

CALIFORNIA DEPARTMENT OF AGING
Long-Term Care and Aging Services Division
1300 National Drive, Suite 200
Sacramento, CA 95834
www.aging.ca.gov
TEL 916-419-7540
FAX 916-928-2506
TTY1-800-735-2929



PROGRAM MEMO

TO: Area Agencies on Aging

NO: PM 21-01

DATE ISSUED: January 15, 2021

EXPIRES: Until Superseded or Rescinded

PROGRAMS AFFECTED: Supportive Services (Title IIIB) and Family Caregiver Support Program (Title IIIE)

SUPERSEDES: N/A

SUBJECT: Guidance for Cash/Material Aid Allowable Activities under the Older Americans Act (OAA), Families First Coronavirus Response Act (FFCRA) and Coronavirus Aid, Relief, and Economic Security (CARES) Act funding.

Purpose

This Program Memo (PM) provides guidance on the allowable and unallowable activities for the Cash/material aid service categories in the California Department of Aging (CDA) Data Dictionary for Title IIIB and Title IIIE.

Background

The OAA is aimed at supporting older individuals, their caregivers, and those with disabilities. All these federal funds are allocated to each State Unit on Aging, in this case, CDA distributes the funding proportionately to each of the 33 Area Agencies on Aging (AAA) in California to be spent on allowable goods and services. Due to the COVID-19 pandemic and the Major Disaster Declaration (MDD), additional federal funds to support programs and services for eligible participants were allocated by the FFCRA and CARES Act. Expenditure of these federal funds must be allowable per the service categories in the *CDA Service Categories and Data Dictionary (Revised July 2018)* and adequately documented. The State of California and CDA are responsible for the accounting of these funds and ensuring that they are used for the intended purpose.

General Guidance

California Government Code section 8314 and the California Constitution prohibit the gift of public funds to any individual, corporation, or another government agency. Expenditures of funds must be for a direct and primary purpose to avoid being a gift. Public agencies are accountable for all the funds it receives. Cash and gift cards are difficult to trace and demonstrate that funds are used on allowable costs and are not allowed. Expenditures are subject to audit and may be disallowed if the funds cannot be traced back to its intended purpose.

The following are examples of allowable and unallowable activities:

Allowable Activities

A policy and procedure that includes determining eligibility (i.e., older adults 60 years and older and/or family caregivers) and specifies allowable items and required documentation would need to be developed.

- Working with food banks to purchase food in bulk which could then be assembled into bags/boxes of food for distribution to older adults and/or family caregivers.
- Establishing a grocery voucher program for older adults and/or family caregivers to purchase groceries.
- Setting up accounts with vendors where the AAA can purchase allowable items such as groceries and have them delivered to the service recipient. The AAA would then pay the invoice on that account.
- Paying for utilities, housing, or medical needs for older adults and/or family caregivers is only allowable when the amount is paid directly to the utility, housing, or medical needs provider. If the AAA proceeds in this direction, the AAA would need to establish a policy or procedure that includes determining eligibility as well as establishing a mechanism for ensuring payment is made directly to the utilities, housing, or medical service provider along with the documentation required (e.g., itemized receipt).

Unallowable Activities

- Issuing cash grants to qualified older adults and/or family caregivers as financial assistance to pay for legal support, utilities, housing, medical needs, etc.
- Issuing gift cards to qualified older adults and/or family caregivers to purchase groceries, electronic devices, etc.

Reference Tool

The CDA Service Categories and Data Dictionary, Revised July 2018 can be found on the Area Agencies on Aging - Planning page: [CDA Service Categories and Data Dictionary](#).

This updated Data Dictionary consolidates the following documents: (1) Service Categories and Data Dictionary, (2) Glossary of Terms and Acronyms, and (3) Summary of Changes. The definition of Data Reporting Systems was revised to specify allowable activities for staff training on data collection and systems.

Inquiries

For Title IIIB program inquiries, email: CDASupportiveServices@aging.ca.gov

For Title IIIE program inquiries, email: CDAFamilyCaregiver@aging.ca.gov

/Irene Walela/

Irene Walela, Deputy Director
Long-Term Care and Aging Services Division
California Department of Aging