Nutrition and Aging
Resource Center

Voluntary Contributions:
What Senior Nutrition Program Professionals Need to Know

Contents

The Older Americans Act Title III, Section 330 states:

The purposes of this part are—

(1) to reduce hunger, food insecurity, and malnutrition;
(2) to promote socialization of older individuals; and
(3) to promote the health and well-being of older individuals by assisting such individuals to gain access to nutrition and other disease prevention and health promotion services to delay the onset of adverse health conditions resulting from poor nutritional health or sedentary behavior

Background and Purpose

Section 315 of the Older Americans Act (OAA, the Act) encourages voluntary contributions for certain Senior Nutrition Program participants. The OAA authorizes nutrition services for eligible consumers, regardless of their ability or choice to contribute toward the cost of meals. The OAA outlines prohibited and required acts for State Units on Aging (SUA), Area Agencies on Aging (AAA), and local service providers (LSP) related to voluntary contributions, which are further defined in the Code of Federal Regulations (CFR) (45 CFR 1321.9(c)(2)(x)). Refer to state and local policies for specific requirements related to voluntary contributions and, when developing policies and procedures in adherence to the OAA, consider roles and responsibilities when AAAs are direct providers of services (i.e., LSPs).

45 CFR 1321.3 "Voluntary contributions" as used in section 315(b) of the Act (42 U.S.C. 3030c–2(b)), means donations of money or other personal resources given freely, without pressure or coercion, by individuals receiving services under the Act.

The purpose of this document is to describe the key concepts and the required and prohibited acts related to voluntary contributions, including policy and procedure considerations when AAAs are direct providers of services (i.e., LSPs). Read on for tips to help AAAs and LSPs manage and maximize voluntary contributions.

Dos of Voluntary Contributions

Required (Do)

- Encourage contributions based on the actual cost of providing services
- Provide each participant with an opportunity to make a contribution and inform participants that contributions are voluntary
- Protect privacy and confidentiality
- Safeguard and account for contributions, which must be reported as program income
- Use contributions to expand a service funded by the Title III grant for which they were collected
- Consult stakeholders for input

Do: Encourage Contributions Based on the Actual Cost of Providing Services

Voluntary contributions are encouraged for individuals with incomes at or above 185 percent of the federal poverty line, at contribution levels that must be based on the actual cost of providing services. Some nutrition service providers establish a suggested contribution scale based on income, while other providers prefer to recommend a suggested contribution per meal across the board or ask participants to set their own contribution level as they are able.

In addition, AAAs and LSPs must regularly and accurately analyze the total cost of providing nutrition services. For information on determining the actual cost of nutrition services, including costs to be considered, read Identifying the Total Cost of a Meal from the Nutrition and Aging Resource Center. Note that total meal cost includes all costs associated with providing a meal. Indirect administrative costs and in-kind contributions (often in the form of volunteer labor value) are sometimes overlooked but should be included when calculating the total cost of providing nutrition services.

Do: Provide Each Participant with an Opportunity to Contribute and Inform Participants that Contributions are Voluntary

SUAs and AAAs are required to ensure that LSPs give all participants an opportunity to make voluntary contributions. In fact, some older adults who stand to benefit from nutrition services might not be willing to accept a meal unless they can contribute. Remind participants who are able to volunteer that volunteering is a much-valued and appreciated contribution to the program. Volunteer hours are considered non-cash contributions that are valuated and reported to help meet match requirements. For participants, the opportunity to contribute promotes full participation, person-centeredness, independence and dignity.

45 CFR 1321.9(c)(2)(x)(D)(2) directs SUAs, AAAs and LSPs to ensure that information provided to participants about voluntary contributions must clearly explain that there is no obligation to contribute. Make information available in alternative formats, like large print, audio or electronic formats, and in languages other than English in compliance with federal civil rights laws.

Some providers might refer to contributions as “donations” or include phrasing such as “this is not a bill” to help clarify that contributions are voluntary. It is helpful to point out in the information provided to participants that no eligible consumers will be denied nutrition services if they do not contribute.

If tickets or vouchers are used, it must be clear that these are not being “purchased.” Providers should be mindful of perceptions and ensure that contributions messaging does not create a perception that a participant is being “billed” or is paying for OAA nutrition services.

Do: Protect Privacy and Confidentiality

SUAs and AAAs are required to ensure that LSPs protect the privacy and confidentiality of each participant with respect to the participant’s contribution or lack of contribution. The OAA requires confidentiality, not anonymity, and private records may be kept. Contributions do not need to remain “anonymous.” Thus, most LSPs use rosters or ledgers to track contributions; providers must ensure these recordkeeping measures protect the privacy of participants making (or not making) a contribution. If the provider uses a deposit box and ledgers for contributions, ensure the deposit box and ledgers are in an area that is secured and protects privacy.

Do: Safeguard and Account for Contributions

AAAs are required to ensure that LSPs establish appropriate procedures to safeguard and account for all contributions. Since contributions are often given in cash, they are especially vulnerable to mishandling. Contributions should be recorded after receipt, kept in a locked box or safe, and deposited as soon as possible. Designate separate individuals to prepare and audit deposits.

Establish accounting procedures to separate voluntary contributions from payer contributions, such as revenue from guest meals and private pay programs. Work closely with SUA fiscal experts regarding requirements for OAA policies and procedures for budgeting, expenditures and drawdowns and otherwise accounting for contributions.

Monetary voluntary contributions from program participants must be accounted for and reported as program income and are subject to the requirements in 2 CFR 200.307 and in § 1321.9(c)(2)(xii). Voluntary contributions may not be used as match without prior approval[1]. However, volunteer services and contributions to the program from others who are not participants, such as third-party cash and non-cash (in-kind) contributions, may all be reported as sources of non-federal match. AAAs and LSPs must valuate non-cash contributions (donated property, goods, and volunteer services) that support the program to meet or exceed match requirements.

Voluntary Contributions Match Decision Tree

Source of Support	OAA Participant (services funded in part by OAA)		Local sources; community members and organizations (not receiving services)		Other funding arrangements that require a fee (services do not use OAA funding)	
Type of Support	Voluntary Contributions (monetary)	Volunteer Hours	Cash	Other third party in-kind (such as volunteer hours, value of donated kitchen space, donated supplies and equipment)	Private pay and guest meals (non-eligible)	Fee-for-service through a means tested program such as Medicaid
Valuation		Determine value of these hours		Determine value of these types of support	Based on actual cost of providing service	
Match?	Must report as program income, not used as match	May report as match	May report as match		This income is separate from the Act, and is not reported as match	

A full text description of the Voluntary Contributions Match Decision Tree is available at ACL.gov.

1 Voluntary contributions may be used for match only if prior approval is provided. As of September 2024, ACL has only provided prior approval for program income, including voluntary contributions, to be used as match for American Recovery Plan (ARP) Act grants under the Older Americans Act by SUAs. AAAs and LSPs should contact their SUA regarding whether they allow this use of match.

45 CFR 1321.9(c)(2)(xii) Use of program income. Program income is subject to the requirements in 2 CFR 200.307 and 45 CFR 75.307 and as follows:

(A) Voluntary contributions and cost sharing payments are considered program income;

(B) Program income collected must be used to expand a service funded under the Title III grant award pursuant to which the income was originally collected;

(C) The State agency must use the addition alternative as set forth in 2 CFR 200.307(e)(2) and 45 CFR 75.307(e)(2) when reporting program income, and prior approval of the addition alternative from the Assistant Secretary for Aging is not required;

(D) Program income must be expended or disbursed prior to requesting additional Federal funds; and

(E) Program income may not be used to match grant awards funded by the Act without prior approval.

Do: Use Contributions to Expand a Service Funded by the Title III Grant for Which They Were Collected

The OAA directs service providers to use contributions to expand a service funded by the Title III grant award for which they were given. For example, a contribution for home-delivered meals must be reported as income to the home-delivered nutrition program and used to expand home-delivered nutrition services, such as home-delivered meals, or nutrition education for home-delivered meals clients.

While these funds are often used to expand services to greater numbers of older adults in the form of more meals, contributions can also be used to expand service offerings that provide greater choice and flexibility for consumers. A few examples of expanded offerings might include weekend meals, breakfast and/or dinner options, choice menus, medically tailored or other person-centered meals and restaurant partnerships.

Do: Consult Stakeholders for Input

Section 315 of the OAA directs SUAs and AAAs to consult with LSPs and consumers on the best methods for accepting voluntary contributions. AAAs and LSPs may choose to provide opportunity for consumers to make voluntary contributions at intake, daily, weekly, monthly, quarterly, or annually, depending on specific procedures used. Check out the Nutrition and Aging Resource Center's Voluntary Contributions Toolkit for examples of voluntary contributions materials used in aging nutrition programs and studies that examined voluntary contributions methods as well as participant characteristics and behaviors.

Don'ts of Voluntary Contributions

Prohibited (Don't)

- Coerce a participant to make a contribution
- Conduct a means test
- Deny service to any eligible individual who does not contribute
- Implement cost sharing for congregate and home-delivered meals
- Use contributions to expand a service that is not funded by the Title III grant for which they were collected or to supplant funds

Don't: Coerce a Participant to Make a Contribution

The OAA emphasizes that any solicitation of voluntary contributions must be noncoercive.

What is coercive? Forcing, demanding, compelling or obliging consumers to contribute against their will are coercive acts.

Don't: Conduct a Means Test for Nutrition Services

> *45 CFR 1321.3 "Means test" as used in the Act, means the use of the income, assets, or other resources of an older person, family caregiver, or the households thereof to deny or limit that person's eligibility to receive services under this part.*

The OAA strictly prohibits SUAs, AAAs and LSPs from establishing eligibility for participation based on income or financial means or a consumer's ability to contribute. No consumer who is otherwise eligible may be denied services due to an inability or unwillingness to contribute. However, it is permissible to collect income information for the purposes of identifying benefits and resources that may assist the individual. For recommended guidelines to help meet needs without means-testing, see Senior Nutrition Program Guide to Prioritizing Clients.

Don't: Deny Service to Any Eligible Individual Who Does Not Contribute

An older individual who is otherwise eligible may not be denied service if the older individual or family caregiver will not or cannot make a voluntary contribution.

What is coercive?

Forcing, demanding, compelling or obliging consumers to contribute against their will are coercive acts. Examples of procedures that may be perceived as coercive may include:

- Monitoring contribution containers in a way that demonstrates an expectation of contribution
- Making statements (verbal or written) that create a perception that one is being billed for a meal
- Making statements that imply or create a perception that the consumer or another individual may not receive a meal unless a consumer contributes

What is NOT coercive?

- Inviting consumers to contribute in order to help the nutrition program expand services
- Issuing contribution statements, as long as they are clearly not "bills" or "invoices"
- Signage, table tents, letters or other communication suggesting a "recommended contribution" amount
- Informing consumers about the full cost of the meal

While OAA services are not intended to reach every eligible person, the OAA directs SUAs, AAAs and LSPs to target services to reach those with greatest economic need and greatest social need.

> *45 CFR 1321.3 "Greatest economic need" means the need resulting from an income level at or below the Federal poverty level and as further defined by State and area plans based on local and individual factors, including geography and expenses.*
>
> *45 CFR 1321.3 "Greatest social need" means the need caused by noneconomic factors, which include:*
> *(1) Physical and mental disabilities;*
> *(2) Language barriers;*
> *(3) Cultural, social, or geographical isolation;*
> *(4) Other needs as further defined by State and area plans based on local and individual factors.*

Don't: Implement Cost Sharing for Congregate and Home-Delivered Meals

Cost sharing is prohibited for congregate and home-delivered meals when OAA funds are used.

> *45 CFR 1321.3 "Cost sharing" as used in section 315(a) of the Act (42 U.S.C. 3030c–2(a)), means requesting payment using a sliding scale, based only on an individual's income and the cost of delivering the service, in a manner consistent with the exceptions, prohibitions, and other conditions laid out in the Act.*

However, AAAs and LSPs may suggest a voluntary contribution using a sliding scale based on income if all provisions of soliciting and collecting contributions are met.

See below for an example of a sliding scale model based on income:

Good Neighbor Nutrition Services

Good Neighbor Nutrition Services is honored to provide you with delicious meals and other nutrition services to help promote health and well-being and provide socialization opportunities in our community. We invite you to make a voluntary and confidential contribution, if you are able. No person eligible for Older Americans Act nutrition services will be denied service for not making a contribution.

Below you will find suggested, voluntary contribution levels based on monthly income and the cost of $10.00 to produce and deliver a daily dose of Good Neighbor nutrition services. Any contribution is appreciated!

If your monthly income is between:	Suggested contribution per meal is:
$0 - $2,321	$0
$2,322 - $3,765	$4.00
$3,766 - $5,020	$7.00
$5,021+	$10.00

Additionally, AAAs and LSPs have the flexibility to implement cost sharing arrangements to expand services outside of OAA funding. AAAs and LSPs are encouraged to review this Guide to Establishing a Fee-for-Service Private Pay System to understand the difference between cost sharing and fee-for-service private pay programs.

> *45 CFR 1321.3 "Private pay programs" as used in section 306(g) of the Act (42 U.S.C. 3026(g)), are a type of contract or commercial relationship and are programs, separate and apart from programs funded under the Act, for which the individual consumer agrees to pay to receive services under the programs.*

SUAs are responsible for establishing the requirements for private pay programs. SUA, AAA and LSP private pay policies and procedures must:

- adhere to the OAA including conflict of interest requirements, financial accountability requirements, and direct services prohibitions, and
- ensure individuals who are eligible for OAA Title III services be informed of Title III-funded and any similar voluntary contributions-based service options, even if there is a waiting list for those services.

Don't: Use Contributions to Expand a Service That Is Not Funded by the Title III Grant for Which They Were Collected or to Supplant Funds

Because grant awards for congregate meals and home-delivered meals are issued separately, contributions for services under these two programs may not be mixed. For example, a contribution for home-delivered meals cannot be used to expand congregate nutrition services.

Section 315(b)(4)(E) explains that collected contributions must supplement, and not supplant, existing funds. For example, if a state or local government decided to reduce state funding to support nutrition services due to an increase in voluntary contributions, this would be an inappropriate budget decision. In this example, the result would be that the increased contributions supplant, not supplement, the OAA funding, which is not in compliance with the OAA.

Pro Tips to Boost Voluntary Contributions

1. Consider Behavioral Strategies
2. Create a Compelling Value Proposition
3. Conduct Research and Benchmarking to Establish Suggested Contribution Levels
4. Make It Easy for Consumers to Contribute
5. Educate Consumers and Other Stakeholders

Tip #1: Consider Behavioral Strategies

The Administration for Community Living (ACL) and the Office of Evaluation Sciences conducted a 2021 study of using behavioral science to increase voluntary contributions in a senior meal program. This study aimed to identify effective strategies for soliciting contributions and gathered example materials from dining sites. See this Intervention Pack for the examples, along with explanations of how certain strategies influence contribution behaviors.

The strategies are summarized in the below table:

Concept	What it means	How to apply it to contribution materials and practices
Relational	How people or things are connected	Include an image that reminds the donor that they are contributing to something that is important to the community
Reciprocal	Back and forth interaction	Include an image that reminds the donor that they are contributing to something that is important to them personally
Default	A passive, not active, decision, simply a part of the normal process	Place a donation box in the serving line, in a location that still protects privacy
Salience	Obvious, easy to access	Plan donation envelopes alongside silverware
Anchoring	Providing a reference point, or "anchor"	Include the actual cost of a meal in contribution materials
Reference Dependence	Comparison to a reference point	Compare the cost to the cost of a typical restaurant meal
Cost Transparency	Disclosure of cost and funding	Describe how nutrition services are funded and how contributions are used to increase trust and buy-in

This table summarizes behavioral insights explained in the Intervention Pack materials obtained through the Office of Evaluation Sciences and ACL's 2021 Feasibility Study on Increasing Voluntary Contributions at Congregate Meals Program Sites.

More examples of voluntary contributions materials including posters, letters, and policies may be found in the Voluntary Contributions Toolkit from the Nutrition and Aging Resource Center.

Tip #2: Create a Compelling Value Proposition

Innovative models such as café models and restaurant partnerships have been shown to dramatically increase contributions. AAAs and LSPs working to maximize contributions are encouraged to use innovative models to deliver appealing nutrition services. AAAs and LSPs offering modern models such as "pop-up" cafes and local restaurant partnerships are a win-win. These modern models often increase access, choice, and flexibility for consumers. Because services delivered this way are viewed as more valuable, consumers often increase the amount of their voluntary contributions. For example, the Encore Cafe reports 80 percent higher voluntary contributions per meal compared to traditional congregate meal services offered in the same geographical area. In Dane County, Wisconsin, programs that utilize a restaurant model reported average contributions between $4 and $5 per meal, about one dollar higher than a traditional congregate meal site.

Encore Cafe Uses an Innovative Model to Maximize Contributions

Tim Getty, Regional Nutrition Coordinator for Heritage Area Agency on Aging and the driving force behind the Encore Café model, shared, "The development of the Encore Café model… proved that consumers will participate and also contribute to a program that they feel has value and they gain benefit from. We were very surprised at the level of voluntary contributions on a regular basis."

ENCORE CAFE

Tip #3: Conduct Research and Benchmarking to Establish Suggested Contribution Levels

A 2015 Mathematica study revealed that the average contribution recommended by LSPs for a congregate meal at that time was $2.88 and the average recommended contribution for a home-delivered meal was $3.00. According to the Consumer Price Index Inflation Calculator, $3.00 in 2015 had the buying power of $3.61 in January 2022, or a price index increase of 20 percent. The Consumer Price Index for Food reports in 2021 alone, food-away-from-home prices increased 4.5 percent.

AAAs and LSPs should regularly re-evaluate their costs, funding structure, and economic landscape in their service area and adjust suggested contribution levels accordingly. Data available on the ACL Aging, Independence and Disability (AGID) Program Data Portal revealed that 44 percent of congregate meals funding nationwide came from program income (which includes voluntary contributions and other income sources) in 2019. Meals on Wheels America's 2018 More Than a Meal Comprehensive Network Study (membership required to view), surveyed mostly independent programs, including non-OAA programs. This survey revealed that while most Meals on Wheels America member programs do receive participant contributions, these contributions often account for a small fraction of program budgets.

- Most programs (93 percent) receive participant contributions
- Few providers (8 percent) receive more than half of their funding from participant contributions
- About half of providers (51 percent) report that participant contributions account for less than 10 percent of their budget

Tip #4: Make It Easy for Consumers to Contribute

AAAs and LSPs may receive contributions in the form of cash, check, credit or debit cards, Supplemental Nutrition Assistance Program (SNAP) benefits, or other ways, such as agreements to draft a monthly voluntary contribution directly from a consumer's checking account. AAAs and LSPs should conduct a cost-benefit analysis on various methods of receiving contributions.

If consumers can only contribute via cash or checks, AAAs and LSPs may be turning away valuable contributions that can help expand services. Credit card processing fees may be part of the cost-benefit analysis in such a case. If AAAs and LSPs opt to pass along to consumers any credit card surcharges or convenience fees associated with accepting online or credit card payments, they must disclose these fees. Furthermore, some states do not allow retailers to pass along these fees at all; some states allow only government entities to do so. AAAs and LSPs must be informed about legal considerations when deciding whether and how to receive voluntary contributions via credit card.

Does the nutrition services provider accept credit cards and allow consumers to opt for a recurring monthly charge?

Is the program losing valuable contributions that could be made online or onsite with a credit card reader?

Don't increase hunger and food insecurity. If SNAP benefits are accepted for voluntary contributions, encourage older adults to **prioritize accessing the food they need with their SNAP benefits** over using SNAP benefits for voluntary contributions.

Overall, contributions via SNAP were not reported to be widely received. A few AAAs and LSPs who promote the option of contributing using SNAP benefits report that these contributions account for a meaningful portion of contributions received. Respondents to an informal survey of SUAs describing activities of AAAs and LSPs in their states receiving SNAP benefits report using more paper vouchers instead of Electronic Benefits Transfer (EBT). Since a key purpose of OAA nutrition services is to reduce hunger and food insecurity, providers should encourage older adults to prioritize accessing the food they need with their SNAP benefits over using SNAP benefits for voluntary contributions. If participants are unable to access needed food because SNAP benefits are being used for voluntary contributions, then using SNAP benefits towards Title III-C OAA meals may increase hunger and food insecurity for older adults. To accept SNAP benefits, organizations must apply to become a SNAP provider. More information about partnering with SNAP, food banks, and other federal programs may be found on Partnerships with Foodbanks and Other United States Department of Agriculture (USDA) Programs.

Other common ways AAAs and LSPs make it easy for consumers to contribute:

- Self-addressed envelopes
- Placing lockboxes at grab-and-go or curbside events
- Offering voluntary contribution materials in large print and additional languages as appropriate for consumers served by the program

Tip #5: Educate Consumers and Other Stakeholders

Increasing awareness of voluntary contributions may help reduce or eliminate the stigma surrounding aging nutrition services and the inaccurate perceptions that aging nutrition services are only for those of limited means. An opportunity to contribute may be the nudge some older adults need to help overcome inaccurate perceptions and participate fully in the benefits of senior nutrition services: access to nutritious meals, opportunities for socialization, and healthier outcomes.

If there is a waiting list for OAA services, providers should first inform OAA-eligible consumers regarding their eligibility to participate in OAA services. If the consumer needs additional nutrition services (e.g., extra meals, access to emergency food programs, eligibility for SNAP, etc.), providers should educate and refer consumers appropriately.

AAAs and LSPs may also use voluntary contributions messaging as an opportunity to educate consumers and other stakeholders, like volunteers, families, partners and communities, on the true value of OAA services and how voluntary contributions are used to expand nutrition services.

OAA meals are not "free;" educate stakeholders on the actual cost of a meal in voluntary contribution messaging and other materials. See "What Does a Meal Cost" from Dane County, Wisconsin, for an example.

Note: Voluntary Contributions are Not the Same as Charitable Contributions for Tax Purposes
Voluntary contributions may also be described as donations, which can lead to inquiries from consumers about whether contributions qualify as tax deductions. Generally, contributions from which a consumer benefits are not tax-deductible unless the contribution exceeds the value of the benefit (in this case, the fair market value of the Title III-C OAA meal). Consumers should be encouraged to consult their tax or financial professional, publications of the Internal Revenue Service, and state and local tax agencies for guidance.

The Bottom Line

While nutrition services authorized by the OAA are targeted to those in the greatest economic need and greatest social need, programs rely on voluntary contributions from eligible participants to expand their services to reach more people. Participants have the opportunity to voluntarily contribute to the cost of the meal; however, participants are not obligated to do so.

OAA nutrition services are not "free" and are not entitlement programs. They are not intended to reach every eligible person. SUAs, AAAs, and LSPs should use voluntary contributions messaging as opportunities to educate stakeholders and consumers on the true value of these services. Compelling value propositions that make nutrition services more appealing to consumers are a win-win! Messages should be crafted in such a way that they set reasonable expectations and promote dignity for older adults while also addressing the key purposes and requirements outlined in the OAA. Voluntary contributions are a meaningful source of funding – it is worth the time and effort to explore and implement effective practices to sustain and expand nutrition service programs.

For More Information:

Business Management resources from the Nutrition and Aging Resource Center, including:

- Voluntary Contributions Toolkit
- Senior Nutrition Program Guide to Prioritizing Clients
- Guide to Establishing a Fee-for-Service Private Pay System

Nutrition Services Incentive Program (NSIP) Nutrition and Aging Resource Center

Older Americans Act Older Americans Act of 1965 As Amended Through P.L. 116–131, Enacted March 25, 2020

45 CFR Part 1321 Grants to State and Community Programs on Aging

45 CFR Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards

2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Nutrition Services Administration for Community Living

https://www.ada.gov/resources/effective-communication/ Americans with Disabilities Act Requirements: Effective Communication from United States Department of Justice Civil Rights Division

https://www.lep.gov/ United States Department of Justice Limited English Proficiency

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