

CALIFORNIA DEPARTMENT OF AGING

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**PROGRAM MEMO**

CDA 1014 (Rev. 04/11)

TO: Area Agency on Aging Directors	NO.: PM 13-02 (P)
SUBJECT: Area Plan Contract Amendment #2 Fiscal Year 2012-13	DATE ISSUED: April 4, 2013
REVISED:	EXPIRES: June 30, 2013
REFERENCES: Older Americans Act Amendments of 2006; Older Californians Act, Welfare and Institutions Code 9100, et seq.	SUPERSEDES: PM 12-16(P)
PROGRAMS AFFECTED: <input type="checkbox"/> All <input checked="" type="checkbox"/> Title III-B <input checked="" type="checkbox"/> Title III-C1/C2 <input checked="" type="checkbox"/> Title III-D <input checked="" type="checkbox"/> Title III-E <input type="checkbox"/> Title V <input type="checkbox"/> MSSP <input checked="" type="checkbox"/> Title VII <input type="checkbox"/> CBAS <input checked="" type="checkbox"/> Other: Nutrition Services Incentive Program (NSIP)	

Purpose

The purpose of this PM is to transmit your Area Plan Contract Amendment #2 and revised Budget Display for Fiscal Year (FY) 2012-13. This contract amendment includes current year reductions due to the implementation of federal sequestration and Area Agencies on Aging's (AAA) approved funding transfer requests.

Federal Fiscal Year 2013 Sequestration Reduction

The California Department of Aging (CDA) has received estimated reductions for Federal Fiscal Year (FFY) 2013 (October 2012-September 2013) due to federal sequestration. Because of the federal application of national minimum funding requirements and hold harmless requirements, cuts for the State of California ranged from 4.3 percent to 8.1 percent for federal Older Americans Act Title III, VII, and Nutrition Services Incentive Programs from FFY 2012 levels. In total, approximately \$7.5 million in federal local assistance funding was cut for FFY 2013.

Due to the late federal implementation of these reductions, all FFY 2013 savings must be achieved by September 2013. To calculate the amount of the reduction which applies to this State Fiscal Year (SFY) 2012/13, CDA has assumed a May 2013 implementation date and spread the reduction evenly across the remaining five months of FFY 2013 (May 2013-September 2013). The first two months of this reduction were applied to SFY 2012/13, and the remaining three months of the reduction will be applied in the contracts for SFY 2013/14.

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**Transfers &
Revised OTO
Requests**

AAAs must submit final transfer requests with their Amendment #2 CDA122 (Area Plan Budget Template) and may choose to submit a revised CDA1031 form to use One-Time-Only funds to offset reductions to baseline services. Additional information will be provided via email from your assigned Fiscal Team Specialist.

**Submission
Deadline**

Submit all CDA122 and revised CDA1031 electronically to your assigned AAA Fiscal Team Specialist no later than 30 days from the date of this PM.

**Fiscal
Inquiries**


Contact your assigned AAA Fiscal Team Specialist.

Attachment

Area Plan 2012-13 Amendment #2 Budget Displays

**Contract
Packages**

Contract packages will be mailed separately to each AAA Contract Representative separately from this PM.



Lora Connolly
Director