Dear Members:

Let me begin by applauding and thanking you for the hard work that you do on behalf of individuals and families in the great state of Illinois. Let me also thank our President Barack Obama and the Congress of the United States for bestowing us with such an honor of serving this nation through this historic effort to boost the American economy with job creation, while assisting our citizens with the reduction of their energy usage and costs. We appreciate the significant funding increase represented by American Recovery and Reinvestment Act (ARRA) and understand the responsibility that it represents. We have responded strategically and systematically in fulfilling this awesome task of serving Illinois’ poor while creating green jobs in this troubled economy and managing a significant increase in funding for our programs. Many joint meetings have been held by the partners of our programs to ensure that all protocols, processes and procedures are being followed while responding to the needs of the ARRA initiative.

This has certainly been an opportunity for Community Action to prove its resiliency in an environment that has been fast paced, unpredictable and dynamic. This has also been an opportunity for Community Action to demonstrate that we are the network of choice when it comes to serving the poor while fighting for social justice. Finally, this has been an opportunity to really place the “war on poverty” in the mainstream of American thought. The work that we do has a positive impact on the economy. We have been the pioneers of green work through the weatherization program. We were doing green work even before the concept of a green economy was born. The challenges and opportunities of the 21st Century are calling for social service organizations to evolve into economic players.

This is our time. This is our moment to share with America that strategies we have developed to fight poverty are strategies that work for the whole community and strengthen our economy. Our work in Head Start, programs we have created through the Community Services Block Grant funding and a myriad of other services have been thrust on center stage during this time of need for the American people. Albert Schweitzer said “What we do with our lives individually is not what determines whether we are a success or not; what determines whether we are a success is how we affect the lives of others.”

I salute the IACAA board of directors for their visionary leadership, the staff for their unwavering support and commitment, the member agencies for trusting this organization’s leadership in changing times and our state partners for their continued support. There is an African proverb that aptly defines who we are as network - “umuntu ngumuntu ngabantu, “a person is a person through other persons.”

Sincerely,
Dalitso Sulamoyo
President/CEO
Dear Fellow Members:

In every recipe there are ingredients. There are 5 ingredients that make up Community Action’s “recipe for success” in Illinois. These ingredients are Community Action’s mission, a united network, the Illinois Association of Community Action Agencies (IACAA), our partnership with the state of Illinois and the sense of optimism that we possess as soldiers of social justice.

Community Action’s mission has not changed these last 46 years. We may have changed strategies over the years, but our mission has always been to eliminate the paradox of poverty in this land of plenty. It is due to our mission, that we are helping to rebuild our troubled economy with some of our key programs. We bring hope to those who are downtrodden and marginalized by our economy. We help people and change lives.

Something we have learned over the years is that our survivability as a network is in part based on our unity. We have approached both challenges and opportunities as a united network. We have been there for each other and have truly exemplified being each other’s keepers in times of need.

The delivery of our services has been successful due to the partnership we have with the state of Illinois. Our partnership goes beyond their role as a funding source and ours as the local administering agencies, our partnership has been about working collaboratively to build solutions that impact the families and individuals we serve.

Our sense of optimism conveys the message that better days are ahead of us. Whether its dealing with our troubled economy, responding to natural disasters or fighting for institutional change for the betterment of the lives of those whom we serve, Community Action carries the beacon of hope for the anti-poverty movement in America. We continue to wage the “War on Poverty” because we believe the future can be better and brighter for all Americans.

The IACAA has been one of our main ingredients for our “recipe for success”. IACAA has advocated on our behalf with the state of Illinois, the General Assembly and Congress to ensure that there are policies in place that are conducive for transformational change in people’s lives. IACAA has ensured that network is well equipped to deal with the challenges and opportunities of today and tomorrow. IACAA continues to be a resource we can count on as we deal with a very dynamic and at times volatile environment.

I would like to thank my colleagues on the board for their hard and dedicated work, the IACAA staff for their commitment, our partners for their support and the membership for who you are. The ingredients needed in the recipe for the success of the “war on poverty.”

Sincerely,
Kris White, Chair
FINANCIALS

Twelve Months ended December 31, 2009 - (Unaudited)

Revenue and Other Support
Grant Revenue $ 8,494,286
Contributions 5,295
Meeting Income 209,971
Membership Dues 48,325
Rental & Services Income 222,237
Investment Income 31,286
Miscellaneous Income 26,111
Total Revenue and Other Support $ 9,037,512

Program Service Expenses
Community Services Block Grant 481,865
Utilites Rate Relief 4,031,063
Low Income Home Energy Assistance Program 219,329
Illinois Department of Human Services (DHS) 89,836
Illinois Department of Human Services (MHS) 717,994
Rental Housing Support Program 300,337
Illinois Housing Development Authority 1,121,011
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Rental Housing Support Program 300,337
Illinois Housing Development Authority 1,121,011
Rural Community Assistance Program 270,659
Adsystech 272,405
Department of Housing and Urban Development 78,552
OCS Capacity Building 87,946
OCS ARRA (Stimulus - Tech/Training) 14,716
Total Program Services 7,685,713

Support Services
Membership Services 287,978
Building 221,170
Total Support Services 509,148
Total Expenses 8,194,861
Change in Net Assets 842,651
Net Assets, Beginning of Year 1,181,430
Net Assets, Year to Date $ 2,024,081
Percentage of Income Payment Plan

With the passage of Senate Bill 1918, the Illinois General Assembly changed the direction of the Low Income Home Energy Assistance Program in Illinois by mandating the establishment of a state-wide percentage of income payment plan, or PIPP, by September 2011. The PIPP provides enrollees with the opportunity to pay a regular, monthly utility payment based on a pre-determined percentage of their income. Low-income households statistically pay a disproportionate amount of their income on energy bills compared to other customers.

SB 1918 provides for a 6% percentage of income payment. IACAA staff participated in the discussions and negotiations which were hosted by the Attorney General’s office and included other consumer advocates and utility representatives. IACAA represented the Community Action network in these negotiations to ensure that the program design was going to be a more equitable system for providing energy assistance to low income households as well as to ensure that Community Action Agencies continued to have a significant role to play in the program. PIPP customers will no longer receive the traditional direct vendor payment, but should see a greater benefit from this program.

IACAA has continued to be involved with the Illinois Department of Commerce and Economic Opportunity, consumer advocates, and utilities to implement the program. The PIPP Steering Committee devised a three phase approach with the third phase being the full state-wide program. IACAA is and will continue to be heavily involved in the consumer education side of the program to make sure that agencies are fully trained on the details of the program and that they are provided with the knowledge and resources to educate customers on the value of the PIPP.

Weatherization Assistance Program – ARRA Funding

The Weatherization Assistance Program experienced tremendous growth in 2009 as a result of funding from the American Recovery and Reinvestment Act – commonly known as the Stimulus. Typically the program is funded by the Department of Energy at about $240 million nationwide. However, ARRA funded the program at $5.1 billion over a three year period. Illinois would receive roughly $240,000,000 on its own. These increases mean that the state would go from weatherizing 8,000 homes to almost 22,000 homes during the 2009-2010 program year.

The additional funding has created a great deal of excitement within the Community Action Network. President Obama highlighted the program as one of the keys for success of ARRA. His argument was that the weatherization of our nation’s homes provides a decrease in home energy bills, creates “green” jobs for the unemployed, and helps to reduce our national energy usage which will translate to less dependence on foreign oil.
The increased funds have been an enormous challenge for community action agencies. Agencies have had to take swift action to “ramp up” their departments, including buying equipment, hiring contractors and crews – and having them trained, hiring office staff, and taking additional applications in order to have enough homes to weatherize. In addition, as a part of ARRA, community action would now be subjected to Davis-Bacon prevailing wage laws. The Davis-Bacon Act was designed to ensure that local construction workers and laborers would be paid the prevailing wage in their area. This was a new concept for the network and IACAA provided training on the rules and regulations of this requirement to both staff and contractors of the program.

As weatherization has become a national priority for the new administration, it has brought about additional scrutiny from critics and the press. The program flew under the radar for many years as a vital program in reducing energy costs and improving the comfort and safety of low-income home owners. Now, the network has been challenged to demonstrate its value to the nation on a large scale. The Weatherization Assistance Program is poised to prove itself as one of the success stories in helping to pull the nation out of its economic difficulties.

### Head Start Collaboration

The Community Action Agencies in Illinois represent almost half of the Head Start grantees in Illinois. In most cases Head Start represents a significant amount of revenue that Community Action receives. To that end, IACAA has played a significant role in ensuring the stability of this program through peer to peer technical assistance and policy advocacy. Last year IACAA partnered with the Illinois Head Start Association to ensure local collaboration between the Head Start program and state funded pre-school programs through the passage of SB 79 sponsored by Senator Terry Link. The Act amends the School Code. It requires grantees under the Preschool for All Children program to enter into a memorandum of understanding with the appropriate local Head Start agency no later than 3 months after the award of a grantee’s grant under the program. The bill sets forth certain issues that the memorandum must address and suspends the memorandum of understanding requirement if the local Head Start agency is unable or unwilling to enter into the memorandum.
Professional Development Institute: the First Year

“Never doubt that a small group of thoughtful, committed people can change the world, indeed, it is the only thing that ever has!” - Margaret Meade

Meade’s famous quote is in use in many of the trainings offered by IACAA’s Professional Development Institute (PDI). In many ways, Meade’s timeless observation defines the scope of work by the Illinois Community Action Network – tireless and committed to positive change. Keeping this message in mind is at the heart of the PDI.

The PDI is a comprehensive, sustained approach to improving the effectiveness of the Community Action Network to encourage and support self-sufficiency to individuals and families. Already, it has been an extraordinary year for the start-up of the PDI. Since last year’s report, four Family and Community Development Specialist Trainings have been held (Springfield, Aurora, and East St. Louis), adding over 70 colleagues to the FCD Specialists ranks. Of special note, we reached beyond our network to train 29 SIU-Edwardsville Head Start staff members who are now or will be designated as FCD Specialists.

UIS’ Certified Public Manager (CPM) first cohort of ten participants is on track towards certification and enrollment is underway for the 2010 cohort. The Certified Community Action Professional (CCAP) designation training by Charles McCann is reaching out to nine more Community Action peers – adding to the growing ranks of Illinois’ CCAPs. On-demand trainings for the Network continue to be successful – with Customer Service being a popular choice. Another initiative is also broadening the scope of the PDI —the Poverty Simulation. The simulation has been presented to the Peoria School District and to the Joliet Child Resource and Referral Network and has been well received. The exploration of poverty issues is always eye-opening and compelling. By creating awareness of the impact of poverty, it provides abundant opportunities to share the good work of Community Action and promotes common understandings and outreach.

IACAA is also part of the calling team for the “Art of Hosting and Convening Conversations: Creating Healthy Communities so Children and Families Thrive” (AOH). This annual event brings together community leaders, parents, educators, advocates, practitioners from health, justice, human services and policy makers who
are working together to improve the lives of children, youth and families in Illinois. It creates the opportunity to address the many challenges and strengths at hand while building stronger partnerships and friendships that are necessary to create the change we all dream of. The impact of AOH is reflected through strengthened partnerships, new opportunities and clearer vision.

Plans for future expansion include the development of new curriculums, focusing on families and prisoner re-entry and the inclusion of new “On-Demand” sessions for the entire network. Input is important; your insights are welcome and an important component of PDI growth. Our theme, “Recipes for Success” defines the importance of working together, mixing together our talents and strengths and reflects our commonalities. As MFK Fisher, the great food writer observed, “First we eat, then we do everything else.”
Database Initiative

The statewide database initiative shifted courses by the end of 2009. The Department of Commerce and Economic Opportunity (DCEO) decided to develop its own single system for the core community action programs now housed at the Department instead of relying on an outside vendor. The energy programs, Low income Energy Assistance Program (LIHEAP) and Weatherization were moved from the Department of Healthcare and Family Services back to DCEO in the first quarter of 2009. The move inspired DCEO to look at a single system for the programs since they were dealing with the same agencies and same clients. The Department formally announced their decision to the executive directors at the Association’s winter conference in December. The Association supported the Department’s move to take over the statewide database project. The Department has the financial and human resources to manage the statewide database. Moreover, the Department shared the vision of the Association of having a single point of entry for clients into an agency to maximize client support and eliminate duplication in the application process. In the final analysis, if the community action agencies have a database that will allow them to operate their core programs in one system, then that helps solidifies the importance of keeping the programs together within the community action network.
DHS Technical Assistance
For twenty-years IACAA has partnered with the Illinois Department of Human Services to provide technical assistance to homeless service providers, food assistance agencies, and housing developers. IACAA’s main function has been to produce the Homeless Headlines newsletter for more than 1,000 readers each month, containing news on local programs serving low-income people, housing and homelessness-related legislation, trainings, and a range of resources. The newsletter has been available in print, online at the IACAA web site, and by email. Reader surveys conducted by Illinois State University and the University of Illinois at Springfield have demonstrated a high level of reader satisfaction.

Lead stories in 2009 included:
- Group Home Supportive Living Initiative
- Homeless Outcome Tracking: Progress through Performance Measurement
- Supportive Housing in Illinois: A Wise Investment
- The ARCH Program: ACT Resources For Chronically Homeless Persons
- New Re-Entry Housing Program in Chicago
- Green Development Model in Rockford

Rental Housing Support Program
The Association is making a difference by helping to secure permanent affordable rental housing for low income households who have been paying a disproportionate share of their income for basic housing. The Illinois Housing Development Authority’s Rental Housing Support Program (RHSP), provides rent subsidies for “rent burdened” households.

In 2009, the Illinois Housing Development Authority (IHDA) awarded IACAA another three-year contract to administer RHSP. This is the second round of RHSP grant awards by IHDA. This round adds 16 counties to the Association’s existing 19-county service area so a total of 35 counties are being served under the IACAA umbrella. Participating agencies include Project NOW, Rockford Human Services, Two Rivers Regional Council of Public Officials, Wabash Area Development Inc., Shawnee Development Council and Tri-County Opportunities Council. When these ten CAAs are operating to capacity, over 130 affordable rental units will have been brought online.
HUD: Tapping Our Wisdom

IACAA hosted the “Tapping Our Wisdom” forum for mental health service providers on behalf of the HUD Chicago Regional Office. The forum utilized a different approach for learning called World Café. World Café is a methodology that uses questions relevant to the work of participants to solicit meaningful dialogue and maximum input from all participants. The World Café gave HUD staff a unique opportunity to gather direct input from a representative group of mental health practitioners serving chronically mentally ill homeless persons. IACAA and HUD plan to follow up the Chicago forum with two additional forums in downstate Illinois. Collectively, these events will give HUD insight into the high-priority issues for these service providers, and generate a menu of priorities to direct HUD policy in the state.
Subsidy Administrator-Bridge Subsidy Program

The Department of Mental Health (DMH) Bridge Subsidy provides tenant-based rental assistance to hundreds of high priority DMH consumers who can and should be living in their own housing units in the community. The DMH Bridge Subsidy Program will provide a rental subsidy to act as a “bridge” between the time that the consumer is ready to move into his or her own unit until the time he or she can secure permanent rental subsidy, such as a Section 8 Housing Choice Voucher or comparable rental subsidy. The DMH Bridge Subsidy Program has been deliberately designed as a Housing Choice Voucher “look-a-like” program to help ensure that the transition from the Bridge Subsidy to a permanent voucher is as close to seamless as possible.

IACAA acts in the role of Subsidy Administrator for 96 of the 102 counties located within the State of Illinois. The program has expanded from FY09 funding of $250,000.00 to the proposed FY11 budget funding of $1,850,000.00.

IACAA works daily with Department of Mental Health Agencies and their Case Managers, Local Housing Authorities, and Landlords to locate safe, decent, and affordable housing throughout the state. As the Subsidy Administrator, IACAA provides monthly rental subsidies, which are at a minimum 70% of an individual’s income and in many cases 100%. IACAA is currently processing monthly subsidies for 80 households in an approximate amount of $25,600.00.

The DMH Bridge Subsidy Program will also include a Transitional Fund to provide for move-in costs such as security deposits, utility deposits, etc.

Transition Debit Cards

IACAA issues on behalf of The Department of Mental Health (DMH) Debit Cards used to access the Transitional Funds for the entire State of Illinois in coordination with the DMH Bridge Subsidy Program as well as the Money follows the Person Program (MFP), and the Rapid Reintegration Program. The program has, to date, approved 600 applicants for the use of these funds.

The transitional funds are designated to assist individual(s) with the set up of a household. These funds are limited to a lifetime maximum of $2,800.00 less any funds paid by the Subsidy
Administrator on the individual’s behalf. Such costs would be security deposits, utility deposits (not unpaid balances), application fees, and possible transportation costs incurred by the individual(s) to view property. To date, this program has disbursed $612,804.00 in transitional funds.

The Care Manager is responsible for all purchases, submission of the original receipts, and the debit cards to IACAA within 45 days. IACAA will monitor all card expenditures, review items purchased and reconcile close out balances for each individual approved and issued transitional debit cards. To date, over $55,000.00 has been recaptured through this reconciliation process and circulated back into the program.
2009 was an eventful year for the Rural Community Assistance Program (RCAP). The program met or exceeded all grants requirements. The Association is required to be active in 23 communities and we are currently active in 34. The services provided range from performing environmental assessments for proposed projects to assisting a community to make their water supply safe for public use.

The Association has expanded its network of other agencies and organizations that can be utilized to better assist underserved rural communities.

Examples include:
- IACAA received a small grant to disperse Illinois Water & Wastewater Agency Response Network (ILWARN) information
- An RCAP staff member is the ILWARN Vice-Chairperson for Small Communities.
- Through ILWARN activities the Illinois Section of the American Water Works Association requested that an RCAP staff member be a member of their Small Systems Committee.
- IACAA has a Peace Corp Fellowship Intern on staff from the Illinois Institute of Rural Affairs
- RCAP will be receiving additional funding from United States Department of Agriculture Rural Development (USDA/RD) to assist them with their ARRA water and wastewater loan processes.

Along with all of these activities the RCAP staff continues to develop their skills to better serve small communities. They have attended trainings on grant administration, performing energy audits and attended the IL Institute of Rural Affairs Rural Development Conference. Also, due to staff turnover RCAP has promoted one of their Rural development Specialists to be the new State Coordinator, Bud Mason and has hired a new Rural Development Specialist. The RCAP program has been active in helping rural communities with their water needs.
IACAA consists of 40 member agencies which include 36 community action agencies and two statewide agencies that serve all 102 counties of the state. Community Action Agencies are designated organizations created and given a federal mandate to coordinate local anti-poverty efforts through the Economic Opportunity Act of 1964, a predecessor of the Community Services Block Grant (CSBG). CSBG funds are utilized by CAAs to totally or partially support programs including all or some of the following:

- Securing and maintaining employment
- Providing education opportunities
- Teaching income management
- Securing safe and affordable housing
- Providing emergency services
- Providing linkages to other resources
- Promoting nutrition
- Ensuring health
- Promoting nutrition
- Supporting youth and senior services

The 2009 American Recovery and Reinvestment Act (ARRA) infused new resources into community action network to help stabilize the economy and support displaced workers meet their short term and long term needs. Community Action received ARRA funding primarily through CSBG and through Weatherization funding. In addition to the programming list above the Illinois community action network invested their ARRA resources into the following areas:

**Economic Development**
- On the job training in the areas of Weatherization, Boys and Girls Club
- Offering resources to attend training programs in Truck Driver, computer literacy, and business certifications
- Summer Youth employment
- Job Placement services
- Small loans for business start up

**Education**
- Scholarships—all agencies have a scholarship program. More resources were channeled in this area.
- Daycare/childcare support for low income working families and parents going back to school
- Enrollment in GED

more-->
Housing
- Mortgage Foreclosure/Mitigation
- Home Repair
- Affordable Housing Counseling

Income
- Financial Literacy

Emergency Services
- Support to other entities such as Catholic Charities that support emergency shelter
- Providing short term resources for basic needs including housing, rent, utilities, food, etc

Nutrition
- Food Pantry Supplementation
- Summer food program for youth
- Community Garden
- Senior Nutrition
- Summer Food Support (staff time for area for food sites)

Linkages
- Veterans Benefit Enrollment, all CAAS—provide comprehensive assessment, information, advocacy, and referral services to CSBG eligible veterans.
- Local needs assessment
- Senior Transportation
- Transportation to work

Self Sufficiency
- Case management
Management Team

Dalitso Sulamoyo, CCAP ..................President/CEO
Michelle Pulce ............Vice President of Programs
Anita Holmgren ............... Vice President of Fiscal Operations
Sara Ratcliffe...... Director of Membership Services
Dan Manfredo .................Director of Energy Policy and Programs

Support Team

Nicole Clements.............. Development Specialist
Bud Mason .................Rural Community Assistance Partnership State Coordinator
Patrick Gleason.........Rural Community Assistance Partnership, Rural Development Specialist
Scott Thompson........Rural Community Assistance Partnership, Rural Development Specialist
Sheila Powell ..........Secretary/Receptionist
Tami Rechner.......... Housing Support Specialist
Allan Timke ..........Housing and Homeless Program Coordinator
Christine Westerlund....... Director of Professional Development

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Will County Community Concerns, Joliet, IL

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East Central Illinois Community Action Agency, Danville, IL

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Illinois Migrant Council, Chicago

Angela Stoltzenburg, CCAP
Community Action Partnership of Central Illinois, Lincoln

Robert Wharton
Community and Economic Development Association of Cook County, Chicago

Mary Lockhart-White, CCAP
Community Action Partnership of Lake County, Waukegan