

760 CMR 29.00: COMMUNITY SERVICES BLOCK GRANT PROGRAM

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29.01: Definitions

CAA. A Community Action Agency.

Community Action Plan. The written document summarizing the work of the CAA or eligible entity over the course of a contract year that is provided to the Department.

CSBG. The Community Services Block Grant program established by § 671 *et seq.* of the federal Coats Human Services Reauthorization Act of 1998, P.L. 105-285, 42 U.S.C. § 9901 *et seq.* (the CSBG Act).

Department. The Massachusetts Department of Housing and Community Development.

Eligible Entity. An entity:

- (a) that is an eligible entity described in § 673(1) of the CSBG Act, 42 U.S.C. § 9902 (as in effect on the day before the date of enactment of the Coats Human Services Reauthorization Act of 1998) as of the day before such date of enactment or is designated by the process described in § 676A of the CSBG Act, 42 U.S.C. § 9909 (including an organization serving migrant or seasonal farmworkers that is so described or designated); and
- (b) that has a tripartite board or other mechanism described in § 676B of the CSBG Act, 42 U.S.C. § 9910, subsection (a) or (b), as appropriate.

Eligible Low Income Person. Low income persons who are eligible to receive CSBG services are those whose household income does not exceed 125% of the Poverty Line.

Poverty Line. The Poverty Line, as defined by the federal Office of Management and Budget (OMB) based on the most recent data available from the Bureau of Census and as revised annually (or more frequently) by the U.S. Department of Health and Human Services (HHS) and published in HHS poverty guidelines, pursuant to § 673(2) of the CSBG Act, 42 U.S.C. § 9902.

Secretary. The Secretary of the U.S. Department of Health and Human Services (HHS).

The State. The Commonwealth of Massachusetts.

Undersecretary. The Undersecretary of the Department.

29.02: Administration of CSBG

The Department has been designated by the Governor of the Commonwealth of Massachusetts to serve as the lead agency under the CSBG Act, 42 U.S.C. § 9901 *et seq.* The CSBG Program shall be administered in accordance with 760 CMR 29.00, the CSBG Act, 42 U.S.C. § 9901 *et seq.*, and other applicable federal and state laws and with guidelines or Information Memoranda (IM) issued by the Department. Pursuant to IM No. 138, State Establishment of Organizational Standards for CSBG Eligible Entities under 678B of the CSBG Act, 42 U.S.C. § 9914, published by the federal Office of Community Services (OCS) on

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January 26, 2015, under the block grant framework established in the CSBG Act, States have both the authority and the responsibility for effective oversight of eligible entities that receive CSBG funds. § 678B of the CSBG Act, 42 U.S.C. § 9914, mandates that State CSBG lead agencies must establish performance goals, administrative standards, financial management requirements and other requirements that ensure an appropriate level of accountability and quality among the State's eligible entities. The Department shall offer CAAs and other eligible entities an opportunity to comment on proposed guidelines prior to official issuance when the Department deems such opportunity to comment reasonable and appropriate.

29.03: Purpose and Designation of an Eligible Entity and Areas to Be Served

(1) Purpose. A CAA or other eligible entity shall fulfill the purposes enumerated in § 672 of the CSBG Act, 42 U.S.C. § 9901, within the area which it is designated to serve, as defined in 760 CMR 29.03(2), and shall assure access to its programs for all eligible low income persons in its Areas to be Served.

(2) Areas to be Served. A CAA or other eligible entity may conduct CSBG funded programs and activities only in the city(ies) or town(s) included in its designated service areas which are not included in another CAA or other eligible entity's designated service area.

(3) Designation of Eligible Entities in Unserved Areas.

(a) The existing CAAs in Massachusetts are eligible entities which receive CSBG funding to carry out programs and activities in their designated service areas. If a city or town has not been, or ceases to be served by an existing CAA under the CSBG, the Department may at any time initiate a process for the designation of a CAA or other eligible entity pursuant to provisions of applicable federal and state law, including the CSBG Act, 42 U.S.C. § 9901 *et seq.*, and M.G.L. c. 23B § 24 and in accordance with 760 CMR 29.03(3).

(b) The procedure for designation shall be as follows:

1. The Department will notify in writing and request written applications from:

a. any private nonprofit organization that is geographically located in the unserved area, that is capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency, and that meets the requirements of the CSBG Act, 42 U.S.C. § 9901 *et seq.*; and

b. any private nonprofit eligible entity that is geographically located in an area contiguous to or within reasonable proximity of the unserved area and that is already providing related services in the unserved area.

2. Requirement. In order to serve as the area's designated eligible entity, an entity described in 760 CMR 29.03(3)(b)1.b. shall agree to add additional members to the board of the entity to ensure adequate representation:

a. in each of the three required categories described in the CSBG Act, 42 U.S.C. § 9901 *et seq.*, and 760 CMR 29.06, by individuals who reside in the community comprised by the unserved area; and

b. in the category relating to low income individuals, by members that reside in the neighborhood to be served.

3. Special Consideration. The designation shall be granted to an organization of demonstrated effectiveness in meeting the goals and purposes of the CSBG. Priority may be given to eligible entities that are providing related services in the unserved area, consistent with the needs identified by a community-needs assessment.

4. No Qualified Organization in or near Area. If no private, nonprofit organization is identified or determined to be qualified under 760 CMR 29.03(3) to serve the unserved area as an eligible entity, an appropriate political subdivision may be designated to serve as an eligible entity for the area. In order to serve as the eligible entity for that area, the political subdivision shall have a board or other mechanism as required in § 676B(b) of the CSBG Act, 42 U.S.C. § 9910, and 760 CMR 29.06.

(c) The Department will establish timeframes, selection criteria and submission requirements for the applications, including but not limited to descriptions and evidence of management and organizational capacity, neighborhood support, local impact, and service delivery/coordination plans. If more than one satisfactory application is received pursuant to a request made under 760 CMR 29.03(3)(b), the Department shall consider the applications and determine which CAA or other eligible entity is the most capable of serving the best interests of the low income population.

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(d) During the process the Department shall solicit comments from the chief elected official and/or other local official(s) of a city or town in which it intends to designate a CAA or other eligible entity, and from the Massachusetts Association for Community Action, Inc.

29.04: Allocation and Redistribution of Funds

Pursuant to § 676(b)(8) and § 676(c) of the CSBG Act, 42 U.S.C. § 9908, the Department reserves the right to conduct a statewide redistribution of CSBG funds to respond to the results of the most recently available census data or other appropriate data, the designation of a new eligible entity, severe economic dislocation, or other cause, as defined by § 676(c) of the CSBG Act, 42 U.S.C. § 9908.

29.05: Corrective Action; Termination and Reduction of Funding

(1) Determination. If the Undersecretary of the Department determines, on the basis of a final decision in a review pursuant to § 678B of the CSBG Act, 42 U.S.C. § 9914, and 760 CMR 29.09 that a CAA or other eligible entity fails to comply with the terms of a Department funding agreement, or the Annual Consolidated CSBG State plan, to provide services under the CSBG Act, 42 U.S.C. § 9901 *et seq.*, or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the Department shall:

- (a) inform the entity of the deficiency to be corrected;
- (b) require the entity to correct the deficiency;
- (c) 1. offer training and technical assistance, if appropriate, to help correct the deficiency, and prepare and submit to the Secretary a report describing the training and technical assistance offered; or  
2. if the Department determines that such training and technical assistance are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination;
- (d) 1. at the discretion of the Department (taking into account the seriousness of the deficiency and the time required to correct the deficiency), allow the entity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the Undersecretary of the Department; and  
2. not later than 30 days after receiving from an eligible entity a proposed quality improvement plan, either approve such proposed plan or specify the reasons why the proposed plan cannot be approved; and
- (e) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding of the eligible entity unless the entity corrects the deficiency.

(2) Review. A determination to terminate the designation or reduce the funding of an eligible entity is reviewable by the Secretary in accordance with the CSBG Act, 42 U.S.C. § 9901 *et seq.*

(3) Federal Requirements. The procedures set forth in 760 CMR 29.05 are intended to be carried out consistent with the protections and procedures provided in the CSBG Act, 42 U.S.C. § 9901 *et seq.*, as it may be amended, and any applicable federal regulations. In the case of a conflict, the federal requirements shall prevail.

29.06: Requirements for Board of Directors

(1) A CAA or other private, nonprofit eligible entity shall administer the CSBG through a tripartite board as described in § 676B(a) of the CSBG Act, 42 U.S.C. § 9910, and 760 CMR 29.06. The board shall consist of no fewer than 12 members total. In accordance with IM No. 138, State Establishment of Organizational Standards for CSBG Eligible Entities under § 678B of the CSBG Act, 42 U.S.C. § 9914, issued by the federal OCS on January 26, 2015, the board members must receive training on their governance and fiduciary duties and responsibilities no less than once every two years, and such other training as the Department may specify in written guidance. The board shall be selected by the CAA or other eligible entity and composed to assure that:

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(a) Public Officials. 1/3 of the board members shall be elected public officials holding office on the date of selection, or their representatives, except that membership of appointed public officials or their representatives may be counted under the terms of § 676B(a)(2)(A) of the CSBG Act, 42 U.S.C. § 9910.

(b) Representatives of Low Income Persons. Not fewer than 1/3 of the board members are persons selected in accordance with democratic procedures adequate to assure that these members are representative of the low income persons in the neighborhood served by the CAA or other eligible entity. Among the selection procedures which may be used, either separately or in combination, are:

1. Nominations and elections within the neighborhoods;
2. Selection at a meeting of low income persons such that the date, time, and place of such a meeting have been adequately publicized;
3. Selection on a small area basis (such as a city block or town) of representatives who in turn select members for the CAA or other eligible entity's board of directors;
4. The CAA or other eligible entity's board may recognize a group(s) or organization(s) composed primarily of low income persons and representing the interests of the low income population, of which the membership may select one or more representatives to the CAA or other eligible entity's board.

Persons at or below 175% of the poverty line shall be permitted to vote in these selection processes. A CAA or other eligible entity may request a waiver from this eligibility requirement of 175% of the poverty line in order to establish residency or other criteria as a basis for eligibility. The CAA or other eligible entity must submit the request in writing to the Undersecretary including specific justification. The Undersecretary may grant such a waiver for good cause shown.

(c) Representatives of the Private Sector. The CAA or other eligible entity board shall select the remainder of board members representing officials, or members of business, industry, labor, religious, law enforcement, educational or other major groups and interests in the community to be served.

(2) For persons representing elected public officials and for groups or organizations representing the interest of the low income population, the CAA or eligible entity shall maintain the official nominating letter(s). The nominating letter(s) must be made available to the Department for review upon monitoring, review, and assessment.

(3) In the event that an eligible entity which is a public organization is identified to administer the CSBG, a tripartite board or another mechanism specified by the State must be instituted as described in § 676B(b) of the CSBG Act, 42 U.S.C. § 9910, and 760 CMR 29.00.

(4) Residency Requirement. Each representative of low-income individuals and families selected to represent a specific neighborhood within a community shall reside in the neighborhood he/she represents.

(5) By-law Requirements. The by-laws of the CAA or other eligible entity shall include the following:

- (a) The total number of seats on the board and the allotment of seats to public officials, representatives of low income persons, and representatives of business, industry, labor, religious, law enforcement, education or other major groups or interests.
- (b) Procedures for selecting board members in accordance with 760 CMR 29.06.
- (c) A description of any performance standards, including standards of conduct and attendance standards for members of the board, the violation of which may be grounds for removal.
- (d) A description of specific procedures to be followed in the case of removal of board members, provided that only representatives of public officials and not the public officials themselves may be removed, while such public officials continue to hold office.
- (e) Procedures for selecting new board members in the case of a vacancy on the board. For the purposes of 760 CMR 29.06(5)(e), there is a vacancy on the board when a member has been removed from the board; when a member notifies the board of his or her resignation; when a member dies; when a member who is a public official leaves or is removed from office; or, in the case of a representative of a public official, when the appointing official leaves or is removed from office.

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1. With respect to representatives of low income persons, the by-laws shall include one of the following two methods for filling a vacancy:
    - a. the selection procedure under 760 CMR 29.06 may be repeated; or
    - b. the remaining low income representatives may select a replacement to serve for the remainder of the term. In the latter case, the person selected must, to the maximum extent possible, represent the same constituency as the original representative.
  2. When the seat of a representative of a group is vacant, the board shall ask the organization which made the selection to select another representative to serve the remainder of the term. In the event that the organization chooses not to select a new representative, the board shall choose another organization to name a representative of the group.
  3. When the seat filled by the representative of a public official is vacant, the board shall request that the public official name a replacement.
  4. In no event shall the board allow a vacancy of either the public, private, or low-income sector to remain open for more than 180 days. A CAA or eligible entity shall report the number of board vacancies by sector to the Department in their monthly board meeting minutes.
- (f) A description in the bylaws of the method of selection and requirements for service of alternates shall include, at a minimum, the following:
1. Representatives of public officials may not select an alternate to substitute for them.
  2. Low income and private sector members of the board may select an alternate to substitute for them so long as:
    - a. The alternate shall be elected/selected in the same manner as a low income or private sector representative.
    - b. The selection of an alternate shall be reflected in the records of the CAA or other eligible entity showing the membership of the board of directors.
    - c. No alternate may be counted toward a quorum or cast a vote when the person, for whom he or she represents, is also present at a meeting.
    - d. No alternate may hold office on the board of directors.
- (g) Procedures regarding board meetings, shall include at a minimum:
1. Quorum. A quorum shall consist of a number of members equal to 50% of the filled seats on the board.
  2. Frequency and Notice of Meetings. The board shall meet on a regular basis. The full board shall meet at least six times annually. The meetings shall be scheduled for the convenience of its members and for the general public. The CAA or other eligible entity shall provide notice (in writing) of any meeting and an agenda to all members at least seven days in advance, as well as any information related to actions to be taken by the board for approval. The CAA or other eligible entity shall provide public notice of its meetings at least five days in advance.
  3. Open Meetings. All meetings of the board shall be open to the public. Executive sessions relating to programs, activities, and other matters funded by CSBG, should be held according to the procedures and for the purposes set forth in the Massachusetts Open Meeting Law (M.G.L. c. 30A, §§ 18 through 25).
  4. Minutes. The board and its committees shall keep written minutes for each meeting. Minutes shall be made available to the public upon request. The board shall make available to the public, upon request, translations of the minutes in the appropriate language, if a significant portion of the low income population does not speak English and speaks such language. The board must approve the minutes of each meeting at the next scheduled board meeting. Complete copies of the approved minutes of each board meeting shall be submitted to the Department within ten days of the date that the meeting at which the minutes were approved occurred. The submissions of the minutes to the Department shall include all board meeting minutes, notices, financial statements and any additional information given to the board members for consideration at the meeting.
  5. No Proxy Voting. Members of the board must vote in person or by other means permitted under the Massachusetts Open Meeting Law (M.G.L. c. 30A §§ 18 through 25) at a meeting when a quorum is present.

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(6) Petition for Adequate Representation. Each CAA or eligible entity in the State shall establish written policies and procedures under which a petition for adequate representation may be made pursuant to § 676(b)(10) of the CSBG Act, 42 U.S.C. § 9908.

29.07: Community Action Plan, Funding Application, and Financial and Personnel Procedures

(1) Community Action Plan. As a condition for funding in accordance with the CSBG Act, 42 U.S.C. § 9901 *et seq.*, and in conformance with the Organizational Standards developed by the Center of Excellence (COE), each CAA or other eligible entity shall develop and submit a Community Action Plan, which may also be referred to as the CSBG workplan, based upon a community-needs assessment to the Department for review and approval. The Community Action Plan (and any subsequent amendments) shall be approved by the CAA or other eligible entity's board of directors prior to submission to the Department.

(2) Documents and Funding Application.

(a) The Department shall annually notify the CAA or other eligible entity of the amount of funds to be received in accordance with the Annual Consolidated CSBG State Plan, and of any special conditions for funding.

(b) Not later than 30 days before the beginning of the CSBG program year, the CAA or other eligible entity shall submit a funding application and any other necessary documents in conformance with all requirements of the Department. The application shall include, in a form prescribed by the Department, but shall not be limited to:

1. A workplan with administration and program objectives, activities, and performance outcomes for the CAA or other eligible entity to accomplish during its CSBG program year. The plan shall describe in relevant detail each project to be funded; and
2. A CSBG budget.

(3) Financial Procedures.

(a) Each CAA or other eligible entity shall maintain written financial procedures which conform to applicable federal and state requirements. These procedures (and any amendments thereto) shall be approved by the CAA or other eligible entity's board of directors and a copy of same shall be submitted to the Department. These procedures shall be reviewed and amended by the CAA or other eligible entity as necessary, and in any event, at least once every two years.

(b) The board of directors shall annually approve the organizational budget prior to the start of the federal fiscal year.

(4) Personnel Procedures. The CAA or other eligible entity's Personnel Policy shall include, but not be limited to, procedures for hiring, conducting an annual evaluation of, and the suspension and termination of the executive director/CEO.

(5) 125% of the Poverty Line. For the purpose of determining eligibility for CSBG funded program services in accordance with § 673(2) of the CSBG Act, 42 U.S.C. 9902, recipient income shall not exceed 125% of the Poverty Line. Each eligible entity or CAA shall establish and maintain written policies and procedures sufficient to determine income eligibility for services, including written policies for generally verifying income eligibility for services with limited intake procedures. Such policies and procedures must be made available to the Department for review upon monitoring and assessment.

29.08: Citizen Access

(1) Documents Available for Inspection. The following documents shall be made available for inspection by a member of the public upon request:

(a) Funding application submitted to the Department for CSBG funds;

(b) The CAA or other eligible entity's current Articles of Incorporation, by-laws, board membership list, and Community Action Plan;

(c) All contracts (including, but not limited to, contracts for funding, consulting, and goods and services) pertaining to CSBG funds;

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- (d) All final reports (including audits) submitted to the Department on projects funded with CSBG funds;
- (e) Minutes of the meetings of the board of directors and its committees; and
- (f) Position title, salary range, and job description for all CSBG-funded positions.

(2) Document Availability and Fees. Any such document(s) shall be made available to a member of the public, upon his or her request, at a reasonable time as agreed by the CAA or other eligible entity and by the person requesting the information. If such person wishes copies of the documents and it is feasible to provide such copies, the CAA or other eligible entity may charge a reasonable fee, not to exceed actual costs, for the copying of such documents.

29.09: Monitoring of CAAs or Other Eligible Entities

In General. In order to determine whether CAAs or other eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of the State, the Department shall conduct the following reviews:

- (a) A full on-site review of each such entity at least once during each three year period.
- (b) An on-site review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the Community Services Block Grant.
- (c) In addition to the on-site reviews described above, each CAA or eligible entity shall be reviewed through an annual Organizational Standards Assessment or Monitoring.
- (d) The Department shall have the right to perform follow-up reviews, agency monitoring(s), and/or fiscal review(s), in the event that a CAA or eligible entity fails to meet the goals, standards, and requirements established by the State and/or the CAA or eligible entity fails to meet Organizational Standards as a result of an Assessment or Monitoring review.
- (e) Other reviews as appropriate, including reviews of programs that have had other federal, state, or local grants (other than assistance provided under this subtitle) terminated for cause.

29.10: State Accountability and Performance Measures

Performance Measurement. All CAAs and other eligible entities in the Commonwealth shall participate in a performance measurement system as prescribed in § 676(b)(12) of the CSBG Act, 42 U.S.C. § 9908, and approved by the Department. The Department may provide the CAAs and other eligible entities with administrative guidance with regard to performance measurement and other actions.

29.11: Severability

The provisions of 760 CMR 29.00 are severable, and if any provision is held unconstitutional or a violation of statute by any court of competent jurisdiction, or shall otherwise cease to be effective, all other provisions of 760 CMR 29.00 shall remain in effect.

REGULATORY AUTHORITY

760 CMR 29.00: M.G.L. c. 23B.