

**DEPARTMENT OF AGING**

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**PROGRAM MEMO**

TO: <b>AREA AGENCIES ON AGING DIRECTORS</b>	NO.: <b>PM 07-21(P)</b>
SUBJECT: Fiscal Year 2007-08 Area Plan Contract Amendment #1	DATE ISSUED: December 7, 2007
REVISED	EXPIRES: 7-01-08
REFERENCES: Older Americans Act Amendments of 2000; Older Californians Act, Welfare and Institutions Code 9100, et., seq.	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 checked="" type="checkbox"/> Title III-E <input type="checkbox"/> Title V <input checked="" 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 type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: <u>Transmit Amended AP Contract</u>	
INQUIRIES SHOULD BE DIRECTED TO: Your Assigned AAA-Based Team Fiscal Specialist	

Attached are four copies of your amended Area Plan Contract for Fiscal Year (FY) 2007-08. 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  
 1300 National Drive, Suite 200  
 Sacramento, CA 95834

The attached amended contract incorporates the following adjustments:

- Approved transfers of General and Federal Funds
- Allocation of One-Time-Only (OTO)
  - 2006-07 Unexpended Funds
  - Unallocated Federal funds
  - Supplemental Federal Grant
  - Recovered funds from Audit Determinations
  - Surplus overmatch formula error



## Approved Transfers

The amended contract includes transfers requested and approved in the original FY 2007-08 Area Plan Budget.

## Federal One-Time-Only Funds

There are four sources of federal OTO funds included in the Area Plan Budget Display: (1) Unexpended federal funds carried over from FY 2006-07 were reallocated to those Area Agencies on Aging (AAA) where they were identified as unexpended; (2) Unallocated federal funds, calculated based on the federal grant reconciliation for the state fiscal year, were allocated in accordance with the Intrastate Funding Formula (IFF); (3) Supplemental Federal Grant funds of \$787,101 received in Federal Fiscal Year (FFY) 2007 were allocated in accordance with the Intrastate Funding Formula; and (4) Recovered funds from Audit Determinations were allocated 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)	\$1,916,984
Ombudsman (III B)	45,480
Congregate Nutrition (III C-1)	2,391,508
Home Delivered Nutrition (III C-2)	1,252,880
Preventive Health (III D)	329,877
Family Caregiver Support (III E)	2,674,132
Ombudsman (VII A)	79,088
Elder Abuse (VII B)	62,077
Total Title III/VII OTO Funds	\$8,752,026

## Surplus Overmatch Formula Error

An error was discovered in one of the formulas in the IFF that is used to allocate General Fund that is in excess of the maintenance of effort requirements (surplus overmatch) of the Older Californian's Act. The formula grouped counties into their corresponding Planning and Services Areas incorrectly. This error resulted in payments to AAAs that was either slightly more or less than they would have been had the calculation been correct. This error has been corrected and the California Department of Aging has calculated the correcting adjustments for Title III C-1 and Title III C-2 for each AAA. These adjustments are shown in the one-time-only column of the budget display.

## Budget Revision

An Area Plan Budget (CDA 122) that incorporates the amounts specified in the Area Plan Budget Display attached to the amended contract is **due to your assigned AAA-Based Team Fiscal Specialist no later than 30 days from the date of this Program Memo.**

As a reminder, OTO payments will not be processed until the revised CDA 122 is approved by CDA and the Area Plan Contract Amendment #1 is executed.

**Original signed by**

Lora Connolly for

Lynn Daucher  
Director

Attachment