

**DEPARTMENT OF AGING**

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**PROGRAM MEMO**

TO: <b>AREA AGENCY ON AGING DIRECTORS</b>	NO.: <b>PM 09-08(P)</b>
SUBJECT: American Recovery and Reinvestment Act (ARRA) Nutrition Stimulus funds	DATE ISSUED: April 21, 2009
REVISED	EXPIRES: September 30, 2010
REFERENCES:	SUPERSEDES:
PROGRAMS AFFECTED: <input type="checkbox"/> All <input type="checkbox"/> Title III-B <input checked="" type="checkbox"/> Title III-C1/C2 <input type="checkbox"/> Title III-D <input type="checkbox"/> Title III-E <input type="checkbox"/> Title V <input type="checkbox"/> CBSP <input type="checkbox"/> MSSP <input type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input type="checkbox"/> Other: _____	
REASON FOR PROGRAM MEMO: <input type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: One time only grant award	
INQUIRIES SHOULD BE DIRECTED TO: Assigned AAA-Based Team Public Health Nutrition Consultant	

This Program Memorandum (PM) provides guidance for administration of Nutrition Stimulus funds awarded by the American Recovery and Reinvestment Act (ARRA) of 2009. The ARRA legislation incorporated grants to support the Title III C Elderly Nutrition Program services including nutritious meals, nutrition education and other appropriate nutrition services for older Americans in order to maintain health, independence and quality of life. The Nutrition Stimulus funds awarded to the California Department of Aging (CDA) are designated to provide Title III C meals to seniors in need of food, to restore congregate and home-delivered nutrition services that have been cut, and to reinstate positions that may have been eliminated or reduced.

**Allocation of the Nutrition Stimulus Funds**

The Nutrition Stimulus funds will be allocated to each area agency by utilizing the standard 2009-2010 Intrastate Funding Formula (IFF) factors. Thirty-five percent of the total grant funding was allocated in State Fiscal Years (SFY) 2008-09 and the balance (sixty-five percent) will be allocated in SFY 2009-10. All Nutrition Stimulus funds must be encumbered by September 30, 2010.

**Transfer of the Nutrition Stimulus Funds**

The Nutrition Stimulus funds may be used to restore nutrition funding lost in the economic downturn. The Nutrition Stimulus funds are not transferable and cannot be used to backfill other programs. The intent of the funds is to increase or maintain the number of congregate



and home-delivered meals (HDM) provided to older adults. Therefore, reporting should document such increases. Older Americans Act (OAA) funds can be transferred (up to forty percent) between congregate and HDM programs to target appropriate services based on local need within the individual Planning and Service Areas (PSA).

### **Non-supplantation of Funds**

The non-supplantation provisions of the OAA do not apply to the Nutrition Stimulus award. Nutrition Stimulus funds may be used to replace funds that have been cut previously from the nutrition programs. However, the Nutrition Stimulus funds shall not be used as a reason to cut OAA Title III C program funds.

### **Nutrition Stimulus Match**

The required program matching contributions for Nutrition Stimulus funds is 15 percent. Match may be from cash or in-kind sources. Area Agencies on Aging (AAA) do not need to meet the required grant match in SFY 2008-09 but must meet the match for their total expenditures by the conclusion of the grant on September 30, 2010.

Match requirements are statewide, therefore AAAs are responsible for contacting their assigned CDA fiscal analyst if they are unable to meet their match contribution.

### **Administration**

CDA will allow a reasonable amount of up to ten percent of Nutrition Stimulus funds to be used for administration.

### **Allowable Expenditures**

The purpose of the Nutrition Stimulus funds is to provide meals to seniors in need of food, restore nutrition services that have been cut, and reinstate positions that may have been eliminated or reduced. The following are allowable expenditures using Nutrition Stimulus funds:

- restore meals, services and jobs;
- backfill the loss of other city, county and State funds;
- mitigate waiting lists, and
- purchase equipment
  - Per Administration on Aging (AoA) guidance if equipment is needed to maintain and provide more meals, AAAs are strongly encouraged to make such purchases from their regular FY 2009 OAA appropriations due to stringent Office of Inspector General (OIG) oversight of these types of purchases.
  - The ARRA included \$46M to the OIG to monitor and evaluate the implementation of the ARRA. There will be enhanced tracking of these funds for reasonable costs, transparency, and accountability to the OIG. While ARRA Nutrition Stimulus funds do not prohibit the use of the award for infrastructure investments made by local governments, there will be enhanced tracking conditions. Recipients of Nutrition Stimulus funds would bear the responsibility for documenting reasonable costs, transparency and accountability to the OIG.

**End of Contract**

All Nutrition Stimulus funds must be spent by September 30, 2010.

**ARRA Nutrition Stimulus Funding**

The ARRA grant award should be considered one-time funding.

**Reporting**

Recipients of grants made under the ARRA will be required to report data. Reporting requirements must meet the Standard Data Elements for reports under Section 1512 of the ARRA of 2009, Public Law 111-5. These reporting requirements have not been finalized. CDA will inform the AAAs when more information is available.

**Distributing Nutrition Stimulus Funds**

For efficiency, AAAs are encouraged to use their existing Title III C contractors. The efficiency of distribution is essential to ensure the primary purpose of these funds. AAAs have flexibility on how funds are distributed to subcontractors within their PSA. The CDA suggests for ease of distribution of the Nutrition Stimulus funds that AAAs amend their current nutrition contracts.

**Meal Requirements**

Meals must meet the requirements of the OAA section 339(2)(A) in order to qualify for Nutrition Service Incentive Program (NSIP) funding.

**Resources**

- U.S. Department of Health and Human Services ARRA website:
  - <http://www.hhs.gov/recovery/>
    - ARRA of 2009 Frequently Asked Questions (FAQ's) and AoA ARRA Funding Distribution For Nutrition Services to States
  - Sign-up at "Get Updates" to get most current information
- AoA website:
  - <http://www.aoa.gov/>
  - sign up for e-news at [http://www.aoa.gov/press/main\\_news/enewsletter/enewsletter.aspx](http://www.aoa.gov/press/main_news/enewsletter/enewsletter.aspx)



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