

Commonwealth of Pennsylvania
Department of Aging

DATE: September 23, 2010

TO: Area Agency on Aging Directors

FROM: Mike Hall
Secretary



SUBJECT: Area Agency on Aging (AAA) Program Requirements, Planning Allocations and Aging Services Block Grant Format for FY 2010-11.

Area Agencies on Aging (AAAs) are advised that the Department of Aging has prepared APD #10-01-04 Amendment #1, "Area Agency on Aging (AAA) Program Requirements, Planning Allocations and Aging Services Block Grant Format for FY 2010-11". The APD is available to be electronically accessed on the AAAEXCEL drive.

Highlights of the changes for FY 2010-11 include:

- Increasing the current Block Grant allocation by \$1,553,382 to match the amount allocated in FY 2009-10.
- Increasing the Medicaid Assessments allocation by \$12,526,369 to match the amount allocated in FY 2009-10.
- Increasing the Attendant Care allocation by \$746,343 to cost settle amounts reported as expended in FY 2009-10 but not yet reimbursed.
- Shifting of NHT Under-60 funding between several AAAs for reimbursement.
- Allocation of \$6,310,011 of Other categorical funds including Ombudsman, Apprise and Discretionary funds.

The Department will be adjusting the November payment to include the first four months of all additional revenues included in Block Grant and Other categorical funds.

AAAs are no longer required to submit the ABGAPP-xx, Application for Support. However, at the beginning of each fiscal year each agency is still responsible for providing a Non-Profit Governing Board Listing or the County Commissioner Listing Sheets included in Attachment B (ATTACHB) as applicable. This form should be submitted to Mr. Rob Heinlen at the email address noted below no

later than **November 30, 2010**.

Please forward questions regarding this information to Mr. Rob Heinlen. He can be contacted by telephone at (717) 265-7888 or by E-mail rheinlen@state.pa.us.

As always, thank you for your cooperation with meeting the budget submission requirements.



COMMONWEALTH OF
PENNSYLVANIA
DEPARTMENT OF AGING
Harrisburg, PA. 17101

PENNSYLVANIA DEPARTMENT OF AGING

1. File Number:

APD # 10-01-04
Supplement #1

2. Disposition:

Supplements APD #10-01-04

3. Issuance Date:

September 24, 2010

4. Effective Date:

July 1, 2010

5. Program Area:

AAA Administration

6. Origin:

Bureau of Program Integrity

7. Contact:

Bureau of Program Integrity (717) 265-7888

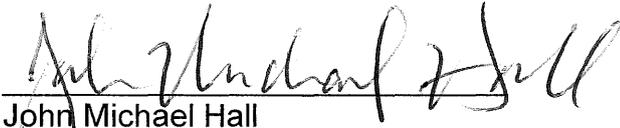
AGING PROGRAM DIRECTIVE

SUBJECT: AREA AGENCY ON AGING (AAA) PROGRAM REQUIREMENTS, PLANNING ALLOCATIONS AND AGING SERVICES BLOCK GRANT FORMAT FOR FY 2010-2011 Budget Amendment #2

TO: COUNTY COMMISSIONERS
COMPTROLLER
EXECUTIVE STAFF
AREA AGENCIES ON AGING
ADMINISTRATION ON AGING
PA ASSOCIATION OF AREA
AGENCIES ON AGING

CHAIRPERSONS, NON-PROFIT AAA
GOVERNING BOARDS
PDA GRANTEES AND CONTRACTORS
DPW, OFFICE OF PROGRAM
DEVELOPMENT AND SUPPORT
PA STATE ASSOC. OF COUNTY
COMMISSIONERS

FROM:


John Michael Hall
Secretary
Pennsylvania Department of Aging

PURPOSE: The purpose of this Aging Program Directive (APD) is to (1) delineate minimum requirements for FY 2010-11 Area Agency on Aging (AAA) program; (2) set forth procedures for the development and submission of the FY 2010-11 Aging Services Block Grant Amended Budget No. 2; and (3) transmit for planning purposes the FY 2010-11 funding allocation levels for each AAA.

BACKGROUND: This APD supplement transmits, in one document, all key information required for the submission of the FY 2010-11 Aging Block Grant Amended Budget No. 2. The AAAs are advised to refer to this APD frequently throughout the planning process for the development of these plans.

The amended allocations in this APD supplement provides adjustments to the Regular Block Grant allocation for each AAA to the same level of funding provided in the FY 09-10 budget. The Medicaid Assessment budget is adjusted to provide each AAA with the level of funding from FY09-10 plus funding increases due to increased activity.

Attendant Care funding was provided to offset shortfalls in funding from FY09-10 for payment to service providers.

Allocation adjustments have also been included for Ombudsman, APPRISE, ADRC, MIPPA, Healthy Steps, and projects funding through discretionary funding.

Persons involved in the financial decision making process of the AAAs are strongly encouraged to review this APD.

BLOCK GRANT: The allocations distributed through the Aging Block Grant include Regular Block Grant, Medicaid Assessment (MA), State Family Caregiver Support Program (SFCSP), Federal Family Caregiver Support Program (FFCSP), Nutrition Services Incentive Program (NSIP), APPRISE, Health Promotion, Medication Management, Attendant Care, Direct Care Worker and Other funds.

AAAs should continue to refer to APD #97-01-02, "Accounting Manual for Area Agency on Aging Programs", and the Home and Community Based Services (HCBS) procedure Manual for definitions related to specific cost centers and service programs. Any fiscal instructions necessary to complete the contract process, and not included within the Accounting Manual, will be cited in this APD.

AAAs that operate/fund mental health referral programs must report these activities under the Information & Referral Cost Center. AAAs may only utilize the approved cost centers when preparing the budget.

All AAAs will be organized in a manner which avoids conflicts with the mission and responsibilities of an AAA. At a minimum, the AAA Director and all subordinate staff must be free from any responsibilities for the oversight or operation of:

- Nursing facilities, personal care homes, home health agencies; and
- Any other organization which would be in a position to financially benefit from favorable decisions by an AAA.

MINIMUM PROGRAM AND FUNDING REQUIREMENTS
FOR FY 2010-2011

The following requirements will apply:

1. IN HOME SERVICE PARAMETER

The Department of Aging has established a minimum parameter of 51.6% of funding levels for the provision of in-home services. The In-Home Services Parameter Schedule identifies the minimum amount each AAA must expend on in-home services. The calculation base for the 51.6% parameter was the total amount of the original individual FY 2002-03 Block Grant allocations for the Regular Block Grant, MAs, SFCSP, and FFCSP. The developed in-home services parameters for each AAA as shown on the In-Home Service Parameter schedule is either the application of the 51.6% to the described calculation base or the total of the AAA's projected FY 2000-01 in-home service expenditures, whichever is less.

The following cost centers have been identified as in-home services for the purpose of meeting this parameter: Home Delivered Meals, Home Health, Personal Care, Personal Assistance Service, Attendant Care, Overnight Shelter/Supervision, Environmental Modifications, Medical Equipment/Supplies/Adaptive Devices, Home Support, Adult Day Care, Assessments, Care Management and Consumer Reimbursement.

2. PUBLIC HEARINGS

Public hearings must be held on the Aging Block Grant Budget Amendment No. 2 prior to submission of the AAA's Aging Block Grant Amended Budget No. 2. Information provided to the public for such hearings must include: a clear statement of the AAA's financial and program intent, all major changes in service delivery patterns, location and/or method of service delivery and proposed cost center budgets. On request, the AAA must make available for public review copies of the AAA's Aging Block Grant Amended Budget No. 2 and the agency's approved Comprehensive Three/Four-Year Budget.

3. REIMBURSEMENT

Reimbursement may not be claimed for services rendered prior to final approval of the AAA's Application for Support by all necessary authorities.

4. MANDATORY RETIREMENT

Neither the AAA nor any AAA subcontractor may apply a policy of mandatory retirement to positions funded under this Application for Support.

5. ADMINISTRATIVE COSTS

No more than 10% of the funds allocated in the total Aging Block Grant may be budgeted and expended in the AAA Administration cost center.

AAAs must adhere to the requirements of APD #05-01-10, "Indirect Cost Policy for Department of Aging Contracts". This directive identifies that the

maximum indirect costs for direct service contracts with public or private providers shall be the actual indirect costs or 2% of the agency's total direct service costs, whichever is lower. These costs are considered to be part of the AAA's Administrative cost center.

6. MEDICAID ASSESSMENT

Each AAA has been awarded a MA Assessment and I&R allocation. The Department of Aging and the Office of Long Term Living (OLTL) will review and validate reported expenditures and MA Assessment activity to ensure appropriate adjustments are made to the original MA Assessment allocations prior to issuing a final amendment for the fiscal year. The adjustments will reflect the actual number of assessments performed by the AAA during the fiscal year.

The amount of the MA Assessment allocation (Column 2 of the ABGATCHA's Amended ABG Allocation No. 2 worksheet) must be budgeted on Pre-Admission Assessment activities including Administration and I&R according to the allocation.

AAA Administrative costs related to MA must not exceed 10% of the MA Assessment allocation.

Funding for MA Assessment is provided through the utilization of federal Title XIX funds and state matching funds.

Administrative expenses associated with MA Assessment activities and comprehensive assessments/recertifications are funded at 50% federal funds and 50% state funds, except for that portion of the comprehensive assessments/recertifications provided by skilled professional medical personnel, which is funded at 75% federal funds and 25% state funds.

OBRA screens are funded at 75% federal funds and 25% state funds.

AAAs must budget at least the amounts identified on the ABGATCHA MA Assessment Allocation worksheet. Reallocation of funds between the 75/25% federal financial participation and the 50/50% federal financial participation is permitted only with the written authorization of the Department of Aging.

Agencies may move funds between AAA Administration, MA Assessments and OBRA Assessments as long as the 75/25 and 10% administration parameters are maintained.

AAAs are to follow the instructions that are in APD #02-01-04, "OPTIONS Procedures Manual", dated February 14, 2002, and any subsequent revisions or amendments thereto or any other policy directive or clarification issued by the Department of Aging.

7. STATE FAMILY CAREGIVER SUPPORT PROGRAM (SFCSP)

At least the amount of the SFCSP allocation must be budgeted on SFCSP activities including Administration. AAA Administration costs charged to the SFCSP allocation must not exceed 10% of the SFCSP allocation. At least 55% of the allocated SFCSP funding must be budgeted and expended for financial assistance to caregivers.

Of the SFCSP allocation, no more than 20% of the amount budgeted and expended for financial assistance to caregivers may be budgeted and expended for home modifications and assistive devices.

The AAA may reallocate SFCSP funds between SFCSP budget categories in an amount up to 10% or \$10,000, whichever is greater. All reallocations of SFCSP funds between SFCSP budget categories in excess of 10% or \$10,000, whichever is greater, must receive prior approval from the Department of Aging.

No reallocation of SFCSP funds shall be made that will result in non-compliance with the established minimal parameters.

In administering cost sharing for the SFCSP, AAAs must comply with the provisions of the SFCSP Cost Sharing Chart listed in the Family Caregiver Support Reimbursement Benefits Cost Sharing Guide.

The regulations governing the SFCSP were published in PA Code, Title 6, Chapter 20, effective July 11, 1992. Funds expended under the SFCSP allocation must be administered in strict accordance with those regulations.

8. FEDERAL FAMILY CAREGIVER SUPPORT PROGRAM (FFCSP)

The total FFCSP Allocation includes the federal dollar amount representing a maximum of 75% of each AAA's FFCSP budget and the 25% non-federal matching funds from the SFCSP allocation as required. Each AAA must ensure that the SFCSP match funds (identified on ABGATCHA - FFCSP Allocation Schedule) are utilized for consumers who meet the program requirements for both the FFCSP and the SFCSP.

Only the amount of the total FFCSP allocation must be budgeted on FFCSP activities, including Administration. AAAs are not permitted to exceed their allocated funds in the FFCSP.

AAA administration costs charged to the total FFCSP allocation must not exceed 10% of the Federal allocation.

Of the total FFCSP allocation, no more than 20% of the total allocation may be budgeted for Supplemental Services. The Department of Aging defines Supplemental Services as consumable supplies, home modifications and assistive devices.

The AAA may reallocate FFCSP funds between FFCSP budget categories in an amount up to 10% or \$10,000, whichever is greater. All reallocations of FFCSP funds between FFCSP categories in an amount over 10% or \$10,000, whichever is greater, must receive prior approval from the Department of Aging. All reallocations of FFCSP funds shall comply with the established minimal parameters.

AAAs are encouraged to budget FFCSP funds prior to the utilization of local resources. AAAs should review the current caseload and/or waiting list for consumers who qualify for benefits in the FFCSP. The FFCSP allocation should then be applied to allowable costs associated with providing services to eligible consumers and their caregivers.

The policy governing the FFCSP is included in APD #01-01-05 and #01-01-02 issued on August 6, 2001, and April 13, 2001, respectively. Funds expended under the FFCSP allocation must be administered in strict accordance with these policies.

9. NURSING HOME TRANSITION PROGRAM (NHT)

All AAAs participating in the NHT program are being provided with an allocation for program related costs. Allocation amounts are based on FY 2009-10 performances and the anticipated continuation of program activity. AAAs are able to earn and expend funds based on the activities outlined in APD 10-01-01.

Any outcome based income earned but not expended during the current fiscal year should be carried forward into the subsequent fiscal year as a restricted form of local program income as these funds are to be reapplied to the NHT program.

After the conclusion of the fiscal year funding will be cost settled based on information input into the SAMS database.

10. U. S. NUTRITION SERVICES INCENTIVE PROGRAM CASH

The allocation for each AAA is based on number of NSIP meals reported as provided in SAMS expressed as a percentage of the total statewide amount in fiscal year 2009-10. Please note that NSIP expenditures are included in the calculation to meet the in-home services parameter.

11. APPRISE

Funding for APPRISE must be dedicated to training sessions, Medicare Part D enrollment and information meeting, informational efforts, equipment needs such as laptops and LCD projectors, and other activities related to Medicare benefits, Medicare Advantage plan selection, Medicare Part D assistance, application for assistance and outreach to enroll people in the low Income

assistance programs for Medicare premiums, and long-term care insurance. A minimal amount of funding should be designated to personnel cost. Federal funding for the APPRISE program requires that the program provide Medicare Part D assistance to the Medicaid/Medicare enrolled individual with a mental health diagnosis.

AAAs should carefully analyze its costs allocation methodologies associated with these funds. Funds for telecenters must be expended on the daily operations of the telecenters activities; this money must not be utilized for other activities.

Funding for the APPRISE Program is identified as a categorical allocation in the AAA's Total Block Grant. AAAs must continue to provide APPRISE Program services consistent with the established program requirements.

Funds for the AAA's APPRISE Program must be budgeted and expended on allowable activities in the Information and Referral and/or the Senior Community Center Services cost center(s). AAAs that receive funding for the telecenters and APPRISE Outreach must budget these funds in the information and referral cost center.

ADRC funding is to be used solely for the purpose of establishing a collaborative Link network. The Department is currently developing guidelines for the use of these funds. ADRC funds should not be utilized until the guidelines are provided.

12. HEALTH PROMOTION

Funding for the Health Promotion Program is identified as a categorical allocation in the AAA's Total Block Grant. AAAs must continue to provide Health Promotion Program services consistent with the established program requirements.

Funds for the AAA's Health Promotion Program must be budgeted and expended on allowable activities in the Senior Community Center Services cost center.

13. MEDICATION MANAGEMENT

Funding for Medication Management activities is part of the AAA's Health Promotion Program. Funding for this service is identified as a categorical allocation in the AAA's Total Block Grant. AAAs must continue to provide Medication Management program services consistent with the established program requirements. Funds for medication management screening and education to prevent incorrect medication and drug reactions must be budgeted in the Senior Community Center Services cost center.

14. OMBUDSMAN

Each AAA must budget and provide monies for the local ombudsman program, or contracting provider, for recruitment, training and management of volunteers to perform activities as ombudsmen for the Long Term Care Ombudsman Program subject to policies and reporting requirements contained in APD #98-10-01. The corresponding amounts identified by AAAs are as outlined in the formulary in the attached ABGATCHA on the Ombudsman worksheet.

If the AAA utilizes a contractor to administer the volunteer ombudsman component, at least the amount of the ombudsman volunteers allocation must be provided to the contractor for the volunteer ombudsman program. These funds must be over and above any other funds expended on Ombudsman activities and must be reported in the Ombudsman cost center.

Note: The ombudsman allocations are subject to adjustment in the final budget amendment based on the performance of the local ombudsman program in relation to the performance of the volunteer ombudsman component.

Ombudsman allocations are to be used solely for the purposes of recruitment, retention, training and management of volunteers performing activities as ombudsman for the Ombudsman program.

Uses include:

- Recruitment efforts; advertising, training, backyard training sessions, meals for volunteers, mileage for volunteers, and appropriate staff time. Staff time should be reflective of time spent on management of a volunteer ombudsman program.
- Retention; ongoing meetings with volunteers, copying/printing of the ombudsman connection newsletter for volunteer ombudsman, training materials and stipends, speakers, meals, mileage, and volunteer recognition.
- Equipment; the purchase of equipment to provide training such as laptop computer and LCD projector are allowed.

Uses do not include:

- Cost of standardized orientation
- Meal provision for backyard Tier I training

AAAs that receive PEER funding must budget and expend the funding on support and maintenance of the PEER project for FY 2010-2011. If a contractor is utilized to administer the PEER project, must provide at least the amount of the PEER funding to the contractor.

Uses include;

- Training costs for staff, support, copying, meals for PEERs, transportation, aides support and other services
- Equipment needed to perform and support local PEERs Projects including laptop computers and LCD projectors.

AAAs that are assigned to provide the lead Regional Ombudsman Coordinator or Regional Ombudsman Coordinators (ROC) activities must budget these funds in the ombudsman cost center. PDA will negotiate separate budget and reporting requirements with the AAAs that are hosting the Regional Ombudsman Coordinators.

In addition, each AAA must budget an amount of funds equal to the AAA share of Ombudsman activities charged to Older Americans Title III funds in FY 2000-01.

Attachment A contains the minimum funds that must be budgeted for ombudsman activities. All ombudsman activities for all ombudsman funding sources, projects and program must be budgeted and expended in the ombudsman cost center.

15. ATTENDANT CARE

Beginning July 1, 2010 these costs are being reimbursed through PROMISE. Any allocations in the attached ABGATCHA are final cost settlements for expenses incurred but not reimbursed during FY 2009-10.

16. PASSENGER TRANSPORTATION SERVICES

AAAs should continue to pursue funds available through Act 36-1991. AAAs directly receiving transportation funds (either operating or capital funds) must report these planned expenditures in the Aging Block Grant Application on the following documents:

- The project revenue will be shown on line 95 of the Line Item Budget spreadsheet in the Line Item Budget workbook (LIB11XXY.XLS).

AAAs that are not directly receiving Shared-Ride Program funds must not report the funds received by other Shared-Ride Program providers. The amount the AAA plans to expend in co-payments for Shared-Ride service must be reported in the Passenger Transportation Services cost center. The funds used for co-payments must be reflected in the respective funding source such as; Block Grant, local cash, etc.

The Shared-Ride Program provides on-going funding for the purchase of capital equipment. Funds are available to subsidize operating costs for shared-ride and demand responsive transportation services. (Allegheny and Philadelphia Counties are not eligible for these capital funds).

The Department of Aging reaffirms its intent to promote the coordination and integration of transportation services for older persons with other local transportation systems. AAAs should refer to APD #85-07-01, "Passenger Transportation Services".

17. LEGAL ASSISTANCE

In all subcontracts procured for legal assistance, the provider standards contained in 45 CFR Section 1321.71 (1988) must be addressed. The Department of Aging requires all AAAs to expend a portion of the AAA's Block Grant funds on legal assistance.

18. LINE ITEM BUDGET

This APD's Aging Block Grant Attachment A (ABGATCHA) notes the funding that is being provided to each AAA by the Department of Aging. **Prior to expending these funds the AAAs must submit a Line Item budget (LIB) to the Department of Aging and have it approved. The LIB should display the AAA's planned expenditures and associated use of Block Grant and all other fiscal resources.** Projected expenditures must be listed by major and minor object for individual cost centers.

19. DIRECT CARE WORKER

The Direct Care Worker allocation has been removed.

20. DELIVERY OF SERVICES

The Older Americans Act of 1965, as amended, requires AAAs to give preference in the delivery of services to those older persons with the greatest social and economic need with particular attention to low-income minority individuals, low-income individuals and frail individuals (including individuals with any physical or mental functional impairment). In planning FY 2010-11 program budgets, AAAs should be guided by this requirement as well as their individual goals and objectives in determining funding priorities. "Greatest economic need" means the need resulting from an income level at or below poverty levels established by the U.S. Department of Health and Human Services (<http://aspe.hhs.gov/poverty/10poverty.shtml>). The 2010 figures define poverty as being \$10,830 for one person, with each additional person adding \$3,740.

"Greatest social need" means the need caused by non-economic factors which include physical and mental disabilities, language barriers and cultural, social or geographic isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threatens such individual's capacity to live independently.

Service delivery information in the SAMS/OMNIA data base will be used to determine service levels and the numbers of consumers served.

The appropriateness of the Assessment expenditures to activity will include a review and analysis of SAMS/OMNIA reports of activity. This review will be part of an overall analysis for increased assessment allocations.

21. ACCOUNTING MANUAL

AAAs must comply with the "Accounting Manual for Area Agency on Aging Programs", (APD #97-01-02) and applicable federal and state regulations (e.g., 45 CFR Part 95, Circular A-87, Circular A-122, etc.) in the utilization of Pennsylvania Department of Aging Block Grant agreement funds.

22. AMENDMENTS

As stated in the Cooperative Agreement, the Department of Aging has the authority to amend the Aging Services Block Grant allocation on an as needed basis. This may occur if the AAA has not expended an appropriate level of its annual allocation by December 31, 2010. Amended allocations may also occur if additional funds are awarded during the year.

23. FIXED ASSETS

The definition of a fixed asset includes property of a tangible nature with a useful life of more than one (1) year and an acquisition cost of \$5,000 or more. Acquisition cost is defined as the net invoice price of the article plus the transportation charges, installation or setup fees and the cost of any necessary modifications, attachments or accessories.

When procuring fixed assets or facility space, the AAA must make an appropriate cost analysis of the lease versus purchase alternatives, and the most economical cost alternative must be chosen.

All proposed fixed asset acquisitions must be reflected in the Line Item Budget fixed asset schedule. For acquisitions of additional fixed assets during the year, the AAA must receive prior approval from the Bureau of Program Integrity in the Department of Aging.

24. IN-KIND SERVICE VOLUNTEERS

Where applicable the value of In-Kind Service Volunteers should be shown in the Line Item Budget as local in-kind contribution.

The budgeted amount must not be distributed to the respective cost centers to which the volunteer services apply.

25. PROGRAM INCOME

APD #05-01-11, "Area Agency on Aging on Aging Program Income Policies", establishes the following policies for the retention of program income collections:

- Federal Program Income -- All program income generated from services funded, in whole or in part, by federal Older Americans Act funds that is on hand as of June 30, 2010, must be budgeted and expended during FY 2010-11.
- Local Program Income – The June 30, 2010, balance of local program income generated from services funded by non-federal sources must not exceed 10% of the AAA's total Block Grant allocation for FY 2010-11 or \$400,000, whichever is greater. These funds must be budgeted and expended in consumer service cost centers.
- Options State Cost Sharing Funds – The June 30, 2010, balance of Options State Cost Sharing Fund collections must be budgeted and expended during FY 2010-11.
- Attendant Care and local fee scales funds received are reported as Options State Cost Sharing Funds.

Seven (7) cost centers will contain Title III federal funds and all program income earned in any of these cost centers will be considered Federal Program Income. The seven cost centers are Home Delivered Meals, Congregate Meals, Senior Community Center Services, Passenger Transportation, Information and Referral, Legal Assistance and Ombudsman. NOTE: Home Delivered Meals provided to Waiver consumers may not be purchased with Title III or Block Grant funds. Meals provided to Waiver consumers must be billed for reimbursement through the PROMISE system.

Federal Program Income must be budgeted and expended only in the seven federally funded cost centers.

AAAs must comply with the provisions of APD #05-01-11 concerning excessive balances of program income collections. AAAs are advised that payments of funds on FY 2010-11 Aging Block Grant contracts will be contingent upon the compliance of AAAs with the federal and state requirements for program income and cost sharing fund balances.

If an AAA has excessive balances of Federal Program Income, Local Program Income or Options State Cost Sharing Funds as of June 30, 2011 (Fourth Quarter FRR), its Block Grant payment for October 2011 and subsequent monthly payments may be reduced or withheld until the AAA achieves compliance with the established program income balance requirements.

Planned expenditures of accumulated, as well as anticipated, collections of program income and cost sharing funds must be included under "Other Resources".

26. MATCH FOR FEDERAL DOLLARS

AAAs that intend to use Block Grant funds as match for other federal funding must notify the Bureau of Program Integrity in the Department of Aging in writing. The Department of Aging will issue a statement to the agency clarifying that only state funds are allocated to the affected cost center(s).

27. SERVICE COSTS

The Department of Aging may require AAAs to justify costs, which appear to be significantly above or below statewide averages for approval of the Aging Block Grant.

28. BUDGETING FEDERAL FUNDS

Federal cost centers are Home Delivered Meals, Congregate Meals, Passenger Transportation, Information and Referral, Legal Assistance, Ombudsman and Senior Community Center Services. AAAs are strongly encouraged to budget and expend Aging Block Grant and Federal Program Income funds, prior to allocating other resources to these seven cost centers. This will enable the Department of Aging to meet federal spending parameters.

29. SENIOR CENTERS

AAAs are required to request and receive written approval from the Bureau of Individual Support, in OLTL prior to implementing plans to open, close or relocate a senior center or a satellite senior center.

30. COMPLIANCE WITH COOPERATIVE AGREEMENT

The AAA must comply with all the terms and provisions identified in the Pennsylvania Department of Aging Cooperative Agreement between the Department of Aging and the AAA.

31. REIMBURSEMENT RATES

The Commonwealth of Pennsylvania's Office of Administration establishes travel, lodging and subsistence allowable maximum reimbursement rates. AAAs are able to access the most current information on the Office of Administration's web site at www.oa.state.pa.us. This information is found under Management Directives, Management Administration Support, #230.10

Commonwealth Travel Policy. Please refer to the most recent revision for the approved rates.

32. ARRA Funding

AAAs who have a balance remaining on their Senior Center Projects Grant are receiving an ARRA allocation to replace the Block Grant state funding used for the grant. These amounts must be reported separately on the Line Item Budget (the Line Item Budget worksheet Line 139) and the FRR (Line Item Expenditures worksheet Line 139) Excel files.

33. SUBMISSION REQUIREMENTS

AAAs are required to place a LIB10XXY.XLS in their AAA's AS400 folder no later than **November 30, 2010**.

All AAAs are required to, at a minimum of annually, submit information on their governing boards on the Word document GOVBDY11.DOC. This information is also to be provided whenever the board's make-up is changed. The GOVBDY11.DOC can be found on the AAAEXCEL drive. Once completed it should be e-mailed to Rob Heinlen at the address noted below.

There is no longer a requirement to submit an Application for Support.

Questions related to this APD should be directed to Rob Heinlen at (717) 772-0192 or by E-mail at rheinlen@state.pa.us.