

DEPARTMENT OF AGING

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PROGRAM MEMO

TO: AREA AGENCIES ON AGING (AAA)	NO.: PM 03-23 (P)
SUBJECT: Fiscal Year (FY) 2003-04 Title III/VII Budget Display Amendment #1 & Revised Area Plan Budget (CDA 122)	DATE ISSUED: December 9, 2003
REVISED:	EXPIRES: Until Superseded
REFERENCES: Older Americans Act (OAA) Amendments of 2000, PM 01-03 (P)	SUPERSEDES:
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 type="checkbox"/> Title III-F <input type="checkbox"/> Title V <input type="checkbox"/> CBSP <input type="checkbox"/> MSSP <input checked="" type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input type="checkbox"/> Other: _____	
REASON FOR PROGRAM MEMO: <input checked="" type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: <u>Process Amended Contracts</u>	
INQUIRIES SHOULD BE DIRECTED TO: Your Assigned AAA-Based Team	

Attached are four copies of your amended Title III/VII contract for FY 2003-04. Please sign and return all four copies of the amendment (STD 213), with original signatures to:

California Department of Aging
 Business Services and Contracts Section
 1600 K Street
 Sacramento, CA 95814

The attached amended Budget Display incorporates the following adjustments:

- Federal One-Time-Only (OTO) funds: (1) carried over from FY 2002-03 closeout statements; (2) available from supplemental federal funds made available from FFY 2003; and (3) available from audit resolutions processed since our last OTO allocation.
- Transfers from approved FY 2003-04 Area Plan Budgets.
- Revised NSIP (USDA) allocations and procedures.
- USDA OTO from federal fiscal year 2001.
- Increase of \$600,000 of federal Title III funds.
- Restoration of \$2,346,000 of General Fund.



Federal OTO

All unexpended federal funds carried over from FY 2002-03 are reallocated to those AAA where they were identified as unexpended. In addition, the Department received a supplemental federal grant of \$499,315 in federal FY 2003 for Title III programs. These funds, as well as the net proceeds from audit resolutions, are allocated on the attached Budget Displays in accordance with the Intrastate Funding Formula.

Total Title III/VII federal OTO funding available for allocations to AAAs is:

Program

Supportive Services (III-B)	\$4,039,000
Ombudsman (III-B)	35,000
Congregate Nutrition (III-C1)	688,000
Home Delivered Nutrition (III-C2)	1,340,000
Preventive Health (III-D)	482,000
Ombudsman (VII-A)	67,000
Elder Abuse (VII-B)	<u>85,000</u>
Total Title III/VII OTO Funds	\$6,736,000

Nutrition Services Incentive Program

This USDA program has been transferred to the Administration on Aging (AoA) and retitled the Nutrition Services Incentive Program (NSIP). The transfer has resulted in changes to the way AoA allocates funds to the Department. Based on these federal changes, the Department is implementing a new process that will provide quarterly advances of NSIP funds to AAAs based on meals reported in the prior year. In order to implement this new process, allocations for NSIP were revised based on prior year meal counts to allocate all funds expected to be available for the NSIP program. The Department will reconcile funds already paid for the 1st and 2nd quarter of 2003-04 and will process the remaining amount due your agency with the 3rd quarter advance due to AAAs in the first part of January 2004.

Program Guidance

- NSIP will be administered in compliance with the requirements of Section 311 of the OAA, which have remained unchanged.
- Funding to AAAs is based on the number of meals served in the prior year in proportion to the meals served statewide. Therefore, as ongoing guidance, AAAs are advised that maintenance (or increases in) of prior meals served is critical to future statewide funding.
- Requirements for distribution and use of NSIP cash remain unchanged. AAAs shall promptly and equitably disburse funds to Elderly Nutrition Program providers. NSIP funds shall be used to purchase food and expand meal services to older adults.
- AAAs shall report the number of meals that meet the criteria of a Title III C meals program as defined in Section 339 (2) (A) of the OAA. More specific information concerning the reporting of meals is provided in the National Aging Programs Information System (NAPIS) reporting requirements. (Note: These requirements are being updated.)
- AAAs are reminded to submit timely reports in accordance with contractual requirements.

- Based on the increased allocations from USDA and (IIIC) OTO funds, the Department's expectation is that increased meals will be served statewide.

Reporting Guidance

As originally instructed in PM 98-24 (P) and beginning with the December 2003 meal counts, AAAs are to combine the NSIP meal counts with the monthly Detailed Expenditure Data File (SPR 107) and submit to the AAA-Based Team fiscal email box. The first combined SPR file is due January 30, 2004 reporting December 2003 expenditures and December 2003 meal counts. This will give the AAAs an additional 10 days each month to report the meal counts. The NSIP meal counts will be processed by the Fiscal Team at the same time as the monthly expenditure data for Title III/VII. SPR 107s will not be processed if the meal counts are not received. AAAs should continue to report meal corrections on a separate SPR 107 file. Beginning with the December 2003 meal counts, do not use the USDA email box. SPR 107 files with monthly expenditures, monthly NSIP meal counts, & NSIP meal corrections should be submitted via email to your AAA-Based Team fiscal email box (tm1title3.fiscal@aging.ca.gov, tm2title3.fiscal@aging.ca.gov, or tm3title3.fiscal@aging.ca.gov).

USDA One-Time-Only

The attached allocations represent the difference between the amount paid to AAAs for meals served compared to the amount the Department received for the period. OTO funds are allocated to AAAs based on actual meals served in the year from which funds were available.

Federal Fiscal Year 2002	\$1,494,827

Total USDA OTO	\$1,494,827

Increase of \$600,000 of Federal Title III funds

The Budget Act included a \$600,000 increase in Title III federal nutrition funds. These funds have been allocated as a baseline increase through the intrastate funding formula (IFF).

Restoration of General Fund Nutrition

The Budget Act restored \$2,346,000 General Fund for Nutrition Programs. These funds have been allocated through the IFF.

Please note that the increases in federal and state funding through the IFF result in changes to individual AAAs that will not correspond with any prior allocation.

Revised Budget Forms and Budget Revision Due Date

The Area Plan Budget (CDA 122) has been revised to incorporate the NSIP changes. AAAs will no longer be required to include meal counts on the CDA 122. NSIP Baseline funds can be transferred between III C-1 and III C-2 but AAAs cannot increase or decrease total NSIP funding. To

PM 03-23 (P)

Page 4

accommodate these changes, Page 3 of the CDA 122 has been revised and all references to USDA have been changed to NSIP. The revised CDA 122 and instructions are attached. An Excel budget file with formulas will be emailed to the AAA fiscal officers simultaneously with the release of this PM. Please use this revised form to complete your budget revision incorporating the attached Budget Display amendments and submit to your AAA-Based Team **as soon as possible, but no later than 30 days from the date of this PM.**

Original signed by Lora Connolly for

Lynda Terry
Director

Attachments