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Title 22@ Social Security

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Division 1.8@ California Department of Aging

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Chapter 3@ Title III Programs-PSAs and AAAs

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Article 3@ Area Plans

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Section 7314@ Allocation, Use and Transfer of Federal Funds

7314 Allocation, Use and Transfer of Federal Funds

(a)

From its annual federal allocation of funds for Title III programs, the Department shall retain five percent of each program's allocation for its administrative costs. The Department shall allocate the remainder to the AAAs in accordance with the following: (1) Up to ten percent of the remaining Title III federal funds shall be allocated to the AAAs for administration of the Area Plans in accordance with Section 9112, Welfare and Institutions Code. Only funds from Titles III B, C-1, C-2 and E shall be allocated for the allowable ten percent in accordance with 42 U.S.C. 3024(a)(1). (2) Of the remaining Title III B federal monies, funds shall be allocated for the Ombudsman program in accordance with Section 9719.5, Welfare and Institutions Code and the balance shall be allocated for other Title III B program costs in accordance with Section 9112, Welfare and Institutions Code, and applicable federal law. (3) The remaining Titles III C-1, C-2 and E federal funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code and applicable federal law. (4) Title III D federal funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code and applicable federal law. (5) Title VII federal Ombudsman funds shall be allocated in accordance with Section 9719.5, Welfare and Institutions Code and applicable federal law. Title VII federal Elder Abuse Prevention funds shall be allocated to all AAAs in accordance with Section 9112, Welfare and Institutions Code and

applicable federal law. (6) Beginning Fiscal Year 2007-08, Titles III and VII federal funds allocated to an AAA in a state fiscal year that are not expended or encumbered for services and administration provided by June 30 of that fiscal year shall revert back to the Department by fund source and be reallocated by fund source to all AAAs. Reverted Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated to all AAAs pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (7) Beginning Fiscal Year 2007-08, Titles III and VII federal funds recovered from an AAA as a result of a fiscal audit determination and resolution by the Department shall revert back to the Department by fund source and be reallocated by fund source to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III program funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (8) (A) Beginning Fiscal Year 2007-08, Supplemental Title III and Title VII program funds allocated by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs in accordance with Sections 9112 and 9719.5, Welfare and Institutions Code. (B) Beginning Fiscal Year 2007-08, Supplemental Titles III and VII program funds not expended or encumbered for services provided by June 30 of the state fiscal year shall revert back to the Department by fund source and be re-allocated by fund source to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds

shall be reallocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III B program funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (C) Beginning Fiscal Year 2007-08, Supplemental Titles III B, C-1, C-2 and E administration funds allotted by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be allocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III funds and Title VII Elder Abuse Prevention funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code. All supplemental administration funds not expended or encumbered for administration provided by June 30 of the state fiscal year shall revert back to the Department and be re-allocated to all AAAs. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (9) Titles III and VII federal funds, which have been re-allocated to an AAA pursuant to subdivisions (6), (7), and (8) of this section, shall be used solely 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 are approved in advance by the Department, and are designed to address the unmet needs of the eligible service population identified in the area plan. (C) Innovative pilot projects, which are approved in advance by the Department, and are designed for the development or enhancement of a comprehensive and coordinated system of services as defined in 45 CFR 1321.53(a) & (b). (D) Baseline services. (10) Nutrition Services Incentive Program (NSIP) funds re-allocated pursuant to subdivisions (6), (7) and (8) of this

section shall be used only to purchase food in the Elderly Nutrition Program. (11) Notwithstanding subdivisions (6), (7), and (8) of this section: (A) Federal funds allotted by the Administration on Aging to the Department for the implementation of new programs may be re-allocated in the subsequent fiscal year to the same AAA that received the original allocation. The period of exemption shall not exceed four years from the enactment of the new program. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (B) Beginning Fiscal Year 2007-08, each AAA may carry over up to five percent (5%) of its baseline allocation annually, as adjusted by any approved transfers for each funding category under Titles III and VII. Use of the retained five percent (5%) funds shall be restricted to the purposes specified in (a)(9) of this section. (12) In the event of a federal, state, or locally declared emergency or natural disaster affecting delivery of OAA services, the Department may waive the provisions of subdivisions (6), (7), and (8) for an AAA affected by the disaster. Such waiver will allow the affected AAA to carry over all of its unspent or unencumbered funds for up to one year following the emergency or disaster.

(1)

Up to ten percent of the remaining Title III federal funds shall be allocated to the AAAs for administration of the Area Plans in accordance with Section 9112, Welfare and Institutions Code. Only funds from Titles III B, C-1, C-2 and E shall be allocated for the allowable ten percent in accordance with 42 U.S.C. 3024(a)(1).

(2)

Of the remaining Title III B federal monies, funds shall be allocated for the Ombudsman program in accordance with Section 9719.5, Welfare and Institutions Code and the balance shall be allocated for other Title III B program costs in accordance with Section 9112, Welfare and Institutions Code, and applicable federal law.

(3)

The remaining Titles III C-1, C-2 and E federal funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code and applicable federal law.

(4)

Title III D federal funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code and applicable federal law.

(5)

Title VII federal Ombudsman funds shall be allocated in accordance with Section 9719.5, Welfare and Institutions Code and applicable federal law. Title VII federal Elder Abuse Prevention funds shall be allocated to all AAAs in accordance with Section 9112, Welfare and Institutions Code and applicable federal law.

(6)

Beginning Fiscal Year 2007-08, Titles III and VII federal funds allocated to an AAA in a state fiscal year that are not expended or encumbered for services and administration provided by June 30 of that fiscal year shall revert back to the Department by fund source and be reallocated by fund source to all AAAs. Reverted Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated to all AAAs pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(7)

Beginning Fiscal Year 2007-08, Titles III and VII federal funds recovered from an AAA as a result of a fiscal audit determination and resolution by the Department shall revert back to the Department by fund source and be reallocated by fund source to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated

pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III program funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(8)

(A) Beginning Fiscal Year 2007-08, Supplemental Title III and Title VII program funds allocated by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs in accordance with Sections 9112 and 9719.5, Welfare and Institutions Code. (B) Beginning Fiscal Year 2007-08, Supplemental Titles III and VII program funds not expended or encumbered for services provided by June 30 of the state fiscal year shall revert back to the Department by fund source and be re-allocated by fund source to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III B program funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (C) Beginning Fiscal Year 2007-08, Supplemental Titles III B, C-1, C-2 and E administration funds allotted by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be allocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III funds and Title VII Elder Abuse Prevention funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code. All supplemental administration funds not expended or encumbered for administration provided by June 30 of the state fiscal year shall revert back to the Department and be re-allocated to all AAAs. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(A)

Beginning Fiscal Year 2007-08, Supplemental Title III and Title VII program funds allocated by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs in accordance with Sections 9112 and 9719.5, Welfare and Institutions Code.

(B)

Beginning Fiscal Year 2007-08, Supplemental Titles III and VII program funds not expended or encumbered for services provided by June 30 of the state fiscal year shall revert back to the Department by fund source and be re-allocated by fund source to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be reallocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III B program funds and Title VII Elder Abuse Prevention funds shall be reallocated in accordance with Section 9112, Welfare and Institutions Code. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(C)

Beginning Fiscal Year 2007-08, Supplemental Titles III B, C-1, C-2 and E administration funds allotted by the Administration on Aging to the Department as a result of the federal reallocation process shall be allocated to all AAAs. Title III B Ombudsman funds and Title VII Ombudsman funds shall be allocated pursuant to Section 9719.5, Welfare and Institutions Code. The remaining Title III funds and Title VII Elder Abuse Prevention funds shall be allocated in accordance with Section 9112, Welfare and Institutions Code. All supplemental administration funds not expended or encumbered for administration provided by June 30 of the state fiscal year shall revert back to the Department and be re-allocated to all AAAs. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(9)

Titles III and VII federal funds, which have been re-allocated to an AAA pursuant to subdivisions (6), (7), and (8) of this section, shall be used solely 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 are approved in advance by the Department, and are designed to address the unmet needs of the eligible service population identified in the area plan. (C) Innovative pilot projects, which are approved in advance by the Department, and are designed for the development or enhancement of a comprehensive and coordinated system of services as defined in 45 CFR 1321.53(a) & (b). (D) Baseline services.

(A)

The purchase of equipment which enhances the delivery of services to the eligible service population.

(B)

Home and community-based projects, which are approved in advance by the Department, and are designed to address the unmet needs of the eligible service population identified in the area plan.

(C)

Innovative pilot projects, which are approved in advance by the Department, and are designed for the development or enhancement of a comprehensive and coordinated system of services as defined in 45 CFR 1321.53(a) & (b).

(D)

Baseline services.

(10)

Nutrition Services Incentive Program (NSIP) funds re-allocated pursuant to subdivisions (6), (7) and (8) of this section shall be used only to purchase food in the Elderly Nutrition Program.

(11)

Notwithstanding subdivisions (6), (7), and (8) of this section: (A) Federal funds allotted by the Administration on Aging to the Department for the implementation of new programs may be re-allocated in the subsequent fiscal year to the same AAA that received the original allocation. The period of exemption shall not exceed four years from the enactment of the new program. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section. (B) Beginning Fiscal Year 2007-08, each AAA may carry over up to five percent (5%) of its baseline allocation annually, as adjusted by any approved transfers for each funding category under Titles III and VII. Use of the retained five percent (5%) funds shall be restricted to the purposes specified in (a)(9) of this section.

(A)

Federal funds allotted by the Administration on Aging to the Department for the implementation of new programs may be re-allocated in the subsequent fiscal year to the same AAA that received the original allocation. The period of exemption shall not exceed four years from the enactment of the new program. The use of the re-allocated funds shall be restricted to the purposes specified in (a)(9) of this section.

(B)

Beginning Fiscal Year 2007-08, each AAA may carry over up to five percent (5%) of its baseline allocation annually, as adjusted by any approved transfers for each funding category under Titles III and VII. Use of the retained five percent (5%) funds shall be restricted to the purposes specified in (a)(9) of this section.

(12)

In the event of a federal, state, or locally declared emergency or natural disaster affecting delivery of OAA services, the Department may waive the provisions of subdivisions (6), (7), and (8) for an AAA affected by the disaster. Such waiver will allow

the affected AAA to carry over all of its unspent or unencumbered funds for up to one year following the emergency or disaster.

(b)

An AAA may transfer federal funds from one program to another in accordance with the following: (1) Funds allocated for administration may be transferred, without limitation, to Title III B, C-1, C-2 and/or E programs. (2) Program funds may be transferred between Title III B and Title III C in accordance with 42 U.S.C. 3028(b)(4)(A). (3) Program funds may be transferred between Title III C-1 and Title III C-2 in accordance with 42 U.S.C. 3028(b)(5)(A). (4) In accordance with 42 U.S.C. 3028(b)(4)(A), the Department may allow an AAA to transfer more than the percentages specified in federal law, provided both of the following conditions exist: (A) The AAA presents justification for the additional transfer. The justification shall include a detailed description of the following: (i) the purposes of the transfer; (ii) the need for the transfer; and, (iii) the impact on the delivery of services in the program from which the transfer is requested. (B) The Department determines that it still will be able to comply statewide with the federal expenditure mandates.

(1)

Funds allocated for administration may be transferred, without limitation, to Title III B, C-1, C-2 and/or E programs.

(2)

Program funds may be transferred between Title III B and Title III C in accordance with 42 U.S.C. 3028(b)(4)(A).

(3)

Program funds may be transferred between Title III C-1 and Title III C-2 in accordance with 42 U.S.C. 3028(b)(5)(A).

(4)

In accordance with 42 U.S.C. 3028(b)(4)(A), the Department may allow an AAA to transfer more than the percentages specified in federal law, provided both of the following conditions exist: (A) The AAA presents justification for the additional transfer. The justification shall include a detailed description of the following: (i) the purposes of the transfer; (ii) the need for the transfer; and, (iii) the impact on the delivery of services in the program from which the transfer is requested. (B) The Department determines that it still will be able to comply statewide with the federal expenditure mandates.

(A)

The AAA presents justification for the additional transfer. The justification shall include a detailed description of the following: (i) the purposes of the transfer; (ii) the need for the transfer; and, (iii) the impact on the delivery of services in the program from which the transfer is requested.

(i)

the purposes of the transfer;

(ii)

the need for the transfer; and,

(iii)

the impact on the delivery of services in the program from which the transfer is requested.

(B)

The Department determines that it still will be able to comply statewide with the federal expenditure mandates.

(c)

Program funds may be spent on program development and coordination only after an AAA has used all of its allocation for administration.