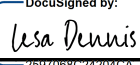


BLOCK GRANT PROGRAM STATUS REPORT

July 1, 2025- December 31, 2025

Department: Community Based Services (DCBS)Block Grant: Community Services Block Grant (CSBG)

This report is submitted in compliance with KRS 45.357. This report on achievements may be compared to the Block Grant application currently on file with LRC.

Block Grant Manager:  Lesla Dennis DocuSigned by: 2697088C2420CA... 3/27/2026
Lesla Dennis **Date**
Commissioner

1. FINANCES	Federal Funds	General Funds	Trust/Local Match	Total
CSBG Annual Budget	\$12,839,178	\$104,268	0	\$12,943,446
CSBG Actual Expenditures	\$6,708,370.76	\$102,633.28	0	\$6,811,004.04
CSBG Encumbrances	0	0	0	0
CSBG Available Balance	\$6,130,807.24	\$1,634.72	0	\$6,132,441.96

2. RESULTS BUDGETED/ACHIEVED

OBJECTIVES	ACHIEVEMENTS
1. Provide, through contracts with 23 local Community Action Agencies (CAAs), needed services to clients whose income meets poverty guidelines on a statewide basis.	1. DCBS executed contracts, on the state fiscal year, with all 23 Community Action Agencies (CAAs), serving all 120 counties of the Commonwealth, for provision of required services based on approved plans and budgets.
2. Conduct an annual fiscal audit under auspices of the Cabinet for Health and Family Services with actual audits being conducted by certified public accountant firms and approved by DCBS-Division of Administration and Financial Management (DAFM).	2. DCBS maintains contractual arrangements for personnel responsible for annual fiscal audits. In addition, annual Organizational Standards monitoring is completed by the DCBS to include audit review and to ensure audits are presented to the CAA board, as required. To date all agencies are complying with requirements.
3. Monitor CAAs for compliance with Standards of Performance as promulgated in Kentucky Administrative Regulation for Community Action Agencies and in accordance with plan and budget instructions and federal and state statutes.	3. DCBS performs on-site reviews for monitoring fiscal compliance with each of the 23 local CAAs each fiscal year. During this reporting period of July 1, 2025 – December 31, 2025, nine of the 23 CAAs were reviewed for compliance. Seven were in compliance, and two were issued corrective actions, which have since been resolved.
4. Monitor CAAs for compliance with the Organizational Standards as determined by the Office of Community Services and promulgated in the Kentucky Administrative Regulation in	4. DCBS and Community Action Kentucky (CAK), perform on-site review for organizational standards with each of the 23 local CAAs each fiscal year. During this reporting period, DCBS and CAK conducted on-site

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accordance with state and federal statutes.	reviews for 13 of 23 agencies.
5. Obtain contract service reports to use for training and technical assistance.	5. DCBS reviews service and fiscal reports from each CAA on a quarterly basis and maintains a data system for federal and state reporting.
6. Provide training and technical assistance based on input from all contract agencies.	6. CAK and DCBS provide training and technical assistance through different venues, including work sessions, an annual conference, and regional training. Trainers or consultants with expertise in their fields are often selected to facilitate these sessions. CAK in collaboration with DCBS, held 2026 Fall Training on September 16, 2025, all 23 CAAs were represented. The training topics included the following: Assessing Services and Strategies, Exploring Data-Using AI to Enhance Your Work- Community Needs Assessment, Reports, Organizational Standards and Marketing and Outreach. Annual Office of Community Services Regional Performance and Innovation Consortia IV Capacity Building and Quality Improvement (CBQI) Symposium for, Alabama, Florida, Georgia, Mississippi, Kentucky, North Carolina, South Carolina and Tennessee was held on September 11, 2025. CAK staff and DCBS also conducted ongoing technical assistance and training through email, phone calls and on-site training during this period, when requested.

3. AUTHORIZED CHANGES (from the Block Grant Plan in Finances and/or Objectives)

On May 22, 2025, the Office of Community Services (OCS) announced the release of \$382,756,799 for federal Fiscal Year 2025 (FFY25), regular block grant funding to Community Service Block Grant (CSBG) grant recipients. This funding is provided under a Continuing Resolution (CR) called the Full Year Continuing Appropriations and Extensions Act, 2025, Pub. L. 119-4, signed into law on March 15, 2025. Under this law, CSBG grant recipients and CSBG eligible entities may continue to apply the higher eligibility rate of 200 percent of the federal poverty level (FPL) for services provided through September 30, 2025, assuming no superseding legislation from Congress is enacted before that date.

On November 12, President Trump signed a spending package that includes a Continuing Resolution (CR) that funds several agencies (including the Department of Health and Human Services) through January 30, 2026. The CR-portion of the spending package maintains funding at FY25 levels through January 30, 2026.

4. EVALUATION OF RESULTS

Using a compliance monitoring instrument based on state statutes, contractual requirements, minimum program, and management standards, DCBS conducted contractual monitoring for reporting period of July 1, 2025 – December 31, 2025, nine (9) of the twenty-three (23); Seven (7) with no findings for non-compliance. Two (2) had

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corrective actions that have been corrected.

DCBS based the federal award amount according to allocation given in FFY25. The expenditures represent July 1, 2025, through December 31, 2025.

5. ALTERNATIVES FOR IMPROVED SERVICE DELIVERY

DCBS continues to promote improved service delivery through ongoing training and technical assistance for CAA staff. Through the respective contracts, CAAs are required to coordinate with DCBS and other local service providers to avoid duplication and evaluate their outcomes for improvement.

Additionally, CAA Boards are responsible for an ongoing process to evaluate and assure local needs are met.