

SECTION 7: State Use of Funds

Eligible Entity Allocation (90 Percent Funds) [Section 675C(a) of the CSBG Act]

7.1. Formula: Select the method (formula) that best describes the current practice for allocating CSBG funds to eligible entities.

- Historic
- Base + Formula
- Formula Alone
- Formula with Variables
- Hold Harmless + Formula
- Other

7.1a. Formula Description: Describe the current practice for allocating CSBG funds to eligible entities. The CSBG Act requires at least 90% of the CSBG funds be made available for grants for the purposes of CSBG, which is met through the allocations to our state's 18 eligible entities: 16 Community Action Agencies (CAAs), plus Foundation for Rural Housing (FRH) and UMOS.

The amount allocated for each Community Action Agency (CAA) is based on the percent of low-income individuals in the geographic area served by the CAA. DCF uses "Poverty Estimate All Ages" data from the U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE) Program to calculate the percent of low-income individuals in each geographic area served by the CAA and updates its allocations decennially with the release of new census demographic data. The CAA receives the percentage of funding related to the percentage of low-income individuals covered by the CAA's service area.

In 2024, DCF allocated historic amounts of 4% of CSBG funds to UMOS, and 1.4% to FRH, based on a process established over twenty years ago. Combined with the CAA funding percentage, DCF passed through 92.87% of CSBG funding to eligible entities.

In 2025, DCF has made the change to retain more funding for administration costs. This is due to an identified deficit in admin over the last 5 years. Eligible entities will receive the pass through of 90% of funding as their base allocations. Any administration funding over and above what is needed can be re-distributed to eligible entities at the discretion of DCF.

7.1b. Statute: Does a state statutory or regulatory authority specify the formula for allocating "not less than 90 percent" funds among eligible entities? Yes No

7.2. Planned Allocation: Specify the percentage of your CSBG planned allocation that will be funded to eligible entities and in accordance to the "not less than 90 percent funds" requirement as described under Section 675C(a) of the CSBG Act. In the table, provide

the planned allocation for each eligible entity receiving funds for the fiscal year(s) covered by this plan. **Year One 92.87 % Year Two 90 %**

Planned CSBG 90 Percent Funds – Year One and Two

CSBG Eligible Entity	Funding Amount (\$)
ADVOCAP, Inc.	\$356,198.51
CAP Services, Inc.	\$417,168.42
Central Wisconsin Community Action Council, Inc.	\$312,974.20
Community Action Coalition for South Central Wisconsin, Inc.	\$312,974.20
Community Action Inc. of Rock and Walworth Counties	\$409,547.18
Couleecap, Inc.	\$339,837.32
Indianhead Community Action Agency, Incorporated	\$199,131.08
Lakeshore CAP, Inc. of Wisconsin	\$279,608.56
Newcap, Inc.	\$677,157.54
North Central Community Action Program, Inc.	\$296,668.95
Northwest Wisconsin Community Services Agency, Inc.	\$163,136.46
Racine/Kenosha Community Action Agency, Inc.	\$558,461.99
Community Relations- Social Development Commission	\$2,190,539.75
Southwestern Wisconsin Community Action Program, Inc.	\$207,675.23
West Central Community Action Agency, Inc.	\$390,011.64
Western Dairyland Economic Opportunity Council, Incorporated	\$234,873.99
Foundation for Rural Housing, Inc.	\$129,331
United Migrant Opportunity Services/UMOS Inc.	\$369,517
Total	\$8,579,263

Planned CSBG 90 Percent Funds – Year Two

Note: This information pre-populates the state’s Annual Report, Module 1, Table E.2.

7.3. Distribution Process: Describe the specific steps in the state’s process for distributing 90 percent funds to the eligible entities and include the number of days each step is expected to take. Please include information about state legislative

approval or other types of administrative approval (such as approval by a board or commission). All eligible entities must submit an annual application to DCF outlining their plans for use of the CSBG funds and certifying that the agencies will comply with all federal and state requirements for CSBG grantees. DCF will send CSBG application forms to eligible entities on or before September 1, and completed applications are due back to DCF by October 1, in the year preceding the contract year, which begins on January 1.

The contract process begins once DCF approves an eligible entity's annual CSBG application. DCF has a process through which the program staff, finance staff, budget staff, the division administrator, the Office of Legal Counsel, and the Secretary's Office must review and approve the funding allocation plan and contract language. Once this process is completed, DCF routes contracts electronically through DocuSign for execution, generally about 30 days before the start of the contract period. Signatories then have 60 days to sign contracts. This timeline is driven by the receipt of DCF's Notice of Award from OCS, which starts the process for each contract year.

DCF distributes CSBG funds to agencies on a reimbursement basis. Once the contract year is underway, agencies may submit claims for reimbursement by the 23rd day of the following month in order to be paid on the last day of that month. For instance, if an agency submits a reimbursement claim for January by the close of business on February 23, DCF will reimburse the agency on the last day of February. Agencies submit claims for reimbursement electronically using the DCF's cost reporting system, known as SPARC (System for Payments and Reports of Contracts).

The SPARC Monthly Expenditure Reports for January through November must be submitted to DCF by close of business (4:30 pm Central Standard Time) on or before the 23rd day of the month for the previous month's activity. Late reports will be processed in the next month's payment cycle. The schedule for submitting SPARC Monthly Expenditure Reports is left to the discretion of each contract agency; reports may be submitted monthly or less frequently, depending on the agency's wish for reimbursement. It is not imperative that expenditures for a specific month be claimed within that month; they may be claimed on a subsequent month's expenditure report. The final expenditure report for the contract year is due within 60 days after the end of the grant period, which will occur on February 29, 2024, and March 1, 2025.

DCF requires all grants to be paid by direct deposit into grantees' accounts. After an expenditure report is submitted, DCF will issue the reimbursement using direct deposit on the last day of the same month.

7.3a. Distribution Method: Select the option below that best describes the distribution method the state uses to issue CSBG funds to eligible entities:

- Reimbursement
- Advance

- Hybrid
- Other

7.4. Distribution Timeframe: Does the state intend to make funds available to eligible entities no later than 30 calendar days after OCS distributes the federal award?

Yes No

7.4a. Distribution Consistency: If no, describe state procedures to ensure funds are made available to eligible entities consistently and without interruption. N/A

Note: Item 7.4 is associated with State Accountability Measure 2Sa and may pre-populate the state’s annual report form.

7.5. Distribution of Funds Performance Management Adjustment: Describe the state’s strategy for improving grant and/or contract administration procedures under this State Plan as compared to past plans. Any improvements should be based on analysis of past performance and should consider feedback from eligible entities, OCS, and other sources, such as the public hearing. If the state is not making any improvements, provide further detail. Every quarter DCF monitors the Key Performance Indicator (KPI) of contract timeliness. Although the department’s contracts were signed before the contract start date, the department still has room for improvement. If a contract is not signed timely (prior to the contract start date), this could cause a gap in service, which negatively impacts our programs and ultimately the children and families we serve. A Contract Timeliness Continuous Improvement Project was launched with the purpose of identifying areas of improvement around timely contract signing. The project kicked off in 2021 with a survey for DCF’s contract administrators to better understand any barriers they are facing related to contract timeliness and to identify other ways to support these efforts.

DCF finalized the revised CSBG Policy and Procedures Manual, which has been updated based on feedback from the eligible entities, OCS, and other sources, and is incorporated by reference and content into subsequent State Plans. DCF created an outline of the changes in the updated CSBG Policy and Procedures Manual.

DCF is continually exploring other ways to allocate funds. Currently, we are allocating the percentage of the poverty level in each region.

Note: This information is associated with State Accountability Measure 2Sb and may pre-populate the state’s annual report form.

Administrative Funds [Section 675C(b)(2) of the CSBG Act]

7.6. Allocated Funds: Specify the percentage of your CSBG planned allocation for administrative activities for the FFY(s) covered by this State Plan.

Year One 1.86% Year Two 5__% [

Note: This information pre-populates the state’s Annual Report, Module 1, Table E.4.

7.7. State Staff: Provide the number of state staff positions to be funded in whole or in part with CSBG funds for the FFY(s) covered by this State Plan.

Year One 3 Year Two 3

7.8. State FTEs: Provide the number of state Full Time Equivalents (FTEs) to be funded with CSBG funds for the FFY(s) covered by this State Plan?

Year One 1.55 Year Two 1.55

Use of Remainder/Discretionary Funds [Section 675C(b) of the CSBG Act]

7.9. Remainder/Discretionary Funds Use: Does the state have remainder/discretionary funds as described in Section 675C(b) of the CSBG Act? Yes No

GUIDANCE: "No" should only be selected if the percentages provided under 7.2. and 7.6. equal 100%.

If yes, provide the allocated percentage and describe the use of the remainder/discretionary funds in the table below. Year One 5.27% Year Two 5%

Note: This response will link to the corresponding assurance, Item 14.2.

INSTRUCTIONAL NOTE: The assurance under 676(b)(2) of the Act (Item 14.2 of this State Plan) specifically requires a description of how the state intends to use remainder/discretionary funds to "support innovative community and neighborhood-based initiatives related to the purposes of [the CSBG Act]." Include this description in Item 7.9f of the table below and/or attach the information.

If a funded activity fits under more than one category in the table, allocate the funds among the categories. For example, if the state provides funds under a contract with the State Community Action association to provide training and technical assistance to eligible entities and to create a statewide data system, the funds for that contract should be allocated appropriately between Items 7.9a. – 7.9c. If allocation is not possible, the state may allocate the funds to the primary category with which the activity is associated.

Note: This information is associated with State Accountability Measures 3Sa and pre-populates the Annual Report, Module 1, Table E.7.

Use of Remainder/Discretionary Funds – Year One and Two

Remainder/Discretionary Fund Uses (See 675C(b)(1) of the CSBG Act)	Planned \$	Brief Description of Services and/or Activities
7.9a. Training/Technical Assistance to eligible entities	\$64,000.00	These planned services/activities will be described in State Plan Item 8.1 [Read-Only]
7.9b. Coordination of state-operated programs and/or local programs	\$0.00	These planned services/activities will be described in State Plan Section 9, State Linkages and Communication [Read-Only]
7.9c. Statewide coordination and communication among eligible entities	\$27,000.00	These planned services/activities will be described in State Plan Section 9, State Linkages and Communication

Remainder/Discretionary Fund Uses (See 675C(b)(1) of the CSBG Act)	Planned \$	Brief Description of Services and/or Activities
		[Read-Only]
7.9d. Analysis of distribution of CSBG funds to determine if targeting greatest need (Briefly describe under Column 4)	\$0.00	
7.9e. Asset-building programs (Briefly describe under Column 4)	\$0.00	
7.9f. Innovation programs/activities by eligible entities or other neighborhood groups (Briefly describe under Column 4)	\$0.00	
7.9g. State Charity tax credits (Briefly describe under Column 4)	\$0.00	
7.9h. Other activities (Specify these other activities under Column 4)	\$362,374.00	<p>Wisconsin allocates 4% of the CSBG funding to the state's 11 federally recognized Indian tribes. This funding is included as part of the Family Services Program (FSP) funding the state provides to the tribes. FSP funds can be used for a wide range of human services, including:</p> <ul style="list-style-type: none"> • Domestic abuse intervention; • Child welfare programs; • Initiatives that empower low-income individuals, families, and communities to overcome the effects of poverty; • Adolescent pregnancy prevention and parenting skills programs for adolescent parents; and • Childcare. <p>Each tribe has the flexibility to include and emphasize the services that will meet the need of individual families and the tribal community.</p>
Totals	\$475,374.00	

GUIDANCE: If the percentages provided under 7.2. and 7.6. do not equal 100%, the remaining percentage should be reported under 7.9. If the state does not have any remainder/discretionary fund activities (as listed in 7.9a. – 7.9g.), the remainder should be described in 7.9h.

7.10. Remainder/Discretionary Funds Partnerships: Select the types of organizations, if any, the state intends to work with (by grant or contract using remainder/discretionary funds) to carry out some or all the activities in Table 7.9.

- The State Directly Carries Out All Activities (No Partnerships)
- The State Partially Carries Out Some Activities
- CSBG Eligible Entities (if checked, include the expected number of CSBG eligible entities to receive funds)
- Other Community-based Organizations
- State Community Action Association
- Regional CSBG Technical Assistance Provider(s)
- National Technical Assistance Provider(s)
- Individual Consultant(s)
- Tribes and Tribal Organizations
- Other

Note: This response will link to the corresponding CSBG assurance in Item 14.2.

7.11. Use of Remainder/Discretionary Funds Performance Management Adjustment:

Describe any adjustments the state will make to the use of remainder/discretionary funds under this State Plan as compared to past State Plans? Any adjustment should be based on the state's analysis of past performance, and should consider feedback from eligible entities, OCS, and other sources, such as the public hearing. If the state is not making any adjustments, provide further detail.

There hasn't been any further adjustment on the use of the remainder/discretionary funds for performance management. Any remaining administrative funding may be passed through to either WISCAP for additional T/TA dollars or to eligible entities to apply for scholarships for additional trainings or innovative projects.

Note: This information is associated with State Accountability Measures 3Sb and may pre-populate the state's annual report form.