



PROGRAM GUIDE

Revised August 2025

Prohibition on copying and pasting this Program Guide into other contracts or solicitations.

The California Department of Aging warns that incorporating this Program Guide “by reference”, or including some version of the guide without including both *expressly identified* and *indirectly identified items* which must be included at both the RFP/IFB stage (per 22 CCR 7354) and the contract stage (per 22 CCR 7364) could potentially end up with the AAA omitting key terms, and the AAAs do so at their own risk.

Older Americans Act and Older Californians Act Program Guide
California Department of Aging Area Agencies On Aging

Revision History

Revision	Date of Release	Purpose
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02/2025	02/28/2025	Program Guide Revision 02/2025: • Added: (Inside Cover Page) Prohibition on copying and pasting Program Guide • Revised 3.2.2, Subcontractors, Item 10 • Revised 3.2.2, Subcontractors, Items 11 & 12 (combined) • Revised 3.11.4 Safeguards and Security (added 9-12) • Removed 3.11.7 Background Check, Paragraph 1 • Moved 3.11.7 (1-4) under 3.11.4 (added as 9-12) • Revised 3.13 Public Education and Information • Revised 3.13.2 Advertising and Public Relations • Added 3.13.3 Approval Requirements for Advertising & Pub. Rel. • Removed 3.14 Bilingual & Linguistic Program Services • Revised Numbering 4.2.2, Assurances Specific to Legal Service Providers (LSPs) Items 1-8 • Revised 4.2.3, Data Reporting for Title III, Item 1.a. • Revised 4.3.1, Eligible Service Population for Title II E, Item 6 • Revised 4.3.1, Title III C-1 (Congregate Nutrition Svcs.), Item 22 • Revised 4.3.1, Title III C-2 (Home-Deliv. Nutrition Svcs.) Item 24 • Revised 4.4.3, Title III C (Nutrition Services) & Nutrition Incentive Program, Item 3 • Revised 4.9, Reporting, Item 8.a. • Removed 4.9, Reporting, Items 8.b. and c. • Revised 5.7, Program Specific Budget and Budget Revision, Item 5 • Revised 6.2, Assurances, Item 9.a. • Revised 6.5.1, Indirect Costs, Items 1 and 2 • Added <u>new</u> MIPPA language • 7.2.12, Compliance with ACL Guidance Related to VRPM • 7.2.13, Compliance with ACL Guidance Related to COI • 7.4.2, AAA Responsibilities, Item 12 • Removed 7.4.4, Other Provisions & Assumptions, Item 1 (dup.)
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Older Americans Act and Older Californians Act Program Guide
California Department of Aging Area Agencies On Aging

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Approvals

Revision #	Name	Role	Date
02/2025	Andy Sachs	Assistant Deputy Director, OFAO	02/28/2025
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1 INTRODUCTION

1.1 Purpose and Scope

The purpose of this Older Americans Act (OAA) and Older Californians Act (OCA) Program Guide, hereinafter referred to as the “Program Guide” or “guide”, is to define the responsibilities for providing OAA and OCA assistance and/or related support services to eligible older adults, adults with disabilities, family caregivers, and residents in long-term care facilities.

1.2 Legal Authorities

The following are legal authorities for this Program Guide:

- [42 USC, Chapter 35, Section 3001](#)
- [Welfare and Institutions Code \(WIC\) Division 8.5](#)

1.3 General Provisions

The California Department of Aging (CDA) and Area Agencies on Aging (AAA) shall comply and work in collaboration with all provisions of this Program Guide, OAA, OCA, and all federal and state laws, regulations, policies, and directives.

1.4 Intended Audience

This Program Guide is intended for use by the AAAs and CDA as a reference tool for the provision of OCA and OAA programs. It is also intended to be used as a reference tool for internal and external audits.

1.5 Usage of this Program Guide (*Revised 08/25*)

This Program Guide is broken down into chapters which will provide detailed information and guidance pertaining to the delivery of services for each of the programs, or in the case of Area Plan, groups of programs outlined within this guide. This guide includes the following chapters:

- Chapter 1 – Introduction: general overview of the purpose, scope, authority, and usage of the Program Guide
- Chapter 2 – Memorandum of Understanding: general overview of the use of an MOU to establish the relationship between the CDA and AAAs.
- Chapter 3 – General Terms and Conditions: terms and conditions universally applicable to all programs identified within this guide.
- Chapter 4 – Area Plan: terms and conditions applicable and specific to all programs and services that had historically been incorporated into the Area Plan contract
- Chapter 5 – Title V/SCSEP – terms and conditions specific to the provision of Title V/SCSEP services
- Chapter 6 – HICAP – terms and conditions specific to the provision of HICAP services
- Chapter 7 – MIPPA – terms and conditions specific to the provision of MIPPA services

1.6 Procedure for Program Guide Updates

The Program Guide shall be maintained, updated, and/or revised by CDA. Updates and/or revisions to language within this Program Guide will be memorialized by a revision number, date, and brief description of the purpose of the revision on the page immediately following the title page. All updates and/or revisions will be communicated in detail through the release of a Program Memo (PM) which will be maintained on CDA's [webpage](#).

CDA will update this Program Guide on an annual basis, at the beginning of each State fiscal year, or whenever there is an update to federal and/or state laws, regulations, policies, and/or directives that impact guidance provided within this Program Guide.

1.7 Amendments, Revisions, or Modifications

1. No amendment or variation of the terms of this Program Guide or the MOU shall be valid unless made in writing and incorporated as expressed in Section 1.6. No oral understanding or agreement not incorporated in this Program Guide is binding on CDA or the AAAs.

2. CDA reserves the right to revise, waive, or modify the Program Guide and the MOU to reflect any restrictions, limitations, or conditions enacted by Congress or the Legislature or as directed by the Executive Branch of State government.

1.8 Program Guide Location and Availability

The official copy of this Program Guide will be kept and maintained on CDA's [webpage](#).

2 MEMORANDUM OF UNDERSTANDING

2.1 Agreement

The Memorandum of Understanding (MOU) referenced throughout this Program Guide shall act as the legal authority establishing the relationship between CDA and the AAA for the purposes of performing the duties outlined within this Program Guide.

The MOU is valid for five years and renewed during the fifth year, prior to expiration of the MOU. No funding is directly tied to the MOU, but rather allows CDA to directly allocate funding received by CDA through the OAA and OCA to the AAAs without the need for establishing yearly contracts or amendments.

2.2 MOU Amendments

Amendments or changes to the MOU shall occur when required in the following circumstances:

1. When there is a change to legislation or new legislation that requires language within the MOU to be updated,

2. The addition or subtraction of the AAA's participation in a certain program covered by the MOU,
3. Changes to the AAA's legal name, or
4. Termination of an MOU.

2.3 MOU Location and Availability

A copy of the executed MOU is on file and available for inspection at the California Department of Aging, 2880 Gateway Oaks Drive, Suite 200, Sacramento, CA 95833.

3 GENERAL TERMS AND CONDITIONS APPLICABLE TO ALL PROGRAMS

3.1 General Definitions and Resolutions of Language Conflicts

3.1.1 General Definitions *(Revised 08/25)*

1. **Allocation:** The process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives. (2 CFR 200.4 and 45 CFR 75.2).
2. **Area Agency on Aging (AAA):** The Area Agency on Aging (AAA) that is awarded funds under the Memorandum of Understanding (MOU), is accountable to the State and/or federal government for use of these funds, and is responsible for executing the provisions for services provided under this Program Guide.
3. **Cal. Civ. Code:** California Civil Code (CIV)
4. **Cal. Gov. Code:** California Government Code (GC)
5. **Cal. Pub. Con. Code:** California Public Contract Code (PCC)
6. **CCR:** California Code of Regulations
7. **CFR:** Code of Federal Regulations
8. **Direct Allocation:** The process of allocating awarded funds under the legal authority granted through the MOU for the following programs Area Plan, HICAP, Title V, and MIPPA without the need for a formal contract or amendment.
9. **Disallowed Costs:** Those charges determined to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award. (2 CFR 200.31 and 45 CFR 75.2)
10. **HHS:** United States Department of Health and Human Services
11. **OAA:** Older Americans Act
12. **OCA:** Older Californians Act

13. **OMB:** Federal Office of Management and Budget
14. **Questioned Costs:** A cost that is questioned by an auditor because of an audit finding which resulted from a violation or possible violation of statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds; where the costs, at the time of the audit, are not supported by adequate documentation; or where the costs incurred appear unreasonable and do not reflect the actions a prudent person would take in the circumstances. (2 CFR 200.84 and 45 CFR 75.2).
15. **Recoverable Cost:** The state and federal share of the questioned cost.
16. **Reimbursable Item:** Also known as “allowable cost” and “compensable item”
17. **State and Department:** The State of California and the California Department of Aging (CDA) interchangeably.
18. **Subcontract:** Any form of legal agreement between the AAA and the Subcontractor, including an agreement that the AAA or Subcontractor would consider to be a contract, including vendor type Agreements for providing goods or services for the Subcontractor to carry out part of a federal award received by the Contractor under this Program Guide. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program
19. **Subcontractor:** The legal entity that receives funds from the AAA to carry out any part of a federal award identified in this Program Guide.
20. **UEI:** Unique Entity ID – a 12-character alphanumeric ID assigned to an entity by SAM.gov on April 4, 2022. As part of this transition, the DUNS number has been removed from SAM.gov and entity registration, searching, and data entry in SAM.gov now requires use of the new Unique Entity ID.
21. **USC:** United States Code
22. **Vendor:** An entity selling goods or services to the AAA or Subcontractor during the AAA or Subcontractor’s performance of the services under this Program Guide.

3.1.2 Resolution of Language Conflicts

The terms and conditions of federal awards and other requirements have the following order of precedence, if there is any conflict in what they require:

1. The Grant Terms and Conditions
2. The Older Americans Act and other applicable federal statutes and their implementing regulations

3. If applicable, the Older Californians Act and other California State codes and regulations
4. The MOU and this Program Guide
5. Program Memos and other guidance issued by CDA.
6. Any other documents incorporated herein by reference including, if applicable, the federal HHS terms and conditions found in Part II of the HHS Grant Policy Statement. The HHS Grant Policy Statement is available under the HHS Policy Requirements Topic at <https://www.hhs.gov/grants/grants/grants-policies-regulations/index.html>.

3.2 Assurances

3.2.1 Law, Policy and Procedure, Licenses, and Certificates

The AAA shall administer the programs listed within their MOU and require any subcontractors to administer their subcontracts in accordance with this Program Guide, and with all applicable local, State, and federal laws and regulations including, but not limited to, discrimination, wages and hours of employment, occupational safety, and to fire, safety, health, and sanitation regulations, directives, guidelines, and/or manuals related to this Program Guide and resolve all issues using good administrative practices and sound judgement. The AAA and its subcontractors shall keep in effect all licenses, permits, notices, and certificates that are required by law.

3.2.2 Subcontracts *(Revised 08/25)*

1. The AAA shall require language in all subcontracts to require all subcontractors to comply with all applicable State and federal laws.
2. The AAA is responsible for carrying out the terms of the MOU and this Program Guide, including the satisfaction, settlement, and resolution of all administrative, programmatic, and fiscal aspects of the program(s), including issues that arise out of any subcontracts, and shall not delegate or contract these responsibilities to any other entity. This includes, but is not limited to, disputes, claims, protests of award, or other matters of a contractual nature. The AAA's decision is final and the Subcontractor has no right of appeal to CDA.
3. The AAA shall, in the event any subcontractor is utilized by the AAA for any portion of this Program Guide, retain the prime responsibility for all the terms and conditions set forth, including but not limited to, the responsibility for preserving the State's copyrights and rights in data in accordance with [Section 3.12](#) of this Program Guide, for handling property in accordance with [Section 3.4](#) of this Program Guide, and ensuring the keeping of, access to, availability of, and retention of records of subcontractors in accordance with [Section 3.3](#) of this Program Guide.

4. The AAA shall not obligate funds for the provision of services outlined within this Program Guide and the MOU in any subcontracts for services beyond the ending date of the funding periods, as outlined in the program budget displays.
5. The AAA shall have no authority to contract for, or on behalf of, or incur obligations on behalf of the State.
6. The AAA shall maintain on file copies of subcontracts, memorandums and/or Letters of Understanding which shall be made available for review at the request of CDA.
7. Pursuant to 2 CFR § 200.332(a), the AAA must verify that a subcontractor is not excluded or disqualified in accordance with [2 CFR § 180.300](#). Verification methods are provided in § 180.300 which includes confirming in *SAM.gov* that the potential subcontractor is not suspended, debarred, or otherwise excluded from receiving federal funds.
8. The AAA shall ensure every subcontract is clearly identified to the subcontractor as a subcontract and includes the information provided below. The AAA must provide the best available information when some of the information below is unavailable. The AAA must provide the unavailable information when it is obtained. Required information includes:
 - a. Federal award identification:
 - i. Subcontractor's name (must match the name associated with the UEI);
 - ii. Subcontractor's UEI;
 - iii. Federal Award Identification Number (FAIN);
 - iv. Federal Award Date;
 - v. Subcontract Period of Performance Start and End date;
 - vi. Subcontract Budget Period Start and End date;
 - vii. Amount of Federal Funds Obligated in the subcontract;
 - viii. Total Amount of Federal Funds Obligated to the subcontractor by the AAA, including the current financial obligation;
 - ix. Total Amount of the Federal Award committed to the subcontractor by the AAA;
 - x. Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA);
 - xi. Name of the Federal agency, AAA and contact information for Contractor's Awarding Official;
 - xii. Assistance Listings Title and Number; the AAA must identify the dollar amount made available under each federal award

and the Assistance Listings Title and Number at the time of disbursement;

xiii. Identification of whether the federal award is for research and development; and

xiv. Indirect cost rate for the federal award including if the de minimis rate is used in accordance with [2 CFR § 200.414](#).

b. All requirements of the subcontract, including requirements imposed by federal statutes, regulations, and the terms and conditions of the federal award.

c. Any additional requirements the AAA imposes on the subcontractor for the AAA to meet its responsibilities under the federal award. This includes information and certifications required for submitting financial and performance reports that the AAA must provide to the federal agency. ([2 CFR § 200.415](#))

9. The AAA shall monitor the insurance requirements of its subcontractors in accordance with [Section 3.8](#) of this Program Guide.

10. The AAA shall require language in all subcontracts to require all subcontractors to indemnify, defend, and save harmless the AAA, its officers, agents, and employees from any and all claims and losses accruing to or resulting from any subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with any activities performed for which funds provided in support of the services within the MOU and this Program Guide were used and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Subcontractor(s) in the performance of the services outlined in the MOU and this Program Guide.

11. The AAA shall ensure that the Subcontractor will complete all reporting and expenditure documents requested by CDA. These reporting and expenditure documents shall be sent to the AAA in a timely manner and at intervals as determined by CDA.

12. In the case of small contracts not over \$100,000 in the aggregate, an AAA need only obtain price or rate quotations from a number of qualified sources and informally select the source with which to contract or obtain the purchase. [22 CCR 7352(g)] Although a competitive process is not required, a Pre-Award Review is required for small contracts with for-profits, as follows:

a. Pre-Award Review: Prior to informally selecting the for-profit entity with which to contract or obtain the purchase, the AAA shall submit the following to CDA for review and approval for small contracts (under \$100,000 in the aggregate):

- i. Documentation that the aggregate value of the contract with any entity is less than \$100,000
 - ii. A completed CDA 2000 (Conflict of Interest Disclosure Form) that discloses whether a potential or actual conflict of interest exists
 - iii. Copies of the price or rate quotations received from qualified sources on individual bidder letterhead
- b. CDA will provide a determination letter within fifteen (15) days of receipt of all required documentation confirming that the AAA has satisfied the requirements of a noncompetitive award to a for-profit entity or will provide details as to the requirement(s) that have not been met.
- c. The AAA shall maintain all of the following for a period of three (3) years after final payments are made and all other pending matters are closed: 1) Copies of all approved bids or proposals and any amendments or changes thereto; 2) A statement of the criteria used to approve awards; 3) Copies of the award documents and contracts entered into pursuant to section 7364; 4) Other information as required by 45 CFR 92.36(b), [CCR Title II, Section 7352(h), as well as CDA's determination letter.
- d. Generally, the term "aggregate" applies to the total stated face value of a contract made in good faith between two parties, for our purposes often the AAA and a subcontractor.

EXAMPLE: GOOD FAITH (TWO VENDORS, TWO CONTRACTS, ONE RFP)

An RFP goes out seeking services for \$120,000. The AAA does not receive a bid from a single vendor that can fulfill the \$120,000 request. However, the AAA receives bids for \$70,000 from vendor A and \$50,000 from vendor B. Therefore, the AAA splits the contract amount into \$70,000 with vendor A and \$50,000 with vendor B to complete the entirety of the services required by the initial RFP.

In this scenario, the aggregate value is NOT over \$100,000. When a good faith effort results in two contracts, with two different vendors, for the same service, and each contract is less than \$100,000, the aggregate value of the award is less than \$100,000. While the initial RFP indicated an amount over the \$100,000 threshold, the end result became two small contracts, each in the amount of less than \$100,000.

EXAMPLE: BAD FAITH

An AAA may not reduce the aggregate value of the contract by deliberately reducing or dividing what would normally be one large contract into smaller contracts to bypass bidding or oversight responsibilities. An example of bad faith dealing when carrying out a contract between the AAA and a subcontractor would include splitting two awards/contracts into two unreasonable amounts, e.g., \$99,000 and \$999, to avoid the \$100,000 threshold trigger for the RFP process. Bad faith dealings could also exist when an AAA could have chosen one entity to carry out a service in the amount of \$100,000 or over within one contract but chose to split the award into two contracts with two entities for the same service, e.g., one contract for \$80K and the additional contract for \$20K, with the intention of avoiding the RFP process.

Acting in this manner would be inconsistent with the purpose and mission of the open and competitive process required by California regulations and could potentially deprive competent and eligible entities from the opportunity to present their case to serve the AAA and its community. Splitting a contract/award in such a way would constitute bad faith and unfair dealing. CDA expects that AAAs will act in good faith when contemplating and executing contractual awards to promote open and fair competition.

An AAA should work with their legal counsel to interpret the applicable provisions of federal and state law, and to otherwise determine the good faith aggregate value of its contracts as is necessary.

13. Contracts over \$100,000 in the aggregate for any entity must follow an open and competitive process [22 CCR 7352].

The AAA shall, prior to the awarding of a contract to any for-profit entity, submit the following to CDA for review and approval:

- a. The Request for Proposal (RFP) or Invitation for Bid. [22 CCR 7362(a)(1)]
- b. All bid proposals received. [22 CCR 7362(a)(2)]
- c. The proposal or bid evaluation documentation, along with the AAA's rationale for awarding the contract to a for-profit entity. [22 CCR 7362(a)(3)].
- d. Description and documentation of dissemination of information concerning the RFP to elicit adequate competition. [22 CCR 7356].

CDA will provide a determination letter within fifteen (15) days of receipt of all required documentation confirming that the AAA has satisfied the requirements of a competitive award to a for-profit entity or will provide details as to the requirement(s) that have not been met.

The AAA must maintain all documentation on file that supports a competitive award to a for-profit entity, as well as CDA's determination letter.

Where a program may be contracted to a for-profit organization, the AAA should include in its contract with the for-profit entity, a requirement for performance of a program specific audit of the subcontracted program by an independent audit firm.

14. The AAA shall require subcontractors to obtain AAA approval prior to awarding a contract to a for-profit entity:

- a. Contracts under \$100,000:
 - i. The AAA shall follow their internal process to make the determination for approval or denial of the award.
- b. Contracts over \$100,000:
 - i. The AAA shall evaluate that the requirements for an open and competitive process [22 CCR 7352] were followed.
 - ii. The AAA shall follow their internal process to make the determination for approval or denial of the award.

15. The AAA shall require all subcontractors to maintain adequate staff to meet the Subcontractor's Agreement with the AAA. This staff shall be available to the State for training and meetings which the State may find necessary from time to time.

16. If a private nonprofit corporation, the Subcontractor shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of the Agreement.

17. The AAA shall refer to 2 CFR 200.331, Subpart D - Subrecipient and Contractor Determinations and 45 CFR 75.351, Subpart D - Subrecipient and AAA Determinations in making a determination if a subcontractor relationship exists. If such a relationship exists, then the AAA shall follow the procurement requirements in the applicable Office of Management and Budgets (OMB) Circular.

18. The AAA shall utilize procurement procedures as follows:
 - a. The AAA shall obtain goods and services through open and competitive awards. Each AAA shall have written policies and procedures, including application forms, for conducting an open and competitive process, and any protests resulting from the process.
 - b. For goods and services purchased with Title III or Title VII funds, the procurement procedures must include, at a minimum, the requirements set forth in 22 CCR 7352. The only exceptions are contained in 22 CCR 7360(a) and 22 CCR 7360(d). The Contractor issuing a noncompetitive award must comply with 22 CCR 7360(b)-(d).

3.3 Records

1. The AAA shall maintain complete records which shall include, but not be limited to, accounting records, contracts, agreements, a reconciliation of the "Financial Closeout Report" (CDA Closeout) to the audited financial statements, single audit report, and general ledgers, and a summary worksheet identifying the results of performing an audit resolution of its subcontractors in accordance with [Section 3.7](#) of this Program Guide. This includes the following: Letters of Agreement, insurance documentation, memorandums and/or Letters of Understanding, patient or client records, and electronic files of its activities and expenditures hereunder in a form satisfactory to CDA. All records pertaining to the MOU and Program Guide must be made available for inspection and audit by the State or its duly authorized agents, at any time during normal business hours.
2. All such records, including confidential records, must be maintained and made available by the AAA: (1) for the lesser of five (5) years after the closeout report has been issued, or an audit has been performed, or unless otherwise authorized in writing by CDA's Audit and Risk Management Branch, (2) for such longer period, if any, as is required by applicable statute, by any other clause of this Agreement, or by items 1 and 3 of this Section, and (3) for such longer period as CDA deems necessary.
3. If the MOU is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for the same periods as specified in item 1 above. The AAA shall ensure that any resource directories and all client records remain the property of CDA upon termination of the MOU and are returned to CDA or transferred to another contractor as instructed by CDA.
4. In the event of any litigation, claim, negotiation, audit exception, or other action involving the records, all records relative to such action shall be maintained and made available until every action has been cleared to the satisfaction of the State and is so stated in writing to the AAA.

5. Adequate source documentation of each transaction shall be maintained relative to the allowability of expenditures reimbursed by the State. Source documentation includes, but is not limited to: vendor invoices, bank statements, cancelled checks, bank/credit card statements, contracts and agreements, employee time sheets, purchase orders, indirect cost allocation plans.
6. All records containing confidential information shall be handled in a confidential manner in accordance with the requirements for information integrity and security, and in accordance with guidelines set forth in this Section, and [Section 3.11](#). After the authorized period has expired, confidential records shall be shredded and disposed of in a manner that will maintain confidentiality.

3.4 Property *(Revised 08/25)*

1. Unless otherwise provided for in this Section, property refers to all assets used in the operation of this Program Guide.
 - a. Property includes land, buildings, improvements, machinery, vehicles, furniture, tools, and intangibles, etc.
 - b. Property does not include consumable office supplies such as paper, pencils, toner cartridges, file folders, etc.
2. Property acquired to perform services outlined within this Program Guide, which meets any of the following criteria is subject to the reporting requirements (SAM 8610.5):
 - a. Has a normal useful life of at least one (1) year and has a unit acquisition cost of at least \$5,000 (a desktop or laptop setup, is considered a unit, if purchased as a unit).
 - b. All computing devices, regardless of cost (including but not limited to, workstations, servers, laptops, personal digital assistants, notebook computers, tablets, smartphones and cellphones).
 - c. All Portable electronic storage media, regardless of cost (including but not limited to, thumb/flash drives and portable hard drives).
3. Intangibles are property which lacks physical substance but gives valuable rights to the owner. Examples of intangible property include patents, copyrights, leases, and computer software. By contrast, hardware consists of tangible property (e.g., computer printer, terminal, etc.). Costs include all amounts incurred to acquire and to ready the intangible asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the asset.
4. The AAA shall keep track of property purchased with each program fund allocated via the legal authority of the MOU that meets the requirements as defined

in item 2 (above), and submit to CDA a [Property Acquisition Form \(CDA 9023\)](#) for all property furnished or purchased by either the AAA or the Subcontractor with funds allocated via the legal authority of the MOU, as instructed by the CDA. The AAA shall certify their reported property inventory annually with the Closeout by completing the [Program Property Inventory Certification \(CDA 9024\)](#).

The AAA shall record, at a minimum, the following information when property is acquired:

- Date acquired.
- Item description (include model number).
- CDA issued tag number.
- Serial number (if applicable).
- Purchase cost or other basis of valuation.
- Fund source.

5. Disposal of Property

a. Prior to disposal of any property purchased by the AAA or the Subcontractor with funds provided in support of services outlined within this Program Guide or any predecessor Agreement, the AAA must obtain approval from CDA for all reportable property as defined in Item 2 of this Section. Disposition, which includes sale, trade-in, discarding, or transfer to another agency may not occur until approval is received from CDA. The Contractor shall submit to CDA a Request to Dispose of Property (CDA 248) to property@aging.ca.gov. CDA will then instruct the AAA on disposition of the property. Once approval for disposal has been received from CDA and the AAA has reported to CDA the Property Survey Report's (STD 152) Certification of Disposition, the item(s) shall be removed from the AAA's inventory report. Property is not to be disposed of until both the CDA 248 and STD 152 have been approved by CDA. AAA will be liable for repayment of purchase price of equipment if AAA disposes of equipment without prior approval from CDA.

b. The AAA must remove all confidential, sensitive, or personal information from CDA property prior to disposal, including removal or destruction of data on computing devices with digital memory and storage capacity. This includes, but is not limited to magnetic tapes, flash drives, personal computers, personal digital assistants, cell or smart phones, multi-function printers, and laptops.

6. Any loss, damage, or theft of property shall be investigated and fully documented. The AAA shall promptly notify CDA and shall provide copies of the investigative documentation and police reports as requested by CDA.
7. The State reserves title to all State-purchased or financed property not fully consumed in the performance of the services outlined within this Program Guide, unless otherwise required by federal law or regulations or as otherwise agreed by the parties.
8. The AAA shall exercise due care in the use, maintenance, protection, and preservation of such property during the period of the project, and shall assume responsibility for replacement or repair of such property during the period of the project, or until the AAA has complied with all written instructions from CDA regarding the final disposition of the property.
9. In the event of the AAA's dissolution or upon termination of the MOU, the AAA shall provide a final property inventory to the State. The State reserves the right to require the AAA to transfer such property to another entity, or to the State.
10. To exercise the above right, no later than one hundred twenty (120) days after termination of the MOU or notification of the AAA's dissolution, the State will issue specific written disposition instructions to the AAA.
11. The AAA shall use the property for the purpose for which it was intended at the time CDA approval was provided. When no longer needed for that use, the AAA shall use it, if needed, and with written approval of the State for other purposes in this order:
 - a. For another CDA program providing the same or similar service.
 - b. For another CDA funded program.
12. The AAA may share use of the property or allow use by other programs, upon written approval from CDA. As a condition of the approval, CDA may require reimbursement for its use.
13. The AAA or subcontractors shall not use property or supplies acquired for services outlined within this Program Guide with federal and/or State monies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
14. If purchase of property is a reimbursable item, the property to be purchased will be specified on an approved Budget.
15. The AAA shall include the provisions contained in this Section in all its subcontracts awarded for services outlined within this Program Guide.

3.5 Access

The AAA shall provide access to the federal or State contracting agency, the California State Auditor, the Comptroller, General of the United States, or any of their duly authorized federal or State representatives to any books, documents, papers, and records of the AAA or subcontractor which are directly pertinent the provision of services under this Program Guide for the purpose of making an audit, examination, excerpts, and transcriptions. The AAA shall include this requirement in its subcontracts.

3.6 Monitoring and Evaluation

Welfare and Institution Code (WIC) (Division 8.5. Mello-Granlund Older Californians Act [9000 – 9757.5] Chapter 2. California Department of Aging [9100 – 9118.5] Article 1. General Provisions [9100 – 9114] Section 9102(a)) states that the State Unit on Aging shall administer all programs under the Older Americans Act of 1965, as amended, and this division, including providing ongoing oversight, monitoring, and service quality evaluation to ensure that service providers are meeting standards of service performance established by the department.

CDA's AAA Based Teams and Office of the Long-term Care Ombudsman conduct onsite/remote monitoring visits to ensure that AAAs are in compliance with all federal and State laws, regulations, policies, contracts or grant agreements (Administrative); Performance goals are achieved (Program); and Federal awards are used for authorized purposes (Fiscal). Comprehensive onsite/remote assessments are conducted at a minimum once every four years as resources permit.

1. Authorized State representatives shall have the right to monitor and evaluate the AAA's administrative, fiscal and program performance pursuant to this Program Guide. Said monitoring and evaluation may include, but is not limited to, administrative processes, fiscal, data and procurement components. This will include policies, procedures, procurement, audits, inspections of project premises, interviews of project staff and participants, and when applicable, inspection of food preparation sites.
2. The AAA shall cooperate with the State in the monitoring and evaluation processes, which include making any administrative, program and fiscal staff available during any scheduled process.
3. The AAA shall monitor contracts and subcontracts to ensure compliance with laws, regulations, and the provisions of contracts that may have a direct and/or material effect on each of its CDA funded programs.
4. The AAA is responsible for maintaining supporting documentation including financial and statistical records, contracts, subcontracts, monitoring reports, and all other pertinent records until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by CDA.

5. Review, approve, and monitor its subcontractor budgets and expenditures and any subsequent amendments and revisions to budgets. To the extent feasible, ensure that all budgeted funds are fully expended by the end of each fiscal year.
[20 CFR 641.430(e)-(f)] [2 CFR 200.327] [2 CFR 200.328]

3.7 Audit Requirements

3.7.1 General

1. Any duly authorized representative of the federal or State government, which includes but is not limited to the State Auditor, CDA Staff, and any entity selected by State to perform inspections, shall have the right to monitor and audit the AAA and all subcontractors providing services under this Program Guide and the MOU through on-site inspections, audits, and other applicable means the State determines necessary. In the event that CDA is informed of an audit by an outside federal or State government entity affecting the AAA, CDA will provide timely notice to the AAA.
2. The AAA shall make available all reasonable information necessary to substantiate that expenditures under this Program Guide and the MOU are allowable and allocable, including, but not limited to accounting records, vendor invoices, bank statements, cancelled checks, bank/credit card statements, contracts and agreements, employee time sheets, purchase orders, and indirect cost allocation plans. The AAA shall agree to make such information available to the federal government, the State, or any of their duly authorized representatives, including representatives of the entity selected by State to perform inspections, for examination, copying, or mechanical reproduction, on or off the premises of the appropriate entity upon a reasonable request.
3. All agreements entered into by the AAA and subcontractors with audit firms for purposes of conducting independent audits under this Program Guide and the MOU shall contain a clause permitting any duly authorized representative of the federal or State government access to the supporting documentation of said audit firm(s).
4. The AAA shall cooperate with and participate in any further audits which may be required by the State, including CDA fiscal and compliance audits.

3.7.2 CDA Fiscal and Compliance Audits

1. The CDA Audits and Risk Management Branch shall perform fiscal and compliance audits of AAAs in accordance with Generally Accepted Government Auditing Standards (GAGAS) to ensure compliance with applicable laws, regulations, grants, and contract requirements.
2. The CDA fiscal and compliance audits may include, but not be limited to, a review of:
 - a. Financial closeouts (2 CFR 200.1 and 45 CFR 75.2)

- b. Internal controls (2 CFR 200.303 and 45 CFR 75.303)
- c. Allocation of expenditures (2 CFR 200.1 and 45 CFR 75.2)
- d. Allowability of expenditures (2 CFR 200.403 and 45 CFR 75.403)
- e. Equipment expenditures and approvals, if required (2 CFR 200.439 and 45 CFR 75.439)

3.7.3 Single Audit Reporting Requirements (2 CFR 200 Subpart F and 45 CFR Subpart F)

1. AAA Single Audit Reporting Requirements

- a. AAAs that expend \$750,000 or more in federal funds shall arrange for an audit to be performed as required by the Single Audit Act of 1984, Public Law 98-502; the Single Audit Act Amendments of 1996, Public Law 104-156; 2 CFR 200.501 to 200.521 and 45 CFR 75.501 to 75.521.

A copy shall be submitted to the:

California Department of Aging
Attention: Audits and Risk Management Branch
2880 Gateway Oaks Drive, Suite 200
Sacramento, CA 95833

- b. The copy shall be submitted within thirty (30) days after receipt of the Auditor's report or nine (9) months after the end of the audit period, whichever occurs first, or unless a longer period is agreed to in advance by the cognizant or oversight agency.

- c. For purposes of reporting, the AAA shall ensure that State-funded expenditures are displayed discretely along with the related federal expenditures in the single audit report's "Schedule of Expenditures of Federal Awards" (SEFA) under the Catalog of Federal Domestic Assistance (CFDA) number.

- d. For State contracts that do not have CFDA numbers, the AAA shall ensure that the State-funded expenditures are discretely identified in the SEFA by the appropriate program name, identifying grant/contract number, and as passed through CDA.

- 2. The AAA shall perform a reconciliation of the "Financial Closeout Report" to the audited financial statements, single audit, and general ledgers. The reconciliation shall be maintained and made available for CDA review.

3. Contract Resolution of AAA's Subcontractors

The AAA shall have the responsibility for resolving its contracts with subcontractors to determine whether funds provided under this Program Guide

and the MOU are expended in accordance with applicable laws, regulations, and provisions of contracts or agreements. The AAA shall, at a minimum, perform Contract resolution within fifteen (15) months of the "Financial Closeout Report."

4. The AAA shall ensure that subcontractor single audit reports meet 2 CFR 200 and 45 CFR 75, Subparts F-Audit Requirements.
5. Contract resolution includes:
 - a. Ensuring that subcontractors expending \$750,000 or more in federal awards during the subcontractor's fiscal year have met the audit requirements of 2 CFR 200.501 - 200.521 and 45 CFR 75.501 to 75.521.
 - b. Issuing a management decision on audit findings within six (6) months after receipt of the Subcontractor's single audit report and ensuring that the Subcontractor takes appropriate and timely corrective action.
 - c. Reconciling expenditures reported to the AAA to the amounts identified in the single audit or other type of audit if the Subcontractor was not subject to the single audit requirements. For a subcontractor who was not required to obtain a single audit and did not obtain another type of audit, the reconciliation of expenditures reported to CDA must be accomplished through performing alternative procedures (e.g., risk assessment [2 CFR 200.331 and 45 CFR 75.352], documented review of financial statements, and documented expense verification, including match, etc.).
6. When alternative procedures are used, the AAA shall perform financial management system testing, which provides, in part, for the following:
 - a. Accurate, current, and complete disclosure of the financial results of each federal award or program.
 - b. Records that identify adequately the source and application of funds for each federally funded activity.
 - c. Effective control over, and accountability for, all funds, property, and other assets to ensure these items are used solely for authorized purposes.
 - d. Comparison of expenditures with budget amounts for each federal award.
 - e. Written procedures to implement the requirements of 2 CFR 200.305.

- f. Written procedures for determining the allowability of costs in accordance with 2 CFR Part 200 and 45 CFR Part 75, Subparts E - Cost Principles. [2 CFR 200.302 and 45 CFR 75.302]
 - g. The AAA shall document system and expense testing to show an acceptable level of reliability, including a review of actual source documents.
 - h. Determining whether the results of the reconciliations performed necessitate adjustment of the AAA's own records.
- 7. The AAA shall ensure that subcontractor single audit reports meet 2 CFR 200 and 45 CFR 75, Subparts F - Audit Requirements:
 - a. Performed timely – not less frequently than annually and a report submitted timely. The audit is required to be submitted within thirty (30) days after receipt of the Auditor's report or nine (9) months after the end of the audit period, whichever occurs first. [2 CFR 200.512 and 45 CFR 75.512]
 - b. Properly procured – use procurement standards for auditor selection. [2 CFR 200.509 and CFR 75.509]
 - c. Performed in accordance with Generally Accepted Government Auditing Standards. [2 CFR 200.514 and 45 CFR 75.514]
 - d. All inclusive – includes an opinion (or disclaimer of opinion) of the financial statements; a report on internal control related to the financial statements and major programs; an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts; and the schedule of findings and questioned costs. [2 CFR 200.515 and 45 CFR 75.515]
 - e. Performed in accordance with provisions applicable to this program as identified in 2 CFR Part 200, and 45 CFR Part 75, Subpart F, Audit Requirements.
- 8. Requirements identified in this Program Guide shall be included in contracts with the Subcontractor. Further, the Subcontractor shall be required to include in its contract with the independent Auditor that the Auditor will comply with all applicable audit requirements/standards; CDA shall have access to all audit reports and supporting work papers, and CDA has the option to perform additional work, as needed.
- 9. The AAA shall prepare a summary worksheet of results from the contract resolutions performed of all subcontractors. The summary worksheet shall include, but not be limited to, contract amounts; amounts resolved; amounts of

match verified, resolution of variances; recovered amounts; whether an audit was relied upon or the AAA performed an independent expense verification review (alternative procedures) of the Subcontractor in making a determination; whether audit findings were issued; and, if applicable, issuance date of the management letter; and any communication or follow-up performed to resolve the findings.

10. A reasonably proportionate share of the costs of audits required by, and performed in, accordance with the Single Audit Act Amendments of 1996, as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

- a. Any costs when audits required by the Single Audit Act and 2 CFR 200 and 45 CFR 75, Subparts F – Audit Requirements have not been conducted or have been conducted but not in accordance therewith; and
- b. Any costs of auditing a non-federal entity that is exempted from having an audit conducted under the Single Audit Act and 2 CFR 200 and 45 CFR 75, Subparts F – Audit Requirements because its expenditures under federal awards are less than \$750,000 during the non-federal entity's fiscal year.
 - i. The costs of a financial statement audit of a non-federal entity that does not currently have a federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.
 - ii. Pass-through entities may charge federal awards for the cost of agreed-upon-procedures engagements to monitor subcontractors who are exempted from the requirements of the Single Audit Act and 2 CFR 200 and 45 CFR 75, Subparts F – Audit Requirements. This cost is allowable only if the agreed-upon procedures engagements are conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) attestation standards, paid for and arranged by the pass-through entity, and limited in scope to one or more of the following types of compliance requirements: activities allowed or not allowed; allowable costs/cost principles; eligibility; and reporting. [2 CFR 200.425]

3.8 Insurance

1. Prior to commencement of any work under this Program Guide and the MOU, the AAA shall provide for the term of the MOU, the following insurance:

- a. General liability of not less than \$1,000,000 per occurrence for bodily injury and property damage combined. Higher limits may be required by the State in cases of higher than usual risks.

- b. Automobile liability including non-owned auto liability, of not less than \$1,000,000 for volunteers and paid employees providing services supported by this Program Guide and the MOU.
 - c. If applicable, or unless otherwise amended by future regulation, the AAA and subcontractors shall comply with the Public Utilities Commission General Order No. 115-G which requires higher levels of insurance for charter-party carriers of passengers and is based on seating capacity as follows:
 - i. \$750,000 if seating capacity is under 8
 - ii. \$1,500,000 if seating capacity is 8 – 15
 - iii. \$5,000,000 if seating capacity is over 15
 - d. Professional liability of not less than \$1,000,000 as it appropriately relates to the services rendered. Coverage shall include medical malpractice and/or errors and omissions. (All programs except Title V).
2. The insurance will be obtained from an insurance company acceptable to the Department of General Services, Office of Risk and Insurance Management (DGS, ORIM), or be provided through partial or total self-insurance acceptable to the Department of General Services (DGS).
3. Evidence of insurance shall be in a form and content acceptable to DGS, ORIM
4. The AAA shall notify the State within five (5) business days of any cancellation, non-renewal, or material change that affects required insurance coverage
5. Insurance obtained through commercial carriers shall meet the following requirements:
- a. The Certificate of Insurance shall provide the statement: "The Department of Aging, State of California, its officers, agents, employees, and servants are included as additional insureds, with respect to work performed for the State of California under this Agreement." Professional liability coverage is exempt from this requirement
 - b. CDA shall be named as the certificate holder and CDA's address must be listed on the certificate
6. The insurance provided herein shall be in effect at all times during the term of the MOU. In the event the insurance coverage expires during the term of the MOU, the AAA agrees to provide CDA, at least thirty (30) days prior to the expiration date, a new Certificate of Insurance evidencing insurance coverage as

provided herein for a period not less than the remaining MOU term or for a period not less than one (1) year. In the event the AAA fails to keep in effect at all times said insurance coverage, CDA may, in addition to any other remedies it may have, terminate the MOU.

7. The AAA shall require its subcontractors under this Program Guide and the MOU, other than units of local government which are similarly self-insured, to maintain adequate insurance coverage for general liability, Worker's Compensation liabilities, and if appropriate, auto liability including non-owned auto and professional liability, and further, the AAA shall require all of its subcontractors to hold the AAA harmless. The Subcontractor's Certificate of Insurance for general and auto liability shall also name the AAA, not the State, as the certificate holder and additional insured. The AAA shall maintain Certificates of Insurance for all of its subcontractors.

8. A copy of each appropriate Certificate of Insurance or letter of self-insurance, referencing the MOU number shall be submitted to CDA with the MOU.

9. The AAA shall be insured against liability for Worker's Compensation or undertake self-insurance in accordance with the provisions of the California Labor Code and the AAA affirms to comply with such provisions before commencing the performance of the work under this Program Guide and the MOU. [Cal. Labor Code § 3700]

3.9 Termination

1. Termination Without Cause

CDA may terminate performance of work under the MOU and this Program Guide, in whole or in part, without cause, if CDA determines that a termination is in the State's best interest. CDA may terminate the MOU upon ninety (90) days written notice to the AAA. The Notice of Termination shall specify the extent of the termination and shall be effective ninety (90) days from the delivery of the Notice. The parties agree that if the termination of the MOU is due to a reduction or deletion of funding by the Department of Finance (DOF), Legislature or Congress, the Notice of Termination shall be effective thirty (30) days from the delivery of the Notice. The AAA shall submit to CDA a Transition Plan as specified in this Program Guide. The parties agree that for the terminated portion of the MOU, the remainder of MOU shall be deemed to remain in effect and is not void.

2. Termination for Cause

CDA may terminate, in whole or in part, for cause the performance of work under the MOU and Program Guide. CDA may terminate the MOU upon thirty (30) days written notice to the AAA. The Notice of Termination shall be effective thirty (30) days from the delivery of the Notice of Termination unless the grounds for termination are due to threat to life, health or safety of the public and in that case,

the termination shall take effect immediately. The AAA shall submit to CDA a Transition Plan as specified in this Program Guide. The grounds for termination for cause shall include, but are not limited to, the following:

- a. In case of threat of life, health or safety of the public, termination of the MOU shall be effective immediately.
- b. A violation of the law or failure to comply with any condition of the MOU and this Program Guide.
- c. Inadequate performance or failure to make progress so as to endanger performance of the MOU and this Program Guide.
- d. Failure to comply with reporting requirements.
- e. Evidence that the AAA is in an unsatisfactory financial condition as determined by an audit of the AAA or evidence of a financial condition that endangers performance of the MOU and this Program Guide and/or the loss of other funding sources.
- f. Delinquency in payment of taxes or payment of costs for performance of the MOU and the services outlined within this Program Guide in the ordinary course of business.
- g. Appointment of a trustee, receiver, or liquidator for all or a substantial part of the AAA's property, or institution of bankruptcy, reorganization or the arrangement of liquidation proceedings by or against the AAA.
- h. Service of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the AAA's assets or income.
- i. The commission of an act of bankruptcy.
- j. Finding of debarment or suspension.
- k. The AAA's organizational structure has materially changed.
- l. CDA determines that the AAA may be considered a "high risk" agency as described in 2 CFR 200.205 and 45 CFR 75.205. If such a determination is made, the AAA may be subject to special conditions or restrictions.

3. AAA's Obligation After Notice of Termination

After receipt of a Notice of Termination, and except as directed by CDA, the AAA shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any funds due under this clause.

The AAA shall:

- a. Stop work as specified in the Notice of Termination.
- b. Place no further subcontracts for materials or services, except as necessary, to complete the continued portion of the MOU.
- c. Terminate all subcontracts to the extent they relate to the work terminated.
- d. Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts, (the approval or ratification of which will be final for purposes of this clause).

4. Effective Date

Termination of the MOU shall take effect immediately in the case of an emergency such as threat to life, health, or safety of the public. The effective date for Termination with Cause or for funding reductions is thirty (30) days and Termination without Cause is ninety (90) days subsequent to written notice to the AAA. The notice shall describe the action being taken by CDA, the reason for such action and, any conditions of the termination, including the date of termination.

5. Voluntary Termination of Area Plan Agreement (Title III Only)

Pursuant to 22 CCR 7210, the AAA may voluntarily terminate its MOU prior to its expiration either by mutual agreement with CDA or upon thirty (30) days written notice to CDA. In case of voluntary termination, the AAA shall allow CDA up to one hundred eighty (180) days to transition services. The AAA shall submit a Transition Plan in accordance with this Program Guide.

6. Notice of Intent to Terminate by AAA (all other non-Title III Programs)

In the event the AAA no longer intends to provide services under the MOU and this Program Guide, the AAA shall give CDA Notice of Intent to Terminate. Such notice shall be given in writing to CDA at least one hundred eighty (180) days prior to the proposed termination date. Unless mutually agreed upon, the AAA does not have the authority to terminate the MOU. The Notice of Intent to Terminate shall include the reason for such action and the anticipated last day of work. The AAA shall submit a Transition Plan in accordance with this Program Guide.

7. In the Event of a Termination Notice

CDA will present written notice to the AAA of any condition, such as, but not limited to, transfer of clients, care of clients, return of unspent funds; and disposition of property, which must be met prior to termination.

3.10 Notices

1. Any notice to be given hereunder by either party to the other may be effected by personal delivery in writing or by registered or certified mail, overnight mail, postage prepaid, return receipt requested, provided the AAA retains receipt, and shall be communicated as of actual receipt.
2. Any notice given to CDA for the AAA's change of legal name, main address, or name of the Director shall be completed by submitting a Std. 204 form to finance@aging.ca.gov.
3. Any notice given to CDA for a AAAs change of staff contact information shall be completed by submitting an email to AAAcontactinfo@aging.ca.gov.
4. All other notices with the exception of those identified in Items 2 and 3 of this Section shall be addressed to the California Department of Aging, AAA Based Teams, 2880 Gateway Oaks Drive, Suite 200, Sacramento, California, 95833. Notices mailed to the Contractor shall be to the address indicated on the coversheet of this Agreement.
5. Either party may change its address by written notice to the other party in accordance with this Section.

3.11 Information Confidentiality and Security

This Information Confidentiality and Security Requirements section sets forth the information privacy and security requirements the AAA is obligated to follow with respect to all personal, confidential, and sensitive information (as defined herein) disclosed to the AAA, or collected, created, maintained, stored, transmitted, or used by the AAA for or on behalf of the CDA pursuant to AAA's MOU with CDA and this Program Guide. (Such personal, confidential, and sensitive information is referred to here as CDA PSCI.) CDA and the AAA desire to protect their privacy and provide for the security of CDA PSCI pursuant to this section of the Program Guide and in compliance with state and federal laws applicable to CDA PSCI.

The terms of this section shall apply to all contracts, subcontracts, and subawards made by the AAA in furtherance of the MOU and services provided in accordance with this Program Guide. The AAA shall require its agents, subcontractors, or independent consultants (collectively, agents) to conform to this section regarding CDA PSCI.

3.11.1 Definitions

1. **Breach:**
 - a. the unauthorized acquisition, access, use, or disclosure of CDA PSCI in a manner in which comprises the security, confidentiality, or integrity of the information; or

- b. the same definition of “breach of the security system” set forth in California Civil Code section 1798.29, subdivision (f); or
 - c. the same as the definition of “breach” set forth in the Health Insurance Portability and Accountability Act Privacy Rule, 45 Code of Federal Regulations 164.402.
- 2. **Confidential Information:** Information that is exempt from disclosure under the provisions of the California Public Records Act (Government Code section 7920.000 Et seq.).
- 3. **Disclosure:** the release, transfer, provision of, access to, or divulging in any manner of information outside the entity holding the information.
- 4. **PSCI:** “personal information”, “sensitive information”, and “confidential information” (as these terms are defined herein).
- 5. **Personal Information:** Information that identifies or describes an individual, including, but not limited to, their name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It is CDA’s policy to consider all information about individuals private unless such information is determined to be a public record. Personal Information also includes the following:
 - a. Notice-Triggering Personal Information: Specific items of personal information (name plus Social Security number, driver license/California identification card number, or financial account number) that may trigger a requirement to notify individuals if it is acquired by an unauthorized person. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying information assigned to the individual, such as finger or voice print or a photograph. See Civil Code section 1798.29.
 - b. Protected Health Information (PHI): The term “PHI” refers to and includes both “PHI” as defined at 45 CFR section 160.103 and Personal Information (PI) as defined in the Information Practices Act at California Civil Code section 1798.3(a). PHI includes information in any form, including paper, oral, and electronic.
- 6. **Public Information:** Information that is not exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 7920.000 Et seq.).
- 7. **Security Incident:**
 - a. A breach or attempted breach; or

- b. The attempted or successful unauthorized access, disclosure, modification, or destruction of CDA PSCI, in violation of any state or federal law or in a manner not permitted under this Program Guide; or
 - c. the attempted or successful modification or destruction of, or interference with, the AAA's system operations in an information technology system, that negatively impacts the confidentiality, availability, or integrity of CDA PSCI; or
 - d. any event that is reasonably believed to have compromised the confidentiality, integrity, or availability of an information asset, system, process, data storage, or transmission. Furthermore, an information security incident may also include an event that constitutes a violation or imminent threat of violation of information security policies or procedures, including acceptable use policies.
8. **Sensitive Information:** Information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive Information may be either Public Information or Confidential Information. It is information that requires a higher-than-normal assurance of accuracy and completeness. Thus, the key factor for Sensitive Information is that of integrity. Typically, Sensitive Information includes records of agency financial transactions and regulatory actions.

3.11.2 Disclosure Restrictions

The AAA shall protect CDA PSCI from unauthorized disclosure. The AAA shall not disclose, except as otherwise specifically permitted by the MOU and this Program Guide, any CDA PSCI to anyone other than CDA personnel or programs without prior written authorization from the CDA.

- 1. The AAA and CDA mutually agree that the creation, receipt, maintenance, transmittal, and disclosure of data from CDA containing PHI shall be subject to the Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations at 45 CFR Parts 160 and 164 (collectively and as used in this Agreement, HIPAA.). The AAA agrees to provide the same, or greater, level of protection to CDA data that would be required if the AAA were a Business Associate under HIPAA, regardless of whether the AAA is or is not a Business Associate.
- 2. To the extent that other state and/or federal laws provide additional, stricter, and/or more protective (collectively, more protective) privacy and/or security protections to CDA PSCI covered under this Program Guide beyond those provided through HIPAA, AAA agrees:
 - a. To comply with the more protective of the privacy and security standards set forth in applicable state or federal laws to the extent such

standards provide a greater degree of protection and security than HIPAA or are otherwise more favorable to the individuals whose information is concerned; and

b. To treat any violation of such additional and/or more protective standards as a breach or security incident, as appropriate.

c. Examples of laws that provide additional and/or stricter privacy protections to certain types of CDA PSCI, as defined in [Section 3.11.1](#) of this Program Guide, include, but are not limited to the Information Practices Act, California Civil Code sections 1798-1798.78, Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2, Welfare and Institutions Code section 5328, and California Health and Safety Code section 11845.5.

d. If the AAA is a Qualified Service Organization (QSO) as defined in 42 CFR section 2.11, the AAA agrees to be bound by and comply with subdivisions (2)(i) and (2)(ii) of that section.

3.11.3 Use Restrictions

The AAA shall not use any CDA PSCI for any purpose other than performing the AAA's obligations under the MOU and this Program Guide.

3.11.4 Safeguards and Security

The AAA shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of CDA PSCI including electronic CDA PSCI that it creates, receives, maintains, uses, or transmits on behalf of CDA. The AAA shall develop and maintain a written information privacy and security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the AAA's operations and the nature and scope of its activities. The AAA's administrative, technical, and physical safeguards shall include, at a minimum:

1. Technical Security Controls:

The AAA shall, at a minimum, utilize a National Institute of Standards and Technology Special Publication (NIST SP) 800-53 compliant security framework when selecting and implementing its security controls and shall maintain continuous compliance with NIST SP 800-53 as it may be updated from time to time. The current version of NIST SP 800-53, Revision 5, is available online at <https://csrc.nist.gov/publications/detail/sp/800-53/rev-5/final>; updates will be available online at <https://csrc.nist.gov/publications/sp800>.

2. Removable Media Devices

All electronic files that contain CDA PSCI data must be encrypted when stored on any removable media or portable device (i.e., USB thumb drives, floppies,

CD/DVD, smart devices, tapes, etc.). PSCI must be encrypted, at a minimum, using a FIPS 140-2 certified algorithm or successor standards, such as Advanced Encryption Standard (AES), with a 128bit key or higher.

3. Patch Management:

The AAA shall apply security patches and upgrades and keep virus software up to date on all systems which PHI and other confidential information may be used.

4. Confidentiality Statement:

All people that will be working with CDA PSCI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by all people prior to accessing CDA PSCI. The statement must be renewed annually. The AAA shall retain each person's written confidentiality statement for CDA inspection for a period of six (6) years following contract termination.

5. Transmission and Storage of PSCI:

All persons that will be working with CDA PSCI shall employ with FIPS 140-3 compliant encryption of PHI, at rest and in motion, unless it has been determined that such encryption is unreasonable and inappropriate based upon a risk assessment and equivalent alternative measures are in place and documented as such.

6. Minimum Necessary:

Only the minimum necessary amount of CDA PSCI required to perform necessary business functions applicable to the terms of this Program Guide may be used, disclosed, copied, downloaded, or exported.

7. Antivirus Software:

All workstations, laptops and other systems that process and/or store CDA PSCI must install and actively use a comprehensive anti-virus software solution with automatic updates scheduled at least daily.

8. Data Security:

CDA PSCI will be stored separately from other customers' data. Data will be stored and processed within the continental United States, and remote access to data from outside the continental United States will be prohibited. Data will be encrypted such that unauthorized parties are unable to read the data within the database/data repositories or any backups.

9. Mailing:

Mailings of CDA PSCI shall be sealed and secured from damage or inappropriate viewing of PSCI to the extent possible. Mailings which include 500 or more individually identifiable records of CDA PSCI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of CDA to use another method is obtained.

10. Security Officer:

The AAA shall designate a Security Officer to oversee its data security program who will be responsible for carrying out its privacy and security programs and for communicating on security matters with CDA.

11. Mitigation of Harmful Effects:

The AAA shall mitigate, to the extent practicable, any harmful effect that is known to the AAA of a use or disclosure of PSCI and other confidential information in violation of the requirements of this Program Guide.

12. Access to, and Accounting For, Disclosure of PSCI

The AAA shall document and make available to CDA or (at the direction of CDA) to an Individual such disclosures of CDA PSCI and information related to such disclosures necessary to respond to a proper request by the subject Individual for an accounting of disclosures of personal information as required by 45 CFR section 164.524 or any applicable state or federal law.

3.11.5 Employee Training

All persons who assist in the performance of functions or activities on behalf of CDA, or access or disclose CDA PSCI, must complete information privacy and security training, at least annually, at the AAA's expense. Each person who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination.

3.11.6 Employee Discipline

Appropriate sanctions must be applied against persons who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.

3.11.7 Access to Practices, Books, and Records

The AAA shall make its internal practices, books, and records relating to the use and disclosure of PSCI on behalf of CDA available to CDA upon reasonable request.

3.11.8 Special Provision for SSA Data

If the AAA receives data from or on behalf of CDA that was verified by or provided by the Social Security Administration (SSA Data) and is subject to an agreement between CDA and SSA, the AAA shall provide, upon request by CDA, a list of all employees and agents who have access to such data, including employees and agents of its agents, to CDA.

3.11.9 Breaches and Security Incidents

The AAA shall implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and take the following steps:

1. Notice to CDA:

The AAA shall notify CDA immediately by email or telephone of the discovery of:

- a. Unsecured CDA PSCI if the CDA PSCI is reasonably believed to have been accessed or acquired by an unauthorized person.
- b. Any suspected security incident which risks unauthorized access to CDA PSCI and/or other confidential information.
- c. Any intrusion or unauthorized access, use, or disclosure of CDA PSCI in violation of this Agreement; or
- d. Potential loss of confidential data affecting this agreement.
- e. Notice via email shall be made using the current CDA 1025 "Information Security Incident Report" forms and shall include all information known at the time the incident is reported. The forms are available online at: https://aging.ca.gov/Information_security/
- f. Upon discovery of a breach or suspected security incident, intrusion, or unauthorized access, use or disclosure of CDA PSCI, the AAA shall take:
 - i. Prompt corrective action to mitigate any risks or damages involved with the security incident or breach; and
 - ii. Any action pertaining to such unauthorized disclosure is required by applicable Federal and State laws and regulations.

2. Investigation of Security Incident or Breach

The AAA shall immediately investigate such security incident, breach, or unauthorized use or disclosure of CDA PSCI.

3. Complete Report

The AAA shall provide a complete report of the investigation to CDA within (10) working days of the discovery of the breach or unauthorized use or disclosure.

The complete report must include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable federal and state laws. The report shall include a full, detailed corrective action plan including information on measures that were taken to halt and/or contain improper use or disclosure. If CDA requests information in addition to this report, the AAA shall make reasonable efforts to provide CDA with such information. CDA will review and approve or disapprove the AAA's determination of whether a breach occurred, whether the security incident or breach is reportable to the appropriate entities, if individual notifications are required, and the AAA's corrective action plan.

- a. If the AAA does not submit a complete report within the ten (10) working day timeframe, the AAA shall request approval from CDA within the ten (10) working day timeframe of a new submission timeframe for the complete report.

4. Notification of Individuals

If the cause of a breach is attributable to the AAA or its agents, the AAA shall notify individuals accordingly and shall pay all costs of such notifications as well as any costs associated with the breach. The notifications shall comply with applicable federal and state law. CDA shall approve the time, manner, and content of any such notifications and their review and approval must be obtained before the notifications are made.

5. Responsibility for Reporting Breaches to Entities other than CDA

If the cause of a breach of CDA PSCI is attributable to the AAA or its subcontractors, the AAA is responsible for all required reporting of the breach as required by applicable federal and state law.

6. Submission of Sample Notification to Attorney General:

If notification to more than 500 individuals is required pursuant to California Civil Code section 1798.29, regardless of whether the AAA is considered only a custodian and/or non-owner of the CDA PSCI, the AAA shall, at its sole expense and at the sole election of CDA, either:

- a. Electronically submit a single sample copy of the security breach notification, excluding any personally identifiable information, to the Attorney General pursuant to the format, content, and timeliness provisions of Section 1798.29, subdivision (e). The AAA shall inform the CDA Privacy Officer of the time, manner, and content of any such submissions prior to the transmission of such submissions to the Attorney General; or

- b. Cooperate with and assist CDA in its submission of a sample copy of the notification to the Attorney General.

3.11.10 Contact Information

To direct communications to the above referenced CDA staff, the AAA shall initiate contact as indicated herein. CDA reserves the right to make changes to the contact information below by giving written notice to the AAA.

CDA Privacy Officer	CDA Information Security Officer
Office of Legal Services 2880 Gateway Oaks Dr., Suite 200 Sacramento, CA 95833 Attn: Chief Counsel Email: privacy@aging.ca.gov Telephone: (916) 419-7500	Information Security Branch 2880 Gateway Oaks Dr., Suite 200 Sacramento, CA 95833 Attn: Information Security Officer Email: iso@aging.ca.gov Telephone: (916) 419-7500

3.11.11 Responsibility of CDA

CDA agrees to not request the AAA use or disclose PSCI in any manner that would not be permissible under HIPAA and/or other applicable federal and/or state law.

3.11.12 Audits, Inspections, and Enforcement

1. CDA Right to Inspect:

From time to time, CDA may inspect the facilities, systems, books, and records of the AAA to monitor compliance with the safeguards required in the Information Confidentiality and Security Requirements (ICSR) section. The AAA shall promptly remedy any violation of any provision of this ICSR section. The fact that CDA inspects, or fails to inspect, or has the right to inspect, the AAA's facilities, systems, and procedures does not relieve the AAA of its responsibility to comply with this ICSR section.

2. Notification to CDA in Event the AAA is Subject to Other Audit:

If the AAA is the subject of an audit, compliance review, investigation, or any proceeding that is related to the performance of its obligations pursuant to the MOU and/or this Program Guide or is the subject of any judicial or administrative proceeding alleging a violation of HIPAA, the AAA shall promptly notify CDA unless it is legally prohibited from doing so.

3.11.13 Miscellaneous Provisions

1. Disclaimer:

CDA makes no warranty or representation that compliance by the AAA with this Program Guide will satisfy the AAA's business needs or compliance obligations.

The AAA is solely responsible for all decisions made by the AAA regarding the safeguarding of CDA PSCI and other confidential information.

2. Amendment:

a. Any provision of the MOU or this Program Guide which conflicts with current or future applicable federal or state laws is hereby amended to conform to the provisions of those laws. Such amendment of the MOU and/or this Program Guide shall be effective on the effective date of the laws necessitating it and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.

b. Failure by the AAA to take necessary actions required by amendments to the MOU and/or this Program Guide shall constitute a material violation.

3. Assistance in Litigation or Administrative Proceedings

The AAA shall make itself, its employees, and agents available to CDA at no cost to CDA to testify as witnesses in the event of litigation or administrative proceedings being commenced against CDA, its director, officers, or employees based upon claimed violation of laws relating to security and privacy, and which involves inactions or actions by the AAA (except where the AAA or its subcontractor, workforce employee, or agent is a named adverse party).

4. No Third-Party Beneficiaries

Nothing in this Program Guide is intended to or shall confer upon any third person, any rights, or remedies whatsoever.

5. Interpretation

The terms and conditions in this Program Guide shall be interpreted as broadly as necessary to implement and comply with regulations and applicable laws. The parties agree that any ambiguity in the terms and conditions of this Program Guide shall be resolved in favor of a meaning that complies and is consistent with federal and state laws and regulations.

6. No Waiver of Obligations

No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation or shall prohibit enforcement of any obligation on any other occasion.

7. Return or Destruction of CDA PSCI on Expiration or Termination

At expiration or termination of the MOU, if feasible, the AAA shall return or destroy all CDA PSCI that the AAA still maintains in any form and retain no copies of such information. If return or destruction is not feasible, CDA and the AAA shall determine the terms and conditions under which the AAA may retain the PSCI.

8. Data Sanitization

All CDA PSCI must be sanitized using NIST Special Publication 800-88 standard methods for data sanitization when the CDA PSCI is no longer needed.

a. Survival

If return or destruction of CDA PSCI is not feasible upon the completion or termination of the MOU, the respective rights, and obligations of the AAA under this Section shall survive the completion or termination of the MOU between the AAA and CDA. The AAA shall also limit further uses and disclosures of CDA PSCI to those purposes that make the return or destruction of the information infeasible.

3.12 Copyrights and Rights in Data

3.12.1 Copyrights

1. If any material funded by CDA is subject to copyright, the State reserves the right to copyright such material and the AAA agrees not to copyright such material, except as set forth in Section 3.12.2.
2. The AAA may request permission to copyright material by writing to the Director of CDA. The Director shall grant permission or give reason for denying permission to the AAA in writing within sixty (60) days of receipt of the request.
3. If the material is copyrighted with the consent of CDA, the State reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, prepare derivative works, publish, distribute and use such materials, in whole or in part, and to authorize others to do so, provided written credit is given to the author.
4. The AAA certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of work outlined within this Program Guide or the MOU for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

3.12.2 Rights in Data

1. The AAA shall not publish or transfer any materials, as defined in item 2 below, produced or resulting from activities supported by this Program Guide and the MOU without the express written consent of the Director of CDA. That consent shall be given, or the reasons for denial shall be given, and any

conditions under which it is given or denied, within thirty (30) days after the written request is received by CDA. CDA may request a copy of the material for review prior to approval of the request. This subsection is not intended to prohibit the AAA from sharing identifying client information authorized by the participant or summary program information which is not client-specific.

2. As used in this Program Guide, the term “subject data” means writings, sound recordings, pictorial reproductions, drawings, designs or graphic representations, procedural manuals, forms, diagrams, workflow charts, equipment descriptions, data files and data processing or computer programs, and works of any similar nature (whether or not copyrighted or copyrightable) which are first produced or developed under the performance of the services outlined in this Program Guide and the MOU. The term does not include financial reports, cost analyses and similar information incidental to program administration, or the exchange of that information between AAAs to facilitate uniformity of program administration on a statewide basis.

3. Subject only to other provisions of this Program Guide and the MOU, the State may use, duplicate, or disclose in any manner, and have or permit others to do so subject to State and federal law, all subject data delivered under this Program Guide and the MOU.

3.13 Public Education and Information

(Please note: This differs from the IIIB service categories within the data dictionary that have the same names)

Public Education and Information (PE&I) falls into two categories:

1. Educational – materials that educate and inform an audience such as activity books, coloring books, brochures, and posters.
2. Promotional – material that promotes, supports, or enhances efforts and directly relates to the project objective such as key chains, onboard signs, mugs, pencils, magnets, and litter bags. The State of California and CDA does NOT allow CDA funds to be used for this purpose.

The AAA shall assure that publications, press releases, paid and earned advertisements, outreach and media, media and kick-off events, educational materials and public notice conditions are met by ensuring that:

Materials published or transferred by the AAA and financed with funds under this Program Guide and the MOU shall include the following funding disclaimer:

- a. “The materials or product were a result of a project funded by a contract with the California Department of Aging”.

AAAs and subcontractors that produce educational materials that mention the CDA name (outside of the funding disclaimer) or use the CDA logo must receive approval from the CDA Office of Communications prior to production.

Subrecipients that produce PE&I materials must receive written approval from the CDA Office of Communications if the CDA is mentioned anywhere other than within the funding disclaimer, or if the CDA logo is used. Subrecipients should allow a minimum of ten (10) business days for approval; they should contact the CDA Office of Communications for assistance (Communications@aging.ca.gov).

AAAs should also advise vendors that all materials used in the production of public outreach materials paid for with grant funds are the property of the AAA and the CDA (i.e., data, plates, digital files, camera-ready artwork, designs, concepts, photographs, video and audio). The CDA reserves the right to use materials developed by the AAA and/or subcontractor.

Questions regarding the inclusion, size or placement of the CDA logo should be directed to the CDA Office of Communications.

All documents produced must comply with [Federal Acquisition Regulation, Section 508](#), which governs document accessibility.

3.13.1 S.W.A.G Ban (Revised 08/25)

1. In 2011, Governor Jerry Brown issued an executive memo that has banned state agencies and departments from spending taxpayer money on promotional items, which he named “S.W.A.G.”.

S.W.A.G stands for “Stuff We All Get”. The executive memo has **not** been overturned and is still in effect; accordingly, all entities that receive state funds must adhere to the executive memo.

SPECIFIC EXAMPLES OF S.W.A.G.

In the executive memo, Governor Brown named specific items that constitute S.W.A.G., which he defined as “free giveaway and gift items”, including key chains, squeeze toys, pens, hats, trinkets, shirts, cups, flashlights, ashtrays, and other “unnecessary” items. This is not an exhaustive list.

Ultimately, there is no specific case law defining S.W.A.G.; each case is unique. AAAs must assess whether an item is either S.W.A.G., or an allowable expense. The decision to proceed with the purchase at issue as an allowable expense requires the AAA to maintain a record and keep a written justification regarding the purchase in its procurement file as discussed below:

2. KEEPING WRITTEN JUSTIFICATION FOR PROCUREMENT

If the AAA determines that it is moving forward with the purchase of a promotional item, it should comply with the procedures outlined in SCM Vol. 2 Chapter 400, section 401:

Promotional Materials – 401

Prior to conducting a purchase for promotional materials, written justification must be kept in the procurement file supporting how the purchase of promotional materials meets the departmental mission and the AAA's business needs. Written justifications should include a description of the type of event(s) and how the promotional material(s) will be used.

[See: <https://www.dgs.ca.gov/PD/Resources/SCM/TOC/2/2-8>, *All expenditures of public funds must support the Department's function, purpose, and benefit the state.*]

3. FUNCTIONALITY AS AN ASSESSMENT FACTOR

In conducting its analysis on whether a promotional item constitutes S.W.A.G. or should be deemed an allowable expense, the AAA may consider:

- The functionality of the item,
- Whether the item is given to a targeted group of people vs. to the general public,
- Whether the items are to be used for promotional purposes in support of the departmental mission and the AAA's business needs.

4. AAAs should work with their counsel to determine whether a promotional item may constitute S.W.A.G. If the AAA deems the item an allowable expense, this will trigger the requirement to maintain written justification in its procurement files.

3.13.2 Advertising and Public Relations

The AAA shall assure that publications, press releases, paid and earned advertisements, outreach and media, media and kick-off events, educational materials and public notice conditions are met by ensuring that:

Materials published or transferred by the AAA and financed with funds under this Program Guide and the MOU shall include the following funding disclaimer:

a. "The materials or product were a result of a project funded by a contract with the California Department of Aging".

Any materials that utilize the CDA logo or name (outside of the funding disclaimer), require approval by the CDA Office of Communications prior to publication and dissemination. The use of the CDA logo and CDA mention outside of the funding disclaimer is at the discretion of the AAA. If the CDA logo or CDA mention is used, the AAA shall email the draft language and materials a minimum of ten (10) business days in advance of publication and dissemination

to communications@aging.ca.gov and the appropriate CDA Program staff point of contact.

Language and materials submitted will be assessed in batches on the first and fifteenth of each month, with a minimum of ten (10) business days approval period.

3.13.3 Approval Requirements for Advertising and Public Relations

This section further clarifies the approval requirements as outlined in sections 3.13 and 3.13.2.

Approval Required

Materials that use the CDA logo, including:

- Paid advertising
- Earned advertising
- Outreach materials
- Educational materials
- Media events
- Public notices

No Approval Required:

- Materials that **only** mention CDA in the funding disclaimer “The materials were funding by a contract with the California Department of Aging.” **without using** the CDA logo.
- Materials that **do not** mention the CDA name **or use** the CDA logo.

Social Media Posts

Approval Required:

- Social media posts that mention the CDA name or use the CDA logo

No Approval Required:

- Social media posts that **do not** mention the CDA name **or use** the CDA logo, even if CDA funds are involved.
- Tagging @calaging on X, Facebook or LinkedIn is optional but encouraged to keep CDA informed about your organization’s activities.

Specific Scenarios and Examples

- Paid advertisement in local newspaper - No approval is needed if the promotion includes the funding disclaimer **without** the CDA logo or mentioning CDA.
- Public Notices - No approval is needed for public notices about Area Plan updates or RFPs that use template language but **do not use** CDA logo.
- Examples of materials requiring approval:

Press releases, brochures, websites, flyers, invitations, presentations, and reports that **mention** the CDA name beyond the funding disclaimer language **or use** the CDA logo with or without other logos.

Submission Process

Submit language and materials needing approval to communications@aging.ca.gov

- Review timeline: Typically, within ten (10) business days
- Review dates: First and fifteenth of each month
- Urgent requests: Notify Office of Communications if expedited approval is needed

Questions

- For questions about approval requirements email communications@aging.ca.gov

3.13.4 Copyrights/Trademarks

The CDA reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal or state government purposes the following:

1. The copyright/trademark in any work developed under a grant, sub grant or contract under a grant or sub grant.
2. Any rights of copyright/trademark to which a AAA or subcontractor purchases ownership with grant funds.

3.14 Funds

3.14.1 Expenditure of Funds

1. The AAA shall expend all funds received to perform services outlined within this Program Guide and the MOU.
2. Any reimbursement for authorized travel and per diem shall be at rates not to exceed those amounts paid by the State in accordance with the California Department of Human Resources' (CalHR) rules and regulations.

In State:

Mileage/Per Diem (meals and incidentals)/Lodging

<https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>

Out of State: <http://hrmanual.calhr.ca.gov/Home/ManualItem/1/2201>

This is not to be construed as limiting the AAA from paying any differences in costs, from funds other than those provided by CDA, between the CalHR rates and any rates the AAA 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. [SCM 3.17.2.A(4)]

The AAA agrees to include these requirements in all contracts it enters into with subcontractors to provide services pursuant to this Program Guide and the MOU.

3. CDA reserves the right to refuse payment to the AAA or disallow costs for any expenditure, as determined by CDA to be: out of compliance with this Program Guide and the MOU, 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.

3.14.2 Accountability for Funds

The AAA shall maintain accounting records for funds received under the terms and conditions of this Program Guide and the MOU. These records shall be separate from those for any other funds administered by the AAA and shall be maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [2 CFR 200] [45 CFR 75]

3.14.3 Financial Management Systems

The AAA shall meet the following standards for its financial management systems, as stipulated in 2 CFR 200.302 and 45 CFR 75.302:

1. Financial Reporting.
2. Accounting Records.
3. Complete Disclosure.
4. Source Documentation.
5. Internal Control.
6. Budgetary Control.
7. Cash Management (written procedures).
8. Allowable Costs (written procedures).

3.14.4 Unexpended Funds

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

3.14.5 Funding Contingencies

1. It is understood between the parties that this Program Guide and the MOU may have been written before ascertaining the availability or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal

delays that would occur if this Program Guide and the MOU were executed after that determination was made.

2. This Program Guide and the MOU 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 purposes of this program(s). In addition, this Program Guide and the MOU is subject to any additional restrictions, limitations, or conditions enacted by the Congress or the Legislature that may affect the provisions, terms, or funding of this Program Guide and the MOU in any manner.

3.14.6 Limitation of State Liability

Payment for performance by the AAA shall be dependent upon the availability of future appropriations by the Legislature or Congress for the purposes of this Program Guide and the MOU and approval of an itemized Budget. No legal liability on the part of the State for any payment may arise under this Program Guide and the MOU until funds are made available; the itemized Budget is received and approved by the State and the AAA has received an executed MOU.

3.14.7 Funding Reduction

1. If funding for any State fiscal year is reduced or deleted by the Department of Finance, Legislature, or Congress for the purposes of the services outlined within this Program Guide and the MOU, the State shall have the option to either:

- a. Terminate the MOU
- b. Offer a revision to the Budget Display to reflect the reduced funding authorized by the authority of the MOU.

2. In the event the State elects to offer a revised budget display(s), it shall be mutually understood by both parties that:

- a. The State reserves the right to determine which programs, if any, shall be reduced.
- b. Some programs may be reduced by a greater amount than others, and
- c. The State shall determine at its sole discretion the amount that any or all of the programs shall be reduced for the applicable fiscal years.

3.14.8 Interest Earned

1. Interest earned on federal advance payments deposited in interest-bearing accounts must be remitted annually to CDA. Interest amounts up to \$500 per year may be retained by the AAA and subcontractors for administrative expenses. [2 CFR 200.305(b)(9)] [45 CFR 75.305 (b)(9)]

2. Interest earned on advances of federal and non-federal funds shall be identified as non-match cash. [2 CFR 200.305(b)(8)] [45 CFR 75.305(b)(8)]
3. The AAA must maintain advance payments of federal awards in interest-bearing accounts, unless the following apply: [2 CFR 200.305(b)(8)] [45 CFR 75.305 (b)(8)]
 - a. The AAA receives less than \$120,000 in federal awards per year.
 - b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on federal cash balances.
 - c. 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.
 - d. A foreign government or banking system prohibits or precludes interest bearing accounts.

3.15 Fiscal Provisions

1. The MOU must be approved prior to release and disbursement of any program funding included within this Program Guide via the budget displays.
2. Upon release of an original or revised budget display, a separate budget for all programs affected shall be submitted electronically to CDA's Local Finance Bureau within 30 days of release.
3. Budgets must be approved by CDA's Local Finance Bureau prior to any disbursement of funding.
4. CDA cannot disburse funds until the enactment of the Budget Act has occurred and/or CDA has received funding authority.
5. Budget Displays reference terms specific to each program funding source, which shall be used to determine disbursement of funding.
6. AAAs shall follow other fiscal provisions and terms as outlined in the program guide.

4 AREA PLAN (AP)

4.1 Introduction

Each year, the federal government provides California funding for programs authorized by the Older Americans Act (OAA) and related federal legislation. OAA programs provide vital services for older adults related to nutrition, health and wellness, caregiver support, and much more.

To receive this federal funding, California must submit a State Plan on Aging to the federal Administration for Community Living every four years that identifies specific goals related to OAA programs.

4.2 Assurances

The AAA shall assure that the following conditions are met:

1. Services are provided only to the defined Eligible Service Population.
2. If the AAA makes any award of funds to a public or private nonprofit agency, for the following purposes: (1) acquiring, altering, leasing, or renovating a facility, including a mobile facility, for use as a multipurpose senior center or (2) constructing a facility, including a mobile facility, for use as a multipurpose senior center, the AAA shall adhere to the program requirements and to 45 CFR 75.327(2), "Procurement Standards" (procurement by contractors and subcontractors for nonprofit organizations), and 45 CFR 75.327 (procurement for State and local governments), as applicable.
3. The AAA shall comply with the standards and guidelines for procurement of supplies, equipment, construction, and services as provided in 45 CFR 75.328.
4. The AAA assures that when an existing facility has been altered (with funds made available to perform the services outlined within this Program Guide and the MOU) and is used as a multipurpose senior center, the period of time in which such facility shall be used as a center is as follows:
 - a. Not less than three (3) years from the date the MOU terminates, where the amount provided by CDA, including the non federal share, does not exceed \$30,000.
 - b. If the amount provided by CDA exceeds \$30,000, the fixed period of time shall be not less than three (3) years from the date of MOU plus one (1) year for each additional \$10,000, or part thereof, to a maximum of \$75,000.
 - c. For amounts provided by CDA which exceed \$75,000, the fixed period of time shall be no less than ten (10) years.
5. Any multipurpose senior center constructed with funds made available by this Program Guide and the MOU shall be used for that purpose for at least twenty (20) years after completion of that construction.
6. Any facility to be used as a senior center and acquired with funds made available by this Program Guide and the MOU shall be used for that purpose for at least ten (10) years from the date of acquisition.
7. Any AAA awarded Title III funds for senior center acquisition or construction will have a completed and notarized Notice of Assurances to the

State of California of the Use of Property and the United States' Right of Recapture (CDA 214) recorded with the County Recorder. The AAA shall periodically validate continuing use of such facility as a senior center during the recapture period.

8. CDA will make funds available only for the support of activities specified in an approved and current Area Plan that is in compliance with State and federal laws and regulations.

9. The AAA and/or its subcontractors shall make use of trained volunteers to expand the provision of FCSP activities in accordance with OAA § 373(d).

10. An individual's receipt of services under the In-Home Supportive Services Program shall not be the sole cause for denial of any services provided by the AAA or its subcontractors.

11. Funds made available under this Program Guide and the MOU shall supplement, and not supplant, any federal, State, or local funds expended by a State or unit of general purpose local government to provide Title III (excluding III E) and Title VII services.

12. The following closely related programs identified by CFDA number are to be considered as an "other cluster" for purposes of determining major programs or whether a program-specific audit may be elected. The AAA shall identify the CFDA titles and numbers to the independent auditor conducting the organization's single audit along with each of its subcontractors. The funding source (Federal Grantor) for the following programs is the U.S. Department of Health and Human Services, Administration for Community Living.

a. 93.041 - Special Programs for the Aging-Title VII-A, Chapter 3 – Programs for Prevention of Elder Abuse, Neglect, and Exploitation (Title VII-A, Chapter 3).

b. 93.042 - Special Programs for the Aging-Title III B & VII-A, Chapter 2 – Long-Term Care Ombudsman Services for Older Individuals (Title III B & VII-A, Chapter 2).

c. 93.043 - Special Programs for the Aging-Title III, Part D – Disease Prevention and Health Promotion Services (Title III D)

d. 93.044 - Special Programs for the Aging-Title III, Part B – Grants for Supportive Services and Senior Centers (Title III B)

e. 93.045 - Special Programs for the Aging-Title III, Part C – Nutrition Services (Title III C)

f. 93.052 - National Family Caregiver Support Program-Title III, Part E.

g. 93.053 - Nutrition Services Incentive Program

“Cluster of programs” means a grouping of closely-related programs that share common compliance requirements. The types of clusters of programs are research and development, student financial aid, and other clusters. “Other clusters” are defined by the consolidated CFR in the Compliance Supplement or as designated by a state for federal awards provided to its subcontractors that meet the definition of “cluster of programs.” When designating an “other cluster,” a state shall identify the federal awards included in the cluster and advise the subcontractors of compliance requirements applicable to the cluster. A “cluster of programs” shall be considered as one program for determining major programs, as described in 45 CFR 75.525(a), whether a program-specific audit may be elected.

[Federal Office of Management and Budget, [45 CFR 75 Requirements], Audits of States, Local Governments 45 CFR 75 Appendix V to part 75 F. 1., and Non-Profit Organizations 45 CFR 75 Appendix IV to part 75 C. 2.a.]

13. The AAA assures that voluntary contributions shall be allowed and may be solicited in accordance with the following requirements [OAA § 315(b)]:

- a. The AAA or any subcontractors for any Title III or Title VII-A services shall not use means tests.
- b. Any Title III or Title VII-A client that does not contribute toward the cost of the services received shall not be denied services.
- c. Methods used to solicit voluntary contributions for Title III and Title VII-A services shall be non-coercive.
- d. Each service provider will:
 - i. Provide each recipient with an opportunity to voluntarily contribute to the cost of the service.
 - ii. Clearly inform each recipient that there is no obligation to contribute and that the contribution is purely voluntary.
 - iii. Protect the privacy and confidentiality of each recipient with respect to the recipient’s contribution or lack of contribution; and
 - iv. Establish appropriate procedures to safeguard and account for all contributions.

- v. Use all collected contributions to expand the services for which the contributions were given and to supplement (not supplant) funds received under this Act.
- 14. Any Title III and Title VII service shall not implement a Cost Sharing program unless approved by CDA.
- 15. The AAA shall comply with OAA § 306(a)(17), which requires an AAA to include in its Area Plan information on how it will coordinate activities and develop long-range emergency preparedness plans with local and State emergency response agencies, relief organizations, local and State governments, the Local Ombudsman Program, and any other institutions that have responsibility for disaster relief service delivery.
- 16. The AAA, at a minimum, shall identify and make contact with its local Office of Emergency Services (OES) to define their respective roles and responsibilities. This contact shall include a discussion of the types of clients served by the AAA and how OES will address their needs in the community.
- 17. The AAA shall furnish annually, or whenever a change occurs, the name of its Disaster Coordinator to the CDA Disaster Coordinator.
- 18. The AAA shall assure that its Information and Assistance staff have written procedures in place and are trained at least annually on how to handle emergencies. As specified in 22 CCR § 7547, the training shall consist of:
 - a. Familiarity with telephone numbers of fire, police, and ambulance services for the geographic area served by the provider. These telephone numbers shall be posted near the telephone for easy access when an emergency arises.
 - b. Techniques to obtain vital information from older individuals and persons with disabilities who require emergency assistance.
 - c. Making written emergency procedure instructions available to all staff who have contact with older individuals or persons with disabilities.
- 19. The AAA shall not require proof of age, citizenship, or disability as a condition of receiving services.
- 20. The AAA shall assure that the following publication conditions are met:
Materials published or transferred by the AAA and financed with funds under this Program Guide and the MOU shall:
 - a. state, "The materials or product were a result of a project funded by a contract with the California Department of Aging".

- b. give the name of the entity, the address, and telephone number at which the supporting data is available and include a statement that, "The conclusions and opinions expressed may not be those of the California Department of Aging and that the publication may not be based upon or inclusive of all raw data."

4.2.1 Title III B and Title VII

(Programs for Prevention of Elder Abuse, Neglect, and Exploitation; and Long-Term Care Ombudsman Services for Older Individuals)

The AAA shall assure the following:

1. Long-Term Care Ombudsman funds from Title III B and VII – A, Chapter 2 shall be used exclusively for the Long-Term Care Ombudsman Program.
2. The Long-Term Care Program Coordinator shall establish and monitor the budget for the Program
3. Long-Term Care Ombudsman Services in the Planning and Service Area will be carried out by the agency that has been designated by the State Ombudsman to provide those services. [OAA § 712(a)(5)(A); 45 CFR 1324.13(c)]
4. The Local Ombudsman Program, its governing board members, representatives of the Local Ombudsman Program, OSLTCO, and members of their immediate families shall be free of actual and perceived conflicts of interest. [OAA § 712(f)(1)(B); 45 CFR 1324.21]
5. Representatives of the Local Ombudsman Program shall have unescorted, unhindered access to long-term care facilities and long term care facility residents between the hours of 7:00 a.m. and 10:00 p.m., seven days a week. [OAA § 712(b)(1)(A); 45 CFR 1324.11(e)(2)(i); Welf. & Inst. Code § 9722(a); 22 CCR 8020(a)]. Authorization by the State Ombudsman is required for entry outside of these hours. [Welf. & Inst. Code § 9722(a); 22 CCR 8020(b)]
6. Representatives of the Local Ombudsman Program shall have access to the medical and personal records of residents with appropriate documentation of consent, or when authorized by the State Ombudsman, in accordance with policies developed by the State Ombudsman. [OAA § 712(b)(1)(B)] [45 CFR 1324.11(e)(2)(iv)] [Welf. & Inst. Code § 9724].
7. Representatives of the Local Ombudsman Program, upon request to a long-term care facility staff, shall be provided with a roster, census, or other list of the names and room numbers or room locations of all current residents. [Welf. & Inst. Code § 9722(d)]

8. Representatives of the Local Ombudsman Program shall not carry out the responsibilities of the Program until the State Ombudsman accepts them for certification. [OAA § 712(h)(6)(B); 45 CFR 1324.13(c)(3); Welf. & Inst. Code § 9719(a)]
9. All records and files maintained by the local Ombudsman Program relating to any complaint or investigation shall remain confidential unless disclosure is authorized by the resident, resident representative, State Ombudsman, or local Ombudsman Program Coordinator in compliance with OSLTCO policies and procedures. [OAA §§ 705(a)(6)(C); 712)] [45 CFR 1324.11(e)(3); 1324.19(b)(6-9)] [Welf. & Inst. Code § 9725]
10. The Local Ombudsman Program shall enter into a Memorandum of Understanding (MOU) with the Legal Services Provider (LSP) which will address conflict of interest, provision of legal advice, procedures for referral, and other technical assistance. The LSP may assist the State in providing legal representation to the Program when an Ombudsman Representative has been subpoenaed or a suit or other legal action has been threatened or brought against the performance of the official duties of the Ombudsman Representative. [OAA § 712(h)(8); 45 CFR 1324.13(h)(10); Welf. & Inst. Code § 9717(c); Statewide Standards for Legal Assistance in California]
11. Each Local Ombudsman Program shall maintain a separate budget. The Local Ombudsman Program Coordinator shall be responsible for managing the day-to-day operation of the Program, including managing all paid staff and volunteers in the Program. The Local Ombudsman Coordinator shall determine budget priorities, develop or participate in budget preparation, and be informed of budget allocations by the Contractor specific to the Ombudsman Program. [45 CFR 1324.13(f)]
12. The Local Ombudsman Program Coordinator shall provide CDA with an organizational chart that includes:
 - a. All local staff that are wholly or partly funded by Ombudsman Program resources.
 - b. Their titles/roles within the Program.
 - c. The number of hours per week charged to the Local Ombudsman Program for each position. [45 CFR 1324.13(b),(c)]
13. The Local Ombudsman Program Coordinator shall attend OSLTCO New Coordinator Training when initially designated as coordinator and OSLTCO biannual training conferences. [45 CFR 1324.13(c)(2); Welf. & Inst. Code § 9719(a)(1)]

14. The Local Ombudsman Program Coordinator shall inform CDA/OSLTCO of issues with local Ombudsman Representatives, complex cases, situations with potential legal implications, changes in staffing, emerging regional issues with statewide impact, breaches of confidentiality, and conflict of interest issues. [45 CFR 1324.13(b),(c)]

15. Representatives of the Local Ombudsman Program shall conduct interviews/investigations in a confidential manner and the Program shall have office space and telecommunications that protect the confidentiality of all complaint-related communications and records. [OAA § 712(a)(3)(D); 45 CFR 1324.19(b)(2)(i); Welf. & Inst. Code §§ 9725; 15633(c)]

16. Each Local Ombudsman Program shall have information systems sufficient to run State-approved database systems and to receive and send confidential e-mail messages to and from CDA. [OAA § 712(c); 45 CFR 1324.13(d); Welf. & Inst. Code § 9716(a)]

17. The entity providing Ombudsman services must be insured or self-insured for professional liability covering all Ombudsman activities including, but not limited to, investigation of resident complaints.

4.2.2 Assurances Specific to Legal Service Providers (LSPs)

In accordance with OAA § 731, the AAA shall assure that the following conditions are met:

1. LSPs will coordinate with State-designated providers of Long-Term Care Ombudsman services by developing and executing an MOU which will address conflict of interest, provision of legal advice, procedures for referral and other technical assistance.

2. LSPs may provide direct legal assistance to residents of the long-term care facilities where the clients are otherwise eligible and services are appropriate.

3. Where both legal and Ombudsman services are provided by the same agency, providers must develop and follow policies and procedures to protect the integrity, resources, and confidentiality of both programs.

4. LSPs may assist the State in providing legal representation to the Ombudsman Program when an Ombudsman or the program is named as a party or witness, in a subpoena, civil suit or other legal action challenging the performance of the official duties of the Ombudsman.

5. LSPs are to coordinate with the local Legal Services Corporation (LSC) program, if the provider is not an LSC-funded program.

6. LSPs are to coordinate with the network of other service providers, including but not limited to, other LSPs, Long-Term Care Ombudsman Programs, Health Insurance Counseling and Advocacy Programs, senior information and assistance, Adult Protective Services, law enforcement, case management services and focal points.
7. LSPs are to coordinate legal assistance activities with the statewide hotline and private Bar, including groups within the private Bar furnishing services to older individuals on a pro bono or reduced fee basis.
8. LSPs are to collect required data elements on legal services provided and report in CARS.

Waiver of this section of the Program Guide may be obtained from CDA pursuant to [Section 1.7](#) of this Program Guide entitled, Amendments, Revisions, or Modifications.

4.2.3 Title III E (National Family Caregiver Support Program)

1. Funds made available under Title III E shall be budgeted and expended in accordance with the five core federal support service components specified in OAA § 373(b), distinguished between “family caregivers” and “older relative caregiver” support services, as required for Older Americans Act Performance System (OAAPS).
 - a. Data and Financial Reporting for Title III E FCSP shall be in keeping with the OAAPS expanded 16 service categories
2. Funds made available under Title III E shall enable comprehensive and multifaceted systems of support services that include the five federal support service components for both “family caregiver” and “older relative caregiver” [OAA § 373(a) (b)], unless the AAA has documented through the Area Plan process that one or more of these components is being addressed by other sources.
3. Funds made available under Title III E shall supplement and not supplant other services that may directly or indirectly support unpaid caregiving, such as Medicaid waiver programs (e.g., the Multipurpose Senior Services Program, etc.) or other caregiver services such as those provided through the Department of Social Services’ Kinship Support Service Programs, the California Community Colleges’ Foster and Kinship Care Education Programs, the Department of Developmental Services’ Regional Centers, the California Caregiver Resource Centers, and other Title III funded providers.

4.3 Program Definitions

4.3.1 Definitions Specific to Title III and Title VII Programs *(Revised 08/25)*

1. **Caregiver Assessment:** a defined process of gathering information to identify the specific needs, barriers to carrying out caregiving responsibilities, and existing supports of a family caregiver or older relative caregiver, as identified by the caregiver involved, to appropriately target recommendations for support services described in OAA §373(b). Such assessment shall be administered through direct contact with the caregiver, which may include contact through a home visit, the Internet, telephone, or teleconference, or in-person interaction. [OAA §372(a)(1)]
2. **Child:** an individual who is not more than eighteen (18) years of age, and has not yet attained the statutory age of majority [Cal. Fam. Code §§ 6500-6502]
3. **Coordination:** activities that involve the active participation of the AAA staff to include liaison with non-Older Americans Act funded agencies and organizations for the purpose of avoiding duplication, improving services, resolving problems related to service delivery, and addressing the service needs of the eligible service population.
4. **Eligible Service Population for Title III B and D:** individuals sixty (60) years of age or older, with emphasis on those in greatest economic and social need with particular attention to low-income minority older individuals, older individuals with Limited English Proficiency (LEP), and older individuals residing in rural areas. [OAA § 305 (a)(2)(E); 22 CCR 7119, 7125, 7127, 7130, 7135 and 7638.7]
5. **Eligible Service Population for Title III C-1 and C-2:** individuals sixty (60) years of age or older, with emphasis on those in greatest economic and social need with particular attention to low-income minority older individuals, older individuals with LEP, and older individuals residing in rural areas. [OAA § 305 (a)(2)(E); 22 CCR 7125, 7127, 7130, 7135]
 - a. Individuals eligible to receive a meal at a congregate nutrition site are:
 - i. Any older individual.
 - ii. The spouse of any older individual.
 - iii. A person with a disability, under age sixty (60) who resides in housing facilities occupied primarily by older individuals at which congregate nutrition services are provided.
 - iv. A disabled individual who resides at home with and accompanies an older individual who participates in the program.

- v. A volunteer under age sixty (60), if doing so will not deprive an older individual age sixty (60) or older of a meal. [CCR 7636.9(b)(3); CCR 7638.7(b); and OAA 339(H)]
 - b. Individuals eligible to receive a home-delivered meal are individuals who are:
 - i. Frail as defined by 22 CCR 7119, homebound by reason of illness or disability, or otherwise isolated. (These individuals shall be given priority in the delivery of services.) [45 Code of Federal Regulations (CFR) 1321.69(a)].
 - ii. A spouse of a person defined in 22 CCR 7638.7(c)(2), regardless of age or condition, if an assessment concludes that is in the best interest of the homebound older individual.
 - iii. An individual with a disability who resides at home with older individuals, if an assessment concludes that it is in the best interest of the homebound older individual who participates in the program.
6. **Eligible Service Population for Title III E:** an adult family member, or another individual, who is an informal provider of in-home and community care to an older individual or to an individual of any age with Alzheimer's disease or a related disorder with neurological and organic brain dysfunction. Older relative caregivers (age 55+) who are primarily caring for a child or individual with a disability are also eligible for services. [OAA § 302(3)]
7. **Indirect Costs:** costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved.
8. **Individual with a disability:** an individual with a disability, as defined in Section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102), who is not less than age 18 and not more than age 59. [OAA § 372(a)(3)]
9. **In-kind Contributions:** the value of non-cash contributions donated to support the project or program (e.g., property, service, etc.).
10. **Matching Contributions:** local cash and/or in-kind contributions made by the AAA, a subcontractor, or other local resources that qualify as match for the program funding.
11. **Non-Matching Contributions:** local funding that does not qualify as matching contributions and/or is not being budgeted as matching contributions (e.g., federal funds, overmatch, etc.).

12. **Nutrition Education:** an intervention targeting OAA participants and caregivers that uses information dissemination, instruction, or training with the intent to support food, nutrition, and physical activity choices and behaviors (related to nutritional status) in order to maintain or improve health and address nutrition-related conditions. Content is consistent with the Dietary Guidelines for Americans; is accurate, culturally sensitive, regionally appropriate, and considers personal preferences; and is overseen by a registered dietitian or individual of comparable expertise as defined in the OAA.

13. **Nutrition Services Incentive Program (NSIP):** the program whose purpose is to provide incentives to encourage and reward effective performance by AAAs in the efficient delivery of nutritious meals to older individuals. The program consists of a cash allotment based on the ratio of the number of meals served by each Planning and Service Area (PSA) compared to the total number of meals served in the State in the prior-prior federal fiscal year.

14. **Older relative caregiver:** a caregiver who:

- a. is age 55 or older; and
- b. lives with, is the informal provider of in-home and community care to, and is the primary caregiver for, a child or an individual with a disability;
- c. In the case of a caregiver for a child:
 - i. is the grandparent, step grandparent, or other relative (other than the parent) by blood, marriage, or adoption, of the child;
 - ii. is the primary caregiver of the child because the biological or adoptive parents are unable or unwilling to serve as the primary caregivers of the child; and
 - iii. has a legal relationship to the child, such as legal custody, adoption, or guardianship, or is raising the child informally
- d. In the case of a caregiver for an individual with a disability, is the parent, grandparent, or other relative by blood, marriage, or adoption, of the individual with a disability. [OAA § 372(a)(4)(C)]

15. **One-Time-Only Funds:**

- a. Titles III and VII federal funds allocated to the AAA in a State fiscal year that are not expended or encumbered for services and administration provided by June 30 of that fiscal year as reported to the CDA in the Area Plan Financial Closeout Report. [22 CCR 7314(a)(6)]
- b. Title III and VII federal funds recovered from an AAA as a result of a fiscal audit determination and resolution by CDA. [22 CCR 7314(a)(7)]

- c. Supplemental Title III and Title VII program funds allocated by the Administration on Aging to CDA as a result of the federal reallocation process. [22 CCR 7314(a)(8)]

16. **Priority Services for Title III B:** those services associated with access to services (transportation, outreach, information and assistance, and case management); in-home services including supportive services such as respite and visiting, for families of older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction; and legal assistance.

17. **Priority Services for Title III E:** services provided to:

- a. Caregivers who are older individuals with greatest social need, and older individuals with greatest economic need (with particular attention to low-income older individuals)
- b. Older relative caregivers of children with severe disabilities, or individuals with disabilities who have severe disabilities.
[OAA§373(c)(2)(A-B)]
- c. Family caregivers who provide care for individuals with Alzheimer's disease and related disorders with neurological and organic brain dysfunction. [OAA § 372(b)]

18. **Program Development:** activities that either establish a new service or expand or integrate existing services.

19. **Program Income:** revenue generated by the AAA or the subcontractor from program-supported activities and may include:

- a. Voluntary contributions received from a participant or other party for services received.
- b. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Program Guide and the MOU.
- c. Royalties received on patents and copyrights from Program Guide and MOU-supported activities.
- d. Proceeds from the sale of goods created under CDA grant funds.

20. **Program Requirements:** Title III program requirements found in the OAA [42 USC 3001-3058]; [45 CFR 1321]; the California Code of Regulations [22 CCR 7000 et seq.]; and CDA Program Memoranda, and California Retail Food Code (CRFC).

21. **Title III B (Supportive Services):** a variety of services including, but not limited to: personal care, homemaker, chore, adult day health care, case management, assisted transportation, transportation, legal assistance, information and assistance, outreach, outreach, services that promote or support social connectedness and reduce negative health effects associated with social isolation, and long-term care ombudsman advocacy, as defined in the Older Americans Act Performance System (OAAPS) categories and the National Ombudsman Reporting System (NORS). [OAA § 321(a)]

22. **Title III C-1 (Congregate Nutrition Services):** nutrition services provided to older individuals in an in-person or virtual congregate setting. Services include meals, nutrition education, nutrition risk screening, and opportunities for socialization. Each meal shall provide one-third (1/3) of the Dietary Reference Intakes (DRI) and comply with the most current Dietary Guidelines for Americans (DGA). To be an eligible Title III C-1 congregate nutrition site, the site must meet all of the following criteria: [22 CCR 7638.7(a)]

- a. Be open to the public. [45 CFR 1321.53(b)(3)]
- b. Not means test. [OAA § 315(b)(3)]
- c. Provide participants the opportunity to make voluntary contributions and not deny service for not contributing to the cost of the service. [OAA § 315(b)(4); 22 CCR 7638.9]
- d. Not receive funds from another source for the cost of the same meal, equipment, or services. [2 CFR 200.403(f); 45 CFR 75.403(f)]

23. **Title III C-2 (Home-Delivered Nutrition Services):** nutrition services provided to frail, homebound, or isolated older individuals via home delivery or picked-up and consumed at their place of residence or otherwise outside of in-person or virtual congregating. Services include meals, nutrition education, and nutrition risk screening.

Each meal shall provide one-third (1/3) of the DRI and comply with the most current Dietary Guidelines for Americans. [22 CCR 7135, 22 CCR 7638.7(c)]

24. **Title III D (Health Promotion Evidence Based):** disease prevention and health promotion programs that are based on scientific evidence and demonstrated through rigorous evaluation to be effective in improving the health of older adults. Title III D evidence-based health promotion programs include programs related to the prevention and mitigation of the effects of chronic diseases (including osteoporosis, hypertension, obesity, diabetes, and cardiovascular disease), infectious disease, and vaccine-preventable disease, and prevention of sexually transmitted diseases. Evidence-based services also include programs focused on alcohol and substance abuse reduction, chronic

pain management, smoking cessation, weight loss and control, stress management, falls prevention, physical activity, and improved nutrition. [OAA 102 (14)(D)]

25. Title III E Family Caregiver Support Program (FCSP) Five Required Core Categories are:

- a. Information Services
- b. Access Assistance
- c. Support Services
- d. Respite Care
- e. Supplemental Services

[OAA 373(b)(1)(2)(3)(4)(5)]

26. To-Go Meals: meals that are picked up by individuals 60 years of age or older (or their agent) or delivered to individuals 60 years of age or older who are not comfortable dining in a congregate meal setting.

- a. C-1: To-Go meals are categorized as C-1 meals if they are consumed onsite and include in-person interaction (e.g., dining at congregate site such as restaurant, food truck, etc. or one-on-one with program volunteer) or consumed offsite and include virtual interaction (e.g., group interaction via Zoom, FaceTime, etc. or one-on-one with program volunteer via telephone) during the meal.
- b. C-2: To-Go meals are categorized as C-2 meals if they are consumed offsite without in-person or virtual interaction.

4.3.2 Definitions Specific to Title VII-A (Allotments for Vulnerable Elder Rights Protection Activities – Long-term Care Ombudsman Programs)

1. Eligible Service Population: individuals who are residents of long-term care facilities (i.e., nursing, skilled nursing, distinct part facilities, residential care facilities for the elderly, and other adult care homes similar to these facilities), hereinafter referred to as residents, regardless of their socio-economic status or area of residence. [OAA §§ 102(35), 321(a)(10), 711(6); Welf. & Inst. Code § 9701(b),(e)]

2. Local Ombudsman Program Coordinator: the individual selected by the Governing Board or Executive Director responsible for the Local Ombudsman Program and designated by the State Ombudsman to represent the Local Ombudsman Program and the Office of the State Long-Term Care Ombudsman. This individual manages the day-to-day operations of the Local Ombudsman

Program, including implementation of federal and State requirements. [OAA § 712(a)(5)(A); Welf. & Inst. Code § 9701(d)]

3. **Local Ombudsman Program:** either a program of the AAA or its Subcontractor that is designated by the State Ombudsman to carry out the duties of the State Long-Term Care Ombudsman Program with respect to the Planning and Service Area. The selection is in accordance with policies and procedures established by the State Ombudsman and which meets the State Ombudsman's criteria for designation and concurrence. [OAA §§ 711(3), 712(a)(5)(A); 45 CFR 1324.1; Welf. & Inst. Code § 9701(a)]

4. **Office of the State Long-Term Care Ombudsman (OSLTCO):** the office established by CDA to carry out the State Long-Term Care Ombudsman Program, both directly and by contract between CDA and the AAAs. As a program of CDA, OSLTCO is responsible for activities that promote the development, coordination, and utilization of Ombudsman services. OSLTCO establishes and maintains effective communication with programs that provide legal services for the elderly and advocacy services of a similar nature that receive funding or official designation from the State. OSLTCO analyzes data, monitors government actions, and provides recommendations pertaining to long-term care facilities and services. OSLTCO periodically updates training procedures for Local Ombudsman Programs and provides them with administrative and technical assistance. [OAA §§ 711(1), 712(a)(1), 712(h); 45 CFR 1324.1; Welf. & Inst. Code §§ 9710, 9716, 9717]

5. **Ombudsman Representative:** the volunteer or employee of the Local Ombudsman Program who is individually certified by the State Ombudsman in accordance with policies and procedures established by the State Ombudsman to serve as representative of the Office. [OAA §§ 711(5), 712(a)(5)(A); 45 CFR 1324.1; Welf. & Inst. Code § 9712.5]

6. **State Long-Term Care Ombudsman Program:** the CDA program through which the functions and duties of OSLTCO are carried out, consisting of the State Ombudsman, OSLTCO headed by the State Ombudsman, and the representatives of the Office. [OAA § 712(a)(1)(B); 45 CFR 1324.1; Welf. & Inst. Code § 9700]

7. **State Long-Term Care Ombudsman (State Ombudsman):** the individual who heads OSLTCO and is responsible to personally, or through representatives of the Office, fulfill the functions, responsibilities and duties set forth in OAA § 712(a)(3) [OAA §§ 712(a)(2); 45 CFR 1324.1; Welf. & Inst. Code §§ 9701(f), 9711]

4.3.3 Definitions Specific to Title VII-A (Allotments for Vulnerable Elder Rights Protection Activities – Programs for Prevention of Elder Abuse, Neglect, and Exploitation)

1. **Elder Abuse Prevention Programs:** activities to develop, strengthen, and carry out programs for the prevention, detection, assessment, and treatment of, intervention in, investigation of, and response to elder abuse, neglect, and exploitation (including financial exploitation). [OAA § 721]

4.4 Scope of Work

The AAA shall:

1. Implement the statutory provisions of the Title III and Title VII Programs [OAA § 306] in accordance with State and federal laws and regulations. The AAA shall make every effort to meet the goals and objectives stipulated in the four-year Area Plan and annual updates of the Area Plan's Goals, Objectives, and Service Unit Plan, herein incorporated into this Program Guide by reference. Performance shall not be unilaterally reduced or otherwise changed without prior consultation with, and written approval from CDA. A service unit reduction of greater than ten percent (10%) requires written approval from CDA.
2. The AAA shall maintain a four-year Area Plan, with annual updates, as specified in 22 CCR 7300-7320. The Area Plan and Area Plan Updates are due May 1st of each year per Title 22 CCR Section 7304. Area Plan Guidance documents are released by CDA each year in preparation of the next Area Plan or Area Plan Update submission and provide additional information along with the template and format requirements. This guidance is released as part of a Program Memo that is sent out to the AAAs and also posted on the [CDA website](#).
3. Establish and maintain an organization that shall have the ultimate accountability for funds received from CDA and for the effective and efficient implementation of the activities as described in the Area Plan and all pertinent State and federal laws and regulations including data reporting requirements.
4. Meet the adequate proportion requirements for priority services as required under OAA § 306(a)(2); 22 CCR 7312.
5. Maintain staff time records and documentation to identify the allocation of Program Development or Coordination activities to determine the amount of Program Development or Coordination expenditures. Records and documentation shall:
 - a. Include a written description for each Program Development or Coordination activity in the staff time records that is of sufficient detail to define the event or type of activity.

- b. Be traceable back to the Program Development or Coordination objectives as approved in the Area Plan.
6. Keep on file a written record/documentation supporting expenditures of Program Development or Coordination activities for five (5) years or until any audit is resolved, whichever is longer.
7. Meet the requirements under OAA § 301(a)(1)(A) to secure and maintain maximum independence and dignity in a home environment for the eligible service population capable of self-care with appropriate supportive and nutrition services.
8. Remove individual and social barriers to economic and personal independence for the eligible service population to the extent possible as required under OAA § 301(a)(1)(B).
9. Provide a continuum of care for the vulnerable eligible service population as required under OAA § 301(a)(1)(C).
10. Secure the opportunity for the eligible service population to receive managed in-home services as required under OAA § 301(a)(1)(D).
11. Conduct and/or promote activities for the prevention and treatment of elder abuse, neglect, and exploitation, as required under OAA § 721.
12. Enter into contracts with subcontractors that require them to provide services pursuant to 22 CCR 7352 to 7364, and ensure all applicable provisions required within this Agreement are included in the subcontract(s).
13. Review, approve, and monitor subcontractor budgets and expenditures and any subsequent amendments and revisions to budgets. The AAA shall, to the extent feasible, ensure that all budgeted funds are expended by the end of each fiscal year.
14. Monitor, on an ongoing basis, the Subcontractor's use of federal and State funds through reporting, site visits, regular contact, or other means to assure the Subcontractor administers federal and State awards in compliance with laws, regulations, and the provisions of contracts and that performance goals are achieved. The AAA must follow up and ensure that the Subcontractor takes timely and appropriate action on all deficiencies pertaining to the Federal programs detected through monitoring and on-site review. [CFR 75.352]. Onsite program monitoring must be conducted every two (2) years for all programs except Title III C-1 and Title III C-2, which must be conducted every year. Fiscal monitoring must be conducted every two (2) years for all programs including Title III C-1 and Title III C-2.

15. Provide support and technical assistance to subcontractors and respond in writing to all written requests for direction, guidance, and interpretation of instructions to include client and performance data.
16. Distribute and maintain up-to-date CDA requirements so that all responsible persons have ready access to standards, policies, and procedures.
17. Provide program information and assistance to the public.
18. Maintain a program data collection and reporting system as specified in [Section 4.9](#) of this Program Guide.
19. Contract Title III case management services only to a public or non-profit agency, as required by 42 USC 3026(a)(8)(C).
20. Offer to each older individual seeking Title III case management services, a list of agencies that provide similar services within the jurisdiction of the AAA as specified in 42 USC 3026(a)(8)(C)(i)-(iii).
21. Include the identity of each designated community focal point in subcontracts as specified in 42 USC 3026(a)(3)(B).
22. Adhere to 48 CFR 3.908, implementing section 828, entitled “Pilot Program for Enhancement of Contractor Whistleblower Protections,” of the National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this Agreement.
23. Recognize any same-sex marriage legally entered into in a United States (U.S.) jurisdiction that recognizes their marriage, including one of the fifty (50) states, the District of Columbia, or a U.S. territory, or in a foreign country so long as that marriage would also be recognized by a U.S. jurisdiction. This applies regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. However, this does not apply to registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage. Accordingly, recipients must review and revise, as needed, any policies and procedures which interpret or apply federal statutory or regulatory references to such terms as “marriage,” “spouse,” family,” “household member” or similar references to familial relationships to reflect inclusion of same-sex spouse and marriages. Any similar familial terminology references in the U.S. Department of Health and Human Services’ (HHS) statutes, regulations, or policy transmittals will be interpreted to include same-sex spouses and marriages legally entered into as described herein.
24. To ensure all data is collected for the unmet need as requested by the U.S. Legislature, the AAA, either as a direct service provider or through a subcontractor must develop and implement a Wait List policy and procedure. The

policy and procedure must include provisions for: prescreening individuals to determine eligibility; managing applicants' placement on and removal from the Wait List; periodically reviewing the eligibility and identified needs of applicants on the Wait List; and assigning priority for enrollment based on Wait list.

4.4.1 Title III B Ombudsman and Title VII (Programs for Prevention of Elder Abuse, Neglect, and Exploitation; and Long-Term Care Ombudsman Services for Older Individuals)

The AAA shall ensure that the Local Ombudsman Program, in accordance with policies and procedures established by OSLTCO, will:

1. Provide services to protect the health, safety, welfare and rights of residents. [OAA § 712(a)(5)(B)(i); 45 CFR 1324.19(a)(2); Welf. & Inst. Code §§ 9701(a), 9712.5(b)]
2. Ensure residents in the service area of the Local Ombudsman Program have regular, timely access to State Certified Ombudsman Representatives and timely responses to complaints and requests for assistance. [OAA § 712(a)(5)(B)(ii); 45 CFR 1324.19(a)(3); Welf. & Inst. Code § 9712.5(d)]
3. Identify, investigate, and seek to resolve complaints made by or on behalf of residents that relate to action, inaction, or decisions, that may adversely affect the health, safety, welfare, or rights of the residents. Regardless of the source of the complaint, Ombudsman representatives must act with appropriate consent and support and maximize resident participation in the process of resolving the complaint. [OAA § 712(a)(5)(B)(iii); 45 CFR 1324.19(a)(1), 1324.19(b); Welf. & Inst. Code §§ 9701(a), 9712.5(a)]
4. Identify, investigate, and seek to resolve complaints made by or on behalf of residents with limited or no decision-making capacity and who have no legal representative. If such a resident is unable to communicate consent to the Ombudsman representative, the Ombudsman representative shall seek evidence to indicate what outcome the resident would have communicated. In absence of evidence to the contrary, the Ombudsman representative shall assume that the resident wishes to have the resident's health, safety, welfare, and rights protected and work to accomplish that outcome. [OAA § 712(a)(5)(B)(vii); 45 CFR 1324.19(b)(2)(iii)]
5. Receive and investigate reports of suspected abuse, neglect and exploitation of elder or dependent adults occurring in long-term care facilities as defined in Welf. & Inst. Code § 15610.47. [Welf. & Inst. Code § 15630 et seq.]
6. Witness:
 - a. Advance health care directives for residents of skilled nursing facilities [Probate Code 4675]

- b. Property transfers with a fair market value of more than \$100 from residents in long-term health care facilities to owners, employees, agents, or consultants of facilities and their immediate families or representatives of public agencies operating in facilities and members of their immediate families. [HSC § 1289]
7. Collect and submit data in accordance with the statewide uniform reporting system established by the State Ombudsman and the reporting provisions specified in this Program Guide. [OAA § 712(c); Welf. & Inst. Code § 9716(a)].
8. Represent the interests of residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of residents. [OAA § 712(a)(5)(B)(iv); 45 CFR 1324.19(a)(4); Welf. & Inst. Code § 9712.5(e)]
9. Review, comment, and facilitate the ability of the public to comment on proposed or existing laws, regulations, and other governmental policies and actions, that pertain to the rights and well-being of residents. [OAA § 712(a)(5)(B)(v); 45 CFR 1324.19(a)(5); Welf. & Inst. Code § 9712.5(g)-(i)]
10. Support, actively encourage, and assist in the development of resident and family councils. [OAA § 712(a)(5)(B)(vi); 45 CFR 1324.19(a)(6); Welf. & Inst. Code § 9726.1(a)(3)]
11. Carry out other activities that the State Ombudsman determines to be appropriate, including the following services [OAA § 712(a)(5)(B)(viii); 45 CFR 1324.19(a)(7)]:
 - a. Update, periodically, a plan for maintaining an ongoing presence in long-term care facilities. [OAA § 712(a)(3)(D); Welf. & Inst. Code § 9712.5(d)(1)]
 - b. Provide public information and technical support pertaining to long-term care services, including inspection reports, statements of deficiency, and plans of correction for long-term care facilities within the service area. [Welf. & Inst. Code § 9726.1(a)(1)]
 - c. Promote visitation programs and other community involvement in long-term care facilities within the service area. [Welf. & Inst. Code § 9726.1(a)(2), (4)]
 - d. Present community education and training programs to long-term care facility staff, human service workers, families and the general public about long-term care and residents' rights. [Welf. & Inst. Code § 9726.1(a)(5)]

- e. Refer other individuals' complaints and concerns that a representative becomes aware are occurring in the facility to the appropriate governmental agency. [Welf. & Inst. Code § 9712.5(a)(2)]
- 12. Ensure that the Local Ombudsman Program, in accordance with policies and procedures established by the State Ombudsman, will use Citation Penalties Account funds, Licensing and Certification Program funds, Ombudsman General Funds, Older Americans Act funds, and Older Californians Act funds to support activities for the overall program.
- 13. Review and approve claims for Citation Penalties Account funds, Licensing and Certification Program funds, and Ombudsman General funds, Older Americans Act funds, and Older Californians Act funds.
- 14. Submit monthly fiscal documents to CDA, as determined by CDA, for Citation Penalties Account funds, Licensing and Certification Program funds, Ombudsman General funds, Older Americans Act funds, and Older Californians Act funds.

The AAA shall ensure that the Elder Abuse Prevention program shall do some or all of the following:

- 1. Provide for public education and outreach to identify and prevent elder abuse, neglect, and exploitation;
- 2. Provide for public education and outreach to promote financial literacy and prevent identity theft and financial exploitation of older individuals;
- 3. Ensure the coordination of services provided by AAAs with services instituted under the State adult protective service program, State and local law enforcement systems, and courts of competent jurisdiction;
- 4. Promote the development of information and data systems, including elder abuse reporting systems, to quantify the extent of elder abuse, neglect, and exploitation in the PSA;
- 5. Conduct analyses of local Adult Protective Services and Long-Term Care Ombudsman information concerning elder abuse, neglect, and exploitation and identifying unmet service, enforcement, or intervention needs;
- 6. Conduct training for individuals, including caregivers described in part E of Title III, professionals, and paraprofessionals, in relevant fields on the identification, prevention, and treatment of elder abuse, neglect, and exploitation, with particular focus on prevention and enhancement of self-determination and autonomy;

4.4.2 Title III B (Grants for Supportive Services and Senior Centers)

1. Facility Construction or Repair

This section applies only to Title III funds and not to other funds allocated to other Titles under the OAA. Title III funds may be used for facility construction or repair.

a. When applicable for purposes of construction or repair of facilities, the Contractor shall comply with the provisions contained in the following and shall include such provisions in any applicable agreements with subcontractors:

- i. Copeland “Anti-Kickback” Act. [18 USC 874, 40 USC 3145] [29 CFR 3]
- ii. Davis-Bacon Act. [40 USC 3141 et seq.] [29 CFR 5]
- iii. Contract Work Hours and Safety Standards Act. [40 USC 3701 et seq.] [29 CFR 5, 6, 7, 8]
- iv. Executive Order 11246 of September 14, 1965, entitled “Equal Employment Opportunity” as amended by Executive Order 11375 of October 13, 1967, as supplemented in Department of Labor Regulations. [41 CFR 60]

b. Payments are not permitted for construction, renovation, alteration, improvement, or repair of privately-owned property which would enhance the owner’s value of such property except where permitted by law and by CDA.

c. When funding is provided for construction and non-construction activities, the Contractor must obtain prior written approval from CDA before making any fund or budget transfers between construction and non-construction.

4.4.3 Title III C (Nutrition Services) and Nutrition Services Incentive Program *(Revised 08/25)*

The AAA shall:

1. Comply with all provisions in CCR 7630 – 7638.13 Elderly Nutrition Program.
2. On an ongoing basis, monitor the Subcontractor’s use of federal and State funds through reporting, site visits, regular contact, or other means to assure the Subcontractor administers federal and State awards in compliance with laws, regulations, and this Program Guide and that performance goals are achieved. The AAA must ensure that the Subcontractor takes timely and appropriate action

on all deficiencies pertaining to the Federal programs detected through monitoring and on-site review. [CFR 75.352]. Onsite program monitoring must be conducted every year for Title III C-1 and Title III C-2. Fiscal monitoring must be conducted every two (2) years for all programs including Title III C-1 and Title III C-2.

3. Monitor nutrition programs. Food facilities (i.e., sites that store, prepare, package or portion food) must be monitored on-site annually by the AAA Registered Dietitian (RD) [22 CCR 7634.3(d)]. Non-food facilities that only distribute packaged meals (i.e., do not store, prepare, package or portion food – therefore don't meet the California Retail Food Code's definition of a "food facility") must be monitored at least every other year on-site. Sites must be monitored using a standardized procedure developed by the AAA that ensures all sites are monitored systematically. AAA policies and procedures must guarantee the following:

- a. AAA RD monitoring of each food facility annually on-site.
- b. AAA RD monitoring of non-food facility nutrition sites (i.e., sites that do not store, prepare, package, or portion food) at least every other year on-site.
- c. AAA RD monitoring of non-food facility nutrition sites more often if they are at increased risk for food safety violations or have a history of corrective actions.

4. Maintain or increase the number of Title III C-1 and C-2 meals served if federal and/or State funds for meal programs increase. The AAA shall promote and maintain high standards of food safety and sanitation as required by the California Retail Food Code (CalCode).

5. Ensure that meal counts associated with Title III C-1, C-2 and NSIP are in accordance 22 CCR 7638.7(a)(1)-(4).

6. Offer a meal to a volunteer under the age of sixty (60) if doing so will not deprive an older individual of a meal. [22 CCR 7638.7(b)(1)] The AAA or the Subcontractor shall develop and implement a written policy for providing and accounting for volunteer meals. [22 CCR 7638.7(b)(2)]

7. Provide a home-delivered meal to an eligible individual. [22 CCR 7638.7(c)]

8. Report a meal only once either as a Title III meal or a Title VI meal.

9. Ensure Title III C meals meet the nutrition requirements of meals:

- a. Comply with the most current Dietary Guidelines for Americans

- b. Provide one-third of the Dietary References Intakes (DRI) if providing one meal per day, two-thirds of the DRI if providing two meals per day, and 100% of the DRIs if providing three meals per day.
 - c. Comply with the [Older Californians Nutrition Program Menu Guidance](#).
- 10. Develop a policy and procedure to ensure that Title III C-1 and Title III C-2 meals are only received by eligible individuals.
- 11. Annually assess each Title III C-1 and C-2 client's nutrition risk using the DETERMINE Your Nutritional Health checklist published by the Nutrition Screening Initiative. [OAA § 339(2)(J); OAA § 207(a)(3)]
 - a. Title IIIC intake forms must include the DETERMINE Your Nutritional Risk Health checklist questions and scoring as indicated in the [Title IIIC – Intake and Assessment Forms Guide](#).
- 12. Ensure that an eligible individual who receives a meal is given the opportunity to voluntarily contribute to the cost of the meal.
 - a. Comply with provisions for voluntary contributions in Section 4.4. [OAA §325(b)]
 - b. The nutrition services provider must develop a suggested amount. When developing this contribution amount, the income ranges of the older individuals in the community and the provider's other sources of income shall be considered. [CCR 7638.9.(b)]
 - i. Title III C-1: Post signage indicating the suggested contribution for eligible individuals, and the guest fee for non-eligible individuals, near the contribution container at each congregate meal site. The guest fee shall cover all meal costs. [CCR 7638.9.(c)]
 - ii. Title III C-2: Notify C-2 clients of the suggested contribution amount and methods for making voluntary contributions.
- 13. Meet requirements for Title III To-Go Meals:
 - a. Title III C-1 To-Go Meals:
 - i. For C-1 To-Go meals that are consumed onsite:
 - a) At least a portion of the meal is consumed in a congregate setting. Congregate settings include indoors (restaurants, grocery stores, etc.) or outdoors (parks, picnics, food trucks, festivals, events, tailgate parties, etc.).

- ii. For C-1 To-Go meals that are consumed offsite:
 - a) Meal is picked up by the client (or representative) or delivered to the client.
 - b) In-person or virtual interaction is included with the meal.

Examples include:

- 1) In-person group dining at a congregate site such as a restaurant, park, food truck, etc.)
- 2) In-person, one-on-one interaction during the meal with program volunteer.
- 3) Virtual group interaction scheduled by the nutrition provider such as nutrition education, virtual museum or travel tours, or group chat on virtual platforms such as GoogleMeet, Zoom, FaceTime, or similar applications that offer live interaction with participants.
- 4) Virtual one-on-one interaction during the meal arranged by the nutrition provider via telephone or virtual platform (Zoom, FaceTime, etc.).
- c) The sign-in procedure includes confirmation that the client intends to participate in the virtual group interaction. The meal is considered a C-1 meal if the client confirms their intent to join the virtual activity. The meal is considered a C-2 meal if the client does not confirm their intent to join the virtual activity.
- d) The service provider is responsible for tracking confirmation of planned attendance; however, the provider is not responsible for verifying the client attends the virtual activity.

b. Title III C-2 To-Go Meals

- i. Meet the following criteria for Title III C-2 To-Go Meals:
 - a) Meal is picked up by client (or client's agent) or delivered by the provider to the client.
 - b) Meal is consumed off-site (i.e., not in a congregate setting).

- c) Participation in in-person or virtual interaction with the meal is declined or not available.
- ii. Complete initial assessment for all new C-2 clients within 2 weeks of the start of service.
 - a) The CCR 7638.3(a)(2) requirement for initial assessments to be conducted “in the home” does not apply if meals are picked up rather than home-delivered; assessments may be completed in person at time of meal pick-up or via telephone. If meals are home-delivered by the provider, the initial assessment must be conducted in the home.
 - b) Complete quarterly eligibility reassessments for all C-2 clients.
 - 1) The CCR 7638.3(a)(4) requirement for quarterly eligibility reassessments to be conducted “in the home” every other quarter does not apply if meals are picked up rather than home-delivered by the provider and may be done in-person at the time of meal pick up or by phone. If meals are home-delivered, the quarterly eligibility reassessments must be conducted in the home every other quarter.
 - 2) Establish a wait list and a prioritization policy as per CCR 7638.3(c) if unable to serve all eligible individuals.

4.4.4 Title III D Health Promotion – Evidence-Based

AAA Shall:

1. Provide one or more Title IIID evidence-based health promotion programs.
2. Provide Title IIID programs that meet ACLs evidence-based requirements through one of the two options:
 - a. Meets the requirements for ACL’s evidence-based definition; or
 - b. Is considered to be an “evidence-based program” by any operating division of the U.S. Department of Health and Human Services (HHS) and is shown to be effective and appropriate for older adults.
3. Ensure the fidelity of programs is maintained by adhering to the curriculum.

4. Offer Title III D services to eligible individuals 60 and older, and the spouse of eligible older individuals.
5. Ensure that an eligible individual is given the opportunity to voluntarily contribute to the cost of the service.
 - a. Comply with provisions for voluntary contributions in Section 4.4. [OAA §325(b)]
6. Monitor, on an ongoing basis, the Subcontractor's use of federal and State funds through reporting, site visits, regular contact, or other means to assure the Subcontractor administers federal and State awards in compliance with laws, regulations, and the provisions of contracts and that performance goals are achieved. The AAA must follow up and ensure that the Subcontractor takes timely and appropriate action on all deficiencies pertaining to the Federal programs detected through monitoring and on-site review. [CFR 75.352]. Onsite monitoring for Title III D programs must be conducted every other year at minimum. Onsite Fiscal monitoring must be conducted every two (2) years for Title III D programs.
7. Provide support and technical assistance to subcontractors and respond in writing to all written requests for direction, guidance, and interpretation of instructions to include client and performance data.

4.5 Budget and Budget Revisions *(Revised 08/25)*

1. The AAA shall be compensated for expenses only as itemized in the approved Budget with the exception of line item budget transfers as noted in [Section 4.7.1](#) and shall not be entitled to payment for these expenses until the MOU is approved and executed by CDA.
2. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The AAA's Budget shall include, at a minimum, the following items when reimbursable under the legal authority provided by the MOU:
 - a. Personnel Costs – annual full time effort (FTE) wage rates and personnel classifications together with the percentage of time to be charged, specified for each fund source. 2 CFR 200.430 must be followed for rules regarding allowability of personnel costs. Specific emphasis of section (i) of 2 CFR 200.430:
 - i. Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- 1) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.
 - 2) Be incorporated into the official records of the non-federal entity.
 - 3) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities.
 - 4) Support the distribution of the employee's salary among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-Federal award, an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
 - 5) Budget estimates (i.e. estimates determined before the services are performed) alone do not qualify as support for changes to Federal awards.
- ii. Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.
- b. Fringe Benefits – specified for each fund source.
- c. Staff Travel (In-state and Out-of-State travel) – mileage reimbursement, lodging, per diem and other travel costs, specified for each fund source.
- d. Staff Training – attendance cost for necessary training, specified for each fund source.
- e. Rent – total cost per funding source.
- f. Property - detailed descriptions and unit costs, specified for each fund source. See Section 3.4 Property, of this Program Guide.
- g. Supplies – to include items that do not qualify as property, specified for each fund source. See Section 3.4 Property, of this Program Guide.
- h. Contractual Costs – subcontractor and consultant cost details, specified for each fund source.
- i. Food – used in delivering Congregate and Home-Delivered Meals.

- j. Other Costs – Facilities, operating expenses, and other ordinary and necessary costs specified for each fund source.
 - k. Allocated Direct Costs – requires submission of a Direct Cost Allocation Plan for prior approval. OR Indirect Costs – costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable as a direct cost.
 - l. Subcontractor Services - summary costs for subcontracted programs specified for each fund source.
3. The AAA shall ensure that the Subcontractor shall submit a budget, which shall be incorporated by reference into the Subcontract and will have, at a minimum, the categories listed in Item 2 above.

4.5.1 Indirect Costs - Increases effective July 1, 2025 (*Revised 08/25*)

1. The maximum reimbursement amount allowable for indirect costs is fifteen percent (15%) of the AAA's Modified Total Direct Costs (MTDC), per funding category excluding in-kind contributions and nonexpendable equipment.

Modified Total Direct Cost (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes in-kind contributions, equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs. [45 CFR 75.2]

2. AAAs requesting reimbursement for indirect costs exceeding the maximum fifteen percent (15%) shall retain on file an approved negotiated indirect cost rate or cost allocation plan.
3. Indirect costs exceeding the fifteen percent (15%) maximum may be budgeted as in-kind for purposes of meeting matching requirements in Title III and VII programs only. AAAs must receive prior approval from federal awarding agency prior to budgeting the excess indirect costs as in-kind.
4. For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all

other types of expenditures not listed specifically under one of the subcategories of “Facilities” (including cross allocations from other pools, where applicable). [2 CFR 200.414(a)] [45 CFR 75.414(a)]

4.6 Program Specific Funds

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-A Elder Abuse Prevention programs, Program Income must be spent before allocated funds (except as noted in 4) and may reduce the total amount of allocated funds payable to the AAA.
4. For Title III B, III C, III D, III E, VII Ombudsman, and VII A Elder Abuse Prevention programs, if Program Income is earned in excess of the amount reported in the Area Plan Budget, the excess amount may be deferred for use in the first quarter of the following funding 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 baseline services.

4.6.1 One-Time Only (OTO) Funds

1. OTO funds are non-transferable between funding sources. This means that OTO funds can only be used in the program in which they were accrued.
2. OTO funds can only be awarded to a subcontractor that has a valid contract with the AAA. All contracts shall be procured either through an open and competitive procurement process pursuant to 22 CCR 7352 or through a non-competitive award pursuant to 22 CCR 7360.
3. Titles III and VII federal Program OTO funds shall only be used for the following purposes:
 - a. The purchase of equipment that enhances the delivery of services to the eligible service population.
 - b. Home and community-based projects that are approved in advance by CDA, and are designed to address the unmet needs of the eligible service population identified in the Area Plan.

c. Innovative pilot projects that are approved in advance by CDA, 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. OTO funds can be used to maintain or increase baseline services. However, AAAs shall assure that services funded with OTO funds will not create an expectation of service delivery beyond the funding period the OTO was received. Expenditures for baseline services do not require advance CDA approval.

4. NSIP OTO funds shall only be used to purchase food used in the Elderly Nutrition Program.

4.6.2 Matching Contributions

"Matching Contributions" means local cash and/or in-kind contributions made by the AAA, a subcontractor, or other local resources that qualify as match for the program funding.

1. Cash and/or in-kind contributions may count as match, if such contributions are used to meet program requirements.

2. Any matching contributions (cash or in-kind) must be verifiable from the records of the AAA or a subcontractor.

3. Matching contributions must be used for allowable costs in accordance with the OMB cost principles.

4.6.3 Area Plan Administration

Area Plan Administration is comprised of federal funds from Title III B, III C1, III C2, and III E. Federal Area Plan Administration funding may be utilized on Area Plan administration, or program activities and services, or both.

4.7 Program Specific Budget and Budget Revision

1. The AAA shall submit electronically the original Area Plan Budget with the Area Plan and Area Plan annual updates by May 1, unless otherwise instructed by CDA.

2. The AAA shall submit electronically a budget revision thirty (30) calendar days after receiving an amended Area Plan Budget Display with changes in funding levels, unless otherwise instructed by CDA.

3. The final date to submit a budget revision containing allocation transfers is January 15 of the current fiscal year funding period unless otherwise specified by CDA.

4.7.1 Line Item Budget Transfers

The AAA may transfer funds between line items for each funding source under the following terms and conditions:

1. The AAA may transfer any or all administrative funds into program without restrictions for each funding source – Title III B, C-1, C-2, & E. However, the AAA shall not transfer funds designated for programs into administration line items.
2. The AAA shall submit a revised budget to CDA when one or the cumulative line item budget transfers exceeds ten percent (10%) of the total budget for each funding source.
3. The AAA shall maintain a written record of all budget changes and clearly document line item budget changes. The record shall include the date, amount and purpose of the transfer. This record shall be available to CDA upon request and shall be maintained in the same manner as all other financial records.
4. Final budget revision containing line item adjustments may be submitted as necessary, but no later than sixty (60) days prior to the ending date of the current allocation period, and shall not include allocation transfers.

4.7.2 Allocation Transfers *(Revised 08/25)*

1. The AAA shall submit a request to CDA to transfer federal or State funds between Title III B, C-1 and C-2 programs in accordance with the most current Budget Display. The request shall be submitted as instructed in the Area Plan Budget forms.
 - a. Transfer of federal baseline funds is allowable between Titles III B and III C in accordance with OAA § 308(b)(5)(A) and between Titles III C-1, and III C-2 in accordance with OAA § 308(b)(4)(A).
 - b. Transfer of State funds is allowable between Title III C-1 General Fund and Title III C-2 General Fund.
 - c. The Title III C nutrition augmentation funding may be transferred between General Fund C1 and General Fund C2 as needed to provide services. The funding must not be transferred to other programs or be used to supplant other program funding, including the Federal Title III C1 and Federal Title III C2.
2. Approved transfers and Area Plan Budgets will be incorporated by reference into the current Budget display for each funding term.
3. Transfer of funds cannot be processed or approved after the end of the specified fiscal year listed on the Budget Display. Transfer of funds requests will not be accepted or processed after January 15th, for any funding, as specified in [section 4.7](#) of this Program Guide.

4.7.3 Matching Requirements *(Revised 08/25)*

1. The required minimum administration matching contributions for Title III B, not including Ombudsman, III C, & III E combined is twenty-five percent (25%).
2. The required minimum program federal matching requirement is fifteen percent (15%). The State provides the five percent (5%) State requirement portion of this match. The AAA contributions for Title III B, not including Ombudsman and III C, is ten percent (calculation factor of 10.53%).
3. Program matching contributions for Title III B, not including Ombudsman and III C, can be pooled to meet the matching requirement of ten percent (calculation factor of 10.53%)..
4. The required minimum program matching contributions for Title III E is twenty-five percent (25%).
5. Minimum matching requirements are calculated on net costs, which are total costs less program income, non-matching contributions, and State funds. Matching contributions are included in the minimum matching requirements calculation.
6. Matching contributions generated in excess of the minimum required are considered overmatch.
7. Program overmatch from Title III B or C can be used to meet the program match requirement for Title III E provided.
 - a. The expenditures are related to the needs of caregivers and are attributable to a service category within the National Family Caregiver Support Program (NFCSP).
8. Of the total minimum match required for Title III at least twenty-five percent (25%) must be from local public agencies (e.g., city and county governments, school districts, special districts, and water districts).

4.7.4 Program Development or Coordination

The AAA shall not budget or fund Program Development or Coordination activities as a cost of Title III B Supportive Services until it has first budgeted and spent the total of its Title III B, C, & E funds allocated for Area Plan administration costs. During the current fiscal year as specified on the budget display, Program Development or Coordination activities and Area Plan administration activities can occur simultaneously. (See [Section 4.12](#) for reconciliation during the closeout period.)

4.7.5 Property

Property with per unit cost over \$5,000 or any computing devices, regardless of cost requires submission of a justification and budget from the AAA. Property

requires pre-approval from CDA and must be included on an approved Area Plan budget prior to purchase. To request approval for property, budgets and a justification form shall be sent to finance@aging.ca.gov.

4.8 Payments *(Revised 08/25)*

1. Title III B, III C, III D, III E, VII Ombudsman and VII-A Elder Abuse Prevention, Ombudsman Citation Penalties Account, Licensing and Certification Program funds, General Ombudsman funds and Older Californians Act.

The AAA shall prepare and submit a monthly expenditure report in an electronic format to CDA no later than the last business day of each month or as specified by CDA. The report shall include all costs and funding sources for the month prior.

2. Payments will be made to reimburse expenditures reported unless AAA pre-selects an Advance method and provides a justification explaining the need for an advance on the budget form at the beginning of a new funding term, as referenced on the budget display. Payments after the advance has been provided will be made to reimburse expenditures reported, as outlined in Item 1 of this section of this Program Guide.

3. CDA shall process and approve reported expenditures that are based upon actual, not estimated, expenditures. CDA shall notify the AAA of any disputed expenditures.

4. The AAA shall submit timely expenditures to CDA. Late expenditures may lead to a delay in payment until the following month.

5. Upon written request by CDA, the AAA must submit additional documentation or justification to support the reported expenditures.

6. AAA shall be charged \$75 per program fund source for expedited payments to recover the fees charged by the State Controller's Office. CDA may waive the fees on a case-by-case basis as appropriate.

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

8. The funding availability for July 1 through September 30 will be determined based on the final three months of the previous federal fiscal year grant period as specified in the AAA's budget display.

9. The funding availability for October 1 through February 28 will be determined based on the original budget display allocations until any original transfer requests are approved by Administration for Community Living (ACL).

10. The funding availability for March 1st (or upon ACL approval whichever is the latter) through June 30th, will be based on the AAA's final approved budget for the Federal Fiscal Year term as represented on the budget display.

4.9 Reporting

1. The AAA shall submit program performance reports to the CDA Data Team for: Title III B, Title III C-1, Title III C-2, Title III D, Title III E, and Title VII-A Elder Abuse Prevention Programs in accordance with CDA requirements. [Welf. & Inst. Code § 9102 (a)(5)]

2. The AAA shall have written procedures to assure that all submitted performance data is timely, complete, accurate, and verifiable.

a. Quarterly, the AAA shall submit data reports for OAA-funded programs as follows:

Quarter	Reporting Period	Due Date
Quarter 1	July 1 - September 30	October 31
Quarter 2	October 1 - December 31	January 31
Quarter 3	January 1 - March 31	April 30
Quarter 4	April 1 - June 30	July 31

b. Annually, the AAA shall submit performance reports as follows, or as instructed by CDA:

Reporting Period	Due Date
July 1 – June 30	September 30

c. For reports that will be submitted late, ten (10) calendar days prior to the report due date, the AAA shall submit to the Data Team (DataTeam.Reports@aging.ca.gov), a written explanation including the reasons for the delay and the estimated date of submission.

d. For web-based California Aging Report System (CARS) reports, the AAA shall approve all data within ten (10) calendar days of receipt of notification of passed status. If data in the CARS report is not correct and approvable within ten (10) days, the AAA will make a notation in the comments area of the CARS report and submit the data using the approved status button. Reporting Requirements specific to Title III B, Title III C-1, Title III C-2, Title III D, Title III E, and Title VII-A Elder Abuse Prevention Program services

3. The AAA shall submit program data reports electronically as follows
 - a. Upload the OAAPS State Program Report (SPR) to CARS at <https://ca.getcare.com>.
 - b. Submit performance data reports quarterly.
 - c. Submit OAAPS SPR reports annually.
4. The AAA shall verify the accuracy of all data submitted to CDA by reviewing and responding to the Annual Data Error Report in accordance with CDA requirements.
 - a. The AAA shall, in accordance with CDA requirements, correct and/or explain all logic and questionable errors in the Annual Data Error Report.
 - i. The AAA shall return the Annual Data Error Report to CDA, verifying that corrections have been made, via email to DataTeam.Reports@aging.ca.gov.
 - ii. The Annual Data Error Reports are due to CDA by a date specified by CDA, which can vary from year to year.
 - b. The AAA shall review and verify all quarterly and annual OAAPS SPR data for accuracy and make necessary corrections, in accordance with CDA requirements.
5. Reporting Provisions Specific to the Ombudsman Program

The AAA shall take the following actions, or shall require its Subcontractor, the Local Ombudsman Program, to enter data into the Internet-based National Ombudsman Reporting System (NORS) utilizing software provided by CDA, as required. NORS data entry must be timely, complete, accurate, and verifiable.

 - a. Data entry for quarterly NORS reports must be completed no later than one month following the end of the reporting quarter (i.e., October 31, January 31, April 30, and July 31). Upon request, aggregate data may be sent to the corresponding AAA.
 - b. On or before the reporting dates, the Local Ombudsman Program must submit the Quarterly Ombudsman Data Reporting Form (OSLTCO S301), indicating that data for the quarter has been completed or the reason for any delay, to the OSLTCO mailbox (stateomb@aging.ca.gov) with a copy to the AAA.

6. The AAA shall have written reporting procedures specific to each program which include:

- a. Collection and reporting of program data for the AAA and Subcontractor.
- b. Ensuring accuracy of all data from the AAA and Subcontractor.
- c. Verification of the AAA and Subcontractor data prior to submission to the CDA Data Team.
- d. Procedures for the AAA and Subcontractor on correcting data errors.
- e. A methodology for calculating and reporting:
 - i. Total estimated unduplicated clients in each non-registered service.
 - ii. Total estimated unduplicated clients in all non-registered services.
 - iii. Total estimated unduplicated clients across all registered and non registered services.
- f. A performance data monitoring process.

7. The AAA shall orient and train staff and Subcontractor staff regarding program data collection and reporting requirements. The AAA shall have cross-trained staff in the event of planned or unplanned, prolonged absences to ensure timely and accurate submission of data

8. Reporting Provisions Specific to Title VII-A, Chapter 3 Elder Abuse Prevention

- a. The AAA shall electronically submit data reports for the Elder Abuse Prevention Program service categories according to the CDA Service Categories and Data Dictionary into CARS on a quarterly basis by the following due dates:

Quarter	Reporting Period	Due Date
Quarter 1	July 1 - September 30	October 31
Quarter 2	October 1 - December 31	January 31
Quarter 3	January 1 - March 31	April 30
Quarter 4	April 1 - June 30	July 31

4.10 Appeals

1. The AAA may appeal an adverse determination as defined in 22 CCR 7702 using the appeal process established by CDA in 22 CCR 7700 through 7710.

Such appeal shall be filed within thirty (30) days of receipt of CDA's notice of adverse determination.

2. Subcontractors of the AAA may appeal the AAA's final adverse determination relating to Title III and Title VII programs using the appeal process established in 22 CCR 7700 to 7710.
3. Any dispute regarding an existing direct service contract or the procurement of the direct service contract shall be resolved locally, consistent with W&I § 9535(k), and as specified in the procurement documents and contracts of the AAA.
4. Appeal costs or costs associated with any court review are not reimbursable.

4.11 Transition Plans and Obligations Upon Termination

4.11.1 Transition Plan

1. The AAA shall submit a transition plan to the State within fifteen (15) days of delivery of a written Notice of Termination (pursuant to [Section 3.9](#) of this Program Guide) for a service funded either by Title III or Title VII. The transition plan must be approved by the State and shall at a minimum include the following:
 - a. A description of how clients will be notified about the change in their service provider.
 - b. A plan to communicate with other organizations that can assist in locating alternative services.
 - c. A plan to inform community referral sources of the pending termination of the service and what alternatives, if any, exist for future referrals.
 - d. A plan to evaluate clients in order to assure appropriate placement.
 - e. A plan to transfer any confidential medical and client records to a new contractor.
 - f. A plan to dispose of confidential records in accordance with applicable laws and regulations.
 - g. A plan for adequate staff to provide continued care through the term of the Contract. [22 CCR 7206(e)(4)]

- h. A full inventory and plan to dispose of, transfer, or return to the State all equipment purchased during the entire operation of the Program.
 - i. Additional information as necessary to affect a safe transition of clients to other community service providers.
- 2. The AAA shall implement the transition plan as approved by the State. The State will monitor the AAA's progress in carrying out all elements of the transition plan.
- 3. If the AAA fails to provide and implement a transition plan as required by Section 3.9. of this Agreement, the Contractor will implement a transition plan submitted by CDA to the Contractor following the Notice of Termination.

4.11.2 Obligations Upon Termination Specific to the Ombudsman Program

- 1. Transition of Local Ombudsman Services
 - a. The AAA shall, upon receipt of notice of intent to terminate Ombudsman services by the subcontractor, notify the State Ombudsman in writing, within one (1) working day of the receipt of the notice.
 - b. The AAA shall, upon notice of termination, implement one of the following options to ensure continuity of Ombudsman services in accordance with federal and State mandates:
 - i. Continue the provision of mandated Ombudsman services as a subcontract with a provider selected in response to a Request for Proposal (RFP). CDA shall allow the AAA up to one hundred eighty (180) days to transition services to a new subcontractor.
 - ii. Continue the provision of mandated Ombudsman services as a direct service of the AAA. CDA shall allow the AAA up to one hundred eighty (180) days to transition services from the Subcontractor to the AAA.
- 2. Transition Plan
 - a. The AAA shall submit a Transition Plan to the State Ombudsman within fifteen (15) days from the occurrence of any of the following:
 - i. The AAA's receipt of written notice of the Subcontractor's intent to terminate Ombudsman services.
 - ii. The AAA's written notice to the Subcontractor of its intent to terminate the subcontract for Ombudsman services.
 - iii. The AAA's receipt of written notice of CDA's intent to terminate the subcontract for Ombudsman services.

iv. The Transition Plan shall be submitted to:

CDA OSLTCO
2880 Gateway Oaks Drive, Suite 200
Sacramento, CA 95833
Attn: State Ombudsman

b. The AAA shall identify in the Transition Plan which option it has chosen to ensure that there will be no break in continued services, based on the following:

- i. Continue the mandated Ombudsman provisions as a direct service of the AAA, utilizing experienced State Certified Ombudsman Representatives and a local Program Coordinator selected by the AAA and designated by the State Ombudsman to represent the Local Ombudsman Program.
- ii. Continue the mandated Ombudsman provisions as a subcontracted service with a subsequent provider selected in response to an RFP and designated by the State Ombudsman to carry out Ombudsman duties with respect to the PSA.

c. The Transition Plan shall, at a minimum, include the following:

- i. Details of how the AAA shall maintain an adequate level of State Certified Ombudsman Representatives to ensure continuity of services during the transition to a subsequent Local Ombudsman Program.
- ii. Details of how the AAA shall notify all the impacted facilities and community referral sources of the change in the parties providing Local Ombudsman Program services.
- iii. Details of how the AAA shall deliver to the subsequent Local Ombudsman Program, a full inventory of updated confidential client records, public facility records, and records documenting Ombudsman certification and training.
- iv. A description of how the subsequent Local Ombudsman Program will be assisted in assessing the status of all active clients' records at the point of transfer to ensure timely continuation of Ombudsman services.
- v. A description of how residents and their families will be notified about the changes in their Ombudsman services provider.

3. The AAA shall implement the Transition Plan as approved by the State Ombudsman. The State Ombudsman will monitor the AAA's progress in carrying out all elements of the Transition Plan.
4. If the AAA fails to provide and implement the Transition Plan as required above, the AAA agrees to implement a Transition Plan submitted by the State Ombudsman to the AAA. This Transition Plan may utilize State Certified Ombudsman Representatives from either the terminating Subcontractor or from a neighboring Local Ombudsman Program.

4.12 Closeout

1. The Area Plan Financial Closeout Report and the Program Property Inventory Certification shall be submitted annually to the CDA Local Finance Bureau. All AAAs are required to submit Closeout reports as instructed by CDA.
2. Federal funds will be reduced proportionately to maintain the required matching ratios if the AAA fails to report sufficient match.
3. During the review and approval of the closeout, administration costs will be increased to the total amount allocated before approving final costs for Program Development or Coordination activities.
4. Final expenditures must be reported to CDA in accordance with the allocations and funding periods specified in the budget display. If the expenditures reported by the AAA exceed the advanced amount, CDA will reimburse the difference to the AAA up to the program funding allocation amounts listed on the budget display. If the expenditures reported by the AAA are less than the advanced amount, CDA will invoice the AAA for the unspent funds.

The payment on the invoice is due immediately upon receipt or no later than 30 days from the date on the invoice.

If payment is not received within 30 calendar days, CDA will collect payment from upcoming disbursements. To account for the collected funds from the outstanding invoice, the AAA will need to adjust records to move the funds already on hand from the previous fiscal year funding period to the current fiscal year funding period.

5 TITLE V SENIOR COMMUNITY SERVICES PROGRAM (TV SCSEP)

5.1 Introduction

The OAA Title V SCSEP provides part-time, work-based training opportunities for older workers in local community service agencies and assists program participants in obtaining unsubsidized employment. While training in community service positions, participants provide non-profit or government "host agencies" with support to provide community services.

The Program provides participants with a variety of supportive services, such as personal and job-related counseling and job-related training as preparation for community service assignments, job search assistance, and job referrals. The California Department of Aging contracts with local providers who provide Program services and collaborates with six national SCSEP grantees who provide Program services for the remaining participant slots throughout California. Each participant training slot may serve more than one participant over the course of the year.

5.2 Assurances

1. The AAA shall assure the following:
 - a. Services are provided only to the defined eligible service population. [20 CFR 641.500]
 - b. Participants enrolled in the Title V SCSEP shall receive at least the current State minimum wage or the prevailing local wage, whichever is higher, plus all fringe benefits required by law. The AAA or subcontractor must provide uniform fringe benefits to all participants. Participants must be paid for orientation, training, assessment, individual employment planning, and community service assignment work hours. [OAA § 502(c)(6)(A)] [OAA § 504(b)] [20 CFR 641.565]
 - c. Participants shall be provided skill enhancement opportunities, personal and employment-related counseling, assistance in transition to unsubsidized employment, and other benefits. [20 CFR 641.535]
2. The AAA shall assure that the Title V SCSEP will serve the eligible service population and give priority to individuals who:
 - a. Are sixty-five (65) years of age or older.
 - b. Have a disability.
 - c. Have LEP or low literacy skills.
 - d. Reside in a rural area.
 - e. Are veterans or spouses of veterans as defined in 20 CFR 641.520(b).
 - f. Have low employment prospects.
 - g. Have failed to find employment after utilizing services provided through the AJC Delivery System; or
 - h. Are homeless or at risk for homelessness.

- i. Have been incarcerated within the last 5 years or is under supervision following release from prison or jail within the last 5 years. [OAA §518(b)(2)(H)]
[OAA § 518(b)] [20 CFR 641.520]
3. The AAA shall develop and implement methods to recruit minority populations to ensure they are enrolled at least in proportion to their numbers in the population in the area. [OAA § 515(c)]
4. The AAA will comply with an average participation cap for eligible individuals of no more than twenty-seven (27) months in the aggregate, unless requested and approved by DOL. [OAA § 502(b)(1)(C)] [20 CFR 641.570(c)] [DOL Training and Employment Guidance Letter (TEGL) 22-19]
5. The AAA will assure that community service assignments must not reduce the number of employment opportunities or vacancies that would otherwise be available to individuals who are not Title V SCSEP participants. [OAA § 502(b)(1)(G)] [20 CFR 641.844(1)]
6. The AAA will use a tool that encompasses all program requirements found in CDA's Title V SCSEP monitoring tool when monitoring local project (subcontractors).
7. The AAA will follow CDA's Participant Termination Policy (PM 11-20). [20 CFR 641.580] [20 CFR 641.910]
8. The AAA shall establish grievance procedures for resolving participant's questions and complaints. In addition, the AAA shall comply with all non-discrimination provisions related to Title V SCSEP funds. [20 CFR 641.827]; [20 CFR 641.910]; CDA PM 11-20 and CDA PM 11-06. The grievance procedure shall in the case of:
 - a. Civil Rights violations, advise participants to submit their questions or file complaints with the Director, Civil Rights Center, U.S. Department of Labor, Room N-4123, 200 Constitution Avenue, N.W., Washington, D.C. 20210.
 - b. Non-Civil Rights violations, advise participants who are not satisfied with the final determination of his/her grievance, to file an appeal with DOL within thirty (30) days of the determination. Said appeal shall be directed to Chief, Division of Adult Services, Employment and Training Administration, U.S. Department of Labor 200 Constitution Avenue, N.W., Washington, D.C. 20210.
9. Political Activities
The AAA Shall assure the following:

- a. The AAA will post a notice at each training site and make available to each participant, a written explanation of allowable and unallowable political activities in accordance with OAA § 502(b)(1)(P) and 20 CFR 641.836.
 - b. Notices shall state that Title V SCSEP participants may engage freely in the political process with the following exceptions:
 - i. Participants may not engage in partisan or nonpartisan political activities during hours for which they are being paid with Title V SCSEP funds. [20 CFR 641.836(d)(1)]
 - ii. Participants may not present themselves as a spokesperson for Title V SCSEP while engaged in political activity. [20 CFR 641.836(d)(2)]
 - iii. Participants may not be assigned to the office of a Member of Congress, a State or local legislator, or on the staff of any legislative committee. [20 CFR 641.836(d)(3)]
10. The AAA shall have appropriate office space for conducting private participant interviews to enable participants to freely discuss their backgrounds and experiences in a confidential manner.
11. The AAA shall comply with CDA's Title V SCSEP Authorized Break in Participation Policy (CDA PM 14-15). [20 CFR 641.570(d)]
12. The AAA shall ensure participants have safe and healthy working conditions at their community service employment worksites. [OAA § 502(b)(1)(J)] [20 CFR 641.535(a)(10)]
13. The AAA acknowledges that CDA reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes:
- a. The copyright in all products developed under this Program Guide, including a subcontract.
 - b. Any rights of copyright to which the AAA or subcontractor purchases ownership under an award (including, but not limited to; curricula, training models, technical assistance products, and any related materials).
 - c. Products developed in whole or in part with contract funds shall include the following language:
 - i. SCSEP is funded by a contract awarded by CDA totaling \$XXX,XXX (XX%) with grant funds from the U.S. Department of

Labor's Employment and Training Administration with \$XXX.XX (XX%) financed with non-federal sources.

- ii. The product was created by the "name of AAA" and does not necessarily reflect the official position of CDA and the U.S. Department of Labor.
- iii. No guarantees, warranties or assurances of any kind, express or implied are made with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership.

14. Pursuant to Public Law 116-94, Division A, Title V, Section 506 and 507, AAA acknowledges that federal funds may not be expended for health benefits coverage that includes coverage of abortions, except when the pregnancy is the result of rape or incest, or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including life-endangering physical conditions caused by or arising from the pregnancy itself that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. This does not prohibit providing health benefits coverage for abortions when all funds for that specific benefit do not come from a federal source. Additionally, AAA agrees that no federal funds may be provided to a local government if that local government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

15. Federal funds may not be used to enter into or renew a contract which includes a provision for prescription drug coverage unless the contract also includes a provision for contraceptive coverage. This requirement does not apply to contracts with 1) the religious plans Personal Care's HMO and OSF HealthPlans, Inc. and 2) health benefit plans that object to such coverage on the basis of religious beliefs. In implementing this section, any plan that enters into or renews a contract may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individuals' religious beliefs or moral convictions. Nothing in this term shall be construed to require coverage in contradiction to Item 14.

16. AAA agrees to comply with the Flood Disaster Protection Act of 1973, and will not use federal funds to acquire, modernize or construct property in flood-prone communities, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within one year of identification.

17. AAA agrees that its employees and volunteers will not engage in severe forms of trafficking in persons during the period of time that the award is in effect,

procure a commercial sex act, during the period of time that the award is in effect, use forced labor in the performance of the services outlined within this Program Guide. This Program Guide is subject to provisions of the Trafficking Victims Protection Act of 2000, and violations of this Section may result in termination of the MOU.

18. AAA agrees that work created with the support of federal funds shall be licensed under a Creative Commons Attribution 4.0 (CC BY) license. Work that must be licensed under the CC BY includes both new content created with federal funds and modifications made to pre-existing, recipient-owned content using grant funds. Notice of the license shall be affixed to the work.

19. AAA acknowledges that CDA may be required to maintain the currency of information in the Federal Awardee Performance and Integrity Information System (FAPIS). AAA agrees to submit the following information to CDA within 30 days when in connection with the performance of this contract:

- a. A criminal proceeding
- b. A civil proceeding that results in a monetary fine, penalty, reimbursement, restitution, or damages
- c. An administrative proceeding that results in a monetary fine, penalty, reimbursement, restitution, or damages
- d. Any other criminal, civil or administrative proceeding that could have resulted in a fine, penalty, reimbursement, restitution, or damages

20. AAA agrees that the federal government shall have certain intellectual property rights in adherence with the Bayh-Dole Act (the Patent and Trademark Law Amendments Act), as codified at 37 CFR 401.3 and 401.14. These requirements describe the ownership of intellectual property rights and the government's nonexclusive, nontransferable, irrevocable, paid-up license to use any invention conceived or first actually reduced to practice in the performance of work under this grant.

5.3 Program Definitions *(Revised 08/25)*

1. **"American Job Centers" (AJC, also known as the One-Stop Centers):** agencies that are funded by the Workforce Innovation and Opportunities Act (WIOA). [20 CFR 678.900]
2. **"BCT Partners":** the entity designated by United States (U.S.) Department of Labor (DOL) to maintain the Title V Senior Community Service Employment Program (SCSEP) Grantee Performance Management System (GPMS) and the Web Data Collection System (WDACS).

3. **“Charter Oak Group” (COG):** the entity designated by DOL to create and maintain the Title V SCSEP WDCS handbook that provides direction on entering data into the WDCS.
4. **“Classroom Training Hours”:** the number of hours spent in classroom training by Title V SCSEP participants. [20 CFR 641.540(c)]
5. **“Community-Service Employment”:** part-time, temporary employment paid with Title V funds in projects at host agencies through which eligible individuals are engaged in community service and receive work experience and job skills that can lead to unsubsidized employment. The term “community service assignment” is used interchangeably with “community service employment.” Assignments may be supplemented by general or specialized skills training and a participant must have an Individual Employment Plan (IEP) that details skills to be attained and timelines for achieving the goal. [OAA § 518(a)(2)] [20 CFR 641.140] [20 CFR 641.577]
6. **“Core Measures”:** performance measures that are subject to goal-setting and corrective action and are:
 - a. Hours of community service employment;
 - b. Percentage of project participants who are in unsubsidized employment during the second quarter after exit from project;
 - c. Percentage of project participants who are in unsubsidized employment during the fourth quarter after exit from the project;
 - d. Median earnings of project participants who are in unsubsidized employment during the second quarter after exit from the project;
 - e. Indicators of effectiveness in serving employers, host agencies, and project participants;
 - f. Number of eligible individuals served; and
 - g. Number of most-in-need individuals served.[OAA § 513(b)(1)] [OAA § 518(a)(3)(B)(ii) or (b)(2)] [20 CFR 641.700(b)] [20 CFR 641.710]
7. **“Eligible Service Population”:** unemployed, low-income, California residents who are fifty-five (55) years of age or older and who have poor employment prospects. [OAA § 518(a)(3)(A)] [20 CFR 641.500] [20 CFR 641.520(a)]

Priority must be given to individuals who are sixty-five (65) years of age and older or:

- a. Have a disability.
 - b. Have limited English proficiency or low literacy skills.
 - c. Reside in a rural area.
 - d. Are veterans or spouses of veterans as defined in 20 CFR 641.520(a)(5) 38 U.S.C. 4215(a).
 - e. Have low employment prospects.
 - f. Have failed to find employment after utilizing services provided through the One-Stop Delivery System.
 - g. Are homeless or at risk for homelessness. [OAA § 518(b)] [20 CFR 641.520]
 - h. Have been incarcerated within the last 5 years or is under supervision following release from prison or jail within the last 5 years. [OAA § 518(b)(2)(H)]
8. **“Host Agency”**: a public agency or private non-profit organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code of 1986 which provides a training work site and supervision for one or more participants. [20 CFR 641.140]
9. **“Hours of Community Service Employment”**: the number of hours of community service provided by Title V SCSEP participants. [20 CFR 641.577] [20 CFR 641.710(a)]
10. **“In-Kind Contributions”**: the value of non-cash contributions donated to support the project or program (e.g., property, service, host agency supervisory time, etc.).
11. **“Indicators of Effectiveness in Serving Employers, Host Agencies, and Project Participants”**: the combined results of customer assessments of the services received by each of these three customer groups. [20 CFR 641.710(e)]
12. **“Individual Durational Limit”**: a participant can be enrolled in the program for up to forty-eight (48) months. [OAA § 518(a)(3)(B)(i)] [20 CFR 641.570(a)] [California Department of Aging (CDA) Program Memo (PM) 10-19] [CARES Act Sec.3223(I)(A)] [DOL Training and Employment Guidance Letter (TEGL) 22-19]
13. **“Infrastructure Costs”**: the shared infrastructure costs negotiated between the AAA and the local Workforce Development Board (WDB) to operate a local AJC or One-Stop Center. Shared infrastructure costs are required of all WIOA partners, including Title V SCSEP. These costs are identified in an executed Memorandum of Understanding (MOU) between the AAA and the local

WDB. Infrastructure Costs may be charged to Administration or Other Program.
[29 U.S.C 3151] [20 CFR 678.400 through 20 CFR 678.510]

14. **“Job Ready”**: individuals who do not require further education or training to perform work that is available in their labor market. [20 CFR 641.140]

15. **“Limited English Proficiency” (LEP)**: individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. [20 CFR 641.140]

16. **“Low-Income”**: family income not more than 125 percent (125%) of the federal poverty guidelines. [OAA § 518(a)(3)(A)] [20 CFR 641.500]

17. **“Measures of Performance”**: the seven core measures that are subject to goal-setting and corrective action. [20 CFR 641.700(a)] 20 CFR 641.720]

18. **“Median Earnings of Project Participants Who are in Unsubsidized Employment During the Second Quarter After Exit from the Project”**: the formula: For all participants who exited and are in unsubsidized employment during the second quarter after the exit quarter: The wage that is at the midpoint (of all the wages) between the highest and the lowest wage earned in the second quarter after the exit quarter. [20 CFR 641.710(d)]

19. **“Modified Positions”**: the number of authorized training slots adjusted to account for states with a higher minimum wage paid to participants. [SCSEP Quarterly Progress Report, ETA 5140]

20. **“Number of Eligible Individuals Served” (service level)**: the total number of participants served, divided by the AAA’s authorized number of positions, after adjusting for minimum wage. [20 CFR 641.710(f)]

21. **“Number of Most-in-Need Individuals Served” (service to most-in-need)**: service to participants who meet any of the following characteristics:

- a. Have a severe disability.
- b. Are frail.
- c. Are aged seventy-five (75) or older.
- d. Meet the eligibility requirements related to age for, but do not receive, benefits under Title II of the Social Security Act.
- e. Live in an area with persistent unemployment and are individuals with severely limited employment prospects.
- f. Have LEP.
- g. Have low literacy skills.

- h. Have a disability.
- i. Reside in a rural area.
- j. Are veterans.
- k. Have low employment prospects.
- l. Have failed to find employment after utilizing services provided under Title I of the Workforce Innovation and Opportunity Act, Public Law 113-128.
- m. Are homeless or at risk for homelessness.

[OAA § 518(a)(3)(B)(ii) or (b)(2)] [20 CFR 641.710(g)]

22. **“On-The-Job-Experience (OJE) Training”**: developing a training assignment that provides the participant an opportunity to develop and practice specific skills and/or experience, which are not attainable through the regular community service assignment. [Older Worker Bulletin No. 04-04]

23. **“Participant”**: an individual who is eligible for the Title V SCSEP; is given a community service assignment; and is receiving services funded by the program for up to forty-eight (48) months. [OAA § 518(a)(3)] [20 CFR 641.140] [20 CFR 641.570(a)]

24. **“Participant Position”**: an authorized training slot whose unit cost includes administration; participant wage and fringe benefits; and other participant costs. The number of participant slots and the amount of funding available for a given fiscal year is based on an equitable distribution ratio determined by the U.S. Census and allocated by DOL. [OAA § 506(g)(1)] [OAA § 507] [20 CFR 641.140]

25. **“Percentage of Project Participants Who are in Unsubsidized Employment During the Second Quarter After Exit from Project”**: defined by the formula: The number of participants who exited during the reporting period who are employed in unsubsidized employment during the second quarter after the exit quarter divided by the number of participants who exited during the reporting period multiplied by 100. [20 CFR 641.710(b)]

26. **“Percentage of Project Participants Who are in Unsubsidized Employment During the Fourth Quarter After Exit from the Project”**: defined by the formula: The number of participants who exited during the reporting Period who are employed in unsubsidized employment during the fourth quarter after the exit quarter divided by the number of participants who exited during the reporting period multiplied by 100. [20 CFR 641.710(c)]

27. **“Program Income”**: income earned by the AAA during the Contract period that is directly generated by an allowable activity supported by contract funds or earned as a result of the award of contract funds, and may include:
- a. Voluntary contributions received from a participant or responsible party as a result of the service.
 - b. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement.
 - c. Royalties received on patents and copyrights from contract supported activities.
 - d. Proceeds from the sale of goods created under CDA grant funds.
28. **“Recipient Local Share”**: local cash and/or in-kind contributions made by the Contractor, Subcontractor, or other local resources and reported to CDA. [OAA § 502(c)(2)] [20 CFR 641.809]
29. **“State Plan”**: a plan that outlines a four-year strategy, and describes the planning and implementation process, for the statewide provision of community service employment and other authorized activities for eligible individuals under Title V SCSEP. [OAA § 503(a)] [20 CFR 641.140]
30. **“Subcontract”**: Any form of legal agreement between the AAA and the Subcontractor, including an agreement that the AAA or Subcontractor would consider to be a contract, including vendor type Agreements for providing goods or services for the Subcontractor to carry out part of a federal award received by the Contractor under this Program Guide. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program.
31. **“Subcontractor”**: The legal entity that receives funds from the AAA to carry out any part of a federal award identified in this Program Guide.
32. **“Supportive Services”**: services, such as transportation; health and medical services; special job-related or personal counseling; incidentals, such as work shoes, badges, uniforms, eyeglasses, and tools; child and adult care; housing, including temporary shelter; follow-up services; and needs-related payments which are necessary for an individual to participate in program activities authorized under Title V SCSEP. [OAA § 502(c)(6)(A)(iv)] [OAA § 518(a)(8)] [20 CFR 641.140] [20 CFR 641.545]
33. **“Title V SCSEP Grantee Performance Management System (GPMS)”**: the DOL system used to process and analyze Title V SCSEP data and the system used to view, print, and save Title V SCSEP quarterly progress reports, data quality reports, and management reports. [OAA § 503(f)(3)-(4)] [20 CFR 641.879(b)] [20 CFR 641.879(e)-(h)]

34. **“Title V Senior Community Service Employment Program (SCSEP)”**: a program that serves unemployed, low-income persons who are fifty-five (55) years of age and older and who have poor employment prospects by training them in part-time community service assignments and by assisting them in developing skills and experience to facilitate their transition to unsubsidized employment. [OAA § 502(a)(1)] [20 CFR 641.110]

35. **“Transfer/Change Utility”**: the WDCCS procedure used to transfer a participant in GPMS from one contractor to another or changing a sub-contractor within a subcontractor. [Title V SCSEP Data Collection Handbook Rev. 7 (March 2017), Participant Form Guide (page 39, number 17)]

36. **“Unemployed”**: an individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income. [OAA § 518(a)(9)] [20 CFR 641.140]

37. **“Web Data Collection System (WDCCS)”**: the DOL web-based data collection system used to input all Title V SCSEP program and participant information into GPMS. [OAA § 503(f)(3)-(4)] [GPMS User Guide for Grantees Version 1.5 (January 2024)] [20 CFR 641.879(b)] [20 CFR 641.879(e)-(h)]

5.4 Scope of Work *(Revised 08/25)*

1. The AAA or subcontractor shall perform the following if operating as a direct or contracted Title V SCSEP program:
 - a. Implement statutory provisions of the Title V SCSEP in accordance with all applicable laws, regulations, and this Program Guide including but not limited to:
 - i. Older Americans Act (OAA) of 1965, as amended through Public Law 116-131, enacted March 25, 2020.
 - ii. 20 CFR Part 641 SCSEP: Final Rule, September 1, 2010.
 - iii. 20 CFR Part 641 SCSEP; Performance Accountability, Final Rule, August 29, 2018.
 - iv. 20 CFR Part 641 SCSEP; Performance Accountability, Interim Final Rule, December 1, 2017.
 - v. Workforce Innovation and Opportunity Act of 2014 (WIOA), Public Law 113-128.
 - vi. 2 CFR Part 200, Office of Management and Budget (OMB), Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Final Rule.

- vii. 2 CFR Part 2900, Uniform Administrative, Requirements, Cost Principles and Audit Requirements for Federal Awards Technical Amendments, Department of Labor (DOL).
 - viii. 20 CFR 678.400 through 20 CFR 678.510.
 - ix. Jobs for Veterans Act of 2002, Public Law 107-288. [38 U.S.C. 4215]
 - x. Age Discrimination in Employment Act of 1967, Public Law 90-202.
 - xi. California Healthy Workplaces/Healthy Families Act 2014.
 - xii. Age Discrimination Act of 1975. [42 U.S.C. 6101 to 6107]
 - xiii. Terms and Conditions of this Program Guide, the MOU, and the Terms and Conditions of the current SCSEP grant.
 - xiv. Other CDA PMs, laws, regulations, and guidance pertaining to Title V SCSEP posted on the CDA website.
 - xv. Any other subsequent TEGLs, memos, bulletins, or similar instructions issued during the term of this Agreement by DOL.
 - xvi. Privacy Act of 1974, as amended, 5 U.S.C. § 552a.
- b. Review, approve, and monitor its subcontractor budgets and expenditures and any subsequent amendments and revisions to budgets. To the extent feasible, ensure that all budgeted funds are fully expended by the end of each fiscal year. [20 CFR 641.430(e)-(f)] [2 CFR 200.327] [2 CFR 200.328]
- c. Develop methods of recruitment and selection that will assure the maximum number of eligible individuals have the opportunity to participate in the program. [20 CFR 641.515(a)]
- d. Provide a paid orientation to participants that include information on project goals and objectives; community service training assignments; training opportunities; available supportive services; the availability of a free physical examination; participant's rights and responsibilities; CDA Participant Termination Policy; CDA Grievance Policy; CDA Authorized Break in Participation Policy; and permitted and prohibited political activities. [20 CFR 641.535(a)(1)] [20 CFR 641.535(a)(9)] [20 CFR 641.570(d)] [CDA PM 11-06] [CDA PM 11-20] [CDA PM 14-15]
- e. Conduct individual assessments of the participants' work history; skills and interests; talents; physical capabilities; aptitudes; occupational preferences; needs for supportive services; potential for performing

proposed community service assignment duties; and potential for transition to unsubsidized employment. Assessments must be conducted no less frequently than two (2) times during a 12-month period. [20 CFR 641.535(a)(2)]

f. Provide an Individual Employment Plan (IEP) for each participant based on an assessment. IEPs shall be developed in partnership with each participant and must reflect the needs as well as the expressed interests and desires of the participant. The initial IEP should include an appropriate employment goal for each participant. IEPs shall be updated as necessary to reflect information gathered during the participants' assessments. IEPs shall contain goals, action steps to achieve goals, and timelines to complete goals. [20 CFR 641.140] [20 CFR 641.535(a)(3)]

g. Provide or arrange for training for participants specific to their community service assignment or in support of their training needs identified in their IEP. [20 CFR 641.535(a)(5)-(6)]

h. Submit all requests for an OJE to CDA for approval prior to exercising the OJE with any participants. OJE training is permitted with the same employer, but no more than five (5) times per year for the same job category. [Older Worker Bulletin No. 04 04]

i. Obtain and record the personal information necessary for a proper determination of eligibility for all participants and maintain documentation supporting their eligibility. The income of each participant shall be recertified once every twelve (12) months. Documentation records shall be maintained in a confidential manner. [20 CFR 641.505]

j. Cooperate with community, employment, and training agencies, including agencies under the WIOA, to provide services to low-income older workers. [20 CFR 641.200]

k. Participate in the development of the Title V SCSEP State Plan. Local activities must support the strategic focuses outlined in the Title V SCSEP State Plan. [20 CFR 641.315(a)]

l. Submit a SCSEP Project Quarterly Narrative Progress Reports to CDA each quarter using guidance distributed by CDA. [20 CFR 641.879(f)]

m. Follow-up with participants placed into unsubsidized employment to determine whether they are still employed and to make certain that participants receive any follow-up services they may need to ensure retention. [20 CFR 641.545(c)]

n. Execute a signed Memorandum of Understanding (MOU) between the Local Workforce Development Board(s) and the AAA detailing how services will be provided and identifying the AAA required shared infrastructure costs. [WIOA, Public Law 113-128]

The MOU must contain the following components:

- i. A description of the functions/services to be performed for AJC (One-Stop Center) clients.
- ii. An explanation of how the costs of these functions/services and AJC (One-Stop Center) operations will be funded, including WIOA required shared contributions to infrastructure costs. Negotiated infrastructure costs must be captured on the AAA's budget under Administration or Program Other.
- iii. A description of the methods to be used for referring clients among the partners.
- iv. The duration of the MOU and procedures for amending it.

[29 U.S.C. 3151] [20 CFR 678.400 through 20 CFR 678.510]

o. Maintain an up-to-date SCSEP Data Collection Handbook, BCT Partners Data Validation Handbook, and copies of both State and federal departmental requirements so that all responsible persons have ready access to standards, policies, and procedures. [20 CFR 641.879(b)] [20 CFR 641.879(d)-(e)]

p. Use the program data collection and reporting system as required by CDA in this Program Guide. [OAA § 503(f)(3)-(4)]

q. Submit all requests for a Transfer/Change utility transaction in GPMS to CDA for prior approval. [Title V SCSEP Data Collection Handbook Rev. 7 (March 2017), Participant Form Guide (page 39, number 17)]

r. Not enroll individuals who can be directly placed into unsubsidized employment. [20 CFR 641.512].

s. Use the COG's SCSEP Data Collection Handbook, provided on COG's website, for DOL policy guidance, frequently asked questions, and revisions to the handbook.

t. The Healthy Workplaces/Healthy Families Act of 2014 provides paid sick leave to all California employees who work for the same employer ninety (90) or more days.

SCSEP programs must:

- i. Provide participants with forty (40) hours of sick leave at the start of each program year, provided the participant(s) have been with SCSEP longer than ninety (90) days. (CA Labor Code Section 246)
- ii. Unspent sick leave time will not be carried over to the following program year.
- iii. A participant is entitled to use paid sick days beginning on the 90th day of the training assignment.
- iv. Participants on sick leave are not permitted to participate in any trainings, workshops, and/or meetings.
- v. When a participant uses sick leave, the participant must record absent hours on that pay period's time sheet.

2. Core Measures [20 CFR 641.700(b)]

The AAA shall, or if subcontracted, the Subcontractor shall, meet the biennially negotiated performance measures established by the DOL, which include the following core measures:

- a. Hours of community service employment.
- b. Percentage of project participants who are in unsubsidized employment during the second quarter after exit from project.
- c. Percentage of project participants who are in unsubsidized employment during the fourth quarter after exit from project.
- d. Median earnings of project participants who are in unsubsidized employment during the second quarter after exit from the project.
- e. Indicators of effectiveness in serving employers, host agencies, and project participants.
- f. The number of eligible individuals served.
- g. The number of most-in-need individuals served.

[OAA § 513(b)(1)] [20 CFR 641.700(b)] [20 CFR 641.710]

3. In addition to the conditions above, the AAA shall perform the following if subcontracting for Title V SCSEP program services [2 CFR 200.327] [2 CFR 200.328]:

- a. Ensure all applicable provisions required within this Program Guide are included in any subcontract entered into by the AAA to carry out the terms outlined within this Program Guide.

b. Pursuant to 2 CFR § 200.332(a), The AAA must verify that a subcontractor is not excluded or disqualified in accordance with [2 CFR § 180.300](#). Verification methods are provided in § 180.300 which includes confirming in *SAM.gov* that the potential subcontractor is not suspended, debarred, or otherwise excluded from receiving federal funds.

The AAA shall ensure every subcontract is clearly identified to the subcontractor as a subcontract and includes the information provided below. The AAA must provide the best available information when some of the information below is unavailable. The AAA must provide the unavailable information when it is obtained. Required information includes:

- i. Federal award identification:
 - a) Subcontractor's name (must match the name associated with the UEI);
 - b) Subcontractor's UEI;
 - c) Federal Award Identification Number (FAIN);
 - d) Federal Award Date;
 - e) Subcontract Period of Performance Start and End date;
 - f) Subcontract Budget Period Start and End date;
 - g) Amount of Federal Funds Obligated in the subcontract;
 - h) Total Amount of Federal Funds Obligated to the subcontractor by the AAA, including the current financial obligation;
 - i) Total Amount of the Federal Award committed to the subcontractor by the AAA;
 - j) Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA);
 - k) Name of the Federal agency, AAA and contact information for Contractor's Awarding Official;
 - l) Assistance Listings Title and Number; the AAA must identify the dollar amount made available under each federal award and the Assistance Listings Title and Number at the time of disbursement;
 - m) Identification of whether the federal award is for research and development; and
 - n) Indirect cost rate for the federal award including if the de minimis rate is used in accordance with [2 CFR § 200.414](#).
- ii. All requirements of the subcontract, including requirements imposed by federal statutes, regulations, and the terms and conditions of the federal award.

- iii. Any additional requirements the AAA imposes on the subcontractor for the AAA to meet its responsibilities under the federal award. This includes information and certifications required for submitting financial and performance reports that the AAA must provide to the federal agency. ([2 CFR § 200.415](#))
- c. Conduct an annual onsite monitoring, evaluate, and document the Subcontractor's performance and compliance with this Program Guide.
- d. Provide training, support and technical assistance to the Subcontractor(s) as needed and respond in writing to all written requests from the Subcontractor(s) for guidance, and interpretation of instructions.

5.4.1 Additional Federal Requirements

This Program Guide is subject to the requirements of the U.S. Department of Labor (DOL)'s Senior Community Service Employment Program (SCSEP) grant Terms and Conditions and Assurances. By receiving funds to perform services outlined within this Program Guide, the AAA agrees that it will carry out the project/program as authorized and will comply with the terms and conditions and other requirements of this Program Guide, including but not limited to:

1. U.S. Department of Labor Training and Guidance Letter (TEGL) 22-19
AAA is bound by the authorizations, restrictions, and requirements contained in the U.S. Department of Labor, Training and Guidance Letter (TEGL) 22-19, SCSEP Planning Instructions and Allocations.
2. Salary and Bonus Limitations (TEGL 5-06)
Pursuant to Public Law 116-94, Division A, Title I, Section 105, this award is subject to the Salary and Bonus limitations in Public Law 109-234. The limitation applies to all programs administered or funded by the U.S. Department of Labor and covers any salary or bonus payments made by the AAA or subcontractor to an individual.
3. Requirements for Conferences and Conference Space
Conferences sponsored in whole or in part by the AAA are allowable if the conference is necessary and reasonable for the successful performance of the federal award. For more information on the requirements and allowability of costs associated with conferences, refer to 2 CFR 200.432.
4. Architectural Barriers
Architectural Barriers Act of 1968, 42 U.S.C. 4151 et seq., as amended, the Federal Property Management Regulations (see 41 CFR 102-76), and the Uniform Federal Accessibility Standards issued by GSA (see 36 CFR 1191, Appendixes C and D) set forth requirements to make facilities

accessible to, and usable by, the physically handicapped and include minimum design standards. All new facilities designed or constructed with grant support must comply with these 23 requirements.

5. Executive Orders

The AAA shall assure compliance with the following Executive Orders (EO)

a. EO 12928 - AAA is strongly encouraged to provide subcontracting opportunities to Historically Black Colleges and Universities and other Minority Institutions; Tribal Colleges and Universities; and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals.

b. EO 13043 - AAA is encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

c. EO 13513 - AAA and subcontractors are encouraged to adopt and enforce policies that ban text messaging while driving company-owned or rented vehicles or Government Owned Vehicles (GOV), while driving Privately Owned Vehicles (POV) when on official Government business, or when performing any work for, or on behalf of the Government.

d. EO 13166 - AAA shall take reasonable steps to ensure that LEP persons have meaningful access to programs in accordance with DOL's Policy Guidance on the Prohibition of National Origin Discrimination as it Affects Persons with Limited English Proficiency. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>.

6. Reporting Total Compensation of AAA Executives

The AAA shall report the names and total compensation of its top five (5) most highly compensated executives for the preceding fiscal year unless the AAA's gross income from all federal contracts and subcontracts is under \$300,000. Such report shall be made to CDA no later than thirty (30) days after the execution of this Agreement.

7. Reporting Fraud, Abuse, and Criminal Conduct (TEGL 2-12)

The AAA shall immediately document and report to CDA allegations, suspicions and complaints involving possible fraud, program abuse and criminal misconduct. In addition, situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount

larger than \$50,000 (e.g. \$500,000), are considered emergencies and must immediately be reported to CDA by telephone and followed up with a written report, no later than one working day after the telephone report. No action will be taken against any complainant for disclosing information concerning criminal or improper activities or making a valid complaint to proper authorities. Complainants may remain anonymous.

8. Hotel-Motel Fire Safety

Pursuant to 15 U.S.C. 2225(a), the AAA must ensure that all space for conferences, meetings, conventions or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (P.L. 101-391, as amended). AAA may search the Hotel Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if the property is in compliance, or to find other information about the Act.

9. Contracting with Corporations

The AAA is prohibited from knowingly entering into a contract, memorandum of understanding, or cooperative agreement with any corporation or its subsidiary that:

- a. Was convicted of a felony criminal violation under any federal law within the preceding twenty-four (24) months.
- b. Has any unpaid federal tax liability for which all judicial and administrative remedies have been exhausted.
- c. Is an inverted domestic corporation under Section 835(b) of the Homeland Security Act of 2002. [6 U.S.C. 395(b)]

10. Prohibition on Procuring Goods Obtained Through Child Labor

Pursuant to Public Law 116-94, Division A, Title I, Section 103, no funds may be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, in whole or in part, by forced or indentured child labor in industries and host countries identified by DOL.

11. Restriction on Purchase of Sterile Needles or Syringes

Pursuant to Public Law 116-94, Division A, Title V, Section 527, no Federal funds shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug.

12. Requirement for Blocking Pornography

Pursuant to Public Law 116-94, Division A, Title V, Section 520, no federal funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

5.5 Budget and Budget Revisions *(Revised 08/25)*

1. The AAA shall be compensated for expenses only as itemized in the approved Budget with the exception of line-item budget transfers as noted in this Section and shall not be entitled to payment for these expenses until this Agreement is approved and executed by CDA. The approved budget is hereby incorporated by reference into the MOU.

2. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The AAA's budget shall include, at a minimum, the following items when reimbursable under the legal authority provided by this Program Guide and the MOU:

a. Personnel Costs – annual full-time effort (FTE) wage rates and personnel classifications together with the percentage of time to be charged, specified for each fund source. 2 CFR 200.430 must be followed for rules regarding allowability of personnel costs.

i. Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- 1) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- 2) Be incorporated into the official records of the non-federal entity;
- 3) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
- 4) Support the distribution of the employee's salary among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-Federal award, an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

- 5) Budget estimates (i.e. estimates determined before the services are performed) alone do not qualify as support for changes to Federal awards.
 - ii. Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.
 - b. Fringe Benefits.
 - c. Contractual Costs – subcontract and consultant cost detail.
 - d. Allocated Direct Costs – requires submission of a Direct Cost Allocation Plan for prior approval. OR Indirect Costs – costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable as a direct cost.
 - e. Rent - total costs.
 - f. Supplies – to include items that do not qualify as property. See section 3.4 Property of this Program Guide.
 - g. Property – detailed description and unit costs. See section 3 Property, of this Program Guide.
 - h. Travel (In State Travel and Out of State) – mileage reimbursement rate, lodging, per diem and other costs.
 - i. Staff Training - attendance cost for necessary training
 - j. Other Costs - facilities, operating expenses, and other ordinary and necessary costs.
3. The AAA shall ensure that the Subcontractor shall submit a budget, which shall be incorporated by reference into the Subcontract and will have, at a minimum, the categories listed in Item 2. above.

5.5.1 Indirect Costs – Increases effective July 1, 2025 (*Revised 08/25*)

1. The maximum reimbursement amount allowable for indirect costs is fifteen percent (15%) of the Contractor's Modified Total Direct Costs (MTDC).

Modified Total Direct Cost (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes in-kind contributions, equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$50,000 Other items may only be excluded when

necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs. [45 CFR 75.2]

2. AAAs requesting reimbursement for indirect costs exceeding the maximum fifteen percent (15%) shall retain on file an approved negotiated indirect cost rate or cost allocation plan.

3. For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). [2 CFR 200.414]

5.6 Program Specific Funds

5.6.1 Program Income

1. "Program income" is revenue generated by the AAA or subcontractor from Program Guide-supported activities and includes:

- a. Voluntary contributions received from a participant or responsible party as a result of the service.
- b. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided to perform services outlined within this Program Guide.
- c. Royalties received on patents and copyrights from services outlined within this Program Guide.
- d. Proceeds from the sale of items fabricated under a contract agreement.

2. Costs of generating program income may be deducted from gross income to determine program income earned, provided these costs are not charged to program funding.

3. Program income must be expended prior to drawing down additional funds as required in [2 CFR 200.305(b)(5)] and [2 CFR 200.307(e)].

4. Program Income remaining at the end of the period of performance must be returned to CDA.

5.6.2 Recipient Local Share

Recipient Local Share (cash and/or in-kind) must be reported monthly, and shall be limited to:

1. Cash and/or in-kind contributions, if such contributions are used to meet program requirements.
2. Recipient Local Share (cash or in-kind) verifiable from the records of the Contractor or subcontractor.
3. Recipient Local Share used for allowable costs in accordance with the Code of Federal Regulations [2 CFR 200] and [2CFR 2900].
4. On-the-Job Experience expenditures applied to wages and fringe benefits, other program costs, or administration, shall be identifiable in the AAA's records.

5.7 Program Specific Budget and Budget Revision

1. The AAA shall submit electronically the original Title V Budget with the annual updates by May 1, unless otherwise instructed by CDA.
2. The AAA shall submit electronically, a budget revision thirty (30) days after receiving an amended Title V Budget Display with changes in funding levels, unless otherwise instructed by CDA.
3. Budget revisions may be submitted as necessary, but no later than (60) days prior to the ending of the current fiscal year funding period.
4. The AAA is limited to eight percent (8%) of the federal allocation for Administration.
5. Administrative costs for a subcontractor are limited to ten (10%) percent of the federal allocation and should be reported as Subcontractor Administration in the Title V Budget.
6. Consultant fees are limited to \$710 per day without prior DOL Grant approval.
7. The AAA shall ensure that of the total federal funds expended, not less than seventy-nine percent (79%) shall be spent for Participant Wages and Fringe Benefits.
8. The AAA is not required to budget On-the-Job Experience (OJE) training costs separate from other costs; costs shall be tracked during the funding period as specified on the budget display.
9. The AAA may charge expenditures associated with participant assessment, training, job development, counseling functions, etc. to the Program Other category in the Title V Budget.

a. Property with per unit cost of \$5,000 or more, all computing devices regardless of cost (including but not limited to, workstations, servers, laptops, personal digital assistants, notebook computers, tablets, smartphones, and cellphones), and all portable electronic storage media regardless of cost (including but not limited to, thumb/flash drives and portable hard drives) requires justification from the AAA and approval from CDA, and must be included in the Title V/SCSEP Budget.

b. Property with a per unit cost of \$5,000 or more requires justification and approval from the Department of Labor. The AAA must submit a detailed description list to be included in the CDA 35 Title V/SCSEP Budget within 30 days of contract issuance date. [2CFR200.33], [2 CFR 200.313] and [2 CFR 200.439].

10. Senior Community Service Employment Program (Title V) Budget must be submitted in accordance with the Budget Instruction Package, as issued by CDA, before the start-up of each fiscal year. The (Title V) Budget must correlate with Title V SCSEP activities and functions, stipulated within the annual Title V SCSEP Application.

5.7.1 Line-Item Budget Transfers

The AAA may transfer funds between line items under the following terms and conditions:

1. The AAA shall submit a revised budget to CDA for any line-item budget transfer of funds that is ten percent (10%) or more of the total budget.

2. The AAA shall maintain a written record of all budget changes and clearly document line-item budget changes. The record shall include the date of the transfer, the amount, and the purpose. This record shall be available to CDA upon request and shall be maintained in the same manner as all other financial records.

5.8 Payments (Revised 08/25)

1. The AAA shall prepare and submit a monthly expenditure report in an electronic format to CDA no later than the last business day of each month or as specified by CDA. The report shall include all costs and funding sources for the month prior.

2. Payments will be made to reimburse expenditures reported unless the AAA pre-selects an Advanced method and provides a justification explaining the need for an advance on the budget form at the beginning of a new funding term, as referenced on a budget display. Payments after the advance has been provided will be made to reimburse expenditures reported, as outlined in Item 1 of this section of this Program Guide.

3. During the entirety of the funding period, the AAA shall report quarterly accruals and monthly actual expenditures. [2 CFR 2900.14]
4. The AAA shall submit timely expenditures to CDA. Late expenditures may lead to a delay in payment until the following month.
5. Upon written request by CDA, the AAA must submit additional documentation or justification to support the reported expenditures.
6. AAA shall be charged \$75 per program fund source for expedited payments to recover the fees charged by the State Controller's Office. CDA may waive the fees on a case-by-case basis as appropriate.

5.9 Reporting

1. The AAA shall:
 - a. Enter program and participant data into GPMS using the WDACS on a routine basis.
 - b. Review and continually seek to clear errors in the WDACS and the data must be timely, complete, accurate, and verifiable.
 - c. Create a plan to ensure accuracy of data from all levels which includes a method for the AAA or subcontractors to verify the accuracy of the data prior to submission to CDA.
 - d. Train and orient staff and subcontractor's staff on data collection and reporting requirements.
2. The AAA shall review DOL Case Management System (CMS) weekly, in accordance with DOL requirements to ensure accuracy of data entry into the WDACS.
3. The AAA shall review Data Quality Reports, monthly, in accordance with DOL requirements to ensure accuracy of data inputted into the WDACS.
4. The AAA shall submit a Corrective Action Plan describing the actions to be taken to achieve the performance goals if the project did not achieve the established performance goals in the previous fiscal year. [20 CFR 641.740(b)]
5. For purposes of reporting in the Schedule of Expenditures of Federal Awards in the audit, the federal grantor is the U.S. Department of Labor, Employment and Training Administration. The Catalog of Federal Domestic Assistance Number is 17.235.[OAA § 503(f)(3)(4)] [20 CFR 641.879]
6. The AAA shall submit its Title V SCSEP Project Quarterly Narrative Progress Report to CDA twenty (20) days after the close of each quarter using guidance distributed by CDA. [20 CFR 641.879(f)]

5.10 Appeals

In the event of a dispute or grievance regarding the terms and conditions of this Program Guide, both parties shall abide by the following procedures:

1. The AAA shall first discuss the problem informally with CDA. If the problem is not resolved, the AAA must, within fifteen (15) working days of the failed attempt to resolve the dispute with CDA, submit a written complaint together with any evidence to the Division of Home and Community Living Deputy Director. The complaint must include the disputed issues, the legal authority/basis for each issue which supports the AAA's position and the remedy sought. The Deputy Director shall, within fifteen (15) working days after receipt of the AAA's written complaint, make a determination on the dispute and issue a written decision and reasons therefore. All written communication shall be pursuant to [Section 3.10](#) of this Program Guide. Should the AAA disagree with the decision of the Deputy Director, the AAA may appeal the decision to CDA's Chief Deputy Director.
2. The AAA's appeal must be submitted within ten (10) working days from the date of the decision of the Division of Home and Community Living (DHCL) Deputy Director; be in writing; state the reasons why the decision is unacceptable; and include the original complaint, the decision that is the subject of appeal, and all supporting documents. Within twenty (20) working days from the date of the AAA's appeal, the Chief Deputy Director or designee shall meet with the AAA for review of the issues raised on appeal and issue a final written decision.
3. The AAA may appeal the final decision of CDA's Chief Deputy Director in accordance with the procedures set forth in 1 CCR 1200.
4. Costs incurred by the AAA or subcontractor for administrative or court review are not reimbursable.

5.11 Transition Plans and Obligations Upon Termination

1. The AAA shall submit a transition plan to CDA within fifteen (15) business days of delivery of a written Notice of Termination by CDA or Notice of Intent to Terminate by the AAA. The transition plan must be approved by CDA and shall at a minimum include the following:
 - a. A thirty (30) day written notice informing participants of program closure, reduction of slots, or change in service provider.
 - b. A process on how confidential records of participants and database files will be relinquished by the AAA and transferred to the new service provider.
 - c. A process to communicate with national Title V SCSEP grantees to transfer current participants into other employment/training opportunities.

- d. A process on how supportive services will be identified and provided to participants to ease in the transition.
 - e. A process to conduct a property inventory and plan to dispose of, transfer, or return to CDA all equipment purchased during the entire operation of the services outlined within this Program Guide.
 - f. A description of adequate staff to provide continued service through the term of the existing MOU. [22 CCR 7206(e)(4)]
2. The AAA shall implement the transition plan as approved by CDA. CDA will monitor the AAA's progress in carrying out all elements of the transition plan.
 3. The AAA agrees to implement a transition plan submitted by CDA to the AAA when the AAA fails to provide and implement a transition plan as required by [Section 3.9](#).

5.12 Closeout

1. The Title V/SCSEP Financial Closeout Report (CDA 90) and the Program Property Inventory Certification (CDA 9024) shall be submitted annually to the CDA Local Finance Bureau. All AAAs are required to submit Closeout Reports as instructed by CDA.
2. Final expenditures must be reported to CDA in accordance with allocations and funding periods specified in the budget display. If the expenditures reported by the AAA exceed the advanced amount, CDA will reimburse the difference to the AAA up to the program funding allocation amounts listed on the budget display. If the expenditures reported by the AAA are less than the advanced amount, CDA will invoice the AAA for the unspent funds.

The payment on the invoice is due immediately upon receipt or no later than 30 days from the date on the invoice.

If payment is not received within 30 calendar days, CDA will collect payment from upcoming disbursements. To account for the collected funds from outstanding invoice, the AAA will need to adjust records to move the funds already on hand from the previous fiscal year funding period to the current fiscal year funding period.

6 HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM (HICAP)

6.1 Introduction

The California Health Insurance Counseling and Advocacy Program (HICAP) is a Mello-Granlund Older Californians Act (OCA) program authorized under Welfare and Institutions Code Sections 9530 – 9538 and 9541.

The purpose of HICAP is to provide Medicare beneficiaries and those imminent of becoming eligible for Medicare with counseling and advocacy as to Medicare, private health insurance, and related health care coverage plans.

Twenty-six (26) Area Agencies on Aging are responsible for the local management of HICAP in their designated HICAP's service area(s).

HICAP is supported through State and federal funds, and subject to U.S. Department of Health and Human Services (HHS) Administrative Requirements, which can be found in 45 CFR Part 75, federal grant terms and conditions, as well as implemented through the HHS Grants Policy Statement.

6.2 Assurances

1. The AAA shall assure, either as a HICAP direct services or contracted services, that the following conditions are met:
 - a. Services are provided only to the defined Eligible Service Population.
 - b. Public awareness, knowledge and visibility of the HICAP that includes persons in greatest need of services and partnership opportunities with groups not currently being reached.
 - c. Staffing is adequate to cover all requirements and timelines of the Program. The Program Manager shall manage the Program at least thirty-two (32) hours per week. The equivalent of at least one half-time paid Volunteer Coordinator shall assist the Program Manager in coordinating the activities of volunteers.
 - d. The Program Manager for HICAP has general oversight of the HICAP services and sole authority to recommend persons for HICAP Counselor registration, to file industry complaints, and to refer HICAP clients to legal services.
 - e. All persons affiliated with the Program and who are counseling, including paid personnel and volunteers, are trained and registered with the State as HICAP Counselors in accordance with laws, regulations, and the HICAP Program Manual.
 - f. Participants who volunteer their time for the health insurance counseling and advocacy program may be reimbursed for expenses incurred, as specified in [Section 3.15.1](#).
2. The AAA shall assure, either as a HICAP direct services or contracted services, compliance with the State Conflict of Interest Requirements as they pertain to HICAP services as follows:
 - a. The project staff and volunteers do not engage in the solicitation of insurance; nor endorse any Medicare supplement, long-term care, or other

insurance policies or plans; nor endorse the services of any insurer or managed care plan, claims processing organization, or other enterprise that could benefit from activities conducted by the HICAP. All project staff and volunteers shall provide HICAP educational services in a manner that is objective and impartial and provide counseling consistent with the best interests of the clients and which preserves the independent decision-making responsibilities of the client.

b. The project, project staff, and volunteers shall not have a conflict of interest such as, but not limited to, a business relationship with insurers, health plans, or organizations posing a conflict of interest. The AAA shall assure that project staff and volunteers do not accept money or gifts from the clientele in exchange for services in accordance with CDA guidance on conflict of interest and the HICAP Program Manual.

c. All reasonable and necessary measures to assure that advisors, employees, and volunteers associated with the operation of HICAP agree to act in a manner so as to prevent the appearance of impropriety, or any other act which would place in jeopardy HICAP's reputation as an independent and impartial program. The AAA shall assure that advisors and governing board members shall recuse themselves from HICAP business if they are employed by, or receive compensation from, the health insurance or managed health care industries. This shall not preclude the AAA from soliciting program contributions from entities that do not pose a conflict of interest.

3. Materials published or transferred by the AAA and financed with funds under this Agreement shall:

a. Use the SHIP Logo and Tagline on all HICAP publications, including websites.

b. Identify the name of the entity, the address, and telephone number at which the supporting data is available.

c. Acknowledge the support of CDA in writing, whenever publicizing the work under this Agreement in any media.

d. Assure that all HICAP related public information materials include the appropriate HICAP Product Disclaimer.

The AAA may select the appropriate Template Language that best corresponds with the AAA's, or contracted service provider's HICAP allocation(s). Template language should be edited to replace each reference of "XX" with the appropriate corresponding figure.

i. Product Disclaimer Template Option 1:

“This [project/publication/program/website, etc.] [is/was] supported by the Administration for Community Living (ACL), U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with 100 percent funding by ACL/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government.”

ii. Product Disclaimer Template Option 2:

This project/publication/program/website, etc.] [is/was] supported by the Administration for Community Living (ACL), U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with XX percentage funded by ACL/HHS and \$XX amount and XX percentage funded by non-government source(s). The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government.

4. CDA may require prior approval and may control the location, cost, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar workshop or conference conducted in relation to the program funded by the authority provided by the MOU. CDA may also maintain control over any reimbursable publicity, or education materials to be made available for distribution.

5. The AAA shall assure, either as HICAP direct services or contracted services, full compliance with full compliance with PM 19-08, to include:

- a. All HICAP volunteers and staff members in positions of trust are subject to a background and national-level criminal record check.
- b. The HICAP shall have a protocol for determining which criminal violations render a volunteer or staff member unsuitable for SHIP assignments.
- c. The Area Agency on Aging shall assure, either as HICAP direct services or contracted services, full compliance with the federal Volunteer Risk and Program Management (VRPM) requirements.

6. The AAA shall assure, either as HICAP direct services or contracted services, full compliance with 2 CFR 200.216.

The AAA is prohibited from the direct or indirect use of funds to:

- a. Procure or obtain;
- b. Enter into contract to procure or obtain; or

- c. Extend or renew a contract to procure or obtain services, equipment or systems produced by Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities. [Pub. L. 115-232, section 889]. The above prohibition includes video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company, their subsidiaries and affiliates.
7. Contingent upon legislative approval for augmented Local Assistance funds and CDA's notice of availability of funds:
 - a. The HICAP shall ensure that the equivalent of at least one full-time paid Volunteer Coordinator shall assist the Program Manager in coordinating the activities of volunteers.
 - b. The full-time paid Volunteer Coordinator shall supersede the prior requirement for a half-time paid Volunteer Coordinator.
8. The AAA, whether providing HICAP directly or through contracted service providers, shall assure program funds are not used for Meals except for the following:
 - a. When an organization customarily provides meals to employees working beyond the normal workday, as a part of a formal compensation arrangement.
 - b. As part of a per diem or subsistence allowance provided in conjunction with allowable travel.
 - c. When providing training events for HICAP staff and all the following conditions are met:
 - i. The HICAP training event is at least four hours in length.
 - ii. The agenda for the training does not include a designated lunch break. (i.e., working lunch)
 - iii. All attendees sign an attendance sheet to confirm their participation throughout the training.
9. The AAA, whether providing HICAP directly or through contracted service providers, shall assure full compliance with the Consolidated Appropriations Act, 2021, Public Law 116-260 to include Administration for Community Living (ACL) grant award funds may not be used:
 - a. To pay the salary of an individual at a rate in excess of \$221,990. HRSA Bulletin 2024-02E
 - b. To advocate or promote gun control (Section 217).

- c. To carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug (Section 522).
- d. For lobbying purposes (Public Law 116-260 Section 503), such as:
 - i. For publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any state or local legislature or legislative body, except in presentation to the Congress or any state or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government, except in presentation to the executive branch of any state or local government itself.
 - ii. To pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any state government, state legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a state, local or tribal government in policy- making and administrative processes within the executive branch of that government.
 - iii. The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future federal, state or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

10. The AAA, whether providing HICAP directly or through contracted service providers, shall assure full compliance to the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104(g)).

- a. Provisions applicable to the AAA, whether providing HICAP services directly or through a contracted service provider, that are private entities:

Employees may not:

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

- ii. Procure a commercial sex act during the period of time that the award is in effect; or
 - iii. Use forced labor in the performance of the award or subawards under the award.
- b. The Department may terminate this agreement, without penalty, if the AAA that is a private entity:
 - i. Is determined to have violated an applicable prohibition in paragraph a; or
 - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a of this award term through conduct that is either:
 - 1) Associated with performance under this agreement; or
 - 2) Imputed to the AAA using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)," as implemented by the Administration for Community Living at 2 CFR part 376.
- c. The AAA must inform CDA immediately of any information received from any source alleging a violation of a prohibition in paragraph a.
 - i. Of the MOU term.
 - ii. CDA's right to terminate unilaterally that is described in paragraph b:
 - 1) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - 2) Is in addition to all other remedies for noncompliance that are available to CDA under this agreement
 - 3) The AAA must include the requirements of paragraph a of this agreement in any subcontract.
- d. Definitions for purposes of this contract item:
 - i. "Employee" means either:
 - 1) An individual employed by the AAA or a subcontractor who is engaged in the performance of the project or program under this agreement; or

- 2) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
 - ii. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery
 - iii. “Private entity”:
 - 1) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.
 - 2) Includes:
 - a) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b)
 - b) A for-profit organization
 - iv. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102)
11. The AAA, whether providing HICAP directly or through contracted service providers, shall assure full compliance with the 48 CFR 3.901 Whistleblower Protections for Contractor Employees which protects contractor employees from reprisal for disclosure of information (41 U.S.C. 4705).
12. The AAA, whether providing HICAP directly or through contracted service providers, shall assure full compliance with Obergefell v. Hodges, 576 U.S. 644 (2015), the U.S. Supreme Court’s decision which held that States may not deny same-sex couples the right to marry. The AAA is expected to recognize same-sex marriage, given that marriage is also recognized by a U.S. jurisdiction. Accordingly, the AAA must review and revise, as needed, any policies and procedures which interpret or apply Federal statutory or regulatory references to such terms as “marriage,” “spouse,” “family,” “household member” or similar references to familial relationships to reflect inclusion of same-sex spouse and marriages.
13. The AAA, whether providing HICAP directly or through contracted service providers, shall assure full compliance with the HHS Grants Policy Statement (GPS),

which are common across all HHS Operating Divisions (OPDIVs) and apply as indicated in the HHS GPS unless there are statutory, regulatory, or award-specific requirements to the contrary (as specified in individual Notices of Awards).

6.3 Program Definitions

1. **“Eligible Service Population”**: Medicare beneficiaries, including Medicare beneficiaries by virtue of a disability, and those persons imminent of Medicare eligibility [Welf. & Inst. Code § 9541(a), (c)(2)], and the public at large who are eligible to receive HICAP community education services, including long-term care planning and long-term care insurance counseling services. [Welf. & Inst. Code § 9541(c)(1), (c)(2), (c)(4)-(6)]
2. **Older Californians Act (OCA)**: Welf. & Inst. Code § 9541 of the Mello-Granlund Older Californians Act, which is the enabling legislation for HICAP.
3. **“Health Insurance Counseling and Advocacy Program” (HICAP)**: a program designed to provide Medicare beneficiaries and those imminent of becoming eligible for Medicare with counseling and advocacy about Medicare, private health insurance, and related health care coverage plans for the purpose of preserving service integrity on a Statewide basis. [Welf. & Inst. Code § 9541]
4. **“Medicare Modernization Act 2005 (MMA) State Funds”**: the 2005 augmentation of HICAP State funds as defined in Welf. & Inst. Code § 9757.5(h).
5. **“State Health Insurance Assistance Program” (SHIP)**: a national program supported by the federal Administration for Community Living (ACL) that offers one-on-one counseling and assistance to people with Medicare and their families. Through federal grants directed to states, SHIPs provide free counseling and assistance via telephone and face-to-face interactive sessions, public education presentations and programs, and media activities. In California, SHIP is the same program as the Health Insurance Counseling and Advocacy Program (HICAP). This term may be used interchangeably with HICAP.
6. **“Program Income”**: revenue generated by the AAA or Subcontractor from Program Guide and Program supported activities, and may include:
 - a. Voluntary contributions received from a participant or responsible party as a result of the service.
 - b. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under the MOU.
 - c. Royalties received on patents and copyrights from contract-supported activities.
 - d. Proceeds from the sale of goods created under CDA grant funds.

6.4 Scope of Work

The AAA, whether providing HICAP directly or through a subcontract, shall:

1. Ensure statutory provisions of HICAP [Welf. & Inst. Code § 9541] are met. Services shall be provided in accordance with all applicable laws, regulations, this Program Guide, SHIP Base Grant Program Terms and Conditions, the HICAP Program Manual, and any other subsequent CDA Program Memos (PM), provider bulletins or similar instructions issued during the term of the MOU.
2. Maintain and, if applicable, distribute a current HICAP Program Manual and related CDA requirements to all HICAP Counselors and responsible persons to ensure ready access to standards, policies, and procedures. Additionally, all counselors shall be provided the latest HICAP Counselor Handbook. [Welf. & Inst. Code § 9100(c)-(d); § 9541(b)(1)-(2)]
3. Provide timely notice to CDA of any changes to the Program or changes in the status of the AAA or Subcontractor that could restrict the operations of, or access to, HICAP services. These changes include, but are not limited to, personnel changes, program or project phone number changes, headquarters office address changes and mailing address changes. If subcontracted, the AAA will forward this information to CDA.
4. Submit the name of the HICAP Program Manager to CDA within thirty (30) days of initial employment. If subcontracted, the AAA will forward this information to CDA.
5. Conduct recruitment, training, coordination, and registration of health insurance counselors, including a large contingent of volunteer counselors, Long-Term Care Counselors, and Long-Term Care Community Educators, designed to expand services as broadly as possible [WIC 9541(c)(7)]. New counselors shall be recruited, trained, and registered in compliance with state law and the HICAP Program Manual.
6. Ensure that the standard HICAP work week business hours, during which HICAP is open to the public, shall be five (5) days a week, Monday through Friday, from at least 9 a.m. to 4 p.m., except on holidays.
7. Ensure that public telephone access is available during normal business hours, Monday through Friday, 9 a.m. to 4 p.m. In the event clients cannot receive personal assistance immediately, they must be offered an opportunity to leave their name, a message, and return telephone number with an answering service or on an answering machine. Calls from clients leaving messages must be returned within two (2) business days received.
8. Ensure that the HICAP email address displayed on any public-facing website is monitored by staff Monday through Friday, 9 a.m. to 4 p.m. Responses to email communications must be provided within two (2) business days of the day the email was received.

9. Obtain a written and signed consent form from clients prior to disclosing their personal or confidential information to a third party. AAAs are encouraged to use the CDA 9009 (Authorization for Use/Disclosure of Health Information), or a similar form developed by the AAA.
10. Provide a written disclosure statement or its equivalent to counseling clients prior to counseling, as prescribed by CDA in the HICAP Program Manual. [Welf. & Inst. Code § 9541(f)(4)]
11. Provide community education designed to inform the public about Medicare, Medicare supplement and long-term care insurance options, Medicare Advantage plans, related managed health care plans, and insurance topics. [Welf. & Inst. Code § 9541(c)(1), (c)(4)-(6)]
12. Refer instances of suspected misrepresentation in advertising or sales of services provided by Medicare, managed health care plans, and life and disability insurers and agents, in accordance with the HICAP Program Manual. [Welf. & Inst. Code § 9541(e)]
13. Ensure that the HICAP Program Manager and/or designated representative shall attend all CDA required HICAP training sessions or conferences, in order to maintain program knowledge, efficiency, and competency. [Welf. & Inst. Code § 9541(f)(7)]
14. Maintain a program data collection and reporting system as specified in [Section 6.9](#) of this Program Guide.
15. Collect, track, and report on all aspects of HICAP activity as specified in [Section 6.9](#) of this Program Guide, to assess the Contractor's progress in reaching measurable outcomes as defined through annual HICAP Performance Measures.
16. Ensure the submission of program information and support documentation, to the CDA, for the development of required reports. These include, but are not limited to, the SHIP Grant Application, Supplemental Grant Funding Applications, and the SHIP Grant Mid-term Report. The information and documentation will be sent in the format requested, in a timely manner, and at intervals as determined by CDA.
17. Ensure processes are in place to provide program evaluation and quality assurance, including but not limited to, client satisfaction surveys and questionnaires.
18. Ensure referral services for legal representation with respect to Medicare appeals, Medicare related managed care appeals, and other related insurance problems, excluding the filing of lawsuits against private insurers or managed health care plans.
19. Ensure that if legal services are provided directly or through a subcontract, the following conditions must be met:

- a. HICAP legal representation and technical program support shall be provided by or under the direction of a Supervising Attorney who is trained in Medicare law and who is in good standing with the California Bar.
- b. Legal representation services shall be limited to Medicare, Medicare Part D issues, Medicare savings programs, low-income subsidy issues, long-term care insurance, managed care, and related health care coverage plans. [Welf. & Inst. Code § 9541(c)(3)]
- c. HICAP legal representation shall be subject to the understanding that the legal representation and legal advocacy shall not include the filing of lawsuits against private insurers or managed health care plans. [Welf. & Inst. Code § 9541(c)(3)]
- d. Contracted legal representation services shall not commence without a formal referral from the HICAP Program Manager to the Supervising Attorney, and only after a preliminary counseling session determines the need for referral.
 - i. Counseling sessions are required to be conducted by a registered HICAP counselor.
 - ii. The client may be either the person imminently becoming eligible for Medicare, enrolled in Medicare, or their representative.
- e. Report the Legal Services units of service (if applicable) in the Area Plan Service Unit Plan (SUP).

The Supervising Attorney shall report the performance of legal services in accordance with HICAP reporting instructions.

20. Perform the following if subcontracting for HICAP program services:

- a. Enter into contracts with subcontractors to operate the HICAP and provide HICAP counseling, informal advocacy, outreach, education and legal representation to Medicare beneficiaries within the contracted service area pursuant to Welf. & Inst. Code § 9541(c)(3), the HICAP Program Manual as issued by CDA, and any other subsequent CDA PMs, provider bulletins or similar instructions issued during the term of the MOU.
- b. Ensure all applicable provisions required within this Program Guide and the MOU are included in any subcontract entered into by the AAA to carry out the terms of this Program Guide and the MOU.
- c. Review, approve, and monitor subcontractors' budgets and expenditures and any subsequent amendments and revisions to budgets. The AAA shall, to the extent feasible, ensure that all budgeted funds are expended by the end of each fiscal year.

- d. Conduct onsite monitoring once every two (2) years, and evaluate and document subcontractors' performance and compliance with this Program Guide and the MOU. [45 CFR 1321.11]
- e. Provide training, support and technical assistance to the Subcontractor as needed and respond in writing to all written requests from subcontractors for guidance and interpretation of instructions.

21. AAAs are required to integrate HICAP in their Area Plan and annual updates, following CDA guidance. When Area Plans or annual updates are submitted, AAAs must ensure that the submitted Area Plan or annual update either aligns with the approved HICAP budget or submit a budget revision to align with the Area Plan, as outlined in Area Plan chapter of this Program Guide. [Welf. & Inst. Code § 9535(b)]

6.5 Budget and Budget Revisions *(Revised 08/25)*

1. The AAA shall be compensated for expenses only as itemized in the approved Budget with the exception of line item budget transfers as noted in this [Section 6.7.1](#) and shall not be entitled to payment for these expenses until the MOU is approved and executed by CDA. The approved budget is hereby incorporated by reference into the MOU.
2. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The AAA's budget shall include, at a minimum, the following items when reimbursable under the legal authority provided by the MOU:
 - a. Personnel Costs – annual full time effort (FTE) wage rates and personnel classifications together with the percentage of time to be charged, specified for each fund source. 2 CFR 200.430 must be followed for rules regarding allowability of personnel costs.
 - i. Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:
 - 1) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
 - 2) Be incorporated into the official records of the non-federal entity;
 - 3) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;

- 4) Support the distribution of the employee's salary among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-Federal award, an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
 - 5) Budget estimates (i.e. estimates determined before the services are performed) alone do not qualify as support for changes to Federal awards.
 - ii. Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.
 - b. Fringe Benefits.
 - c. Contractual Costs - subcontract and consultant cost detail.
 - d. Allocated Direct Costs - requires submission of a Direct Cost Allocation Plan for prior approval. OR Indirect Costs – costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable as a direct cost.
 - e. Rent - total costs.
 - f. Supplies – to include items that do not qualify as property. See Section 3.4 Property, of this Program Guide.
 - g. Property - detailed descriptions and unit costs. See section 3.4 Property, of this Program Guide.
 - h. Staff Training – attendance cost for necessary training, specified for each fund source.
 - i. Travel (In State and Out of State) - mileage reimbursement rate, lodging, per diem and other costs.
 - j. Other Costs - facilities, operating expenses, and other ordinary and necessary costs.
3. The AAA shall ensure that the Subcontractor shall submit a budget, which shall be incorporated by reference into the Subcontract and will have, at a minimum, the categories listed in Item 2 above.

6.5.1 Indirect Costs – Increases effective April 1, 2025 (*Revised 08/25*)

1. The maximum reimbursement amount allowable for indirect costs is fifteen percent (15%) of the AAA's Modified Total Direct Costs (MTDC).

Modified Total Direct Cost (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes in-kind contributions, equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs. [45 CFR 75.2]

2. AAAs requesting reimbursement for indirect costs exceeding the maximum fifteen percent (15%) shall retain on file an approved negotiated indirect cost rate or cost allocation plan.
3. For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable).

6.6 Program Specific Funds

6.6.1 Program Income

1. No Program Income is required under the terms and conditions of this Agreement.
2. No fees may be charged for services, although contributions or donations may be requested. Signs and literature about HICAP services may indicate that donations are welcome. HICAP clients are not to be pressured to make donations. All contributions or donations, either in cash or in goods and services, provided specifically to the HICAP, shall be spent on activities related to HICAP. Voluntary contributions received from a client or responsible party for services rendered by HICAP shall be reported as Program Income. (Applicable to HICAP program only.)

6.6.2 One-Time Only (OTO) Funds

OTO funds, if any, are non-transferable between funding sources and are to be used for the purposes for which they were originally allocated. This means that OTO funds can only be used in the program in which they were accrued.

6.6.3 Administration

AAA Administration shall be no more than ten percent (10%) of the total program allocation per term, as outlined on the budget display.

6.7 Program Specific Budget and Budget Revisions

1. The AAA shall submit electronically the original HICAP Budget thirty (30) days after budget displays have been released, unless otherwise instructed by CDA.
2. The AAA shall submit electronically a budget revision thirty (30) days after receiving an amended Budget Display with changes in funding levels, unless otherwise instructed by CDA.
3. The final date to submit a budget revision is sixty (60) days prior to the end of the budget period, unless otherwise specified by CDA. CDA will not accept any budget revisions after the budget period has expired. Budget periods associated with the MOU and this Program Guide are outlined within the HICAP budget display.
4. In the event that programs are changed from direct services to contracted services or contracted services to direct services, the AAA shall submit a revised budget to CDA, prior to implementation of said change.

6.7.1 Line Item Budget Transfers

The AAA may transfer funds between line items under the following terms and conditions:

1. The AAA shall submit a revised budget to CDA for any line item budget transfer of funds that is ten percent (10%) or more of the total budget.
2. The AAA shall maintain a written record of all budget changes and clearly document line item budget changes. The record shall include the date of the transfer, the amount, and the purpose. This record shall be available to CDA upon request and shall be maintained in the same manner as all other financial records.

6.8 Payments *(Revised 08/25)*

1. The AAA shall prepare and submit a monthly expenditure report in an electronic format to CDA no later than the last business day of each month or as specified by CDA

2. Payments will be made to reimburse expenditures reported unless the AAA pre-selects an Advance method and provides a justification explaining the need for an advance on the budget form at the beginning of a new funding term, as referenced on the budget display. Payments after the advance has been provided will be made to reimburse expenditures reported as outlined in Item 1 of this section of this Program Guide.
3. CDA shall process and approve reported expenditures that are based upon actual, not estimated expenditures. CDA shall notify the AAA of any disputed expenditures.
4. The AAA shall submit timely expenditures to CDA. Late expenditures may lead to a delay in payment until the following month.
5. Upon written request by CDA, the AAA must submit additional documentation or justification to support the reported expenditures.
6. AAA shall be charged \$75 per program fund source for expedited payments to recover the fees charged by the State Controller's Office. CDA may waive the fees on a case-by-case basis as appropriate.

6.9 Reporting

1. The AAA shall ensure, either as a direct services or contracted services HICAP, that program data is entered into the Statewide HICAP Automated Reporting Program (SHARP) in accordance with CDA requirements [Welf. & Inst. Code § 9541(c)(8)]. Data entered must be timely, complete, accurate, and verifiable.
 - a. The AAA shall review and approve program performance data entered into SHARP.
 - b. The AAA shall review and approve performance data, and submit programmatic data using SHARP for the reporting periods as follows:

Reporting Period	Due Date
April 1 – April 30	May 15
May 1 – May 31	June 15
June 1 – June 30	July 15
July 1 – July 31	August 15
August 1 – August 31	September 15
September 1 – September 30	October 15
October 1 – October 31	November 15

November 1 – November 30	December 15
December 1 – December 31	January 15
January 1 – January 31	February 15
February 1 – February 28	March 15
March 1 – March 31	April 15

2. The AAA, whether providing HICAP directly or through contracted service providers, shall train and orient staff regarding program data collection and reporting requirements. The AAA shall have cross-trained staff in the event of planned or unplanned prolonged absences to ensure timely and accurate submission of data. [45 CFR 1321.55(b)]

3. The AAA, whether providing HICAP directly or through contracted service providers, shall provide to CDA for approval, a detailed HICAP Work Plan that outlines the strategies and use of resources to complete project goals as provided by CDA.

The AAA's proposed HICAP Work Plan must be submitted to and approved by the CDA HICAP Bureau before payments can be made to the AAA.

The CDA-approved HICAP Work Plan is hereby incorporated into the MOU by reference.

Requests to modify or amend the approved Work Plan may be made by either CDA or the AAA at any time. Modifications of the Work Plan shall be effective upon the mutual agreement of both parties. However, the CDA may unilaterally modify the Work Plan if required by ACL or other federal award guidance.

6.10 Transition Plans and Obligations Upon Termination

1. In the event of a change in a HICAP contracted service provider, the AAA shall assure that a subsequent HICAP contracted service provider is available to complete any open cases or transactions during the transition period. This shall include Medicare appeals and timelines with the Centers for Medicare & Medicaid Services or hearing officers.

2. The AAA shall submit a transition plan to CDA within fifteen (15) days of CDA's written Notice of Termination or AAA's Notice of Intent to Terminate. The transition plan must be approved by CDA and shall at a minimum include the following:

- a. A description of how open or active counseling and legal cases (if applicable) shall be transitioned to the new provider.

- b. A description of how names, addresses, and telephone numbers of current clients will be handled and transferred to the new provider.
 - c. A description of how clients will be notified about the change in and continuation of, their HICAP services.
 - d. A description of how communications with other HICAP sites, local agencies and advocacy organizations shall be made to assist in locating alternative services as needed.
 - e. A description of how community referral sources will be informed of the pending termination of this HICAP MOU or contracted service provider agreement and the transition and provision of services.
 - f. A description of how sensitive and confidential records will be transferred.
 - g. A description of adequate staff to provide continued service through the term of the existing agreement. [22 CCR 7206(e)(4)]
 - h. A plan to conduct a property inventory and transfer, or return to CDA all equipment purchased with HICAP funds as directed by CDA.
 - i. Additional information as necessary to effect a safe transition of clients from the outgoing AAA or Subcontractor to the new AAA or subcontractor.
3. The AAA shall require a contracted service provider, in the event of a change of a HICAP contracted service provider, either as a result of a routine procurement process or a subcontract termination, to submit a transition plan to the AAA upon written Notice of Termination by the AAA or Notice of Intent to Terminate by the contracted service provider. The AAA shall submit the transition plan to CDA at least fifteen (15) days prior to the termination of the agreement, in accordance this section of the Program Guide. The transition plan must be approved by CDA prior to implementation.
4. The AAA shall implement the transition plan as approved by CDA.
5. CDA will monitor the AAA's progress in carrying out all elements of the transition plan.

6.11 Closeout

- 1. All AAAs shall submit a Closeout Report to the Local Finance Bureau once per State Fiscal Year, covering the period of April 1st – March 31st.
- 2. Final expenditures must be reported to CDA in accordance with the allocations and funding periods specified in the budget display. If the expenditures reported by the AAA exceed the advanced amount, CDA will

reimburse the difference to the AAA up to the program funding allocation amounts listed on the budget display. If the expenditures reported by the AAA are less than the advanced amount, CDA will invoice the AAA for the unspent funds.

The payment on the invoice is due immediately upon receipt or no later than 30 days from the date on the invoice.

If payment is not received within 30 calendar days, CDA will collect payment from upcoming disbursements. To account for the collected funds from outstanding invoice, the AAA will need to adjust records to move the funds already on hand from the previous fiscal year funding period to the current fiscal year funding period.

7 MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT (MIPPA)

7.1 Introduction

The Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 is a multi-faceted piece of legislation related to Medicare. One important provision of MIPPA is the allocation of federal funding (through Section 119) for State Health Insurance Assistance Programs (SHIPs), Area Agencies on Aging (AAAs), and Aging and Disability Resource Centers (ADRCs) to help low-income Medicare beneficiaries apply for programs that make Medicare affordable. In addition to SHIPs, AAAs, and ADRCs, Tribes can also receive small grants to do MIPPA outreach in their communities. MIPPA grants are administered by the U.S. Administration for Community Living (ACL).

MIPPA legislation also funds a National Center for Benefits Outreach and Enrollment, currently operated by NCOA.

7.2 Assurances

7.2.1 Order of Authority

This Program Guide is subject, in descending order, to the requirements applicable under (1) the Medicare Improvements for Patients and Providers Act of 2008 - Section 119, Public Law (PL) 110-275, as amended by Section 3306 of the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), reauthorized by Section 610 of the American Taxpayer Relief Act of 2012 (ATRA), reauthorized by Section 110 of the Protecting Access to Medicare Act of 2014, reauthorized by the Medicare Access and CHIP Reauthorization Act of 2015, and reauthorized for two years under the Bipartisan Budget Act of 2018 (P.L. 115-123, BBA of 2018); reauthorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020; (2) other applicable federal statutes and their implementing regulations; (3) program regulations; (4) terms of conditions of the award.

By expending funds received under this award, the recipient commits to ensuring that it will carry out the project/program described in its approved state plan(s). Funds must be expended on the approved MIPPA plans; failure to do so will

result in the disallowance of expenditures and require the return of all funds spent on inappropriate activities.

7.2.2 Audit Requirement

This Program Guide is subject to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards under Title 45 CFR Part 75. These requirements and additional terms and conditions can be found the ACL website:

<https://www.acl.gov/grants/managing-grant>

The AAA shall identify the CFDA titles and numbers to the independent auditor conducting the organization's single audit along with each of its subcontractors. The funding source (Federal Grantor) for the following programs is the U.S. Department of Health and Human Services, Administration for Community Living:

93.071 Priority Area 1: SHIPs, Priority Area 2: AAAs, Priority Area 3: ADRCs

Expenditures will also be identified separately by Catalog of Federal Domestic Assistance (CFDA) number as separate rows on Form SF-SAC. For questions and information concerning the submission process, please visit:

https://harvester.census.gov/facides/Files/2015_2018%20Checklist%20Instructions%20and%20Form.pdf

7.2.3 Products

At any phase of the project period, the AAA shall deliver to CDA, upon request, any materials, systems, or other items developed, refined, or enhanced under this Program Guide. The Recipient agrees that CDA and ACL shall have royalty-free, non-exclusive, and irrevocable rights to reproduce, publish, or otherwise use and authorize others to use the items for federal or state government purposes.

7.2.4 MIPPA Product Disclaimer

The AAA shall assure that all MIPPA related public information materials include the appropriate MIPPA Product Disclaimer.

The AAA may select the appropriate Template Language that best corresponds with the AAA's, or sub-contractor's MIPPA contract allocation(s) and has been edited to replace each reference to "XX" with the appropriate corresponding figure.

1. Product Disclaimer Template Option 1:

"This [project/publication/program/website, etc.] [is/was] supported by the Administration for Community Living (ACL), U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with 100 percent funding by ACL/HHS. The contents are those of the author(s) and do

not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government.”

2. Product Disclaimer Template Option 2:

This [project/publication/program/website, etc.] [is/was] supported by the Administration for Community Living (ACL), U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with XX percentage funded by ACL/HHS and \$XX amount and XX percentage funded by non-government source(s). The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government.

7.2.5 Whistleblower Protections

AAAs are hereby given notice that the 48 CFR Section 3.908, implementing Section 828, entitled “Pilot Program for Enhancement of Contractor Whistleblower Protections,” of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this Program Guide.

7.2.6 United States v. Windsor

United States v. Windsor, 133 S.Ct. 2675 (June 26, 2013), Section 3 of the Defense of Marriage Act, codified at 1 U.S.C. Section 7. All contractors/subcontractors are expected to recognize any same-sex marriage legally entered into in a U.S. jurisdiction that recognizes their marriage, including one of the 50 states, the District of Columbia, or a U.S. territory, or in a foreign country so long as that marriage would also be recognized by a U.S. jurisdiction. This applies regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. However, this does not apply to registered domestic partnerships, civil unions, or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage. Accordingly, AAAs/subcontractors must review and revise, as needed, any policies and procedures which interpret or apply federal statutory or regulatory references to such terms as “marriage,” “spouse,” “family,” “household member” or similar references to familial relationships to reflect inclusion of same-sex spouse and marriages. Any similar familial terminology references in HHS statutes, regulations, or policy transmittals will be interpreted to include same-sex spouses and marriages legally entered into as described herein.

7.2.7 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

The AAA shall assure, either as MIPPA direct services or contracted services, full compliance with 2 CFR 200.216. The AAA is prohibited from the direct or indirect use of funds to:

1. Procure or obtain; or

2. Enter into contract to procure or obtain; or
3. Extend or renew a contract to procure or obtain services, equipment or systems produced by Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities. [Pub. L. 115-232, section 889]. The above prohibition includes video surveillance and telecommunications equipment produced by Hytera Communications.

Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company, their subsidiaries, and affiliates.

7.2.8 Funding Restrictions

Funds may not be used for the following purposes:

1. Construction and/or major rehabilitation of buildings.
2. Basic research (e.g. scientific or medical experiments)
3. Continuation of existing projects without expansion or new and innovative approaches.
4. Meals are generally unallowable, except for the following:
 - a. When an organization customarily provides meals to employees working beyond the normal workday, as a part of a formal compensation arrangement, and
 - b. As part of a per diem or subsistence allowance provided in conjunction with allowable travel.

7.2.9 Cooperation with National Center for Benefits Outreach and Enrollment (NCBOE)

The AAA shall assure engagement in NCBOE peer learning opportunities, such as webinars and communities of practice.

7.2.10 Training

The AAA shall assure project staff maintain a comprehensive understanding of project expectations. This includes, but is not limited to attendance of CDA-hosted MIPPA meetings and/or trainings by service provider management staff and/or designees.

7.2.11 Connectivity

The AAA shall maintain the capability to send and receive e-mail communications and other information through the internet, including expanding/maintaining internet capability at the local program level. Counselors should have access to internet-based enrollment and counseling tools at the time and place of counseling.

7.2.12 Compliance with ACL Guidance Related to VRPM

The AAA shall assure, either as direct services or contracted services, full compliance with Administration for Community Living (ACL) guidance related to Volunteer Risk and Program Management (VRPM) policies.

ACL VRPM required policies include, but are not limited to:

1. All volunteers and staff members in positions of trust are subject to a background and national-level criminal record check.
2. The AAA shall have a protocol for determining which criminal violations render a volunteer or staff member unsuitable for assignments.

ACL VRPM requirements can be accessed from the [ACL VRPM Policies Webpage](#).

7.2.13 ACL Guidance Related to Conflicts of Interest

The AAA shall assure, either as direct services or contracted services, compliance with ACL guidance related to Conflict of Interest (COI), which includes, but is not limited to, guidance provided on the [ACL Managing Conflicts of Interest in SHIP, SMP and MIPPA Programs Webpage](#) and the guidance document, [Conflict of Interest: Identification, Remedy, and Removal](#).

7.3 Program Definitions

1. **Aging and Disability Resource Connection (ADRC):** a program that helps older adults and individuals with disabilities make informed decisions about their service and support options, and serves as a single point of entry to the long-term care system. Outside California, these programs are called Aging and Disability Resource Centers. The terms are used interchangeably in this agreement. ADRCs were established through a collaborative effort of the U.S. Administration for Community Living (ACL) and the Centers for Medicare & Medicaid Services.
2. **Eligible Service Population:** individuals defined as Medicare eligible beneficiaries likely to be qualified for Medicare Part D, the Low-Income Subsidy (LIS) Prescription Drug Program, and/or the Medicare Savings Programs (MSP).
3. **Enhanced Outreach:** outreach activities that include, but are not limited to, disease prevention and promoting wellness and are above and beyond routine activities planned in response to other funding (e.g., Basic State Health Insurance Assistance Program [SHIP] funds or Older Americans Act [OAA] outreach funds).
4. **Enrollment Assistance:** one-on-one assistance to beneficiaries completing and submitting LIS and MSP applications. Enhanced outreach alone does not meet the requirement for enrollment assistance.

5. **Enrollment Assistance Centers:** locations equipped and designated for LIS and MSP enhanced outreach and enrollment assistance that have been publicly advertised and identified for these purposes.
6. **Health Insurance Counseling and Advocacy Program (HICAP):** a program designed to provide Medicare beneficiaries and those imminent of becoming eligible for Medicare with counseling and advocacy as to Medicare, private health insurance, and related health care coverage plans, on a statewide basis. [Welf. & Inst. Code §9541]
7. **Indirect Costs:** costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective specifically benefited without effort disproportionate to the results achieved.
8. **Low-Income Subsidy (LIS):** a federal program that provides financial assistance with Part D premiums and cost sharing for eligible low-income Medicare beneficiaries.
9. **Medicare Improvements for Patients and Providers Act (MIPPA) of 2008:** legislation that amended Titles XVIII and XIX of the Social Security Act to extend expiring provisions under the Medicare program, to improve beneficiary access to preventive and mental health services, to enhance low-income benefit programs, and to maintain access to care in rural areas, including pharmacy access.
10. **Medicare Part D Low-Income Subsidy (LIS)/Extra Help:** a federal program that provides financial assistance with Part D premiums and cost sharing for eligible low-income Medicare beneficiaries.
11. **Medicare Prescription Drug Improvement and Modernization Act of 2003 (also known as the “Medicare Modernization Act” or “MMA”):** legislation that imposed the most sweeping changes to the Medicare program since its inception, including the addition of a prescription drug benefit through a new Medicare Part D.
12. **Medicare Savings Programs (MSP):** three programs that serve Medicare beneficiaries who do not qualify for full Medi-Cal: Qualified Medicare Beneficiaries, Specified Low-Income Medicare Beneficiaries, and Qualified Individuals. Beneficiaries enrolled in one of these Medicare Savings Programs automatically receive LIS.
13. **National Center for Benefits Outreach and Enrollment (NCBOE):** an organization that helps organizations enroll seniors and younger adults with disabilities with limited means into the benefits programs for which they are eligible so that they can remain healthy and improve the quality of their lives.

14. **Program Income:** revenue generated by the AAA or subcontractor from activities and services outlined within this Program Guide and the MOU. Program income is:

- a. Voluntary contributions received from a participant or responsible party as a result of the service(s).
- b. Income from usage or rental fees of real or personal property acquired with funds provided under the authority of this Program Guide and the MOU.
- c. Royalties received on patents and copyrights from Program Guide-supported activities.
- d. Proceeds from the sale of items fabricated under a contract agreement.

15. **Rural:** all territory, population and housing units not classified as urban. The rural classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

16. **State Health Insurance Assistance Program (SHIP):** a national program supported by the federal ACL that offers one-on-one counseling and assistance to people with Medicare and their families. Through federal grants directed to states, SHIPs provide free counseling and assistance via telephone and face-to-face interactive sessions, public education presentations and programs, and media activities. In California, SHIP is the same program as the Health Insurance Counseling and Advocacy Program (HICAP). This term may be used interchangeably with HICAP.

17. **Urban:** all territory, population, and housing units in urban areas, which include urbanized areas and urban clusters. An urban area generally consists of a large central place and adjacent densely settled census blocks that together have a total population of at least 2,500 for urban clusters, or at least 50,000 for urbanized areas. Urban classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

7.4 Scope of Work

7.4.1 Program Provisions

1. The Scope of Work shall be performed by the AAA and/or its subcontractors, which may include, but not be limited to, the HICAP and the ADRC (where applicable). MIPPA Eligible Service Providers receiving one or more MIPPA Priority Area allocations are responsible for the corresponding Activities outlined below:

- a. MIPPA Priority Area 1 (SHIP)

- i. Eligible Service Providers: HICAP Service Provider, whether provided as a direct service or through a subcontractor.
 - ii. Activities: Must provide enhanced outreach to eligible Medicare beneficiaries regarding their preventive, wellness, and limited income benefits; application assistance to individuals who may be eligible for LIS or MSPs; and outreach activities aimed at preventing disease and promoting wellness.
 - b. MIPPA Priority Area 2 (AAA):
 - i. Eligible Service Providers: AAA Programs, may include HICAP Service Providers.
 - ii. Activities: Must provide enhanced outreach to eligible Medicare beneficiaries regarding their preventive wellness, and limited income benefits; application assistance to individuals who may be eligible for LIS or MSPs; and outreach activities aimed at preventing disease and promoting wellness.
 - c. MIPPA Priority Area 3 (ADRCs):
 - i. Eligible Service Provider: Designated ADRCs, may include HICAP Service Providers serving the ADRC service area.
 - ii. Activities: Must provide outreach regarding Medicare Part D benefits related to LIS and MSPs, and conduct outreach activities aimed at preventing disease and promoting wellness.
 - d. All Priority Areas – SHIPs, AAAs, and ADRCs: Must conduct outreach activities aimed at preventing disease and promoting wellness.
2. All MIPPA contract and subcontract activities must be over and above those related activities provided through other funding sources (e.g., OAA funding and the basic federal SHIP/ State HICAP funds), and they must support attainment of performance objectives specified by the California Department of Aging (CDA) (available on the CDA website).

7.4.2 AAA Responsibilities

The AAA, directly or through coordination and collaboration with subcontractors, local aging network resources, and community partners shall:

1. Provide MIPPA Program Activities in the corresponding service area(s) where MIPPA Priority Area 1 (AAA), MIPPA Priority Area 2 (SHIP), and MIPPA Priority Area 3 (ADRC) funding has been allocated. For MIPPA Priority Area 3 (ADRC) allocation, program activities must be provided in the corresponding ADRC service area as indicated in the Budget Display.

2. Provide to CDA for approval, a detailed MIPPA Work Plan (CDA 7001M) that outlines the AAA's and subcontractors' (if applicable) strategies and use of resources to complete project goals as provided by CDA.

The proposed MIPPA Work Plan must be submitted to and approved by the CDA HICAP Bureau before payments can be made to the AAA.

The CDA-approved MIPPA Work Plan is hereby incorporated by reference as part of this Program Guide.

Requests to modify or amend the approved Work Plan may be made by either CDA or the AAA at any time. Modifications of the Work Plan shall be effective upon the mutual agreement of both parties. However, the CDA may unilaterally modify the Work Plan if required by ACL or other federal award guidance.

3. Prepare and submit MIPPA-related budget(s) and budget reports as specified by CDA. In addition, the Contractor shall review, approve, and monitor all MIPPA-related budgets, expenditures and revisions of subcontractors including, but not limited to, HICAP(s) and ADRC(s) (where applicable).
4. Monitor, on an ongoing basis, all use of MIPPA funds through reporting, site visits, regular contact, or other means to provide reasonable assurance that the MIPPA funds are administered in compliance with laws, regulations, and the provisions of contracts, and that performance goals are achieved [2 CFR Section 200.328]. Program and fiscal monitoring shall be performed during the term of this Agreement.
5. Evaluate each subcontractor's risk of noncompliance with federal statutes, regulations, and the terms and conditions of this Program Guide and the MOU for purposes of determining the appropriate subcontractor monitoring as required under 2 CFR Section 200.331(b), which may include consideration of such factors as:
 - a. Prior experience with the same or similar subcontracts;
 - b. Results of previous audits including whether or not the Subcontractor receives a Single Audit in accordance with 2 CFR Part 200, Subpart F—Audit Requirements, and the extent to which the same or similar subcontract has been audited as a major program;
 - c. Whether the Subcontractor has new personnel or new or substantially changed systems; and
 - d. The extent and results of federal awarding agency monitoring (e.g., if the Subcontractor also receives federal awards directly from a federal awarding agency).

6. Consider imposing specific conditions as described in 2 CFR Section 200.207 upon a subcontractor with a history of failure to comply with general or specific terms and conditions of a federal award or failure to meet expected performance goals of the Program Guide.
7. Monitor the activities of the Subcontractor as necessary to ensure that funding is used solely for authorized purposes in compliance with federal statutes, regulations, and the terms and conditions of this Program Guide and the MOU; and that performance objectives are achieved.
8. The AAA, while monitoring the Subcontractor, must:
 - a. Review required financial and programmatic reports.
[2 CFR Section 200.302]
 - b. Follow-up and ensure that the Subcontractor takes timely and appropriate action on all deficiencies pertaining to funds awarded to perform MIPPA services through this Program Guide and MOU detected through audits, on-site reviews, and other means.
 - c. Issue a management decision for audit findings pertaining to the funds awarded to perform MIPPA services through this Program Guide and MOU as required by 2 CFR Section 200.521.
9. Provide support and technical assistance to subcontractors and respond in writing to all written requests for direction, guidance, and interpretation of instructions.
10. Maintain and distribute up-to-date CDA requirements so that all responsible persons have ready access to standards, policies, and procedures.
11. Prepare and submit the Budget to the CDA Local Finance Bureau, as referenced in [section 7.5](#), Budget and Budget Revisions, of this Program Guide.
12. Ensure that AAAs and/or MIPPA service provider key personnel attend all CDA required MIPPA meetings and training sessions.

7.4.3 Performance Measures

The AAA shall collect, track, and report on all aspects of MIPPA activities specified in [Section 7.8](#), of this Program Guide. MIPPA related activities that are measured through federal MIPPA Performance Measures, include:

1. The number of counseling services for beneficiaries under 150% of the Federal Poverty Level
2. The number of persons reached through interactive presentations, booth/exhibits, mobile info vans, and enrollment events

3. The number of counseling services for beneficiaries in Target Beneficiary Groups (Under 65, Rural, Native American, English as a Secondary Language)
4. The number of counseling services where applications were submitted for Limited Income Subsidy (LIS)/Extra Help and Medicare Savings Programs (MSPs)

7.4.4 Other Provisions and Assumptions

1. The AAA, whether providing services directly or through a subcontract, shall ensure:
 - a. Services are provided to the Eligible Service Population as defined.
 - b. As applicable, compliance with standards and guidelines for procurement of supplies, equipment, and services as provided in 2 CFR 200 Subpart D, Procurement Standards.

7.5 Budget and Budget Revisions *(Revised 08/25)*

1. The AAA shall be compensated for expenses only as itemized in the approved Budget with the exception of line item budget transfers as noted in this Program Guide and shall not be entitled to payment for these expenses until the MOU is approved and executed by CDA. The approved budget is hereby incorporated by reference into the MOU.
2. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The AAA's budget shall include, at a minimum, the following items when reimbursable under the legal authority provided by this Program Guide and the MOU:
 - a. Personnel Costs – annual full time effort (FTE) wage rates and personnel classifications together with the percentage of time to be charged, specified for each fund source. 2 CFR 200.430 must be followed for rules regarding allowability of personnel costs. Specific emphasis of section (i) of 2 CFR 200.430:
 - i. Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:
 - 1) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
 - 2) Be incorporated into the official records of the non-federal entity;

- 3) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
 - 4) Support the distribution of the employee's salary among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and a non-Federal award, an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
 - 5) Budget estimates (i.e. estimates determined before the services are performed) alone do not qualify as support for changes to Federal awards.
- ii. Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.
- b. Fringe Benefits.
- c. Contractual Costs - subcontract and consultant cost detail.
- d. Allocated Direct Costs – requires submission of a Direct Cost Allocation Plan for prior approval. OR Indirect Costs – costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable as a direct cost.
- e. Rent – total costs
- f. Supplies – to include items that do not qualify as property. See section 3.4 Property, of this Program Guide.
- g. Property - detailed description and unit costs. See section 3.4, Property, of this Program Guide.
- h. Travel (In State and Out of State) - mileage reimbursement rate, lodging, per diem and other costs.
- i. Staff Training – attendance costs for necessary training, specified for each fund source.
- j. Other Costs - facilities, operating expenses, and other ordinary and necessary costs.

3. The AAA shall ensure that the subcontractor shall submit a budget, which shall be incorporated by reference into the subcontract and will have, at a minimum, the categories listed in Item 2. above.
4. The AAA shall submit a revised budget to CDA when one or the cumulative line item budget transfers exceed ten percent (10%) of the total budget for each sub-cost category
5. The AAA shall maintain a written record of all budget changes and clearly document line item changes. The records shall include the date, amount and purpose of the transfer. This record shall be available to CDA upon request and shall be maintained in the same manner as all other financial records.
6. Unless otherwise specified by CDA, the final budget revision must be submitted at least sixty (60) days prior to the ending date of the budget period, as outlined on the program Budget Display.
7. The budget is due electronically to the Local Finance Bureau no later than thirty (30) days from the date of the transmission of the Budget Display and MOU.
8. Funds made available under this Program Guide and the MOU shall supplement, and not supplant, any federal, State, or local funds expended by a State or unit of general-purpose local government.

7.5.1 Indirect Costs - Increases effective September 1, 2025 (*Revised 08/25*)

1. The maximum reimbursement amount allowable for indirect costs is fifteen percent (15%) of the AAA's and/or Subcontractor's modified total direct costs (MTDC), excluding in-kind contributions and nonexpendable equipment unless there is an accepted negotiated rate. [45 CFR 75.414 (c) (1) and (f)].
2. AAAs 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.

For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.

"Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). [45 CFR 75.414(a)]

7.6 Program Specific Funds

1. Program Income

No Program Income is required under the terms and conditions of this Program Guide and the MOU.

2. Matching Contributions

No match is required under the terms and conditions of this Program Guide and the MOU.

3. Administration

AAA Administration shall be no more than ten percent (10%) of the total program allocation.

4. Property

Property with per unit cost over \$5,000 or any reportable property as outlined in the property section of this guide, regardless of cost, requires justification from the AAA and approval from CDA. Property must be included on and will be approved via an approved MIPPA Budget.

7.7 Payments (Revised 08/25)

The State shall reimburse the AAA with MIPPA funding that has been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Program Guide and the MOU. The following process applies to all funding with this Program Guide and the MOU:

1. The AAA shall submit monthly expenditures in an electronic format, utilizing the CDA's online Local Finance Reporting System, no later than the last business day of each month unless otherwise specified by CDA, reporting costs and funding for the month prior.
2. Payments will be made to reimburse monthly expenditures reported unless the AAA pre-selects an Advance method and provides a justification explaining the need for an advance on the budget form at the beginning of a new funding term, as referenced on the budget display. Payments after the advance has been provided will be made to reimburse expenditures reported, as outlined in Item 1 of this section of this Program Guide.
3. CDA shall process and approve reported expenditures that are based upon actual, not estimated expenditures. CDA shall notify the AAA of any disputed expenditures.
4. The AAA shall submit timely expenditures to CDA. Late expenditures may lead to a delay in payment until the following month.

5. Upon written request by CDA, AAA must submit additional documentation or justification to support the reported expenditures.
6. The AAA shall be charged \$75 per program fund source for expedited payments to recover the fees charged by the State Controller's Office. CDA may waive the fees on a case-by-case basis as appropriate.
 - a. If the MOU is executed late to no fault of CDA then the AAA may be liable for the incurred processing fees.
 - b. If the MOU is executed late due to CDA's handling, then CDA shall cover the incurred processing fees.
7. The AAA shall ensure, to the extent feasible, that all budgeted funds are expended by the expiration of this Agreement.

7.8 Reporting

1. Data Reporting and Collection
 - a. The AAA is required to collect and report data as specified by CDA for work completed by the AAA and the ADRC (where applicable). Refer to:
https://aging.ca.gov/Providers_and_Partners/Health_Insurance_Counseling_and_Advocacy_Program/#pp-mippa for reporting guidance.
 - b. The AAA shall ensure participating HICAPs report work completed under the Agreement using the Statewide HICAP Automated Reporting Program (SHARP).
 - c. The AAA shall ensure that all performance data is submitted according to CDA-approved reporting procedures and timelines and is timely, complete, accurate, and verifiable.
 - d. CDA reserves the right to modify performance reporting terms and conditions to ensure compliance with federal government guidelines and requirements.
2. Narrative Reports
 - a. Narrative reports are due to CDA at dates to be specified by CDA.
 - b. All narrative reports shall specify how the contract funds were used, progress to date in achieving MIPPA Work Plan objectives, barriers encountered, and steps taken to overcome these barriers.

7.9 Transition Plans and Obligations Upon Termination

In the event of a change in subcontractors during the term of the MOU, the AAA shall assure that a subsequent subcontractor is available to complete any open

cases or transactions during the transition period. This shall include all requirements specified this Program Guide and the MOU.

7.9.1 Transition Plan

The AAA shall submit a transition plan to CDA for approval within fifteen (15) days of a written Notice of Termination by CDA or Notice of Intent to Terminate by the AAA or subcontractor. The transition plan must be approved by CDA prior to implementation and shall at a minimum include the following:

1. A description of how open or active counseling and legal cases (if applicable) shall be transitioned to the new AAA or Subcontractor.
2. A description of how names, addresses, and telephone numbers of current clients will be handled and transferred to the new AAA or Subcontractor.
3. A description of how clients will be notified about the change and how their services will be continued.
4. A description of how communications with other HICAP sites, ADRCs (where applicable), local agencies and advocacy organizations may be made to assist in locating alternative services as needed.
5. A description of how community referral sources will be informed of the change of AAA or subcontractor and the continuation of services.
6. A description of how sensitive, confidential records, including personal health information, will be transferred to ensure adequate protection of the records.
7. A description of the qualifications of the requisite staff that would ensure continued provision of services through the term of the existing MOU.
8. A plan that specifies a timeline for the transition.
9. A plan to conduct a property inventory and transfer, or return to the CDA, all equipment purchased with these Program funds as directed by CDA.
10. Additional information as necessary to effect a safe transition of clients from the outgoing AAA to the new AAA.

The AAA shall implement the transition plan as approved by CDA.

CDA will monitor the AAA's progress in carrying out all elements of the transition plan.

7.10 Closeout

1. The MIPPA Financial Closeout Report and the Program Property Inventory Certification shall be submitted annually to the CDA Local Finance

Bureau. All AAAs are required to submit Closeout Reports with actual expenditures, electronically, as instructed by CDA..

2. All AAAs are required to submit a Program Property Inventory Certification annually, at the time of closeouts, to Property@aging.ca.gov or as instructed by CDA.

3. Final expenditures must be reported to CDA in accordance with allocations and funding periods specified in the budget display. If the expenditures reported by the AAA exceed the advanced amount, CDA will reimburse the difference to the AAA up to the program funding allocation amounts listed on the budget display. If the expenditures reported by the AAA are less than the advanced amount, CDA will invoice the AAA the unspent funds.

The payment on the invoice is due immediately upon receipt or no later than 30 calendar days from the date on the invoice.

If payment is not received within 30 calendar days, CDA will collect payment from upcoming disbursements. To account for the collected funds from the outstanding invoice, the AAA will need to adjust records to move the funds already on hand from the previous year's contract to the current contract period.