



## FISCAL FAQ – COVID-19 EMERGENCY

Older Americans Act Funding, Families First Coronavirus Response Act (FFCRA), CARES Act, and Older Americans Act Reauthorization of 2020 Updates

*April 8, 2020*

These fiscal FAQs were originally provided in response to questions received by the ACL on the supplemental funding provided by the Families First Coronavirus Response Act (FFCRA) for Congregate Meals (CMC2) and Home Delivered Meals (HDC2). Additionally, these FAQs have been updated to include:

- Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, P.L. 116-136
- Older Americans Act (OAA) Reauthorization of 2020 signed into law March 25, 2020, P.L. 116-131.

Updates include:

- CARES Act Funding
  - Purpose of funding
  - 100% transfer authority within C-1/C-2 for Regular OAA Title III, FFCRA, and CARES Act funding (see Transfers)
- OAA Reauthorization of 2020
  - State Plan Administration increased maximum to 5% or \$750,000 (see State Plan and Area Plan Administration)
  - Removal of 10% cap on Grandparents Raising Grandchildren
- General Updates/clarification
  - Inclusion of Territory State Plan Administration maximums (see State Plan and Area Plan Administration)
  - Fiscal Reporting Requirements
  - NSIP Hold Harmless Meal Counts for FFY 2020 and 2021 (see Fiscal Reporting Requirements)
  - Additional questions and responses (See Related Questions under each heading)
  - No Cost Extensions, Liquidation Extension, and Order of Use of Funding
  - Waiver of Prior Approval for Pre-Award Costs

### **Purpose of FFCRA and CARES Act Funding**

Funds expended from the FFCRA and the CARES Act are to respond to the Coronavirus Emergency by providing Older Americans Act services related to the response. Funds must be expended on allowable Older Americans Act activities as defined by the Older Americans Act and State and local policy.

Related Questions:

1. Will nutrition funds (C1/C2) from the 3<sup>rd</sup> stimulus (i.e., the CARES Act) be awarded as an amended NOA, or will it be a new grant award number?

- A new grant award number will be issued for the CARES Act supplemental funds. Funds should be accounted for, tracked, and reported separately.
- 2. If the major disaster ends, are FFCRA and CARES Act funding no longer available?
  - Funds were appropriated to remain available until September 30, 2021, to prevent, prepare for, and respond to Coronavirus. It would be prudent to assume that even after the major disaster or public health emergency has concluded there will still be expenses related to the coronavirus response, such as stocking congregate meal kitchens that were suddenly closed, starting back up transportation for seniors, etc.

## State Plan and Area Plan Administration

State Plan and Area Plan administration expenditures are allowable with FFCRA and the CARES Act supplemental funding. To determine allowable amounts for State Plan and Area Plan administration, calculate the cumulative total between the regular Title III grants, the FFCRA, and the CARES Act.

Please note the following allowable amounts:

- State Plan: 5% or \$750,000 (Older Americans Act as Reauthorized in 2020)
  - Calculated as:
    - 5% of the cumulative total of all of the regular Title III grants (i.e. 2001XXOASS/CM/HD/PH/FC) plus the FFCRA supplemental grants (i.e.2001XXHDC2/CMC2) plus the CARES Act supplemental grants (i.e. 2001XXHDC3)
  - OR
    - \$750,000 for States or \$100,000 for Guam, American Samoa, Virgin Islands, Northern Mariana Islands
  - Allowable funding may be calculated as indicated above; however, State Plan administrative funds may be expended from any part or parts of the regular Title III grants and/or the FFCRA and/or CARES Act supplemental grants
- Area Plan Administration: 10%
  - Calculated as 10% of the cumulative total of all of the regular Title III grants (i.e. 2001XXOASS/CM/HD/PH/FC) plus the FFCRA supplemental grants (i.e.2001XXHDC2/CMC2) plus the CARES Act supplemental grants (i.e. 2001XXHDC3)
  - Funding may be calculated as indicated above; however, funds for Area Plan administration may be expended from any part or parts of the regular Title III grants (**except for Part D**) and/or the FFCRA and CARES Act supplemental grants
- State Plan and Area Plan Administration require a 25% match, see more in the Match Requirements section below

### Related Questions:

1. Does #4 of the Terms and Conditions mean that expenditures for administration are allowed?
  - Yes, State Plan and Area Plan Administration are allowed expenses.
2. Do these grants allow for State and Area Plan administration expenditures?
  - Yes, State Plan and Area Plan Administration are allowed expenses.
3. Will these additional funds impact the State and Area Plan administration amounts? Are they added to the state's total allocation?

- Yes, the funds can add to the State and Area Plan administration allowed maximums. The maximums are calculated as the cumulative total of all of the regular Title III grants (i.e. 2001XXOASS/CM/HD/PH/FC) plus the FFCRA supplemental grants (i.e.2001XXHDC2/CMC2) plus the CARES Act supplemental grants (i.e. 2001XXHDC3)
- 4. Must 10% Area Plan Administration be met in order to charge for program development and coordinated activities to Supplemental Services.
  - Yes, Area Plan Administration of 10% from regular Title III grants (i.e. 2001XXOASS/CM/HD/PH/FC) plus the FFCRA supplemental grants (i.e.2001XXHDC2/CMC2) plus the CARES Act supplemental grants (i.e. 2001XXHDC3) must be met prior to program development and coordinated activities being charged to supplemental services.

## Match Requirements

Service Match (Congregate and Home Delivered Meals) is not required for the FFCRA or CARES Act supplemental grants; i.e. 15% service match and 1/3 of 15% State Match for Services. However, if taken, State Plan and Area Plan administration match is required at the normal 25% match rate.

Please see the Major Disaster Declaration (MDD) Fiscal FAQ for more information on match requirements that apply to States exercising maximum flexibility under a MDD.

### Related Questions:

1. Is there a required match on the new FFCRA (C-1 and C-2) funding that we received on 3/23/2020? From what I can see on the Grant Award - #5 in the Terms and Conditions indicates there is no match requirement.
  - There is no required service match, i.e. 15% service match and 1/3 of 15% State Match for services for the FFCRA or CARES Act funding.
2. Terms and Conditions state, “4. Federal participation cannot exceed 75% of the total State and Area plan administration costs. The remaining 25% represents the State and local matching share.” What does this mean?
  - State and local matching share is the required amount of funds (match) required towards State and Area Plan administration expenditures. That percentage of the match can be met by Cash or In-Kind by State or Local sources.
3. Do we need to do a waiver request for matching?
  - Match is waived for the 15% service funding, match is not waived for State Plan or Area Plan administration.
4. Will there be a required match on the new CARES Act funding?
  - The same match requirements will apply to the CARES Act funding as to the FFCRA funding.
5. Please clarify the match piece for [Expediting Expenditures at the State level in Responding to the COVID-19 Emergency](#)? If the SUA uses funds for direct expenditures, are we required to contribute match? If the SUA uses state plan – regular OAA admin dollars at the service expenditure match rate but not for the new COVID funds?
  - SUA is using State Plan administrative funding, up to allowable levels, for service expenditures:
    - i. Regular Title III Grant: Service match is required at the normal match rate
    - ii. FFCRA and CARES Act Funding: Service match is waived and therefore not required
  - SUA is using up to 5% of funding for the SUA’s use in making direct expenditures and/or acting to procure items on a statewide level:
    - i. Regular Title III Grant: Service match is required at the normal match rate
    - ii. FFCRA and CARES Act Funding: Service match is waived and therefore not required

## Transfers

Transfers for up to 100% are approved within Regular OAA, FFCRA, and the CARES Act supplemental grants C-1, Congregate Meal Program and C-2, Home Delivered Meal Program. Transfers must occur within the same grant grouping, i.e. FFCRA transfers must occur within the FFCRA grants.

Transfers within Title III-B and Title III-C funding are authorized up to 30% within B, Supportive Services and/or the Nutrition Programs C-1, Congregate Meal Program and C-2, Home Delivered Meal Program. A waiver can be requested by the SUA to the Assistant Secretary for Aging to exceed the 30% transfer authority limit up to 100%. Transfers must occur within the same grant grouping, i.e. FFCRA transfers must occur within the FFCRA grants.

While final transfer requests are due by 8/17/2020, transfer requests can be submitted at any time to ACL within the grant's funding year. For example, FFY 2020 grants (with grant numbers start with "20xxxxxxx", transfer requests must be submitted before 9/20/2020, 10 days before end of FFY 2020. We ask that the number of transfer requests per SUA be minimized and consolidated as much as possible since a new Notice of Award (NOA) is issued for every transfer request received. Please see the [transfer request program instruction](#) and [technical assistance spreadsheet tool](#) for requesting a transfer. Please note a cover letter on official letterhead is required to be submitted for the request in addition to any spreadsheets. Please ensure the request includes a description of the amount to be transferred, the purposes of the transfer, the need for the transfer, and the impact of the transfer on the provision of services from which the funding will be transferred. Transfer requests by States should be submitted for processing to your [fiscal contact](#) with a cc to your [Regional Administrator](#).

Please see the Major Disaster Declaration (MDD) Fiscal FAQ for more information on the flexibility allowed under a MDD, please note a transfer may not be required.

### Related Questions:

1. Are we allowed to move funds from our FFCRA supplemental grant for C1, congregated meals, to C2, home delivered meals?
  - Yes, transfers up to 100% are authorized within C-1/C-2 for regular OAA, FFCRA, and CARES Act funding. Transfers must occur within the same grant grouping, i.e. FFCRA transfers must occur within the FFCRA grants.
2. Can the State request an additional transfer of funds for the federal fiscal year ending FFY 2019 Title III funds?
  - Unfortunately, we are unable to process transfer requests on grant awards issued in prior years.
3. Will an AAA be able to transfer more than 50% from CMC2 to HDC2?
  - The CARES Act increased the transfer authority to 100% within C-1, Congregate Meals and C-2, Home Delivered Meals, this includes funds issued under Regular OAA, FFCRA, and CARES Act funding. Transfers must occur within the same grant grouping, i.e. FFCRA transfers must occur within the FFCRA grants.
4. Do AAAs need prior approval from the SUA to transfer funds from C-1/C-2 under FFCRA or CARES Act awards?
  - While prior approval is not required, an AAA still needs to report transfers to the SUA to move funding on the grant award, since funds are issued under separate grant award numbers. SUAs should communicate their processes for reporting and reimbursement purposes.
5. Can funds be transferred within Title III C and Title III B for FFCRA, the CARES Act and Regular OAA Title III?
  - Yes, a transfer can be made up to 30% within Titles III-B and III-C of OAA. If a SUA wishes to exceed a 30% transfer, prior approval is required by the Assistant Secretary for Aging, approval can be granted up to 100%. Transfers must occur within the same grant grouping, i.e. FFCRA transfers must occur within the FFCRA grants.

## Fiscal Reporting Requirements

FFCRA and CARES Act funds are issued under a separate grant award number; therefore, funds must be accounted for separately from the regular issuance of Title III Older Americans Act funding. A separate supplemental form will be required for financial report submissions. States are required to continue maintaining appropriate records and documentation to support the charges against the Federal awards. Additional information will be coming out very shortly on programmatic reporting requirements. At a minimum and where possible, States should be recording the number of clients to whom service is provided, the name or category of services provided, the number of units of service provided, and the expenditures related to providing such services.

All State Unit on Aging grantees were provided an extension until July 30, 2020 for financial reporting (SF425 and/or FCTR) for reports regularly due April 30, 2020 for the reporting period ending March 31, 2020. The extension applies for all FFY 2018, 2019, and 2020 Title III, Title VII, and NSIP grants. Please note the reports still must be submitted for the reporting period ending March 31, 2020 no later than July 30, 2020. For the FFY 2018 and 2019 reports, they should be submitted to your State's [fiscal contact](#) with a cc to your [Regional Administrator](#). The FFY 2020 grant should be submitted through the [Payment Management System](#) (PMS) starting this reporting period, the Title III Supplemental SF425 form should be attached in the PMS.

Additionally, the COVID-19 crisis is expected to completely skew traditional meal service and meal counts. As a result, ACL is holding harmless meal counts from 2019 and will apply them to 2020 and 2021 NSIP allocations. This will alleviate the need to count COVID-19 meals for purposes of NSIP.

### Related Questions:

1. Are these two grants under the same umbrella of the other Title III grants (2001XXOACM, 2001XXOAH, 2001XXOAF, 2001XXOAS, and 2001XXOAP) and get reported within the same SF-425 group? Or, are they stand-alone grants such as grant 90EJSG00XXXX or 90MMPG00XXXX and get reported completely separate from Title III?
  - For financial reporting purposes, the Families First Coronavirus Response Act (FFCRA) supplemental grants should be accounted for separately from the normal Title III Older Americans Act grants.
  - For financial reporting purposes, CARES Act supplemental grants should be accounted for separately from the normal Title III Older Americans Act grants.
2. Are there any special tracking requirements or restrictions on using these funds (re: FFCRA funds)?
  - For financial reporting and accounting purposes States should track these funds separately from the Title III Older Americans Act grants. Additionally, please see Purpose of FFCRA and Cares Act Funding above.
3. Will these grants have their own FFR and supplemental form separate from the current 2020 Congregate Meals and Home Delivered Meals grants?
  - Yes, these grants will have their own separate FFR and supplemental form requirements.
4. Are there special FFR and supplemental forms for use that are specific to these two grants?
  - The same supplemental form will be used as with the other Title III Older Americans Act grant; there may be sections of the supplemental form that cannot be completed.
5. Do program income rules still apply with FFCRA, would need to spend the program income generated on the FFCRA funds first prior to drawing the FFCRA funds. Since FFCRA funds are separate from OAA funds, is program income required to be accounted for separately too?
  - Per 45CFR75, program income must be expended prior to drawing additional federal funds. Additionally, FFCRA, the CARES Act, and the regular Title III funding should be accounted for and reported separately, which includes program income.

## Distribution of Funding

After any funds have been distributed to expedite COVID-19 emergency response as outlined in the [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#), the State Agency must distribute this FFCRA and CARES Act supplemental funding based on the Intrastate Funding Formula (IFF) approved by the Assistant Secretary for Aging. Funds required to be distributed via the IFF may not be held at the State level.

### Related Questions:

1. We received the NOA for the Families First Coronavirus funding. I was hoping you could provide any additional information on how the funds are to be expended and paid out to providers?
  - After any funds have been distributed to expedite COVID-19 emergency response as described in the [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#), funds must then be distributed based on the State's approved Intrastate Funding Formula.
2. For FFCRA, I see now the first one was for C1 and I received another for C2. Is that all they can be used for?
  - Funds may be transferred 100% within C1/C2. Additional flexibilities are available if a Major Disaster Declaration is approved for your State, please also reference the [Older Americans Disaster Relief](#) FAQ.
3. I am assuming the administration allocation would follow distribution after the base since the base was exhausted in the initial Title III allocation. Is that correct?
  - States should follow their approved Intrastate Funding Formula.
  - The Families First Coronavirus Response Act (FFCRA) funding is in addition to Title III Older Americans Act Funding where the base for distributions may have already been allocated.
  - The CARES Act funding is in addition to Title III Older Americans Act Funding where the base for distributions may have already been allocated.
4. The SUA purchased shelf stable meals to distribute to seniors identified by the SUA as high risk, can the SUA be reimbursed for the costs of the food purchased?
  - Please see FAQ document [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#).
5. The SUA purchased in bulk shelf stable meals for AAAs that requested the purchase. Can the SUA be reimbursed for the cost of purchase?
  - Please see FAQ document [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#).
6. The SUA purchased a truck of food to box up and distribute to seniors identified by the AAA, can the SUA be reimbursed for the cost of purchase?
  - Please see FAQ document [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#).
7. Can you explain what, if any, process is for not allocating the new COVID-19 funds (specifically Title III-E) through the AAAs? A process was alluded to on the ACL-ADvancing States call and we would like to know more.
  - Please see FAQ document [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#).

## No-Cost-Extensions, Liquidation Extensions, and Order of Use of Funding

All SUAs have been provided a no-cost-extension for the FFY 2019 Title III, Title VII, and NSIP grants. The project period end dates have been extended to September 30, 2021 with final reporting due December 30, 2021. A new Notice of Award (NOA) will be provided to SUAs who have not fully expended their grants in the July 2020 timeframe with the updated project period end date. SUAs who receive the no-cost-extensions will be required to submit semi-annual reports until a final report is submitted.

All SUAs that have FFY2018 Title III, Title VII, and NSIP grants will be provided a liquidation extension for an additional year to December 30, 2021. Please note funds must have been obligated by September 30, 2018 to be available for expenditure and liquidation. A new NOA will not be provided with this updated liquidation period, however late requests for liquidation will be approved. Final liquidations and SF425 report are due December 30, 2021.

Because FFCRA & CARES Act funding is specifically appropriated for COVID-19 response, we encourage the use of funding in the following order:

1. Families First Coronavirus Response Act (FFCRA) funding;
2. CARES Act funding;
3. “Regular” OAA Title III grant funds, starting with the oldest funds available first;
  - a. FFY 2018
  - b. FFY 2019
  - c. FFY 2020

Because the SUAs and networks have been impacted by COVID-19, ACL has waived prior approval requirements for pre-award costs incurred from January 20, 2020 to the effective date of the Federal Awards for the FFCRA and CARES Act funds.

Additionally, States need to consider match requirements, Maintenance of Effort, and LTCO minimum expenditure levels when determining use and order of funding.

### Related Questions:

1. What is the process to request a no-cost-extension for the FFY 2019 Title III, Title VII, and NSIP grants?
  - Approval is given to all SUAs for FFY 2019 Title III, Title VII, and NSIP grants until 9/30/2021, final reports will be due 12/30/2021.
2. What is the process to request a liquidation extension for the FFY 2018 Title III, Title VII, and NSIP grants?
  - No request is required, the liquidation period is being extended until 12/30/2021. When a State draws funds after 12/30/2020 an error will occur in the Payment Management System (PMS), however, draws will be approved by ACL until 12/30/2021.
3. Our State had expenditures related to COVID related activities that occurred prior to the project period start date on the FFCRA and CARES Act funding, can those costs be allocated to these grants?
  - Because the SUAs and networks have been impacted by COVID-19, ACL has waived prior approval requirements for pre-award costs incurred from January 20, 2020 to the effective date of the Federal Awards for the FFCRA and CARES Act funds.
4. Can providers still use their standard award dollars if the emergency funding runs out? Can the funds be used simultaneously?
  - States can set policy on how emergency funding is to be expended on the Coronavirus emergency as well as the order in which funds may be expended. The ACL recommends the order of expending funding be FFCRA, CARES Act, then Regular OAA funds 2018, 2019 and 2020.