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Definitions.

As used in the rules of the office of community services.

- (A) "Withholding" means action taken by the office of community ~~services-assistance~~ in the community ~~development-services~~ division ("OCAS/CSD") to hold back the payment of funds temporarily at the commencement of a new grant period and fiscal year pending the eligible entity's satisfactory completion of the approval application process, outstanding major issues from the prior fiscal year, for just cause, and for a period of time not to exceed sixty days.
- (B) "Suspension" means action taken by OCAS/CSD to exclude an eligible entity temporarily from receiving payment in whole or in part for a period of time not to exceed ninety days.
- (C) "Termination" means action taken by OCAS/CSD to terminate the eligible entity's grant and cease payment in whole or in part after a public hearing on the record.

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Suspension or withholding of community services block grant funding.

- (A) Withholding and suspension in general. The deputy ~~director-chief~~ of the community ~~development-services~~ division through its office of community ~~services-assistance~~ ("OCS/CDD") may withhold or suspend community services block grant ("CSBG") funds to an eligible entity if field monitoring and/or evaluation, desk monitoring and/or evaluation, or fiscal audits reveal noncompliance with established state or federal policies, grant requirements, office of community services directives, fiscal procedures, program performance targets or other willful or negligent failure on the part of the eligible entity to perform its responsibilities.
- (B) Action to suspend CSBG funds will be taken only after less severe corrective actions have been tried; unless the chief of the office of community services determines that immediate action is necessary due to the seriousness of the violation or is necessary to protect CSBG funds or property. Serious violations would include, but are not necessarily limited to, evidence of fraud, embezzlement or gross mismanagement.
- (C) Written notification of intent to withhold or suspend CSBG funds. The deputy ~~director-chief~~ of the community ~~development-services~~ division shall provide a written "Notification of Intent to Withhold or Suspend CSBG Funds" by certified mail, return receipt requested, to the chairperson of the governing board of the eligible entity to effectuate the process of withholding or suspension of CSBG funds.
- (D) The "Notification of Intent to Withhold or Suspend CSBG Funds" shall specify:
- (1) The reasons for such proposed actions; sections of the statutes, rules, regulations or contractual obligations with which the eligible entity is not in compliance;
 - (2) The corrective actions and the date (not less than thirty days after the date of the notice) by which they must be taken;
 - (3) A statement informing the eligible entity which action OCS/CDD may take if the grantee does not achieve compliance within the time specified in the notice, or does not provide satisfactory assurances that actions have been initiated which will achieve compliance in a timely manner.
- (E) In all but extreme cases, eligible entities will be given a reasonable period of time, but in no case more than ninety days, to make necessary improvements, whereupon CSBG funding may resume.

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- (F) In extreme cases, when the ~~office-deputy~~ chief of the office of community ~~services-assistance~~ has determined termination of CSBG funding is appropriate in accordance with rule 122-2-03 of the Administrative Code, the "Notification of Intent to Withhold or Suspend CSBG Funds" shall be accompanied by a "Notification of Intent to Terminate" as described in rule 122-2-03 of the Administrative Code.

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Termination of community services block grant funding.

(A) Termination in general. The deputy ~~director-chief~~ of the community ~~development services~~ division may terminate community service block grant ("CSBG") funding to an eligible entity in any of the following instances:

(1) The deputy ~~director-chief~~ of the community ~~development-services~~ division determines that the governing board of the eligible entity cannot or will not take the necessary action to bring the eligible entity into compliance within the time allowed by the community development division through its office of community services ("OCS/CDD").

(2) The deputy ~~director-chief~~ of the community ~~development-services~~ division determines that the nature or extent of noncompliance is extreme and warrants immediate termination of CSBG funding.

(3) The eligible entity is no longer officially recognized as a community action agency as a result of dedesignation procedures described in divisions (B)(1) and (B)(2) of section 122.701 of the Revised Code.

(4) The eligible entity fails to comply with provisions of the grant agreement.

(5) For any of the reasons set forth in the rules of the Administrative Code which govern CSBG funding.

(B) The deputy ~~director-chief~~ of the community ~~development-services~~ division shall provide a written "Notification of Intent to Terminate" by certified mail, return receipt requested, to the chairperson of the governing board of the eligible entity. The notification shall include the charges for such proposed action; sections of the statutes, rules, regulations or contractual obligations that the eligible entity is charged with violating; a statement informing the eligible entity of their right to request a public hearing on the proposed termination by making a written request within thirty days of the time of the mailing of the notice. The notice shall also inform the party that the eligible entity may be represented by an attorney, or by such other representative as designated by a majority of the governing board of the eligible entity.

(C) When any notice required by this provision to be sent by certified mail is returned because of inability to deliver, the notice required shall be sent by ordinary mail evidenced by a certificate of mailing to the chairperson of the eligible entity.

(D) The failure of the deputy ~~director-chief~~ of the community ~~development-services~~ division to give notice in the manner provided in this rule shall invalidate any termination order

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entered pursuant to such hearing.

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Conduct of hearing.

- (A) The hearing shall be within fifteen days of the request, but not prior to seven days, of the date of the "Notification of Intent to Terminate" unless otherwise agreed upon in writing by both the division and the eligible entity.
- (B) After the hearing officer has called the hearing to order, the parties may be given an opportunity to present opening statements; thereafter, the parties shall present their evidence in the sequence determined by the hearing officer.
- (C) When a witness is introduced to provide testimony or evidence in a contested case hearing, the witness shall, prior to testifying, be identified by name and address and shall take an oath of affirmation administered by the hearing officer.
- (D) The hearing officer shall be a state of Ohio employee not involved in the decision to terminate.
- (E) The hearing procedures shall include, but are not limited to, the following:
 - (1) For good cause, a hearing may be rescheduled by the hearing officer;
 - (2) The eligible entity may be represented at the hearing by (a) an attorney; (b) such other representative, who is not an attorney and has been designated to represent the eligible entity by a majority of the governing board.
 - (3) To introduce into the record documentary evidence and bring witnesses to the hearing;
 - (4) To have records or documents relevant to the issues produced by their custodian when the records or documents are kept by or for the state, contractor or a subcontractor in the ordinary course of business and where prior reasonable notice has been given to the presiding officer;
 - (5) To question any witnesses or parties;
 - (6) The hearing officer shall not be bound by the "Ohio Rules of Evidence" and shall prescribe the conduct of the hearing;
 - (7) Additional procedures may be set forth by the hearing officer, or at the request of the parties if approved by the hearing officer in whose sole discretion hearing procedures shall rest.

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Decision requirements.

- (A) The hearing officer shall, within fifteen calendar days following the hearing, provide the deputy director of the community development division with a written decision.
- (B) Within seven calendar days of the receipt of the written decision of the hearing officer, the deputy ~~director-chief~~ of the community ~~development-services~~ division shall provide the director of the Ohio Development Services Agency ~~department of development~~ with a written recommendation.
- (C) Within fifteen calendar days of the receipt of the written recommendation of the deputy ~~director-chief~~ of the community ~~development-services~~ division, the director of the Ohio Development Services Agency ~~department of development~~, or his designee who shall not be an officer or employee within the community development division, shall issue a final decision on behalf of the state.
- (D) A proposed and final decision shall include findings of fact and regulations supporting such actions. Findings of fact shall be based solely on the evidence in the record and on matters officially noticed in the record, and, if set forth in statutory language, shall be accompanied by a concise and explicit statement of underlying facts supporting the findings.
- (E) The deputy ~~director-chief~~ of the community ~~development-services~~ division shall give prompt notice of the decision of the director of the Ohio Development Services Agency ~~department of development~~ by mailing a copy of the decision by certified mail, return receipt requested, to the chairperson of the governing board of the eligible entity.
- (F) Review by the secretary of health and human services. In accordance with Pub. L. No. 97-35 of the United States Code, as amended by Pub. L. No. 98-558 of the United States Code, the eligible entity may appeal the decision of the state to the secretary of the United States department of health and human services and request the secretary to review any termination of community services block grant funding to a community action agency, or migrant and seasonal farmworker organization.

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Definitions.

As used in the rules of the [Ohio Development Services Agency](#) ~~department of development~~, office of community services:

- (A) "C.S.B.G. program" means the state-administered community services block grant program as authorized by the Community Services Block Grant Act, 42 U.S.C.A. 9901-9912.
- (B) "Office of community ~~services~~assistance" means the office created within the Ohio [Development Services Agency](#) ~~department of development~~ and charged with the administration of the Ohio C.S.B.G. program.
- (C) "C.S.B.G. provider" means a community action agency or migrant and seasonal farmworker organization funded by the office of community services to carry out the C.S.B.G. program in a single- or multi-county area.
- (D) "Community action agency" means a community-based and operated private nonprofit agency or organization that includes or is designed to include a sufficient number of projects or components to provide a range of services and activities having a measurable and potentially major impact on the causes of poverty in the community or those areas of the community where poverty is a particularly acute problem and is designated as a community action agency by the office of community services pursuant to sections 122.68 and 122.69 of the Revised Code.
- (E) "Community" means a city, village, county, multi-city or multi-county unit, a neighborhood or other area, disregarding boundaries of political subdivisions, which provides a suitable organizational base and possesses a commonality of needs and interests for a community action program suitable to be served by a community action agency.
- (F) "Service area" means the geographical area served by a community action agency.
- (G) "Low-income person" means a person whose adjusted gross income as defined in division (A) of section 5747.01 of the Revised Code is below the poverty line.
- (H) "Poverty line" means the official poverty line established by the director of the United States office of management and budget and as revised in accordance with section 673(2) of the Community Services Block Grant Act, 95 Stat. 1609, 42 U.S.C.A. 9902.
- (I) "Grant agreement" means the agreement between the Ohio [Development Services Agency](#) ~~department of development~~, office of community services and a C.S.B.G. provider, whereby funds are granted to the C.S.B.G. provider to carry out specified

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programs, services or activities authorized under the Community Services Block Grant Act, 42 U.S.C.A. 9901-9912.

- (J) "Program participant" means an individual or family unit receiving funds or services provided by a C.S.B.G. provider.
- (K) "Chief elected official" means the mayor of a municipal corporation or, if no mayor is directly elected in a municipal corporation, then the person designated to act as such by the legislative authority of a municipal corporation shall be considered its chief elected official, and each county commissioner.
- (L) "Endorsement" means the exclusive recognition and approval of a community action agency by a chief elected official.

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Yearly performance assessments.

The office of community ~~services—assistance~~ will conduct yearly performance assessments, according to the following criteria, to determine whether community action agencies are in compliance with section 122.69 of the Revised Code:

- (A) A nonprofit agency or organization shall be deemed to have obtained the endorsement of a chief elected official of a municipal corporation or county within the community to be served by the agency or organization when written notice of such endorsement is received by certified mail by the office of community ~~services~~ assistance at the following address: "Office of Community ~~Services~~ Assistance, Ohio Development Services Agency ~~Department of Development~~, P.O. Box 1001, Columbus, Ohio 43216-1001." A copy of the notice of endorsement shall be provided by such chief elected official to the nonprofit agency or organization seeking designation as a community action agency. Notice of endorsement by a chief elected official of a municipal corporation or county of a nonprofit agency or organization seeking designation as a community action agency shall remain effective until a notice of rescission of endorsement is received by certified mail by the office of community ~~services—assistance~~ at the same address. A copy of the notice of rescission of endorsement shall be provided by such chief elected official to the nonprofit agency or organization seeking designation as a community action agency.
- (B) A designated community action agency shall be determined to have provided a range of services and opportunities having a measurable and potentially major impact on the causes of poverty in the community or those areas of the community where poverty is a particularly acute problem based on the extent to which its program activities, conducted in compliance with fiscal and programmatic guidelines as set forth in these rules, meet the goals and objectives delineated in its annual program plan as approved by the office of community ~~services~~ assistance.
- (C) As part of its annual program plan and budget submission each designated community action agency shall submit to the office of community ~~services~~ assistance a board roster along with certification that the composition of the board meets the following requirements:
- (1) The board consists of not fewer than fifteen nor more than thirty-three members;
 - (2) 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 requirement;
 - (3) At least one-third of the members are persons chosen in accordance with

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democratic selection procedures adequate to assure that they are representative of the poor in the service area; and

- (4) 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.
- (D) Each designated community action agency shall submit to the office of community ~~services—assistance~~ along with its annual program plan and budget, a certification that a copy of the program plan and budget was made available to the chief elected officials of the municipal corporations and counties within the service area at least ten days prior to submission of the plan and budget to the office of community ~~services~~assistance.
- (E) Each designated community action agency shall submit to the office of community ~~services—assistance~~ as part of its annual program plan and budget, assurances that it will comply with the prohibitions against discrimination and political activity, as provided for in the Community Services Block Grant Act. In addition to any other procedures available to secure compliance with such assurances, written complaints of non-compliance with these provisions by a designated community action agency may be filed by letter to the office of community ~~services—assistance~~ at the following address: "Office of Community ~~Services~~Assistance, Ohio Development Services Agency ~~Department of Development~~, P.O. Box 1001, Columbus, Ohio 43216-1001." Any and all such complaints shall be forwarded by the office of community ~~services—assistance~~ to the agencies or tribunals having jurisdiction to investigate such complaints. Adjudications by such agencies or tribunals shall be considered in determining whether C.S.B.G. providers are in compliance with the prohibitions against discrimination and political activity as provided in the Community Services Block Grant Act.
- (F) Each designated community action agency shall be subject to audit to determine compliance with fiscal and program requirements as set forth in these rules and as amplified and revised from time to time by bulletins which shall be automatically forwarded without charge to designated community action agencies, and upon request to any citizen who requests copies by writing to the office of community ~~services—assistance~~ at the following address: "Office of Community ~~Services~~Assistance, Ohio Development Services Agency ~~Department of Development~~, P.O. Box 1001, Columbus, Ohio 43216-1001."

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Program and fiscal requirements.

(A) Each designated community action agency shall:

(1) Annually apply for C.S.B.G. funds through submission of a program plan and budget which, upon approval by the office of community ~~services~~assistance, shall become part of a grant agreement between the Ohio Development Services Agency ~~department of development~~, office of community ~~services~~assistance, and the designated community action agency. The program shall include activities which provide a range of services and opportunities having a measurable and potentially major impact on the causes of poverty in the community or those areas of the community where poverty is a particularly acute problem, including, but not limited to:

(a) Providing activities designed to assist low-income persons, including elderly and handicapped low-income persons, to:

(i) Secure and maintain meaningful employment, training, work experience, and unsubsidized employment;

(ii) Attain an adequate education;

(iii) Make better use of available income;

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

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

(vi) Remove obstacles and solve personal and family problems that block the achievement of self-sufficiency;

(vii) Achieve greater participation in the affairs of the community;

(viii) Undertake family planning, consistent with personal and family goals and religious and moral convictions; and

(ix) Obtain energy assistance, conservation, and weatherization services.

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- (b) Providing, on an emergency basis, supplies and services, nutritious foodstuffs, and related services necessary to counteract conditions of starvation and malnutrition among low-income persons;
 - (c) Coordinating and establishing links between government and other social services programs to assure the effective delivery of services to low-income individuals;
 - (d) Providing child care services, nutrition and health services, transportation services, alcoholism and narcotic addiction prevention and rehabilitation services, youth development services, and community services to elderly and handicapped persons; and
 - (e) Encouraging entities in the private sector to participate in efforts to ameliorate poverty in the community.
- (2) Prepare and submit periodic program and fiscal reports, as required, to the office of community ~~services-assistance~~ at the following address: "Office of Community ~~ServicesAssistance~~, Ohio ~~Development Services Agency~~Department of Development, P.O. Box 1001, Columbus, Ohio, 43216-1001." The required reports shall be submitted according to the instructions and schedule provided by the office of community ~~services-assistance~~. Failure to comply with the reporting requirements may result in either the withholding of funds by the office of community ~~services-assistance~~ or the suspension or termination of operations. The office of community ~~services-assistance~~ shall provide all required report forms with instructions and forward them to all designated community action agencies. Required program and fiscal reports shall include, but not be limited to, the following:
- (a) A monthly "Fiscal and Financial Reimbursement Request";
 - (b) A quarterly "Progress Review Report"; and
 - (c) An "Annual Performance Report."
- (3) Submit certification by a certified public accountant that the accounting system to be used is generally acceptable and in conformity with all federal and state guidelines.
- (B) Persons at or below one hundred twenty-five per cent of the official poverty line shall be eligible for all services provided to program participants by designated community action agencies with C.S.B.G. program funds. For purposes of

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determining income eligibility for all activities funded in whole or part by C.S.B.G. program funds:

(1) "Income" shall include:

- (a) Wages and salaries before deductions;
- (b) Self-employment receipts and income less operating expenses and deductions;
- (c) Social security benefits;
- (d) Alimony and child support;
- (e) Dividends and interest;
- (f) Rents and royalties;
- (g) Income from estates and trusts;
- (h) Unemployment benefits;
- (i) Workers' compensation;
- (j) Strike benefits;
- (k) Veterans' benefits;
- (l) Training stipends;
- (m) Government and private pensions; and
- (n) Insurance benefits and annuities; but

(2) The following are excluded from income:

- (a) Assets from bank withdrawals;

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- (b) Sales of property and exchanges of resources;
 - (c) Tax refunds and rebates;
 - (d) Gifts;
 - (e) One-time insurance payments;
 - (f) Lump-sum compensation for injury;
 - (g) Food stamps;
 - (h) Assistance payments from state political subdivisions and Indian tribes (i.e., aid to dependent children, general relief, adult emergency assistance, family emergency assistance);
 - (i) Resources from grants;
 - (j) Scholarships, fellowships, and educational loans;
 - (k) Work expenses of the blind;
 - (l) Handicapped income required for an approved program of self support; and
 - (m) Black lung disability payments.
- (3) The period to be used in determining annual income must not be more than twelve months nor less than the ninety-day period preceding the request for assistance by the individual applicant;
- (4) The income of all members of each family unit residing in the same residence must be included in determining the income eligibility; and
- (5) Proof of income eligibility or self-declaration is required of all applicants applying for assistance as follows:
- (a) When the applicant applies for any service provided by the C.S.B.G. provider, the applicant must sign a self-declaration statement indicating

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its annual income and the income of any other members of the family unit;

- (b) The C.S.B.G. provider must make a reasonable number of spot checks of family units to verify income given in the self-declaration statements. In making the spot checks, the C.S.B.G. provider should contact appropriate sources, such as employers, local departments of human services, the social security administration, or other appropriate sources to obtain written documentation. This documentation should be attached to the self-declaration statement; and
- (c) The self-declaration statement should contain a "Certification and Waiver of Privacy Rights" statement. The applicant shall be informed that the C.S.B.G. provider will check to verify the information on the self-declaration statement, and that by signing the "Certification and Waiver of Privacy Rights" statement the applicant authorizes the release of confidential information for income verification purposes.

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Community action agency annual evaluation.

- (A) Each board of directors of designated community action agencies shall annually conduct a self-evaluation of its policies and programs, using forms provided by the office of community services, according to the following criteria:
- (1) Progress towards meeting the community action agency's goals and objectives as stated in its approved annual program plan;
 - (2) The impact of its activities upon the needs of low-income clients and the community;
 - (3) The appropriateness of its goals in carrying out the community action agency's mission; and
 - (4) The appropriateness of its objectives and strategies in meeting the community action agency's goals.
- (B) The results of the evaluation, and recommendations for improved administration of the community action agencies, shall be submitted annually within sixty days of the program starting date, in the form of a report to the office of community ~~services~~ assistance at the following address: "Office of Community ~~Services~~Assistance, Ohio Development Services Agency ~~Department of Development~~, P.O. Box 1001, Columbus, Ohio 43216-1001."
- (C) Local governments, social services' organizations, businesses and low-income persons shall be involved in the local evaluation process to provide broad community participation. Evidence of such participation shall be included in the community action agency's annual self-evaluation report.