

Department of Public
Health and Human Services

SECTION:
LEGISLATION

COMMUNITY SERVICES BLOCK
GRANT

SUBJECT:
Administrative Rules of Montana for the
Community Services Block Grant Program

ADMINISTRATIVE RULES OF MONTANA

DEPARTMENT PROCEDURES

Subchapter 9

COMMUNITY SERVICES BLOCK GRANTS

37.2.901 PURPOSE

(1) The purpose of the community services block grant is to alleviate the causes of poverty within the state.

History: Sec. 53-2-201, MCA; IMP, HB 2 of the First Special Session, 1981; NEW, 1982 MAR p. 1272, Eff. 6/18/82; AMD, 1983 MAR p. 21, Eff. 1/14/83; TRANS, from SRS, 2000 MAR p. 745.

37.2.902 DEFINITIONS

For purposes of this subchapter, the following definitions apply:

- (1) "Act" means the Omnibus Budget Reconciliation Act of 1981.
- (2) "Contractor" means human resource development council, one of the state's 10 organizations designated as a community action agency under the provisions of section 210 of the Economic Opportunity Act of 1964 which is a nonprofit community organization serving low income persons in a multicounty area that has the same boundaries as one or more substate planning districts established by executive order of the governor.
- (3) "County" means the board of county commissioners.
- (4) "CSBG" means the community services block grant.
- (5) "Department" means the department of public health and human services.
- (6) "Director" means the director of the department of public health and human services.

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(7) "Poverty line" means the official poverty line established by the director of the federal office of management and budget.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981 and Sec. [53-10-501](#), MCA; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [AMD](#), 1983 MAR p. 754, Eff. 7/1/83; [TRANS](#), from SRS, 2000 MAR p. 745; [AMD](#), 2003 MAR p. 2440, Eff. 10/31/03.

Rules 03 through 05 reserved

[37.2.906](#) CONTRACTOR PLAN

(1) To receive its allotment of CSBG funds, as determined under ARM [37.2.915](#), each contractor must submit, by October 1 of each year, its contractor plan to the department for review and approval. If the federal CSBG appropriation has not been determined to such a degree that estimates of allocations are feasible, the submittal date will be revised accordingly.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981 and Sec. [53-10-504](#), MCA; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [AMD](#), 1983 MAR p. 754, Eff. 7/1/83; [TRANS](#), from SRS, 2000 MAR p. 745.

[37.2.907](#) CONTRACTOR PLAN ASSURANCES AND CONTENT

(1) A contractor must assure in its contractor plan that it will only use the funds:

(a) to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

(b) to provide activities designed to assist low income participants including the elderly poor:

(i) to secure and retain meaningful employment;

(ii) to attain an adequate education;

(iii) to make better use of available income;

(iv) to obtain and maintain adequate housing and a suitable living environment;

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(v) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, family needs, including the need for health services, nutritious food, housing and employment related assistance;

(vi) to remove obstacles and solve problems which block the achievement of self-sufficiency;

(vii) to achieve greater participation in the affairs of the community; and

(viii) to make more effective use of other programs related to the purpose of this subchapter.

(c) to provide on an emergency basis for the provision of such supplies and services, nutritious foodstuffs, and related services, as may be necessary to counteract conditions of starvation and malnutrition among the poor;

(d) to coordinate and establish linkages between governmental and other social services programs to assure the effective delivery of services to low income individuals;

(e) to encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community; and

(f) to meet department-identified priorities which address one or more of the eligible activities described in (1) (a) through (e).

(2) Not all of items in (1) (b) through (f) must be proposed in a contractor plan. However, the contractor does have to certify that it is providing a range of services and activities having a measurable and potentially major impact on the causes of poverty in its community, commensurate with the amount of money received.

(3) The contractor plan shall contain the additional assurances that:

(a) CSBG funds will not be used to provide voters and prospective voters with transportation to the polls or provide similar assistance in connection with an election or any voter registration activity;

(b) CSBG funds will be used to provide for coordination between anti-poverty programs and, where appropriate, with emergency energy crisis intervention programs under Title XXVI of the Act (relating to low income home energy assistance) conducted in the county;

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(c) fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for CSBG funds;

(d) the contractor will prepare and submit to the state, at least once every two years, an independent audit of the CSBG funds;

(e) amounts found not to have been expended in accordance with the Act or the contractor plan will be repaid to the state;

(f) no person shall on the ground of race, color, national origin or sex be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded, in whole or in part, with CSBG funds. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity;

(g) CSBG funds will not be used for the purchase or improvement of land, or the purchase, construction or permanent improvement (other than low cost residential weatherization or other energy-related home repair) of any building or other facility;

(h) it will permit and cooperate with any federal or state investigation related to the CSBG; and

(i) each contractor must have a board of directors constituted so as to assure that:

(i) one-third of the members of the board are elected public officials currently holding office or their representatives, except that if the number of elected officials reasonably available and willing to serve is less than one-third of the membership of the board, membership on the board of appointive public officials may be counted in meeting such one-third requirements;

(ii) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served; and

(iii) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education or other major groups and interests in the community.

(4) The contractor plan must contain:

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(a) evidence that an assessment of needs has been undertaken to determine the best expenditures of CSBG funds;

(b) a description of which services and activities will be carried out and the means to be used to provide those services and activities. Such description shall also include the geographic areas to be served and categories or characteristics of individuals to be served. If direct services are planned, only individuals with income below the poverty line are eligible; and

(c) a proposed budget describing how the CSBG funds will be used during the program period.

(5) The program period will begin January 1 and end on December 31 of the same year. All contractor plans/budget material must be proposed for completion during that period. Should unusual or extraordinary circumstances occur, the department will consider requests for amendments to the contractor plan.

(6) The contractor plan shall be submitted on forms provided by the department.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981 and Sec. [53-10-504](#), MCA; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [AMD](#), 1983 MAR p. 754, Eff. 7/1/83; [TRANS](#), from SRS, 2000 MAR p. 745; [AMD](#), 2003 MAR p. 2440, Eff. 10/31/03.

37.2.908 CONTRACTOR PLAN APPROVAL, DISAPPROVAL, AMENDMENTS

(1) The contractor shall submit the plan to the county governing bodies within its multicounty area. A county governing body may approve, disapprove, or offer amendments to the plan. If the county governing body and the contractor cannot agree as to the plan's components, the department shall prepare and approve a plan for such county.

(2) The department will, within 45 working days of plan receipt, notify the contractor of approval/disapproval of each contractor plan.

(3) The department will base its review of the contractor plan on whether or not:

(a) the contractor plan demonstrates that it provides a range of services and activities having a measurable and potentially major impact on causes of poverty in the community, or those areas of the community where poverty is a particularly acute problem;

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(b) all assurances and requirements of ARM [37.2.907](#) have been met.

(4) The department may disapprove a plan, in whole or in part, only if the plan conflicts with a state or federal law. If the contractor plan is either partially or totally unacceptable, the department will work with the contractor to develop an acceptable proposal. If an acceptable proposal can not be developed within thirty days after notice of disapproval, CSBG funds reserved for an affected county shall be distributed to contractors with approved contractor plans.

(5) If a contractor plan is disapproved, a contractor has the right to appeal to the director. The director's decision shall be the final administrative decision.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981 and Sec. [53-10-504](#), MCA; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [AMD](#), 1983 MAR p. 754, Eff. 7/1/83; [TRANS](#), from SRS, 2000 MAR p. 745.

Rules 09 through 14 reserved

[37.2.915](#) CONTRACTOR ALLOTMENTS

(1) From the available CSBG funds, the department shall retain 5% for cost of administration of the grant and 5% for special projects.

(2) The balance of the block grant funds after any retention pursuant to (1) must be distributed to contractors that are eligible to receive such funding as follows:

(a) \$500,000, or if the balance of the block grant funds is less than \$500,000, then the entire balance of the block grant funds must be equally divided among the eligible contractors; and

(b) the balance of the block grant funds after distribution under (1) and (2) (a) must be divided among eligible contractors as follows:

(i) one-half based upon the percentage of the state's population residing within the contractor's area; and

(ii) one-half based upon the percentage of the state's population with income below the poverty line residing within the contractor's area.

(3) General population allocation: each contractor shall receive an amount equal to the population residing in the contractor's area according to the most recent U.S. decennial census divided by the population of the state of Montana according to the most recent

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U.S. decennial census times the amount available for allocation according to general population distribution in (2) (b) (i).

(4) Poverty population allocation: each eligible contractor shall receive an amount equal to the population residing in the contractor's area which has income below the poverty line according to the most recent U.S. decennial census divided by the population of the state of Montana which has income below the poverty line according to the most recent U.S. decennial census times the amount available for allocation according to poverty population distribution in (2) (b) (ii) . If the results of the most recent U.S. decennial census are unavailable, the most current and accurate information available will be used.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981 and Sec. [53-10-502](#), MCA; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [AMD](#), 1983 MAR p. 754, Eff. 7/1/83; [AMD](#), 1994 MAR p. 1725, Eff. 6/24/94; [TRANS](#), from SRS, 2000 MAR p. 745.

37.2.916 RELEASE OF ALLOTMENTS

(1) Release of allotments is contingent upon receipt by the department of the federal CSBG funds. As those funds are received, they will be disbursed by the department.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [TRANS](#), from SRS, 2000 MAR p. 745.

Rules 17 through 19 reserved

37.2.920 REPORTS

(1) Within 90 days of the end of the grant period or the completion of a contractor's planned activities, whichever comes first, the contractor will submit to the department certification that all assurances and services or activities contained in its approved plan have been complied with and achieved.

(2) Upon request, the contractor will submit to the department any reports, forms or documents deemed necessary in order to determine how the funds were expended and for which services or activities.

History: Sec. [53-2-201](#), MCA; [IMP](#), HB 2 of the First Special Session, 1981; [NEW](#), 1982 MAR p. 1222, Eff. 6/18/82; [AMD](#), 1983 MAR p. 21, Eff. 1/14/83; [TRANS](#), from SRS, 2000 MAR p. 745.

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Rules 21 through 24 reserved

37.2.925 TERMINATION OR REDUCTION OF ALLOTMENT

(1) The allotment of a contractor who currently receives CSBG funding or who received funding in the previous program period can be terminated or reduced below the proportional share currently being received or received in the previous program period only for cause. The term "cause" includes but is not limited to:

(a) a statewide redistribution of funds in response to:

- (i) the results of the most recent available census or other appropriate data;
- (ii) the establishment of a new entity eligible for funding; or
- (iii) severe economic dislocation; or

(b) the contractor's failure to comply with the terms of its agreement to provide services.

(2) The allotment of a contractor who currently receives CSBG funding or who received funding in the previous program period can be terminated or reduced only after the contractor has been notified and given an opportunity for a hearing on the record before the director or the director's designee. A request for a hearing from a contractor must be submitted to the department in writing within 30 days of the date of notice of the termination or reduction. The decision of the director or the director's designee shall be subject to review by the secretary of health and human services.

(a) Upon request, the secretary shall review the record and issue a written determination stating the secretary's reasons for that determination.

(b) In cases where a contractor requests review by the secretary, the termination or reduction of the contractor's allotment is not final until the secretary has affirmed the state's finding of cause.

History: Sec. [53-2-201](#), MCA; [IMP](#), Sec. [53-10-502](#), MCA; [NEW](#), 1994 MAR p. 1725, Eff. 6/24/94; [TRANS](#), from SRS, 2000 MAR p. 745.

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