

**Budget Detail, Payment Provisions, and Closeout – Exhibit B
AREA PLAN**

ARTICLE I. FUNDS

A. Expenditure of Funds

1. The Contractor shall expend all funds received hereunder in accordance with this Agreement.
2. Funds made available for Ombudsman expansion of volunteer recruitment activities in the Budget Act shall be used by the Contractor to expand the Long-Term Care Ombudsman Program and shall not be used for activities of any other programs.
3. Any reimbursement for authorized travel and per diem shall be at rates not to exceed those amounts paid by the State in accordance with Department of Personnel Administration's rules and regulations. This is not to be construed as limiting the Contractor from paying any differences in costs, from funds other than those provided by this Department, between the Department of Personnel Administration rates and any rates the Contractor is obligated to pay under other contractual agreements. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.(CCR, Title 2 Section 599.615 et seq.)
4. The Department reserves the right to refuse payment to the Contractor or disallow costs for any expenditure, as determined by the Department to be: out of compliance with this Agreement, unrelated or inappropriate to contract activities, when adequate supporting documentation is not presented, or where prior approval was required but was either not requested or not granted.

B. Accountability for Funds

The Contractor shall maintain accounting records for funds received under the terms and conditions of this Agreement. These records shall be separate from those for any other funds administered by the Contractor, and shall be maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's Cost Principles.

C. Unexpended Funds

Upon termination, cancellation, or expiration of this Agreement, or dissolution of the entity, the Contractor shall return to the State immediately upon written demand, any funds provided under this Agreement, which are not payable for goods or services delivered prior to the termination, cancellation, or expiration of this Agreement, or the dissolution of the entity.

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ARTICLE I. FUNDS (Continued)

D. Availability of Funds

1. It is understood between the parties that this Agreement may have been written before ascertaining the availability of appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government or the Budget Acts of the appropriate fiscal years for the purpose of these programs. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.

3. Limitation of State Liability

Payment for performance by the Contractor shall be dependent upon the availability of future appropriations by the Legislature or Congress for the purposes of this contract and approval of an itemized Area Plan Budget (CDA 122). No legal liability on the part of the State for any payment may arise under this contract until funds are made available, the itemized budget is received and approved by the State, and the Contractor has received an executed contract.

4. Funding Reduction(s)

- a. If funding for any State fiscal year is reduced or deleted by the Legislature, or Congress for the purposes of this program, the State shall have the option to either:
 - Terminate the Contract pursuant to Exhibit D, Article XII, A.
 - Offer a contract amendment to the Contractor to reflect the reduced funding for this contract.
- b. In the event that the State elects to offer an amendment, it shall be mutually understood by both parties that (1) the State reserves the right to determine which contracts, if any, under this program shall be reduced and (2) some contracts may be reduced by a greater amount than others, and (3) that the State shall determine at its

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ARTICLE I. FUNDS (Continued)

sole discretion the amount that any or all of the contracts shall be reduced for the fiscal year.

E. Interest Earned

1. If, as a result of advanced funds, the project earns interest on funds awarded by the State, that interest shall be identified as income to the program and used for program expenditures, with full documentation on file for all programs.
2. For Title III and VII programs:
 - a. Nonprofits shall maintain advances of federal funds in interest bearing accounts, unless (1), (2), or (3) apply.
 - (1) The recipient receives less than \$120,000 in federal awards per year.
 - (2) The best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on federal cash balances.
 - (3) The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.
 - b. For nonprofit entities, interest earned in excess of \$250 on federal advances deposited in interest bearing accounts shall be remitted annually to the Department.

F. Program Income

1. Program Income must be reported and expended under the same terms and conditions as the program funds from which it is generated.
2. Program Income must be used to pay for current allowable costs of the program in the same fiscal year that the income was earned (except as noted in 4).
3. For Title III B, III C, III D, III E, VII Ombudsman, and VII Elder Abuse Prevention programs, Program Income must be spent before contract funds (except as noted in 4) and may reduce the total amount of contract funds payable to the Contractor.

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ARTICLE I. FUNDS (Continued)

4. For Title III B, III C, III D, III E, VII Ombudsman, and VII Elder Abuse Prevention programs, if Program Income is earned in excess of the amount reported in the Area Plan Budget (CDA 122), the excess amount may be deferred for use in the first quarter of the following contract period, which is the last quarter of the federal fiscal year.
5. If Program Income is deferred for use it must be used by the last day of the federal fiscal year and reported when used.
6. Program Income may not be used to meet the matching requirements of this Agreement.
7. Program Income must be used to expand services.
8. ADCRC client fees may be retained and expended without regard to fiscal year, provided that the income is shown as restricted funds in the accounting records and financial statements of the Contractor, and used for costs of the ADCRC.

G. One-Time-Only Funds

1. Title III, VII, & III E federal Program One-Time-Only funds shall be used for one-time- only purposes and cannot be used to increase baseline needs. One-Time-Only funds can be used for the following purposes:
 - a. The purchase of equipment which enhances the delivery of services to the eligible service population.
 - b. Home and community-based projects which assist families and/or caregivers to maintain the eligible service population in a home environment, as approved by the Department.
 - c. Innovative pilot projects as approved by the Department.
2. NSIP One-Time-Only funds shall be used to purchase food used in the Elderly Nutrition Program.
3. Title III B, III C-1, III C-2, and III E federal Administration One-Time-Only funds shall be used for one-time-only purposes and cannot be used to increase baseline administrative needs.

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ARTICLE I. FUNDS (Continued)

H. Matching Contributions

1. Matching means the value of third-party in-kind contributions and that portion of program and administrative costs funded (cash or in-kind) by the Contractor, subcontractor, or other local resources.
2. Third party in-kind contributions are property or services provided which benefit a contract-supported project or program and which are contributed by non-federal third parties without charge to the Contractor or subcontractor.
3. Third party in-kind contributions count towards satisfying a matching requirement only where the payments would be otherwise allowable costs if the party receiving the contributions were to pay for the costs.
4. Third party in-kind contributions must be necessary for the proper and efficient accomplishment of Area Plan administration and program activities.
5. Costs incurred by the Contractor or subcontractor must be verifiable from the records of the Contractor or subcontractor.
6. Costs must be allowable as outlined in Office of Management and Budget (OMB) circulars and may be cash or in-kind contributions.
7. Other local resources include cash donations (not including program income) and cash generated from fundraising activities.
8. Non-Matching Contributions are local funding that does not qualify as matching contributions and/or is not being budgeted as matching contributions. (e.g., Title V, Title XX, overmatch, etc.).

I. Area Plan Administration

1. Area Plan Administration may be combined into one cost objective for purposes of documenting charges for salaries and wages funded from Title III B, III C-1, III C-2, III E, III C-1 General Fund, III C-2 General Fund, and Community-Based Services Program (CBSP) General Fund administration allocations.
2. CBSP Administration shall be no more than 10 % of the total CBSP allocation.

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ARTICLE II. BUDGET AND BUDGET REVISION

- A. The Contractor shall be compensated for expenses only as itemized in the approved Area Plan Budget (CDA 122) and shall not be entitled to payment for these expenses until the Area Plan Budget (CDA 122) is reviewed and approved by the Department. The approved Area Plan Budget is hereby incorporated by reference into this Agreement as a part of Exhibit B.
- B. The Contractor shall submit electronically the original Area Plan Budget (CDA 122) with the Area Plan and Area Plan annual updates.
- C. The Contractor shall submit electronically a budget revision 30 days after receiving an amended Area Plan Budget Display with changes in funding levels, unless otherwise instructed by the Department.
- D. The final date to submit a budget revision is April 30 of the contract period unless otherwise specified by the Department.
- E. Transfers
 - 1. Transfer of federal baseline funds is allowable between Titles III B and III C in accordance with OAA Section 308(b)(5)(A) and between Titles, III C-1, and III C-2 in accordance with OAA Section 308(b)(4)(A).
 - 2. Transfer of State funds is allowable between Titles III B General Fund, III C-1 General Fund, III C-2 General Fund, and III D General Fund.
 - 3. Transfer of State funds is allowable between State Funded CBSP programs.
 - 4.
 - a. Funds may be transferred in accordance with this section without a formal contract amendment upon agreement of both parties when the total amount of the Agreement does not exceed the total amount of the latest executed Agreement.
 - b. Requests to transfer federal or State funds (including CBSP) must be submitted to the Department for approval with the original or revised Area Plan Budget (CDA 122).
 - c. Approved transfers and Area Plan Budgets will be incorporated by reference into the current Agreement.
 - 5. Transfer of funds cannot be processed or approved after the end of the specified contract period.

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ARTICLE II. BUDGET AND BUDGET REVISION (Continued)

F. Matching Requirements

1. The required administration matching contributions for Title III B, III C, & III E is 25 percent.
2. The required program matching contributions for Title III B, III C, & III D is 10 percent.
3. The required program matching contributions for Title III E is 25 percent.
4. Minimum matching requirements are calculated on net costs, which are total costs less program income, non-matching contributions, and State funds.
5. Program matching contributions for Title III B, III C, & III D can be pooled to meet the minimum requirement of 10 percent.
6. Matching contributions generated in excess of the minimum required are considered overmatch.
7. Program overmatch from Title III B, III C, or III D cannot be used to meet the program match requirement for III E.
8. Of the total minimum match required for Title III B, III C, III D, & III E, at least 25 percent must be from State or local public agencies (city and county governments, school districts, special districts, and water districts).
9. The required program matching contributions for Alzheimer's Day Care Resource Center program is 25 percent.
10. The required program matching contributions for Brown Bag program is 25 percent cash and 25 percent in-kind.

G. Program Development or Coordination

1. The Contractor shall not fund Program Development or Coordination activities as a cost of III B Supportive Services until it has first spent the total of its Title III B, III C, & III E funds allocated for area plan administration costs.
2. The Contractor shall budget its total Title III B, III C, & III E funds allocated for area plan administration before budgeting III B for Program Development or Coordination.

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ARTICLE II. BUDGET AND BUDGET REVISION (Continued)

H. Indirect Costs

1. The maximum reimbursement amount allowable for indirect costs is 8% of Contractor's direct costs, excluding in-kind contributions and nonexpendable equipment.
2. Contractors requesting reimbursement for indirect costs shall retain on file an approved indirect cost rate or an allocation plan documenting the methodology used to determine the indirect costs.
3. Indirect costs exceeding the 8% maximum may be budgeted as in-kind and used to meet the minimum matching requirements.

ARTICLE III. PAYMENTS

A. Title III B, III C, III D, VII Ombudsman, VII Elder Abuse Prevention, & Community-Based Services Programs

The Contractor shall prepare and submit by the 30th of each month to the AAA-Based Team, in electronic format, a Detailed Expenditure Data File (SPR 107) and a Request for Funds Data file (SPR 108), unless otherwise specified by the Department.

B. Title III E

The Contractor shall prepare and submit by the 30th of each month to the AAA-Based Team, in electronic format, a Title III E Monthly Financial Status Report/Request for Funds (CDA 268), unless otherwise specified by the Department.

C. The Department shall review requests for payment to ensure compliance with the approved Area Plan Budget (CDA 122).

D. During the contract period, the Department shall advance funds based on an analysis of current cash needs. The Department shall pay the Contractor a total not to exceed the amount shown on the Budget Display, which is hereby incorporated by reference.

E. Nutrition Services Incentive Program (NSIP)

Upon execution of this agreement, the Department will make quarterly advances of NSIP funding to the Contractor, during the first month of each quarter.

F. Financial Management Systems

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ARTICLE III. PAYMENTS (Continued)

The Contractor shall meet the following standards for its financial management systems, as stipulated in 45 CFR Section 92.20:

1. Financial Reporting
2. Accounting Records
3. Internal Control
4. Budgetary Control
5. Allowable Costs
6. Source Documentation
7. Cash Management

- G. The Department may require financial reports more frequently than indicated above or with more detail (or both), upon written notice to the Contractor, until such time as the Department determines that the financial management standards are met.

ARTICLE IV. CLOSEOUT

- A. The Financial Closeout Report (CDA 180) shall be submitted annually to the AAA-Based Team, within sixty (60) calendar days following the end of the fiscal year, or within thirty (30) days following termination prior to the end of the contract period, unless otherwise specified by the Department.
- B. Federal funds will be reduced proportionately to maintain the required matching ratios if a Contractor fails to report sufficient match in the CDA 180.
- C. During the review and approval of the closeout, administration costs will be increased to the total amount allocated before approving costs for Program Development and/or Coordination activities.

**AREA PLAN
 Budget Display
 Fiscal Year 2007/08**

El Dorado County, Area Agency on Aging

	Baseline	Cumulative Transfers	OTO	Total	Net Change
Supportive Services					
Federal Title IIIB	161,640	-	-	161,640	
General Fund B	7,324	-	-	7,324	
Total Supportive Services	168,964	-	-	168,964	
Ombudsman					
Federal Title IIIB	8,480	-	-	8,480	
General Fund B	33,626	-	-	33,626	
Federal Title VIIa	6,431	-	-	6,431	
General Fund VIIa	1,263	-	-	1,263	
Special Deposit	3,627	-	-	3,627	
Total Ombudsman	53,427	-	-	53,427	
Congregate Nutrition					
Federal Title IIIC1	185,819	-	-	185,819	
General Fund C1	22,922	-	-	22,922	
NSIP C1	47,972	-	-	47,972	
Total Congregate Nutrition	256,713	-	-	256,713	
Home-Delivered Meals					
Federal Title IIIC2	99,333	-	-	99,333	
General Fund C2	28,661	-	-	28,661	
NSIP C2	46,983	-	-	46,983	
Total Home Delivered Meals	174,977	-	-	174,977	
Disease Prevention					
Federal Title IIID	8,384	-	-	8,384	
Federal Title IIID - Med Mgmt	3,067	-	-	3,067	
General Fund D	516	-	-	516	
Total Disease Prevention	11,967	-	-	11,967	
Family Caregiver					
Federal Title IIIE	79,186	-	-	79,186	
Total Title IIIE	79,186	-	-	79,186	
Elder Abuse					
Federal Title VIIb	3,052	-	-	3,052	
General Fund VIIb	137	-	-	137	
Total Elder Abuse	3,189	-	-	3,189	

**AREA PLAN
 Budget Display
 Fiscal Year 2007/08**

EI Dorado County, Area Agency on Aging

	Baseline	Cumulative Transfers	OTO	Total	Net Change
Community Based Services					
ADCRC	111,605	-	-	111,605	
Brown Bag	-	-	-	-	
Linkages	260,355	-	-	260,355	
Senior Companion	-	-	-	-	
Respite	9,597	-	-	9,597	
Total CBSP	381,557	-	-	381,557	
Administration					
Federal Title IIIB	32,975	-	-	32,975	
Federal Title IIIC1	33,859	-	-	33,859	
Federal Title IIIC2	18,100	-	-	18,100	
Federal Title IIIE	14,391	-	-	14,391	
General Fund C1	195	-	-	195	
General Fund C2	52	-	-	52	
General Fund CBSP	-	-	-	-	
Total Administration	99,572	-	-	99,572	
Grand Total - All Funds	1,229,552	-	-	1,229,552	
Funding Summary					
Federal Funds	749,672	-	-	749,672	
General Fund	476,253	-	-	476,253	
Special Deposit	3,627	-	-	3,627	
	1,229,552	-	-	1,229,552	-

Comments:

The maximum amount of Title III/VII Baseline expenditures allowable for the first quarter is: 163,679

The maximum amount of Title IIIE expenditures allowable for supplemental services is: 24,954

The maximum amount of Title IIIE expenditures allowable for Grandparents is: 12,477

The maximum amount of CBSP expenditures allowable for administration is: 38,156

The minimum General Fund to be expended for State Match in Title III is: 26,775

