FISCAL FAQ – COVID-19 EMERGENCY
Consolidated Appropriations Act, 2021
• FFY2021 Older Americans Act Funding
• Supplemental Nutrition Funding (Supplemental 5-HDC5)

January 28, 2021

The Consolidated Appropriations Act, 2021, Public Law No: 116-260, signed into law on December 27, 2020 provides funding for FFY2021 “Regular” Older Americans Act (OAA) programming and extends flexibilities provided in the Families First Coronavirus Response Act and the CARES Act.

In addition, the Consolidated Appropriations Act, 2021 provides supplemental funding for ACL’s Senior Nutrition Programs to assist in responding to the COVID pandemic. This Act provides an added $168M to help states deliver additional meals to older adults (Supplemental 5-HDC5).

This Fiscal FAQ document provides updates for grantees related to the Consolidated Appropriations Act, 2021 Supplemental Nutrition Funding (Supplemental 5-HDC5) and FFY2021 “Regular” OAA Title III funds.

Purpose of Consolidated Appropriations Act, 2021 Supplemental Nutrition Funding (Supplemental 5-HDC5)

Funds 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 from the 5th stimulus (i.e., the COVID Supplemental Appropriations to the FFY2021 Funds, which this document references as Supplemental 5-HDC5) be awarded as an amended NOA to the FFY2021 “Regular” Title III grant, or will it be a new grant award number?
   • A new grant award number will be issued, i.e., 2101XXHDC5. Please note all of the FFY2021 Supplemental funds will be allocated to Home Delivered Meals, Title III-C2.
2. What is the project period for this new supplemental funding?
   • Consolidated Appropriations Act, 2021 Supplemental Nutrition Funding (Supplemental 5-HDC5) has a project period from December 27, 2020– September 30, 2022.

State Plan and Area Plan Administration

State Plan and Area Plan administration expenditures are allowable with Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (Supplemental 5-HDC5). To determine allowable amounts for State Plan and Area Plan administration, calculate the cumulative total between the FFY2021 “Regular” Title III grants and the Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (Supplemental 5-HDC5).
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 FFY2021 “Regular” Title III grants (i.e. 2101XXOASS/CM/HD/PH/FC) plus the Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (i.e. 2101XXHDC5)
  - 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 Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (Supplemental 5-HDC5)

**Area Plan Administration:** 10%
- Calculated as 10% of the cumulative total of all of the regular Title III grants (i.e. 2101XXOASS/CM/HD/PH/FC) plus the Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (i.e. 2101XXHDC5)
- 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 Consolidated Appropriations Act, 2021 Supplemental Nutrition funding (Supplemental 5-HDC5)

State Plan and Area Plan Administration require a 25% match, see more in the Match Requirements section below

**Related Questions:**

1. Can area plan administrative costs be charged the entire project period? Does this mean at the end of the project period that area plan administration dollars must be spent or else they cannot take program development?
   - Yes, area plan administrative costs can be charged over the entire project period. At the end of the project period in order to charge program development and coordinated activities, Area Plan Administration funds (10%) must be fully expended.

2. We have an operating standard that no more than 20% of the AAA’s Title III-B award may be spent for program development activities. Will the AAA also be allowed to take 20% of the III-B CARES Act award for program development activities?
   - As long as the AAA fully expends the Area Plan Administration of 10% at the end of the project period, then yes, III-B CARES Act can fund program development and coordinated activities.

3. Is it permissible for grantees to utilize their AAA administration funds, without charging services at this time, if they have other sources for services?
   - Yes, as long as the Area Plan Administration is allocable to the program, the 10% Area Plan Administration is for the duration of the project period.

**Match Requirements**

Service Match for Home Delivered Meals is not required for the Consolidated Appropriations Act, 2021 Supplemental Nutrition 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. Does the new supplemental funds language exclude match requirements from the “Regular” Title III grants?
   o FFY2021 and prior years “Regular” Title III grants must still meet the required match amounts as listed on the Notice of Award (NOA).

2. Can Older Americans Act funds be used to meet other federal grant match requirements?
   o Federal funds may not be used to match other Federal funds unless there is specific statutory authority to do so [45 CFR 75.306(b)(5)].
   o The following conditions must be met if OAA funds are to be used to match other Federal funds:
     i. All specific terms and conditions of the OAA grant; including all applicable Older Americans Act provisions and uniform administrative requirements, cost principles, and audit requirements for Federal awards;
     ii. The intent of the OAA;
     iii. All applicable Federal, State and local legislation; and
     iv. The Other Federal Agency has the statutory provisions necessary to allow its grantees to count non-Federal Agency Federal funds as matching contributions for their project costs.

Transfers

Under the Consolidated Appropriations Act, 2021 transfers for up to 100% between subpart 1 and subpart 2 of part C are approved within FFY2021 “Regular” Title III grants. Transfers must occur within the same grant grouping, i.e. FFY2021 “Regular” Title III transfers must occur within the “Regular” FFY2021 Title III grants. Supplemental 5-HDC5 cannot be transferred from/to the FFY2021 “Regular” Title III grants, the FFY2020 “Regular” Title III grants, nor the FFY2020 FFCRA or CARES grants. Transfers for FFY2021 Title III funds are due to your ACL Fiscal Contact by August 16, 2021. Earlier submissions are accepted, and we encourage consolidation of the number of requests since a new Notice of Award must be issued for each request.

Please see the Major Disaster Declaration (MDD) Fiscal FAQ for more information on the flexibility allowed under a MDD, and note a transfer may not be required in order to flexibly use funds.

Related Questions:

1. Since the Supplemental Appropriation for FFY2021 Nutrition grant (Supplemental 5-HDC5) is only allocated to Home Delivered Meals, how do we make a transfer?
   o Under a Major Disaster Declaration incident period, we encourage grantees to utilize the bucketing allowed during the incident period.

2. Does the 100% nutrition transfer authority, between C1 and C2 extend to prior year Title III grants that are still open?
   o Transfers for prior year Title III grants must have been requested in the first year the grant was issued.

3. Must a transfer be reported to the ACL?
   o Yes, in order for the funds to be transferred, ACL must be notified and issue a new notice of award. Please also note that during a Major Disaster Declaration incident period, “bucketing” of funding can be utilized instead of a transfer.
**Fiscal Reporting Requirements**

The Consolidated Appropriations Act, 2021 (Supplemental 5-HDC5) 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, FFCRA, and CARES Act funding. A separate SF-425 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. Please see [Title III State Program Report: COVID-19 Response Reporting Guidance](#), as of January 2021 update, for additional information on programmatic reporting requirements.

Financial reports are due April 30, 2021, October 31, 2021, April 30, 2022, and January 31, 2023. The reports should be submitted through the Payment Management System (PMS), and 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 there any specific reporting requirements for the COVID Supplemental Nutrition funds?
   - The reporting requirements, fiscal and programmatic, are the same as with other COVID Supplemental funding, i.e. FFCRA and CARES Act.
2. Are we reporting NSIP meal counts for FFY2021?
   - No.
3. Would the best practice then be to spend all program income first regardless of which grant is was generated on?
   - Program income should be expended prior to drawing additional federal funding and be used to expand the service for which the program income was generated.
4. As far as using the supplemental funding first, should states report home delivered meals that would have been provided anyway under normal circumstances as COVID-19 related?
   - Please see [Title III State Program Report: COVID-19 Response Reporting Guidance](#), as of January 2021 update, for programmatic reporting requirements.

**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 Title III 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. Is the [Expediting Expenditures at the State Level in Responding to the COVID-19 Emergency](#) available for both the Consolidated Appropriations Act, 2021 (Supplemental 5-HDC5) grants as well as the FFY2021 “Regular” Title III grants?
   - Yes.
2. During a Major Disaster Declaration (MDD), is the State Unit still required to meet minimum proportion of funds outlined as required in Section 307(a)(2)(C) of the OAA that is included in the State Plan as it relates to Title III B access, in-home, and legal services, Section 307(a)(2)(C)?
During a major disaster declaration (MDD), States have the flexibility to expend funding for whatever services are necessary for disaster relief. During the MDD, the minimum proportion of funds does not need to be met. However, once the MDD incident period ends and a State has remaining Title III B funds remaining, they would be subject to meeting the minimum proportion requirements. To avoid this scenario, a State should consider requesting a waiver to the minimum proportion requirements identified in Sec 306(a)(2) and Sec 307(a)(2), under the provisions of Section 316. Minimum proportion waivers should be submitted at least 30 days prior to the end of the fiscal year to apply to that years funding. Please contact your Regional Administrator for more information on the waiver process.

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

All SUAs received 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. Please note that no additional no-cost extensions are available for the FFY2019 “Regular” Title III, Title VII and NSIP grants. All SUAs also received a liquidation extension for the FFY2018 Title III, Title VII, and NSIP grants for an additional year to December 30, 2021. Please note FFY2018 funds must have been obligated by September 30, 2018 to be available for liquidation.

This spring a no-cost extension process will be made available to grantees to request up to a 12 month project period extension for the FFY2020 “Regular” Title III, Title VII, and NSIP grants, in addition to the FFCRA and CARES Act grants. The process for requesting the no-cost extensions will be forthcoming.

Given the current grant sources available as of January 2021, we encourage the use of funding in the following order:

1. “Regular” OAA Title III grant funds, starting with the oldest funds available first;
   a. FFY 2018, liquidation period end date 12/30/2021;
   b. FFY 2019, project period end date 9/30/2021;
2. Families First Coronavirus Response Act (FFCRA) funding, project period end date 9/30/2021;
3. CARES Act funding, project period end date 9/30/2021;
4. FFY 2020 “Regular” OAA Title III grant funds, project period end date 9/30/2021;
5. Consolidated Appropriations Act, 2021 (Supplemental 5-HDC5), project period end date 9/30/2022; and
6. FFY 2021 “Regular” OAA Title III grant funds, project period end date 9/30/2022.

Related Questions:

1. ACL is giving guidance that large purchases for equipment should be charged to OAA. However, is that a requirement? Are we prohibited from purchasing COVID-response items such as a delivery truck with Consolidated Appropriations Act, 2021 (Supplemental 5-HDC5), FFCRA, or CARES Act funding?
   o Following the appropriate policies and procedures, equipment may be purchased from Regular OAA grants, Consolidated Appropriations Act, 2021 (Supplemental 5-HDC5), CARES Act, and FFCRA grants.

2. Will no-cost extensions be available for grants ending on September 30, 2021?
   - For the FFY2019 funding, a 12-month no-cost extension was provided, and there is no additional availability for no-cost extension on the FFY2019 grants. The FFY2019 grants project period ends 9/30/2021. These grants have a liquidation period that ends on and a final report that is due by 12/30/2021.
   - For the FFY2020 “Regular” Title III, FFCRA, and CARES Act grants, requests for no-cost extensions will be accepted starting in late Spring of 2021. The process for requesting the extension will be provided in the Spring of 2021. An extension may be requested for a maximum of 12 months.

3. Did the CARES Act extend the project period end date to 12/31/2021?
• The project period for the CARES Act Title III and Title VII grants remains unchanged. Please note that no-cost extensions for up to 12 months will be available for States to apply for late Spring of 2021.