

FINANCIAL MANAGEMENT Administrative Costs	DAIL-FM-9.1
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Administrative Costs

The Department for Aging and Independent Living shall limit payment to contractors for administrative and indirect administrative costs in accordance with prevailing federal and state laws and regulations or contract provisions.

"Administrative Costs" shall pertain to those allowable costs incurred by a contractor or subcontractor in the development and implementation of agency-wide policy and functions as necessary to fulfill the terms and conditions of the contract. Agency-wide administrative costs are those allowable costs, which are not directly chargeable as direct services costs and shall include the following functions:

- (1) Agency management;
- (2) Personnel management;
- (3) Accounting, bookkeeping; and
- (4) Auditing and legal services

Agency management costs include all costs related to the planning and administration of area plans on aging at the Area Agency on Aging and Independent Living.

All costs related to the above four (4) functions shall be classified as administrative costs and include, but are not limited to, the following:

- (1) Salaries;
- (2) Fringe benefits;
- (3) Travel;
- (4) Space costs and utilities;
- (5) Office supplies;
- (6) Telecommunications;
- (7) Computer and data processing services, equipment, software;
- (8) Equipment purchase or leasing;
- (9) Costs of governing body, i.e., board of directors; and
- (10) Other costs such as insurance, bonding, advertising, etc

"Direct Costs" shall pertain to those costs that can be identified specifically with, and charged in whole or in part to a particular project, service, program or activity of an organization.

"Indirect Administrative Costs" shall pertain to those costs for administrative activities of an organization, which are not specifically identifiable with a particular project, service, program or activity.

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Allocations

The Department for Aging and Independent Living shall distribute federal and state funds for aging programs through contracts within the Area Development District and Area Agencies on Aging and Independent Living.

FINANCIAL MANAGEMENT Allocations Allocations, Title III and Title VII	DAIL-FM-9.2.1
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Allocations, Title III and Title VII

Under authorization of Title III and Title VII of the Older Americans Act of 1965 as amended, the Department for Aging and Independent Living shall distribute Federal funds by formula to the following:

- (1) AAA - Administration (Supportive Services, Congregate Meals C1 and C2, Home delivered meals and Caregiver)
- (2) Title III B Supportive services
- (3) Title III C1 Congregate meals services
- (4) Title III C2 Home-delivered meals services
- (5) Title III D Preventive Health
- (6) Title III E Caregiver
- (7) Title VII Elder Abuse Prevention
- (8) Title VII Ombudsman

Funds authorized under these categories shall be for the purpose of assisting the Department for Aging and Independent Living and the Area Agencies on Aging and Independent Living to develop or enhance for older persons, comprehensive and coordinated community-based services throughout the state.

The Department for Aging and Independent Living shall award the available funds to designated Area Agencies on Aging and Independent Living according to a funding formula based on the most current Census data for individuals 60+ and weighted numbers of 1.05 for Rural and 1.05 for Low income Minorities and 1.0 for Low Income. Area Development Districts shall award these funds by contract to community services provider agencies and, organizations, except where a waiver is granted by the Department for Aging and Independent Living. All funds awarded to Area Development Districts are for the purpose of assisting Area Agencies on Aging and Independent Living to develop or enhance comprehensive and coordinated community-based systems for older persons and those with disabilities in, or serving communities throughout the planning and service area.

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Allocations, Kentucky Homecare Program

Under authorization by the General Assembly, the Department for Aging and Independent Living will distribute available state Homecare funds to Area Development Districts according to a funding formula based on Census data for individuals 60+ only. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts. Regardless of the method, the contracting agency shall assure availability of the following services based on approved definitions for the Homecare program:

- (1) Assessment
- (2) Case management
- (3) Chore
- (4) Escort
- (5) Home-delivered meals
- (6) Home health aide
- (7) Home management
- (8) Personal care
- (9) Home repair
- (10) Respite

FINANCIAL MANAGEMENT Allocations Title V (SCSEP)	DAIL-FM-9.2.3
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Allocations, Title V (SCSEP)

Under authorization of Title V of the Older Americans Act, the Department for Aging and Independent Living shall distribute Federal funds made available by the United States Department of Labor for the provision of useful employment training to low-income persons, fifty-five (55) years of age or older. The Department for Aging and Independent Living shall allocate funds made available to designated agencies according to the number of employment slots in each area. The U.S. Dept. of Labor according to Census statistics determines the authorized slot allocation. Designated agencies shall administer these funds either directly or by contract.

FINANCIAL MANAGEMENT Allocations Allocations, Other Programs	DAIL-FM-9.2.4
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Allocations, Other Programs

Funds authorized under other Federal and State programs shall be for the purpose of assisting the Department for Aging and Independent Living to develop or enhance for older persons and those with disabilities, comprehensive and coordinated community-based services throughout the planning and service areas.

The Department for Aging and Independent Living shall allocate funds made available, to designated Area Agencies on Aging and Independent Living, according to need and population, through contracts with Area Development Districts. Designated agencies shall administer these funds either directly or by contract.

FINANCIAL MANAGEMENT Allocations Kentucky Personal Care Attendant Program	DAIL-FM-9.2.5
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Allocations, Kentucky Personal Care Attendant Program

Under authorization by the General Assembly, the Department for Aging and Independent Living will distribute available state PCAP funds to Area Development Districts according to a funding formula using the FY05 allocation as a base. Any additional funds will be allocated by the percentage created by the FY05 Base. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts. Regardless of the method, the contracting agency shall assure availability of services based on approved definitions for the PCAP program.

FINANCIAL MANAGEMENT Allocations Kentucky Adult Day Program	DAIL-FM-9.2.6
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Allocations, Kentucky Adult Day Program

Under authorization by the General Assembly, available state Adult Day Care funds will be distributed by the Department for Aging and Independent Living to Area Development Districts according to a funding formula based on the FY05 funding due to a budget reduction where not all ADD's took the reduction from Adult Day. Additional funding after FY05 will be based on the most current census data for 60+. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts. Regardless of the method, the contracting agency shall assure availability of services based on approved definitions for the Adult Day program.

FINANCIAL MANAGEMENT Allocations Kentucky State Long Term Care Ombudsman Program	DAIL-FM-9.2.7
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Allocations, Kentucky State Long Term Care Ombudsman Program

Under authorization by the General Assembly, available Civil Monetary Penalty funds will be distributed for the State Long Term Care Ombudsman through the Department for Aging and Independent Living to Area Development Districts according to a funding formula based on the 2003 Ombudsman funding. Any additional monies will be allocated based on 50% the number of beds and 50% on the 60+ population. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts.

FINANCIAL MANAGEMENT Allocations Kentucky Caregiver Support Program	DAIL-FM-9.2.8
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Allocations, Kentucky Caregiver Support Program

Under authorization by the General Assembly, the Department for Aging and Independent Living will distribute available state Kentucky Caregiver Support funds to Area Development Districts according to a funding formula based on the most current Census data for individuals 60+ and weighted numbers of 1.05 for Rural and 1.05 for Low income Minorities and 1.0 for Low Income. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts. Regardless of the method, the contracting agency shall assure availability of services based on approved definitions for the Caregiver Support program.

FINANCIAL MANAGEMENT Allocations Aging And Disability Resource Center	DAIL-FM-9.2.9
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Allocations, Aging and Disability Resource Center

Under authorization by the General Assembly, the Department for Aging and Independent Living will distribute available state ADRC funds to Area Development Districts according to a funding formula with a \$30,000 base per ADD. Additional funds are allocated based on the most current Census data for individuals 60+ and weighted numbers of 1.05 for Rural and 1.05 for Low income Minorities and 1.0 for Low Income. The Area Agency on Aging and Independent Living may provide services directly, subcontract for all or any of the services, provide any of the services through other funding sources or provide any of the services through volunteer efforts. Regardless of the method, the contracting agency shall assure availability of services based on approved definitions for the ADRC program.

FINANCIAL MANAGEMENT Area Agency on Aging and Independent Living Responsibilities Suspension of Area Plan Funding	DAIL-FM-9.3
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Suspension of Area Plan Funding

The Department for Aging and Independent Living shall develop and make known to the Area Agencies on Aging and Independent Living procedures for and conditions under which Area Plan funding may be suspended. The following shall be applied:

- (1) The suspension of funding authority to an Area Agency on Aging and Independent Living by the State Agency temporarily suspends federal assistance under the Area Plan pending corrective action by the Area Agency on Aging and Independent Living or pending a decision by the Department for Aging and Independent Living to terminate the contract;
- (2) When conditions warrant, the Department for Aging and Independent Living may suspend Area Plan operations completely or in part. Such conditions would result from the Area Agency on Aging and Independent Living's failure to comply with contract award stipulations, standards or conditions;
- (3) To suspend Area Plan operations, the Department for Aging and Independent Living shall notify the Area Agency on Aging and Independent Living in writing of the action being taken, the reason for such action and the conditions of the suspension. This notice shall be given at least thirty (30) days prior to the effective date of suspension and shall note the right of the Area Agency on Aging and Independent Living to appeal such decision and the procedures to be followed for such an appeal;
- (4) The Department for Aging and Independent Living shall grant to any Area Agency on Aging and Independent Living whose Area Plan has been suspended in whole or in part an opportunity for a hearing in accordance with the provisions set forth in Chapter 1, General Administration, Section 1.18, Hearing Procedures;
- (5) The Department for Aging and Independent Living may, at its discretion, allow Federal financial participation in necessary and proper costs which the Area Agency on Aging and Independent Living could not reasonably avoid during the period of suspension;
- (6) In suspending Area Plan operations, the Department for Aging and Independent Living shall determine the amount of unearned funds the Area Agency on Aging and Independent Living has on hand. The anticipated length of suspension, the extent of area plan operations suspended, and the amount of funds balance on hand shall determine whether the Department for Aging and Independent Living shall require the balance to be returned;

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- (7) The Department for Aging and Independent Living may, at its discretion, reinstate the suspended Area Plan operations if it determines that conditions warrant such action;
- (8) Federal participation in reinstated Area Plan operations may resume immediately upon reinstatement, but not for any costs accrued for those Area Plan operations while they were suspended. The obligation authority unearned at the time of suspension again becomes available for earning by the project at the previously established matching ratio; and
- (9) If the suspension of Area Plan operations continues for three (3) consecutive months in any budget year, Federal funding of Area Plan operations is automatically terminated.

FINANCIAL MANAGEMENT Area Agency on Aging and Independent Living Responsibilities Termination of Area Plan Funding	DAIL-FM-9.4
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Termination of Area Plan Funding

- (1) The termination of funding means the cancellation of State or Federal assistance, completely or in part, under a contract at any time prior to the date of completion.
- (2) The Department for Aging and Independent Living may terminate State or Federal support for an Area Plan prior to the end of an approved budget year or project period if:
 - (a) The Area Development District violates the conditions under which the contract was approved;
 - (b) Program performance is inadequate; or
 - (c) Nonfederal resources are not available.
- (3) If the Department for Aging and Independent Living terminates funding for an Area Plan, the Department for Aging and Independent Living shall notify the Area Development District in writing of the actions being taken and the reasons for such action. This notice shall be given at least thirty-(30) days prior to the effective date of termination, shall specify any reports to be completed, the right of the Area Agency on Aging and Independent Living to appeal, and the procedure to be followed for appeal.
- (4) The Department for Aging and Independent Living shall grant to any Area Development District whose area plan has been terminated in whole or in part, an opportunity for a hearing in accordance with the provisions set forth in Chapter 1, General Administration, Section 1.18, Hearing Procedures, Area Agencies on Aging).
- (5) The Department for Aging and Independent Living or the Area Development District may terminate the contract in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two (2) parties shall agree upon the termination conditions, including the effective date and, in case of partial terminations, the portion to be terminated. The Area Development District shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Department for Aging and Independent Living shall allow full credit to the Area Development District for the Federal share of the non-cancellable obligations, properly incurred by the Area Development District prior to termination.
- (6) Any termination of Area Plan obligation or authority, which leads to withdrawal of designation, shall follow rules contained in Chapter 1, General

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Administration, Section 1.8, Item 1.8.4, Disapproval of an Area Plan and
Item 1.8.5, Withdrawal of Area Agency Designation.

FINANCIAL MANAGEMENT Area Agency on Aging and Independent Living Responsibilities Closeout Procedures	DAIL-FM-9.5
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Closeout Procedures

When support for an Area Plan is terminated, the following shall apply:

- (1) The Area Agency on Aging and Independent Living shall immediately refund to the Department for Aging and Independent Living any unencumbered balance of cash advanced to the Area Agency on Aging and Independent Living;
- (2) The Area Agency on Aging and Independent Living shall complete and submit to the Department for Aging and Independent Living, within sixty (60) days after the date of completion or termination, a final program and financial report and any other financial or performance reports required, as a condition of the grant;
- (3) The Department for Aging and Independent Living shall make a settlement for any upward or downward adjustments to the cost after these reports are received;
- (4) The Area Agency on Aging and Independent Living shall dispose of all equipment and supplies purchased with program funds in accordance with established policies of the Cabinet for Health and Family Services. Funds realized from the sale of such equipment or supplies shall be an adjustment in program costs;
- (5) If a final audit has not been performed prior to close out of the grant, the Department for Aging and Independent Living shall retain the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit; and
- (6) The Area Agency on Aging and Independent Living shall provide for the closeout of all subcontracted service providers in accordance with Cabinet for Health and Family Services' policies.

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FINANCIAL MANAGEMENT Contracts	DAIL-FM-9.7
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Contracts

The Department for Aging and Independent Living shall designate planning and service areas in the State and shall make a contract under an approved Area Plan with one (1) Area Agency (Area Development District) in each planning and service area for building comprehensive systems for older persons throughout the State. The Area Development District, in turn, shall contract with service providers to perform certain specified functions.

The Secretary of the Cabinet for Health and Family Services, or their designee, is the sole official of the Cabinet authorized to execute and sign contracts for the Cabinet. The Commissioner of the Department for Aging and Independent Living is the sole official authorized to execute and sign Department contracts. The Department for Aging and Independent Living shall make no commitment to any prospective contractor until the required review and approval is obtained.

Contracts shall be based on the Kentucky state fiscal year beginning on July 1, of each year and ending on June 30, of the following year. The contract is a legally binding agreement between two (2) parties, which sets forth in writing the terms and conditions under which both parties shall carry out their responsibilities. Standardized contract forms are available at chfsnet.ky.gov/os/opd/contracts.htm for drafting the contract and shall be utilized by the Department for Aging and Independent Living:

- (1) Memorandum of Agreement (MOA); and
- (2) Personnel Service Contracts

Each contract negotiated shall contain at least the following:

- (1) A complete detailed description of services to be provided by the contractor;
- (2) A complete description of all other responsibilities of the contractor including: records retention, reporting requirements, cost sharing, and compliance with applicable assurances, laws, and regulations;
- (3) A complete description of the Cabinet's responsibilities and commitments to the contractor including: technical assistance which will be provided and activities which the Cabinet must perform in order for the contractor to meet its obligations;
- (4) A complete description of the basis for reimbursement to the contractor for services rendered including: rates, frequency of billing; invoice requirements; office where invoices are to be submitted; and a budget (when applicable);

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- (5) Assurances regarding the rights of Cabinet personnel or designees; State or Federal officials or auditors; or independent auditors to inspect records and monitor service delivery of the contractor at any time relative to evaluation and audits;
- (6) A requirement that the contractor accepts responsibility for any audit exceptions arising from its failure to comply with the terms of the contract including all regulations applicable to Federally funded activities;
- (7) Payments by the Department to the Second Party shall be conditioned upon receipt of appropriate, accurate, and acceptable invoices, as well as the Second Party's continued satisfactory performance as determined by the Department. Invoices must be submitted by the fifteenth (15th) day of each month following the month of service to the Department by the Second Party. Payments shall also be subject to the availability and allocation of local agency or governmental funds, or state or federal funds necessary to finance the performance of the services described in this master agreement.
- (8) A clause that the Cabinet shall have the right to terminate the contract upon 30-days written notice served on the contractor by registered mail

Each contract shall address the above requirements and contain any other provisions essential to meet the additional needs or requirements of the Cabinet for Health and Family Services as contained in the CHFS Office of Policy and Budget Manual as amended and the Department for Aging and Independent Living. The approved Area Plan shall become a part of the contract.

The agreement shall be reviewed and signed by a Cabinet for Health and Family Services attorney before any other party signs.

Once finalized and signed by all parties, the contract is legally binding and the terms and conditions shall be changed only through formal amendment unless otherwise stated in the contract.

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Audits

A Certified Public Accountant shall be engaged by an Area Development District to make independent audits of the Area Development District's financial and other records for the period for which the contract is in effect.

The Department for Aging and Independent Living shall accept no audit unless prepared in compliance with audit standards promulgated by the Cabinet for Health and Family Services, regardless of acceptance by other state or federal agencies.

Procedure:

- (1) The Certified Public Accountant (CPA) engaged by the Area Development District shall make an independent audit of the Area Development District's financial and other records for the period during which the contract is in effect. The CPA shall submit an original of the audit to the Kentucky Department of Local Governments. A copy of such audit shall be submitted to the Cabinet's Department for Aging and Independent Living properly certified by the CPA, not later than 90-days after the end of said period or upon completion of an organization-wide audit conducted in accordance with OMB A-128 and the Single Audit Act of 1984, P~L. 98-502. The engagement letter between the Area Development District and its Certified Public Accountant shall contain the following clauses:
 - (a) The auditor shall, in accordance with generally accepted auditing standards, examine the agency's final expenditure reports as required and issue a report on the examination. Specifically included within the scope of this examination are the following audit procedures.
 1. The auditor shall familiarize himself with the agency's approved cost allocation plan as submitted to the Kentucky Department of Local Government (or to the Area Development District if provider agency is a subcontractor of the Area Development District) and verify that the agency used the correct accounting methodology to derive the expenditures presented on the above-mentioned final expenditure reports;
 2. The Audit Report shall contain a supplemental schedule that consolidates all individual subcontractors' final expenditure reports into a total expenditure report for each major service program (i.e. social services, congregate meals). While the

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auditor may disclaim an opinion on this supplemental schedule, he should verify its mathematical accuracy;

3. The auditor shall comply with applicable requirements set forth in the Department for Aging and Independent Living's aging policies, contract requirements, and applicable Federal requirements. Deviations from these requirements, which, in the judgment of the independent auditor, relate to substantive program or financial concerns, shall be furnished directly by the auditor to the Department for Aging and Independent Living.

- (2) The Cabinet, Kentucky Auditor of Public Accounts, U.S. Department of Health and Human Services, U.S. General Accounting Office, and other appropriate Federal agencies retain the right to audit and review all of the Area Development District's records and accounts for a period of three (3) years from the date of the last payment received for the contract period, or until audited and audit exceptions are resolved; and
- (3) The final audited fiscal report, reconciled with the audit, shall be submitted no later than ninety-(90) days after the ending date of the contract, or upon completion of an organization-wide audit conducted in accordance with OMB A-128 and the Single Audit Act of 1984, P.L. 98-502. If termination or cancellation occurs, the final audited fiscal report, reconciled with the audit, shall be submitted no later than sixty-(60) days after notice of such termination or cancellation. The Cabinet has the right to deny payment for any fiscal report that does not comply with this provision.

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Carryover Funds

The Department for Aging and Independent Living shall authorize the carryover of Federal funds on a case-by-case basis. Area Agencies on Aging and Independent Living shall submit a narrative request for permission to carry over Federal funds explaining the reason for a fund surplus and the intended use of such funds.

Unexpended Area Agency administrative funds shall be considered for carryover into the service category from which it originated; these funds shall not carryover for administration.

Under Title III of the Older Americans Act, carryover Federal funds shall be matched with fifteen percent (15%) local funds except for Caregiver carryover funds that shall be matched with twenty five percent (25%) local fund.

No State General Funds shall be carried over.

Program Income shall be expended in the same year in which it is collected. Program income may not be used as match. Each Area Agency on Aging and Independent Living shall be advised to plan, administer and monitor its programs in a manner, which assures that funds are utilized in the year in which they are allocated.

FINANCIAL MANAGEMENT Contracts Contributions, In-Kind Contributions	DAIL-FM-9.7.3
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Contributions

Contributions or donations, as pertains to Title III programs, made by participants and other contributors shall be considered program income and shall be utilized to expand services provided under the Older Americans Act, as amended, and 45 CFR 1321.67. Each service provider shall have an established method for providing the opportunity for participants to contribute voluntarily to the estimated cost of services rendered.

Participants may be provided information to assist them in determining the amount, if any, of an individual contribution. If the participant is unable to contribute, in no instance shall that person be denied services due to failure to contribute. A means test shall not be used. (45 CFR 1321.67)

Procedure:

Confidentiality of contributions from participants and other contributors shall be assured; e.g., individual sealed envelopes, a clouded jar, metal box with a slot in the top for money to be inserted, or any other method deemed feasible. All collection of contributions shall be done in a discreet manner. No written acknowledgement of the amount of contributions shall be issued except upon request of the person contributing at the time the contribution is made. Participants desiring a record of their contributions shall be encouraged to use checks when contributing. To insure against loss, mishandling or theft of contributions, the following procedures shall be followed:

- (1) Two persons (a participant and a staff person) shall be selected at each site to be responsible for counting and recording contributions daily;
- (2) Provision shall be made for safekeeping of money from the date of collection until the provider arranges for transfer of funds. This shall be a locked box placed in a safe or a secure cabinet, file closet, or daily deposit; and
- (3) All such funds shall be verified and collected at least weekly by the service provider.
- (4) Proper documentation shall be provided by the Area Agencies on Aging and Independent Living according to insure proper accounting and reporting.

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In-Kind Contributions

In-kind resources shall represent the value of property or services, which benefit a grant, supported project or program, and are contributed by non-federal third parties without charge to the grantee. The contributions used as match shall meet Federal requirements for match and in-kind resources as stated in Part 74, Subpart G, Sections 74.50 - 74.57 of the Federal Regulations Title 45. In-kind shall be defined as stated in Title 45 CFR Part 74.51, and its application shall be subject to the applicable portions of this Regulation, OMB Circulars A-87 [Relocated to 2 CFR, Part 225] and A-122 [Relocated to 2 CFR, Part 230] and contractual provisions.

In-kind contributions shall be allowed for meeting the match requirement when State funds and available local cash are not enough to provide the match required to obtain maximum Federal funds. In addition, In-Kind contributions are allowable for all programs that are administered by DAIL. Examples of In-kind contributions are:

- (1) Value of donated property or space (with and without transfer of title)
- (2) Value attributable to the services of volunteers
- (3) Value of donated equipment
- (4) Value of donated supplies

Procedure:

- (1) The subcontractor shall provide to the Area Agencies on Aging and Independent Living certified statements of donated items;
- (2) Match verification requirements shall be completed by the service provider and submitted to the Area Agency on Aging and Independent Living when applicable; and be verified by the independent auditors per the contract requirements with the Cabinet for Health and Family Services.
- (3) The Cabinet for Health and Family Services shall retain the right to request a. review of these documents.
- (4) Independent CPA Audits are required by the Single Audit Act when the subcontractor receives at least \$500,000 in Federal funds (all Programs) in a contract year.
- (5) Independent CPA Audits are required by the Cabinet when the subcontractor receives at least \$300,000 in State funds (all Programs) in a contract year.

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Fees

Fees assessed for services rendered for the Homecare program are set forth in the KRS regulations.

FINANCIAL MANAGEMENT Contracts Fidelity Bonds	DAIL-FM-9.7.5
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Fidelity Bonds

In accordance with the contract, the Area Development District or contractor shall have a properly executed Fidelity Bond. A Fidelity Bond is a bond indemnifying the recipient against losses resulting from the fraud, lack of integrity, honesty or fidelity of one or more employees, officers or other persons holding positions of trust. The bond shall be sufficient to cover maximum sums handled quarterly under the contract with the Department for Aging and Independent Living; and a copy shall be provided to the Department for Aging and Independent Living s no later than sixty-(60) days from the effective date of the contract. Any bonds required shall be obtained from companies holding certificates of authority as acceptable sureties. (31 CFR Part 223) A list of these companies is published annually by the Department of the Treasury in its Circular 570 (Title 45 CFR Part 74.17 and Part 74.18).

FINANCIAL MANAGEMENT Contracts Matching Requirements	DAIL-FM-9.7.6
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Matching Requirements

In-kind contributions shall pertain to something which is donated free of charge - no cash flows through the agency.

Local cash match shall pertain to cash donated to pay costs of centers or sites or services.

The Area Agency on Aging and Independent Living shall meet the matching requirements through allowable costs and third party in-kind contributions or cash. Match may be cash or in-kind. All match, whether it is cash or in-kind, shall meet the following requirements:

- (1) It shall not be supported with Federal funds;
- (2) It shall be an allowable cost;
- (3) It shall be included in the accounting records and audit; and
- (4) It shall not be used to match any other Federal program.

Certification of the appropriate match amount shall be submitted to the Department for Aging and Independent Living by the Area Agency on Aging and Independent Living on a quarterly basis. The match requirement shall be met by category by the end of each quarter of the fiscal year.

Procedure:

The procedure for certifying match shall be as follows:

- (1) The Area Agency on Aging and Independent Living monthly financial reports shall indicate the amount of match collected and applied during the month;
- (2) At the end of the quarter, the financial report shall indicate the total amount of funds necessary to meet the match requirement, by category for the quarter; and
- (3) Requests for reimbursement shall reflect the amount of Federal and State funds that is due based on expenditures and match. The Department for Aging and Independent Living shall not penalize contractors in terms of reimbursement of Federal and State funds during the first two months of the quarter if the required match is not documented on the report. The required amount of match shall be documented at the end of each quarter. Any adjustments (decreases if necessary) in payment shall be made at this time.

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Program Income

Program Income shall pertain to revenue received by service agencies, under contract or subcontract with the Department for Aging and Independent Living, to conduct programs and provide services, which are paid for either fully or partially, with Federal or matching funds. Program Income includes participant contributions, proceeds from the sale of equipment or property, and rental fees.

Program Income shall be spent during the same fiscal year it is collected and shall be used to further the objectives of the aging program.

The cost principles applicable to Federal funds also apply to Program Income. (45 CFR Part 92.25 (g) (2), 92.25 (g) (3), AOA Policy, 45 CFR 1321.67 and 1321.73)

As pertains to programs funded under Title III, program-related income shall be used in either the matching or cost-sharing alternative in 45 CFR 92.25 (9) (2) or the additive alternative in 92.25 (g) (3) or a combination of the two. The deductive alternative described in 92.25 (g) (1) shall not be permitted.

FINANCIAL MANAGEMENT Contracts Record Retention, Record Retention Schedule	DAIL-FM-9.7.8
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Record Retention

The Area Development District and sub-contractors shall maintain all records pertaining to the contract (45 CFR Part 74) for a period of not less than three (3) years after all matters pertaining to the contract (i.e., audit, settlement of audit exceptions, disputes) are resolved in accordance with applicable Federal and State laws, regulations and policies.

Record Retention Schedule

In accordance with applicable Federal and State laws, regulations and policies, the Area Development District (Area Agency on Aging and Independent Living) and sub-contractors shall maintain all records pertaining to the contract (45 CFR Part 74). All records shall be maintained for a period of not less than three (3) years after all matters pertaining to the contract (i.e., audit, settlement of audit exceptions, disputes) are resolved.

FINANCIAL MANAGEMENT Contracts Subcontracts, Area Agency	DAIL-FM-9.7.9
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Subcontracts, Area Agency

- (1) The Area Development District may enter into subcontracts only upon receipt of final contract with the Cabinet for Health and Family Services.
- (2) Copies of the AAAIL contracts or proposed contracts must be submitted with the AAAIL Area Plan, or plan revisions, for approval by DAIL. Any revisions to the contract must also be submitted for approval.
- (3) To conduct activities or services on its behalf, the Area Development District may enter into subcontracts, and any amendments thereof, with profit-making corporations with prior approval of the Cabinet for Health and Family Services. All recipients of awards shall be incorporated to safeguard the interest of the Cabinet, the Area Agency on Aging and Independent Living, the recipient of the award itself, the individuals involved in the delivery of services, and the individuals participating in the program, unless award is made to an individual under a personal service contract. Copies of the subcontract must be submitted for approval by DAIL with the AAAIL area plan or plan revisions. Any revisions from the original contract must be submitted to DAIL for approval prior to implementation. Awards with profit making corporations must be outlined in the AAAIL area plan, submitted to DAIL for approval.
- (4) The Area Development District shall execute a formal subcontract for those activities and services to be conducted by an agency or organization other than the Area Development District. The subcontract shall contain sufficient program and fiscal information to assure that all activities and services under an approved Plan shall be conducted in conformity with the Older Americans Act, Federal or State regulations, all policies and procedures issued by the Administration on Aging and the Cabinet for Health and Human Services. Once a subcontract has been executed by an Area Development District to carry out a service or activity under an approved plan, such subcontract shall be forwarded within 30 days to the Department for Aging and Independent Living and made part of the approved Area Plan.
- (5) If the unit cost rate of a fixed rate subcontract is increased, a subcontract amendment reflecting the increase shall require prior review by the Area Agency on Aging and Independent Living Advisory Council, approval by the Area Development District Board and approval of the Department for Aging and Independent Living.

FINANCIAL MANAGEMENT Contracts Transfer of Funds	DAIL-FM-9.7.10
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Transfer of Funds

The Department for Aging and Independent Living shall require prior approval of all transfers of funds allocated to Area Development Districts.

With respect to Title III funds, the following shall apply:

- (1) The Area Agency on Aging and Independent Living may elect, in its Area Plan under Section .307(a)(13) of the Older Americans Act of 1965, As Amended, regarding Part C of this Title, to transfer a portion of the funds appropriated between Subpart 1 and Subpart 2 of Part C, for Use as the Area Agency on Aging and Independent Living considers appropriate to meet the needs of the area served;
- (2) The Area Agency on Aging and Independent Living may elect to transfer between allotments up to forty percent (40%) of an agency's separate allotments for congregate and home-delivered nutrition services;
- (3) The Area Agency on Aging and Independent Living may elect to transfer not more than thirty percent (30%) of the funds allotted for any fiscal year between programs under part B and part C of Title III, for use as the agency considers appropriate;
- (4) Title III funds shall not be transferred from Parts B, C1, and C2 after approval of the original budget by the Department for Aging and Independent Living; and
- (5) If the Area Agency on Aging and Independent Living proposes to transfer more than the above percentages from one allotment to another, the request shall be submitted to the Department for Aging and Independent Living by March 1 of each approaching fiscal year and shall be by written request with justification for each transfer.

(Older Americans Act - P.L. 100-175 Section 308; CFR - 1321.45)

FINANCIAL MANAGEMENT Coordination, Coordination and Interagency Agreements	DAIL-FM-9.8
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Coordination

The Department for Aging and Independent Living shall effect the coordination of planning development and service implementation and delivery at all levels of the delivery system for aging services in a manner consistent with the statutory mission for Area Agencies on Aging and Independent Living as prescribed under Older Americans Act Regulation 45 CFR 1321.53.

(See also Chapter 1, General Administration, Section 1.8, Area Agency Responsibilities and Chapter 1, Section 1.8, Item 1.8.1, Area Plans)

Coordination and Interagency Agreements

In the planning for and provision of health and supportive services to the elderly and those with disabilities, and to appropriately utilize funding sources, the Department for Aging and Independent Living shall coordinate and, as appropriate, enter into agreements with all departments within the Cabinet for Health and Family Services. In a like manner, and for the same purposes, the Department for Aging and Independent Living may also coordinate and, as appropriate, enter into agreements with the Corrections Cabinet, Justice Cabinet, Administrative Office of the Courts, Public Advocacy, the Kentucky Department of Agriculture, the Kentucky Transportation Cabinet, other state offices, study groups, and councils.

The Department for Aging and Independent Living shall encourage Area Agencies on Aging and Independent Living in advocacy roles to undertake activities on a regular basis, which are designed to facilitate the coordination of plans and activities with all other public and private agencies and organizations.

Area Agencies on Aging and Independent Living shall coordinate and, as appropriate, enter into agreements with other agencies and units of general-purpose local government with responsibilities affecting older persons in the planning and service areas to promote new or expanded benefits and opportunities for older persons and those with disabilities.

FINANCIAL MANAGEMENT Equipment and Inventory Control	DAIL-FM-9.9
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Equipment and Inventory Control

Each Area Development District may use its own definition of equipment as long as it includes all tangible personal property having a useful life of at least one year and a unit cost of \$5,000 or more. Equipment records shall be current and shall contain at least the following information:

- (1) Description of the item;
- (2) Serial number;
- (3) Source of funds used to purchase the item;
- (4) Federal share (%) of the cost;
- (5) Acquisition cost and date;
- (6) Unit cost;
- (7) Location, use and condition of the equipment and date this equipment was obtained;
- (8) Information on the disposition of the item

The AAAIL must have an equipment and insurance policy and procedure. The Policy and Procedure must outline and adhere to all state and federal requirements.

There shall be a system to prevent loss, damage, or theft and adequate maintenance procedures to keep equipment in good condition.

Purchase of equipment with a unit cost of \$5,000 or more requires prior approval from the Department for Aging and Independent Living.

Equipment, which is replaced, may be traded in, or may be sold and the proceeds applied to the acquisition cost. If equipment with a unit cost of \$5,000 or more is to be disposed of, not replaced, the granting agency has the right to require transfer of the equipment and title to an eligible party. If approved by the granting agency, the equipment may be sold with the Federal share of the proceeds applied to the program as program income. If the Federal share is not applied to the program as program income, the Federal share, less selling expenses, shall be returned to the Federal government or an eligible non-Federal party named by the Cabinet's Department for Aging and Independent Living.

The factors used to determine allowable cost are:

- (1) Reasonableness - an ordinary and necessary expense
- (2) Allocable - cost incurred specifically for the program or a benefit for more than one program and is distributed based on benefit received, or is necessary to the overall operation of the agency.

FINANCIAL MANAGEMENT Equipment and Inventory Control	DAIL-FM-9.9
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- (3) Generally accepted accounting principles
- (4) Any limitations set forth by the program.

Interest and fund raising expenses are not allowable costs.

The AAAIL must have a written transition plan to cover any transfer of equipment or supplies should a new provider be selected. The transition plan shall be made a part of the AAAIL subcontracts.

The Area Development District shall agree to the transfer of all items of equipment and supplies with a value of less than \$5,000 to a new provider, if a new provider is selected as a result of competition, or if a contract is terminated by the provider or the Cabinet, and a new provider is secured. Such equipment and supplies shall be transferred to the Cabinet's Department for Aging and Independent Living if no new provider has been secured. In the event of termination of a contract or a selection of a new provider, the transfer shall be made within 30 days from the date of receipt of notice from the Department, such notice to be by Certified Mail, Return Receipt Requested. All other requirements of 45 CFR Part 74, subpart 0, Property, shall be applied.

FINANCIAL MANAGEMENT Information Systems	DAIL-FM-9.10
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Information Systems

In accordance with 45 CFR 1321.17(f) (9), concerning the State Plan, the Department for Aging and Independent Living shall have and employ appropriate procedures for data collection from Area Agencies on Aging and Independent Living. Data collection procedures shall include measures that permit the State to compile and transmit statewide data requested by the Commissioner on Aging in such form as the Commissioner directs on an annual basis. This system will gather a minimum data set from the clients of the various federal and state programs (except for Title – V and SHIP that have their own federal systems). The minimum data set will contain enough information to distinguish one client from another. This data set will allow the state to determine a true unduplicated count of clients across the commonwealth and across all programs.

The Department for Aging and Independent Living shall establish a statewide uniform reporting system to collect and analyze data relating to complaints and conditions in long-term care facilities for the purpose of identifying and resolving significant problems. The uniform reporting system shall include a provision for submitting data to the State agency responsible for licensing or certifying long-term care facilities, other State and Federal entities that the Ombudsman determines to be appropriate, the Assistant Secretary, the National Ombudsman Resource Center (established in section 202(a)(21); Section 712(c) (2)), and to the Commissioner on Aging. Data shall be collected, analyzed, and submitted to appropriate parties on an annual basis (Older Americans Act Section 307(a) (12) (C)).

Pursuant to 45 CFR 1321.65(a) each Area Agency on Aging and Independent Living shall assure that providers of services supply the Area Agency on Aging and Independent Living, in a timely manner, with statistical data and other information the Area Agency on Aging and Independent Living requires. Statistical data and other information collected by the Area Agencies on Aging and Independent Living shall meet its planning, coordination, evaluation and reporting requirements established by the State under 45 CFR 1321.13.

State agencies and Area Agencies on Aging and Independent Living shall not request, for the purpose of Older Americans Act reporting, information or data from providers which is not pertinent to services furnished pursuant to the Older Americans Act or a payment made for such services (OAA Section 313(b)) 42 U.S.C. 3030c).

The AAAIL is solely responsible for the submission of required data including that of any subcontractor, to DAIL. Monthly payments to the AAIL will be held should the

FINANCIAL MANAGEMENT Information Systems	DAIL-FM-9.10
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AAIL fail to submit required reports or data correctly and by the due date. All reports and data must be reconciled by DAIL prior to payment.

FINANCIAL MANAGEMENT Maintenance of Effort	DAIL-FM-9.11
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Maintenance of Effort

Each fiscal year the Department for Aging and Independent Living shall expend under the State Plan, for both services and administration, at least the average amount of State funds expended under the Plan for the three (3) previous fiscal years. This annual expenditure complies with the required non-federal share applicable to its allotments under Title III of the Older Americans Act. If the State Agency spends less than this amount, the Commissioner, Administration on Aging reduces the State's allotment for supportive and nutrition services by a percentage equal to the percentage by which the State reduced its expenditures (45 CFR Part 74 Section 1321.49).

The Maintenance of Effort (MOE) is divided into Title III and Title VII. The Title III section accumulates all of the federal and state expenses of the State Administration program code for the federal year. It also collects the state funds that are provided in the Title III contracts with the AAA's for the SFY which matches the FFY (example FFY 2007 October 1, 2006 to September 30, 2007) is in the contracts that start on July 1, 2007 and end on June 30, 2008. These state funds are then compiled together and compared to the three-year average. The match available greatly exceeds the three-year average. The report form asks if the expenditures exceed the average, are equal to the average, or is less than the three-year average. Per Jessie Spears AOA Atlanta, the average must increase each year but that increase need only be a \$1.00 increase each year. DAIL therefore has additional match expenditures that can be used as match for other grants. This report is usually requested in June or July each year.

The Title VII MOE Report is a collection of federal, state, and local expenditures in the same time period as the Title III MOE. The Title VII uses expenditures from the Title III B Ombudsman program and both Title VII programs. The Title III B Ombudsman contractual costs are submitted by the AAAIL's and is then separated by Federal, State, and local funding sources. While the Title III MOE seeks and increasing amount of match, the Title VII has different conditions. The 2000 NORDIA Report (Ombudsman Federal Report) is used as the standard for the MOE. This report is broken down into six lines of expenditures and the state must exceed these amounts from the 2000-year report. The 2000 year amounts are not updated to the later year amounts and the question to be answered on this report is did the state exceed the expenses from 2000. This report is usually requested in February each year with the Title III MOE.

FINANCIAL MANAGEMENT Procurement Process	DAIL-FM-9.12
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Procurement Process

The Area Development Districts shall adhere to the procurement requirements contained in the references listed below and shall review the references for additional information.

References:

45 CFR Part 74, Subpart C
OMB Circular A-102

Following is a brief overview of procurement requirements:

- (1) The Area Development Districts shall promote open and free competition among all qualified competitors.
- (2) The Area Development Districts shall not restrict or eliminate competition by placing unreasonable or unnecessary requirements on potential bidders.
- (3) The Area Development Districts shall establish procurement procedures, which take into account the requirements of OMB Circular A-102 and any other federal, state and local requirements. Procedures shall include:
 - (a) Method for resolving protests, disputes and claims;
 - (b) Written code or standards of conduct;
 - (c) Review process to avoid unnecessary purchases or duplicative items;
 - (d) Affirmative Action standards which encourage contracting with minority-owned, small businesses;
 - (e) Methods for procurement; and
 - (f) Evaluation and selection criteria
- (4) Every effort shall be made by the Area Development Districts to advertise the procurement of programs and services. Should the Area Development Districts utilize non-competitive negotiations, they shall clearly document, and maintain on file, that only one (1) responsible provider is available, capable and qualified to provide the service; and that by using non-competitive negotiations, open and free competition will not be restricted. Area Development Districts shall maintain records sufficient to detail the significant history of the procurement. These shall include, but are not necessarily limited to, information pertinent to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection and the basis for the cost. In addition to maintaining these

FINANCIAL MANAGEMENT Procurement Process	DAIL-FM-9.12
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documents on file, the Area Development Districts shall provide, upon request, copies to the Department for Aging and Independent Living supporting all non-competitive negotiations.

- (5) An AAAIL shall request a waiver to provide direct services as required by the Older Americans Act. This is completed during the plan process, but may be necessary, should the AAAIL loose or cancel a contract. A waiver can only be granted once the AAAIL has completed a procurement process with no response or no responsible bidder and has exhausted all avenues to find or negotiate the provision of such services. The waiver may only be granted for the plan period. The Older Americans Act also outlines those services exempt from a r waver request.
- (6) Federal law 45 CFR 92.36(c)(2) prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals; therefore, any procurement for services under the federal guideline shall be exempt. Should services paid for by state funds, be part of such procurement, they would also be exempt. If the procurement is for services paid for by state funds only, the process must provide the preference consideration of KRS 492-494. The procurement package must contain the KRS 492-494 language.

FINANCIAL MANAGEMENT Reporting Requirements	DAIL-FM-9.13
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Reporting Requirements

The Area Agencies on Aging and Independent Living shall comply with program reporting requirements of the Department for Aging and Independent Living.

Procedure:

- (1) DAIL shall provide annually to the AAAIL a report due date schedule. All reports are to include data required by specific program instructions.
Attached
- (2) Quarterly Financial Report shall be submitted to the Department for Aging and Independent Living fifteen (15) calendar days after each quarter in accordance with format and instructions provided by the Department for Aging and Independent Living.
- (3) The Fourth Quarter Financial Report shall be submitted to the Department for Aging and Independent Living by August 1 for the state fiscal year ending June 30, in accordance with format and instructions provided by the US Department for Health and Human Services.
- (4) The statewide-computerized reporting system shall be utilized to collect information on Homecare services in accordance with the Homecare reporting instructions. This system shall be utilized and maintained in accordance with instructions and format provided by the Department for Aging and Independent Living. All required data must be entered by the 15th of the month following the month of service.
- (5) Title V sub-grantees shall submit complete program data via the SCSEP Performance and Results, QPR Quarterly (SPARQ) System.
- (6) Special Reports shall be required by the Department for Aging and Independent Living as periodically specified. Such reports may include but are not limited to:
 - (a) "Evaluations of Outreach Activities - In accordance with the Older Americans Act, Section 306(a)(6)(P), Area Agencies on Aging and Independent Living shall conduct evaluations of outreach activities as prescribed by guidelines received from the Administration on Aging.
 - (b) Evaluation of Unmet Need - In accordance with the Older Americans Act regulations, Section 1321.52, the Department for Aging and Independent Living shall submit objectively collected and statistically valid data with evaluative conclusions concerning the unmet need for supportive services, nutrition services, and multipurpose senior centers. Data shall be gathered pursuant to Section 307(a) (3) (A) of the Older Americans Act to the Administration on Aging. The evaluations shall consider all services in these categories regardless

FINANCIAL MANAGEMENT Reporting Requirements	DAIL-FM-9.13
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of the source of funding for the services. This information shall conform to guidance issued by the Administration on Aging.

- (7) All required reports must be complete, accurate, submitted by the due date, and approved by DAIL staff prior to payments being made for associated programs.
- (8) NAPIS Report shall be submitted to DAIL electronically, due the last working day of October. The reporting period to be used is the Federal Fiscal year, October 1 through September 30.

Department for Aging and Independent Living

Report of Due Dates by Branch

Branch	Report Type	Due Date
Program Support	SAMS reports (Input)	15th of the following month after month end
	Ombuds Manager (Input)	15th of the following month after month end
	NSIP Meal Counts	15th of the following month after month end
	Quarterly Financial Reports with Backups	15th of the month following the end of the quarter
	Aging Programs Waiting List	15th of the month following the end of the quarter
	OMB Circular A-133 CPA Audits	December 31st of the year following contract period
	NAPIS Year End Report	November 15 th of the year following the contract period.
	Financial Payment Requests	15th of the following month after month end
	May & June Estimated Payment	June 15th
	Year End Financials and Backup	August 1st
	Audit Engagement Letter	March 31st
Community Options	CDO - Fiscal Management Agency Report	15th of the following month after month end
	PCAP Reports - From AAA's (Quarterly)	15th of the month following the end of the quarter
Constituent Services	Supplemental Reporting Sheets for Kentucky Caregiver Support Program	15th of the month following the end of the quarter
	SHIP Client Contact Reports/Public and Media Reports	
	1st Quarter (April 1-June 30)	Enter on SHIPtalk by: July 31 Due to DAIL: August 15
	2nd Quarter (July 1-September 30)	Enter on SHIPtalk by: October 31 Due to DAIL: November 15
	3rd Quarter (October 1-December 31)	Enter on SHIPtalk by: January 31 Due to DAIL: February 15
	4th Quarter (January 1-March 31)	Enter on SHIPtalk by: April 30 Due to DAIL: May 15
	SHIP Resource Reports	
	1st Six Months (April 1-September 30)	Submit to DAIL: October 15
	2nd Six Months (October 1-March 31)	Submit to DAIL: April 15
	SCSEP Reports	
Quarterly (Input)	October 30, January 30, April 30, July 30	
Aging and Disabilities Resource Market		
	Call Log	15th of the month following the end of the quarter
Long Term Care	Case management monitoring response	15 days from findings unless otherwise instructed
	Legislative Reports	As requested

FINANCIAL MANAGEMENT Reporting Requirements KY Client Data Management System	DAIL-FM-9.13.1
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KY Client Data Management System

Each Area Agency on Aging or provider of DAIL must have a data system approved by the State Agency on Aging for collecting and reporting client intake and service information.

If a client is a program guest at a Senior Center, the following should be collected:

- (1) the date the client registered,
- (2) the date intake was completed,
- (3) the client's full name, address, birth date, and
- (4) agency and service information

If a guest attends 5 days within the year, the guest must be entered as a client and a full intake completed.

For NAPIS federal intake, the following must be collected:

Title III Client Cluster – III

(Including other services) see NAPIS federal instructions
Completed with Intake & Prescreening

- (1) Date Registered/Intake Completed
- (2) Personal
 - (a) Full name
 - (b) Gender
 - (c) Birth Date (must use age verification)
 - (d) Social Security Number
 - (e) Phone
- (3) Address
- (4) Race
- (5) In Poverty Yes No
Lives Alone Yes No
Rural Yes No
- (6) Defaults – Provider Information
- (7) Contacts – Emergency Contact
- (8) Enrollment – Programs, Services, Related Dates

FINANCIAL MANAGEMENT Reporting Requirements KY Client Data Management System	DAIL-FM-9.13.1
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Title III - Cluster II

- (1) All information for Cluster III
Plus
- (2) Ethnicity
- (3) Nutrition Risk Assessment (congregate meal clients)
High Nutritional Risk Yes No
- (4) Transportation Need Documentation to verify need and units to be provided

Title III and State Caregiver

- (1) Cluster II
Plus
- (2) Contact Section including relationship and grandchildren information (caregiver assessment)

Title III - Cluster I

- (1) All Cluster II
Plus
- (2) ADL's/IADL's
- (3) Nutrition Risk Assessment (Home Delivered Meals)
High Nutritional Risk Yes No
- (4) Insurance Section
- (5) Characteristic Section (**suggested, not required**)
- (6) Contacts
- (7) Enrollment Section

Additional assessments and service/care plans are required for clients receiving Telephone Reassurance, Friendly Visiting, Transportation, and all Cluster I services.

Home Care and Adult Day Care

- (1) All Cluster I information
Plus
- (2) Other Section
 - (a) Monthly Household Income
 - (b) Household Size
 - (c) Monthly Individual Income

FINANCIAL MANAGEMENT Reporting Requirements KY Client Data Management System	DAIL-FM-9.13.1
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- (3) Email Address (**suggested, not required**)
- (4) Referred By
- (5) Eligibility Type
- (6) Veteran Section
- (7) Contact Information Section (all)
- (8) Enrollment Section (all)

The required Homecare and Adult Day Care assessment is to be completed. Complete assessment is to be entered into the state database.

PCAP

- (1) All cluster III information
Plus
- (2) ADL's/IADL's
- (3) Other Section
Monthly Household Income
Household Size
Monthly Individual Income
- (4) Insurance Section

Non-registered Services

For those services that are non-registered, you may count them as consumer groups. Since we are in a merged system, it is a good idea to title the description for your consumer group by using agency, county, and provider names such as GRADD Davies KY Legal Aid. Be sure to add a provider for consumer groups, add care enrollments through Level of Care, Service Program, Status and Status and Service Dates; create service delivery and make sure the service month, agency, and provider are correct. One example for a consumer group would be publications in a newspaper sent to 1,000 customers on a specific date. The count would be 1 unit with 1,000 consumers served.

Special Instructions

Social Security Numbers – Strongly suggest collecting client SSN. The SSN is required for most programs. With the merged database, the SSN# and birth date of the client will no longer cause the SAMS system to generate an ID number of the client. Instead the SAMS Administrator level has set the system to randomly assign an identification number for the client.

FINANCIAL MANAGEMENT Reporting Requirements KY Client Data Management System	DAIL-FM-9.13.1
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Units of service for each program shall be entered in the data system in accordance with NAPIS federal requirements and state regulations. See DAIL SOP CH 25 – Appendices – Appendix B – Service Definitions 1-13-11.

Changes made to the database such as to services, sub-services, service programs, must be requested by the AAAIL or other DAIL providers to the State Administrator. Only the State Administrator can make these changes.

Insure that all required fields are complete. Missing data must be kept to a minimum. It is the AAAIL’s responsibility to train their providers and ensure that information is correctly entered in SAMS. It is the AAA’s responsibility to let the providers know that it is vital to enter complete and correct client information.

It is the AAAIL’s or other DAIL provider’s responsibility to have all service units entered in SAMS by the 15th of the month. The State Administrator will lock out any changes to entered data at the end of the month, following monthly information that was due. (Example: October 15, 2010 units entered are locked for editing November 31, 2010. Some circumstances may necessitate a longer time frame. In this case the AAAIL or other DAIL provider would contact the State Administrator for this permission.

Prescreening and Intake

All prescreening and intake of a client is completed through SAMS I&R.

This process is necessary to not only collect a potential client’s information to determine eligibility and referral of services but to also capture required federal ADRC reporting. See DAIL SOP CH 25 Appendices – Appendix C – Prescreening and Intake Process 1-26-11.

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FINANCIAL MANAGEMENT Waiting Lists	DAIL-FM-9.15
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Waiting Lists

The Area Agency on Aging and Independent Living shall assure that a written uniform system is in place for maintenance of waiting lists for the Department for Aging and Independent Living services. The Department for Aging and Independent Living shall provide guidelines for waiting lists.

Procedure:

- (1) Each waiting list for services shall be reported to the Department for Aging and Independent Living as part of the Quarterly Financial Report.
- (2) Waiting list shall be maintained and reported by the AAA's in three categories; awaiting services, requests for services, and underserved.
 - (a) **Awaiting Services** is defined as a formal waiting list of persons assessed and determined eligible. For those services not requiring an assessment, a method must be in place for determining who will be next to receive services.
 - (b) **Request for Services** is defined as an informal waiting list of numbers in need of services based on telephone or personal contacts.
 - (c) **Underserved** is defined as: A listing of persons currently receiving a service or services and in need of more services. For example, if a center is serving meals three (3) days per week but there is a need for five (5) days, those persons should be counted as underserved. Another example would be for Homecare clients affected by funding reductions in the Homecare program.
- (3) The waiting list for PCAP services shall be updated on a monthly basis and reported quarterly to DAIL.
- (4) The waiting list for Homecare services shall be updated monthly, and shall include persons awaiting assessment, those assessed, and those for whom additional services are needed.
- (5) The system shall be based on either a first-come, first-served basis or an approved objective method to prioritize applicants.
- (6) Applicants shall be advised and presented with the written procedures and method of facilitating the waiting list.
- (7) Applicants who are determined to be potentially eligible based on pre-screening information gathered by the case manager may be placed on a waiting list.

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NAPIS

The Department for Aging and Independent Living will be notified by AoA about the status of the software to be used for the yearly NAPIS report. The NAPIS report will be created directly in the NAPIS system with each AAAIL creating its own annual report and exporting it to DAIL to be rolled into one report. The spreadsheet will be exported to DAIL after each report is verified in the NAPIS system and all corrections are complete. Once all AAAIL reports are received, DAIL will roll up the reports into one large report to be exported to AoA

Instructions for the Title III Annual PPR/SPR

The AAAIL will provide the top three accomplishments in the System of Elder Rights and top three for Home and Community Based Services

- (1) Tables Service Use and Service Expenditures Profiles are combined into one large table with the prior year numbers and differences located to the right most columns.
- (2) The NAPIS Report expenditures run from October 1 to September 30, along with all Units of Service, NSIP and Unduplicated Client counts.
- (3) Minority Providers is located in **Sect III C** with the information request of rural providers. The total number of providers shown in **Sect III C** must agree with the total number of providers in Section II part A. In Addition, the **Sect III** sheet contains the staffing profile for the area agency. The Staffing Profile list staff members paid with AoA funding and volunteers for the area agency only (none from any provider).
- (4) The **Main** worksheet Section II B & C, list Caregiver information. The counseling, support groups, and training are not combined and need to be shown separately.
- (5) Expenditures funded by NSIP for Congregate Meals and Home Delivered Meals are shown in the Total Service Expenditure Column and not in the Title III Expenditure Column, this also applies to the Homecare Home Delivered Meals.
- (6) The number of Caregivers shown in **Section I Part E** should be a number that corresponds to **Section II Part B Group 1. Section II Group 1** has three lines. The largest number of the Unduplicated Caregivers on a single line should be the smallest number that can be shown in **Section I Part E**, and the largest number shown can be the total of the three lines. This range occurs because Caregivers can be Unduplicated on each separate line but not across all three.
- (7) The situation described in #6 also occurs between **Section I Part F** and **Section II Part C Group 1**.

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Do not include any State Adult Day Program information except as match for Caregiver, **Homecare Home Delivered Meals** information is to be included as part of the meal counts, unduplicated clients, and total expenditures, other Homecare service information is not to be shown in the report. Only report Title III AD, ADHC, and Respite as appropriate. Located in the various tables of the report there are lines for **Missing Information** [gender, race, poverty, etc], these are to be used only as a **last resort**.

The column Title III expenditure is for federal expenditures only. The column total service expenditure includes all funding sources, state/local match, program income, etc. Program income will be shown as a separate amount for each service but will still be included in the total service expenditure.

Line 15 of Section II part A, information must agree with the totals for Section II part E.

Section I part B is made up of four tables the left most is a summation table for the tables to the right, which are for the three Cluster 2 Services.

The **ADLs** sheet is comprised of the six services of Cluster 1 and a summary table. The left-most table is the summary table and as such, no numbers are to be entered in that table. The **IADLs** sheet is set up in the same manner as the **ADLs** sheet.

The NAPIS report is due to DAIL by October 31.