CALIFORNIA DEPARTMENT OF AGING (CDA)
INTRASTATE FUNDING FORMULA (IFF) REQUIREMENTS

Descriptive Statement:

The California Department of Aging allocates Older Americans Act (OAA) Title III and VII funding to thirty-three Area Agencies on Aging (AAA) using the approved Intrastate Funding Formula in accordance with the OAA and its regulations.

CDA's proposed IFF was developed to:

- Support the provisions of providing needed services to older persons.
- Reflect the relative emphasis required by the OAA.
- Provide consistent emphasis to individuals with certain characteristics, regardless of their area of residence.
- Be responsive to California's diversity.

The OAA requirement to give "preference" and "particular attention" to older individuals with certain characteristics prioritizes serving older adults that possess those specified characteristics.

"Certain characteristics" is identified through the five factors outlined below.

CDA applied the definitions of 'greatest economic need' and 'greatest social need' in selecting the factors listed below and assigned weights to develop a weighted population and to achieve the relative emphasis required by the OAA.

Individuals	Factors	Weights	Data Source
Greatest Economic Need:	Age 60+ Low-Income: 200% of the Federal Poverty Level	20%	American Community Survey – Administration for Community Living
Greatest Social Need:	Age 60+ Minority:	20%	State and County Population Projections – California Department of Finance
	Age 60+ Geographic Isolation (Rural)	20%	Demographic and Housing Characteristics – United States Census Bureau
	Age 60+ Population with a Disability	20%	American Community Survey – Administration for Community Living
Other Individuals:	Age 60+ Population	20%	State and County Population Projections – California Department of Finance

Under the OAA the IFF must be:

- Equitable for all Planning and Service Areas (PSAs).
- Reflect consistent application among PSAs of greatest economic or social need, include factors which are mutually exclusive whenever possible.

- Data driven, dependable, and comparable statewide, and that are updated periodically to reflect current status.
- Reflect changes in population characteristics among PSAs.
- Be easy to understand.

Numerical Statement of the Formula:

- Identify total Federal and State matching funds available for allocation to PSAs for each Title III and VII Program;

- Prior to distribution to the AAAs under the IFF, funds are deducted from Title III funds for State Plan Administration, Area Plan Administration (see next section), and Long-Term Care Ombudsman allocations.

    - State Plan Administration is 5% of the Total Federal Funding available for Title IIIB, Title IIIC1, Title IIIC2, and Title IIIE.
    - Long-Term Care Ombudsman Federal Funds are a fixed amount taken from Title IIIB.

<u>Administration Funding Allocation:</u>

1. Ten percent from Title IIIB, Title IIIC1, Title IIIC2 and Title IIIE is set aside from Total Federal Funding (TOTAL Funding minus 5% for State Administration)
2. A base amount of $150,000 from Federal Funds is allocated to each of the thirty-three Area Agencies on Aging.
3. The remaining Federal Funds are allocated based on each AAAs weighted factor.
4. A base amount of $100,000 from State General Funds is allocated to each of the thirty-three Area Agencies on Aging.

Federal Funds: Base Amount		**Federal Funding in Excess of Base Amount**	**State General Funds: Base Amount**		**TOTAL Administrative Funding**
$150,000 to each AAA	+	IFF Weighted Factors (after Base Amount)	+$100,000 to each AAA	=	AAA Administrative Funding (Base + Allocated Amount)

Total Base Funding (Federal + State) = $250,000

<u>Program Funding Allocation:</u>

1. Titles IIIB, IIIC1, IIIC2, IIID, IIIE and Title VII Elder Abuse Prevention are allocated based on the IFF Weighted Factors. This determines the initial Program Services allocations.
2. 2021/22 Hold Harmless Test compares the Program Service current allocations to the 2021/22 allocations. If the AAA falls below their 2021/22 Program Service allocations, then the AAA's funding levels will be brought up to their 2021/22 allocations using a proportional decrease to all AAAs that exceed the 2021/22

allocation levels. Any remaining amount of reduced funding is reallocated to Program Service categories once all AAAs meet or exceed the 2021/22 hold harmless (see example below).

2021/22 Hold Harmless Test-EXAMPLE

		TOTAL Program Amount: Federal and State General Fund				$10,000,000
	IFF Factor	**Initial Program Service Allocation**	**2021/22 Program Service Hold Harmless Level**	**Amount needed to meet 2021/22 Hold Harmless Level**	**Adjusted Factor**	**Final allocation after applying the 2021/22 Hold Harmless**
PSA A	12%	$1,173,000	$983,000	$0	22%	$1,153,000
PSA B	25%	$2,499,000	$2,325,000	$0	46%	$2,458,000
PSA C	26%	$2,558,000	$2,632,000	$74,000		$2,632,000
PSA D	17%	$1,729,000	$1,654,000	$0	32%	$1,701,000
PSA E	20%	$2,041,000	$2,056,000	$15,000		$2,056,000
TOTAL	**100%**	**$10,000,000**	**$9,650,000**	**$89,000**	**100%**	**$10,000,000**

Nutrition Services Incentive Program (NSIP) Funds:

NSIP funding is allocated based on the prior year Title IIIC1 and IIIC2 meal counts in proportion to the meals served statewide.

Notes for Population Data and Demonstration of Allocation:

- Planning and Service Area: A geographical area, the boundaries of which are determined by CDA pursuant to federal law and regulation. CDA allocates funds to an AAA to provide services to older individuals residing within a specific PSA.
- Greatest Social Need: A need caused by non-economic factors that significantly affects an individual's ability to perform activities of daily living or maintain independence. Per 20 CFR 641.14 the term means the need caused by:
    - Physical or mental disabilities.
    - Language barriers.
    - Cultural, social or geographical isolation, including isolation due to racial or ethnic status.
- Greatest Economic Need: A need that arises from an income level at or below the federal poverty level.
- Pop 60+: The number of individuals aged 60 years old and older residing within the PSA.
- Minority 60+: The number of individuals aged 60 years old and older residing within the PSA that self-identify as American Indian/Alaska Native, Asian, Black/African American, Native Hawaiian/Other Pacific Islander, or Two or More Races.
- Low Income 60+: The number of individuals aged 60 years old and older residing within the PSA with annual income below 200 percent of the federal poverty level.
- Geo. Isolation 60+: The number of individuals aged 60 years old and older throughout the PSA residing in a rural area. According to the 2020 census, a rural area "encompasses all population, housing, and territory not included in an urban area".
- 60+ Population with a Disability: The number of individuals aged 60 years old and older residing within a PSA with a physical or mental impairment that substantially limits one or more major life activities.