Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Decision Item FY 08-09 ☑ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☐ Budget Request Amendment FY 08-09 ☐

Request Title: Community Services for the Elderly Federal Spending Authority Update

Department: Human Services **Dept. Approval by:** [signature] **Date:** 10/17/07

Priority Number: 18 **OSPB Approval:** [signature] **Date:** 10/22/07 for 11/1/07

	Fund	1 Prior-Year Actual FY 06-07	2 Appropriation FY 07-08	3 Supplemental Request FY 07-08	4 Total Revised Request FY 07-08	5 Base Request FY 08-09	6 Decision/ Base Reduction FY 08-09	7 November 1 Request FY 08-09	8 Budget Amendment FY 08-09	9 Total Revised Request FY 08-09	10 Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	3,421,533	2,402,329	0	2,402,329	2,402,329	1,215,014	3,617,343	0	3,617,343	1,215,014
	GF	142,041	142,041	0	142,041	142,041	0	142,041	0	142,041	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	213,062	213,062	0	213,062	213,062	210,743	423,805	0	423,805	210,743
	FF	3,066,430	2,047,226	0	2,047,226	2,047,226	1,004,271	3,051,497	0	3,051,497	1,004,271
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0
(10) ADULT ASSISTANCE PROGRAMS (D) Community Services for the Elderly - National Family Caregiver Support Program	Total	2,157,124	1,420,414	0	1,420,414	1,420,414	842,972	2,263,386	0	2,263,386	842,972
	GF	142,041	142,041	0	142,041	142,041	0	142,041	0	142,041	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	213,062	213,062	0	213,062	213,062	210,743	423,805	0	423,805	210,743
	FF	1,802,021	1,065,311	0	1,065,311	1,065,311	632,229	1,697,540	0	1,697,540	632,229
	MCF	0		0	0	0		0	0	0	0
	MGF	0		0	0	0		0	0	0	0
	NGF	0		0	0	0	0	0	0	0	0
(10) ADULT ASSISTANCE PROGRAMS (D) Community Services for the Elderly - Area Agencies on Aging Administration	Total	1,264,409	981,915	0	981,915	981,915	372,042	1,353,957	0	1,353,957	372,042
	GF	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	1,264,409	981,915	0	981,915	981,915	372,042	1,353,957	0	1,353,957	372,042
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: Title III of the Older Americans Act

IT Request: ☐ Yes ☑ No

Request Affects Other Departments: ☐ Yes ☑ No **If Yes, List Other Departments Here:**

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CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Adult Disability and Re-determination Services, Aging and Adult Services
Priority Number:	18
Change Request Title:	Community Services for the Elderly Federal Spending Authority Update

SELECT ONE (click on box):

☒ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☐ Supplemental Request FY 07-08
☐ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

☒ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☐ New data resulting in substantial changes in funding needs
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department is requesting to increase the federal funds in the (D) Community Services for the Elderly section of the Long Bill by $1,004,271 to reflect available federal funds. Federal funds for these programs are in the Long Bill for informational purposes only. However, inaccurate federal funds figures create unnecessary business and accounting functions to reflect funding available from the federal government. In addition, the Department is requesting $210,743 in cash funds exempt spending authority to reflect the local funds requirement for drawing down the federal match. This information is also in the Long Bill for informational purposes only.

Background and Appropriation History:

The Federal Older Americans Act (OAA) was enacted in 1965 and is administered by the Administration on Aging (AoA) in the Department of Health and Human Services (HHS). The Act is intended to assist the elderly population to live independently in their own communities by removing barriers to independent living and providing a continuum of care for vulnerable older individuals. OAA's Title III Programs fund numerous community-based programs such as congregate meals, home-delivered meals, transportation, information and referrals and in-home services.

Services are targeted to those in most social and economic need with emphasis on low-income minorities. The OAA has set targeting requirements for frail disabled and rural elderly. Voluntary contributions toward the cost of the service are solicited from clients. There is no means testing permitted and the client must be age 60 or over.

To develop the local service delivery system, the Area Agency on Aging (AAA) is required to submit a four-year plan with annual updates to the State Unit on Aging (SUA). The plans are based upon assessment of local need, with public hearings required. While each Area Agency on Aging Plan is tailored to meet local need, the State is required to set minimum spending levels in certain services. Area Agencies on Aging must expend 25 percent of Title III-B funds on access services, 15 percent on in-home services and 3 percent on legal services. In addition, each Area Agency on Aging is required to operate a local ombudsman program. The SUA is required to develop an allocation formula to distribute funds to Area Agencies on Aging. Colorado's allocation formula distributes funds based on the following weighted factors:

40% Population aged 60 and over
15% Rural Population aged 60 and over
15% Minority population aged 60 and over
15% Low income population aged 60 and over
15% Population aged 75 and over

In the State of Colorado, approximately eleven thousand (42% of the client population) of the clients served under this program fall under the federal poverty guidelines. Without this supplemental assistance, these individuals could easily move into state funded poverty eligibility programs, such as, Medicaid, which is funded at approximately 50 percent (49.9 percent General Fund and 50.1 percent Federal Funds) or Home Care Allowance Program which is 95 percent state General Funds and 5 percent cash funds.

Community Services for the Elderly are allocated to sixteen (16) Area Agencies on Aging and 200+ local providers to deliver a variety of community services to older persons.

These funds must be targeted to low-income, minority, frail elders who are age 60 or older. Demand for these services is increasing as the aging population continues to grow.

National Family Caregiver Support Program

The enactment of the Older Americans Act Amendments of 2000 (Public Law 106-501) established an important new program, the National Family Caregiver Support Program (NFCSP). The program is designed to support family caregivers of older adults and grandparents and relative caregivers, age 60 years or older, of children no older than age 18 (including grandparents who are sole caregivers of grandchildren and those individuals who are affected by mental retardation or who have developmental disabilities). The program provides support services to caregivers in hope that those individuals will continue to give the needed care to older adults.

Area Agency on Aging (AAA) Administration

AAAs administration is allocated 10% of the Federal grants, after State administration is deducted. The AAA administrative funds have a required local match of 25%.

General Description of Request:

The current budgets have not been adjusted recently for the Community Services for the Elderly, National Family Caregiver Support Program and the Area Agencies on Aging Administration appropriations. With lower spending authorization than the current federal grants, Area Agency on Aging (AAA) contracts and procurement processes are more complicated and inefficient. Delays in funding to the contracts for these program areas can impact needed services to the elderly. The request is to update the Federal Funds figures based on recent Federal grants. This will allow AAA contracts to be processed more efficiently, at both the Department and the State Controller's Office. The request is a technical change and has no General Fund impact.

In SFY 2006-07, the AAA entered a contractual agreement with the State. The new contracts required the full encumbrance of all obligations against four appropriations.

Two of the appropriations (National Family Caregiver Support Program and Area Agencies on Aging) are primarily Federal funds and have outdated and insufficient budgets. The Long Bill appropriations are less than the available funding and contract levels needed. The figures can be adjusted periodically through accounting actions, to properly encumber the AAA contracts, but these adjustments to correct encumbrances and procurement issues take unnecessary time from other administrative processes and reduce productivity. The CFE request of $210,744 is for informational purposes and represents the local match associated with the Federal grants.

These updates in the appropriation will be used to provide services, as described previously, for the National Family Caregiver Support Program and the Area Agency on Aging Administration of services in the community for those who are aging.

Consequences if Not Funded:

If the request is not granted, the Department will continue to make accounting adjustments. These adjustments required the action of both department and program Accounting and the State Controller's Office creating additional administrative work and slowing the contracting/encumbrance process. The request has no General Fund impact and simply adjusts budget figures to reflect current Federal grants. This request will make the securing of all available federal funds more efficient and effective. Without the requested change, maximizing federal resources is more difficult, which could result in lost federal funding.

Calculations for Request:

Summary of Request FY 08-09	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	$1,215,014	$0	$0	$210,743	$1,004,271	0.00
National Family Caregiver Support Program	$842,972	$0	$0	$210,743	$632,229	0.00
Area Agencies on Aging Administration	$372,042	$0	$0	$0	$372,042	0.00

Summary of Request FY 09-10	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	$1,215,014	$0	$0	$210,743	$1,004,271	0.00
National Family Caregiver Support Program	$842,972	$0	$0	$210,743	$632,229	0.00
Area Agencies on Aging Administration	$372,042	$0	$0	$0	$372,042	0.00

Assumptions for Calculations: The estimated federal grants are based on Federal Fiscal Year 2007 allocations. The allocations were increased by ten percent for anticipated increases to the Federal Grants.

NATIONAL FAMILY CAREGIVER SUPPORT PROGRAM -PART E GRANTS

ESTIMATED FF PART E GRANT	$1,697,540
FEDERAL FUNDS (FF) APPROPRIATION	$1,065,311
ADDITIONAL FF REQUEST	$632,229

The Part E grant requires a 25% match. The match can be made up of a combination of State and local sources. Currently, there is $142,041 in GF in the appropriation for Part E match. The increased Part E Federal funds will require an additional $210,743 ($632,229/.75 - $632,229) in match.

	TOTAL	GF	CFE	FF
CURRENT APPROPRIATION	$1,420,414	$142,041	$213,062	$1,065,311
BUDGET REQUEST	$842,972		$210,743	$632,229
REQUESTED APPROPRIATON	$2,263,386	$142,041	$423,805	$1,697,540

AAA ADMINISTRATION

The estimated federal grants are based on Federal Fiscal Year 2007 allocations. The allocations were increased by ten percent for anticipated increases to the Federal Grants and variations in local spending decisions.

ESTIMATED FF AAA ADMINISTRATION - TOTAL REQUEST APPROPRIATION	$1,353,957
CURRENT FF AAA LONG BILL	$981,915
ADDITIONAL FF REQUEST	$372,042

TOTAL FEDERAL FUNDS REQUESTED

NATIONAL CAREGIVER SUPPORT PROGRAM	$632,229
AAA ADMINISTRATION - TOTAL REQUEST APPROPRIATION	$372,042
TOTAL REQUEST	$1,004,271

Impact on Other Government Agencies: None

Cost Benefit Analysis: This is a technical adjustment, which only recognizes funding that is available currently. No cost benefit analysis is required.

Implementation Schedule:

Task	Month/Year
Allocate Funds to Area Agencies on Aging	01/2008
Local Planning and Application Process	04/2008
Grant Funds Approved	06/2008
Contracts Signed and Executed	06/2008
Contract Funds Encumbered	06/2008
State Fiscal Year 2009 Funding Service Period Begins	07/2008

Statutory and Federal Authority:

26-11-207 (6), C.R.S. (2007) Family caregiver support program.

(1) The general assembly hereby finds, determines, and declares that it would be beneficial to the state to develop a service delivery system to respond to the needs of caregivers who care for frail, elderly persons or to the needs of grandparents and relative caregivers who have taken on the challenge and responsibility of raising children. The general assembly also finds that the federal "Older Americans Act of 2000", P.L. 106-501, has authorized a family caregiver support program to be administered by area agencies on aging. The general assembly finds that by implementing the family caregiver support program support can be given to caregivers so that elderly individuals may be able to remain in their homes and support may be provided to grandparents or older individuals who are relative caregivers of children.

(2) There is hereby created in the state department the family caregiver support program, referred to in this section as the "program". The program shall allocate available moneys to area agencies on aging to provide support services to the following caregivers

Performance Measures:

Program	Workload Indicator	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
		Actual	Actual	Current	Request
Aging and Adult Services	Number of people receiving services through the Older American Act and State funding for Senior Services..	33,576	32,712	34,000	34,000