

THE NORTH CAROLINA PLAN

FOR ADMINISTERING

**THE COMMUNITY SERVICES BLOCK GRANT (CSBG) AMERICAN RECOVERY
and REINVESTMENT ACT (Recovery Act) of 2009**

IN

FISCAL YEARS 2009 and 2010

May 2009

REVISED March 25, 2010

**North Carolina Department of Health and Human Services
Office of Economic Opportunity
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I. Federal Fiscal Years Covered by this State CSBG Recovery Act Plan

The North Carolina Plan for Administering the Community Services Block Grant American Reinvestment and Recovery Act Program in Fiscal Years 2009 and 2010 serves as North Carolina's application to the United States Department of Health and Human Services, Office of Community Services for funding for federal fiscal years 2009 and 2010. This plan was prepared in accordance with the requirements of the Recovery Act and the Office of Community Services.

The major goal of the North Carolina's Community Services Block Grant/Recovery Act Program is to provide funding to Community Action Agencies to carry out activities that will enable North Carolina's low-income families hardest hit by the economic downturn to move out of poverty and/or prevent them from becoming more impoverished. Specifically, North Carolina will: 1) Provide a wide range of innovative employment-related services and activities tailored to the specific needs of their community; 2) Use funds in a manner that meets the short-term and long-term economic and employment needs of individuals, families and communities; 3) Make meaningful and measurable progress toward the reform goals of the Recovery Act with special attention to creating and sustaining economic growth and employment opportunities and 4) Provide services and activities addressing employment, furthering education, making better use of available income, housing, meeting nutritional needs, providing emergency services and/or health services to combat the central causes of poverty. This grant program is administered by the North Carolina Department of Health and Human Services – Office of Economic Opportunity.

II. Letter of Transmittal

(See Appendix I Letter of Transmittal)

III. Executive Summary

A. CSBG State Legislation

The North Carolina State Executive Budget Act, General Statute 143C-7-2, requires that the Secretary of the Department of Health and Human Services report to the General Assembly on the administration of Community Services Block Grant Program. The report must include, but is not limited to a delineation of the proposed dollar amount of allocations by activity and by category, including dollar amounts to be used for administration costs and a comparison of the proposed funding with two prior years' program budgets.

B. Designation of Lead State Agency to Administer the CSBG Program.

The Designated State Lead Agency to Administer the Community Services Block Grant Program is the North Carolina Department of Health and Human Services for which Secretary Lanier M. Cansler serves as the Director/Administrator.

(See Appendix II Letter of Designation)

C. Public Inspection Requirements

The North Carolina FY 2009-10 CSBG Recovery State Plan was made available for public inspection and comment through direct email notification to the North Carolina Community Action Agencies, the North Carolina CSBG Advisory Task Force and the North Carolina Community Action Association. Further, the State Plan was made available for public review in the NC DHHS Office of Economic Opportunity and on the Office's website.

(See Appendix III Public Inspection Documents)

IV. Statement of Federal and CSBG Recovery Act Assurances

A. The North Carolina Office of Economic Opportunity hereby agrees to the following Assurances in Section 676 of the Community Services Block Grant Act, as Amended, (42 U.S. C. 9901 et seq.) (The Act), unless otherwise stated in the American Reinvestment and Recovery Act ("Recovery Act") of 2009:

B. The State further agrees to the following, as required under the Recovery Act:

- (1) To submit a plan to the Secretary containing information and provisions that describe the programs for which assistance is sought under the Community Services Block Grant program prepared in accordance with and containing the information described in the Recovery Act.
- (2) To distribute not less than 99 percent of the Recovery Act allocations made available to the State by the Secretary to make grants to "eligible entities" as defined by Section 673(1) of the CSBG Act for the stated purposes of the Recovery Act.
- (3) To make such funds available to eligible entities for obligation during the fiscal year and the succeeding fiscal year, subject to the provisions regarding carryover of unobligated funds as stated in the Appropriations Act. (H.R. 3061)
- (4) To spend no more than 1 percent of the State allotment received under the Recovery Act for benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State, and local benefit programs.
- (5) To fulfill supplemental reporting requirements for CSBG Recovery Act funds.
- (6) To provide information describing how the State will carry out activities and services supported by Recovery Act funds.

Signature

Director/Administrator of Designated State Agency

Date

V. The Narrative State Plan

A. Administrative Structure

(1) State Administrative Agency

(a) The mission of the North Carolina Department of Health and Human Services' Office of Economic Opportunity is to serve the people of North Carolina enabling individuals, families and communities to be healthy and secure, and to achieve social and economic well being. With the Recovery program, we seek to assist the state with re-building a stronger North Carolina by creating and continuously improving opportunities for eligible recipients to attain and sustain economic resources with special emphasis on employment creation and retention. The responsibilities of the Office of Economic Opportunity are to plan and administer the Community Services Block Grant Program and other designated programs in conformance with federal and state regulations; to provide a broad range of technical assistance and training to the staff and governing bodies of grant recipients; and to give priority to mobilization and coordination of anti-poverty resources at the state level.

(b) The goals and objectives of the Office of Economic Opportunity are to:

- Increase the number of families attaining economic self-sufficiency (incomes above the poverty level).
- Ensure the provision of emergency shelter to homeless individuals and families.
- Improve the administrative efficiency of the Office through staff training and development and integration of the use of automation technology in all aspects of office operations.
- Build grantee and community capacity to plan, develop and deliver services.
- Develop partnerships and collaborate with Departmental Divisions and other state agencies and public and private human service organizations to promote more effective utilization of existing resources.
- Shift accountability and evaluation standards to an outcomes/results-based approach.
- Identify and pursue funding from public and private sources to improve and enhance programs operated by local grantees.
- To help meet the needs of the poor by encouraging local grantees to develop innovative projects which better address the causes, conditions and problems of poverty.
- To serve as an advocate for low-income families on the state level.

(2) Eligible Entities:

(See Appendix IV North Carolina Community Action Agencies Map)

**FY 2009-10 CSBG PROGRAM AARA
LISTING OF ELIGIBLE RECIPIENTS AND GEOGRAPHIC AREAS SERVED**

Alamance County Community Services, Inc.
Alamance County

Blue Ridge Community Action, Inc.
Burke and Caldwell Counties

Blue Ridge Opportunity Commission, Inc.
Alleghany, Ashe, and Wilkes Counties

Catawba County Board of Commissioners
Catawba County

Charlotte Area Fund, Inc.
Mecklenburg County

Choanoke Area Development Association, Inc.
Hertford, Bertie, Halifax, and Northampton Counties

Coastal Community Action, Inc.
Carteret, Craven, Jones and Pamlico Counties

Community Action Opportunities, Inc.
Madison and Buncombe Counties

Cumberland Community Action Program, Inc.
Cumberland County

Davidson County Community Action, Inc.
Davidson County

Eastern North Carolina Human Services Agency, Inc.
Onslow and Duplin Counties

Economic Improvement Council, Inc.
Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans,
Tyrrell and Washington Counties

Experiment in Self-Reliance, Inc.
Forsyth County

Four-County Community Services, Inc.
Bladen, Brunswick, Hoke, Robeson, Columbus, Pender, and Scotland Counties

Four Square Community Action, Inc.
Cherokee, Clay, Graham, and Swain Counties

Franklin-Vance-Warren Opportunity, Inc.
Franklin, Granville, Vance and Warren Counties

Gaston Community Action, Inc.
Cleveland, Gaston, Lincoln and Stanly Counties

Greene Lamp, Inc.
Greene and Lenoir Counties

I CARE, Inc.
Iredell County

Johnston-Lee-Harnett Community Action, Inc.
Johnston, Lee and Harnett Counties

Joint Orange-Chatham Community Action, Inc.
Orange and Chatham Counties

Macon Program For Progress, Inc.
Macon County

Martin County Community Action, Inc.
Beaufort, Martin, and Pitt Counties

Mountain Projects, Inc.
Haywood and Jackson Counties

Nash Edgecombe Economic Development, Inc.
Edgecombe, Nash, and Wilson Counties

New Hanover County Community Action, Inc.
New Hanover County

Operation Breakthrough, Inc.
Durham County

Salisbury-Rowan Community Service Council, Inc.
Cabarrus and Rowan Counties

*Sandhills Community Action Program, Inc.
Anson, Montgomery, Moore and Richmond Counties

Union County Community Action, Inc.
Union County

W.A.M.Y. Community Action, Inc.
Watauga, Avery, Mitchell, and Yancey Counties

Wake County Designee
Wake County

Wayne Action Group For Economic Solvency, Inc.
Wayne County

Welfare Reform Liaison Project, Inc.
Guilford County

Western Carolina Community Action, Inc.
Henderson and Transylvania Counties

Yadkin Valley Economic Development District, Inc.
Davie, Stokes, Surry, and Yadkin Counties

(3) Distribution and Allocation of Funds

(a) Planned Distribution of Funds for Fiscal Years 2009 and 2010

Distribution Category	% Distribution	Amount
Eligible Entities	99%	\$25,980,693
Benefits Enrollment & Coordination	1%	\$262,431
Total	100%	\$26,243,124

Distribution Chart:

Eligible Entity	ALLOCATION
Alamance County Community Services Agency, Inc.	\$409,995
Blue Ridge Community Action, Inc.	\$499,898
Blue Ridge Opportunity Commission, Inc.	\$367,472
Catawba County Social Services	\$366,778
Charlotte Area Fund, Inc.	\$1,811,113
Choanoke Area Development Association, Inc.	\$765,269
Coastal Community Action, Inc.	\$612,117
Community Action Opportunities, Inc.	\$745,814
Cumberland Community Action Program, Inc.	\$1,051,973
Davidson County Community Action, Inc.	\$423,090
Eastern Carolina Human Services Agency, Inc.	\$761,626
Economic Improvement Council, Inc.	\$629,692
Experiment in Self-Reliance, Inc.	\$945,247
Four-County Community Services	\$2,128,026
Four Square Community Action, Inc.	\$246,755
Franklin-Vance-Warren Opportunity, Inc.	\$670,047
Gaston Community Action, Inc.	\$1,287,858
Greene Lamp, Inc.	\$381,955
I CARE, Inc.	\$286,011
Johnston-Lee-Harnett Community Action, Inc.	\$1,003,466
Joint Orange-Chatham Community Action, Inc.	\$579,335
Macon Program for Progress, Inc.	\$120,000
Martin County Community Action, Inc.	\$1,150,721
Mountain Projects, Inc.	\$308,963
Nash-Edgecombe Economic Development, Inc.	\$1,025,841
New Hanover County Community Action, Inc.	\$591,014

Operation Breakthrough, Inc.	\$825,512
Salisbury-Rowan Community Services Council, Inc.	\$649,841
*Sandhills Community Action Program, Inc.	\$731,794
Union County Community Action, Inc.	\$286,936
Wake County Designee	\$1,378,455
W.A.M.Y Community Action, Inc.	\$318,826
Wayne Action Group for Economic Solvency, Inc.	\$436,417
Welfare Reform Liaison Project	\$1,249,585
Western Carolina Community Action, Inc.	\$377,012
Yadkin Valley Economic Development District, Inc.	\$556,238
Benefits Enrollment/Coordination	\$262,431
Total	\$26,243,124

*Sandhills allocation to be administered by interim, contiguous CAA.

B. Description of Criteria and Distribution Formula

FY 2009 and 2010 CSBG Recovery Program funds will be allocated as follows:

- (1) Ninety-Nine percent of the funds allocated to North Carolina under the Community Services Block Grant Recovery Program will be distributed to eligible entities (Community Action Agencies) as described below:
 - (a) Funds shall be allocated based on the ratio (percentage of poverty) in the county or counties served by the eligible agency compared to the number of persons in poverty in the total area (counties served by all eligible agencies).
 - (b) However, no eligible agency shall receive less than:
 - (i) An allocation of one hundred twenty thousand dollars, or
 - (ii) Eighty percent of the eligible agency's Federal Fiscal Year 1982 CSBG allocation whichever is higher.
- (2) One percent of the funds will be used for benefits enrollment and coordination.
- (3) The operational period for expending Recovery funds will be from the contract execution date through September 30, 2010 in accordance with Federal regulations; thus, there will be neither opportunity nor provisions for carry-over balances.

C. Description of Distribution and Use of Restricted Funds (planned for FY 2009 and 2010)

North Carolina's Community Action Agencies (CAAs) will use Recovery funds to provide services and activities addressing "employment, education, better use of

available income, housing, nutrition, emergency services and/or health to combat the central causes of poverty.” CAAs will coordinate with local government, community advocates, service organizations, business, industry, faith organizations and others as deemed appropriate to achieve measurable successes that will be documented through outcome-based reporting. Benefits enrollment coordination activities will include public information and education regarding the eligibility requirements for the various benefits programs and to simplify the process of identifying and enrolling individuals and families for participation in Recovery programs. A priority will be placed on strengthening local and statewide technology and database systems that focus on assisting individuals with accessing services.

D. State Community Services Program Implementation

(1) Program Overview

(a) The Service Delivery System of Benefit Enrollment Coordination Activities:

CSBG Recovery Act funds designated for benefits enrollment and coordination activities will be funneled through the North Carolina Department of Health and Human Services (DHHS). DHHS houses the major statewide benefits program and therefore can synchronize an integrated approach to benefits making them available and assessable to all eligible individuals and families. Partnerships will also be encouraged between CAAs and their local Department of Social Services to strengthen this initiative.

(b) Description of Recovery Act Projects:

The North Carolina Office of Economic Opportunity has encouraged eligible entities to make meaningful and measurable progress toward the goals of the Recovery Act with special emphasis on creating and sustaining jobs. Agencies will provide increased levels of existing case management, which will result in low-income families (whose income is not greater than 200% of the Federal Poverty Guidelines) hardest hit by the recession having increased access to employment supports, food, housing and health care. In addition, agencies were encouraged to target specific conditions existing in their community as a result of the economic downturn. Agencies are required to report on the attached key outcome measures in addition to any other reports deemed necessary. (See Appendix V Key Outcome Measures)

(c) The Service Delivery System for Recovery Act Projects

The Service Delivery System for Recovery Act Projects is composed of thirty-five Community Action Agencies. Thirty-four of the Community Action Agencies are private non-profit organizations and one is a public agency. (See Appendix VI Sub-Grantee Directory)

Each agency has a tripartite board structure (public, private and low-income) and is recognized in their communities as an advocate for low-income individuals and families and a provider of services to that population. Ninety-one of North Carolina's 100 counties are served by the state's Community Action Agencies. Most Community Action Agencies employ the one-stop approach to assist individuals and families move from poverty to economic independence. These agencies provide an array of services to families under their agency umbrella or in partnership with other local human service agencies. Head Start, Work Force Investment Act programs, Weatherization and Section 8 Rental Assistance represent federal programs operated by most North Carolina CAAs. North Carolina CAAs also operate federal/state funded projects in employment, nutrition, youth development, senior services and housing. Multi-county CAAs operate with a central office and neighborhood centers located throughout the service area. Many agencies work closely with community organizations and neighborhood groups to achieve effective outreach and to stimulate involvement in local affairs.

North Carolina is the country's 11th largest state with a population of approximately 9, 222, 414 people, 14.3% of who are in poverty. The State is composed of three major regions; the Coastal Plains, the Piedmont and the Mountains. The Mountain Region occupies about 10% of the state while the Coastal Plains and the Piedmont covers about 45% of the State each. The State's largest cities are located in the Piedmont Region.

While CAAs have the autonomy to implement programming specifically tailored to meet the unique needs of their communities, services are generally delivered through a combination of the following:

- Comprehensive Case Management
- Information and Referral
- Direct Service Delivery
- Service Collaboration and Coordination

(d) Linkages

Strategies utilized to develop linkages to fill identified gaps in services by local entities include:

- participation on local human service councils where representatives from human service agencies meet regularly to identify solutions to specific problems being experienced by low-income families,
- cross referrals between partners in local One Stop Career Centers,
- the pursuit of funding from public and private agencies (state government, local government, United Ways, foundations, corporations),
- recruitment of volunteers from faith-based organizations, correctional institutions, high schools, and colleges, and

- participation in countywide electronic data sharing networks.

(e) Coordination with Other Public and Private Resources

A major component of the strategic plan completed by all grantees is the resource analysis, which identifies all public and private community resources that are available to solve an identified poverty problem. Agencies responsible for these resources are identified partners in the grantees' plan for action on the identified poverty problem and coordination activities are identified and listed in the agency work plan. In addition, agencies are encouraged to implement measures to prevent duplication of services and supplanting.

(f) Innovative Community and Neighborhood-based Initiatives

A variety of innovative community and neighborhood based initiatives that promote employment, housing, food security and health services have been developed utilizing Recovery Act funds. Examples of projects submitted by eligible entities include:

- On-the-job training initiatives
- Construction skills training
- Displaced worker support initiatives
- Business development support
- Energy efficiency technician training
- Job training opportunities in product distribution and video production
- Consumer credit counseling
- Tuition assistance
- Budget counseling
- Emergency assistance
- Health needs assistance
- Family mentoring initiatives
- Public service employment initiatives

(2) Community Needs Assessments:

Each eligible entity was required to submit as a part of its application for funds, An Agency Strategy for Recovery Implementation Plan that included a community needs assessment for the community served.

E. Fiscal Controls

(1) State Program Monitoring

Monitoring activities of the state administering agency will include reviews of eligible entities, as required under Section 676B(a) of the Act:

- (a) a full onsite review of each such entity at least once during each 3-year period;

- (b) an onsite 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 Program;
- (c) follow-up reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirement established by the State;
- (d) other reviews as appropriate, including reviews of entities with programs that have had other Federal, State or local grants (other than assistance provided under the Community Services Block Grant Program) terminated for cause.
- (e) Eligible Entity Audits
(See Appendix VII Eligible Entity Audit Log)

(2) Corrective Action, Termination and Reduction of Funding

If the State determines, on the basis of a final decision in a review pursuant to section 678B that an eligible entity fails to comply with the terms of an agreement, or the State Plan, to provide services under this subtitle or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State shall;

- (a) inform the entity of the deficiency to be corrected;
- (b) require the entity to correct the deficiency;
- (c)
 - (i) 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
 - (ii) if the State determines that such training and technical assistance efforts are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination;
- (d)
 - (i) at the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably 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 State; and
 - (ii) not later than 30 days after receiving from an eligible entity a proposed quality improvement plan pursuant to subparagraph (A), 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 under this subtitle of the eligible entity unless the entity corrects the deficiency.

State established procedures for fiscal control and fund accounting will be followed to assure the proper disbursement of and accounting for CSBG funds. The State Office of Budget and Management monitors operations in accordance with the established procedures and funds expended are audited annually by the State Auditor's Office. Additionally, CSBG grantees are required to meet specific standards of fiscal control as part of the grant agreement, including cost and accounting standards of the Office of Management and Budget. Grantees are required to submit an annual agency audit completed in accordance with provisions of OMB circular A-133 or A-128.

The State will make appropriate books, documents, papers and records available to the Secretary of the Comptroller General of the United States, or any of their duly authorized representatives for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.

All CAAs will be required to maintain some level of compliance monitoring for activities funded with Recovery funding that are implemented by the agency and/or any sub-contractors.

(3) Tracking:

North Carolina has established a separate class funding for agencies receiving funds from the American Recovery and Reinvestment Act of 2009. All proceeds from the Federal government are received as pass through money from another agency shall be deposited in the designated class funding account.

Further, North Carolina's Office of Economic Opportunity has revised all forms related to the Community Services Block Grant Recovery Program to clearly identify and monitor all recovery activities separately from the regular CSBG activities.

North Carolina's Offices of Economic Opportunity (OEO) and Economic Recovery and Reinvestment (OERI) are committed to making sure that funds are awarded and distributed in a prompt, fair, and reasonable manner; uses of the funds are transparent and the uses are reported clearly, accurately, and timely; fraud, waste and abuse of funds are minimized; funds are managed to avoid delays and cost overruns; and program goals are achieved and measured.

F. Reporting and Registration Requirements

In accordance with Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, North Carolina's Office of Economic Opportunity as the designee of the chief executive of the State hereby agrees to the following reporting and registration requirements:

- (a) This award requires the recipient to complete projects or activities which are funded under the American Recovery and Reinvestment Act of 2009 ("Recovery Act") and to report on use of Recovery Act funds provided through this award. Information from these reports will be made available to the public.
- (b) The reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act.
- (c) Recipients and their first-tier recipients must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards funded with Recovery Act funds. A Dun and Bradstreet Data Universal Numbering System (DUNS) Number (www.dnb.com) is one of the requirements for registration in the Central Contractor Registration.
- (d) The recipient shall report the information described in section 1512(c) using the reporting instructions and data elements that will be provided online at www.FederalReporting.gov and ensure that any information that is pre-filled is corrected or updated as needed.

**Appendices
(No Changes)**