

DEPARTMENT OF AGING

1300 National Drive, Suite 200
 SACRAMENTO, CA 95834
 Internet Home Page: www.aging.ca.gov
 PHONE (916) 419-7500
 TDD Only 1-800-735-2929
 FAX Only (916) 928-2504

**PROGRAM MEMO**

TO: AREA AGENCIES ON AGING DIRECTORS	NO.: PM 08-28(P)
SUBJECT: Fiscal Year 2008-09 Area Plan Contract Amendment #1	DATE ISSUED: December 15, 2008
REVISED	EXPIRES: July 1, 2009
REFERENCES: Older Americans Act Amendments of 2006; 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	

The attached amended contract incorporates the following adjustments:

- Approved transfers of General and Federal Funds
- Allocation of One-Time-Only (OTO)
 - 2007-08 Unexpended Funds
 - Unallocated Federal funds
 - Supplemental Federal Grant
 - Recovered funds from Audit Determinations

Transfers

The amended contract includes transfers requested and approved in the original FY 2008-09 Area Plan Budget. Section 306(2)(9) of the Older Americans Act establishes the minimum funding requirement for the Long-Term Care Ombudsman Program. Area Agencies on Aging (AAAs) must ensure that Ombudsman allocations do not fall below baselines established by FY 2000 federal fund expenditures.

Federal One-Time-Only Funds

There are four sources of federal OTO funds included in this Area Plan Budget Display:



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(1) \$5,373,527 in unexpended federal funds carried over from FY 2007-08 were reallocated to AAAs; AAAs retained up to five percent of their previous year's unexpended allocation by program, while remaining funds were redistributed based on the Intrastate Funding Formula (IFF); (2) \$1,510,275 in unallocated grant reconciliation federal funds were allocated in accordance with the IFF; (3) \$552,052 in supplemental federal grant funds received in Federal Fiscal Year (FFY) 2007 were allocated in accordance with the IFF; and (4) \$372,323 in recovered funds from audit determinations were allocated in accordance with the IFF.

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

Program

Supportive Services (III B)	\$1,171,972
Ombudsman (III B)	14,572
Congregate Nutrition (III C-1)	2,617,214
Home Delivered Nutrition (III C-2)	908,785
Preventive Health (III D)	134,297
Family Caregiver Support (III E)	2,878,994
Ombudsman (VII A)	15,672
Elder Abuse (VII B)	66,671
Total Title III/VII OTO Funds	\$7,808,177

With this contract amendment, the California Department of Aging (CDA) will apply greater latitude when reviewing OTO requests. This will assist AAAs to maintain baseline services where General Funds were eliminated by the Governor's Budget Veto Reductions. AAAs will now use the attached One-Time-Only Request form (CDA 1031), created December 2008, to submit *all* proposed OTO requests. The CDA 1031 will standardize the OTO request process and further assist CDA to assess OTO needs on a case-by-case basis.

Although the CDA 1031 will capture all proposed OTO purchases, contractual OTO requirements remain the same. Home- and community-based and innovative pilot projects need the Department's prior approval. A signed CDA 1031 showing the status of these requests will be returned to the AAAs. A CDA 1031 showing allowable equipment purchases will not need prior approval by the Department, but will be retained on file by the Department for information purposes. OTO funds may not be used to increase baseline needs.

Governor's Budget Vetoes

The amended contract reflects the Governor's vetoes of all Supportive Services Local Assistance General Funding in the 2008 Budget Act. These vetoes included the Ombudsman, Elder Abuse, Title III-B, and Title III-D General Fund Local Assistance. Federal funding in the Ombudsman program has been adjusted to maintain statutorily mandated base allocation levels. State Title III C-1 and III C-2 funding has been adjusted proportionately to reflect the reductions necessitated by the Governor's vetoes in Supportive Services and Centers funding. All Governor's Budget Veto Reductions are reflected in the Baseline column of the Area Plan Budget Display.

Budget Revision

An Area Plan Budget (CDA 122) that incorporates the amounts specified in the Area Plan Budget Display and corresponding CDA 1031 **are 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 and the Area Plan Contract Amendment #1 is executed.



Lynn Daucher
Director

Attachment