follow up questions
• Please provide any follow-up documentation that is requested on-site as promptly as possible
• While appreciated and recognized as hospitality, the agency does not need to provide snacks to the monitoring team or feel obligated to do so

Additionally, as part of IHCDA’s commitment to streamlining its processes, IHCDA will continue its follow up with each agency, subsequent to its on-site review, by an emailed survey link. The anonymous survey allows each agency to evaluate the monitors and the overall monitoring process at its own convenience.

State Monitoring Tool

This tool, or review instrument, is used as an open and transparent document to complete the CSBG CAR monitoring process, which consists of Organizational Standards (OS) developed by the Center of Excellence (COE) or Federal regulations and IHCDA requirements. The CAR instrument has been broken into the following parts:

• **Part One: Organizational Management** (Sections 1-3; categories 1-9), which evaluates the operational performance metric for maximum feasible participation, vision and direction, and operations and accountability.

• **Part Two: Organizational Analysis** (Sections 4-5; categories 10-14), which evaluates the fiscal performance metrics, allocations, and accounting to determine solvency.

• **Part Three: Beyond Compliance** (Section 6, categories 15 & 16), which evaluates an agency’s road to excellence through bonus opportunities and best business practice recommendations.
## Total Number of Standards by Category

### PART ONE

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<th>Bonus Standards</th>
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**TOTAL OM STANDARDS**  
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**TOTAL BC STANDARDS**  
0 9 24

**TOTAL # OF STANDARDS**  
96 9 24

**Public Agency Standards will be adjusted based upon IM-138 Organizational Standards for Public CSBG Eligible Entities**
This tool outlines each **standard** by section (e.g. 1.1 or 2.3.1). Each standard is followed by additional information related to the specific standard:

**Agency Guidance** is the purpose, tips, clarifications, statute or best practice information on how to interpret the standard, as well as how to successfully demonstrate to the monitor(s) how the agency has met each standard.

**Authority** identifies the applicable Federal or State requirement imposed by stated or Federal regulation or code, contract, memorandums or policy guidance, other practices or laws governing the standard.

**Monitoring Evaluation** will explain the possible concrete or subjective methods used by the IHCDA monitor(s) to see if the agency has met, partially meets or does not meet each standard. However, the standard may just have “Provide” if documentation is only needed to review the standard.

**Interview** is information regarding compliance or operations obtained from discussion with individuals associated with the process under review.

**Provide** is the list of materials that may be requested to document compliance with the corresponding standard.

### Scoring

A **Value** is assigned to each standard that will allow the IHCDA monitor(s) to supply an overall performance score as part of its final report. IHCDA has also incorporated additional State Best Business Practices, which are an opportunity for each agency to gain **bonus points**. Bonus points will be added to the overall performance score, prior to a rating.

Each standard has an assigned value. The agency will have an opportunity to earn an overall performance score. All points will be assigned based on the following criteria:

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<td>Partial point(s)</td>
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<tr>
<td>Does Not Meet Expectation</td>
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<td>Not Applicable (N/A)</td>
<td>Points removed from the total base standard points possible</td>
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**Not Applicable** (N/A), at certain times during the monitoring process some standards may not apply. They will be identified on the report and removed from scoring.

**Recommendations** are not mandates and therefore do not carry a value (0 points). A best business practice recommendation is for the agency’s consideration, there is no violation of any policy or procedures but may aid in stronger operations, if enacted.

### THE OVERALL PERFORMANCE SCORE POINT SYSTEM RESULTS:

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<td>Good Standing</td>
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<td>97% to 100%+</td>
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### PART ONE

**Organizational Management (OM)**

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<td>9</td>
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</tr>
</tbody>
</table>

*Public Agency score will be adjusted based upon IM-138 Organizational Standards for Public CSBG Eligible Entities*
THE ORGANIZATIONAL STANDARD SCORE WILL PROVIDE EVALUATION AND BE REPORTED TO HHS AS MET OR NOT MET:

<table>
<thead>
<tr>
<th>Organizational Management (OM)</th>
<th>Standards</th>
<th>Number of Standards</th>
<th>Category Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1</td>
<td>1.1, 1.2, 1.3</td>
<td>3</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 2</td>
<td>2.1, 2.2, 2.3, 2.4</td>
<td>4</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 3</td>
<td>3.1, 3.2, 3.3, 3.4, 3.5</td>
<td>5</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 4</td>
<td>4.1, 4.2, 4.3, 4.4, 4.5, 4.6</td>
<td>6</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 5</td>
<td>5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8, 5.9</td>
<td>9</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 6</td>
<td>6.1, 6.2, 6.3, 6.4, 6.5</td>
<td>5</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 7</td>
<td>7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9</td>
<td>9</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 8</td>
<td>8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.10, 8.11, 8.12, 8.13</td>
<td>13</td>
<td>Number Met</td>
</tr>
<tr>
<td>Category 9</td>
<td>9.1, 9.2, 9.3, 9.4</td>
<td>4</td>
<td>Number Met</td>
</tr>
<tr>
<td>TOTAL NUMBER OF BASE STANDARDS</td>
<td>(Bold= State Met Standards)</td>
<td>58</td>
<td></td>
</tr>
</tbody>
</table>

*Public Agency score will be adjusted based upon IM-138 Organizational Standards for Public CSBG Eligible Entities

State Completed (Met) Standards

For standards that are completed in part or in totality by IHCDA the following will be listed:

State Completed (Met) Standard

Submitted Monitoring Documents

Prior to an on-site monitoring visit, the agency will be given a minimum 30 day notice. Agencies will have at least 20 days to provide the following information to IHCDA for review. IHCDA will provide instructions in the notification letter for uploading documents in preparation for the on-site CAR monitoring.

Refer to Appendix “B” Monitoring Documents for a summary list of documents to submit.

On-Site Field Monitoring Visit

The review is conducted by the IHCDA Community Programs Monitor and a fiscal monitoring subcontractor of IHCDA. The IHCDA Community Programs Monitor will serve as the agencies’ point of contact, oversee the complete CAR process including issuing all reports, collecting documentation and evaluating compliance of the Organizational Management components associated with the CAR. The fiscal monitoring subcontractor will primarily be responsible for reviewing compliance of the Organizational Analysis components associated with the CAR which includes auditing fiscal operations and files and interviewing fiscal staff.
The review will begin with an entrance conference on day one, held between the IHCDA monitors and the agency's management team or its point of contacts for the review, to familiarize the agency with the review process and for the monitor to become familiar with specific details unique to each organization. Monitoring evaluation is based upon all agency actions during the monitoring period up to the entrance conference.

When the monitoring visit is complete, an exit conference will be conducted to provide a preliminary report of the agency’s operational and fiscal analysis.

**Final Report**

Following the on-site monitoring review, final CAR Monitoring Report will be issued within 30 calendar days of the exit conference, barring any circumstances that would cause a reasonable delay, to the CEO/Executive Director via email. The report will summarize the results of the review based upon the agency's performance and will contain the following:

- Introduction
- Agency Monitoring Information (agency name, monitors, agency participants for the entrance and exit conference and governing board participants)
- Standards Met
- Required Action Plan (RAP)
- Fiscal Ratio Trend Analysis
- Performance Scorecard (Overall Performance Score, Number of Standards Not Met and Partially Met, Average State-wide Overall Performance Score and Organizational Standard Score)
- Category Report Card Chart (performance rating by category for base and bonus points)
- CAR Performance Graph
- Best Business Practice Recommendation(s)

A required action indicates that the agency did not successfully comply with a standard and therefore partially met or did not meet the expectation. A required action results from a violation of an established federal or state-issued guideline or an element that did not follow an established policy as set forth in the agency's policies and procedures.

A best business practice is for the agency's consideration; there is no violation of any policy or procedures but will aid the agency in stronger operations if enacted.
CSBG CAR MONITORING REPORTING PROCESS

A. Reporting Requirements Timeline

Step One: IHCDA CAR Report Issued
IHCDA will send the agency a formalized report based upon the monitoring results presented at the exit conference.
Time Period: Within 30 calendar days from the exit conference

Step Two: Agency Response
The agency will either accept the submitted report or provide an informal appeal to specific Standards that have been “Not Met” or “Partially Met”. Send the agency response to the IHCDA Community Program Monitor.
Time Period: Within 10 calendar days

Step Three: IHCDA Response
The monitor will review the agency response and either send a Monitoring Completion letter with Summary or provide a response to any Standards that were informally appealed.
Time Period: Within 10 calendar days

Step Four: Agency Response
A. If the agency received a Monitoring Completion Letter, an action plan should be submitted to the IHCDA Community Program Monitor based upon the results identified in the summary:

RAP Time Period: Within 30 calendar days
MQIP Time Period: Within 45 calendar days
QIP Time Period: Within 60 calendar days *

* 678C(4)(a)-the agency develops and implements within 60 days after being informed of the deficiency, a QIP

B. If the agency received a response to an appeal:
   i. If the agency accepts the informal decision by the monitor then the agency should send an acceptance to the IHCDA Community Program Monitor.
      Time Period: Within 10 calendar days
      (Process will continue by following Steps Three and Four A.)
   ii. If the agency disagrees with the informal decision(s) then it must submit a written appeal to the IHCDA Director of Community Programs for the specific Standards that are still in dispute. Previously resolved issues will not be re-considered.
      Time Period: Within 10 calendar days

Step Five: IHCDA Response, as needed
A. IHCDA will send the agency an acceptance that it agrees with the submitted plan
   RAP Time Period: Within 10 calendar days or MQIP & QIP Time Period: Within 30 calendar days

B. The monitor may have the agency resubmit the plan or specific portions of the plan when the established timelines or described actions to “Meet” the standard are not practical.
   RAP Time Period: Within 10 calendar days or MQIP & QIP Time Period: Within 30 calendar days
C. If the agency formally appealed any unresolved monitoring results, then the IHCDA Director of Community Programs will provide a written response to the agency. All decisions are final.

**Time Period:** Within 30 calendar days

**Step Six:** Agency Action, if needed

Provide information based upon the requirements established in the IHCDA response letter or after a formalized appeal go to Step Four A.

**B. Summary Report - Monitoring Categories**

Based on the agreed upon deficiencies detected as part of the CAR, the Summary report may outline the following course of action:

1. **Required Action Plan (RAP)**

   The RAP, also called a technical assistance plan, is prepared by the agency to address and resolve any deficiency identified in the CAR report and should provide a timeline (month, day and year) for implementation or correcting each issue within six (6) months of the response, unless otherwise specified in the monitoring report. If IHCDA finds that the RAP does not effectively resolve the deficiencies, IHCDA may determine that the agency requires additional monitoring and will be placed on a Modified Quality Improvement plan (MQIP) or Quality Improvement Plan (QIP).

   It is the responsibility of the monitored agency to provide IHCDA with the necessary documentation of completed benchmarks, as required, in their monitoring response. IHCDA will track the agency’s progress through the RAP.

2. **Modified Quality Improvement Plan (MQIP)**

   A MQIP is usually programmatic in nature, triggered by substantial changes to the organization’s operational health and service delivery. Some examples include, but are not limited to: the agency may be non-compliant with its tripartite Governing Board requirements, Board bylaws, ROMA requirements, personnel or fiscal policies, conflict of interest practices and/or strategic and succession planning. There also may be minor fiscal issues that are identified as an area for improvement. At the invitation of the Executive Director, IHCDA will also present the CAR final report to the Board of Directors. However, IHCDA may also deem this step necessary if there is minimal progress throughout the MQIP process. If the agency’s CAR score merits a MQIP, IHCDA will set forth performance benchmarks to be included in the RAP, along with a required completion date for the plan. IHCDA will review the plan and work with the agency to obtain an approved process to correct the listed deficiencies. Generally, the MQIP process should be completed within 180 days and is quicker than a QIP. If progress on completing required actions listed on the RAP deviate from the accepted timeline or do not meet the stated objective, IHCDA may determine the agency should be placed on a QIP.
3. **Quality Improvement Plan (QIP)**

Section 678C(a)(4) of the CSBG Act allows for State discretion in the implementation of a Quality Improvement Plan to correct an identified deficiency or deficiencies. A QIP is often financial in nature, triggered by substantial changes in the agency's fiscal health. The agency may have outstanding debt, unpaid vendors, unallowable costs, or negative ratios. There may also be significant program deficiencies that need to be addressed such as the examples listed in the MQIP section above. Agencies are not required to have deficiencies in both the program and fiscal sections of the CAR to be placed on a QIP. IHCDA's process for addressing noncompliance will follow the guidance set forth by Information Memoranda 116 (IM-116) at [https://www.acf.hhs.gov/ocs/resource/no-116-corrective-action-termination-or-reduction-of-funding](https://www.acf.hhs.gov/ocs/resource/no-116-corrective-action-termination-or-reduction-of-funding). The State is required (678C(4)(a)) to provide official notice to HHS of any agency placed on a QIP within 30 days of accepting the agency's quality improvement plan. The State must also track progress on correcting deficiencies and training and technical assistance. Finally, the State will report the results of the IM-116 process.

The IHCDA monitor will present the CAR Monitoring Report to the Board of Directors at the first available meeting after the agency has been notified of its QIP status. If the agency is placed on a QIP, IHCDA will set forth performance benchmarks to be included in its Corrective Action Plan (CAP) including anticipated required completion date for the plan. The submitted plan to IHCDA must be approved by the agency's governing board. IHCDA will review the plan and work with the agency to obtain an approved process to correct the listed deficiencies.

Agencies that have been placed on a QIP will receive additional monitoring. The agency will be required to create direct lines of communication with IHCDA in which they will:

- Provide progress reports on the action plan during a monthly or quarterly conference call.
- Provide the governing board with a progress report at each scheduled meeting and submit the meeting minutes to IHCDA indicating discussion and board acceptance.
- Provide supporting documentation upon request.

Additional special conditions may be initiated by IHCDA, including but not limited to:

- Withholding authority until evidence of acceptable performance is provided
- Requiring additional, more detailed financial reporting
- Additional project monitoring (onsite and/or desk-top) to assure the agency is meeting the required performance benchmarks
- Requiring the agency to obtain technical assistance (T/TA)
- Working with the State Association to help correct failures
- Establishing additional prior approvals
- Additional analysis and increased frequency of denial from Request for Purchases of equipment or services using CSBG funds
- Additional review of claims submitted for payment

Failure to complete the QIP may result in continued monitoring or a reduction, withholding, or termination of the agency's CSBG funding. Specifically, if the agency fails to complete the QIP within multiple years, a final RAP will be required. Failure to successfully complete the final RAP may result in a reduction or termination of CSBG funding. Note: significant deficiencies related to fiscal health, program integrity or fraud, waste and/or abuse may escalate this timeline. During the QIP process, IHCDA follows the action steps for Information memorandum (IM) 116.
The Information Memorandum (IM) 116 Overview

Information Memorandum 116 provides background on statutory and regulatory requirements for terminating organizational eligibility or otherwise reducing the share of funding allocated to any CSBG-eligible entity. IHCDA must assure accountability and prevent waste, fraud, or abuse of CSBG funds for each recipient.

IM 116 lays out a series of steps which would be taken by IHCDA throughout its oversight to assure compliance with the CSBG Act and applicable regulations cited in the agency’s grantee agreement. Once an agency is placed on a QIP, IHCDA will notify the federal Office of Community Services (OCS). Ultimately, (A) The agency completes the necessary requirements of the QIP and will be removed from the QIP process or (B) IHCDA will provide adequate notice to the agency and an opportunity to attend a public hearing for the reduction or termination of its funding due to failure to meet the RAP and timeline to resolve the deficiencies identified in the QIP.

After providing an opportunity for a public hearing, if IHCDA finds cause for termination or reduction in funding, the State may initiate proceedings to terminate the designation of or reduce the funding to the agency. If IHCDA determines funding will be reduced or that eligibility for CSBG funds will be terminated, IHCDA must notify both the agency and the HHS Secretary of the decision.

A Federal review of the State decision to reduce or terminate funding may be initiated through a request from the affected organization. In accordance with 45 CFR §96.92, an eligible entity has 30 days following notification by the State of its final decision to request a review by the Secretary of the Department of Health and Human Services (HHS).

Other

Training and Technical Assistance

IHCDA also encourages each agency to seek out training and technical assistance for the governing board, leadership staff or employees, based upon the standards that may assist with regulatory compliance, ensuring that proper internal controls are developed and utilized, and that the agency is providing effective and sustainable service delivery to the community.

CAR Compliance

In conclusion, IHCDA recommends that each agency’s leadership staff, along with the governing board, establish committees and conduct regular meetings to ensure that its organization is in at least good standing with each standard outlined in this document.
PART ONE-ORGANIZATIONAL MANAGEMENT

Category One: Consumer Input & Involvement

Community Action is rooted in the belief that people with low incomes are in the best position to express what they need to make a difference in their lives. Agencies work in partnership with the people and communities that they serve. Community Action works in a coordinated and comprehensive manner to develop programs and services that will make a critical difference in the lives of participants. Individuals and families are well attuned to what they need, and when Community Action taps into that knowledge, it informs our ability to implement high-impact programs and services. Research shows that through engagement in community activities such as board governance, peer-to-peer leadership, advisory bodies, volunteering, and other participatory means, the poor build personal networks and increase their social capital so that they are able to move themselves and their families out of poverty. Community Action is grounded in helping families and communities build this social capital for movement to self-sufficiency. (IM-138)

Standard 1.1 The organization demonstrates low-income individuals' participation in its activities.

AGENCY GUIDANCE:

- Identify how the agency directly involves low-income individuals in the service delivery of its programs. For example: Head Start policy council, advisory boards or neighborhood councils, volunteering opportunities (i.e. parents, foster grandparents), etc.
- This standard is meant to embody maximum feasible participation and go beyond the agency’s tripartite board membership (OS):
  - “Maximum participation of residents of low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities.” (CSBG Act)
- The agency will demonstrate that it provides regular participation of the poor and the affected area residents in the implementation of the programs (IC)

Authority: PL 105-285. Section 672 (2)(D), IC-12-14-23-9(8)(b) and IM 138 (1.1)
Interview: Executive Director, governing board and leadership staff
Monitor Evaluation: Review documentation that reflects low income participation within the agency
Provide: Activity sign in sheets or meeting minutes denoting low income individuals participation within the agency
Value: 2 points
<table>
<thead>
<tr>
<th>Standard 1.2</th>
<th>The organization analyzes information collected directly from low-income individuals as part of the community assessment.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | • This standard reflects the need for the agency to talk directly with low-income individuals regarding the needs in the community (OS)  
• Demonstrate that there is a systematic way of utilizing data through annual reports, charts, graphs, and/or spreadsheets of evaluated or compiled data  
• Customer satisfaction data is important information related to the client's experience and typically includes factors such as how easy it is to access services, how long it took services to be delivered, the perceived quality of interactions between the customer and staff, and overall satisfaction with how well the service met the customer's needs. Customer input covers a broader range of issues and includes feedback customers offer on such topics as whether the agency provides an adequate range of services, how well it involves customers in its activities, and their perceptions of the outcomes the agency achieves for the individuals, families, and communities it serves. (NCAP) |
| **Authority:** | IC-12-14-23-9(a)(8), IM 138 (1.2), CSBG Annual Report (1.5) and linked to IM 138 (6.4) |
| **Monitoring Evaluation:** | Review notes, meeting minutes or any subsequent reports associated with the analyzed customer information during the monitoring period.  
**Provide:** Documented discussion of the information by the agency staff during the monitoring period. Also, provide several examples of changes made by the agency to improve service delivery or impact customers based upon an analysis of performance data.  
**Value:** 3 points |
| **Standard 1.3** | The organization has a systematic approach for collecting, analyzing, and reporting customer satisfaction data to the governing board. |
| **AGENCY GUIDANCE:** | • Customer satisfaction data is defined in Standard 1.2  
• Comment boxes, focus groups, interviews, community forums, customer surveys/ post cards (OS) demonstrate what methods are used to collect its data directly from low-income individuals  
• Close-ended or multiple choice questions on customer surveys provide quantitative data that can be used in graphs or charts  
• Open-ended questions on customer surveys ask respondents to provide answers in their own words and are designed to elicit more information than possible in a multiple choice or other close-ended format  
• Provides board with information they need to effectively plan and evaluate (IM 82) |
• Reporting to the governing board or appropriate committee meeting may be via written or verbal forms (OS), but should be documented in the meeting minutes.

Authority: M 82, IM 138(1.3) and linked to IM 138 (1.2)
Interview: Agency staff responsible for CSBG reporting
Monitoring Evaluation: Review board meeting minutes, agenda or board packet
Provide: Governing board meeting minutes or other documentation of receipt during the monitoring period
Value: 3 points
Category Two: Community Engagement

No one service provider can meet all of a community's needs independently. Through formal and informal partnerships, ongoing community planning, advocacy, and engagement of people with low incomes; partners ranging from community and faith-based organizations, educational institutions, government, and businesses work together with Community Action Agencies and other organizations to successfully move families out of poverty and revitalize communities. Community Action is often the backbone organization of community efforts to address poverty and community revitalization: leveraging funds, convening key partners, adding the voice of the underrepresented and being the central coordinator of anti-poverty efforts. It is not an easy role to play, but a vital one for families and communities. (IM-138)

Standard 2.1  The organization has documented or demonstrated partnerships across the community, for specifically identified purposes; partnerships include other anti-poverty organizations in the area.

AGENCY GUIDANCE:

- Partners are stakeholders
- Documented or demonstrated partnerships: Relationships that are formalized. This may be through an MOU/MOA, contract, coalition membership, etc. (NASCSP)
- Identify public or private resources and programs that may contribute to customer or agency outcomes (IM)
- In cooperation with community agencies and officials, undertake actions to improve existing efforts to reduce poverty (IC)
- Partnerships can be documented (i.e. coalition membership, MOUs, contracts, etc.) or partnerships that require joint planning or are in cooperation with community agencies and officials who are assigned actions to improve existing efforts to reduce poverty (IC)

Authority: PL 105-285. Section 676 (b)(5) & (b)(9), IM 103, CSBG Annual Report (G.3a), IC 12-14-23-9(5)(6), IM 49 and IM 138(2.1)

Interview: Executive Director on how partnerships are making an impact in the agencies service delivery and how linkages assure the effective delivery of services and avoid duplication of services

Monitoring Evaluation: CSBG Annual Reports and NPI 4.1 during the monitoring period

Provide: Agency partnership list

Value: 1 point

State Standard 2.1.1 The organization can demonstrate that it regularly assesses its partnerships.

AGENCY GUIDANCE:

- Describe and demonstrate how linkages are developed to fill identified gaps in services through provision of information, referrals or case management (PL)
- Documented discussion in governing board/leadership minutes or another formalized agency review process
SECTION 1

MAXIMUM FEASIBLE PARTICIPATION FOR OPERATIONAL PERFORMANCE

Authority: PL 105-285. Section 676(b)(3), CSBG Annual Report (G.3b), ROMA and linked to IM 138(2.1)

Interview: Executive Director about the process used to assess partnerships and how that review has impacted existing partnerships.

Monitoring Evaluation: Review partnership analysis information and how developed linkages fill gaps in the service area.

Provide: Meeting minutes or other documentation to support that partnerships are assessed by agency staff during the monitoring period

Value: 3 points

Standard 2.2

The organization, as a whole, utilizes information gathered from key sectors of the community in assessing needs and resources during the community assessment process or other times. These sectors would include at minimum: community-based organizations, faith-based organizations, private sector, public sector, and educational institutions.

AGENCY GUIDANCE:

• Demonstrate activity in each of the 5 key sectors: community-based organizations, faith-based organizations, private sector, public sector and educational institutions over the agency’s entire service area

• Representing the agency on community groups, schools, advisory boards, etc.

Authority: IM 103 and IM 138(2.2)

Interview: Executive Director or CSBG Program Representative

Monitoring Evaluation: Review on-site documentation of surveys, interviews, or focus groups (hard copy or electronic) and/or reports from key partners (online/written)

Value: 1 point

Standard 2.3

The organization communicates its activities and its results to the community.

AGENCY GUIDANCE:

• Demonstrates the agency’s ability to deliver performance results or to “tell the organization’s success story” to the community

• Effective messaging also creates awareness of what you do, highlights the needs of the community and promotes your community partners

• Utilizes an annual report, social media (i.e. Facebook, twitter, blogs, LinkedIn, e-newsletter, etc.), website or other print media (i.e. newsletters and publications, publicity releases, informational pamphlets and letters to the editor), television (community access channel), etc.

• Best Business Practice: Provide greater transparency by placing on the website (Examples include IRS Form 990, audit, annual report, donors list, strategic plan, bylaws, calendar of events, mission statement, etc.)
### Standard 2.4

**The organization documents the number of volunteers and hours mobilized in support of its activities.**

**AGENCY GUIDANCE:**

- Document the number and hours of governing board members, advisory board/council, or other activities where a volunteer or group is utilized
- This is a critical data element for local CAAs and national Partners as the Community Action story is communicated (NCAP)
- Each organization has, at a minimum, a volunteer governing or advisory board
- Best Business Practice: the agency has a system in place to document hours for any agency volunteer

**Authority:** IM 138(2.4) and CSBG Annual Report

**Monitoring Evaluation:** Review supporting documentation that comprises the annual volunteer list for each year during the monitoring period

**Provide:** Annual agency-wide list of volunteers and service hours for each year during the monitoring period

**Value:** 3 points
Local control of Federal CSBG resources is predicated on regular comprehensive community assessments that take into account the breadth of community needs as well as the partners and resources available in a community to meet these needs. Regular assessment of needs and resources at the community level is the foundation of Community Action and a vital management and leadership tool that is used across the organization and utilized by the community to set the course for both CSBG and all agency resources. (IM-138)

<table>
<thead>
<tr>
<th>Standard 3.1</th>
<th>The organization conducted a community assessment and issued a report to the community within the past three (3) years.</th>
</tr>
</thead>
</table>
| AGENCY GUIDANCE: | • Also called a community needs assessment (CNA)  
• Usually the state provides the Community Needs Assessment. The point of emphasis is that the agency has shared the results with agency staff, partner organizations, other sectors, and the community at large (e.g. agency website, email distribution, social media, press conference, annual report, etc.)  
• The report may be electronic or print and circulated as the agency deems appropriate |
| Authority: | PL 105-285. Section 676(b) (11), IM 82 and IM 138(3.1) |
| Interview: | Executive Director, governing board members and leadership staff |
| Monitoring Evaluation: | Review that the current CNA has been communicated to the public and when |
| Provide: | Documentation illustrating how the results were communicated to the public |
| Value: | 4 points |
| Value: | 2 points (Community Report) |

Value: 2 points (CNA) State Completed (Met) Standard

<table>
<thead>
<tr>
<th>Standard 3.2</th>
<th>As part of the community assessment, the organization collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for their service area(s).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority:</td>
<td>IM 138(3.2)</td>
</tr>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review that the data to determine it has the four categories of gender, age, race, and ethnicity</td>
</tr>
<tr>
<td>Provide:</td>
<td>Community Needs Assessment</td>
</tr>
<tr>
<td>Resource:</td>
<td>Data on poverty is available from the U.S. Census Bureau</td>
</tr>
</tbody>
</table>

Value: 1 point (CNA) State Completed (Met) Standard
<table>
<thead>
<tr>
<th>Standard 3.3</th>
<th>The organization collects and analyzes both qualitative and quantitative data on its geographic service area(s) in the community assessment.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | - The agency analyses both qualitative and quantitative data.  
  - **Qualitative:** Focus groups, interviews, surveys, community forums, etc. (OS). This is data collected directly from the individual or “primary” data  
  - **Quantitative:** Numeric information or data with numbers, e.g. census data, program counts, demographic information, other statistical sources, etc. (OS). Acquired from other sources and is considered “secondary” data |
| Authority: | IM 138(3.3) |
| Interview: | Executive Director |
| Monitoring Evaluation: | Evidence that both qualitative and quantitative data were used and that an analysis of the results was conducted |
| Provide: | Committee/team minutes reflecting analysis |
| Value: | 1 point (CNA) |
| | State Completed (Met) Standard |

<table>
<thead>
<tr>
<th>Standard 3.4</th>
<th>The community assessment includes key findings on the cause and conditions of poverty and the needs of the communities assessed.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority:</td>
<td>IM 138(3.4)</td>
</tr>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review the summary and the key issues identified in the report</td>
</tr>
<tr>
<td>Provide:</td>
<td>Community Needs Assessment</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point (CNA)</td>
</tr>
<tr>
<td></td>
<td>State Completed (Met) Standard</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard 3.5</th>
<th>The governing board formally accepts the completed community assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGENCY GUIDANCE:</strong></td>
<td>- The assessment must be formally accepted by governing board motion, and the vote must be recorded in meeting minutes</td>
</tr>
<tr>
<td>Authority:</td>
<td>PL 105-285.Section 676B(a)(1), IM 138(3.5) and linked to IM 138(3.1)</td>
</tr>
<tr>
<td>Monitor Evaluation:</td>
<td>Review governing board meeting minutes</td>
</tr>
<tr>
<td>Provide:</td>
<td>Governing board meeting minutes of the board vote of the community needs assessment</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>
Category Four: Organizational Leadership

Community Action leadership is exemplified at all levels across the organization and starts with a mission that clarifies Community Action’s work on poverty. A well-functioning board, a focused Chief Executive Officer (CEO)/Executive Director, well-trained and dedicated staff and volunteers giving of themselves to help others will establish Community Action as the cornerstone and leverage point to address poverty across the community. Ensuring strong leadership both for today and into the future is critical. This category addresses the foundational elements of mission as well as the implementation of the Network’s model of good performance management (ROMA). It ensures CAA’s have taken steps to plan thoughtfully for today’s work and tomorrow’s leadership. (IM-138)

<table>
<thead>
<tr>
<th>Standard 4.1</th>
<th>The governing board has reviewed the organization’s mission statement within the past five (5) years and assured that:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. The mission addresses poverty; and\</td>
</tr>
<tr>
<td></td>
<td>2. The organization’s programs and services are in alignment with the mission.</td>
</tr>
</tbody>
</table>

**AGENCY GUIDANCE:**

- Language such as but not limited to “low-income”, “self-sufficiency”, “economic security”, etc. (OS)
- 5 year requirement meant to align with the strategic plan standards and help eliminate mission drift
- Expresses the agency’s reason for existence
- Governing boards are responsible for determining the overall mission or direction (IM)
- Creating or reviewing mission statements can provide a focus for collaborative strategic planning among board members and agency leadership and staff, and a foundation for meaningful board oversight of agency operations and effectiveness (IM)

**Authority:**

PI 105-285 Section 676 B (a)(1), IM 49, IM 82 and IM 138(4.1)

**Monitoring Evaluation:**

Documented discussion of the mission statement by the governing board

**Provide:**

Current organization mission statement and governing board meeting minutes or retreat notes indicating discussion of the mission statement

**Value:**

2 points

<table>
<thead>
<tr>
<th>Standard 4.2</th>
<th>The organization’s Community Action Plan is outcome-based, anti-poverty focused, and ties directly to the community assessment.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**

- The Community Action Plan is also called the Grantee Plan Packet
- Three elements – outcome-based (focused on outcomes or changes in status), anti-poverty focused (requirements and uses of CSBG); tied to the community assessment (CSBG Act)
IHCDA requires each agency to annually complete a Grantee Plan Packet.

A strategic plan should encompass a 3-5 year period and the Community Action Plan is a component of the strategic plan. All of these should link directly to the needs of the community identified in the Community Needs Assessment.

PL 105-285, Section 676(b)(11), IM 49 and IM 138(4.2)

Review each annually submitted Grantee Plan Packet during the monitoring period.

Executive Director and possible leadership staff.

3 points

The organization’s community action plan and strategic plan document the continuous use of the full Results Orientated Management and Accountability (ROMA) cycle or comparable system (assessment, planning, implementation, achievement of results, and evaluation). In addition, the organization documents having used the services of a ROMA-certified trainer (or equivalent) to assist in implementation.

AGENCY GUIDANCE:

Demonstrate the agency’s use of all of the phases of the ROMA cycle in its work.

Document annual assessments, planning, implementation, achievement of results, and evaluation. (i.e. ROMA Implementation Checklist)

Answer such questions as “why are we here, who are we helping, what are we helping them become, and how will we know and describe success, both theirs and ours?” (IM 49)

Agency determines the manner of involvement of the Nationally Certified ROMA Trainer (NCRT) or Nationally Certified ROMA Implementer (NCRI) such as strategic planning meetings, consultation on implementation, etc.

PL 105-285, Section 676(b)(12), IM 49 and IM 138(4.3)

Executive Director, CSBG Program Representative or the on staff ROMA trainer, if applicable

Strategic planning notes, ROMA Implementation Checklist and/or other documentation. Also, ROMA trainer/implementer involvement through meeting minutes, written communication, invoice or contract.

Documentation tool or other narrative speaking to the full ROMA cycle. Also, evidence of assistance by a Nationally Certified ROMA Trainer or Implementer.

2 points

The governing board receives an annual update on the success of specific strategies included in the Community Action Plan.

AGENCY GUIDANCE:

The Grantee Plan Packet is specific to the current CSBG program year and its progress should be reviewed annually by the governing board.

This update may be part of a review by the governing board of the complete Grantee Plan Packet submission to IHCDA.

IM 49, IM 82, IM 138(4.4) and linked to IM 138(9.3) and State Standard 5.11

Governing board meeting minutes, board packet or other documentation that the board received an annual update for each year during the monitoring period.
### Standard 4.5

The organization has a written succession plan in place for its CEO/Executive Director, approved by the governing board, which contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy.

**AGENCY GUIDANCE:**
- Contains procedures for covering an emergency/unplanned, short-term absence of 3 months or less, as well as outlines the process for filling a permanent vacancy (IM 138)
- May name an interim leader(s), locations of critical organizational documents, communication plan, and important contacts (NCAP)
- Other relevant planning information may be cross training requirements of staff needed to provide temporary assistance
- Succession planning for the executive position should be a roadmap explaining each step the board will need to take if the ED/CEO departs for any reason
- The State strongly recommends succession plans for all leadership staff in addition to the CEO/Executive Director
- Plans should be reviewed annually and changes made as needed (BBP) but at least during the monitoring period

**Authority:** IM 138 (4.5) and linked to IM 138 (7.3)

**Monitoring Evaluation:** Review current succession planning documents for the Executive Director position

**Provide:** Succession plan for the Executive Director/CEO and evidence of approval by the governing board in meeting minutes by either vote or resolution

**Value:** 2 points

### Standard 4.6

An organization-wide comprehensive risk assessment has been completed within the past two (2) years and reported to the governing board.

**AGENCY GUIDANCE:**
- Process of identifying risks that threaten the achievement of the agency goals and protects the long-term stability of the organization
- This is a comprehensive organization wide assessment (not specific to individual programs or department) to identify potential hazards and analyze contributing factors. There is no mandatory format but should include such items as technology, insurance coverage, transportation, facilities, staffing, property, finances, competition, resources, etc.
- A risk assessment is generally followed by the implementation of a risk management plan
- The results are internal to the organization and therefore private (OS) and will be reviewed onsite only
• Public agencies may need to draw from multiple government documents that would make up a typical risk assessment used by the non-public agencies and not rely on a single source of information

Authority:
OMB 2 CFR Part 200 subpart D, IM 103, IM 82, and IM 138(4.6)

Interview:
Executive Director

Monitoring Evaluation:
Comprehensive Risk Assessment is being used by the agency and discussion in governing board meeting minutes. The monitor may review all resources used in completing the risk assessment.

Provide:
Governing board meeting minutes reflecting discussion of the risk assessment within the last two years

Value:
2 points

State Standard 4.7 Organization develops a Revenue Diversification Plan during the monitoring period and the plan is reviewed by the governing board.

AGENCY GUIDANCE:
• Revenue Diversification is a standard portfolio analysis to examine the agency's current array of funders and funding sources. Diversifying revenue streams is a risk mitigation tactic
• This plan list all activities (fundraising, grants, earned income, government funded programs, loans, etc.) that bring in money into the organization and are part of the larger financial strategy
• Encourage business, labor, and other private groups and organizations to work together with public officials and agencies, activities in support of programs that will result in the additional use of private resources and capabilities (IC)
• Community action is most successful when activities supported by a number of funding sources are organized around client and community outcomes (IM 49)

Authority:
IC 12-14-23-9(9), IM 49 and IM 82

Interview:
Executive Director and governing board members

Provide:
Revenue Diversification Plan and governing board meeting minutes or board packet indicating review

Value:
2 points

State Standard 4.8 The organization submitted IHCDA requested CSBG documents, during the monitoring period, within the established timelines.

AGENCY GUIDANCE:
• Reports, plans, contracts, amendments, etc.
• Grantee Plan Packet, CSBG Annual Report or equivalent, previous agency CAR Report response(s), CSBG contracts
• IHCDA request for additional documents

Authority:
IHCDA and linked to HHS reporting requirements

Monitoring Evaluation:
IHCDA deadlines versus the agency submitted date for each year during the monitoring period

Value:
6 points
Category Five: Board Governance

A governing board is responsible for defining the organization’s mission and for providing overall leadership and strategic direction. The board actively sets policy and ensures that the organization has adequate resources to carry out its mission and meet the challenges within its community. The board also provides oversight and direction for the executive director and is responsible for evaluating his/her performance. (Governance)

Community Action boards are uniquely structured to ensure maximum feasible participation by the entire community, including those the network serves. By law, Community Action boards are comprised of at least 1/3 low-income consumers (or their representatives), 1/3 elected officials (or their appointees), and the remainder private-sector community members. To make this structure work as intended, agencies must recruit board members thoughtfully, work within communities to promote opportunities for board service, orient, and train and support them in their oversight role. Boards are foundational to good organizational performance and the time invested to keep them healthy and active is significant, but necessary. (IM-138)

### Standard 5.1

The organization’s governing board is structured in compliance with the CSBG Act:

1. At least one third democratically-selected representative of the low-income community;
2. One-third local elected officials (or their representatives); and
3. The remaining membership from major groups and interests in the community.

#### AGENCY GUIDANCE:

- Pre-requisite: minimum 15 members and a maximum of 51 members (IC)
- Governing board bylaws outline the tri-partite requirements including the board membership levels (i.e. 18 members)
- Board Composition Examples:
  - Simple Example: (5) democratic representatives, (5) low-income representatives and (5) community representatives = 15 member governing board
  - Complex Example: (5) democratic representatives, (7) low-income representatives and (3) community representatives = 15 member governing board
- The law states that members of tripartite boards “shall be selected by the entity” (IM-82). Therefore, after each prospective member has been selected to serve on the board through the appropriate selection process and meets the established qualifications for service, the full board shall vote to confirm as a board member.
- Recruitment Example: If the organization has a Head Start program, there is a representative who already serves on the policy council and Board of Directors (refer to 42 USC 9837(c)(1)) that assist in filling a board position
- If the agency is utilizing a low-income board member rather than a representative, that individual must be at or below 125% of the Federal Poverty Guidelines when seated on the board
• Community is defined as officials or members of business, industry, labor, religious, welfare, law enforcement, education or other major groups and interest in the community served (CSBG ACT). This may include both public and private sector.
• The agency may choose representatives from other organizations or individuals as the private sector representative.
• Public (Elected) officials serve in that capacity only while they are “in office” (IM-82) and beyond that they should be reclassified to another sector if they continue on the board.
• Best Business Practice: Should have at least some low-income board members who are or were recently low-income themselves.
• Best Business Practice: The board governance committee acting for the entire board oversees the responsibility of the agency maintaining tripartite compliance.

Authority:
PL 105-285, Section 676B (a)(2), 42 USC 9910 [(a)(2)(a)– public sector], IC 12-14-23-6, IM 116, IM 102, IM 82, IM 138(5.1), IHCDA CSBG Contract, and linked to Standard 5.5, agency Articles of Incorporation and/or the governing board bylaws.

Monitoring Evaluation:
Review total number of active members by sector representation from the current board roster. Review the total number of members at each board meeting during the monitoring period (with consideration for the 90 day period to find replacement members). Also, review the Grantee Plan Packet for past provided board rosters and any correspondence related to non-compliance for each year during the monitoring period.

Provide:
Current governing board roster including county represented, sector represented and appointment/expiration date.

Value:
15 points

Standard 5.2
The organization’s governing board has written procedures that document its democratic selection process for low-income board members adequate to assure that they are representative of the low-income community.

AGENCY GUIDANCE:
• The implicit intent of this requirement is to insure that those who currently live in areas served by the agency are represented so that they have a strong voice in agency governance and direction and are able to convey to those they represent the presence and significance of community action in their lives (IM).
• A democratic selection process is not limited to an election process. Examples of the democratic selection process may include:
  1. Election by ballots which are casted by agency clients and/or by other low-income people in the service area (ballots may also be casted at designated polling places in the service area, satellite offices or via internet).
  2. Vote at a community meeting of low-income individuals.
  3. Designation of one or more community organizations composed predominantly of and representing low-income individuals in the service area (Head Start policy council, low-income housing tenant association, board of community health center, etc.) to designate representatives to serve on the board (CSBG ACT).
### SECTION 2

**VISION AND DIRECTION FOR OPERATIONAL PERFORMANCE METRIC**

- Outreach efforts; mail-in ballots, large well-advertised public meetings in which participants vote for a nominee or organizations or groups made primarily of low-income individuals designate a board member
- Bylaws may, but do not need to describe the democratic selection procedure. If not described in the bylaws, the selection procedure should be described in a separate document (i.e. board manual) referred to in the bylaws and approved by the governing board (CAPLAW)
- A community representative can be either someone who receives services or provides services to the low-income population
- This representative should not be chosen by or voted onto the governing board solely by governing board vote or by the nominating committee (CAPLAW)
- This individual should not be chosen by the Executive Director of another organization or the Executive Director of the CAA (CAPLAW)

**Authority:**

**Monitoring Evaluation:**
- Review written democratic selection process in bylaws or other document. Also, compare to election procedures of the most recent low income member's selection process.

**Provide:**
- Bylaws and/or the written policy and the recent election documentation

**Value:**
- 1 point

<table>
<thead>
<tr>
<th>Standard 5.3</th>
<th>The organization’s bylaws have been reviewed by an attorney within the past five (5) years.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**
- Board members are not expected to be experts on state nonprofit law. With bylaws being the legal “rules of the road” for board and CAAs, it is critical that they comply with state law, the CSBG Act, and other relevant rules and regulations (NCAP)
- There is no requirement that the attorney be paid (OS)
- Best Business Practice: Agencies are encouraged to work with a volunteer attorney or the governing board attorney prior to the legal review to minimize any cost

**Authority:**

**Monitoring Evaluation:**
- Review attorney is not an employee which would create a conflict of interest. Also, review invoice, email, meeting minutes, or other documentation supporting attorney review

**Provide:**
- Evidence of practicing attorney review of the organization’s bylaws

**Value:**
- 1 point

<table>
<thead>
<tr>
<th>Standard 5.4</th>
<th>The organization documents that each governing board member has received a copy of the bylaws within the past two (2) years.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**
- This Standard is limited to receipt of the bylaws only
- The copy can be an electronic or hardcopy distribution (OS)
- Best Business Practice: The bylaws may be posted on the agency website
which is accessible to the community
IM 138(5.4)

Monitoring Evaluation:
Review signed and dated acknowledgement of receipt, email confirmation for each member, or a dated signature list

Provide:
Signed and dated acknowledgement of receipt, email confirmation for each member or dated signature list

Value:
1 point

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**Standard 5.5**
The organization’s governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in the bylaws.

**AGENCY GUIDANCE:**

- A governing board must meet at least 6 times per year (IHCDA); a board may meet more frequently but not less than those established in the bylaws. Document all meetings regardless of method (i.e. in-person, teleconference, special meetings, and retreats)
- A governing board must fill vacant board positions within 90 days (IHCDA & CAA); Vacancies lasting more than 90 days may affect an agencies compliance in meeting tri-partite board requirements established in IM 138(5.1)
- A quorum of the governing board must be present at each meeting for any business to occur and actions taken. Quorum is defined by each agency within its bylaws.
- The governing board ensures compliance with the attendance policy established in the organization’s bylaws.
  - Telecommunications and other technological devices have assisted board communication (IM) and allow board members to participate remotely. Refer to IC 5-14-1.5-3.6 for details
  - The fiduciary responsibility of a board requires regular attendance at both board and committee meetings (IM). The attendance policy establishes regular attendance requirements and is the mechanism in which to monitor that responsibility.
- Best Business Practice: Recruit board members on an ongoing basis (CAPLAW)
  - IM 82, IM 138(5.5), IC 23-17-15-5 (Quorum), IHCDA & Agency Bylaws (Attendance & 90 days) and linked to IM 138(5.1 & 5.4) and linked to State Standard 5.10

**Authority:**

IM 82, IM 138(5.5), IC 23-17-15-5 (Quorum), IHCDA & Agency Bylaws (Attendance & 90 days) and linked to IM 138(5.1 & 5.4) and linked to State Standard 5.10

**Provide:**
Board meeting minutes and the governing board attendance matrix for each year during the monitoring period

**Value:**
6 points
Standard 5.6  Each governing board member has signed a conflict of interest form within the past two (2) years.

AGENCY GUIDANCE:

- As a fiduciary, a board member must put the interest of the CAA ahead of its own and avoid conflicts of interest (NCAP)
- There is no particular template. However, there should be a clear written policy to define actual and potential conflicts and allows for full written disclosure to be documented. (e.g. places to list conflicts)
- Each form must be fully executed and signed by the governing board member to be valid
- A conflict of interest policy must be signed by board members (at minimum) every two years. Every active member must have a current conflict of interest form on file with the agency. Therefore, New board members should complete a conflict of interest form when appointed or by their first meeting
- Public agencies would need to have the advisory board fulfill this requirement.
- Best Business Practice: A Conflict of Interest Policy should be incorporated into the bylaws
- Best Business Practice: A comprehensive conflict of interest form with written disclosure should be completed annually by each governing board member IM 82, IM 138(5.6) and Board Bylaws

Authority: IM 82, IM 138(5.6) and Board Bylaws

Monitoring Evaluation: Review signed statements against current governing board roster. Examine documents for places that list potential financial, loyalty or other conflicts of interest. Review the date signed versus the first meeting. The monitor may randomly check previous year’s conflict forms against the board roster at that time.

Provide: Most recently signed conflict of interest statement from each board member

Value: 2 points

Standard 5.7  The organization has a process to provide a structured orientation for governing board members within six (6) months of being seated.

AGENCY GUIDANCE:

- The first meeting the new member is seated or appointed is their official start date
- A well-organized board orientation program can ensure effective board and individual performance by creating a strong foundation. Community Action board service is challenging as most agencies have numerous funding streams, complex financial statements and intensive reporting requirements when compared to other nonprofits in the community.
- A verbal only process does not allow for information to be consistently conveyed to each new governing board member, and is not considered structured
- Documented orientation curricula may have organization specific elements including bylaws, fiduciary duties, role and responsibilities (IC), overview of each agency program and goals, fiscal reports, sources of funding, Federal and State Statutes, and introduction to ROMA and fundraising. However, there is no specific requirement.
### Standard 5.8

**Governing board members have been provided with training on their duties and responsibilities within the past two (2) years.**

**Agency Guidance:**

- Ongoing training (beyond ROMA) is vital for any position, especially one as important as a governing board member.
- Board members are trained to carry out both the legal or fiduciary aspects of their service and their leadership responsibilities (IM).
- Organizations should conduct their own in-house (special meetings) or may make available online (webinars) or outside (community-based, presentations, certification, or conference) training and retreats.
- Board training topics may include CSBG Act requirements, fiduciary responsibilities (bylaws, Duty of Care, finance, role of the ED), board roles and responsibilities (assessments, planning, fundraising), Duty of Transparency (conflict of interest) and ROMA (IM).
- Boards that have a strong understanding of their roles and responsibilities are better at fundraising than boards with a weak understanding of their roles (BoardSource).

**Authority:**

IM 103, IM 102, IM 82 and IM 138(5.8)

**Interview:**

Executive Director and governing board members.

**Monitoring Evaluation:**

Review board training agendas during the monitoring period to assure board development training, beyond ROMA, is occurring.

**Provide:**

Training agendas/content, presenter(s) and documentation of board attendance or board minutes reflecting the training received for each year during the monitoring period.

**Value:**

2 points
### Standard 5.9
The organization’s governing board receives programmatic reports at each regular board meeting.

**AGENCY GUIDANCE:**
- This standard does not require a report on each program at every board meeting; however it does call for some level of programmatic reporting at every board meeting (OS)
- Board minutes that reflect programmatic reports have been received and reviewed by the full board (reporting may be in writing and/or verbal) (NCAP)
- Boards are encouraged to stay informed of programs and activities, and receive periodic reports from staff that focus on progress towards achieving stated goals (IM)
- A Program Committee of the governing board is not required but can be a good place to “house” thorough program reviews with summaries coming to the full board (NCAP)

**Authority:**
IM 82 and IM 138(5.9)

**Provide:**
Governing board pre-meeting packet for the month prior to monitoring and meeting minutes that reflect monthly discussion of program updates

**Value:**
1 point

### State Standard 5.10
The organization’s bylaws establish, at a minimum, the following basic policies that govern aspects of board operations:

1. Petition for Adequate Representation
2. Conflict of Interest Disclosure
3. Quorum
4. Attendance
5. Standing Board Committees Duties
6. Oversight & Evaluation of the CEO/ED
7. Term or Term Limits
8. Time Limit to fill vacancies
9. Removal for Cause (termination)

**AGENCY GUIDANCE:**
- State law requires organization’s to responsibly prepare meeting minutes, authenticate corporate records and a recall of officers, and this information should be included in the bylaws
- A quorum of a board of directors consists of a majority of the directors in office immediately before a meeting begins, unless stated otherwise in the bylaws. However, the bylaws may not authorize a quorum of fewer than the greater of (1) One-third (1/3) of the number of directors in office.
- Procedures should be in place for the low-income sector to petition the agency for adequate representation on the board (PL)
- Term limits of a director may not exceed five (5) years, except for designated or appointed directors (public sector). In the absence of a specified term in the bylaws, the term of a director is one (1) year (IC). A term limit is the standard
| State Standard 5.11 | The tripartite governing board is fully engaged in the development, planning, implementation, and evaluation of the organization to serve low-income communities. |

**AGENCY GUIDANCE:**

- Governing board makes agency policy and management carries out that policy (IM)
- Public CAA have more than just advisory boards and the board members should also be actively participating in the process
- Meeting minutes are contemporaneous written record describing what transpired at a board or committee meeting (CAPLAW). Minutes reflect that the board is making policy rather than just operational decisions.
- Meeting minutes create and preserve institutional memory (CAPLAW) which can be used by future governing boards to determine actions/decisions taken
- Documentation can be provided which illustrate board questions, comments, concerns and involvement in the formal decision making process
- Dashboard is a method in which the agency can document board participation

**Authority:**
PL 105-285. Section 676B (a)(1), 42 USC 9910(a)(1), IM 116, IM 102 and IM 82

**Interview:**
Executive Director and governing board members

**Monitoring Evaluation:**
Governing board minutes during the monitoring period for full participation of the governing board by determining if the board voiced any comments, questions or concerns at meetings

**Provide:**
Governing board minutes

**Value:**
3 points

| State Standard 5.12 | The governing board reviewed and discussed the most recent IHCDA issued CSBG CAR finalized monitoring report within ninety (90) days of receiving the report. |

**AGENCY GUIDANCE:**

- One of the most critical stakeholders in assuring adherence to established organizational standards is the governing board which oversees operations on behalf of the community (IM-138)

**Authority:**
IM 82 and IHCDA

**Monitoring Evaluation:**
Review board meeting minutes for discussion, questions, action taken
Provide: Governing board meeting minutes of when last CAR visit monitoring report was presented
Value: 1 point

State Standard 5.13 Governing board members participate in the CSBG CAR on-site monitoring visit by meeting with the IHCDA monitor(s).

AGENCY GUIDANCE:

- State CSBG officials should meet routinely with boards as part of their overall monitoring of the local agencies to determine the extent to which the boards are aware of, and are carrying out, their responsibilities (IM-82)
- The organization should schedule approximately one and a half hours for at least two (2) Board of Director’s to meet with the IHCDA monitor(s) preferably at the same time
- It is preferred that a representative from each tripartite sector is present with at least one being an executive committee member, if available
- The meeting is conducted independent of agency staff
- The meeting should be set up and the time should be provided to the monitor during the entrance conference. Preference is on the afternoon of day one or anytime during normal business hours of day two.
- Phone interviews or video conferencing are an option, but not preferred

Authority: IM 82, IHCDA, and linked to State Standard 5.11
Interview: Governing board members
Provide: At least two (2) governing board members for the interview
Value: 2 points
Category Six: Strategic Planning

Establishing the vision for Community Action is a big task and setting the course to reach it through strategic planning is serious business. Agencies take on this task by looking both at internal functioning and at the community's needs. An efficient organization knows where it is headed, how the board and staff fit into that future, and how it will measure its success in achieving what it has set out to do. This agency-wide process is led by the Board of Directors and is ongoing. A "living, breathing" strategic plan with measurable outcomes is the goal, rather than a plan that gets written but sits on a shelf and stagnates. Often times an ambitious vision and strategic plan can set the tone for the staff and board. (IM-138)

Standard 6.1 The organization has an agency-wide strategic plan in place that has been approved by the governing board within the past five (5) years.

AGENCY GUIDANCE:

- Strategic planning is a key component and embodiment of the ROMA framework
- Strategic planning focuses on medium to long term goals, generally 3-5 years, and is distinct from the Community Action Plan (Grantee Plan Packet) which is a one year operating plan for EAP and CSBG.
- Elements of a good plan: anticipates and heads off challenges, unifies people and strategies, mobilizes and/or focuses resources, supports decision making, sets context for accountability and generates energy and confidence (NCAP)
- Intended to be an organizational-wide document, not a list of individual program goals (OS)
- If the current plan will expire within 6 months of the monitoring visit, the agency must be able to show evidence that a new plan is underway (IHCDA)
- Must be approved by the full governing board and not a subcommittee planning committee

Authority: IM 49, IM 82, IC-12-14-23-9 (1), IM 138 (6.1), IM 138(6.2) and linked to IM 138 (4.3 and 6.5)

Monitoring Evaluation: Review strategic plan effective dates to ensure the plan is current and the approved date by the governing board

Provide: Current strategic plan and governing board meeting minutes reflecting approval by the full board

Value: 4 points

Standard 6.2 The approved strategic plan addresses reduction of poverty, revitalization of low-income communities, and/or empowerment of people with low incomes to become more self-sufficient.

AGENCY GUIDANCE:

- Ties strategic planning goals to the broader anti-poverty mission that all CAAs share (NCAP) and the review of the agency vision and mission
- This standard does not explicitly require an agency to formally list the three stated objectives as one or more of the goals in the strategic plan
- Best Business Practice: The plan should include a short section that clearly links one or more of the three objectives and explains how they are addressed (NCAP)
Standard 6.3  The approved strategic plan contains family, agency and/or community goals.

**Agency Guidance:**

- These goals are set out as part of ROMA and provide the framework for the National Performance Indicators (OS). Family, Agency and/or Community is associated with each strategic plan action step to show the connection between the goal and ROMA. The organization should track ROMA goals as part of the strategic plan.
- There is no requirement that all of these objectives must be addressed. Agency goals can be included in the plan but it must also have some elements of the other objectives to meet the standard.
- Measurable goals indicate that stated outcomes can be tracked by the characteristics of frequency, duration, accuracy, speed or intensity. Tracked goals can be reported (IM 138)
- ROMA establishes a well written outcome indicator as SMART; Specific, Measurable, Attainable, Relevant and Time specific; which assist in identifying Who, What, When and How
  - Generic Goal: Share agency success stories with the community
  - SMART Goal: Post 3 new success stories each month on the agency website for 2018 and 2019

**Authority:** PL 105-285. Section 676(b)(12), IM 49, IM 138(6.3) and linked to IM 138(6.5 & 9.2)

**Monitoring Evaluation:** Each objective is linked to the National Goals (family, agency or community). Each goal is SMART. All strategic plan goals demonstrate that progress is at least annually tracked and reported.

**Provide:** Strategic plan and/or strategic plan action steps with annual tracking sheets

**Value:** 2 points

Standard 6.4  Customer satisfaction data and customer input, collected as part of the community needs assessment, is included in the strategic planning process.

**Agency Guidance:**

- “Knowing the customer” is critical to implementing the ROMA framework
- Links community assessment and the customer with the strategic planning process
- Customer satisfaction data refers to feedback collected from individuals and families the agency serves about how well its services met or exceeded their expectations
- Engaging customers during the needs assessment and strategic planning process builds key relationships and opportunities for participation in other activities (NCAP)
## SECTION 2

### VISION AND DIRECTION FOR OPERATIONAL PERFORMANCE METRIC

| Authority: | PL 105-285 Section 676 (b)(12), IM 138(6.4) and linked to IM 138(1.2) |
| Monitoring Evaluation: | Documentation to confirm customer satisfaction data was included in the strategic planning process |
| Provide: | Strategic plan appendices/reference list or strategic planning notes |
| Value: | 1 point |

#### Standard 6.5

| The governing board has received update(s) on progress meeting the goals in the strategic plan within the past twelve (12) months. |

#### AGENCY GUIDANCE:

- A scorecard or similar mechanism aids the agency in annually tracking outcomes and reporting progress to the governing board
- General scorecard information may include columns that show the objective, measure, target, frequency, source, responsibility, year-to-date, etc.

| Authority: | IM 138(6.5) and IM 82 |
| Monitoring Evaluation: | Review the strategic progress reporting documents and the meeting minutes for discussion by the governing board for each year during the monitoring period |
| Provide: | Strategic plan scorecard or similar mechanism and the meeting minutes of annual presentation to the full board for each year during the monitoring period |
| Value: | 3 points |
## Category Seven: Human Resource Management

The human element of Community Action’s work is evident at all levels of the organization and the relationship an organization has with its staff often reflects the organization’s values and mission. Oversight of the CEO/ED and maintaining a strong human resources infrastructure are key responsibilities of board oversight. Attention to organizational elements such as policies and procedures, performance appraisals, and training lead to strong organizations with the capacity to deliver high-quality services in low-income communities. (IM-138)

<table>
<thead>
<tr>
<th>Standard 7.1</th>
<th>The organization has written personnel policies that have been reviewed by an attorney and approved by the governing board within the past five (5) years.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | • Also called Employee handbook or manual  
• The intent of this standard is a full review every 5 years and not necessarily updates  
• Policies need to be comprehensive to cover changing and diverse HR law and regulations. They are the foundation of strong HR management and reflect the values and expectations of the agency (NCAP).  
• Attorney are encouraged to have expertise with Human Resource (OS)  
• There is no requirement that the attorney be paid but should be a currently practicing attorney (NCAP)  
• Best Business Practice: Agencies are encouraged to work with human resource professionals or attorneys on staff or the board prior to the legal review to minimize cost (OS)  
• Not applicable to public agencies unless CSBG funds are used under an umbrella not-for-profit that employs staff (IHCDA) |
| **Authority:** | IM 82 and IM 138(7.1) |
| **Monitoring Evaluation:** | Review written personnel policies and date last approved by the governing board. Also, review evidence of attorney review within the last 5 years. |
| **Provide:** | Invoice for services or email correspondence of attorney review and governing board meeting minutes of most recent approval |
| **Value:** | 2 points |

<table>
<thead>
<tr>
<th>Standard 7.2</th>
<th>The organization makes available the employee handbook (or personnel policies in cases without a handbook) to all staff and notifies staff of any changes.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | • May be made available electronically (intranet, shared server, or distributed via email) or print formats (OS)  
• Best Business Practice: Staff should sign an “Acknowledgement of Receipt” or a signatory page in the employee handbook  
• Best Business Practice: Agency should have an identified process for notifying staff of updates and a mechanism to track that staff acknowledged the update |
| **Authority:** | IM 138(7.2) |
### Standard 7.3

**The organization has written job descriptions for all positions, which have been updated within the past five (5) years.**

**AGENCY GUIDANCE:**
- Ensures job direction and accountability
- Job descriptions for each type of position, not each staff person (OS)
- Should include: job title, minimum qualifications, reporting relationship, summary/purpose, essential duties, additional duties, supervisory responsibilities, working conditions, and EEO/ADA conditions

**Authority:**
- IM 138(7.3) and linked to IM 138(4.5)

**Interview:**
- Human Resource Manager

**Monitoring Evaluation:**
- On-Site review of job descriptions against the organizational chart. Ensure all job descriptions have been updated or reviewed within last 5 years.

**Provide:**
- Evidence that descriptions have been reviewed within last 5 years (i.e. date of last revision, signed acknowledgement by staff etc.) through governing board/leadership staff meeting minutes or update posted on the job description cover page

**Value:**
- 1 point

### Standard 7.4

**The governing board conducts a performance appraisal of the CEO/Executive Director within each calendar year and establishes annual written goals and/or expectations.**

**AGENCY GUIDANCE:**
- Clarifies an expectation of the governing board to provide HR oversight to its only employee: the CEO/ED
- May be accomplished through committee or the full board
- Performance evaluations must be written, but no specific appraisal tool is required
- Governing board demonstrates that the CEO/ED is supervised directly and that there is regular communication of their goals and expectations
- Public agencies; the Executive Director is considered the Department Head, where a policy exists for local government performance appraisal to be conducted
- Best Business Practice: Governing board should receive and accept the performance appraisal by vote and documented in the meeting minutes

**Authority:**
- ROMA, IM 82 and IM 138(7.4)

**Interview:**
- Executive Director, governing board members and Human Resource Manager

**Monitoring Evaluation:**
- Written performance evaluation of the CEO/Executive Director was completed for each year during the monitoring period (performance evaluation will be viewed on-site)
| Provide: | Executive committee or governing board minutes reflecting performance evaluation was conducted for each year during the monitoring period (Do Not send completed evaluations) and a blank copy of the assessment tool for the executive. |
| Value: | 3 points |

**Standard 7.5**

The governing board reviews and approves the CEO/Executive Director compensation within every calendar year.

**AGENCY GUIDANCE:**

- Promotes minimum uniform schedule for executive pay
- The compensation review and approval often happens in conjunction with the performance evaluation (OS), established in IM 138(7.4)
- This includes salary, fringe, health and dental, expense/travel account, vehicle, etc. (OS)
- Public agencies; the compensation of the department head is made available according to local government procedure
- Best Business Practice: Develop a Board Checklist for establishing a Chief Executive Compensation Plan (BoardSource)

**Authority:**

IM 82 and IM 138(7.5)

**Monitor Evaluation:**

Governing board meeting minutes reflecting approval within the calendar year for each year during the monitoring period.

**Provide:**

Governing board minutes or official board communication to the executive for each year during the monitoring period. Do Not send any information containing salary information.

**Value:**

1.5 points

**Standard 7.6**

The organization has a policy in place for regular written evaluation of employees by their supervisors.

**AGENCY GUIDANCE:**

- Incorporating written evaluations for employees protects employees, supervisors and the agency from risk associated with individual employee/supervisor issues and possible class action laws suits
- Ensures agency accountability for staff supervision and improved performance over time
- Performance evaluations are written, but no specific appraisal tool is required. The organization’s HR Policy and Procedures manual should further document the procedures and methods for supervisors to follow in conducting regular written evaluations for employees.
- Best Business Practice: Performance Evaluations of leadership staff are directly linked to several of the agencies performance targets or outcomes associated with the strategic plan

**Authority:**

Agency Personnel Policy, ROMA, IM 138(7.6) and linked to Standard 7.7(M)

**Monitoring Evaluation:**

<table>
<thead>
<tr>
<th>Provide:</th>
<th>Blank performance evaluation assessment form(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>

**Standard 7.7**  
The organization has an employee handbook approved by the governing Board (or personnel policies in cases without a handbook) that incorporates at least the following conditions:

1. Whistleblower policy  
2. Leave of Absence policy  
3. Discipline and Termination policy  
4. Travel policy  
5. Non-Discrimination (equal opportunity employer) policy  
6. Conflict of Interest policy  
7. Code of Conduct/Code of Ethics policy  
8. Nepotism policy  
9. Work Day (hours) and Week descriptions  
10. Overtime policy  
11. Exempt or Non-Exempt classifications  
12. Vehicle policy/Valid Drivers’ License policy while operating agency owned vehicle  
13. Employee Performance Evaluation policy  
14. Drug-free workplace statement  
15. No Smoking on Premise policy  
16. Information protection & confidentiality policy

**AGENCY GUIDANCE:**

- A whistle blower policy encourages individuals to come forward with credible information on illegal practices or violations of adopted policies and specifies the agency will protect individuals from retaliation. (Sarbanes-Oxley)
- A Code of Conduct outlines rules, behaviors and responsibilities that employees are expected to follow
- All grantees must maintain a drug-free workplace and must publish a statement informing employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and establishing the actions that will be taken against employees violating these provisions (PL)
- Smoking may not be permitted in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under 18, if the services are funded by Federal programs wither directly or through State or Local governments (PL) or within (8) eight feet of a public entrance to a public place or a place of employment (Indiana Smoke free Air Law).
- The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts (200.318)

**Authority:**

IM 82, IM 138(7.7), United States Department of Labor, IHCDA Award Agreement 17A, 19 and 23, Title V, Subtitle “D” of Public Law 100-690 (Drug-free Workplace Act of 1988), Title XII of Public Law 103-227 (Pro-Kids Act of 1994), Whistleblower
Protection Act of 1989, 2 CFR Part 200 subpart D, IRS Form 990, Sarbanes-Oxley Act (conflict of interest policy & whistleblower protection)

Monitoring Evaluation:
Review the agency employee handbook to determine that each topic is covered and that the current edition has been approved by the governing board

Provide:
Employee Handbook summary sheet identifying where each provision and page number are located and governing board minutes reflecting board approval

Value:
9 points

Standard 7.8 All staff participates in a new employee orientation within sixty (60) days of hire.

AGENCY GUIDANCE:

- Ensures smooth transition from hiring process to onboarding and training for all staff into the organization (NCAP)
- There is no curricula requirement. Content may include time and effort reporting, ROMA, data collection, mission, CSBG history and/or community action, job description and performance expectations, education and training, tools and resources, emergency action planning, and review of the employee handbook/personnel policies
- This may be met individually or in a group orientation (OS) but should be documented
- The date of hire is established on the employee I-9
- Best Business Practice: Agency utilizes a Human Resources Orientation Checklist signed by the employee to ensure all necessary forms and materials are covered and provide documentation of the training

Authority: IM 138(7.8)
Interview: Human Resource Manager
Monitoring Evaluation: On-Site review of employee orientation date versus the new hire date
Provide: List of all employees hired during the monitoring period (since the last CAR onsite visit)
Value: 1 point

Standard 7.9 The organization conducts or makes available staff development/training (including ROMA) on an ongoing basis.

AGENCY GUIDANCE:

- There are no specific requirements for training topics (OS), but it is recommended to focus on areas within the organization that may need attention or further develop specific staff skills
- There is no specific requirement for a delivery method. Examples of training and/or development delivery methods via third party or the agency include in-house, community-based, conference, online, etc.
- Customize training opportunities to development areas identified in individual performance evaluations or to ensure knowledge is in place to successfully execute strategic plan goals
- This should be documented in the employee personnel file (OS)

Authority: IM 138(7.9) linked to IM 138 (4.5 & 6.1)
### SECTION 3 OPERATIONS & ACCOUNTABILITY FOR OPERATIONAL PERFORMANCE METRIC

| Interview: | Human Resource Manager |
| Monitoring Evaluation: | Random sampling of employee personnel files for employee training documentation or annual training plan, log, list or summary report for each year during the monitoring period |
| Provide: | Annual training plan, log, list or summary report |
| Value: | 1 point |

#### State Standard 7.10

**Potential employees are subject to the organization’s accountability standards prior to hiring.**

**AGENCY GUIDANCE:**
- Professional references are required and checked
- I-9 Forms must be available for inspection (USCI). I-9 and/or e-verify checked ([www.uscis.gov/i-9](http://www.uscis.gov/i-9))
- Indiana limited criminal history check (Indiana sheriff registry, local law enforcement check and fingerprint-based background check).
- National Sex & Violent offender registry checked
- Drug testing (optional)
- Employee personnel files are separate from employee medical files (HIPAA of 1996)
- Best Business Practice: Agency utilizes a Human Resources New Hire Checklist signed or initialed by staff to ensure all accountability are met prior to hiring

**Authority:**
Immigration Reform Act of 1986 (U.S. Citizenship and Immigration) and IHCDA/CSBG Award Agreement #43 (I-9) and Best Business Practices

**Monitoring Evaluation:**
Sampling of new employee personnel files and I-9 binder. Review employee I-9, reference checks and criminal history checks.

**Value:**
3 points

#### State Standard 7.11

**The organization provides non-discrimination provisions training to all staff during the monitoring period to prevent discriminatory practices.**

**AGENCY GUIDANCE:**
- The State agency is required to monitor eligible entities to ensure non-discrimination provisions training is current (IM)
- Head Start and Early Head Start programs offer specific staff training for non-discrimination

**Authority:**
IM 102

**Monitor Evaluation:**
Review training records or program syllabus

**Provide:**
Training records, agenda or other supporting documentation that training was provided

**Value:**
1 point
Category Eight: Financial Operations and Oversight

The fiscal bottom line of Community Action is not isolated from the mission, it is a joint consideration. Community Action boards and staff maintain a high level of fiscal accountability through audits, monitoring by State and Federal agencies, and compliance with Federal Office of Management Budget circulars. The management of Federal funds is taken seriously by organization and the Standards specifically reflect the board’s oversight role as well as the day-to-day operational functions. (IM-138)

Standard 8.1 The organization’s annual audit (or audited financial statements) is completed by a Certified Public Accountant, on time, in accordance with Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles and Audit Requirements and/or State audit threshold requirements.

AGENCY GUIDANCE:

- Title 2 of the Code of Federal Regulation now 2 CFR 200
- Financial statements are the responsibility of management. The independent audit firms responsibility is to express an opinion on the provided financial statements (GAAP)
- Audits provide impartial opinions (not a fact) and assessments of company records, processes and procedures. Audits are not designed to find fraud within an agency but to ensure accuracy in the financial reporting process
- The Federal requirements mandate the submission (filed with the Federal and State) of the audit report within nine months (6 months with and automatic three month extension) of the entity’s fiscal yearend to be considered complete. Otherwise, it is considered out of compliance unless an additional extension is granted.
- Do Not use the auditing firm for non-auditing services except tax form preparation

Authority: Single Audit, IM 82, Title 2 Code of Federal Regulations, IHCDA/CSBG Award Agreement #7(A) and Sarbanes-Oxley Act, non-profit provision

Interview: Chief Financial Officer and/or Fiscal Manager

Monitoring Evaluation: Annual audit was completed on time and by a Certified Public Accountant. Conduct an evaluation of the audit report for the type of opinion the financial statements received, were there findings noted in the internal controls and compliance reports, does the information provided in the audit report reflect the information presented to the governing board and other relevant information

Provide: Physical or electronic copy of the audit report or audited financial statement and an electronic “receipt” from the Federal Clearinghouse showing the date the audit report was submitted was within the nine month deadline.

Value: 6 Points or Not Applicable (N/A)

UNDER THE FEDERAL $750,000 LIMIT:

AGENCY GUIDANCE:

- Annually establish separate audit (or finance) committee with at least one “financial expert” to do a general review agencies finances
- Audit agrees with IRS Form 990
### SECTION 3: OPERATIONS & ACCOUNTABILITY FOR OPERATIONAL PERFORMANCE METRIC

**Monitoring Evaluation:** Review committee financial report to the governing board

**ABOVE THE FEDERAL $750,000 LIMIT:**

**AGENCY GUIDANCE:**
- Audit committee with at least one “financial expert” should oversee the audit company and review the audit (S-OA)
- Management and governing board members should always inquire what type of independent audit report is being issued (unmodified, qualified, disclaimer, adverse)

**Standard 8.2** All findings from the prior year's annual audit have been assessed by the organization and addressed where the governing board has deemed it appropriate.

**AGENCY GUIDANCE:**
- Prompt action was taken to address instances of noncompliance identified in audit findings
- When the audit is complete, the board should receive the audit report and management should provide any plans necessary to address any findings noted in the audit
- If a finding from a prior year is not appropriately addressed by an entity before the next audit, the lack of timely response becomes even more significant. If this occurs, the entity would then have two findings in the subsequent audit. The first would be the original finding and the second would be that there was no system in place to resolve findings and make corrections.
- Findings are those noted in the report, not the Management letter (OS)

**Authority:**
- Single Audit, CSBG Annual Report (H.7), IM 138(8.2) and 2 CFR Part 200 Subpart D (prompt action) and 2 CFR Part 200 Subpart F

**Monitoring Evaluation:** Review governing board minutes for discussion, decisions and resolutions noted in the minutes or the organizations response letter. In addition review all Management Decision Letters during the monitoring period.

**Provide:** Agency response to the audit and/or governing board minutes and Management Decision Letters

**Value:** 3 points

**Standard 8.3** The organization's auditor presents the audit to the governing board.

**AGENCY GUIDANCE:**
- The process of reviewing the audit report and ensuring the appropriateness of the response indicates a high level of functionality of the board
- This standard requires presentation to the full governing board, but this does not require that the full board receive the same level of detail that was discussed with a committee
- Auditor may make presentation in person, webinar or conference call. Presentation method is not dictated by the Organization Standards.
- Public tripartite advisory boards are notified of the availability of the audit
## SECTION 3

### OPERATIONS & ACCOUNTABILITY FOR OPERATIONAL PERFORMANCE METRIC

<table>
<thead>
<tr>
<th>Authority:</th>
<th>Single Audit, IM 82, and IM 138(8.3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review governing board meeting minutes reflecting audit presentation for each year during the monitoring period</td>
</tr>
<tr>
<td>Provide:</td>
<td>Governing board meeting minutes reflecting auditor presentation of the audit report for each year during the monitoring period</td>
</tr>
<tr>
<td>Value:</td>
<td>1.5 points</td>
</tr>
</tbody>
</table>

### Standard 8.4

**The governing board formally receives and accepts the audit.**

**AGENCY GUIDANCE:**

- The governing board must take formal action receiving and accepting (board vote) the audit. This process shows the governing board has accepted the results of the audit and commits itself to take action to correct any issues noted in the report established in IM 138-8.2.
- Public tripartite advisory boards are notified of any findings related to CSBG funding.

<table>
<thead>
<tr>
<th>Authority:</th>
<th>Single Audit, IM 82, IM 138(8.4) and linked to IM 138(8.2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review governing board minutes reflecting a motion by the board to accept the audit for each year during the monitoring period</td>
</tr>
<tr>
<td>Provide:</td>
<td>Governing board meeting minutes reflecting acceptance of the audit report for each year during the monitoring period</td>
</tr>
<tr>
<td>Value:</td>
<td>3 points</td>
</tr>
</tbody>
</table>

### Standard 8.5

**The organization has solicited bids for its audit within the past five (5) years.**

**AGENCY GUIDANCE:**

- Agency is not required to switch auditors or partners, only that the audit is put out for bid and the bid is approved by the governing board. This procurement helps solidify the independent role of the auditor.
- The procurement process should follow the agency’s procurement policy. Solicitation is the act of procuring a good or service.
- Factors to be considered in evaluating each proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price (NCAP)
- The agency should enter into a contract within a reasonable amount of time (prior to the bid pricing expiration date) after the bid is approved by the board so the established pricing is still valid.
- Not applicable to public agencies unless CSBG funds are used under an umbrella not-for-profit (IHCDA)

<table>
<thead>
<tr>
<th>Authority:</th>
<th>IM 138(8.5), IHCDA and linked to Standard 11.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review agency procurement policy against the most recent Request for Proposals (RFP) for auditing services with scoring grid / evaluation sheet and meeting minutes. Compare bid award date to the signed contract date.</td>
</tr>
<tr>
<td>Provide:</td>
<td>Signed award documents prepared by the agency and the governing board meeting minutes showing a vote on the awarded auditor</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>
### Standard 8.6

The IRS Form 990 is completed annually and made available to the governing board for review.

#### AGENCY GUIDANCE:

- In addition to the year-end audit, an information tax return must also be prepared as part of the conclusion of an agency's fiscal year.
- CAAs receive their tax exempt status from the Internal Revenue Service (IRS). As a requirement to maintain its tax exempt status, the agency must file an annual informational return with the IRS, Form 990.
- The filing deadline for the form is the 15th of the fifth month following the end of the agency’s fiscal year.
- The entire board must receive an opportunity to review the form.
- Best Business Practice: Post agency tax return on the webpage to ensure the public inspection provision is met.
- Not applicable to public agencies unless CSBG funds are used under an umbrella not-for-profit (IHCDA).

#### Authority:

IM 82, IM 138(8.6) and IRS Form 990

#### Monitoring Evaluation:

The IRS Form 990 was submitted on time. Also, the governing board has received the document for each year during the monitoring period.

#### Provide:

A physical or electronic copy of the IRS Form 990 and the submission date for each year during the monitoring period. Also, the governing board agenda, board packet or other documentation that the information was received by the board (i.e. posted on agency website).

#### Value:

3 points

### Standard 8.7

The governing board receives financial reports at each regular meeting that include the following:

1. Organization-wide report on revenue and expenditures that compares budget to actual, categorized by program; and
2. Balance sheet/statement of financial position

#### AGENCY GUIDANCE:

- The governing board should be involved in monitoring the financial stability and use of financial resources on an on-going basis.
- Frequent reports to the board by agency staff on overall agency fiscal status, procedures, practices and transactions (IM).
- At a minimum, the governing board should receive two reports – budget versus actual for revenues and expenditures and the balance sheet or statement of financial position. However, this standard does not require for reports to be provided to the board each and every month, just at regularly scheduled meetings.
  - Budget versus actual for revenues and expenditures: This report compares the financial plan or budget to the actual financial operating results for the period to date. This report is a progress report against a plan or budget.
Balance sheet or statement of financial position. This statement provides a listing of assets, things the entity owns; liabilities, amounts owed by the entity; and, net assets or the difference between the two. The balance sheet is a financial ‘snapshot’ of the net financial position of an agency at a specific point in time.

- Head Start agencies report credit card expenditures to the governing board at each meeting
- Public tripartite advisory boards receive them for those programs the body advises
- The governing board must be sufficiently trained to interpret the financial reports and provide appropriate guidance according to the information it receives

Authority: OMB 200.302(b), PL 110-134, IM 82, and IM 138(8.7)
Interview: Governing board members and Chief Operating Officer or Fiscal Manager
Monitoring Evaluation: Review governing board minutes for financial reporting that reports are received at each regular meeting and review of reports is included in the minutes. Also, randomly review financial reports to assure they contain the required information
Provide: Governing board packet with financial reports and board meeting minutes
Value: 4 points

**Standard 8.8**

All required filings and payments related to payroll withholdings are completed on time.

**AGENCY GUIDANCE:**

- Agencies have a requirement to comply with the employment laws of the United States and the further requirements of the state or states where that agency conducts its operations
- Includes Federal, State and local taxes, as well as insurance and retirement (OS)
- Insurance documentation includes health, disability, and flex accounts
- Failure to make these required payments in a timely manner can subject the agency to fines and other forfeitures. This failure is also a violation of Federal and/or state law, which could become an audit exception jeopardizing further government funding.
- Not applicable to public agencies unless CSBG funds are used under an umbrella not-for-profit that employs staff (IHCDA)

Authority: IM 138(8.8)
Monitoring Evaluation: On-site review of payroll tax returns, retirement plan documentation, health plan documentation, etc. and the submitted date against the required due date
Provide: Payroll tax documentation/filings, Insurance documentation including amounts due (liability), retirement account documentation, including amounts due (liability) and record of payment to State, Federal, Insurance and Retirement accounts
Value: 1.5 points
<table>
<thead>
<tr>
<th>Standard 8.9</th>
<th>The governing board annually approves an organization-wide budget.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | • A budget is the financial plan for an organization for the upcoming fiscal year. It includes all programs and agency/organization activity. It is recognized that each grant or program will likely have an annual budget that may cross two agency fiscal years. (NASCSP)  
• An organization-wide budget is a forecast for the upcoming fiscal year, based on the best information at the time of development. It provides the board with an overview of what the expected revenues and expenditures are likely to be over the course of a year, with the knowledge that the actual revenue and expenditures may differ. (NASCSP)  
• There is no requirement for the agency to pass a modified organization-wide budget during the course of a year as things change (NASCSP)  
• The budget is formally approved or adopted (voted on) prior to the start of the agency fiscal year  
• Public tripartite advisory boards have input into the CSBG budget process |
| **Authority:** | IM 82 and IM 138(8.9) |
| **Monitoring Evaluation:** | Review governing board meeting minutes and the agency-wide budget for each year during the monitoring period |
| **Provide:** | Minutes of the governing board meeting with the actual approval action indicated from the governing board for each year during the monitoring period |
| **Value:** | 6 points |

<table>
<thead>
<tr>
<th>Standard 8.10</th>
<th>The fiscal policies have been reviewed by staff within the past two (2) years, updated as necessary, with changes approved by the governing board.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | • Policies are in place to provide effective controls over and accountability for all funds, property and other assets and to adequately safeguard all such assets and assure they are used solely for authorized purposes (OMB).  
• Describes how to dispose of inventory over $5,000  
• Includes procurement policy that has been board approved within the last 5 years  
• Includes inventory policies which segregate duties of staff acquiring inventory and who inspects inventory  
• Provides a complete outline of segregated fiscal responsibilities and the organization’s internal controls  
• Required minimum written procedures should include records retention requirements, payment, allow ability cost, conflict of interest, property record, travel reimbursement, and fringe benefits. Additional policies may include information technology and software security and access, general journal control, financial statement preparation, accounting and financial estimates, cash control and reconciliation, grant administration and reimbursement request process, cost sharing, match and in-kind accounting, fundraising, billing and invoicing, accounts payable management, credit card procedures, payroll, investment, |

www.ihcda.in.gov | 2018 CSBG CAR TOOL |
Standard 8.11  A written procurement policy is in place and has been reviewed by the governing board within the past five (5) years.

**AGENCY GUIDANCE:**

- The procurement policy is the guidance provided to all internal staff of an agency on the appropriate procedures to follow in securing goods and services. The procurement policy may be part of the fiscal policies manual, it does not need to be a separate document.
- The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local and tribal laws and regulations (200.318) and should include at least methods for micro purchase, small purchase, sealed bid, competitive proposal and non-competitive proposal (200.320)
- All procurement transactions must be conducted in a manner providing full and open competition (200.319)
- Provide affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible (200.321)
- Not applicable to public agencies unless CSBG funds are used under an umbrella not-for-profit that purchase goods and services (IHCDA)

**Authority:**

OMB 2 CFR Part 200 subpart D, IM 82 and IM 138(8.11)

**Monitoring Evaluation:**

Review procurement policy and procedures and governing board meeting minutes, board packet or agenda that indicate it was reviewed within the last 5 years

**Provide:**

Procurement policy and procedures and documentation the governing board reviewed the procedures

**Value:**

2 points

Standard 8.12  The organization documents how it allocates shared costs through an indirect cost rate or through a written cost allocation plan.

**AGENCY GUIDANCE:**

- Cost allocation and indirect cost rates are not the same thing
- The plan should include explanations or footnotes supporting the methodology that was used to allocate indirect costs. It should be “reasonable” and “defensible”
- The plan should be updated regularly to adjust to changes within the agency and with new program requirements
- This document should be a permanent part of the agency accounting procedures

**Authority:**

OMB 2 CFR Part 200 subpart D, IM 82 and IM 138(8.10)

**Monitoring Evaluation:**

Review Fiscal Policy and Procedures draft copy for red line updates. Review staff leadership and/or governing board committee minutes for review of the policies.

**Provide:**

Fiscal Policy and Procedures manual and meeting minutes

**Value:**

1 point
• Document should specify indirect versus direct cost and the cost drivers
• Examples allocation bases: clients served, facility rent- square footage per program, Full Time Equivalents (FTE’s) per program, labor hours, labor dollars, number of phones, number of computers, computer key strokes utility costs – square footage used by each program, etc.
• 2 CFR part 200, Subpart E, section 200.405 states if a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit
• Costs cannot be allocated on a budget
• Unallowable cost cannot be allocated
• Indirect costs can be a home for fraud because cost get pooled together and lose their original identity which make them easy to cover up
• Best Business Practice: A time study of employee hours can be used to assist in creating an effective cost allocation plan
• Best Business Practice: Program Managers should be included in cost allocation decisions to provide insight and information related to their specific program and grant requirements
• Not applicable to public agencies

Authority:
OMB 2 CFR Part 200, IHCDA/CSBG Award Agreement #4(d), IM 37, IM 138(8.12) and 2 CFR Part 200

Monitoring Evaluation:
Review the cost allocation policy documenting the methodology used for account for indirect cost against reimbursement claims

Provide:
Cost Allocation Plan and reimbursement claims

Value:
3 points

State Standard 8.12.1 The Indirect Cost Rate or written Cost Allocation Plan is governing board approved.

AGENCY GUIDANCE:
• The governing board should know how costs are allocated for the agency and across programs. Since this is financial in nature it should be board approved as part of their fiduciary responsibility
• The current plan should be approved during the monitoring period and prior to implementation

Authority:
IM 82 and linked to IM 138 (8.12)

Monitoring Evaluation:
Review governing board meeting minutes of approval of current cost allocation plan during the monitoring period

Provide:
Governing board meeting minutes of approval

Value:
2 points

Standard 8.13 The organization has written policy in place for record retention and destruction.

AGENCY GUIDANCE:
• Policy should be for both electronic and physical documents (OS)
• Policy may be stand-alone or part of other agency policies (OS)
• Retention schedules clearly state how long a record must legally be kept and
whether the record is archival. Retention schedules also provide guidelines for moving files to inactive storage and for purging obsolete records.

- Three (3) years from date of submission of the final expenditure report (45 CFR 75.361)
- The provisions in Sarbanes-Oxley that apply to a records retention policy state that an organization must have in place a policy that informs employees of the need to retain their correspondence and other documents, when a legal investigation is in process
- IRS Form 990 asks “Did the organization have a written document retention and destruction policy?” (Question 14, Section B, Part VI)

**Authority:**
Sarbanes-Oxley Act, non-profit provision, IRS Form 990, OMB 2 CFR 200.333 and IM 138(8.13)

**Monitoring Evaluation:**
Review Record Retention and Destruction policy

**Provide:**
Record Retention and Destruction policy

**Value:**
1 point

---

### State Standard 8.14

The organization has comprehensive fraud investigating procedures in place that have been reviewed by the governing board within the last five years.

**AGENCY GUIDANCE:**

- The agency has a policy in place to mitigate fraud (200.303)
- 35% of all fraud is because the agency has a lack of internal controls. 43% of those cases are uncovered due to a whistle blower (NASCSP 2017 Spring Pre Conference Monitoring Training).
- The agency should have fraud prevention, deterrent and investigation procedures within its fiscal or personnel policy and procedures. This is an overarching agency policy and not specific to a particular program.
- IHCDA is responsible for notifying the Office of Inspector General (OIG) of any agency suspected fraud with federal funds provided through the State agency. The agency should have steps within the fraud procedures of notifying IHCDA.

**Authority:**
45 CFR 96-Required, OMB 2 CFR Part 200 subpart D (200-328), IM 82 and IHCDA and linked to Standard 12.3

**Monitoring Evaluation:**
Review fraud investigating procedures and that they were approved by the governing board within the last 5 years.

**Interview:**
Executive Director, leadership staff and governing board members

**Provide:**
Fraud investigating procedures and board meeting minutes

**Value:**
2 points

---

### State Standard 8.15

The organization has registered in the System for Award Management (SAM) with information updated annually.

**AGENCY GUIDANCE:**

- The System for Award Management (SAM) is an official website of the U.S. government. SAM consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. There is NO cost to use SAM at [www.sam.gov](http://www.sam.gov).
• A SAM registration is required for any business, organization, or agency that is eligible to, or plans to, receive payments from the federal government. In order to qualify for federal contracts or grants, a fully accurate, and compliant System for Award Management registration is required.

• Enter any information required by the FFATA System for Award Management and IHCDA Award Agreement (38)(B)

Authority:
Monitoring Evaluation: Review agency’s current status on the SAM website
Provide: Evidence the agency has updated information annually
Value: 1.5 points

SECTION 3 OPERATIONS & ACCOUNTABILITY FOR OPERATIONAL PERFORMANCE METRIC
Category Nine: Data and Analysis

Our agencies move families out of poverty every day across this country and need to produce data that reflects the collective impact of these efforts. Individual stories are compelling when they combine quantitative data: no data without stories and no stories without data. Agencies need to better document the outcomes our families, agencies and communities achieve. The CSBG funding confers the obligation and opportunity to tell the story of agency-wide impact and community change and in turn the impact of the network as a whole. (IM-138)

<table>
<thead>
<tr>
<th>Standard 9.1</th>
<th>The organization has a system or systems in place to track and report client demographics and services customers receive.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>A tracking system is a well-defined method of gathering data and storing it for future retrieval, analysis and reporting. The tracking and reporting of customer services could be delivery of tangible assistance, strategies (training, case management, etc.), advocacy efforts, coalition building, or other activities.</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>Ensures the agency has the ability to identify the number of people being served by the agency as a whole, to collect demographic information about these customers and also to identify the services that are provided (NCAP)</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>Establishes that the agency can identify the nature of the service (frequency, intensity, duration) (NCAP)</td>
</tr>
<tr>
<td>Authority:</td>
<td>CSBG Annual (I.1 and Module 4, Section C) Report, and, IM 138(9.1)</td>
</tr>
<tr>
<td>Interview:</td>
<td>Agency staff responsible for CSBG reporting</td>
</tr>
<tr>
<td>Monitoring Evaluation:</td>
<td>On-site review that a comprehensive data collection/tracking system is in place (and in use) which can at least demonstrate the numbers being served, their demographic information, services utilized and timeframe being served.</td>
</tr>
<tr>
<td>Provide:</td>
<td>Data collection policies and tracking reports of customer services received, screen shots of data collection, and electronic or hardcopy of forms used to collect data.</td>
</tr>
<tr>
<td>Value:</td>
<td>2 points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard 9.2</th>
<th>The organization has a system or systems in place to track family, agency, and/or community outcomes.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>The purpose is that the agency is reporting on all of the National Performance Indicators related to the National ROMA Goals for which it provides services, programs or activities</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>Establishes that the agency is able to track the individuals and families receiving services, from agency intake until they have achieved outcomes (NCAP).</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>ROMA helps determine if community action is effective (2017 INCAA Conference Presenter)</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>Establishes that the agency is assisting in the production of outcomes for communities as well as for individuals and families, and can track its contribution to these outcomes (NCAP)</td>
</tr>
</tbody>
</table>
SECTION 3  OPERATIONS & ACCOUNTABILITY FOR OPERATIONAL PERFORMANCE METRIC

Authority: 42 U.S.C. 9908(b)(12) and 9917(a)(1), CSBG Annual (I.1 and Module 4, Section C) Report, IM 138(9.2) and linked IM 138(9.4)

Interview: Agency staff responsible for CSBG reporting

Monitoring Evaluation: On-site review the agency comprehensive data collection/tracking system in place (and in use) for capturing family and/or community outcomes.

Provide: Tracking reports of family and/or community outcomes

Value: 1 point

Standard 9.3 The organization has presented to the governing board for review or action, at least within the past twelve (12) months, an analysis of the agency’s outcomes and any operational or strategic program adjustments and improvements identified as necessary.

AGENCY GUIDANCE:

• The report should identify suggestions for adjustments and improvements needed to improve the outcomes achieved by individuals, families and communities, and for the agency
• An agency is likely to have multiple programs with varying program years, this should address an annual review of organizational outcomes
• The information provided to the governing board allows them to make meaningful decisions about agency performance based upon accurate and well analyzed data
• Actions by the governing board or adjustments by the agency are not required

Authority: IM 138(9.3) and linked to IM 138 (9.1 & 9.2) and State Standard 5.11

Interview: Executive Director and governing board members

Monitoring Evaluation: Governing board meeting minutes from each year during the monitoring period to confirm agency outcome analysis reports are submitted to the board/committee. This may be a single all inclusive report or multiple agency reports and notes.

Provide: Governing board meeting minutes, strategic plan update report, Annual report discussion, program reports, notes of analysis or other outcome reports reflecting outcome analysis report provided to the governing board

Value: 3 points

Standard 9.4 The organization submits its annual CSBG Information Survey [CSBG Annual Report] and it reflects client demographics and organization-wide outcomes.

AGENCY GUIDANCE:

• It is important that each agency has submitted accurate and appropriate data that will become a part of the overall State submission of the CSBG Annual Data Report, which is the recognized format for reporting various activities and outcomes across the country
• Establishes that the agency has a system and capacity for collecting information for all of the sections of the IS and NPI report (NCAP)
• Assist the agency generate robust results and tell their story to the community

Authority: IM 103, IM 138(9.4) and linked to ROMA and CSBG Annual Report (I.3)
| Interview: | Agency staff responsible for CSBG reporting to describe the methodology used for validating the completeness and accuracy of the data submitted as part of the CSBG Annual Report |
| Monitoring Evaluation: | Review CSBG Annual Report data submitted by the agency for content and outcomes. Also, review IHCDA provided feedback and required corrections from the submitted data |
| Provide: | Most recently submitted CSBG IS report |
| Value: | 1.5 points |
| State Standard 9.5 | An accurate and unduplicated count of individuals served for all programs is available. |
| AGENCY GUIDANCE: | • Organization should have a documented system or methodology (written or software) to show how the unduplicated count is achieved |
| Authority: | IM-102 and CSBG Annual report (I.3) |
| Interview: | Agency staff responsible for CSBG reporting to describe the methodology used in creating an unduplicated count for all programs served |
| Monitoring Evaluation: | Review unduplicated count procedures or system |
| Provide: | Unduplicated count procedures or the system used to generate the information |
| Value: | 1 point |
PART TWO - ORGANIZATIONAL ANALYSIS

Category Ten: Inventory Management Analysis

U.S. accounting rules consider capital equipment that costs more than $5,000 and has an extended lifetime of over one year to be a fixed asset of a business. An Inventory Management system provides the agency with the necessary information to efficiently document and manage the organization's capital equipment and physical inventory.

<table>
<thead>
<tr>
<th>State Standard 10.1</th>
<th>Organization can document how its equipment with a current per unit fair market value in excess of $5,000 or more is disposed of.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**
- Disposition policy may be a part of the procurement policy
- Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency (200.313)

**Authority:**
OMB 2 CFR 200.313 and linked to IM 138 (8.10)

**Monitoring Evaluation:**
Disposition policy and/or the process was followed to dispose of equipment.
Also review that any disposed of equipment followed the agency procedures

**Provide:**
Disposition Policy (may be part of the Fiscal Policy and Procedures manual)

**Value:**
1 point

<table>
<thead>
<tr>
<th>State Standard 10.2</th>
<th>Schedule of inventory, capital equipment and usable property purchased with federal or state funds are compiled on an annual basis and include the following:</th>
</tr>
</thead>
</table>

1. Brief description of the property or equipment
2. Manufacturer's serial number or other identification number (i.e. model number)
3. Source of funding (program: CSBG, WAP, LIHEAP, etc.)
4. Award number (grant number and year)
5. Title holder name
6. Acquisition date (purchase date)
7. Federal Percentage or portion of the cost
8. Location, use, and condition
9. Unit acquisition cost
10. Disposal date, if applicable
11. Sales price or fair market value determination, if applicable
12. Accumulated depreciation and balance
AGENCY GUIDANCE:

- (#7) information from which you can calculate the percentage of the participation in the cost
- A control system must be in place to ensure adequate safeguards to prevent loss, damage, or theft of the property
- Any loss, damage, or theft must be investigated
- If the agency sells the property, proper sales procedures must be established to ensure the highest possible return, and proceeds must go back into the program
- Best Business Practice: Use an excel spreadsheet to track incoming and outgoing inventory over a certain amount

Authority:
OMB 2 CFR Part 200 subpart D and IHCDA/CSBG Award Agreement #7(L)

Monitoring Evaluation:
Review the Schedule of Inventory, record of annually updated and that a control system is developed and part of the fiscal controls to ensure adequate safeguards are in place to prevent loss, damage, or theft of the property. Also, investigate if loss, damage or theft is suspected.

Provide:
Most current Annual Inventory list for Schedule of Inventory, capital equipment and usable property purchased and documentation that the inventory was annually updated during the monitoring period

Value:
8 points
Category Eleven: Procurement Analysis

Procurement Analysis is responsible in determining if the organization adhered to the purchasing guidelines established by the agency and more specifically the finance department.

<table>
<thead>
<tr>
<th>State Standard 11.1</th>
<th>The organization follows the established agency procurement/bidding procedures in the acquisition of material or services.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**
- The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations (200.318)
- The non-Federal entity must maintain records sufficient to detail the history of procurement (200.318)
- The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible (200.321)
- Competitive bidding procedures should be used for large financial transaction situations in which board members or agency staff members have an interest (IM)

**Authority:** OMB 2 CFR Part 200 subpart D and agency procurement policy

**Monitoring Evaluation:** Review agency procurement policy against three (3) randomly selected purchases and procurement documentation during the monitoring period

**Provide:** Procurement Policy and procedures

**Value:** 6 points

<table>
<thead>
<tr>
<th>State Standard 11.2</th>
<th>Purchase orders or a similar system is used and follow established criteria:</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**
- The system should be:
  - Dated prior to purchase
  - Approved by the correct authority
  - Pre-numbered
  - Attached to the vendors invoice
- Proper documentation is on file for any equipment, vehicle or professional services procurement illustrating the proper procedures were followed
- Procurement procedures were followed and request for bid contains necessary information to allow fair bidding process
- A written sales contract between a buyer and seller detailing the exact merchandise or service(s) rendered from a single vendor
- Purchase orders are generally preprinted, numbered documents which show purchase details

**Authority:** OMB 2 CFR Part 200 subpart D Generally Accepted Accounting Principles and linked to IHCDA/CSBG Award Agreement 3(d) and #6(d)

**Monitoring Evaluation:** Review agency purchase system against two (2) randomly selected purchase requisitions for the current monitoring year and one (1) purchase requisition from each of the previous years
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value:</td>
<td>4 points</td>
</tr>
</tbody>
</table>

**State Standard 11.3**  
The organization requested and received approval from IHCDA for any subcontracts greater than $25,000 and capital expenditures of equipment greater than $5,000.

**Authority:** Federal Register 75.439(b)(2) and IHCDA/CSBG Award Agreement #2 (h)(I)

**Monitoring Evaluation:** Review all purchase over the listed threshold during the monitoring period for IHCDA approval

**Provide:** List of all purchases for equipment of $5,000 or greater and subcontracts of $25,000 or greater along with IHCDA approval documentation during the monitoring period

**Value:** 1 point
Category Twelve: Internal Controls Analysis

Internal controls means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) Effectiveness and efficiency of operations; (b) Reliability of reporting for internal and external use; and (c) Compliance with applicable laws and regulations. (200.61)(COSO)

<table>
<thead>
<tr>
<th>State Standard 12.1</th>
<th>Any relatives of current governing board members or leadership staff employed by the organization are documented.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>• Determining if any staff is directly supervised by a relative</td>
</tr>
<tr>
<td></td>
<td>• If employee is related to human resources, their employee personnel file is placed with the Executive Director</td>
</tr>
<tr>
<td>Authority:</td>
<td>IHCDA/CSBG Program Administration Manual 3.1(c)</td>
</tr>
<tr>
<td>Interview:</td>
<td>Human Resource Manager</td>
</tr>
<tr>
<td>Monitoring:</td>
<td>Review conflict of interest forms to confirm potential conflicts of interest</td>
</tr>
<tr>
<td>Provide:</td>
<td>List of staff member(s), department and relationship and organizational chart</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Standard 12.2</th>
<th>Organization provides a bond or insurance coverage for all persons who will be handling funds or property received or disbursed in the amount equal to one-half of the total funds provided or $250,000, whichever is less and has a minimum of $500,000 general liability insurance coverage for bodily injury and property damage.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENCY GUIDANCE:</td>
<td>• Should be effective for the period of the agreement plus three years</td>
</tr>
<tr>
<td></td>
<td>• Must provide protection against losses resulting from criminal acts and wrongful and negligent performance of duties</td>
</tr>
<tr>
<td></td>
<td>• Specify IHCDA as an additional insured</td>
</tr>
<tr>
<td>Authority:</td>
<td>IHCDA CSBG Award Agreement #12(d)/(e)</td>
</tr>
<tr>
<td>Monitoring Evaluation:</td>
<td>Review Certificate of Insurance, bond or general coverage binder to ensure organizational coverage and protection during the monitoring period</td>
</tr>
<tr>
<td>Provide:</td>
<td>Certificate of Insurance or bond for each employee or general coverage binder</td>
</tr>
<tr>
<td>Value:</td>
<td>1.5 points</td>
</tr>
</tbody>
</table>
### State Standard 12.3

The organization follows its agency's written fraud investigating procedures.

**AGENCY GUIDANCE:**

- All fraud investigations should be documented
- Linked to State Standard 8.14
- Executive Director and Chief Financial Officer
- On-site review any agency investigated fraud cases during the monitoring period against the agency fraud procedures
- List of any fraud investigations, if applicable

**Authority:**

Linked to State Standard 8.14

**Interview:**

Executive Director and Chief Financial Officer

**Monitoring Evaluation:**

On-site review any agency investigated fraud cases during the monitoring period against the agency fraud procedures

**Provide:**

List of any fraud investigations, if applicable

**Value:**

1 point

### State Standard 12.4

The organization documents governing board members, employees or relatives of employee's receiving benefits from agency programs during the monitoring period.

**AGENCY GUIDANCE:**

- The application must be approved by the Executive Director or their designee prior to services being rendered (IHCDA)
- The application or other internal approval document must be properly executed (signed or initialed & dated) to be valid
- Follows appropriate LIHEAP, Wx, and IDA or other Program Guidance
- The program file is correct and contains the necessary supporting documents

**Authority:**

IHCDA/CSBG Program Administration Manual 3.1(c) and agency program internal control policies

**Evaluate:**

Randomly test governing board or employee files who received benefits in various programs

**Provide:**

List all staff receiving benefits from programs offered by the agency, including the program from which the benefits are received during the monitoring period

**Value:**

3 points

### State Standard 12.5

Organization has a written fiscal separation of duty procedures.

**AGENCY GUIDANCE:**

- Safeguard agency assets with procedures to ensure that all assets are accounted for and protected
- Built in checks and balances assist the agency with protection from fraud
- An element of internal control is to segregate incompatible functions to prevent one person from having both access to assets and responsibility for maintaining the accountability of those assets
- No employee or group of employees should be in a position both to perpetrate and to conceal errors or fraud in the normal course of their duties. In general, the principal incompatible duties to be segregated are:
  - Custody of assets
  - Authorization or approval of related transactions affecting those assets
  - Recording or reporting of related transactions
• Management selects and develops alternative control activities where segregation of duties is not practical
• Best Business Practice: Agency uses a fiscal separation of duty flow chart

Authority: 2 CFR Part 200 subpart D and by reference in the CSBG contract
Monitoring Evaluation: Test assigned responsibilities against fiscal controls or an internal control grid
Provide: Fiscal policy and Procedures Manual or Internal Control Manual
Value: 4 points

State Standard 12.6 The organization reconciles employee payroll records and process employee payroll accurately.

AGENCY GUIDANCE:
• Employee payroll records are reconciled on a monthly basis
• IRS 941 Report is reconciled each quarter
• Employee and supervisor have signed employee timecard
• Employees are paid according to the time sheet distribution
• Employees are paid the correct rate of pay
• There is adequate documentation for distribution of hours worked
• The number of checks distributed matches the payroll register and the number of employees to be paid
• Best Business Practice: Agency accounts for employee leave time when earned or when taken

Authority: OMB 2 CFR Part 200, Generally Accepted Accounting Principles and linked to IM 138(8.8)
Monitoring Evaluation: Timesheets of two (2) exempt and one (1) non-exempt employee (whose pay is allocated) for each selected period in addition to the CEO/Executive Director and Fiscal Director. Also, randomly select four quarters during the monitoring period.
Provide: Payroll register for the periods selected and IRS 941 Reports
Value: 3 points
Category Thirteen: Claims Analysis

The purpose of claims processing is to ensure that requests for reimbursement made to IHCDA through the Financial Operations Department are eligible and contains the documentation necessary to validate the claimed expenses. Requests for reimbursement may be made only in accordance with the budget described in the award agreement and any subsequent modifications which have been approved by IHCDA. Additionally, any program guidance/regulations on cost eligibility will be used when reviewing expenses for reimbursement (IHCDA).

| State Standard 13.1 | CSBG reimbursement claims are accurate, contain eligible expenses, and submitted on at least a monthly (30 day) basis. |

AGENCY GUIDANCE:

- Agency shall submit, at least monthly, properly completed claims for reimbursement (IHCDA)
- Submitted and approved claims to IHCDAOline request the general ledger, pre-approval for items over $5,000 and documentation of all administrative invoices/receipts where the amount charged equals or exceeds $1,000. (Partner’s Guide to IHCDAOline). This claim analysis will review supporting documentation for every expense associated with the claim.
- All backup documentation should be in sufficient detail to confirm incurred expenses and third party payments should be attached to each claim, or readily available for review
- Claims must be signed by the authorized signatory
- Invoices are paid within 45 calendar days of expense/invoice or supporting documentation is provided for any delay
- There are no unallowable costs included in the submitted claim(s)
- CSBG Funds may not be used to pay for LIHEAP Administration (LIHEAP IM 2000-12)
- Submitted claims do not conflict with any agency fiscal policies or procedures

Authority: OMB 2 CFR 200, IM 37, LIHEAP IM 2000-12, IHCDA Budget Line Item Narrative, IHCDA CSBG Award Agreement #4(i), CS-14-01, and CS-017-01

Monitoring Evaluation: Monitor will randomly select three (3) paid IHCDA CSBG claims for each of the last two years or during the monitoring period (total 6) to test claims are accurate, contain eligible expenses, and submitted within 30 days

Provide: Claim reimbursement information for each selected claim including invoice and all supporting documentation. Travel receipts should be included for any claims selected with travel activity. If IHCDA has approved any costs that may be viewed as unreasonable or unnecessary provide documentation of approval.

Value: 12 points
### Section 5

**Accounting for Fiscal Performance Matrix**

<table>
<thead>
<tr>
<th>State Standard 13.2</th>
<th>CSBG submitted reimbursement claims are within forty-five (45) calendar days after the costs are incurred.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authority:</strong></td>
<td>IHCDA CSBG Award Agreement and linked to 13.1</td>
</tr>
<tr>
<td><strong>Monitoring Evaluation:</strong></td>
<td>Monitor will randomly select a total of three (3) IHCDA CSBG claims for the last two years during the monitoring period (total 6) against the supporting documentation invoice dates</td>
</tr>
<tr>
<td><strong>Provide:</strong></td>
<td>Claim reimbursement information for each selected claim including invoice and all supporting documentation</td>
</tr>
<tr>
<td><strong>Value:</strong></td>
<td>3 points</td>
</tr>
</tbody>
</table>

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Category Fourteen: Financial Analysis

Nonprofits are complex organizations that are built around mission and outcomes. Therefore, an agency's fiscal position is fluid because it is based on changing conditions. Benchmarks are an assessment of the viability, performance, and stability of the organization. They provide a snapshot of how the financial portfolio and resources are meeting key short and long term objectives on the planned financial path. This information is a critical tool that allows the governing board and leadership staff to monitor current trends and take any necessary actions towards reaching the desired goals.

<table>
<thead>
<tr>
<th>State Standard 14.1</th>
<th>Organization’s financial statements are reconciled and are current.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGENCY GUIDANCE:</strong></td>
<td>• Year-end adjusting journal entries should be completed by the following month after the fiscal year ends</td>
</tr>
<tr>
<td></td>
<td>• Ending balance on bank statement matches organizations report</td>
</tr>
<tr>
<td></td>
<td>• Cash on bank statement matches balance sheet</td>
</tr>
<tr>
<td></td>
<td>• Outstanding deposits match general ledger</td>
</tr>
<tr>
<td></td>
<td>• Interest on bank statement matches organizations report</td>
</tr>
<tr>
<td>Authority:</td>
<td>Best Business Practice and linked to standard 14.6 and 14.7</td>
</tr>
<tr>
<td>Monitoring Evaluate:</td>
<td>Compare organization financial statements to organizations reports, balance sheets, general ledger, etc. Compare independent audit report to the financial statement to determine accuracy</td>
</tr>
<tr>
<td>Provide:</td>
<td>Organizations financial statements including balance sheets and general ledger</td>
</tr>
<tr>
<td>Value:</td>
<td>6 points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Standard 14.2</th>
<th>Liquidity ratios are within IHCDA guidelines.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGENCY GUIDANCE:</strong></td>
<td>• Shows the ability of the organization to meet short-term financial obligations in the event agencies experiences funding loss or unallowable expenses that must be reimbursed</td>
</tr>
<tr>
<td></td>
<td>• Adequate cash reserve is available to cover organizational-wide leave time for earned time off</td>
</tr>
<tr>
<td></td>
<td>• Current assets: cash, CD’s, accounts and/or grants receivable</td>
</tr>
<tr>
<td></td>
<td>• Current liabilities: accounts payable, current payroll and related taxes, accruals, and current portion of long term debt</td>
</tr>
<tr>
<td><strong>1. CURRENT RATIO</strong></td>
<td></td>
</tr>
<tr>
<td>Authority:</td>
<td>IHCDA</td>
</tr>
<tr>
<td>Standard:</td>
<td>20% (1.2) or greater</td>
</tr>
<tr>
<td>Formula:</td>
<td>current assets ÷ current liabilities</td>
</tr>
<tr>
<td>Provide:</td>
<td>Most recently closed interim consolidated, classified Statement of Financial Position (Balance Sheet) reflecting current assets and current liabilities OR a complete list of each</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
<tr>
<td>State Standard 14.3</td>
<td>Efficiency ratios are within IHCDA guidelines.</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------------------------------------</td>
</tr>
</tbody>
</table>

**AGENCY GUIDANCE:**

- Organization is using assets to maximize cash flow

**1. RECEIVABLE TURNOVER RATE**

- Accounts receivable less than 30 days/grants less than 90 days

<table>
<thead>
<tr>
<th>Authority:</th>
<th>IHCDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard:</td>
<td>10 times or greater</td>
</tr>
<tr>
<td>Formula:</td>
<td>Annual revenue/support ÷ average receivables (current &amp; prior year A/R ÷ 2)</td>
</tr>
<tr>
<td>Provide:</td>
<td>Most recently closed interim consolidated, classified Statement of Financial Position (Balance Sheet) reflecting Revenue/Support, Accounts &amp; Grants Receivable, and prior year’s Accounts &amp; Grants Receivable OR a complete list of each</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>

**2. AVERAGE COLLECTION PERIOD**

- A short collection period indicates prompt collection and better management of the receivables

<table>
<thead>
<tr>
<th>Authority:</th>
<th>IHCDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard:</td>
<td>-</td>
</tr>
<tr>
<td>Formula:</td>
<td>-</td>
</tr>
<tr>
<td>Provide:</td>
<td>-</td>
</tr>
<tr>
<td>Value:</td>
<td>-</td>
</tr>
</tbody>
</table>
### SECTION 5

#### ACCOUNTING FOR FISCAL PERFORMANCE MATRIC

- A longer collection period may have a negative effect on the short term debt paying ability of the agency

  **Authority:** IHCDA  
  **Standard:** The amount of time it takes the agency to collect its account receivables  
  **Formula:** \(365 \text{ days} \div \text{receivable turnover rate}\)  
  **Value:** 1 point

<table>
<thead>
<tr>
<th>3. ADMINISTRATIVE EXPENSE AS A PERCENTAGE (%) OF TOTAL EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authority:</strong> IHCDA</td>
</tr>
<tr>
<td><strong>Standard:</strong> administrative expenses (\div) total expenses</td>
</tr>
<tr>
<td><strong>Formula:</strong> administrative expenses (\div) total expenses</td>
</tr>
<tr>
<td><strong>Provide:</strong> Most recently closed interim consolidated Statement of Activities (Income Statement) reflecting non-grant/contract administrative expenses OR provide the total for the non-grant/contract administrative expenses</td>
</tr>
<tr>
<td><strong>Value:</strong> 1 point</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Standard 14.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage ratios are within IHCDA guidelines.</td>
</tr>
</tbody>
</table>

#### AGENCY GUIDANCE:

- Demonstrates that the organization’s long term debt is manageable

  **1. LONG TERM DEBT TO NET ASSETS RATIO**

  **Authority:** IHCDA  
  **Standard:** Not to exceed five (5) to one (1) = 5 or under  
  **Formula:** long term debt \(\div\) net assets  
  **Provide:** Most recently closed interim consolidated Statement of Financial Position (Balance Sheet) reflecting long-term debt and net assets OR a complete list of each |
  **Value:** 1 point

  **2. OPERATING RATIO**

  **Authority:** IHCDA  
  **Standard:** 1 or less  
  **Formula:** total operating expenses \(\div\) total revenue  
  **Provide:** Most recently closed interim consolidated Statement of Activities (Income Statement) reflecting total operating expenses and total revenue /support OR a complete list of each |
  **Value:** 1 point

<table>
<thead>
<tr>
<th>State Standard 14.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third-party in-kind contributions are listed as revenue on the income statements.</td>
</tr>
</tbody>
</table>

#### AGENCY GUIDANCE:

- Third-party in-kind contributions means the value of non-cash contributions (i.e. property or services) (200.96)  
- Reference OMB 2 CFR Part 200 cost share or matches (200.306) for additional guidance and linked to CSBG Annual Report (Module 2, Section C (F:1d))

If No,
### AGENCY GUIDANCE:
- List should include amount or item received, time, donor, value determination if an item and program is associated

**Authority:** OMB 2 CFR Part 200  
**Provide:** In-kind contributions list

If Yes, is there an off-setting expense amount?

### AGENCY GUIDANCE:
- Some agencies show contributions of time by volunteers as a source of revenue. However, this does not consist of dollars and therefore inflates the true dollar value of revenues and must be offset on the expenses.  
- Statements are not credible if there is no off setting expenses  
- Best Business Practice: preferred that this method is not used

**Authority:** OMB 2 CFR Part 200  
**Monitor Evaluation:** Compare third-party in-kind contribution list against the balance sheets  
**Provide:** Third-party in-kind contributions list and balance sheets  
**Value:** 1 point

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authority:</strong></td>
<td>Generally Accepted Accounting Principles</td>
</tr>
<tr>
<td><strong>Monitoring Evaluation:</strong></td>
<td>Compare month end A/R matches interim A/R balance sheet of same month</td>
</tr>
<tr>
<td><strong>Provide:</strong></td>
<td>Most recently closed accounts receivable subsidy ledger</td>
</tr>
<tr>
<td><strong>Value:</strong></td>
<td>2 points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Standard 14.7</th>
<th>Accounts Payable (A/P) ledger matches interim accounts payable balance sheet.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authority:</strong></td>
<td>Generally Accepted Accounting Principles</td>
</tr>
<tr>
<td><strong>Monitoring Evaluate:</strong></td>
<td>Compare month ending A/P match’s interim A/P balance sheet of same month</td>
</tr>
<tr>
<td><strong>Provide:</strong></td>
<td>Most recently closed accounts payable subsidy ledger</td>
</tr>
<tr>
<td><strong>Value:</strong></td>
<td>2 points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Standard 14.8</th>
<th>Accounting records are supported by source documents.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:**| This may include claims, manual entries or adjustments made to the journal after closing  
|                     | Credit card statements reflect no unusual charges  
<p>|                     | Head Start agencies are required to review credit card statements at board meetings and should be reflected in the meeting minutes  |
| <strong>Authority:</strong>      | OMB 2 CFR Part 200                                                              |
| <strong>Monitoring Evaluation:</strong> | Compare general ledger to supporting documentation and review credit card statements |
| <strong>Provide:</strong>        | General ledger                                                                  |
| <strong>Value:</strong>          | 3 points                                                                        |</p>
<table>
<thead>
<tr>
<th>State Standard 14.9</th>
<th>Organization funds are tracked separately by contract and by program and each program has its own budget.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority: OMB 2 CFR Part 200 and Generally Accepted Accounting Principles, Monitoring Evaluation: Review financial record keeping posting dates and compare to monitoring date, individual program budgets for CSBG programs</td>
<td></td>
</tr>
<tr>
<td>Provide: Organizations financial records</td>
<td></td>
</tr>
<tr>
<td>Value: 2 points</td>
<td></td>
</tr>
<tr>
<td>State Standard 14.10</td>
<td>The organization has a chart of accounts organized by program.</td>
</tr>
<tr>
<td>Authority: OMB 2 CFR Part 200</td>
<td></td>
</tr>
<tr>
<td>Provide: Chart of accounts for organization and if applicable the program. Purchase record system information or Fiscal policy and procedures manual.</td>
<td></td>
</tr>
<tr>
<td>Value: 1 point</td>
<td></td>
</tr>
<tr>
<td>State Standard 14.11</td>
<td>Account balances do not exceed the FDIC insured limit ($250,000) at a single bank or a Collateral Security Agreement is in place to cover any access amounts.</td>
</tr>
<tr>
<td>AGENCY GUIDANCE:</td>
<td></td>
</tr>
<tr>
<td>• FDIC policy: deposits owned by a corporation are insured up to $250,000 in a single bank</td>
<td></td>
</tr>
<tr>
<td>• Fiscal Policies and Procedures manual should list this policy</td>
<td></td>
</tr>
<tr>
<td>• Discuss options with the bank to ensure the organization’s funds are fully FDIC ensured, if at a single bank</td>
<td></td>
</tr>
<tr>
<td>Authority: OMB Circular A-110 by reference in CSBG contract</td>
<td></td>
</tr>
<tr>
<td>Monitoring Evaluation: Review visit bank statements (prior month to monitoring)</td>
<td></td>
</tr>
<tr>
<td>Provide: Prior month to monitoring visit bank statements and Fiscal Policy and Procedures Manual or Collateral Security Agreement</td>
<td></td>
</tr>
<tr>
<td>Value: 1 point</td>
<td></td>
</tr>
</tbody>
</table>
PART THREE- BEYOND COMPLIANCE

Category Fifteen: Bonus Opportunities

Effectively operating a community action agency requires many different management techniques and strategies. Bonus opportunities are to reward agencies for going beyond compliance. It may also become an incentive for agencies as a call to action which will raise their level of success. It will be up to each agency during the on-site monitoring visit to demonstrate, through documentation, that they are eligible to receive bonus points.

Organizational Management (OM)

| Bonus Standard 15.1 | Governing board members are annually surveyed about their responsibility on the board and the overall board’s performance. |

AGENCY GUIDANCE:

- Survey, interview, comprehensive self-evaluation, or other method
- Opportunity to reflect on board responsibilities both individual and shared (CAPLAW)
- Identify varying perception and opinions by the board as a whole (CAPLAW)
- Provides feedback on potential issues that may affect a member from continuing to serve
- Allows the Executive Director to clarify and manage expectations
- Acts as a platform for setting and obtaining board priorities and goals
- Provides the Executive Director potential board training topics
- Common board self-assessment topics include vision and mission, strategic planning, policy making decisions, board and staff roles, executive leadership, program performance, fiscal management, board structure & operations, and required resources

Associated Category: 1
Authority: IM 102, ROMA, INCAA and linked to IM 138 (5.8)
Interview: Executive Director and governing board members
Monitoring Evaluation: Review sampling of board completed surveys, self-assessments or results for each year during the monitoring period
Provide: Blank board survey or self-evaluation and board survey results for each year during the monitoring period
Value: 1 point
<table>
<thead>
<tr>
<th>Bonus Standard 15.2</th>
<th>Employees are annually surveyed about program operations, procedures and their work environment.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | - Demonstrate that employees provide valuable insight on how the agency operates  
  - Employee surveys provide the opportunity to create a stronger and more efficient organization and a better work experience |
| Associated Category: | 1 |
| Authority: | ROMA and Best Practice |
| Interview: | Executive Director and Human Resource Manager |
| Monitoring Evaluation: | Review sampling of employee’s completed surveys or survey results for each year during the monitoring period. Review leadership staff analysis of results |
| Provide: | Blank employee survey and employee survey results for each year during the monitoring period |
| Value: | 1 point |

<table>
<thead>
<tr>
<th>Bonus Standard 15.3</th>
<th>Governing board members establish and maintain relationships or partnerships with other public and private agencies or programs in the community.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | - Identify public or private resources and programs that may contribute to customer or agency outcomes (IM)  
  - Facilitate communication or coordination between the agency and the community (IM) |
| Associated Category: | 2 |
| Authority: | IM 82 and linked to IM 138(2.1) |
| Provide: | Governing board members relationships/partnerships list with public and private organizations they are associated with. |
| Value: | 1 point |

<table>
<thead>
<tr>
<th>Bonus Standard 15.4</th>
<th>The organization utilizes a comprehensive annual fundraising plan reviewed by the governing board.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:** | - A fundraising plan defines an overall goal or objective and the tactics (individual giving, large and small events, direct mail, telemarketing, online or E-giving, grants, etc..) that will be utilized to accomplish it  
  - It also provides a detailed description of each activity or event, direct costs (cost versus expenses), number of staff or volunteers hours needed to conduct the event, activity dates and times, who is the key contact or responsible individual and projected income  
  - Agencies who have fund development staff may have portions of this information as part of a job description or Standard Operating Procedures |
| Associated Category: | 4 |
| Authority: | IM 82 and IHCDA |
| Interview: | Executive Director and governing board members |
### SECTION 6  ROAD TO EXCELLENCE

<table>
<thead>
<tr>
<th>Monitoring Evaluation:</th>
<th>Comprehensive fundraising plan and governing board meeting minutes for each year during the monitoring period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide:</td>
<td>Comprehensive fundraising plan and governing board meeting minutes or board packet indicating review for each year during the monitoring period</td>
</tr>
<tr>
<td>Value:</td>
<td>1 point</td>
</tr>
</tbody>
</table>

**Bonus Standard 15.5**

| The organization has not been terminated, placed on restrictions, or required to have additional oversight from any Federal, State or local grants or programs during the monitoring period. |

**AGENCY GUIDANCE:**

- The agency has not been removed from a grant/program for “Cause” which is a failure by the agency to adequately administering or adhere to the program guidelines
- The agency is not on a Quality Improvement Plan (QIP) by any IHCDA program
- The agency or any of its programs have not been placed on the IHCDA watch list
- The agency does not or did not have any funding being withheld from IHCDA during the monitoring period
- State CSBG Lead Agencies should include questions in routine monitoring visits and contacts about whether an eligible entity has had funds terminated for cause in any federal, state or local program other than CSBG (IM 116)

**Associated Category:** 4

**Authority:** IM 116, IM 102 and IHCDA

**Interview:** Executive Director

**Monitoring Evaluation:** Agency has not been terminated from any programs, is on an IHCDA QIP or listed on the IHCDA watch list dashboard

**Value:** 1 point

**Bonus Standard 15.6**

| Emergency Action Plan(s) have been developed for each organization's site(s) and annual staff training is provided in executing conditions of the plan(s). |

**AGENCY GUIDANCE:**

- An emergency action plan is unique to each facility and is designed to define emergency procedures and staff roles and responsibilities for the safety of all employees and guests
- An emergency action plan must be in writing, kept in the workplace, and easily accessible if an employer has more than 10 employees
- Head Start and Early Head Start programs may be using the Indiana Emergency Response Planning Guide for Childcare Providers for their locations
- Minimum elements of an emergency action plan (OSHA):
  - Procedures for reporting a fire or other emergency
  - Procedures for emergency evacuation, including type of evacuation and exit rout assignments
  - Procedures to account for all employees after evacuation
  - Procedures to be followed by employees performing rescue or medical duties
### Bonus Standard 15.7
**Each agency employee has signed an annual conflict of interest policy statement**

**AGENCY GUIDANCE:**
- It is in the best interest of the agency if management is aware of and can minimize the appearance of impropriety by removing potential conflicts of interest for the staff.
- There is no particular template. However, there should be a clear written policy to define actual and potential conflicts and allows for full written disclosure to be documented. (e.g. places to list conflicts).
- Each form must be fully executed and signed by the staff member to be valid.
- These should be kept in the employee personnel file or other secured location.

**Associated Category:** 7  
**Authority:** OSHA 29 CFR 1910.38 (b)(c) and IHCDA  
**Monitoring Evaluation:** Posted emergency evacuation routes and review the Emergency Action Plan or safety manual  
**Provide:** Emergency Action Plan for each site  
**Value:** 1 point

### Bonus Standard 15.8
**The organization completes, at least annually, fiscal analysis ratios that are reported to the governing board.**

**AGENCY GUIDANCE:**
- Ratio analysis compares values within the agency from year to year. It is used to evaluate various aspects of an agency’s operating and financial performance such as its efficiency, liquidity, and solvency.
- The trend of these ratios over time is studied to check whether they are improving or deteriorating.
- Ratio analysis is a cornerstone of fundamental analysis.

**Associated Category:** 8  
**Authority:** IM 82 and Best Business Practice  
**Monitoring Evaluation:** Review Fiscal Analysis Ratios. Review board packet, agenda or meeting minutes where the information was reported to the board for each year during the monitoring period.  
**Provide:** Fiscal Analysis Ratios and documentation of review by the governing board for each year during the monitoring period.  
**Value:** 1 point
### Bonus Standard 15.9

The organization tracks multiple years of information indicating trends related to agency success, customer satisfaction and community needs.

**AGENCY GUIDANCE:**

- **Associated Category:** 9
- **Authority:** Standards of Excellence and linked to IM 138(9.4)
- **Monitoring Evaluation:** Review analysis information during the monitoring period
- **Provide:** Provide analysis information
- **Value:** 1 point
Category Sixteen: Best Business Practice Recommendations

A best business practice recommendation is for the agency's consideration, there is no violation of any policy or procedures but may aid in stronger operations, if enacted. This suggestion or proposal is designed to provide a best course of action that will enhance the agencies performance.

Organizational Management (OM)

<table>
<thead>
<tr>
<th>Recommendation Standard 16.1</th>
<th>The organization utilizes a formal process or method to annually gather information from low-income individuals.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**

- Schedule for Customer Satisfaction Data Collection. (dates of dissemination, projected return dates, collection process, time scheduled for analysis, staff responsible and date for presentation to the Board)
- This may be a component of the a Customer Service Policy

**Associated Category:**
- 1

**Authority:**
- Linked to IM 138(1.2)

**Interview:**
- Data collection staff

**Monitoring Evaluation:**
- Review data collection methods, timelines, and analysis

**Provide:**
- Data Collection Policy and Procedures

**Value:**
- 0 points

<table>
<thead>
<tr>
<th>Recommendation Standard 16.2</th>
<th>The organization conveys its message to the community utilizing a written public relations plan or guide.</th>
</tr>
</thead>
</table>

**AGENCY GUIDANCE:**

- Also called a Communications Plan or Policy
- Public Relations includes community relations and means those activities dedicated to maintaining the image of the non-profit organization or maintaining or promoting understanding and favorable relations within the community or public at large or any segment of the public (OMNI)
- The agency should have a thoughtful, intentional system for communicating, marketing and media relations in order to promote and advance mission achievements to the general public, donors, volunteers and policymakers
- Provides a written plan for staff to refer to, which defines what methods will be used to manage crisis situation and who speaks for the agency, media request, public information requests, brand recognition, social media methods, etc... It will also will provide detailed media contact information
- The plan should detail both internal and external communications

**Associated Category:**
- 2

**Authority:**
- Best Business Practice and linked to IM 138(2.3)

**Provide:**
- Public Relations/Communication Plan or similar instrument

**Value:**
- 0 points
### Recommendation Standard 16.3

**The organization demonstrates that agency staff are trained to address common customer service issues.**

**AGENCY GUIDANCE:**
- Serves as invaluable tool for instructing employees how to best provide top-quality service to the agencies clients or customers.
- In order to improve the service of your company, you will need to evaluate your current service, investigate your customer’s needs, and develop a flexible customer service policy that addresses those needs or other specialized customer service training.
- Including training on how to serve persons with Limited English Proficiency (LEP).
- Best Business Practice: A customer service policy is a written document that employees follow when dealing with customer. It also lists how the employee should behave so as to improve the overall customer experience.

**Associated Category:** 2

**Authority:** IM 50 & IHCDA Award Agreement (40) = (LEP) and CSBG Annual Report (I.5)

**Interview:** Executive Director and Human Resource Manager

**Monitoring Evaluation:** Employee training records

**Provide:** Customer Service Manual

**Value:** 0 points

### Recommendation Standard 16.4

**The organization used a localized annual community needs assessment during the monitoring period in determining the needs and resources of its geographic area.**

**AGENCY GUIDANCE:**
- Agency consults with neighborhood based organizations to assist the agency in planning, execution and evaluation of programming to address community needs (IC). This can be accomplished through local resources such as the Chamber of Commerce, United Way, and Community Foundations, etc.
- Develop information concerning the problems and causes of poverty in the community (IC) and the needs and resources in the community (OS).
- Establishes priorities among projects, activities, and areas to ensure the best and most efficient use of resources (IC).
- Head Start creates a CNA survey every three years.
- Allows the agency to compare the State needs assessment against local information to determine if changes are needed.

**Associated Category:** 3

**Authority:** IM 126, IC-12-14-23-8, IC-12-14-23-9(2) & (4) and linked to IM 138(3.4)

**Monitoring Evaluation:** Review evidence of data analysis through board or committee meeting minutes or notes, charts or graphs, annual reports etc.

**Interview:** Executive Director, governing board members and leadership staff

**Provide:** List of community needs and resources derived from surveys, interviews, focus groups, team meetings, etc. that demonstrate how the needs assessment is used to prioritize agency projects, programs or resources.

**Value:** 0 points
### Recommendation Standard 16.5

The organization has a Nationally Certified ROMA Trainer, Implementer or equivalent on staff.

**AGENCY GUIDANCE:**
- Trainers are in a position to see that a change is needed or being required of an agency to meet defined standards of management and operational excellence (National ROMA Peer-to-Peer Training Program)

**Associated Category:** 4  
**Authority:** Linked to IM 138(4.3)  
**Provide:** Staff member ROMA trainer certification documentation  
**Value:** 0 points

### Recommendation Standard 16.6

The organization utilizes an annual Technical Assistance Plan (TAP) to identify training, technical assistance and capacity building at the local level.

**AGENCY GUIDANCE:**
- The tool documents planned technical assistance activities, identifies intended audience or specific individuals, progress over time in meeting standards, person responsible for assuring completion, and timeframe for completion  
- Supports program staff in their delivery of quality services through identified annual training needs and documenting progress  
- Assist the agency in identifying CSBG Organizational Standards and CAR Tool requirements that do not meet or partially meet the standard and develop or seek out appropriate staff development in those areas to ensure compliance  
- This tool would be an internal supplemental document to the Required Action Plan (RAP) which is submitted as the official agency CAR monitoring response

**Associated Category:** 4  
**Authority:** Best Business Practice (NCAP)  
**Monitoring Evaluation:** Review annual Technical Assistance Plan tracking form or spreadsheet  
**Provide:** Technical Assistance Plan and/or tracking form  
**Value:** 0 points

### Recommendation Standard 16.7

The organization utilizes a Governing Board Calendar of Events/Actions to meet necessary deadlines.

**AGENCY GUIDANCE:**
- A checklist that lists all required actions related to the governing board by timeframe to assist agency leadership in planning board meetings agendas and board materials

**Associated Category:** 4  
**Authority:** Best Business Practice and NCAP Resource  
**Provide:** Governing Board Calendar of Events/Actions  
**Value:** 0 points
<table>
<thead>
<tr>
<th>Recommendation Standard 16.8</th>
<th>The organization maintains a written continuity of operations process through Standard Operating Procedures for each department.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:**        | • Standard operating procedures (SOPs) are the documented processes that an agency has in place to ensure services and/or products are delivered consistently every time. Even the best employees don't have perfect memories, so having a set of written instructions they can refer to when performing the steps of the process ensures everything is done correctly. When new employees are trained, standard operating procedures help keep their training fresh and serve as important reference tools.  
• Standard operating procedures are also useful to communicate important organizational policies, government regulations, and best practices |
| Associated Category:        | 4 |
| Authority:                  | Linked to IM 138(4.5) |
| Monitoring Evaluation:      | Organizational chart against SOPs for each agency department |
| Provide:                    | Standard Operating Procedures |
| Value:                      | 0 points |

<table>
<thead>
<tr>
<th>Recommendation Standard 16.9</th>
<th>The organization’s lease(s) is/are current and properly executed for all its properties.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:**        | • IHCDA will not provide CSBG funding to an agency as a cost allocation for facility space if there is not a current and fully executed lease in place  
• An agency must have long term stability in order to meet the needs of its community which a current lease provides |
| Associated Category:        | 4 |
| Authority:                  | IHCDA |
| Monitoring Evaluation:      | Review current agency lease(s) term and expiration date(s) for all properties |
| Provide:                    | Current agency Lease(s) |
| Value:                      | 0 points |

<table>
<thead>
<tr>
<th>Recommendation Standard 16.10</th>
<th>The organization annually tracks the governing board turnover rate.</th>
</tr>
</thead>
</table>
| **AGENCY GUIDANCE:**        | • Turnover is the act of replacing a board member with a new member. Partings between organizations and board members may consist of termination, death, expired term, personnel time commitment, resignations, etc. An organization’s governing board turnover is measured as a percentage rate, which is referred to as its turnover rate. Turnover rate is the percentage of board members that leave during the agencies calendar year against the total number of members on the board.  
• A high turnover hurts an agencies stability, potential growth and board morale  
• Before turnover becomes an issue, agencies must uncover the factors that |
| Associated Category:        | |
| Authority:                  | |
| Monitoring Evaluation:      | |
| Provide:                    | |
| Value:                      | |
motivate members to leave. Exit interviews may prove helpful in determining the reason for the exodus

Associated Category: 5
Authority: Linked to IM 138 (5.5) and ROMA
Interview: Executive Director and governing board members
Monitoring Evaluation: Review Governing Board Turnover Rate Tracking Form, exit interviews or meeting minutes discussing terminations or resignations for each year during the monitoring period
Provide: Governing Board Turnover Rate Tracking Form for each year during the monitoring period
Value: 0 points

Recommendation Standard 16.11 The governing board approves or is made aware of all grant applications before they are submitted.

Associated Category: 5
Authority: IM 82
Interview: Executive Director and governing board members
Evaluate: Review board meeting minutes for each year during the monitoring period
Provide: Board meeting minutes
Value: 0 points

Recommendation Standard 16.12 The agency maintains documentation to support the selection/appointment of governing board members.

Associated Category: 5
Authority: CSBG Act Section 676B
Monitor Evaluation: Review governing board selection paperwork, while onsite, and governing board meeting minutes
Provide: Board meeting minutes
Value: 0 points

Recommendation Standard 16.13 In preparation for the strategic planning process, the organization performed a Strength, Weakness, Opportunity and Threats (SWOT) analysis of the agency and its current programs.

AGENCY GUIDANCE:

- A SWOT analysis can be carried out for a company, product, place, industry, or person. It involves specifying the objective of the business venture or project and identifying the internal and external factors that are favorable and unfavorable to achieve that objective.
- Strengths: characteristics of the business or project that give it an advantage over others
- Weaknesses: characteristics of the business that place the business or project at a disadvantage relative to others
- Opportunities: elements in the environment that the business or project could exploit to its advantage
**Threats:** elements in the environment that could cause trouble for the business or project

**Associated Category:** 6

**Authority:** Best Business Practice

**Monitoring Evaluation:** Review SWOT analysis and strategic planning notes

**Provide:** SWOT analysis

**Value:** 0 points

---


**AGENCY GUIDANCE:**

- Formerly called Material Safety Data Sheets (MSDS)
- Review the OSHA website (www.osha.gov) for information related to specific office environments.
  - Office workers who encounter hazardous chemicals only in isolated (intermittent or occasional) instances are not covered by this rule (i.e. pens, pencils, adhesive tape and toner)
  - OSHA does not require that SDS sheets be provided to purchasers of household consumer products when used in the workplace in the same manner that a consumer would use them (i.e. Windex and White Out)

**Associated Category:** 7

**Authority:** OSHA 29 CFR 1910.1200

**Monitoring Evaluate:** SDS binder location(s) on site are in an accessible location for all staff

**Value:** 0 points

---

**Recommendation Standard 16.15** The organization takes the necessary preventative action steps to reduce workplace accidents and educate its employees to potential dangers.

**AGENCY GUIDANCE:**

- This agency should provide training to reduce workplace accidents (i.e. slipping hazards) or provide targeted training based upon recent insurance claims. These situations affect the agency workers compensation rate. This is separate from the safety training related to emergency action planning (i.e. fire extinguisher use or tornado drill).
- The agency provides Workers Compensation and Unemployment Compensation as required by law (IHCDA) and is posted in a common area
- OSHA Form 300A is posted (February 1 to April 30) and placed in the agency file for 5 years
  - Employer must record all work-related injuries and illnesses that result in days away from work, restrict work or transfer to another job, loss of consciousness or medical treatment beyond first aid (OSHA)
  - Injuries include cases such as, but not limited to, a cut, fracture, sprain, or amputation (OSHA)
- All employers must post the OSHA Job Safety and Health: It’s the Law poster which informs workers of their rights.
### Recommendation Standard 16.16

**CSBG funds are used as match funds for select federal and any non-federal funds.**

**AGENCY GUIDANCE:**

- CSBG dollars may only be used as match under HUD’s McKinney-Vento Homeless Assistance Act programs, if used for purposes and in accordance with CSBG law (IM). These activities require prior IHCDA approval.
- CSBG dollars may be used for cost sharing in the AmeriCorps program
- Portion of project or program costs not borne by Federal Government (OMNI 215)

### Recommendation Standard 16.17

**The organization utilizes a purchase record keeping system.**

### Recommendation Standard 16.18

**The governing board approves all purchases of $5,000 or greater.**

### Recommendation Standard 16.19

**The organization has determined that the Chief Executive Officer/Executive Director and the Chief Financial Officer/ Fiscal Manager has not filed for bankruptcy during the monitoring period.**
**Recommendation Standard 16.20**

Final comprehensive reports are annually generated for each program.

**AGENCY GUIDANCE:**

This is a snapshot of each program and should contain:

- Program statistical information
- Program successes and weaknesses based upon overall agency goals and strategies
- Customer and staff survey/comments
- Program improvements or changes to be implemented
- The comprehensive report documents the ROMA cycle for each program

**Value:** 0 points

**Associated Category:** 9

**Authority:** ROMA

**Monitoring Evaluation:** Each annual program report for the previous program year for each year during the monitoring period.

**Provide:** End of year program reports for each year during the monitoring period

**Value:** 0 points

**Organizational Analysis (OA)**

**Recommendation Standard 16.21**

The organization conducts a physical inspection of all inventory at least once every two years.

**AGENCY GUIDANCE:**

- A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years (200.313)
- A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated (200.313)
- Charges for depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed. Statistical sampling techniques may be used in taking these inventories. In addition, adequate depreciation records showing the amount of depreciation taken each period must also be maintained (200.436).

**Associated Category:** 10

**Authority:** OMB 2 CFR 200.313 and linked to Agency Fraud Procedures

**Monitoring Evaluation:** Physical inspection schedule and staff assigned duties and the physical inspection notes

**Provide:** Physical inspection documentation

**Value:** 0 points
### Recommendation Standard 16.22

The organization utilizes a procurement checklist for the acquisition of material or services.

**AGENCY GUIDANCE:**
- The document is designed to provide a basic checklist covering the steps in a normal procurement cycle, from identifying and specifying a need to awarding a contract.
- While the specifics of each procurement are different, this checklist aims to provide a general reminder list to those required to undertake a procurement process.

**Associated Category:** 11
**Authority:** Best Business Practice
**Interview:** Finance Manager
**Monitoring Evaluation:** Review random procurement files for a completed procurement checklist
**Provide:** Procurement checklist
**Value:** 0 points

### Recommendation Standard 16.23

The organization performs a time study evaluation to determine proper employee payroll allocation and apply the correct percentages to CSBG.

**AGENCY GUIDANCE:**
- Agency must have performed a time study evaluation within the last monitoring period.

**Associated Category:** 12
**Authority:** 2 CFR Part 200 Subpart D and linked to Standard 8.9
**Monitoring Evaluation:** Review time study and compare to payroll allocation
**Provide:** Time study evaluation
**Value:** 0 points

### Recommendation Standard 16.24

Organizations Reliance Ratios are within IHCDA guidelines.

#### 1. GOVERNMENT FUNDING RATIO

**Associated Category:** 14
**Authority:** IHCDA
**Purpose:** Provide awareness of risk in both reliance and autonomy. Government funding is tied to specific contracts and provides limited allocation and flexibility.
**Formula:** total government grants & contracts ÷ total income
**Provide:** Most recently closed interim consolidated Statement of Activities (Income Statement) reflecting total grants/contracts OR a complete list of each.
**Value:** 0 points

#### 2. EARNED INCOME RATIO

**AGENCY GUIDANCE:**
- Private Sector Resources

**Associated Category:** 14
**Authority:** IHCDA and linked to CSBG Annual Report (Module 2, Section C (F.1))
Purpose: Earned income is a percentage of total income and allows for more agency autonomy and flexibility including fundraising activities.

Formula: total earned income ÷ total income

Provide: Most recently closed interim consolidated Statement of Activities (Income Statement) reflecting earned income from non-grant/contracts OR a complete list of each.

Value: 0 points

3. SELF-SUFFICIENCY RATIO

Associated Category: 14

Authority: IHCDA

Purpose: Proportion of operating expenses that are covered by earned income.

Formula: total earned income ÷ total expenses

Provide: Most recently closed interim consolidated Statement of Activities (Income Statement) reflecting earned income from non-grant/contracts OR a complete list of each.

Value: 0 points
### APPENDIX “A” - Acronyms/Definition

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/P</td>
<td>Accounts Payable</td>
</tr>
<tr>
<td>A/R</td>
<td>Accounts Receivable</td>
</tr>
<tr>
<td>A-133</td>
<td>Audit for states, local governments, &amp; nonprofit organizations (now called Single Audit)</td>
</tr>
<tr>
<td>ACSI</td>
<td>American Customer Satisfaction Index</td>
</tr>
<tr>
<td>ADA</td>
<td>Americans with Disabilities Act</td>
</tr>
<tr>
<td>AFI</td>
<td>Assets for Independence</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>Statement of Financial Condition</td>
</tr>
<tr>
<td>BBP</td>
<td>Best Business Practice</td>
</tr>
<tr>
<td>CAA</td>
<td>Community Action Agency (also called Local Service Provider)</td>
</tr>
<tr>
<td>CAP</td>
<td>Community Action Program (also called Local Service Provider)</td>
</tr>
<tr>
<td>CAPLAW</td>
<td>Community Action Program Legal Service Inc.</td>
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<tr>
<td>CAR</td>
<td>Comprehensive Administrative Review</td>
</tr>
<tr>
<td>CD</td>
<td>Certificate of Deposit</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer (also called ED)</td>
</tr>
<tr>
<td>CFR</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>CFP</td>
<td>Certified Public Accountant</td>
</tr>
<tr>
<td>CNA</td>
<td>Community Needs Assessment</td>
</tr>
<tr>
<td>COSO</td>
<td>Committee of Sponsoring Organizations of the Treadway Commission</td>
</tr>
<tr>
<td>CSBG</td>
<td>Community Service Block Grant</td>
</tr>
<tr>
<td>DOE</td>
<td>U.S. Department of Energy</td>
</tr>
<tr>
<td>ED</td>
<td>Executive Director (also called CEO)</td>
</tr>
<tr>
<td>EAP</td>
<td>Energy Assistance Program (also called LIHEAP)</td>
</tr>
<tr>
<td>FLSA</td>
<td>Fair Labor Standards Act (Department of Labor)</td>
</tr>
<tr>
<td>FY</td>
<td>Fiscal Year</td>
</tr>
<tr>
<td>GAAP</td>
<td>General Accepted Account Practices</td>
</tr>
<tr>
<td>GL</td>
<td>General Ledger</td>
</tr>
<tr>
<td>Governing Board</td>
<td>Board of Directors or tripartite board/advisory body</td>
</tr>
<tr>
<td>HHS</td>
<td>U.S. Department of Health and Human Services</td>
</tr>
<tr>
<td>HNA</td>
<td>Housing Needs Assessment</td>
</tr>
<tr>
<td>HOPWA</td>
<td>Housing Opportunities for Persons with Aids</td>
</tr>
<tr>
<td>HUD</td>
<td>U.S. Department of Housing and Urban Development</td>
</tr>
<tr>
<td>IC</td>
<td>Indiana Code</td>
</tr>
<tr>
<td>IDA</td>
<td>Individual Development Account</td>
</tr>
<tr>
<td>IHICDA</td>
<td>Indiana Housing and Community Development Authority</td>
</tr>
<tr>
<td>INCAA</td>
<td>Indiana Community Action Association</td>
</tr>
<tr>
<td>Income Statement</td>
<td>Statement of Activities</td>
</tr>
<tr>
<td>IM</td>
<td>Information Memorandum</td>
</tr>
</tbody>
</table>
### APPENDIX “A” - ACRONYMS/DEFINITION

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS</td>
<td>Internal Revenue Service (federal)</td>
</tr>
<tr>
<td>IS</td>
<td>Information Systems (formerly CSBG IS Report)</td>
</tr>
<tr>
<td>LIHEAP</td>
<td>Low Income Home Energy Assistance Program (also called EAP)</td>
</tr>
<tr>
<td>LSP</td>
<td>Local Service Provider</td>
</tr>
<tr>
<td>MBE</td>
<td>Minority Business Enterprise</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>MQIP</td>
<td>Modified Quality Improvement Plan (Indiana terminology)</td>
</tr>
<tr>
<td>MUST</td>
<td>Federal Action= Required</td>
</tr>
<tr>
<td>NAP</td>
<td>Neighborhood Assistance Program</td>
</tr>
<tr>
<td>NASCSP</td>
<td>National Association for state Community Service Programs</td>
</tr>
<tr>
<td>NCAP</td>
<td>National community Action Program</td>
</tr>
<tr>
<td>NCRT</td>
<td>National Certified ROMA Trainer</td>
</tr>
<tr>
<td>NFP</td>
<td>Not-for-profit (also called non-profit)</td>
</tr>
<tr>
<td>NM</td>
<td>Not Met (expectation)</td>
</tr>
<tr>
<td>OMB</td>
<td>Office of Management and Budget</td>
</tr>
<tr>
<td>OSCOE</td>
<td>Organizational Standards Center of Excellence</td>
</tr>
<tr>
<td>PL</td>
<td>Public Law</td>
</tr>
<tr>
<td>PL 105-285</td>
<td>CSBG Reauthorization Act of 1998</td>
</tr>
<tr>
<td>PM</td>
<td>Partially Met (expectation)</td>
</tr>
<tr>
<td>PR</td>
<td>Public Relations</td>
</tr>
<tr>
<td>PY</td>
<td>Program Year</td>
</tr>
<tr>
<td>QIP</td>
<td>Quality Improvement Plan</td>
</tr>
<tr>
<td>OCS</td>
<td>Office of Community Services</td>
</tr>
<tr>
<td>OMB</td>
<td>Office of Budget and Management</td>
</tr>
<tr>
<td>OMNI</td>
<td>OMB OMNI-Circular or super-circular</td>
</tr>
<tr>
<td>OS</td>
<td>Organizational Standards for CSBG</td>
</tr>
<tr>
<td>OSHA</td>
<td>Occupational Safety and Health Association</td>
</tr>
<tr>
<td>RAP</td>
<td>Required Action Plan (Indiana terminology for Technical Assistance Plan)</td>
</tr>
<tr>
<td>RFP</td>
<td>Request for Proposal</td>
</tr>
<tr>
<td>RFQ</td>
<td>Request for Qualifications</td>
</tr>
<tr>
<td>ROF</td>
<td>Release of Funds</td>
</tr>
<tr>
<td>ROMA</td>
<td>Results Oriented Management and Accountability</td>
</tr>
<tr>
<td>RPIC</td>
<td>Regional Performance Innovation Consortia</td>
</tr>
<tr>
<td>SDS</td>
<td>Safety Data Sheets (formerly MSDS-Material Safety Data Sheets)</td>
</tr>
<tr>
<td>SHOULD</td>
<td>Federal Action= Best Practice</td>
</tr>
<tr>
<td>SOA, SO/A or SOX</td>
<td>Sarbanes-Oxley Act</td>
</tr>
<tr>
<td>SSN</td>
<td>Social Security Number</td>
</tr>
<tr>
<td>TANF</td>
<td>Temporary Assistance for Needy Families</td>
</tr>
<tr>
<td>TAP</td>
<td>Technical Assistance Plan</td>
</tr>
<tr>
<td>TOC</td>
<td>Theory of Change</td>
</tr>
<tr>
<td>T/TA</td>
<td>Training and Technical Assistance</td>
</tr>
<tr>
<td>WAP</td>
<td>Weatherization Assistance Program</td>
</tr>
<tr>
<td>Wx</td>
<td>Weatherization</td>
</tr>
</tbody>
</table>

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The chart above provides a list of acronyms and their definitions, including IRS, IS, LIHEAP, LSP, MBE, MOU, MQIP, MUST, NAP, NASCSP, NCAP, NCRT, NFP, NM, OMB, OSCOE, PL, PL 105-285, PM, PR, PY, QIP, OCS, OMB, OMNI, OS, OSHA, RAP, RFP, RFQ, ROF, ROMA, RPIC, SDS, SHOULD, SOA, SSN, TANF, TAP, TOC, T/TA, WAP, and Wx.
This information may not provide an all-inclusive list of example items that can be provided for evaluation, as each organization may have different operational systems, language or local requirements. Additionally, IHCD A reserves the right to request additional information onsite to show compliance. Use the following naming convention and highlighting necessary information within the documents to assist the review process:

Refer to each Standard in the CAR Tool (Provide) for additional details on the documentation.

**CSBG Organizational Management (OM):**
- OM ......................................................Agency Marketing Samples (annual report, news releases, brochures, etc.)
- OM ......................................................Governance Board Bylaws (with approval date)
- OM ......................................................Governance Board Roster (include sector representative and term limits)
- OM ......................................................Governance Board Attendance Matrix (since previous CAR monitoring)
- OM ......................................................Governance Board Meeting Minutes (previous 12 Months)
- OM ......................................................Governance Board Pre-Meeting Packet (month prior to the month of review)
- OM ......................................................Leadership Staff Meeting Minutes (previous 12 months)
- OM ......................................................Personnel Policy and Procedures (Employee Handbook)
- OM ......................................................Strategic Plan (including any updates)
- OM ......................................................Strategic Plan Tracking Document
- OM ......................................................Training Agendas (annual training descriptions for governing board & staff)

**Standard 1.1** ......................................Documentation of Low-income Participation within the Agency

**Standard 1.2** ......................................Low-Income Community Assessment Performance Data (analysis notes)

**Standard 1.3A** ....................................Agency Customer Satisfaction Survey(s) (blank)

**Standard 1.3B** ....................................Governance Board Minutes (review of customer satisfaction data)

**Standard 2.1** ......................................Agency Community Partnership List

**Standard 2.1.1** ....................................Documentation of Agency Partnership Assessment (meeting notes or other)

**Standard 2.4** ......................................Annual Agency-Wide Volunteer Lists (since previous CAR monitoring)

**Standard 3.5** ......................................Governing Board Minutes (approved community needs assessment)

**Standard 4.1** ......................................Documentation of Governing Board Discussion of Mission Statement

**Standard 4.3** ......................................Documentation of ROMA Trainer/Implemener in Strategic Plan Process

**Standard 4.4** ......................................Governing Board Minutes (annual review of grantee plan packets)

**Standard 4.5A** ....................................Succession Plan (executive director or chief executive officer)

**Standard 4.5B** ....................................Governing Board Minutes (approved succession plan)

**Standard 4.6** ....................................Governing Board Minutes (review of agency-wide risk assessment)

**Standard 4.7A** ....................................Revenue Diversification Plan

**Standard 4.7B** ....................................Governing Board Minutes (review of revenue diversification plan)

**Standard 5.3** ....................................Documentation of Attorney Review (bylaws)

**Standard 5.4** ....................................Documentation of Governing Board Receipt (bylaws)

**Standard 5.6** ....................................Conflict of Interest Disclosures (each active governing board members)

**Standard 5.7A** ....................................Governing Board Orientation Agenda

**Standard 5.7B** ....................................Documentation of Governing Board Orientation

**Standard 5.12** ....................................Governing Board Minutes (review of most recent CAR monitoring report)
APPENDIX “B” - MONITORING DOCUMENTATION

Standard 6.1 ........................................... Governing Board Minutes (approved strategic plan)
Standard 6.5 ........................................... Governing Board Minutes (annual review of strategic plan progress updates)
Standard 7.1 ........................................... Documentation of Attorney Review (personnel policy and procedures)
Standard 7.4B ........................................... Governing Board Minutes (since previous CAR monitoring)
Standard 7.4C ........................................... Executive Director’s Annual Goals/Expectations (current)
Standard 7.5 ........................................... Governing Board Documentation (approve annual compensations)
Standard 7.7 ........................................... Governing Board Minutes (approved personnel policies/employee handbook)
Standard 8.3 ........................................... Governing Board Minutes (annual audit presentations to the board by auditor)
Standard 8.4 ........................................... Governing Board Minutes (approved annual audits)
Standard 8.5 ........................................... Governing Board Minutes (approved current auditor)
Standard 8.6A ........................................... IRS Form 990 Receipt of Submittal (annual submission dates)
Standard 8.6B ........................................... Governing Board Minutes (annual review of IRS Form 990)
Standard 8.9 ........................................... Governing Board Minutes (approved annual organizational-wide budgets)
Standard 8.10 ......................................... Documentation of Fiscal Policy Staff Review (since previous CAR monitoring)
Standard 8.11 ......................................... Governing Board Minutes (review of procurement policy, if separate from fiscal policy manual)
Standard 8.12.1 ..................................... Governing Board Minutes (approved cost allocation plan)
Standard 8.14B ..................................... Governing Board Minutes (review of fraud procedures)
Standard 8.15 ......................................... System for Award Management (SAM) Receipt of Submittal (annual submission dates)
Standard 9.3 ......................................... Governing Board Minutes (annual review of agency outcomes & program improvements)

CSBG Organizational Analysis (OA): Financial Information
OA .......................................................... Aging Accounts (Payables and Receivables for the month prior to the month of review)
OA .......................................................... Audited financial statements (most recent)
OA .......................................................... Chart of Accounts
OA .......................................................... Cost Allocation Plan (may be included in Fiscal Policy and Procedures)
OA .......................................................... Fiscal Policy and Procedures Manual
OA .......................................................... Procurement Policy and Procedures (if separate from fiscal policy manual)
OA .......................................................... Interim Balance Sheet (consolidated and classified [current & long term] for the month prior to the month of review)
OA .......................................................... Interim Income Statement (consolidated and classified reflecting Federal & State grants, in-kind contributions, unrestricted administration expenses and depreciation for the month prior to the month of review OR a complete list of each)
OA .......................................................... IRS Form 990 (most recent)
OA .......................................................... IRS Form 941 (last four quarters)
OA .......................................................... Organization-Wide Budget (include all agency programs)
Standard 10.2 ........................................... Fixed Assets Inventory List (most recent)
Standard 11.3 ........................................... Purchase List (equipment of $5,000 or greater & subcontracts $25,000 or greater)
Standard 12.4 ........................................... Receiving Benefits List (indicate program & program year since last monitoring for board members, employees and relatives of employees)
Standard 14.1 ........................................ Bank Statements (latest reconciliation)
Standard 14.5 ........................................ Third-Party In-kind Contribution List

**On-Site Supporting Documentation**
This list is not all-inclusive and other documents may be requested on-site by the monitor to complete the review, on a case by case basis. Do not upload items in this list.

- **Strategic Plan**
  (development notes)
- **Data Collection Policies or Tracking Reports**
  (client demographics, services received and outcomes)
- **Accounts Payable Subsidiary Ledger**
  (past 12 months)
- **Accounts Receivable Subsidiary Ledger**
  (past 12 months)
- **CSBG General Ledger**
  (for the month prior to the month of review)
- **Insurance Documentation**
- **Payroll**
  (for the month prior to the month of review for the executive director and the fiscal director or other exempt staff)

Standard 4.6 ........................................... Agency Comprehensive Risk Assessment
Standard 7.4A ......................................... Executive Director Performance Evaluation
Standard 7.6 ........................................... Employee Performance Evaluation
Standard 7.8 ........................................... New Employee Hire List (since previous CAR monitoring)
Standard 8.2 ........................................... Management Decision Letters (since previous CAR monitoring)
Standard 8.13 .......................................... Records Retention and Destruction Policy (if separate from fiscal policy manual)
Standard 8.14A ....................................... Fraud Investigation Procedures (if separate from fiscal policy manual)
Standard 9.5 ........................................... Unduplicated Count Procedures (individuals served for all programs)
Standard 10.1 ......................................... Equipment Disposal List ($5,000 or more since the last CAR monitoring)
Standard 13.1 ......................................... Travel Records and Reimbursement Requests (Three (3) samples of actual documentation within past 12 months)

**Bonus Standards** .................................. Agency Supplied Documentation