



Strengthening Communities Fund

American Recovery and Reinvestment Act Implementation Plan

A. Funding Table

(Dollars in millions)

Program/ Project/Activity	Total Appropriated	FY 2009 Actual Obligations	FY 2010 Estimated Obligations
<i>Grants</i>	46.0	46.0	...
<i>Grant Support</i>	4.0	2.3	1.7
Total	50.0	48.3	1.7

B. Objectives

Under the American Recovery and Reinvestment Act (Recovery Act), \$50 million will be provided for a new initiative called the Strengthening Communities Fund. The purpose of this initiative is to enable nonprofit organizations to contribute to the economic recovery and help federal, state, and local governments ensure that the information and services described in the Recovery Act reach disadvantaged and hard-to-serve populations.

C. Activities

The Strengthening Communities Fund (SCF) supports two Capacity Building programs. The first program is for state, local, and tribal governments, and the second for nonprofit social service providers, which focus on expanding service delivery, increasing community access to public benefits (including Recovery Act benefits), and helping low- and moderate-income people secure and retain employment. Neither program funds direct social service provision, and both programs require grantees to provide at least 20 percent of the total approved project costs.

SCF State, Local, and Tribal Government Capacity Building program:

ACF will make an estimated 48 grants to state, local, and tribal governments to build their capacity to partner with community-based and faith-based non-profits, to provide training and technical assistance to help nonprofit faith-based and community organizations better serve those in need and to increase nonprofit involvement in the economic recovery.

SCF state, local, and tribal governmental grantees will use program funds to:

- Conduct outreach and education aimed at increasing the involvement of nonprofit organizations in the economic recovery.



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- Provide training and technical assistance aimed at building the capacity of nonprofit organizations to address the broad economic recovery issues present in their communities.
- Build the capacity of state, local or Native American/Tribal government office or designee to better involve nonprofit organizations in the economic recovery.

SCF Nonprofit Capacity Building program:

The goal of the SCF Nonprofit Capacity Building program is to maximize the social impact of nonprofit organizations providing services which address economic recovery issues at the community level.

ACF will make an estimated 34 awards to support experienced lead organizations providing nonprofit project partners with capacity building training and technical assistance in **five** critical areas:

- Organizational development,
- Program development,
- Collaboration and community engagement,
- Leadership development, and
- Evaluation of effectiveness.

Capacity building activities in the five areas are designed to increase an organization's sustainability and effectiveness, enhance its ability to provide social services, to create collaborations to better serve those in need, and to increase the partners' ability to address the broad economic recovery issues present in their communities.

At least 55 percent of the total federal funds requested must be issued through competitive financial assistance to project partners for investments which will help equip partners to assist low-income individuals secure and retain employment, earn higher wages, obtain better-quality jobs, and gain greater access to state and federal benefits and tax credits.

D. Characteristics

Ninety-two percent (\$46 million) of the Recovery Act funding will be for discretionary cooperative agreement awards with a required 20 percent match. The remaining \$4 million (eight percent) will be used for grant support. This support includes a modification to an existing panel review contract, a modification to an existing training and technical assistance (T/TA) contract, and a new task order for program evaluation.

ACF will award a contract for an independent evaluation of the Strengthening Communities Program in FY 2009. The contract will first produce evaluation design options that address the specific features of the Strengthening Communities Program before the evaluation is undertaken.

Technical assistance (TA) topics covered by program and resource center staff generally fall into the following categories:



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- Compliance with grant award requirements, terms and conditions, program guidelines and federal laws and regulations;
- Grant actions/changes (budget modification, change of authorizing official, carryover funds from previous budget period, no cost extensions);
- Obtaining required prior approval (changes in approach, partners, key personnel, service area); or
- Management and reporting (tracking and evaluating training/TA delivery and outcomes; project, progress, financial and human resources management and associated reporting).

Grantees receive regular newsletters, e-mail correspondence and telephone follow up from both Program Office and Resource Center staff on a variety of topics. Each grantee is notified of the assignment of individual specialists in both Program and Grants Management Offices, and provided with contact information for each. Program Specialists make initial phone and e-mail contact with grantees to introduce themselves and explain the distribution of responsibilities among federal offices. Telephone and e-mail support may be by grantee request at any time. In the absence of grantee requests, program staff initiates personal contact a minimum of once a quarter.

Purpose	Type of Award	Funding Amount	Recipients
Nonprofit and Government Capacity Building Programs	Discretionary cooperative agreements	\$46 million	Nonprofit organizations and state, local and tribal government offices (e.g. offices responsible for community initiatives, community outreach, or those interested in initiating such an initiative)
Panel review, training and technical assistance, and evaluation in FY 2009	Supplements to existing contracts and a new task order contract (program evaluation)	\$3 million	Existing panel review and T/TA support contractors; new task order award for evaluation
Ongoing training and technical assistance and evaluation in FY 2010	Supplements to existing contracts and a new task order contract (program evaluation)	\$1 million	Existing T/TA support contractors; new task order award for evaluation
TOTAL = \$50 million			

E. Delivery Schedule



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- Synopses of two Grant Opportunities completed – OMB approved April 30, 2009
- Two Program Synopses and Announcements published – May 11, 2009
- Request for Proposal for evaluation contract issued – June 2009
- Applicant training(s) –Completed June 4 & 5, 2009
- Application due date – received by July 7, 2009
- Panel reviews of applications – within 30 days after final due date (July 7, 2009) for applications
- Funding decisions – completed September 2009
- Grant awards issued – completed by September 30, 2009
- Task order contract for evaluation awarded – completed October 2009
- Awardees submit partnering plans to ACF for review and approval – SCF Non-Profit plans submitted by November 30, 2009 and SCF Government plans submitted by December 31, 2009
- Grantee orientation and training conference – completed January 25-27, 2010
- Program office review and approval of grantee work plans to ensure proper compliance – 98% completed as of May 2010. (Remainder being approved on case-by-case basis as compliance is achieved.)
- Training and technical assistance (T/TA) conference calls and/or webinars – monthly for the first 6 months, then quarterly thereafter.

F. Environmental Review

The distribution of funds to create the Strengthening Communities Fund (SCF) as a result of the Recovery Act is categorically excluded from environmental review based on Category 2 section F - Functional Exclusion: Grants for Social Services under Chapter 30-20-30 of the HHS General Administration Manual. By definition, the use of these funds: (1) mitigates social and environmental impacts; (2) does not include construction or alterations of the human environment; and (3) have no anticipated individual or cumulative significant effect on natural or cultural assets. Any funding that includes construction or alterations will not fall under this categorical exclusion and will be subject to an environmental assessment. Therefore SCF qualifies for a Categorical Exclusion from National Environmental Protection Act (NEPA) and will be reported under Section 1609(c) report form for ACF.

Program participants are encouraged to participate in community recycling and recycling awareness programs, and to adopt cost-effective waste reduction and recycling of reusable materials compatible with applicable state and local requirements whenever feasible. Participants are encouraged to emphasize procurement of recycled and environmentally preferable products and services that meet performance standards and are available at a reasonable price and within the time required.



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G. Measures

1. The Strengthening Communities Fund (SCF) **Nonprofit Capacity Building** program will increase the capacity of small nonprofit organizations to address the broad economic recovery issues present in their local communities. The following three sub-goals support this overarching goal.

Outcome / Achievement	Units	Type	9/30/ 09	12/31/ 09	3/31/ 10	6/30/ 10	9/30/ 10	12/31/ 10	3/31/ 11	6/30/ 11	9/30/ 11	Program End
1a. The number of hours of T/TA provided to organizations by SCF Nonprofit grantees. <i>(quarterly output)</i>	%	TARGET	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Baseline Established
		ACTUAL					Interim baseline avail. Dec-10				Establish baseline Dec-11	
1b. Increase the number of capacity building activities completed by organizations receiving financial assistance or intensive TA from SCF Nonprofit grantees.* <i>(annual intermediate outcome)</i>	%	TARGET	n/a	n/a	n/a	n/a	TBD	n/a	n/a	n/a	TBD	Baseline Established
		ACTUAL					Interim baseline avail. Dec-10				Establish baseline Dec-11	
1c. Increase the number and percent of organizations receiving financial assistance through the SCF Nonprofit Capacity Building Program that expand or enhance services addressing economic recovery issues. <i>(annual end outcome)</i>	%	TARGET	n/a	n/a	n/a	n/a	TBD	n/a	n/a	n/a	TBD	Baseline Established
		ACTUAL					Interim baseline avail. Dec-10				Establish baseline Dec-11	

* Training and technical assistance are designed to develop recipient organizations' organizational , leadership , and program capacity, enhance evaluation of effectiveness, and promote collaboration and community engagement, expand service delivery, increase access to public benefits, and/or help low- and moderate-income people secure and retain employment. Interim baseline data will be available by the end of December 2010, and a baseline will be established by the end of December 2011, in order to have two years of data to establish baselines.



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2. The Strengthening Communities Fund (SCF) **Government Capacity Building** program will increase the involvement of nonprofit organizations in economic recovery:

Outcome / Achievement	Units	Type	9/30/09	12/31/09	3/31/10	6/30/10	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	Program End
2a. The number of hours of T/TA assistance provided to organizations by SCF Government Capacity Building grantees.* (quarterly output)	%	TARGET	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Baseline Established
		ACTUAL					Interim baseline avail. Dec-10				Establish baseline Dec-11	
2b. Increase the number of nonprofit organizations receiving TA through the State, Local, and Tribal SCF Government Capacity Building program that contribute staff time, money, or volunteers to a new inter-organizational referral system, data collection/evaluation system, program, service, or community engagement campaign.* (annual outcome)	%	TARGET	n/a	n/a	n/a	n/a	TBD	n/a	n/a	n/a	TBD	Baseline Establish
		ACTUAL					Interim baseline avail. Dec-10				Establish baseline Dec-11	

Table 2:

Data Source	Data Validation
Financial reports from grantees	All Strengthening Communities Fund grantees will provide regular financial reports. The data reported will be reviewed by federal Office of Community Services (OCS) staff for consistency, completeness and conformance with approved grant plans. OCS staff regularly examine each grantee's progress in relation to approved plans.
Performance Progress Report from grantees	All grantees will provide regular program reports on a quarterly basis. These reports will be reviewed by federal OCS staff for consistency, completeness, and conformance with approved grant plans.

Quarterly updates for the output data will be made available through the Recovery Act website (available at: <http://www.hhs.gov/recovery>).



H. Monitoring/Evaluation

All Recovery Act programs will be assessed for risk to ensure that appropriate internal controls are in place throughout the entire lifecycle of the program. These assessments are conducted by operating components to comply with the statutory requirements of the Federal Manager's Financial Integrity Act and the Improper Payments Information Act, as well as OMB's circular A-123 "Management's Responsibility for Internal Control" (including Appendices A, B, and C).

ACF's risk management process fits within the overall governance structure established at HHS to address Recovery Act program risks. The HHS Risk Management and Financial Oversight Board provides executive leadership and establishes accountability for the risk assessment process related to internal controls over financial reporting, and the HHS Senior Assessment Team ensures that risk assessment objectives are clearly communicated throughout the Department. ACF's Recovery Act Coordination Team carries out comprehensive annual assessments of its Recovery Act program(s) to identify risks and develop strategies to address them, including those associated with selecting recipients, awarding and overseeing funds, and achieving program goals. It meets weekly to monitor and assess the effectiveness of mitigation strategies and identify emerging risks.

In addition, ACF has presented its high level risks to the Recovery Act Implementation Team. Chaired by the Deputy Secretary and comprised of senior policy officials from throughout the Department, the Implementation Team convenes monthly to monitor progress in carrying out Recovery Act program and address the obstacles and risks that could impact on their success.

The Office of Community Services (OCS) will follow established internal control structures in implementing the new discretionary grants. OCS will use its experience with the existing intermediary program to provide upfront technical assistance to applicants and new grantees to prevent ineffective spending or waste, fraud, and abuse. OCS' rigorous post-award monitoring and oversight protocol includes remote review and assessment (desk monitoring) of grantee program progress and financial reports and quarterly cash transaction reports and site visits by program office staff. Program office monitoring site visits entail programmatic and financial oversight to determine that managerial and financial capability is sufficient for proper planning, management, and completion of the project. Targets may be selected based on perceived need for additional monitoring or identification of practices whose replication is to be encouraged.

To ensure that obligations and costs comply with applicable law; assets are safeguarded against waste, loss, unauthorized use or misappropriation; and revenues and expenditures are properly recorded and accounted for, grantee activities, progress and financial activity are reported quarterly. Required quarterly submissions will be reviewed and assessed by program office and resource center staff. Program, operational, and administrative areas will be evaluated in accordance with OMB Circular A-102 for state and local governments and 2 CFR Part 215 for institutions of higher education and non-profit organizations. Accounting and financial management will be assessed for compliance with Financial Accounting Principles and Standards established by OMB Circular A-134 and Audit requirements established in OMB Circular A-133 as well as Cost Principles codified in 2 CFR, Part 220 (for Educational



Institutions) Part 225 (for state, local and Indian tribal governments) and Part 230 (for non-profit organizations).

Award recipients will receive individual follow up and technical assistance from program staff, who will work cooperatively to identify and correct problems resulting from inadequate, excessive, or poorly designed controls; and establish appropriate controls; and resolve any identified issues. Grantees receive regular newsletters, e-mail correspondence and telephone follow up from both Program Office and Resource Center staff on a variety of topics. Each grantee is notified of the assignment of individual specialists in both Program and Grants Management Offices, and provided with contact information for each. Program Specialists make initial phone and e-mail contact with grantees to introduce themselves and explain the distribution of responsibilities among federal offices. Telephone and e-mail support may be by grantee request at any time. In the absence of grantee requests, program staff initiates personal contact a minimum of once a quarter.

Uncorrected deficiencies deemed to be material will be addressed through successive levels of intervention including requests for corrective action, funding restrictions, and, where appropriate, disallowance, suspension, and termination.

I. Transparency

ACF is open and transparent in all of its grant competitions and regulations depending on what is appropriate for program activities that involve spending of Recovery Act funding consistent with statutory and OMB guidance. ACF ensures that recipient reports required by Section 1512 of the Recovery Act are submitted and reviewed for material omissions and significant errors that would mislead or confuse the public. ACF informs recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance. In addition, ACF provides key award information to recipients and other technical assistance to grantees and contractors and fully utilizes Project Officers to ensure compliance with reporting requirements. ACF will make use of technological advances, innovative applications and electronic media to optimize transparency and satisfy the Recovery Act's accountability objectives. This is an efficient and economical approach to improving the exchange of information and foster collaboration among government, nonprofits, businesses, and private citizens.

Information on programmatic results, program operations and decisions will be routinely disclosed and regularly updated on the program website, which can be accessed through the ACF OCS website (located at: <http://www.acf.hhs.gov/programs/ocs/>). Annual performance results will be made available in the annual ACF Budget Justification and Online Performance Appendix (available at: <http://www.acf.hhs.gov/programs/olab/budget/index.html>). In addition, the website will encourage and facilitate feedback to identify information of greatest public interest and suggestions on increasing and improving program impact.

After evaluation of quarterly report content, the program office will prepare accounts of current program status, management controls and program improvement initiatives, and other pertinent information (including financial updates) for release on the previously noted ACF OCS website.



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ACF will ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009. ACF will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance, and will provide technical assistance to grantees and contractors and fully utilize Project Officers to ensure compliance with reporting requirements. In addition, funded grantees are required to submit Performance Progress Reports, and semi-annual financial status reports using the required standard form (SF-269).

In accordance with the provisions of OMB Circular No. A-133 on audits of states, local governments, and nonprofit organizations, non-federal entities that receive financial assistance of \$500,000 or more in federal awards will have a single or a program-specific audit conducted for that year. Non-federal entities that expend less than \$500,000 a year in federal awards are exempt from the federal audit requirements for that year, except as noted in Circular No. A-133.

J. Accountability

To ensure that managers are held to high standards of accountability in achieving program goals under the Recovery Act, ACF has built upon and strengthened existing processes. Senior ACF officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system also incorporates Recovery Act program stewardship responsibilities for program and business function managers.

ACF program managers and senior managers are accountable for the oversight of performance results and improvement actions through the Performance Management Appraisal Program (PMAP). PMAP plans define clear expectations for managerial performance related to Recovery Act objectives, the HHS Strategic Plan, ACF-wide goals, and other key measures, including those identified by customers/stakeholders. Program managers oversee collective efforts and monitor team and individual performance to accomplish organizational goals, insure ethics, integrity and accountability, and document performance.

Experience with existing OCS programs will inform pre-and post-award development of guidance and provision of technical assistance. Pre-award guidance and technical assistance for applicants will be provided through teleconferences, web-based learning, and help desk support. In order to prevent ineffective spending or waste, fraud, and abuse, grantees will be provided on-going post-award technical assistance through web-based seminars, e-newsletters, an interactive grantee website and personal follow up by program office and resource center staff in addition to annual conference training.

In addition, OCS' customized database captures program activities and outcomes and allows the program manager to collect, analyze, and summarize program data. For each budget period, grantees will identify organizations receiving training, technical assistance (TA), or financial assistance, describe the programs benefiting from capacity building efforts, and identify



the beneficiary's affiliation with other federal initiatives (e.g. Weed and Seed, AmeriCorps VISTA). Grantees will cite target and actual values for project milestones, and identify unduplicated organizational recipients, the number of service hours and type of capacity-building service (TA, training or financial assistance), and the amount of financial assistance provided through program funding.

For training and technical assistance, grantees will describe delivery methods, dates and locations, and provide recipient identities along with critical areas of need identified. For financial awards to subrecipients, grantees will identify benefiting organizations, describe each expenditure and its purpose, estimate total expenditures and cite funding expended to date.

Data is requested about the benefiting organization's increases in persons served, expansion or improved effectiveness of service, improved financial sustainability, and improvements in interagency collaboration (new/improved service, interagency data collection/evaluation or referral systems, community engagement/awareness campaign). Grantees are also requested to note concerns/problems, request needed assistance and identify promising practices.

Grant specialists review performance progress reports and financial status reports using required standard forms SF-269. Follow-up consultation and requests for corrective action are recorded in the database along with e-copies of reports, audit materials and other source documents. The system permits identification of high risk programs and entities which are then given priority for additional technical assistance or intervention. The system supports real-time program manager oversight, and allows tracking of grant actions such as budget or program modifications, personnel updates, and required prior approvals, and improvement efforts.

K. Barriers to Effective Implementation

None identified.

L. Federal Infrastructure

Not applicable.

Summary of Significant Changes:

Updated to reflect restructuring of performance measures to more clearly communicate the impact of this Recovery Act program. Provided timely updates re: funding levels and performance results.