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STANDARDS  
APPLICATION  
ADMINISTRATION

TITLE VII  
OF THE  
OLDER AMERICANS ACT

NUTRITION PROGRAMS FOR THE ELDERLY

STATE OF ARIZONA  
DEPARTMENT OF ECONOMIC SECURITY  
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This is to advise that the name Section on Aging has been re-designated as follows:

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CHAPTER I

INFORMATION AND STANDARDS  
TITLE VII OF THE  
OLDER AMERICANS ACT

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SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

PART I  
GENERAL PROVISIONS

Section 1 Purposes

Under the provisions of Public Law 92-258, signed by the President on March 22, 1972, a national Nutrition Program for the Elderly was added to the Older Americans Act of 1965. This program is designed to meet the nutritional needs of individuals aged sixty and older who do not eat adequately because: (1) they cannot afford to do so; (2) they lack the knowledge and/or skills to select and prepare nourishing and well-balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone. These and other physiological, psychological, social and economic changes that can occur with aging result in a pattern of living which may cause malnutrition and further physical and mental deterioration.

The purpose of this program is to provide older Americans, particularly those with low incomes, with low cost, nutritionally sound meals served in strategically located centers such as schools, churches, community centers, senior citizen centers, and other public or private facilities where they can obtain other social and rehabilitative services. Besides promoting better health among the older segment of the population through improved nutrition, such a program is aimed at reducing the isolation of old age, offering older Americans an opportunity to live their remaining years in dignity.

## Section 2 Definitions

For the purpose of this booklet the following definitions apply:

### a. Donated Foods

Donated Foods means foods made available by the United States Department of Agriculture (USDA) through the Food Distribution Program for use by institutions and households that have been determined to be eligible for that program.

### b. Eligible Individuals

Eligible individuals means those persons who are age sixty or over and who:

- (1) Cannot afford to eat adequately;
- (2) Lack the skill and/or knowledge to select and prepare nourishing and well-balanced meals;
- (3) Have limited mobility which may impair their capacity to shop and cook for themselves; or
- (4) Have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone.

The spouses of such individuals are also considered eligible individuals.

### c. Minority

Minority means those persons who identify themselves as American Indian, Negro, Oriental, or Spanish language.

### d. Nutrition Project

Nutrition project means a project providing the nutrition services financed with Title VII funds and meeting the requirements and standards set forth by Public Law 92-258, the related Federal regulations and this booklet.

### e. Nutrition Services

Nutrition services means the range of nutrition or dietetic services that must be available and accessible to project participants. Such services are:

- (1) Meals served in congregate settings.
- (2) Meals delivered to the homebound, where necessary and feasible.

Definitions (Continued)

f. State Agency

State agency means the single State agency established or designated by the Governor as the sole agency for administering or supervising the administration of the Title VII State Plan and coordinating operations under the Plan with other agencies providing services to the elderly. In Arizona this is the Department of Economic Security which has delegated many staff functions to its Section on Aging.

g. Supporting Social Services

Supporting social services means the range of social services that must be available and accessible to project participants as needed. These mandatory services consist of the following:

- (1) Outreach
- (2) Transportation
- (3) Personal escort
- (4) Information and Referral
- (5) Health and welfare counseling
- (6) Nutrition education
- (7) Shopping assistance
- (8) Recreation incidental to the project

h. Target Group

Target group means those eligible individuals identified by the State agency in the Annual State Operating Plan who are determined to be in greatest need of nutrition services.

PART II  
STANDARDS FOR STATE AGENCY

Section 3      Procedures for Making Project Awards:

- a. Not more than twenty percent of a State's Title VII nutrition program allotment for a given fiscal year, excluding that portion necessary for State plan administration, shall be used for the provision of supporting social services as prescribed in Section 10 below. Individual project awards may not exceed this twenty percent limitation, except in highly unusual, exceptionally well justified cases, as approved by the State Division for the Aging.
- b. The State agency may award nutrition project funds, in the form of a grant or contract, in cash or in kind, to any public or private non-profit agency, organization, institution, political subdivision of a State, or Indian tribal organization, hereinafter referred to as recipient of award. It is recommended that each private grantee or contractor be incorporated in order to safeguard the interests of the State agency, the recipient of award, and the individuals involved in the program.
- c. To the extent feasible, the State agency must make awards to projects, or provide for subcontracts within such awards, which will be operated by minority recipients of awards at least in proportion to their numbers of eligible individuals in the State. A project will be considered to be operated by minority recipients of awards if the project award is made to an organization primarily operated by, and primarily serving the needs of, minority individuals.
- d. All applications for support under Title VII of the Older Americans Act must be submitted to the State agency on an official application form prescribed in Chapter II of this booklet.
- e. State agencies are responsible for assuring that all applicants for new projects sign an Assurance of Compliance to the Civil Rights Act of 1964 form before a project award is approved. The form must also be signed by all subcontractors prior to execution of the subcontract.
- f. Comments from the appropriate Regional Clearinghouse Authority (Budget Circular A-95) must accompany each application.
- g. Normally, in approving a grant for a nutrition project, the State agency will require that the project start on the first day of a fiscal quarter.
- h. Title VII of the Older Americans Act permits Federal support for the expansion of existing successful programs for the elderly. When an existing program is expanded, only that portion financed through Title VII support and the required non-Federal participation constitute a Title VII nutrition project and that portion must comply with the regulations and the guidelines contained in this booklet.

Section 3 Procedures for Making Project Awards (Continued)

Criteria for approval of expanded projects

i. In approving support of the expansion of an existing program, the State agency must be assured that:

- (1) The amount of non-Federal resources expended for the elderly for each year in which Title VII payments are made, is not less than the amount expended by the recipient during the financial year prior to the funding of the project under Title VII. For each expanded award, the State agency shall indicate on the notification of nutrition project award the amount of expenditures which the recipient agency must maintain during the project period.
- (2) Title VII funds will not be used to replace any existing non-Federal resources.
- (3) The Title VII law, regulations, and guidelines contained in this booklet must be met by that portion of the expanded projects funded with Title VII and matching funds.

Exception:

Nutrition projects initiated under Title IV of the Older Americans Act, may receive funding under Title VII through June 30, 1973 if they conform to the provisions of Title VII. In order to receive fundings under Title VII after June 30, 1973, the project must also conform to all additional provisions contained in the regulations and this booklet.

j. The State agency must establish procedures that will provide the opportunity for a hearing before the State agency for any applicant whose application for Title VII funds is denied.

Section 4 Payment of Nutrition Funds to Projects

- a. Payment of nutrition funds by the State agency to a recipient of an award may be either in the form of an advance or a reimbursement. Advances to recipient of an award shall be paid on a monthly basis.
- b. Before making payment to a recipient of an award, the State agency must evaluate the project's cash requirements and cash balance on hand. Advance payments should be limited to the project's cash requirements for the month, as opposed to merely making twelve equal payments during the budget year.

Section 5 Project Suspension and Termination

- a. Conditions may arise which would make suspension of project operations desirable. Where conditions warrant it, the State agency may suspend project operations.
- b. To suspend project operations, the State agency must notify the recipient of an award in writing of the action being taken, the reason for such action, and the conditions of the suspension. This notice must be given prior to the effective date of suspension and must note the right of the recipient of an award to appeal such decision to the State agency.
- c. There can be no Federal participation in any costs accrued by a project during a period of project suspension.
- d. In suspending project operations, the State agency must determine the amount of unearned Federal nutrition funds the project has on hand. The anticipated length of project suspension and the amount of the Title VII fund balance on hand will dictate whether the State agency should require the balance to be returned.
- e. The State agency may reinstate a suspended project if it determines conditions warrant such action. Such reinstatement will be made by issuance of a new notification of award.
- f. Federal participation in project costs may resume immediately upon reinstatement, but not for any costs accrued during the period of suspension. The obligational authority unearned at the time of suspension again becomes available for earning by the project at the previously established matching ratio.
- g. A project shall be considered terminated when its operations have been suspended for more than three consecutive months in any budget year.
- h. For adequate reasons, the State agency may terminate Federal support of a project prior to the end of an approved project

## Section 5 Project Suspension and Termination (Continued)

period or budget year. The following are examples of conditions under which the State agency would normally terminate Federal support:

- (1) A recipient of award violates the condition under which the proposal was approved;
  - (2) Program performance is inadequate; and/or
  - (3) Non-Federal resources are not available.
- i. To terminate a project, the State agency must notify the recipient of the award in writing of the action being taken prior to the effective date of termination, the reasons for such action, and the right of the recipient of award to appeal procedures. This notice must also specify the reports to be completed (see j. below).
  - j. When Federal support to a project terminates on completion of the final approved budget year or earlier, as described in a. above, the recipient of award must complete and submit a final Quarterly Nutrition Project Report and a Nutrition Project Financial Report to the State agency. (Chapters IV and V)
  - k. When a project ceases to receive Federal funds, equipment and supplies purchased with Title VII funds must be disposed of in accord with this booklet and normal State procedures. Any funds realized from the sale of such equipment or supplies is an adjustment in the project cost.

If property purchased with Title VII funds is to continue to be used to further the purpose of Title VII of the Older Americans Act, the State agency must secure a written statement assuring this fact from the recipient of award.

## Section 6 Volume Purchasing and USDA Food Assistance

- a. At the request of one or more recipients of awards, the State Section on Aging may purchase or request another State agency to purchase commodities including foods, services, equipment, and supplies on the open market for use by the requesting nutrition projects.
- b. The State agency shall establish procedures for the allocation of costs among projects for items purchased upon request. Such items may be considered in-kind resources made as payment in lieu of funds paid to projects.
- c. The State agency will work with the State Department of Education in order to assure maximum feasible utilization of donated foods in nutrition projects. As a minimum, the State agency will, when a nutrition project has been given an award,

Section 6 Volume Purchasing and USDA Food Assistance (Continued)

inform the State Department of Education of the project's name, address, the location of its meal site(s) and the anticipated number of elderly persons to be served at each site, in order to facilitate participation in the program by the projects.

Section 7 General

- a. It is the responsibility of the State Section on Aging to assure that the recipients of awards under Title VII shall be informed of, and meet, all of the project standards prescribed in this booklet.
- b. All standards set forth in Section 9, and other standards as indicated, must be met initially upon funding of a Title VII project. Other standards can be achieved on an incremental basis as indicated.

PART III

STANDARDS FOR INDIVIDUAL PROJECT OPERATIONS

## Section 8 Project Administration

### 8.1 Project Area

- a. Each project must be operated within the boundaries of the project area established in the proposal and approved by the State agency. The designated project area must meet the standards as set forth by the State agency and must be of sufficient size for the economical delivery of meals, the efficient provision of needed supporting social services, and the coordination and linkage of project activities with related service programs in the project area.
- b. The nutrition and supporting social services made available by the project shall seek to serve those target group eligible individuals in greatest need throughout the project area. Such a goal may be achieved on an incremental basis.

### 8.2 Project Objectives

- a. In order to be eligible for an award, project applicants must establish measurable objectives which reflect the purposes and standards set forth in this booklet. Such objectives must be related to the needs of the eligible individuals in the project area established and must relate to:
  - (1) Individuals to be served, including:
    - (a) Persons with income below the poverty threshold; and
    - (b) Other eligible individuals.
  - (2) Services to be provided, including the:
    - (a) Number and frequency of meals to be served in congregate settings and in home delivered settings where appropriate.
    - (b) Level of supporting social services as prescribed in Section 10 of this booklet.

### 8.3 Project Scope

- a. Awards shall be made only to projects that will serve an annual average of at least one hundred meals per day five or more days a week throughout the project area. Projects shall provide home delivered meals where necessary and appropriate, to meet the needs of target group eligible homebound individuals.

- b. Exceptions to a. above may be permitted for projects operated in sparsely populated rural areas if the need for such exception is documented and on file at the State agency. Projects in such rural areas:
  - (1) May serve less than one hundred meals per day; and
  - (2) Must serve meals at least five days a week at sites throughout the project area, but not necessarily five days a week at each site.
- c. In addition to the minimum scope of nutrition services prescribed in a. and b. above, supporting social services must be provided as set forth in Section 10 of this booklet.

#### Section 8.4 Standards for Recipients of Awards

- a. The applicant agency may be only a public or private non-profit agency, organization, or institution, political sub-division of a State, or Indian tribal organization, which can demonstrate to the State agency a capacity for the effective delivery of nutrition and supporting social services throughout the project area.
- b. In each project area, all target group eligible individuals must be permitted, and encouraged, to participate in the nutrition and supporting social services offered by the project. In no case may a project operated by specific groups, such as churches, social organizations, homes for the elderly, or senior housing developments, restrict participation in the project to its own membership, or otherwise show discriminating preference for such membership.
- c. Each recipient of award shall be responsible to the State agency for all project activities throughout the project area.

#### 8.5 Project Council

- a. Each recipient of an award must establish a project council whose responsibility shall be to advise the project on all matters relating to the delivery of nutrition and supporting social services throughout the project area, to assist in establishing project objectives, and to approve project decisions as specified in e. below. If project participants, with the concurrence of the project director, wish to establish congregate meal site councils in addition to the project council they may do so. Site councils are recommended for projects that cover a large geographic area and/or have a large number of congregate meal sites.
- b. Formal procedural guidelines regarding the members, such as method of selection, tenure, responsibilities, and reimbursement; frequency of meetings; and other related council matters have been established by the State agency as below.

Section 8.5 Project Council (Continued)

- c. The project council must be organized and activated within thirty days after the date that meals are first served by the project. However, where feasible, target group eligible individuals should be involved in the preparation of the project proposal so that initial decisions regarding fees, menus and site selection, will reflect potential project participants' views.
- d. Council membership
  - (1) More than one-half of the members shall be nutrition project participants and each congregate meal site will elect representatives to the project council.
  - (2) The remainder of the project council members must be broadly representative of major public and private agencies and organizations related to aging in the project area, local government officials, and other persons who are knowledgeable and experienced in the special, including nutritional, needs of the elderly.
- e. The project council shall have approval authority over decisions related to the:
  - (1) Setting of suggested fee schedules;
  - (2) Approval of general types of menus that meet the nutrition standards set forth in Section 9 of this booklet.
  - (3) Days and hours of project operations; and
  - (4) Decor and furnishings of the meal site(s).
- f. The project council shall advise the project in all other matters related to the delivery of nutrition and supporting social services by the project including:
  - (1) Selection of paid staff and volunteers;
  - (2) Preparation of the project's operating budget;
  - (3) Evaluation of project effectiveness and achievements of objectives;
  - (4) Existing and proposed services offered by the project; and
  - (5) New congregate meal site selection.

## Section 8.5 Project Council (Continued)

- g. Decisions made in accord with e. above may vary among congregate meal sites. However, all decisions of the council must be in accord with all Federal and State policies and take into consideration the project budget.

## 8.6 Nutrition Project Personnel

- a. The project must employ adequate numbers of qualified staff to assure satisfactory conduct of the project. Preference must be given to persons aged sixty or over in the hiring for all staff positions, when other qualifications are equal. In addition, project staff must be, to the extent feasible, minority individuals in numbers in proportion to minority project participants.

- b. Such staff must include:

- (1) Project director

The project director must be employed by, and be responsible to the recipient of the award, and must be empowered with necessary authority to conduct the day-to-day management and administrative functions of the project. The director must be hired on a full time basis and meet the qualification standards as required by the State agency.

- (2) Other staff

The project design for the provision of nutrition and supporting social services will determine the number and type of additional permanent or consultant staff required by the project. Such required staff includes that necessary for the management of each congregate meal site, fiscal and administrative management, and clerical support. Staff positions will be required for the preparation and delivery of foods and the provision of supporting social services only when these functions are not contracted or arranged for through food vendors or existing community social service resources.

## Section 8.6 Nutrition Project Personnel (Continued)

### c. Volunteer staff

To the maximum extent feasible, the project must provide opportunities for voluntary participation of individuals in all aspects of project operations. Such opportunities must be made available to college and high school students, older persons, and others.

## 8.7 Training

- a. Each project will provide for the in-service training for all staff engaged in the implementation of the project. Such training must be designed to enhance staff performance as related to the specific job responsibilities of each staff member.
- b. Training for the project director shall include attendance at training programs provided by AoA/SRS.

## 8.8 Plan for the Project

- a. Each project must serve primarily those target group eligible individuals designated by the State agency in the State Plan to be in greatest need. To achieve this goal, the applicant agency must set forth in its proposal:
  - (1) A proposed geographic area in which project services will be delivered (See Section 8.1).
  - (2) An identification of the numbers and location of those target group eligible individuals determined to be in greatest need, with special emphasis on those individuals whose income is below the poverty threshold established by the Bureau of the Census and minority group individuals who may reside in the project area; and
  - (3) A program design for effectively meeting the nutrition and supporting social service needs of such individuals.
- b. No project providing only home delivered meals may be funded. However, within congregate meal projects, home delivered meals may be provided where necessary and feasible. In such cases, it is recommended that not more than ten percent of the meals be home delivered. All congregate meals sites and programs must:
  - (1) Have an individual, either volunteer or paid staff, who is responsible for all activities at the site;

Section 8.8 Plan for the Project (Continued)

- (2) Provide hot meals five or more days each week, except in those sparsely populated rural areas where a need for an exception to this policy has been documented by the State agency under Section 7.3b of this booklet.
- (3) Be accessible to the target group eligible individuals and be located as close as possible, preferably within walking distance, to concentrations of such individuals;
- (4) Be clean, neat, have adequate lighting and ventilation, and meet all applicable health, fire, safety, and sanitation regulations;
- (5) Have equipment, including tables and chairs, that are sturdy and appropriate for older persons. Tables should be arranged to assure an atmosphere appropriate for pleasant dining and to encourage maximum socialization among the participants. Adequate aisle space should be provided between tables to allow for persons with canes or crutches to walk with ease, and for use of wheelchairs;
- (6) Provide for table settings that are acceptable to the project council. If disposable dinnerware is used, it must be of a quality that is sturdy to prevent buckling and spillage, non-porous to prevent leakage, and must be sanitary and attractive. Utensils, such as forks, knives, and spoons, must likewise be of a quality to prevent melting, bending, or splintering in normal use;
- (7) Provide for a separation between the dining area and the food preparation area where food is prepared and served in the same facility;
- (8) Be free of architectural barriers which limit the participation of older persons;
- (9) Be available, each day meals are served, for a period of time adequate for all participants to eat a leisurely meal;

Section 8.8 Plan for the Project (Continued)

- (10) To the maximum extent feasible, have available sufficient space and time for the provision of needed supporting social services;
  - (11) Make provision for the celebration of special occasions of project participants; and
  - (12) Make special provisions as necessary for the service of meals to handicapped individuals and individuals with limited mobility; and
  - (13) Be located in a facility where all eligible individuals will feel free to visit. Selection shall take into consideration the type and location of the facility so as not to offend the cultural and ethnic preferences of the eligible individuals in the project area.
- c. Home delivered meals may be provided by the project only where necessary and feasible to meet the needs of eligible individuals who are homebound because of temporary or permanent physical or mental impairment.

8.9 Fees for Nutrition Services

- a. Each nutrition project shall provide the opportunity for individuals to make a contribution for nutrition services received. Such contributions shall be based on a suggested fee schedule, or a flat fee, established by the project. Such suggested fees will be established after taking into consideration:
  - (1) Income ranges of project participants; and
  - (2) Local cost of living standards.
- b. Any fee or fee schedule established, must have the approval of the project council.
- c. The payment of fees, if any, shall be determined by each participant according to his ability to pay. Participants may be counseled during an interview to assist them in determining the amount they may wish to pay, if any, using the established schedules to arrive at a suggested fee. Participants may choose voluntarily to contribute amounts for meals up to the total actual costs of raw food and meal preparation.

## Section 8.9 Fees for Nutrition Services (Continued)

- d. No eligible individual shall be denied participation in the nutrition program because of an inability to pay all or part of the cost of the meals served. Suggested contribution fee schedules shall in no case be used as a means test to determine the eligibility of individuals to participate in the nutrition project.
- e. The project must arrange for methods of receiving contributions from individuals in such a manner as not to differentiate among individuals' contributions publicly.
- f. Projects which provide home-delivered meals must seek to be authorized to accept food coupons (food stamps) in lieu of cash from homebound participants who are eligible to purchase food coupons and who wish to use the coupons for paying for such meals. \*Application for such authorization must be made to the nearest Field Office of the Food and Nutrition Service USDA. Because of a restriction in the Food Stamp Act of 1964, as amended, projects thus authorized must agree not to accept donated foods for meal preparation on behalf of homebound participants who purchase meals with food coupons. However, donated foods may be accepted on behalf of other eligible participants. In addition, donated foods may be combined with other foods in preparing meals for home delivery, including those meals to be purchased with coupons.
- g. Procedures must be established by each project for the handling of monies collected to insure against loss, mishandling or theft. Recipients of awards obliged by State or local law to bond project staff who handle money shall do so.

## 8.10 Confidentiality

Each recipient of an award must assure that no personal information obtained from an individual in conjunction with the project will be disclosed in a form in which it is identified with him, without written consent of the individual(s) concerned. All project records must be maintained in such a manner that confidentiality will not be violated.

## 8.11 Project Records and Reports

- a. Each nutrition project must establish and maintain a system for the collection of data that will accurately reflect project program and financial operations.

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\* Food coupons cannot be accepted by the nutrition project as payment for meals served at congregate meal sites because of restrictions in the Food Stamp Act of 1964, as amended.

## Section 8.11 Project Records and Reports (Continued)

- b. These data must be made available for State and national evaluation efforts.
- c. From these data, the recipient of an award must complete a Quarterly Nutrition Project Report as contained in this booklet as well as all reports required by the SRS. (See Chapter IV for a Summary of Required Nutrition Program Reports.) Such reports must be submitted promptly when due and failure to comply may affect subsequent funding of the project.

## Section 9 Nutrition Standards

### 9.1 Meal Planning

- a. The special needs of the elderly must be considered in all menu planning, food selection, and meal preparation.
- b. Meal service should be designed so that hot food is available for at least one-half hour after serving time begins to enable individuals who may not arrive at a specific time to participate in the hot meal.
- c. Menus must be planned for a minimum of four weeks, approved and certified in writing by the dietitian/nutritionist whose services are utilized by the project, and submitted to the State agency for review at least two weeks prior to the initial use of the menu. For purposes of audit, the State agency and the projects shall keep on file copies of the certified menus as used, for a period of one year. Menus must be prepared on menu forms, a copy of which is contained at the end of this section.
- d. All certified menus must be posted in a conspicuous location in each congregate meal site as well as at each place of food preparation. The certified menus must be adhered to subject to seasonal availability of food items.
- e. The food items within the meat, vegetable and fruit, and dessert groups must be different for the same days of each week, thus providing a variety of foods and nutrients.
- f. Project menus must follow the meal pattern set forth below. Each group, or its alternate, makes a special contribution toward the objective of providing at least one balanced meal daily.

#### (1) Meal or meal alternate group

Three ounces cooked edible portion of meat, fish, fowl, luncheon meats, eggs, or cheese. Meat alternates may be used occasionally for variety and may include cooked dried beans or peas, nuts, or nut-butter (peanut butter and others).

Section 9.1 Meal Planning (Continued)

(2) Vegetables and fruit group

Two, one-half cup servings. All vegetables and full strength vegetable juices, all fruits and full strength fruit juices.

Note: Rice, spaghetti, macaroni and noodles are not vegetables. See (3) below. Fruit used as a dessert should not be counted toward the suggested two servings of vegetables and fruits.

(3) Bread or bread alternate group

One serving. Enriched or wholegrain bread, biscuits, muffins, rolls, sandwich buns, cornbread and other hot breads.

Bread alternates may include enriched or whole-grain cereals or cereal products such as spaghetti, macaroni, dumplings, pancakes, and waffles.

Where available, the following additional variation may be substituted for the bread requirements: ufi, tanniers, yams, plain-tains, and sweet potatoes.

(4) Butter or fortified margarine

One teaspoon

(5) Dessert group

One, one-half cup serving. All fruit, full strength fruit juices, and simple desserts such as puddings, gelatins desserts, ice cream, ice milk and sherbert; cake, pie, cookies, and similar foods are also included.

Note: Cakes, cookies, and pie crusts made with enriched or whole grain flour or meal are more nutritious than those made with unenriched flour or meal.

Section 9.1 Meal Planning (Continued)

(6) Milk group

One-half pint. Fortified whole, skim, or low fat milk, flavored whole or fortified milk, buttermilk, and cheese.

Note: The inability of a project to obtain a supply of milk on a continuing basis shall not bar it from participating in the program. In such cases the State agency may approve the service of meals without fresh milk when an equivalent amount of canned, whole dry, or non-fat dry milk is used in the preparation of the components of the meal.

(7) Optional beverages

Coffee, tea, decaffeinated beverages, cambric tea, soft drinks, and fruit flavored drinks may be used.

(8) Other foods may be added to the meal to provide personal satisfaction and additional nutrition.

(9) Vitamins and/or mineral supplements may not be provided with nutrition project funds.

g. Where feasible and appropriate, special menus shall be available to individuals participating in the program.

(1) Special menus may be provided for health reasons.

(a) A written order will be on record for each individual on a special diet, and the order must be reviewed periodically (minimum annually) with the project participant's physician.

(b) Special diet menus must be planned and prepared under the supervision of a qualified registered dietitian.

(c) A current diet manual, approved by the nutritionist or dietitian on the State agency staff, will be supplied by the State agency to each project.

## Section 9.1 Meal Planning (Continued)

- g. (2) Religious, ethnic, cultural, or regional dietary requirements or preferences of a major portion of the group of participants at a congregate meal site shall be reflected in the meals served. Where feasible, individual dietary needs may also be met. However, the project is not required to do so on an individual basis.

## 9.2 Food Procurement

- a. All food procurement must be transacted in accord with Sections 6 and 13 of this booklet.
- b. The State agency shall, on a regular basis, make recipients of awards aware of those plentiful foods designated by the Secretary of Agriculture as being in abundance, either nationally or locally. The State agency shall establish procedures to assure that recipients of awards, to the extent feasible and practical, reflect such abundant foods in menu planning.
- c. Projects participating in the USDA Food Distribution Program in accordance with Section 9.5c of this booklet must request donated foods sufficiently in advance to insure delivery for use in the menus for which they were ordered.

## 9.3 Food Preparation and Delivery

- a. When a project is designed to serve meals at more than one congregate meal site, (bearing in mind the number of meals served) efforts should be made to have all meals prepared at one facility and then delivered to the various sites. For the most economical delivery of meals, the duplication in staffing and equipping food preparation facilities at more than one congregate meal site should be minimized. (See Section 11.2b (9) of this booklet which establishes a limit on capital asset expenditures for each project.)
- b. State and local fire, health, sanitation, and safety regulations applicable to the particular types of food preparation and meal delivery system used by the project must be adhered to in all stages of food service operations. In all cases, periodic checks must be made for foreign content in the food either by the appropriate State or local health officials or by qualified individuals engaged by the State agency to conduct such checks.
- c. All staff working in the preparation of food shall be under the supervision of a person who will insure the application of hygienic techniques and practices in food handling preparation and service. This supervisory person shall consult with the project nutritionist/dietitian for advice and consultation as necessary.

### Section 9.3 Food Preparation and Delivery (Continued)

- d. Tested quality recipes, adjusted to yield the number of servings needed, must be used to achieve the consistent and desirable quality and quantity of meals.
- e. All foods must be prepared and served in a manner to present optimum flavor and appearance, while retaining nutrients and food value.
- f. Home delivered meals
  - (1) Projects providing home delivered meals, where necessary and feasible, may use various methods of delivery, however, all food preparation standards set forth in this section must be met.
  - (2) More than one meal may be delivered for each day's consumption, providing that proper storage and heating facilities are available in the home, and that the project participant is able to consume the second meal either by himself or with available assistance.

### 9.4 Food Contributions

- a. All foods contributed to the project must meet those standards of quality, sanitation and safety that apply to foods that are purchased commercially by the project.
- b. Foods prepared or canned in the home may not be used in meals provided by the projects financed under Title VII. Only commercially prepared or canned foods may be used.

### 9.5 USDA Food Assistance Programs

- a. In every case, the State agency shall assure that recipients of awards under Title VII shall take such steps as necessary to assure that the maximum number of older persons within the project area benefit from the USDA food assistance programs as members of households certified for such assistance under USDA regulations. Also see Section 6 of this booklet.
- b. With regard to such programs, each recipient of an award shall:
  - (1) Provide the opportunity for, and assist, all project participants who desire food coupons or donated foods to apply for such assistance;
  - (2) Provide the opportunity for individuals receiving home-delivered meals to use food coupons as their contribution toward the cost of the meal; and

Section 9.5 USDA Food Assistance Program (Continued)

- b. (3) Assure that all provisions related to the use and handling of food coupons as prescribed by the State and local agency authorized to operate these programs, will be met.
- c. The State agency shall encourage recipients of awards under Title VII to apply to the Department of Education for participation as eligible institutions in the USDA Food Distribution Program. \* Foods received through this program are not to be considered as part of the project award.
- d. Recipients of awards under Title VII which receive donated foods as institutions should consider the feasibility of entering into written contracts with commercial or institutional facilities to convert the donated foods into more convenient or usable end-products.\*\*

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\* Public and nonprofit private feeding programs which provide meals for the elderly in group settings or for home delivery may qualify as eligible institutions under USDA regulations for food distribution (7 CFR Part 250). Eligibility is determined by State distributing agencies, which provide donated foods under written agreements with institutions. Institutions may employ a commercial kitchen, food service management company, or other catering service in preparing meals containing donated foods, provided this service is contracted for in accordance with USDA regulations for food distribution.

\*\* Procedures for such food processing contracts may be obtained from the State Department of Education.

PROJECT MENU PLAN - NUTRITION PROGRAM FOR THE ELDERLY

MONTH, DATE, DAY					
MEAT OR ALTERNATE 3 OZ. COOKED EDIBLE PORTION					
VEGETABLES & FRUITS 2, 1/2 CUP SERVINGS					
BREAD OR ALTERNATE 1 SERVING					
BUTTER OR FORTIFIED MARGARINE 1 TEASPOON					
DESSERT 1/2 CUP					
MILK 1/2 PINT					
BEVERAGE (OPTIONAL)					

NO. OF CONGREGATE MEALS \_\_\_\_\_ PROJECT TITLE \_\_\_\_\_

NO. OF HOME DELIVERED MEALS \_\_\_\_\_ PROJECT SITE \_\_\_\_\_

PREPARED BY \_\_\_\_\_ PROJECT DIRECTOR \_\_\_\_\_

DIETITIAN/NUTRITIONIST DATE \_\_\_\_\_

## Section 10 Supporting Social Services

### 10.1 General

- a. Project participants should be interviewed by a staff person within two weeks after they have become active in the project to obtain certain information for the project files. Such information shall include the participant's name, address, telephone number, person to notify in an emergency, doctor's name, physical problems the project staff should be aware of, and any other pertinent information needed by the project. In addition, during this interview, a determination shall be made as to the supporting social services that the project participant needs.
- b. In order to assure that the maximum of hard-to-reach, isolated, and withdrawn eligible individuals throughout the project area have the opportunity to participate in the project, recipients of awards must provide for an ongoing outreach service to be provided from each congregate meal site.
- c. Recipients of awards must, in addition to outreach, provide additional supporting services to the extent that such services are needed and are not already available and accessible to the individuals participating in the nutrition project, both at congregate meal settings and through home delivered meals. During the initial interview with the project participant a determination should be made as to the supporting social services that the project participant needs. Such services may include:
  - (1) Transportation of individuals and personal escort services to and from the congregate meal sites;
  - (2) Information and referral services;
  - (3) Health and welfare counseling services;
  - (4) Nutrition education;
  - (5) Shopping assistance; and
  - (6) Recreation activities incidental to the project.
- d. Normally, not more than twenty percent of the Title VII Federal funds shall be used for the provision of the supporting social services prescribed in b. and c. above, and only these services may be supported with Title VII funds.

## Section 10.1 General (Continued)

- e. Outreach, transportation, and escort services must be in place and ready to operate prior to the actual delivery of nutrition services. The supporting social services prescribed in c. above, must be developed within thirty days after nutrition services have been initiated.
- f. Other social services, such as those provided for by Titles I and XVI, of the Social Security Act, may be made available to the project participants; however, only those listed in Sections b. and c. above may be provided for through Title VII funds.

## 10.2 Supporting Social Services Standards

- a. For the purpose of this program, all supporting social services financed with Title VII funds must meet the standards listed below. In every case, the outreach, transportation, and escort services provided as part of the project, whether or not financed with Title VII funds, must also meet these standards.
- b. Supporting social services standards including the following:

### (1) Outreach

- (a) Outreach service means an activity designed to seek out and identify, on an ongoing basis, the maximum number of the hard-to-reach, isolated and withdrawn target group eligible individuals throughout the project area in greatest need of nutrition and supporting social services, and to provide the opportunity for them to participate in the project.
- (b) Such services must provide for:
  - (1) the designation of a project staff person to be responsible for the conduct of this activity from each congregate meal site; (ii) adequate numbers of outreach workers knowledgeable in dealing with and identifying needs of older persons; (iii) the use of a variety of methods that will assure a systematic coverage of the project area and contact with the maximum possible number of older persons; and (iv) arranging for referral and follow-up of individuals found to be in need of services.

Section 10.2 Supporting Social Services Standards (Continued)

(2) Transportation service

- (a) Transportation service means an activity designed to transport older persons to and from congregate meal sites so that the nutrition and supporting services will be accessible to those target group eligible individuals living within the project area who, because of a lack of mobility, would otherwise be unable to participate in the nutrition project.
- (b) Such service must provide for:
  - (i) the designation of a project staff person to be responsible for the conduct of this activity; (ii) regular scheduling and routing designed to assure that those individuals in greatest need of transportation receive the services; and (iii) the assurance that all modes of transportation provided are safe, adapted to the special needs of older persons, and comply with all State and local regulations pertaining to such service.

(3) Escort Service

- (a) Escort service means an activity designed to assist the maximum number of target group eligible individuals who are physically or mentally handicapped and require personal assistance and special modes of transportation in order to participate in the nutrition project.
- (b) Such service must provide for:
  - (i) the designation of a project staff person to be responsible for the conduct of this activity; (ii) adequate numbers of escort workers knowledgeable in dealing with and assisting older persons; and (iii) the assurance that the service is provided regularly to those who need it in order to participate in the nutrition project.

Section 10.2 Supporting Social Services Standards (Continued)

(4) Information and Referral Service

- (a) Information and referral service means an activity designed to provide the target group eligible individuals with current information of referral to, all appropriate services to meet their needs.
- (b) Such service must provide for:
  - (i) adequate staff knowledgeable and skilled in dealing with, and assessing the needs of older persons, and assisting such persons obtain needed services; (ii) the service to be accessible to older persons, either by phone or person-to-person contact at the congregate meal sites; (iii) follow-up on the referrals made; and (iv) adequate record-keeping concerning requests for assistance, services rendered, and referrals made.

(5) Health and Welfare Counseling Service

- (a) Health and welfare counseling means an activity designed to assure that project participants have available a service which will assist them in dealing with the problems and stresses which interfere with normal health and social functioning through person-to-person assistance by trained counselors.
- (b) Such services must provide for:
  - (i) adequate staff trained and skilled in counseling older persons; (ii) the counseling to be done in a setting that provides privacy for the older person seeking assistance; (iii) the service to be available regularly and at times convenient to project participants; and (iv) the maintenance of adequate records concerning the request for assistance and the service rendered.

(6) Recreation Activity

- (a) Recreation means those activities designed to foster the health and social well-being of project participants through social interaction and the satisfying use of free time.

## Section 10.2 Supporting Social Services Standards (Continued)

- (b) Such activities must provide for:
  - (i) the provision of those activities which reflect the preferences of the majority of the project participants;
  - and (ii) the availability of adequate space and supplies necessary for the effective conduct of the activity.

### (7) Nutrition Education

- (a) Nutrition education means a formal program of regularly scheduled meetings to make available facts about the kinds and amounts of foods that are required to meet one's daily nutritional needs. It shall be an accompanying feature of the meal program, with close coordination between the two components to improve the nutritional intake of older persons through better eating habits by making them aware of the relative nutritional value of different food groups.
- (b) Such activity must provide for:
  - (i) visual information to be available on a continuing basis; and
  - (ii) regularly scheduled meetings conducted in an appropriate manner to meet the needs of the participants.

### (8) Shopping Assistance

- (a) Shopping assistance means making help available to project participants in getting to-and-from food markets and in the selection of proper food items so as to improve their nutritional intake.
- (b) Such activity must provide for:
  - (i) the service to be regularly available;
  - (ii) the service to be available at a time convenient to older persons;
  - and (iii) the opportunity to shop at a food market of the individual's choice.

## 10.3 Utilization of Existing Resources

- a. To the maximum extent feasible, the project shall make every effort to utilize the existing social service resources provided by agencies such as health and mental health, public assistance, medicaid, social services, rehabilitation,

### Section 10.3 Utilization of Existing Resources (Continued)

education, economic opportunity, legal services, food and agriculture agencies, and Title III Community Projects, to provide the supporting social services prescribed in Sections 10.1 and 10.2 above

- b. Such efforts shall include joint planning, sharing of information, and negotiation of agreements for joint funding and operation of programs for the elderly. These efforts shall be coordinated with State agency activities on behalf of the aging.
- c. All supporting social services provided by the project shall be interrelated and coordinated with each other to assure maximum benefit to individuals needing such services. Such services shall also be coordinated with all other related social services throughout the project area to assure maximum benefit to individuals needing such services. Such services shall also be coordinated with all other related social services throughout the project area to assure maximum access to and utilization by project participants.

## 11 Project Costs Policy

### 11.1 Principles for Determining Costs

#### a. General

Cost determination for those activities undertaken by the State agency under Section 705 of the Older Americans Act must be in conformance with the principles and standards set forth in "A Guide for State Government Agencies Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Department of Health, Education, and Welfare." (U.S. DHEW OASC-6) The major provisions of this "Guide" as well as other policies concerning the allowability of costs are contained in this section.

#### b. Factors affecting allowable costs

To be allowable under Section 705 of the Older Americans Act, all costs must meet the following general requirements:

- (1) Be necessary and reasonable for the proper and efficient conduct of Title VII nutrition projects;
- (2) Conform to any limitations or exclusions set forth in this booklet, Federal laws, or other governing limitations as to types or amounts of cost items;

## Section 11.1 Principles for Determining Costs (Continued)

- (3) Be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances;
- (4) Not be allocable to or included as a cost of any other federally financed program in either the current or a prior period; and
- (5) Be net of all applicable credits to the cost.
  - (a) Applicable credits refer to those receipts or reductions of expenditure type transactions which reduce or offset expense items allocable to an activity as a direct or indirect cost. Examples of such transactions are: Purchase discounts; rebates or allowances; recoveries or indemnities on losses; sale of publication or equipment; certain types of income (see section 11.1f) and adjustments of overpayments or erroneous changes.
  - (b) Applicable credits may also arise when Federal funds are received or are available from sources other than the Title VII program to finance operations on capital items of the recipient of award. This includes costs arising from the use or depreciation of items donated or financed by the Federal government to fulfill matching requirements under another grant program. These types of credits should likewise be used to reduce related expenditures in determining the rates or amounts applicable to Title VII projects.

### c. Composition of Costs

#### (1) Total cost

The total cost is comprised of the allowable direct costs incident to the conduct of Title VII project activities plus the allocable portion of any allowable indirect costs, less applicable credits.

#### (2) Classification of costs

There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific function or service, but indirect with respect to the activity or other cost objective. It is important, therefore, that each item of cost be treated consistently either as a direct or indirect cost. Specific

## Section 11.1 Principles for Determining Costs (Continued)

guidelines for determining direct and indirect costs allocable under Title VII nutrition projects are provided in the Section 11.1d and e which follow.

### d. Direct Costs

Direct costs are those that can be identified specifically with project operations.

### e. Indirect Costs

- (1) Indirect costs are those which cannot be attributed specifically to the project, but which are generated by the project as well as by other programs administered by the recipient of award. Examples of indirect costs are:
  - (a) General and administrative expenses of the overall recipient of award organization;
  - (b) Operation and maintenance of buildings and equipment, such as telephone switchboard expenses, by the overall recipient of award organization; and
  - (c) Departmental administration, such as centralized payroll and accounting services.
- (2) If a Title VII project is the only program activity in which the recipient of award is engaged, the project could incur no indirect costs.
- (3) In theory, all such costs might be charged directly; however, practical difficulties preclude such an approach. Therefore, the DHEW provides for reimbursement of these costs through the mechanism of an indirect cost rate. An indirect cost rate is simply a device for determining fairly and conveniently, within the boundaries of sound administrative principles, what proportion of such general expenses each program should bear. Specifically, it is the ratio between the total indirect expenses and some direct cost base, commonly either direct salaries and wages or total direct costs. The indirect cost rate is therefore the end product of a series of cost apportionments which distribute costs jointly benefiting two or more programs in some reasonable relation to the benefits derived.

Section 11.1 Principles for Determining Cost (Continued)

- (4) In those instances where the DHEW has negotiated an indirect cost rate with an agency or institution which also is a recipient of award under Title VII, the State agency may rely on the conditions of the agreement which established the rate. Such reliance must be limited to the extent that the agreement applies to the Title VII project.
- (5) In those cases in which there is no existing indirect cost rate which has been negotiated between the recipient of award and the DHEW, an indirect cost rate plan may be developed. If the recipient of award is a local public agency, this indirect cost rate must be negotiated directly with the DHEW in accord with the Office of Management and Budget Circular A-87 and the "Guide for Local Government Agencies Establishing Cost Allocation Plans and Indirect Cost Rates for Grants or Contracts with the Federal Government." If the recipient of award is other than a local public agency, it may negotiate an indirect cost rate with the State agency, which will seek approval from DHEW.
- (6) The basis to be used by the project in determining the amount of indirect cost claimed shall be set forth in the notification of award.
- (7) Indirect costs incurred by other organizations in support of project activities are allowable only if the project is charged for, and pays for, the service provided by the affiliated institution. (If such costs are "in-kind" the recipient of award would not "pay" for them).

f. Project income (credits)

- (1) All project income must be accounted for. (Income accrued by individuals participating in a project or by groups using project facilities is not considered project income)
- (2) Royalties received from copyrights and patents during the project period shall be retained by the recipient of award and, in accordance with the award agreement, be either added to the funds already committed to the program or deducted from total project costs for the purpose of determining the net cost on which the Federal share of costs will be based. After termination or completion

## Section 11.1 Principles for Determining Cost (Continued)

of the grant, the Federal share of royalties in excess of \$200 received annually shall be returned to the SRS in the absence of other specific agreements between the SRS and the State agency. The Federal share of royalties shall be computed on the same ratio basis as the Federal share of the total project cost.

- (3) Public agency recipients of awards must record the receipt and expenditure of revenues (such as taxes, special assessments, levies, fines, etc.) as a part of project transactions when revenues are specifically earmarked for a project in accordance with award agreements.
- (4) All other anticipated project income, including contributions for meals, to be earned during the project period shall be retained by the recipient of award. The Federal share of such income must be awarded to the project on a notification of award form. An estimate of income to be accrued should be made prior to the budget year, and be included in the original project budget for initial award by the State agency. In such cases over estimates of project income will reduce the project budget and may require a supplemental award. Underestimates will provide a surplus for the project which may be carried forward to a subsequent year.

## 11.2 Allowable Project Costs

### a. General

The standards listed below are set forth to assist the applicant to determine the allowability of selected items of cost for the conduct of nutrition projects. These standards will apply irrespective of whether a particular item of cost is treated as direct or indirect cost. Failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable; rather, determination of allowability in each case will be based on the standards provided for similar or related items of cost.

### b. Allowable Costs

#### (1) Accounting

The cost of establishing and maintaining accounting and other information systems required for the management of the project is allowable. This includes costs incurred by central service agencies for these purposes. The cost of maintaining central accounting records required for overall local government purposes, such as appropriation and fund accounts by the Treasurer, Comptroller or similar officials, is considered to be a general expense of government and is not allowable.

Section 11.2 Allowable Project Costs (Continued)

(2) Advertising

Advertising media include newspapers magazines, radio and television programs, direct mail, and trade papers. The advertising costs allowable are those which are solely for:

- (a) Recruitment of personnel required for the project;
- (b) Solicitation of bids for the procurement of goods and services required;
- (c) Disposal of scrap or surplus materials acquired in the performance of the award agreement; and
- (d) Other purposes specifically provided for in the award agreement.

(3) Audit service

The cost of audits necessary for the administration and management of the project is allowable.

(4) Automatic data processing

The cost of data processing services to projects is allowable. This cost may include rental of equipment or depreciation on equipment owned by the recipient of award. The acquisition of equipment, whether by outright purchase, rental-purchase agreement, or other method of purchase, is allowable only upon specific prior approval of the SRS.

(5) Bonding

Cost of premiums on bonds covering employees who handle project funds are allowable.

(6) Budgeting

Costs incurred for the development, preparation, presentation, and execution of budgets are allowable. Costs for services of a central local budget office are generally not allowable since these are costs of general government. However, where employees of the central budget office actively participate in the recipient of award agency's budget process, the cost of identifiable services is allowable.

Section 11.2 Allowable Project Costs (Continued)

(7) Building lease management

The administrative cost for lease management which includes review of lease proposals, maintenance of a list of available property for lease, and related activities, is allowable.

(8) Building and space and related facilities

The cost of space in privately or publicly owned buildings used for benefit of the project is allowable subject to the conditions stated below. The total cost of space, whether in a privately or publicly owned building, may not exceed the rental cost of comparable space and facilities in a privately owned building in the same locality. The cost of space procured for project usage may not be charged to the project for periods of non-occupancy.

- (a) Rental cost. The rental cost of space in a privately owned building is allowable. A rental cost for idle or excess facilities, or a rental cost for land, separate from the cost of a facility, is not allowable.
- (b) Maintenance and operation. The costs of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, normal repairs and alterations and the like, are allowable to the extent that they are not otherwise included in rental or other charges for space.
- (c) Depreciation and use allowances on buildings owned by the recipient of award or loaned for use in the project. These costs are allowable as provided in Section 11.2b (14) below.
- (d) Occupancy of space under rental-purchase or lease with option-to-purchase agreement. The cost of space procured under such arrangements is allowable only when specifically approved by the SRS.

Section 11.2 Allowable Project Costs (Continued)

(9) Capital Expenditures (Facilities and Equipment)

- (a) The costs of capital assets including land, building, and equipment\* are allowable up to ten percent of the total cost of the project for the budget year when specifically approved by the State agency. When there is no reasonable substitute for the purchase of capital assets in excess of ten percent of the project budget, an exception can be made by the SRS. Repairs, improvements and renovations which increase the value or use of a capital asset are allowable up to five percent of the total project budget. Exception to the five percent limitation can be approved by the SRS where there is no reasonable alternative to such capital expenditures.
- (b) The limit on purchase and renovation of capital assets is established to encourage the project applicant to conduct cost analysis of the various options available in the delivery of nutrition and supporting social services. The type of physical facility and equipment needed will depend upon the method of delivery, such as on-site food preparation versus purchase of prepared food from vendors, or the provision of social services at a central site versus transporting project participants to several service sites. Long term cost benefits derived from the various options must be calculated to determine the most economical and feasible method of capital investment.
- (c) When an asset acquired with Title VII funds is (1) sold, (2) no longer available for use in the project, or (3) used for purposes not authorized by the award and has a residual market value of \$500 or more, then Federal government equity in the assets must be refunded in the same proportion as Federal participation in its cost.

(10) Central Store

The cost of maintaining and operating a central organization for supplies, equipment, and materials used either directly or indirectly for Title VII project activities is allowable.

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\* Capital asset equipment is defined as equipment valued at \$100 or more per item.

Section 11.2 Allowable Project Costs (Continued)

(11) Communications

(a) Communications and Utilities

Communications costs incurred for telephone calls or services, telegraphs, teletype service, wide area telephone service (WATS), centrex, telepak (tie lines), postage, messenger service and similar expenses are allowable.

(b) Utilities

The cost of water, heat, gas and electricity, where such costs are not included in rent, are allowable.

(12) Compensation for Personal Services

(a) General

Compensation for personal services including all remuneration, paid currently or accrued, for services rendered during the period of performance under the award agreement, including but not necessarily limited to wages, salaries, and supplementary compensation is allowable to the extent that total compensation for individual employees: (i) is reasonable for the service rendered; (ii) follows an appointment made in accordance with State or local government laws and rules where applicable; and (iii) is determined and supported as provided herein.

(b) Reasonableness of Compensation

Compensation for employees engaged in project activities will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the recipient. In cases where the kinds of employees required for the project activities of the recipient of award are not found in the other activities of the project, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market

Section 11.2 Allowable Project Costs (Continued)

in which the employing agency competes for the kinds of employees involved. Compensation surveys, providing data representative of the labor market involved, will be an acceptable basis for evaluating reasonableness.

(c) Payroll and distribution of time

Amounts charged to the project for personal services, regardless of whether treated as direct or indirect costs will be based on payrolls documented and approved in accordance with generally accepted practice of the recipient of award. Payroll must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees chargeable to more than one program of the recipient of award or other cost objectives will be supported by appropriate time distribution records. The method used should produce an equitable distribution of time and effort.

(d) Consultants

Reasonable and necessary consultant costs for essential services that cannot be provided by persons receiving salary support under the award, in accordance with State policies, may be claimed, however, consultant fees may not be paid to U. S. government employees.

(13) Council of the project

Cost incurred by the project in obtaining assistance from the project council including council member out-of-pocket expenditures, in accordance with the regulations and this booklet.

(14) Depreciation and use allowance

- (a) Recipients of award may claim costs for the use of buildings, capital improvements, and equipment through depreciation. However, a combination of the two methods may not be used in connection with a single class of fixed assets, owned by a single contributor. (Fixed assets are buildings and equipment.)

Section 11.2 Allowable Project Costs (Continued)

- (b) The computation of depreciation or use allowance will be based on the most recent acquisition cost.\* Where actual cost records have not been maintained, a reasonable estimate of this acquisition cost may be used in the computation.

This computation must exclude the cost of land. Depreciation or a use allowance on idle or excess facilities is not allowable. The cost of any portion of the cost of buildings or equipment donated or borne directly or indirectly by the Federal government, irrespective of where title was originally vested or where it presently resides, may not be claimed except as provided in Section 12.2d of this booklet.

- (c) Where the depreciation method is followed, adequate property records must be maintained, and any generally accepted method of computing depreciation must be consistently applied for any specific asset or class of assets owned by a single contributor. An owner may not alter any depreciation method used prior to Federal support, except when applying "use allowance" computations to fully depreciated items (see (e) below).
- (d) Use allowances, in lieu of depreciation, may be used to value buildings, capital improvements, and equipment. The use allowance for buildings and improvements may be computed at an annual rate not exceeding two percent of the most recent acquisition cost. The use allowance for equipment (excluding items properly capitalized as building cost) will be computed at an annual rate not exceeding six and two-thirds percent of acquisition cost of usable equipment. These use allowances may be used indefinitely, as long as the building, improvement, or equipment has economic usefulness.

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\* If an item of property was acquired with no cost to the present owner, i.e., it was donated, computation would be based on the donor's cost less depreciation or the current market price of similar property, whichever is less.

Section 11.2 Allowable Project Costs (Continued)

- (e) A usage value may be claimed for an asset which is considered fully depreciated (under the method described in (c) preceding page) but which still has economic usefulness to the project (i.e., residual value). This value must be claimed in accordance with the use allowance computation as described in (d) preceding page. All buildings must be valued by a single method and each class of equipment valued by a single method, either depreciation or use allowance.

(15) Disbursing Service

The cost of disbursing project funds by the treasurer or other designated officer is allowable. Disbursing services cover the processing of checks or warrants, from preparation to redemption, including the necessary records of accountability and reconciliation of such records with related cash accounts.

(16) Employee Fringe Benefits

Costs identified below are allowable to the extent that total compensation for employees is reasonable, as defined in Section 11.2b(12)(b).

- (a) Employee benefits in the form of a regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, court leave, military leave, and the like, are allowable if they are provided pursuant to an approved leave system; and the cost thereof is equitably allocated to the project and to other activities.
- (b) Employee benefits in the form of employer's contribution or expenses for social security, employees' life and health insurance plans, unemployment insurance, workman's compensation insurance, pension plans, severance pay, and the like, are allowable provided such benefits are granted under approved plans and are distributed equitably to the project and to other activities.

Section 11.2 Allowable Project Costs (Continued)

(17) Employee Morale, Health, and Welfare Costs

The cost of health or first-aid clinics and/or infirmaries, recreational facilities, employees' counseling services, employee information publications, and any related expenses incurred in accordance with general State policy, are allowable. Income generated from any of these activities will be offset against expenses.

(18) Exhibits

Costs of exhibits relating specifically to the project are allowable.

(19) Insurance

- (a) Costs of insurance required, or approved and maintained pursuant to project activities, are allowable.
- (b) Costs of insurance in connection with the general conduct of activities are allowable subject to the following limitations:
  - (i) Types and extent and cost of coverage will be in accordance with general policy of the recipient of award and sound business practice.
  - (ii) Costs of insurance or of contributions to any reserve covering the risk of, loss of, or damage to, Federal government property are unallowable except to the extent that the SRS has specifically required or approved such costs.
- (c) Contributions to a reserve for a self-insurance program approved by the State agency are allowable to the extent that the type of coverage, extent of coverage, rates, and premiums would have been allowed had insurance been purchased to cover the risk.

Section 11.2 Allowable Project Costs (Continued)

(20) Legal expenses

The cost of legal expenses required in the administration of projects is allowable. Legal services furnished by the chief legal officer of the recipient of award organization or his staff solely for the purpose of discharging his general responsibilities as legal officer, beyond project operations, are not allowable. Legal expenses for the prosecution of claims against the Federal government are unallowable.

(21) Maintenance and Repair

Costs incurred for necessary maintenance, repair, or upkeep of property which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition are allowable.

(22) Management Studies

The cost of management studies to improve the effectiveness and efficiency for on-going programs is allowable only when authorized by SRS.

(23) Materials and Supplies and Equipment

The cost of materials and supplies and non-capital asset equipment (equipment costing less than \$100) necessary to carry out the project is allowable. Purchases made specifically for the project should be charged thereto at their actual prices after deducting all cash discounts, trade discounts, tax discounts, rebates and allowances. Withdrawal from general stores or stockrooms should be charged at cost under any recognized method of pricing, consistently applied. Incoming transportation charges are a proper part of material cost. The cost of maintaining and operating a central stores (purchasing) organization for supplies and materials used either directly or indirectly for project programs is allowable.

(24) Memberships, Subscriptions and Professional Activities

- (a) The cost of membership in civic, business, technical and professional organizations is allowable provided: (i) the benefit from the membership is related to the project; (ii) the expenditure is for agency membership; (iii) the cost of the membership is reasonably related to the value

Section 11.2 Allowable Project Costs (Continued)

of the services or benefits received; and (iv) the expenditure is not for membership in an organization which devotes a substantial part of its activities to influencing legislation.

(b) The cost of books and subscriptions to civic, business, professional, and technical periodicals is allowable when related to the project.

(c) Meetings and conferences. Costs are allowable when the primary purpose of the meeting is the dissemination of technical information relating to the project and they are consistent with regular practices followed for other (non-Title VII) activities of the recipient of award.

(25) Motor pools

The cost of a service organization which provides automobiles to the project at a mileage or fixed rate and/or provides vehicle maintenance, inspection and repair services is allowable.

(26) Payroll Preparation

The cost of preparing payrolls and maintaining necessary related wage records is allowable.

(27) Personnel administration

Costs for the recruitment, examination, certification training, establishment of pay standards and related activities for the project are allowable.

(28) Printing and Reproduction

Costs for printing and reproduction services necessary for informational literature are allowable. Publication costs of reports of other media relating to project accomplishments or results are allowable when provided for in the award.

(29) Procurement Service

The cost of procurement service, including solicitation of bids, preparation and award of contracts, and all phases of contract administration in providing goods, facilities and services for the project is allowable.

Section 11.2 Allowable Project Costs (Continued)

(30) Professional Services

Cost of professional services by individuals or organizations not a part of the project is allowable when for essential services that cannot be provided by persons receiving salary support under the Title VII program. However, consultant fees may not be paid to U. S. government employees. See Section 13 for other specific policies on purchase of goods and services.

(31) Taxes

In general, taxes or payments in lieu of taxes which the recipient of award agency is legally required to pay are allowable.

(32) Training and Education

The cost of in-service training customarily provided, which directly or indirectly benefits the project is allowable. Out-of-service training involving extended periods of time is allowable only when specifically authorized by the State agency.

(33) Transportation

Costs incurred for freight, cartage, express, postage and other transportation costs relating either to goods purchased, delivered, or moved from one location to another, are allowable.

(34) Travel

- (a) Travel costs are allowable for expenses for transportation, lodging, subsistence, and related items incurred by employees, who are in travel status on official business incident to the project. Such costs may be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip, and results in charges consistent with those normally allowed in like circumstances in other recipient of award sponsored activities. The difference in cost between first class air accommodations

## Section 11.2 Allowable Project Costs (Continued)

and less-than-first-class air accommodations is unallowable except when less-than-first-class air accommodations are not reasonably available. Cost for travel in privately owned automobiles is limited to 10¢ per mile in accordance with State policy.

- (b) Foreign travel is not allowable without the specific written approval of SRS.

## 11.3 Unallowable Costs

### a. Bad debts

Any losses arising from uncollectable accounts and other claims, and related costs, are unallowable.

### b. Contingencies

Contributions to a contingency reserve or any similar provisions for unforeseen events are unallowable.

### c. Contributions and Donations

Contributions and donations are unallowable.

### d. Construction

Costs of construction other than for minor alterations and repairs are unallowable. See Section 11.2b (9) and (21).

### Entertainment

- e. Costs of amusements, social activities, and incidental costs relating hereto, such as meals, beverages, lodgings, rentals, transportation, and gratuities, are unallowable, except when provided as specific service to older people.

### f. Fines and Penalties

Costs resulting from violations of, or failure to comply with, Federal, State and local laws and regulations are unallowable.

### g. Interest and other Financial Costs

Interest on borrowing (however represented), bond discounts, cost of financial and refinancing operations, and legal and professional fees paid in connection therewith, are unallowable.

### Section 11.3 Unallowable Costs (Continued)

#### h. Legislative Expenses

Salaries and other expenses of local governmental bodies such as county supervisors, city councils, school boards, etc., whether incurred for purposes of legislation or executive direction, are unallowable unless such body is the actual recipient of award; and then only those costs are allowable which are directly related to the project and are separate and distinct from the overall functions of local government.

#### i. Losses

Actual losses which could have been covered by permissible insurance (through an approved self-insurance program or otherwise) are unallowable. Neither AoA/SRS nor the State agency will indemnify the project against liabilities to third persons and other losses not compensated by insurance or otherwise. However, costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, and minor losses not covered by insurance such as spoilage, breakage, and disappearance of small hand tools which occur in the ordinary course of operations, may be allowable.

#### j. Expenses of the Chief Executive Officer

The salaries and expenses of the chief executive of a political sub-division are considered a cost of general local government and are unallowable unless this office is the actual recipient of award; and then only those costs are allowable which are directly related to the project and are separate and distinct from the overall executive functions of the local government.

#### k. Motion picture films

Project recipients of awards may not use Title VII funds to produce motion picture films for viewing by the general public (such as for broadcast on public or educational television, showing to civic associations, or showing in public places) without prior clearance with the SRS.\* However, films intended for viewing only by restricted audiences in connection with the project may be produced.

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\* As the SRS must clear any such requests with DHEW, projects should submit requests to produce films well in advance of the production date.

## Section 12 Cost Sharing Requirements

### 12.1 Matching Requirements

- a. Non-Federal, State and/or local funds must make up at least ten percent of the total allowable costs for nutrition projects.
- b. Federal and non-Federal resources used to meet a project's net cost are commingled, i.e., each allowable project cost has a Federal and non-Federal share.

### 12.2 Non-Federal Resources

- a. Non-Federal participation may be in the form of either cash or in-kind resources. Non-Federal, State and/or local resources contributed toward allowable net project costs may be used to earn Federal funds subject to the conditions set forth in this section. However, resources donated to the recipient of award may not be considered as non-Federal participation when such resources, either cash or in-kind, revert to the donor's facility or use.
- b. Contributed resources which are earmarked for a particular individual or for members of a particular organization or sect may not be considered as non-Federal matching funds.
- c. Only when specifically authorized by this booklet or Federal legislation, Federal funds received from other sources may be considered as non-Federal contributions. See Section 12.2e. (3) and (4). Cash contributions represent the recipient of award's outlay, including the outlay of money contributed to the recipient of award by public agencies and institutions, and private organizations and individuals.
- d. In-Kind Resources
  - (1) In-kind contributions represent the value of non-cash contributions provided by (a) the recipient of award, (b) other public agencies and institutions, and (c) other private organizations and individuals. In-kind contributions may consist of charges for real property and equipment, and the value of goods (such as food) and services, including staff time contributed by the State and local agencies, that directly benefit and are identified with nutrition project activities. Only when authorized by Federal legislation, property purchased with Federal funds may be considered as non-Federal in-kind contributions.

Section 12.2 Non-Federal Resources (Continued)

- (2) All Projects May Claim:
  - (a) The value of the use of property to which the recipient of award has title (see Section 12.2d. (5) below);
  - (b) The value of the use of property loaned to the project (see Section 12.2d. (5) below);
  - (c) The value equal to the amount of disbursements for goods and services (including personnel services) loaned to the project; and
  - (d) A value attributable to the services of volunteers, either skilled or unskilled. (See Section 12.2d (6)).
- (3) A project may not claim as an in-kind resource: \*
  - (a) The value of discounts allowed by vendors for goods or services purchased by the project;
  - (b) The value of any revenue waived by the recipient of award as a result of converting an item of property into a project resource; or
  - (c) The value attributable to the use of radio or television time.
- (4) Any value claimed as an-kind resource must be:
  - (a) Identifiable in the project records;
  - (b) Necessary to the achievement of a project's objectives;
  - (c) Fair and reasonable and may not exceed the amount allowable if the item were actually purchased;
  - (d) Proportionate to the time the item was available for use by the project;

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\* This list is not meant to be inclusive. Whenever the Project Director has a question concerning the acceptability of a non-Federal in-kind resource, the State agency should be consulted.

Section 12.2 Non-Federal Resources (Continued)

- (e) Claimed only after the resource is actually used by the project;\* and
- (f) Not included as contributions for any other federally assisted program.

(5) Depreciation and Use Allowances

The value attributable to any item of property (including building space) to be used as an in-kind resource is to be determined only by depreciation (including use allowance). Depreciation is the acquisition cost of a building, capital improvements, or equipment distributed over the estimated useful life of the property. For items donated or loaned to the project, the actual value of depreciation may be claimed; however, such value may not revert to the donor. In computing the value to be claimed for depreciation and use allowances, see Section 11.2b (14).

(6) Volunteer Services

- (a) Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and non-skilled labor. The value of volunteered service may be counted if it is part of an approved project service, is included in the approved budget, and would otherwise be purchased on the labor market.
- (b) Volunteer services provided through the ACTION agency Retired Senior Volunteer Program may be used as non-Federal resources.
- (c) Rates for volunteers should be consistent with those regular rates paid for similar work in other activities of the recipient of award. In cases where the kinds of skills required for the federally assisted activities are not found in the other activities of the recipient of award, rates used should be consistent with those paid for similar work in the labor market in which the recipient of award competes for the kind of services involved. Suggested rates for use where no local rates are available are contained at the end of this section.

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\* An in-kind resource is entered both as a receipt and a disbursement in a project's accounts at the same time. See the Guide for Grantee Program Accounting published by AoA for an illustration.

Section 12.2 Non-Federal Resources ( Continued)

- (d) When an employer other than the recipient of award furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead cost) provided these services are in the same skill for which the employee is normally paid.
  - (e) The number of hours of volunteer services must be supported and accounted for by the same methods used by the project for its employees.
- e. Federal resources matching Federal resources
- (1) Non-Federal resources used to match other Federal grants or contracts may not be used to match Title VII project funds.
  - (2) Federal cash or in kind resources acquired during current or prior years may not be used to match funds provided under Title VII for project activities.
  - (3) Item (2) above is not applicable when there is explicit statutory authorization for the use of Federal funds to satisfy matching requirements in whole or in part, as for example, Title I of P.L. 89-754 (Model Cities Program, 42USC 3305d).
  - (4) Item (2) above is not applicable: (a) when the Federal funds in question are those used to pay Indian tribes for products produced under contract with the Bureau of Indian Affairs, Department of the Interior, pursuant to 25 USC 47, and (b) to the Public Health Service, Bureau of Indian Health contract funds.

Section 12.3

VALUATION OF VOLUNTEERED PERSONAL SERVICES  
FOR PURPOSES OF COMPUTING THE NON-FEDERAL SHARE\*

	<u>Hourly Rates</u>
Accountant and Auditor	\$ 9.00
Architect	9.00
Bookkeeper	3.00
Brickmason, Stonemason, and Title Setter	6.50
Bus Driver	4.00
Carpenter	6.00
Cement and Concrete Finisher	5.50
Cook	3.50
Dental Technician	5.00
Dentist	22.00
Dietitian and Nutritionist	5.50
Dressmaker Seamstress	3.50
Electrician	6.50
Engineer	9.00
Excavating, Grading and Road Machine Operator	5.50
File Clerk	2.50
Glazier	5.50
Instructor, College	6.00
Lawyer	20.00
Librarian	6.00
Nurse (other)	3.00
Nurse (registered)	4.50
Painter	5.50
Physician	24.00
Plasterer	6.00
Plumber	6.50
Printer	5.00
Professor, Assistant	7.50
Professor, Associate	9.00
Professor, College	11.00
Psychologist	7.50
Realtor	6.50
Recreation Worker	4.00
Secretary	3.50
Stenographer	3.00
School Administrator	9.00
Social Worker (MSW)	6.00
Social Worker (other)	4.00
Surveyor	4.00
Teacher (elementary)	6.00
Teacher (secondary)	6.50
Therapist	5.00
Tinsmith, Coppersmith, Sheetmetal Worker	6.00
Truckdriver	4.00
**Tutor	3.00
Typist	2.50

\* This is a suggested schedule that may be used when local rates are not available.

\*\* Tutor is defined as a person with one or more years of college.

## Section 13 Purchase of Goods and Services

Goods and services obtained from a third party (an individual, institution or organization outside the project's own organization) are subject to the conditions in this section. Third party agreements (an agreement between parties to accomplish a mutually beneficial objective).

### 13.1 General

- a. The recipient of a nutrition project award may purchase goods and services from public, non-profit or proprietary agencies or individuals provided that such goods or services are not available without cost from such sources.
- b. Such purchases must not result in the use of Title VII funds to replace non-Federal funds available for goods and services for target group eligible individuals.
- c. Benefits from such purchases must not revert back to individuals or groups contributing resources to the project.
- d. All purchase agreements with agencies must be in writing and signed by authorized representatives of the appropriate parties prior to the date set for commencement of their term.
- e. The State agency shall evaluate the quality of goods and services provided through third party agreements to determine the suitability for project use.

### 13.2 Recipient of Award Responsibilities

- a. The recipient of award retains overall responsibility for all aspects of project operations.
- b. The recipient of award must retain continuing basic responsibility for determination as to:
  - (1) Participants in the project; and
  - (2) Authorization, selection, quality effectiveness and execution of services suited to the needs of participants in the project.
- c. The recipient of award must monitor the execution of any subcontract agreements in order to assure compliance with all applicable standards set forth in this booklet.

## Section 13.2 Recipient of Award Responsibilities (Continued)

- (1) Food vendors engaged by the recipient of an award may make reasonable profit from such operations in line with prevailing prices and profits in the area. Like any prudent and cost conscious buyer, the recipient of award shall not only refuse to pay more than the going price for an item or services, but also shall seek to control cost for the project.
- (2) Prepared food must be of a quality commensurate with its cost to the food vendor and must meet the specifications set by the project.

- d. Even though the recipient of award may subcontract with public or private agencies or organizations to carry out the provisions of Title VII, the overall operations of, and responsibility for, a congregate meal site may not be subcontracted to a private proprietary agency or individual.

## 13.3 Requirements of Subcontractors

- a. The sources from which goods and services are purchased must conform to applicable provisions of Title VII of the Older Americans Act, the regulations and this booklet.
- b. Such applicable provisions must be set forth in the subcontractual agreement.
- c. All subcontracts are subject to all applicable State and local laws and regulations.
- d. Sources from which services are purchased must be licensed, approved as meeting State licensing standards, meet applicable accrediting standards, or in the absence of licensing or accrediting standards, meet any standards or criteria established by the State agency to assure quality of goods and services.

## 13.4 Cost Requirements

- a. Costs for the purchase of goods and services may not exceed the amounts reasonable and necessary to assure good quality.
- b. Recipients of project awards obligated by State or local law to employ competitive bidding or other special purchasing procedures shall employ such procedures in making purchases for the project.
- c. Cost reimbursable contracts and affiliation agreements

Cost reimbursable contracts and affiliation agreements are subject to the allowable cost principles contained in the appropriate Office of Management and Budget Circular or

Section 13.4 Cost Requirements (Continued)

Federal Regulations; and to the cost conditions in this section (13). The following documents contain the allowable cost principles for particular types of contractors:\*

State Governments - "A Guide for State Government Agencies. . ." U.S. DHEW (OASC - 6)

Local Governments - "A Guide for Local Government Agencies Establishing Cost Allocation Plans and Indirect Cost Rates for Grants or Contracts with the Federal Government" U.S. DHEW (OASC - 8)

Educational Institutions - "Guide for Educational Institutions" U.S. DHEW (OASC - 1)

Private Non-Profit Institutions - "A Guide for Non-Profit Institutions" U.S. DHEW (OASC - 5)

Commercial Organizations - "Principles and Procedures for Use in Cost Reimbursement Type Supply and Research Contracts with Commercial Organizations" Code of Federal Regulations Title 41, Public Contracts and Management, Chapter I Subpart 1-15.2

- d. No item of equipment or other capital property valued in excess of \$100 may be acquired by the subcontractor through the agreement with the project without specific prior approval of the SRS.
- e. The recipient of project award is responsible for insuring that all costs charged to the project as a result of cost-reimbursable contracts' and affiliation agreements are allowable to the service purchased.
- f. Records pertaining to the costs and expenses of cost-reimbursable contracts and affiliation agreements must be maintained and made available, upon request, to DHEW audit personnel or the Comptroller General's Office in accordance with the time periods set forth in section 14.2 of this booklet.

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\* These publications are available for sale by the Superintendent of Documents, Washington, D.C. 20402. They should also be available in Depository Libraries (for Federal publications).

## Section 14 Project Financial Procedures

### 14.1 Project Obligations

- a. Non-Federal resources must be contributed equal to the non-Federal share of actual net costs for a budget year. If a project reports Federal cash received but unearned on the Nutrition Project Financial Report for a budget year, the recipient of award then owes the State agency this amount. This amount may constitute a cash advance on any funds awarded to the project by the State agency for the following budget year.
- b. If a portion of the Federal award remains unearned at the end of a budget year, this amount may be carried-over to the subsequent budget year, if any. Such carry-over amount must be authorized on the notification of award.
- c. If there is Federal cash unearned (non-Federal share under-contributed) at the time the project is terminated, this amount must be returned to the State agency. If a project is unable to return this amount, the State agency must assume responsibility for the deficit from its own resources.
- d. Liquidation of Obligations

All unpaid orders for goods or services purchased during a budget year must be paid by the recipient of award within thirty days after the end of that budget year and before the final project financial report is completed.

### 14.2 Accounting Requirements

- a. All Federal nutrition project funds and any State and/or local funds expended to earn such funds shall be accounted for in accordance with a State approved accounting system. The system used by the projects shall meet the following minimum criteria:
  - (1) Federal nutrition project funds and non-Federal funds used to earn such funds must be accounted for separately from other recipient of award fund accounts.
  - (2) The accounting records are to be itemized in sufficient detail to show the exact nature of all receipts and disbursements. Each entry in the accounting records shall refer to the document which supports the entry. Supporting documents shall be filed in such a way that they can be readily located.

Section 14.2 Accounting Requirements (Continued)

- (3) The accounting records shall provide accurate and current financial reporting information.
  - (4) The accounting records of projects shall fully disclose the total cost of the projects.
  - (5) The accounting system shall possess an adequate means of internal control to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies.
- b. All accounting records are to be kept readily available for examination by personnel authorized to examine Title VII accounts.
- c. Such records shall be retained by public agencies, organizations or institutions who are recipients of awards for a period of three years, with the following qualifications:
- (1) The records shall be retained beyond the three year period if audit findings have not been resolved;
  - (2) Records for non-expendable property which was acquired with Federal funds shall be retained for three years after its final disposition;
  - (3) The retention period starts from the date of submission of the final Quarterly Report of Accountability for the budget year.
  - (4) Original documents, such as invoices, checks, time records, and payrolls in support of direct costs, may be retained in project files or in the recipient of award's regular files, provided the recipient of award's accounting records contain adequate references for identifying and locating the original documents. Microfilm documents may be substituted for original records.
- d. Private agencies, organizations or institutions who are recipients of awards must maintain records for a minimum of three years if audit has occurred and five years if audit has not occurred, and in the case of audit exception, until such exception has been cleared.

## Section 15

### Audit Procedures

All financial activities under the Title VII program are subject to Federal audit at both the State and project level. DHEW follows generally accepted auditing practices in determining that there has been a proper accounting for and use of grant-in-aid funds. The Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access, for the purpose of audit and examination, to any books, documents, papers, and records that are pertinent to the project. Any exception which might result from Federal audit, whether directed against the State agency or local recipients of awards, shall be taken against the State agency. Failure of a State agency to appeal a proposed audit exception within sixty days after receipt of written notification will make the action of DHEW conclusive.

CHAPTER II

GUIDE FOR  
APPLICATION FOR NUTRITION PROJECT AWARD  
UNDER TITLE VII OF  
THE OLDER AMERICANS ACT

ARIZONA STATE DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

CHAPTER II CONTAINS FIVE PARTS

PART I - APPLICATION COVER SHEET

PART II - AGREEMENT TO CONDITIONS BY APPLICANT AGENCY

PART III - BUDGET

PART IV - PLAN FOR THE PROJECT

PART V - COMPLIANCE WITH CIVIL RIGHTS ACT

APPLICATION FOR NUTRITION PROJECT AWARD

INSTRUCTIONS

Part I--Application Cover Sheet

1. Title of Project

Enter a brief (not to exceed 53 typewriter spaces, including punctuation and spacing) descriptive title for the project.

2. Type of Application

New - A project for which State agency support is being requested for the first time.

Continuation - The succeeding portions of an approved project (usually 12 months) for which support is being requested.

Revision - An application which changes or replaces all or part of a prior application.

Supplement - A request for the award of additional funds to be obligated within the approved project period.

3. Name of Project Director

This is the person who has the immediate responsibilities for the direction of the project for which support is being sought. Enter title, department or appropriate subdivision of applicant agency, mailing address, social security number, area code, and telephone number.

4. Applicant Agency

The applicant agency is that institution or organization which is to assume legal and financial responsibility and accountability for the use and disposition of any funds awarded on the basis of this application.

5. Self Explanatory

6. Dates of:

- A. Project Period - Enter the dates of the proposed project period. The project period is the total time period (sum of the budget years) proposed for support of the project with Federal funds. The project period should not exceed three years. The starting time for the project should allow sufficient time for review at the Regional and State level.

Enter the total amount of Federal funds requested for the entire proposed project period. This item need not be filled in for continuation awards.

B. Budget Year - Enter the dates of the proposed budget year.  
The budget year is a period of time within an approved project period covered by a specific budget for which an award is made. Budget years are generally 12-month periods, but may be for shorter periods if appropriate.

7. Type of Organization

Check appropriate box.

8. Payee

Enter the Name, Title, and full Address of the financial person to whom checks are to be sent.

11. Signature and Date

Enter in ink the signature of the person named in Item 5. Per signatures are not acceptable.

STATE OF ARIZONA  
DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

**APPLICATION FOR NUTRITION PROJECT AWARD  
UNDER TITLE VII OF THE OLDER AMERICANS ACT**

(FOR STATE AGENCY USE)									
1. TITLE OF PROJECT:									
2. TYPE OF APPLICATION:  <input type="checkbox"/> NEW <input type="checkbox"/> CONTINUATION <input type="checkbox"/> REVISION <input type="checkbox"/> SUPPLEMENT									
3. PROJECT DIRECTOR (NAME, TITLE, DEPARTMENT, AND ADDRESS - STREET, CITY, STATE, ZIP CODE):		6. DATES OF:      FROM      THROUGH      AMOUNT							
		A. PROJECT PERIOD							
		B. BUDGET YEAR							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">FEDERAL SECURITY NO.:</td> <td style="width: 25%;">AREA CODE</td> <td style="width: 50%;">TELEPHONE NO.</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>		FEDERAL SECURITY NO.:	AREA CODE	TELEPHONE NO.				7. TYPE OF ORGANIZATION:  <input type="checkbox"/> PUBLIC AGENCY <input type="checkbox"/> PRIVATE NON-PROFIT AGENCY	
FEDERAL SECURITY NO.:	AREA CODE	TELEPHONE NO.							
4. APPLICANT AGENCY (NAME AND ADDRESS - STREET, CITY, STATE, ZIP CODE):		8. PAYEE (SPECIFY TO WHOM CHECKS SHOULD BE SENT - NAME, TITLE, ADDRESS):							
5. NAME, TITLE, ADDRESS OF OFFICIAL AUTHORIZED TO SIGN FOR APPLICANT AGENCY:		9. (FOR STATE AGENCY USE)							
10. TERMS AND CONDITIONS: It is understood and agreed by the undersigned that; 1) funds awarded as a result of this request are to be expended for the purposes set forth herein and in accordance with all applicable laws, regulations, policies, and procedures of this State and the Administration on Aging, Social and Rehabilitation Service of the U.S. Department of Health, Education, and Welfare; 2) any proposed changes in the proposal as approved will be submitted in writing by the applicant and upon notification of approval by the State agency shall be deemed incorporated into and become a part of this agreement; 3) the attached Assurance of Compliance (Form AoA-441) with the Department of Health, Education, and Welfare Regulation issued pursuant to Title VI of the Civil Rights Act of 1964 applies to this proposal as approved; and 4) funds awarded by the State Agency may be terminated at any time for violations of any terms and requirements of this agreement.									
11. SIGNATURE (PERSON NAMED IN ITEM 5): _____									
		SIGNATURE	DATE						



PART II-Agreement (Cont.)

3. Agrees that where subcontracts are proposed for the operation of meal sites, preparation of food, or the provision of meals or supporting social services, and are approved as part of any award of funds, the applicant agency retains full and complete responsibility for the operation of the project in keeping with the policies and procedures established by the State agency for the Nutrition Program. The applicant agency will be held accountable by the State agency for all project expenditures; and will ensure that all expenditures incurred by the subcontracting agency (ies) will be in accordance with the cost policies and procedures established by the State agency, in keeping with guidelines of the Administration on Aging. Copies of the proposed subcontracts are submitted with this application.
4. Agrees to cooperate in joint planning with existing and any future area or local agencies responsible for comprehensive planning in aging in the geographic area for which the project is proposed, and with the providers of services to the aging in the area in order to provide additional needed services to nutrition project participants.
5. Agrees to provide for such training as may be necessary to enable paid and volunteer project personnel to administer the project. Costs for such training have been included in the budget developed for the project and submitted as part of this application.
6. Agrees to cooperate and assist in any efforts undertaken by the State agency or the Administration on Aging to evaluate the effectiveness, feasibility, and costs of the project.
7. Agrees that more than one-half of the membership of the Project Council established for the project shall be actual consumers of the nutrition services of the project and shall be representative of the congregate meal sites and further agrees that the operations of the Project Council shall be carried out in accordance with the policies and procedures established by the State agency.
8. Agrees that no personal information obtained from an individual in conjunction with the project shall be disclosed in a form in which it is identified with him without written consent of the individual concerned.

PART II-Agreement (Cont.)

9. Agrees to keep such records and make such reports in such form and containing such information as may be required by the State agency and in accordance with guidelines issued by the Administration on Aging.
10. Is cognizant of and agrees to operate the project fully in conformance with all applicable State and local standards, including fire, health, safety and sanitation standards, prescribed in law or regulations.
11. Agrees to maintain such accounts and documents as will serve to permit expeditious determination to be made at any time of the status of funds within the award, including the disposition of all monies received from the State agency, and the nature and amount of all charges claimed to be against such funds.
12. Agrees to comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), and the regulation issued pursuant thereto. An Assurance of Compliance with such regulation (Form HEW-441) is attached. Also, further certifies that the applicant agency has no commitments or obligations which are inconsistent with compliance with these and any other pertinent Federal regulations and policies, and that any other agency, organization, or party which participates in this project shall have no such commitments or obligations.

\_\_\_\_\_  
Name and Title of Official Authorized to  
Sign for Applicant Agency

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

PART III

General

This part of the application consists of: (1) Budget Summary Form which provides a summary of project costs for a budget year; (2) Supporting Budget Schedules which relate line item costs with program activities of the project; and (3) Budget Estimates for Subsequent Budget Years.

Specific Instructions:

BUDGET SUMMARY FOR BUDGET YEAR

Complete the individual Supporting Budget Schedules before completing this Part.

Insert the dates of the proposed budget year. This is a period not to exceed 12 months but may be for a shorter period, if appropriate. The dates entered on the Budget Summary Form should be the same as those entered in Item 6.B of the Application Form, Part I.

Complete Section A., Direct Costs, as indicated. Meals costs (column 2) are obtained by adding the totals for column 2 and 3 on the supporting budget schedules. Supporting Social Services Costs (column 3) is the sum of the costs entered under columns (5) through (11) of the Supporting Budget Schedules for each of the budget categories listed. Column (4), Administrative costs, are taken from the total of column (12) of the Supporting Budget Schedules. Place budget category totals in column (5).

Complete Section B., Indirect Costs if applicable, as directed. The Indirect Costs to be entered in this Section are only those associated with the applicant agency. Indirect costs associated with subcontractors must not be entered here. To claim indirect costs, all grantees must have an indirect cost rate which has been negotiated with the State Agency on Aging. Be sure to check block marked Salaries and Wages or block marked Total Direct Costs.

Please note that unless the negotiated agreement stipulates otherwise, fringe benefits must be excluded when salaries and wages are used as computation base.

Section C: Enter the Total Project Costs in the space provided.

Section D: Enter the amount of Project Income if such income has been budgeted as part of the Direct Costs of the project. If not, enter a zero.

Section E: Subtract Project Income (line D) from Total Project Costs (line C) to arrive at Project Net Costs.

Section F: Enter the percentage and amount of Local Non-Federal Participation.

Section G: Enter the percentage and amount of Funds Requested. The sum of lines F and G should equal the amount entered on line E.

## SUPPORTING BUDGET SCHEDULES

The Supporting Budget Schedules are designed to relate line item costs (listed under Budget Category) with the program activities to be undertaken by the project during the proposed budget year. Each cost is to be entered across from the proper Budget Category and under the Program Activities heading.

Enter all estimated costs to be met from funds requested, local non-Federal participation (cash and in-kind), and project income. (U.S.D.A. donated foods may not be included in the budget either as in-kind matching or as an in-kind payment from the State agency.) All amounts entered are to be cumulative through the end of the proposed budget year.

If a cost item listed under any budget category is to be used in support of more than one program activity, the costs related to that item must be prorated across the number of activities for which the item is used or involved. For example, if any individual staff member's time is spent on more than one activity, the related salary and fringe benefits costs must be distributed across the appropriate program activities based on the percentage of time spent for each program activity. The figure shown in column 13 (total costs) should be the total annual salary for the position or individual described.

If the applicant agency proposes to enter into any subcontracts for the operation of meals sites, the costs related to such subcontracts must be treated as part of the total budget and distributed among the appropriate budget categories and program activities. All other proposed subcontracts for less than an entire site operation (e.g., preparation of meals, provision of social services or other goods and services) must be identified separately and should be entered only under the budget category - Other Costs. (See further instructions under Item 6, Other Costs, below.)

1. Personnel (p.2) - List by name (if available) and title of position each individual whose salary and fringe benefits will be a cost to the project. Enter the dollar amount of such costs under the appropriate program activity. Enter the total Personnel Costs for each program activity and the Total Costs in the column provided.
2. Equipment (p.3) - An item of equipment is an article of property procured or fabricated which is complete in itself, is of a durable nature, and has an expected service life of more than one year. (This budget category should also include the cost of any other capital assets - land and buildings.) List individually each item of equipment for which costs will be incurred (including insurance, freight, and accessories). Enter the cost for each item under the appropriate program category. Enter the total Equipment Costs for each program activity and the Total Costs in the column provided.

LOCAL NON-FEDERAL PARTICIPATION

List by source and amount, items proposed as Local non-Federal participation in the project. Enter these items as appropriate, under CASH RESOURCES or IN-KIND RESOURCES.

BUDGET ESTIMATES FOR SUBSEQUENT BUDGET YEARS

Enter the number of the budget year in columns (1) and (2), for example second, third, etc.

Complete rest of form as indicated.

(STATE AGENCY)

APPLICATION FOR NUTRITION PROJECT AWARD  
UNDER TITLE VII OF THE OLDER AMERICANS ACT

(FOR STATE AGENCY USE)				
Rev. 6-15-73				
1. TITLE OF PROJECT:				
2. TYPE OF APPLICATION: <input type="checkbox"/> NEW <input type="checkbox"/> CONTINUATION <input type="checkbox"/> REVISION <input type="checkbox"/> SUPPLEMENT				
3. PROJECT DIRECTOR (NAME, TITLE, DEPARTMENT, AND ADDRESS - STREET, CITY, STATE, ZIP CODE):	6. DATES OF:	FROM	THROUGH	AMOUNT
	A. PROJECT PERIOD			\$
	B. BUDGET YEAR			\$
SOCIAL SECURITY NO.:		AREA CODE	TELEPHONE NO.	
7. TYPE OF ORGANIZATION: <input type="checkbox"/> PUBLIC AGENCY <input type="checkbox"/> PRIVATE NON-PROFIT AGENCY				
4. APPLICANT AGENCY (NAME AND ADDRESS - STREET, CITY, STATE, ZIP CODE):		8. PAYEE (SPECIFY TO WHOM CHECKS SHOULD BE SENT - NAME, TITLE, ADDRESS):		
5. NAME, TITLE, ADDRESS OF OFFICIAL AUTHORIZED TO SIGN FOR APPLICANT AGENCY:		9. (FOR STATE AGENCY USE)		
10. TERMS AND CONDITIONS: It is understood and agreed by the undersigned that; 1) funds awarded as a result of this request are to be expended for the purposes set forth herein and in accordance with all applicable laws, regulations, policies, and procedures of this State and the Administration on Aging, Social and Rehabilitation Service of the U.S. Department of Health, Education, and Welfare; 2) any proposed changes in the proposal as approved will be submitted in writing by the applicant and upon notification of approval by the State agency shall be deemed incorporated into and become a part of this agreement; 3) the attached Assurance of Compliance (Form AoA-441) with the Department of Health, Education, and Welfare Regulation issued pursuant to Title VI of the Civil Rights Act of 1964 applies to this proposal as approved; and 4) funds awarded by the State Agency may be terminated at any time for violations of any terms and requirements of this agreement.				
11. SIGNATURE (PERSON NAMED IN ITEM 5): _____ SIGNATURE _____ DATE _____				

BUDGET SUMMARY FOR BUDGET YEAR  
 FROM \_\_\_\_\_ TO \_\_\_\_\_  
 (COMPLETE SUPPORTING BUDGET SCHEDULES BEFORE THIS PART)

PAGE 1 OF 7

Rev. 6-15-73

A. DIRECT COSTS				
BUDGET CATEGORY (1)	MEALS COSTS (2)	SUPPORTING SOCIAL SERVICES COSTS (3)	ADMINISTRATIVE COSTS (4)	TOTAL PROJECT COSTS (SUM OF COLUMNS 2, 3, & 4) (5)
1. PERSONNEL (INCLUDING FRINGE BENEFITS)	\$	\$	\$	\$
2. EQUIPMENT				
3. RAW FOOD				
4. TRAVEL (STAFF ONLY)				
5. CONSULTANTS				
6. OTHER COSTS*				
7. TOTAL DIRECT COSTS	\$	\$		\$
B. INDIRECT COSTS				
a. IS INDIRECT COST REQUIRED? <input type="checkbox"/> NO <input type="checkbox"/> YES		d. BASED ON: <input type="checkbox"/> SALARIES AND WAGES		
b. PERCENTAGE RATE: _____ %		<input type="checkbox"/> TOTAL ALLOWABLE DIRECT COSTS		
c. NEGOTIATED AGREEMENT: DATE _____		e. BASE: \$ _____		\$
C. TOTAL PROJECT COSTS (TOTAL LINES A(5) 7 AND B)				\$
D. PROJECT INCOME				\$
E. PROJECT NET COSTS (LINE C LESS LINE D)				\$
F. LOCAL NON-FEDERAL PARTICIPATION			%	\$
G. FUNDS REQUESTED (LINE E LESS LINE F)			%	\$

\*INCLUDES CONSUMABLE SUPPLIES EXCEPT RAW FOOD



Rev. 6-15-73

SUPPORTING BUDGET SCHEDULE

PAGE 5 OF 7

BUDGET CATEGORY (1)	PROGRAM ACTIVITIES											TOTAL COSTS = SUM COL. (2)-(4)+(12) (13)
	MEALS		SUPPORTING SERVICES TOTAL = SUM COL. (5)-(11) (4)	SUPPORTING SERVICES BY ACTIVITY								
	CONGREGATE (2)	HOME DELIVERED (3)		ESCORT & TRANSPORTATION (5)	OUTREACH (6)	INFORMATION & REFERRAL (7)	COUNSELING (8)	NUTRITION EDUCATION (9)	SHOPPING ASSISTANCE (10)	RECREATION (11)	ADMINISTRATION (12)	
6. OTHER COSTS*	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL OTHER COSTS*	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

\*INCLUDES CONSUMABLE SUPPLIES EXCEPT RAW FOOD

BUDGET ESTIMATES FOR  
SUBSEQUENT BUDGET YEARS

Rev. 6-15-73

	_____ BUDGET YEAR (1)	_____ BUDGET YEAR (2)
A. ESTIMATED TOTAL PROJECT COSTS		
B. ESTIMATED PROJECT INCOME		
C. ESTIMATED NET PROJECT COSTS (LINE A LESS LINE B)		
D. ESTIMATED LOCAL NON-FEDERAL PARTICIPATION		
E. ESTIMATED FUNDS REQUEST (LINE C LESS LINE D)		
F. ESTIMATED NUMBER OF MEALS TO BE SERVED		

PART III: BUDGET AND FINANCIAL INFORMATION

1. Describe the proposed plan for the management and control of the financial resources of the project. Where subcontracts are proposed, special attention should be directed to the method by which the applicant agency will disburse and account for funds to the subcontracting agency(ies).
2. If the non-Federal matching proposed by the applicant agency is less than 10 percent of the project net costs, set forth a justification as to why the applicant agency proposes a lesser rate of non-Federal participation.
3. Set forth the amount of proposed project funds earmarked for the provision of training of paid and volunteer project personnel as agreed to in Part I of this application.
4. If the services of volunteers have been included as part of the non-Federal participation for the proposed project, the applicant agency must include the rate schedule used to compute such non-Federal participation.

3. Budget Year

Enter the dates on which the budget year begins and ends and also indicate the time period being reported on, i.e., monthly or quarterly. If quarterly, indicate the three months included in the report.

4. Project Award Information

A. Federal funds available from past budget year(s) - Enter the amount of unobligated Federal funds which are available for project use from a previous year's award.

B. New Federal funds awarded - Enter the amount of new funds awarded for the budget year being reported.

C. Total Federal award - Enter the total of lines 4-A and 4-B.

5. Disbursements by Program Activity

This section of the form is designed to relate line item costs (listed in the Cost Categories Column) with the program activities of the project. To achieve this, each cost is to be entered across from the proper cost category and under the program heading for which it was incurred. Enter all disbursements including cash and in-kind. Do not include obligations for future payment.

All amounts entered are to be cumulative from the beginning of the current budget year through the end of the period being reported on.

Cost Categories

A-F. Personnel, Equipment, Raw Food, Travel (Staff), Consultants and Other Costs. Other Costs include consumable supplies except raw food.

Enter the cumulative costs incurred for each of these cost items under the program activity heading for which they were used. Thus, if a project incurs \$100,000 in personnel services for its congregate meals service, this amount should be entered in the column for congregate meals.

G. Total direct costs - Add lines A through F for each program activity.

H. Indirect costs - Enter the indirect cost rate if appropriate for your project, (as a percent) as indicated on the latest notification of award. Apply the above percent of each of the total direct costs for each program activity and enter the results.

I. Total costs - Enter the total of lines G and H.

J. Less project income - For each program activity, enter the amount of revenue as a result of project operation. (If there is project income).

K. Net cost - Enter the difference between lines I and J.

This figure is computed by multiplying the percent of Federal share with the net cost figure entered above on line 5-K in the total column, and is entered in the Federal column. The figure should be the same as the total entered on line 5-L in the total column.

Non-Federal share

Enter the percentage of the net cost which the project and/or State has agreed to contribute as set forth on the latest notification of award.

This figure is computed by multiplying the percent of non-Federal share with the net cost of the project as entered above on line 5-K in the total column, and is entered in the non-Federal column. The figure obtained is the amount of non-Federal resources which must be contributed to the project if the full amount of Federal funds is to be earned.

G. Amount of Federal cash unearned or undercontributed

Subtract line 6-F from line 6-B

If this figure is positive, Federal cash has been over-contributed and is owed by the project to the Federal government. This amount must be reclaimed by the State agency or left with the project as an advance of cash for future project operations.

If this figure is negative, Federal cash has been under-contributed and the Federal government owes this amount to the project.

H. Amount of Federal Grant unearned

Subtract line 6-F from line 4-C in Part 4

This figure is the amount of the Federal award which the project has not yet earned. If this is a final report for a budget year, the State agency may authorize this amount to be carried over for use during the next project year.

This amount can not be a negative figure. The amount of the Federal award which can be earned by the project can not exceed the amount actually awarded on the latest notification of award.

7. Certification - Self-explanatory.

**NUTRITION PROJECT FINANCIAL REPORT**

<p>1. TITLE AND ADDRESS OF PROJECT:</p> <p>TITLE _____</p> <p>NUMBER, STREET, P.O. BOX _____</p> <p>CITY, STATE, ZIP CODE _____</p>	<p>2. STATE PROJECT NUMBER <u>7</u></p> <p>3. A. BUDGET YEAR:          BEGINNING _____, ENDING _____</p> <p>B. TIME PERIOD BEING REPORTED ON:          BEGINNING _____, ENDING _____</p>	<p>4. PROJECT AWARD INFORMATION:</p> <p>A. FEDERAL FUNDS AVAILABLE FROM PAST BUDGET YEAR(S) . . . . \$ _____</p> <p>B. NEW FEDERAL FUNDS AWARDED . . . . \$ _____</p> <p>C. TOTAL FEDERAL AWARD . . . . \$ _____</p>
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5. DISBURSEMENTS BY PROGRAM ACTIVITY: (ROUND TO THE NEAREST WHOLE DOLLAR)

COST CATEGORIES	MEALS		SUPPORTING SERVICES TOTAL	ESCORT & TRANSPORTATION	SUPPORTING SERVICES BY ACTIVITY						ADMINISTRATION	TOTAL
	CONGREGATE	HOME DELIVERED			OUTREACH	INFORMATION & REFERRAL	COUNSELING	NUTRITION EDUCATION	SHOPPING ASSISTANCE	RECREATION		
A. PERSONNEL (INCL. FR. BENE.) . . . .												
B. EQUIPMENT . . . . .												
C. RAW FOOD . . . . .												
D. TRAVEL (STAFF) . . . . .												
E. CONSULTANTS . . . . .												
F. OTHER COSTS* . . . . .												
G. TOTAL DIRECT COSTS . . . . .												
H. INDIRECT COSTS _____ % . . . . .												
I. TOTAL COSTS . . . . .												
J. LESS PROJECT INCOME . . . . .												
K. NET COST . . . . .												
L. FEDERAL SHARE _____ % . . . . .												

NOT TO BE COMPLETED  
(AT THIS TIME)

6. OBLIGATIONS, CASH BALANCE AND EARNED FEDERAL FUNDS:

	TOTAL	FEDERAL	NON-FEDERAL
A. CUMULATIVE OBLIGATIONS INCURRED . . . . .	\$ _____	\$ _____	\$ _____
B. FEDERAL RESOURCES RECEIVED AND NON-FEDERAL RESOURCES CONTRIBUTED . . . . .	_____	_____	_____
C. TOTAL DISBURSEMENTS . . . . .	_____	_____	_____
D. CASH BALANCE ON HAND . . . . .	_____	_____	_____
E. UNOBLIGATED CASH BALANCE . . . . .	_____	_____	_____
F. NET PROJECT COST DISTRIBUTED BY SHARE ( _____ % FEDERAL; _____ % NON-FEDERAL)	_____	_____	_____
G. AMOUNT OF FEDERAL CASH UNEARNED OR UNDER-CONTRIBUTED . . . . .	_____	_____	_____
H. AMOUNT OF FEDERAL GRANT UNEARNED . . . . .	_____	_____	_____

7. I CERTIFY THAT THE INFORMATION CONTAINED IN THIS STATEMENT IS ACCURATE TO THE BEST OF MY KNOWLEDGE, THAT ALL ADJUSTMENTS ARE COMPLETELY ACCOUNTED FOR, AND THAT ALL COSTS REPORTED HEREIN WERE ACCRUED IN ACCORDANCE WITH THE CONDITIONS OF THIS AWARD.

SIGNATURE OF PROJECT DIRECTOR \_\_\_\_\_ DATE \_\_\_\_\_

\*INCLUDES CONSUMABLE SUPPLIES EXCEPT RAW FOOD

## PART IV

### PLAN FOR THE PROJECT

The applicant agency must set forth a detailed narrative plan for the delivery of meals and related social services for the proposed project area. This plan must address, at a minimum, the items identified in the outline below. The plan set forth by the applicant agency must also follow this outline and be numbered accordingly.

#### 1. Applicant Agency

- a. Attach a chart which describes the organizational structure of the applicant agency. Also, indicate where in the organization of the agency, responsibility for the conduct of the proposed project is to be placed.
- b. Set forth the agency's qualifications, including personnel and physical facilities to undertake the proposed project. In addition, describe in detail the agency experience in:
  - (1) provision of services to the elderly with specific reference to low income and minority group elderly; and
  - (2) operation of meals programs on behalf of the elderly.
- c. Indicate whether the applicant agency is a minority agency; that is, an agency operated by and/or serving primarily the needs of minority individuals.
- d. If the applicant agency currently operates a meals program for the elderly, set forth the total amount of funds utilized for the program during the previous budget year.
- e. Does the applicant agency plan to enter into any subcontract(s) for the operation of meals sites, preparation of food, or the provision of meals or supporting social services? If subcontracts are proposed, set forth the agency(ies) to be contracted

with; the purpose of the subcontract(s); the status (public, private non-profit, private profit making) and qualifications of the agency(ies); and the role and responsibilities of the applicant agency in carrying out the objectives of the program and in administering the subcontract(s).

- (1) Indicate to what extent any proposed subcontract(s) for operation of meals sites is with an agency(ies) operated by minority groups.

## 2. Project Area

- a. Identify the geographic area proposed for the project. Include a map indicating the boundaries of the area.
- b. Describe the major characteristics of the proposed area. Give special attention to the socio-economic composition and size of the general population. Include a description of the geographic and physical conditions of the area.
- c. Describe in detail the composition of the elderly population (60 and over) of the area. Give special emphasis to the numbers and geographic concentrations of low income elderly (below the Department of Commerce, Bureau of the Census poverty threshold), and minority group elderly (including American Indians, Blacks, Spanish language elderly, and Orientals), if applicable, and their proportion to the total number of elderly in the area
- d.
  - (1) Document the extent to which the nutrition program is needed in the project area. In addition to the factors of low income, and minority group elderly (if applicable) cite other data which indicate the need of the elderly with reference to lack of mobility, isolation, and limited knowledge and/or skills and their application to adequate nutrition of the elderly.
  - (2) Set forth an estimate of the total number of such target group older persons who reside in the project area.

- (3) Of the estimated number of target group older persons in the area, set forth the estimated number of persons planned to be served by the project. Also, indicate the number of those to be served who are below the poverty threshold, and are American Indian, Black, Spanish language, and Oriental (if applicable).

3. Administration of the Project

- a. Describe the proposed number and types of staff to carry out the leadership, planning, nutrition, supporting social services, volunteer activities, and financial management responsibilities of the project. Give special emphasis to (1) the qualifications of the project director; (2) plans for the employment of elderly and minority individuals in paid positions; and (3) persons responsible for nutrition or dietetic services for the project. Include the name of the project director, if known, at the time of application. Also indicate whether the project director is 60 years of age or older.
- b. Describe the proposed use of volunteers in the project, with emphasis on the use of college and high school age individuals in such activities.
- c. Describe the plans for the provision of training for project personnel.
- d. Set forth the proposed composition of the Project Council.
- e. Describe how potential project participants were involved in the development of this project application.

4. Plan for Operation of the Project

- a. Set forth the specific, measurable objectives which have been established for the conduct of the project. These objectives must be related to the number and characteristics of the persons to be served and the services to be provided.

- b. Describe the overall plan designed for the delivery of meals throughout the project area to accomplish the objectives established for the project. Include specific information on the following:
- (1) How target group individuals will be contacted and encouraged to participate in the project;
  - (2) Who will plan menus; and what special factors, if any, will be taken into consideration in the planning of menus such as health or religious requirements, ethnic, cultural, and regional preferences;
  - (3) The menu which has been developed for the first 30 days of project operations;
  - (4) A time schedule for implementation of the provision of congregate and home delivered meals;
  - (5) The number of congregate and home delivered meals (list separately) planned to be served on a daily basis when the project is fully operational;
  - (6) The days meals are to be served (pending subsequent approval by Project Council);
  - (7) Which meals are planned to be served on a daily basis (breakfast, lunch, and/or dinner);
  - (8) Who will prepare the meals and how the meals will be transported to the congregate meals sites and/or the home delivery sites;
- c. For all congregate meals sites describe:
- (1) The locations of the sites and types of facilities to be utilized;
  - (2) Reasons for selection of the sites;
  - (3) The number of meals planned to be served at each site on a daily basis;

- (4) The estimated number of project participants at each site;
  - (5) The proximity of such sites to the homes of target group older persons;
  - (6) Steps to be taken to ensure that the meals sites provide a pleasant setting for the provision of meals.
- d. For projects also planning home delivered meals describe:
- (1) The number of meals planned to be delivered on a daily basis;
  - (2) The number of meals planned to be delivered to each home on a daily basis.
- e. Pending approval of this proposal by the State agency, and the subsequent approval of the policy set forth below by the Project Council, describe how the cost for meals will be handled, with special emphasis on:
- (1) Will a suggested fixed fee or suggested fee schedule be used? If a suggested fixed fee, set forth the proposed fee. If a suggested fee schedule is to be used, set forth the proposed suggested contribution schedule. (This may differ for different sites.)
  - (2) How will fees be collected to ensure that an individual's contribution is confidential and that no indication of a means test is given or implied?

5. Plan for Social Services Delivery

- a. Set forth a time schedule for implementation and provision of each of the supporting social services.
- b. Describe how the outreach activities will be conducted on an ongoing basis with special emphasis on:
  - (1) The plan to assure a complete and systematic coverage of each neighborhood in the project area

to assure that the isolated, homebound and hard-to-reach elderly will be contacted and arrangements made for their participation in the program;

- (2) Indicate the sources of financial support for this effort to be utilized in addition to, or in lieu of, Title VII and non-Federal matching resources.
- c. Describe the plan to provide transportation and escort services to project participants requiring such services.
    - (1) Indicate the sources of financial support for this effort to be utilized in addition to, or in lieu of, Title VII and non-Federal matching resources.
  - d. Describe the plan for the provision of all other supporting social services (information and referral, health and welfare counseling, nutrition education, shopping assistance, and recreation) required by project participants.
    - (1) Indicate the sources of financial support for each service to be utilized in addition to, or in lieu of, Title VII and non-Federal matching resources.

6. Relationship of the Project to Other Programs

- a. Describe the activities undertaken with other community service agencies to assure maximum utilization of other public and private resources in support of the proposed project (e.g., joint planning, joint funding). What further efforts are planned to be undertaken in obtaining community agency financial and other support for this project?
- b. What other social services or other elements of this project for which funds are not requested in this proposal will be financed with the resources of other agencies or programs?

7. Evaluation

Describe the plans for ongoing evaluation of project activities to assure the project is meeting the objectives established under 4. a; above.

8. Relationship with U.S.D.A. Program

- a. Describe how the project will seek to assist older persons apply for food stamps or donated foods as members of households certified for such assistance under U.S.D.A. regulations.
- b. Indicate whether the applicant agency has been authorized to accept food stamps for home delivered meals.
- c. Indicate the extent to which the applicant agency plans to use U.S.D.A. donated foods in meal preparation.
- d. Indicate whether the applicant agency is a welfare agency or a governing body of an Indian reservation if it is deemed a Federal agency by the Bureau of Indian Affairs, which has been authorized for distribution of food stamps or donated foods to households certified for such assistance under U.S.D.A. regulations.

PART V  
ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT  
OF HEALTH, EDUCATION, AND WELFARE  
REGULATION UNDER TITLE VI  
OF THE CIVIL RIGHTS ACT OF 1964

AoA Form 441 is to be completed  
in accordance with the footnote on  
the following page. Completed forms  
AoA 441 become a part of the application.

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF  
HEALTH, EDUCATION AND WELFARE REGULATION UNDER  
TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

\_\_\_\_\_ (hereinafter  
(Name of Subgrantee or Contractor)  
called the "Recipient of Award") HEREBY AGREES THAT it will comply with  
Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all require-  
ments imposed by or pursuant to the Regulation of the Department of  
Health, Education and Welfare (45 CFR Part 80) issued pursuant to that  
title, to the end that, in accordance with Title VI of that Act and  
the regulation, no person in the United States shall, on the ground of  
race, color, or national origin, be excluded from participation in, be  
denied the benefits of, or be otherwise subjected to discrimination  
under any program or activity for which the Recipient of Award receives  
Federal financial assistance from \_\_\_\_\_,  
a recipient of Federal financial assistance  
(Name of State Agency)  
from the Department; and HEREBY GIVES ASSURANCE THAT it will immediately  
take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with  
the aid of Federal financial assistance extended to the Recipient of  
Award by the State Agency, this assurance shall obligate the Recipient  
of Award or in the case of any transfer of such property, any trans-  
feree, for the period during which the real property or structure is  
used for a purpose for which the Federal financial assistance is ex-  
tended or for another purpose involving the provision of similar ser-  
vices or benefits. If any personal property is so provided, this  
assurance shall obligate the Recipient of Award for the period during  
which it retains ownership or possession of the property. In all other  
cases, this assurance shall obligate the Recipient of Award for the  
period during which the Federal financial assistance is extended to it  
by the State Agency.

THIS ASSURANCE is given in consideration of and for the purpose of  
obtaining any and all Federal grants, loans, contracts, property,  
discounts or other Federal financial assistance extended after the  
date hereof to the Recipient of Award by the State Agency, including  
installment payments after such date on account of applications for  
Federal financial assistance which were approved before such date.  
The Recipient of Award recognizes and agrees that such Federal fi-  
nancial assistance will be extended in reliance on the representations  
and agreements made in this assurance, and that the State Agency or

AoA Form 441 (To be completed by applicant for any award from the  
State Agency designated to implement Title VII of the Older  
Americans Act and for any additional subcontractor responsible  
for the operation of a meals site. Where provision of facilities  
is involved, HEW Form 441 is to be executed.)

the United States or both shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Recipient of Award, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Recipient of Award.

Dated \_\_\_\_\_

\_\_\_\_\_  
(Recipient of Award)

By \_\_\_\_\_

(President, Chairman of Board, or  
comparable authorized official)

Title \_\_\_\_\_

\_\_\_\_\_  
  
\_\_\_\_\_  
(Recipient's mailing address)

CHAPTER III

COMMENTS REGARDING  
NOTIFICATION OF NUTRITION PROJECT AWARD  
UNDER TITLE VII OF  
THE OLDER AMERICANS ACT

ARIZONA STATE DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

COMMENTS REGARDING  
NOTIFICATION OF NUTRITION PROJECT AWARD

These comments contain much information of use to grantees. It is strongly recommended that grantees keep this information on file and be familiar with its content.

GENERAL

The Notification of Nutrition Project Award form has been developed by the Administration on Aging as a model form for use by the State Agency administering the Title VII Nutrition Program.

1. State Project Number

The Section on Aging will assign a seven digit number to each nutrition project as follows: The first three digits will be 704, indicating that the project is a Nutrition Project in the State of Arizona. The fourth digit will represent the planning region in which the project is located. The next three digits will indicate the order in which the project was funded in its region. For example: 7041001 would be the number assigned to the first nutrition project funded in Region I.

2. Budget Year

The applicable box is checked. If the project is being funded for a third or subsequent year, the third box is checked and the correct project year is entered. A time period is entered (not exceeding twelve months) which begins within four months of the issuance of the Notification of Grant Award.

3. Type of Award Action

The appropriate box will be checked. "New" indicates the first year's award to the project. "Continuation" indicates any additional award to the project which augments the main award for a given budget year. "Revision" indicates any change in the award including total dollar amounts or category changes.

4. Approved Project Period

The total length of time is entered during which Federal support may be earned by this project.

5. Fiscal Year From Which Funds Are Awarded

The year's allotment from which funds are obligated will be entered e.g. Fiscal Year 1972.

6. Name and Address of Recipient Organization

The name and address of the organization receiving the award will be stated. Also the project title will be stated, if appropriate.

7. Name and Address of Program Director

The name and address of the individual responsible for the project will be stated.

8. Approved Cost

In taking action on a request, the Section on Aging may approve a project cost which is greater or less the amount requested by the applicant. The State Agency may also increase and decrease categories without changing the total project cost.

The figures in each cost category will include both the Federal share and the Non-Federal matching share.

NOTE: Approved costs represent a budget which must be adhered to by grantees, within certain limits. Any revisions of the budget outside these limits must receive prior approval from the Section on Aging, Arizona State Department of Economic Security, 1624 W. Adams, Phoenix, AZ 85007, and if approved a revised grant award must be issued. These limits are: approved cost for any category or program activity cannot be increased in excess of 10%.

Indirect costs, if allowed, will be computed as a fixed percentage of the base amount. The base amount is either: (1) the total amount of salaries and wages or (2) the total direct costs less any large expenditures such as those for alteration, renovations or initial equipment expenses. Indirect costs will be applicable only in those cases where the grantee organization has negotiated an indirect cost rate which has been approved by the Department of HEW.

9. Computation of Award

- A. Total approved budget - The amount from line 8-I is entered.
- B. Less anticipated project income - The amount of estimated project income is entered on this line.
- C. Estimated net cost - This is the difference between lines 9-A and 9-B.
- D. Less non-federal resources - This is the total non-Federal State and/or local resources used to match Federal funds. This sum will usually be the same as item F on the Budget Summary Form contained in the application, and it will usually be 10% of the total budget.
- E. Federal share of net cost - This is the difference between lines 9-C and 9-D.
- F. Less carry-over - Any unused Federal funds from previous awards (carry-over) will be entered here. Unused funds means those Federal funds which have not been expended by the project and may include the Federal share of unspent project income from a prior budget year.

After the initial award of Project Grant Funds (PGF) has been made, any continuation awards take into consideration the amount of PGF which the Section on Aging estimates will not be earned during the project year for which it was awarded. To arrive at this estimate, the Section on Aging may request the grantee to complete a Financial Report on an estimated basis as of the end of the project year. Based on an analysis of this submission, an amount is entered on line 9-F.

The grantee may report on the final Financial Report for the project year during which the PGF was unearned that the amount earned was different from the Section on Aging estimate. If this occurs, the Section on Aging will revise the grant award to reflect the actual amount of PGF unearned.

Also included on line 9-F is the Federal share of any adjustments from prior project years which are being awarded to the grantee.

- G. Amount of this award - This is the difference between lines 9-E and 9-F and it represents the total new budget authority (dollars) being awarded to the project with this award.

10. Remarks

The percentage limit of supporting social service expenditures being specified for this project will be indicated. Also any significant stipulations or restrictions placed on the project will be indicated in the remarks section.

11. Payee

This is the name and address of the person and organization to receive payments of Federal funds.

12. Accounting Information

This section is reserved for use of the Arizona State Department of Economic Security.

13. Name and Title of Authorizing Official, Signature and Date

The title and signature of the State official making this award will be entered here, as well as the date that the Notification of Nutrition Project Award is signed, which makes the action taken by the State agency legal.

**NOTIFICATION OF NUTRITION PROJECT AWARD**

(OR STATE AGENCY ONLY)	1. STATE PROJECT NUMBER: <u>7</u>																						
3. TYPE OF AWARD ACTION: <input type="checkbox"/> NEW <input type="checkbox"/> CONTINUATION <input type="checkbox"/> SUPPLEMENT <input type="checkbox"/> REVISION	2. BUDGET YEAR: <input type="checkbox"/> FIRST <input type="checkbox"/> SECOND <input type="checkbox"/> _____ BEGINNING _____, ENDING _____  4. APPROVED PROJECT PERIOD: BEGINNING _____, ENDING _____  5. FISCAL YEAR FROM WHICH FUNDS ARE AWARDED: FY 19 _____																						
6. NAME AND ADDRESS OF RECIPIENT ORGANIZATION:	7. NAME AND ADDRESS OF PROGRAM DIRECTOR:																						
8. APPROVED COST	9. COMPUTATION OF AWARD																						
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:70%;">COST CATEGORIES</th> <th style="width:30%;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td>A. PERSONNEL .....</td> <td>\$ _____</td> </tr> <tr> <td>B. EQUIPMENT .....</td> <td>_____</td> </tr> <tr> <td>C. CONSUMABLE SUPPLIES .....</td> <td>_____</td> </tr> <tr> <td>D. TRAVEL (STAFF) .....</td> <td>_____</td> </tr> <tr> <td>E. CONSULTANTS .....</td> <td>_____</td> </tr> <tr> <td>F. OTHER COSTS .....</td> <td>_____</td> </tr> <tr> <td>G. TOTAL DIRECT COSTS ...</td> <td>_____</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>H. INDIRECT COSTS: _____ % OF \$ _____ BASE</td> <td>_____</td> </tr> <tr> <td>I. TOTAL APPROVED BUDGET</td> <td>_____</td> </tr> </tbody> </table>	COST CATEGORIES	AMOUNT	A. PERSONNEL .....	\$ _____	B. EQUIPMENT .....	_____	C. CONSUMABLE SUPPLIES .....	_____	D. TRAVEL (STAFF) .....	_____	E. CONSULTANTS .....	_____	F. OTHER COSTS .....	_____	G. TOTAL DIRECT COSTS ...	_____			H. INDIRECT COSTS: _____ % OF \$ _____ BASE	_____	I. TOTAL APPROVED BUDGET	_____	A. TOTAL APPROVED BUDGET . . . . \$ _____  B. LESS ANTICIPATED PROJECT INCOME .....
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G. TOTAL DIRECT COSTS ...	_____																						
H. INDIRECT COSTS: _____ % OF \$ _____ BASE	_____																						
I. TOTAL APPROVED BUDGET	_____																						
10. REMARKS:  A. <input type="checkbox"/> Not more than _____ % of this award may be expended for supporting social services.  B. <input type="checkbox"/> Unless revised, the amount on Line E above, COMPUTATION OF AWARD, will constitute a ceiling for Federal participation in the approved cost.  C. <input type="checkbox"/> The Federal share of a project cost is earned only when the cost is accrued and the non-Federal share of the cost has been contributed. Receipt of Federal funds (either through advance or reimbursement) does not constitute earning of these funds.  D. <input type="checkbox"/> If the actual net cost is less than the amount on Line C above, COMPUTATION OF AWARD, the non-Federal share will meet _____ % and the Federal share will meet _____ % of the cost for the net cost for the project year of this award.  E. <input type="checkbox"/> In accepting the grant herein awarded for support of the expanded portion of an existing program, the recipient agrees to maintain expenditures for the existing program in the amount of \$ _____ during the approved project period.  F. <input type="checkbox"/> Other (use reverse side).	C. ESTIMATED NET COST .....																						
11. PAYEE:	D. LESS NON-FEDERAL RESOURCES _____  E. FEDERAL SHARE OF NET COST. . . _____  F. LESS CARRY-OVER .....																						
12. ACCOUNTING INFORMATION:	G. AMOUNT OF THIS AWARD . . . . <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px; vertical-align: middle;"></span>																						
<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:40%; border-bottom: 1px solid black; text-align: center;">NAME AND TITLE OF AUTHORIZING OFFICIAL</td> <td style="width:30%; border-bottom: 1px solid black; text-align: center;">SIGNATURE</td> <td style="width:30%; border-bottom: 1px solid black; text-align: center;">DATE</td> </tr> </table>		NAME AND TITLE OF AUTHORIZING OFFICIAL	SIGNATURE	DATE																			
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CHAPTER IV

QUARTERLY NUTRITION PROJECT REPORT SRS-AoA (OSCP) 318  
AND  
SUPPLEMENTAL DATA SHEET FOR CONGREGATE MEAL SITES  
UNDER THE TITLE VII OF THE  
OLDER AMERICANS ACT

This chapter is being revised by the Administration  
on Aging. Upon receipt by the Section on Aging,  
the contents of this chapter will be forwarded to  
the recipients of this booklet.

ARIZONA STATE DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

CHAPTER V

GUIDE FOR  
PREPARATION AND SUBMISSION  
OF THE  
NUTRITION PROJECT FINANCIAL REPORT  
UNDER TITLE VII OF THE  
OLDER AMERICANS ACT

ARIZONA STATE DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

## NUTRITION PROJECT FINANCIAL REPORT

### INSTRUCTIONS

#### GENERAL

The Nutrition Project Financial Report has been developed by the Administration on Aging as a model form for use by local Title VII projects. Specifically, this form contains necessary information on the following:

- Program cost information for each of the major program activities being conducted by the project; and
- Financial accounting information on the use of the project's Federal and Non-Federal resources, including means of determining whether Federal funds were actually earned.

This report must be completed by the project quarterly. It should be submitted to the Section on Aging fifteen days after the end of the quarter. In some cases, the Section on Aging may request this report more often than quarterly; this would normally be near the end of a budget year to determine whether the full Federal grant will be earned.

THIS IS A CUMULATIVE REPORT THROUGH THE BUDGET YEAR

Negative figures should be indicated by parentheses rather than by a minus sign. If the submission is a revision of an earlier report, "Revision" should be marked across the top of the form.

In-kind resources included in this report must be claimed only after disbursement. No in-kind resources may be claimed against expectations of future use.

1. Title and Address of Project

Enter the complete title and address of the project as it appears on the latest notification of award document.

2. State Project Number

This is the seven digit project number assigned by the State agency which is contained on the face of the notification of award form.

3. A. Enter the dates on which the budget year begins and ends; this will be the same period as reflected in Section 2 of the latest notification of award document.
- B. The "Time Period Being Reported On" will begin at the start of the budget year and end with the "as of" date of the financial report.

4. Project Award Information (Obtain From Latest Notification of Award Document)

- A. Federal funds available from past budget year (s)- Enter the amount of unobligated Federal funds which are available for project use from a previous year's award.
- B. New Federal funds awarded - Enter the amount of new funds awarded for the budget year being reported.
- C. Total Federal award - Enter the total of lines 4-A and 4-B.

5. Disbursements by Program Activity

This section of the form is designed to relate line item costs (listed in the Cost Categories Column) with the program activities of the project. To achieve this, each cost is to be entered across from the proper cost category and under the program heading for which it was incurred. In order to achieve this distribution of costs the grantee will have to establish in its accounting system a method of allocating to the various program activities overhead costs such as the director's salary, rent, etc. Enter all disbursements including cash and in-kind. Do not include obligations for future payment.

All amounts entered are to be cumulative from the beginning of the budget year through the end of the period being reported on.

Cost Categories

A-F. Personnel, Equipment, Supplies, Travel (Staff), Consultants and Other Costs

Enter the cumulative costs incurred for each of these cost items under the program activity heading for which they were used. Thus, if a project incurs \$10,000 in personnel services for its information and referral service, this amount should be entered in the column for information and referral.

- G. Total direct costs - Add lines A through F for each program activity.
- H. Indirect costs - Enter the indirect cost rate (as a percent) as indicated on the latest notification of award. Apply the above percent to the appropriate base as reflected in the latest notification of award document as this base applies to each program activity, and enter the results.

NOTE: Indirect costs will be applicable only in those cases where the grantee has negotiated an indirect cost rate which has been approved by the Department of Health, Education and Welfare. This indirect cost rate will have been incorporated in the original application and the notification of award document.

- I. Total costs - Enter the total of lines G and H.

- J. Less project income - For each program activity, enter the amount of revenue as a result of project operations.
- K. Net Cost - Enter the difference between Line I and J.
- L. Federal share - Enter the Federal share (as a percent) as indicated on line 4, Part 10 of the latest Notification of Award. For each program activity, apply the above percent against Line K and enter the results.

6. Cash Balance, Unpaid Obligations, and Earned Federal Funds

A. Federal Resources Received and Non-Federal Resources Contributed:

Under the Non-Federal column, enter the total amount, both cash and in-kind, of resources contributed locally to the project through the end of the period being reported on. Do not include project income.

NOTE: In-kind resources are not considered contributed to the project until they are actually used. For example: Services donated by a salaried County nurse cannot be claimed until the individual actually performs the services for the project.

Under the Federal column, enter the total amount of Federal resources received by the grantee through the end of the period being reported on. This amount should include any funds received from carry-over awards as well as funds received from new awards.

Under the Total column, enter the amount obtained by adding the Federal and Non-Federal resources together. This amount will be the total resources available to the project (less income).

B. Total Net Disbursements - (Total Disbursements Less Income)

Enter the total of both cash and in-kind actually paid out by the grantee for the conduct of the project through the end of the period being reported on, less any income received. This figure should normally be the same as the one in Part 5, Line K, "Net Cost", in the "Total" column.

C. Cash Balance on Hand

Enter the amount of cash actually on hand with the grantee at the end of the period being reported on. (Checkbook plus undeposited cash.) This amount should equal the amount obtained if Line 2 is subtracted from Line 1.

D. Total Unpaid Obligations

- 1. Enter the amount which remains to be paid against the obligations incurred through the end of the period being reported on.
- 2. This represents a liability for which cash must be expended in the next period. These obligations are not included as costs in the disbursements section. (Section 5) They are taken into consideration by the Section on Aging when additional cash is advanced.

3. At the end of a project year, all obligations should be paid before completing the financial report, and shown as costs (disbursements) in Section A. Amount shown as unpaid obligations should be 0.

E. Unobligated Cash Balance

Enter the amount of cash available to the grantee after taking into account any bills which still must be paid. This amount should equal the amount obtained if Line D is subtracted from Line C.

F. Net Cost Distributed by Share

1. Federal Share %

Enter the percent of the Net Cost which is the Federal share as indicated on the latest Notification of Award document. This percent should be the same as was entered in Section 5, Line L.

This percent is to be multiplied against the Total Net Cost of the project as set forth in Section 5, Line K. The amount obtained should be the same as the Total Federal Share shown in Section 5, Line L, Total column.

NOTE: On the Final Financial Report for the project year disregard the percentage computation. Enter the amount of Federal cash actually expended during the project year, including Federal cash still to be expended to liquidate unpaid obligations (see 6D 3 above).

2. Non-Federal %

Enter the percent of the Net Cost which the grantee has agreed to contribute as set forth on the latest notification of grant award document.

This percent is to be multiplied against the Net Cost of the project as set forth in Section 5, Line K, Total column. The amount obtained is the amount which the grantee must contribute to the project if the full amount of Federal funds is to be earned.

G. 1. Federal Over or Under Contributed

Subtract Line F from Line A (Federal Column).

If this amount is positive, Federal cash has been over-contributed and it is owed by the grantee. This amount will be reclaimed by the Section on Aging or left with the grantee as an advance of cash for future operations of the project.

If this amount is negative, Federal cash has been under-contributed and the grantee is owed this amount. However, the amount of the Grant Award establishes an upper limit on Federal cash which can be contributed to the grantee.

2. Non-Federal Over or Under Contributed

Subtract Line F from Line A (Non-Federal Column).

If this amount is negative, Non-Federal resources have been under-contributed. More local resources will have to be contributed or the rate of Federal cash expenditures reduced in order to make up this deficit. If this deficit is not made up by the end of the project period, funds in this amount must be returned to the Section on Aging.

H. Amount of Federal Grant Unearned

Subtract Line F from Line 4C, Total Federal Award in the Project Award Information block at the top of the form.

This amount will be the amount of the Federal Grant which the grantee has not yet earned. If this is a final report for a project year, the Section on Aging may authorize this amount to be carried over for use during the next project year.

Even though this amount might be negative, the amount of Federal grant which can be earned by the grantee cannot exceed the amount actually awarded by the latest Grant Award document.

<b>1. TITLE AND ADDRESS OF PROJECT:</b> <hr/> TITLE <hr/> NUMBER, STREET, P.O. BOX <hr/> CITY, STATE, ZIP CODE	<b>2. STATE PROJECT NUMBER</b> <hr/> <b>3. A. BUDGET YEAR:</b> BEGINNING _____, ENDING _____  <b>B. TIME PERIOD BEING REPORTED ON:</b> BEGINNING _____, ENDING _____	<b>4. PROJECT AWARD INFORMATION:</b> A. FEDERAL FUNDS AVAILABLE FROM PAST BUDGET YEAR(S). \$ _____ B. NEW FEDERAL FUNDS AWARDED \$ _____ C. TOTAL FEDERAL AWARD . . . \$ _____
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**5. DISBURSEMENTS BY PROGRAM ACTIVITY: (ROUND TO THE NEAREST WHOLE DOLLAR)**

COST CATEGORIES	MEALS	OUTREACH	TRANSP.	ESCORT	COUNSEL.	INFO. & REFERRAL	NUTRITION ED.	SHOPPING ASSIST.	RECREATION	TOTAL
A. PERSONNEL (INCL. FR. BENE.)										
B. EQUIPMENT. . . . .										
C. CONSUMABLE SUPPLIES. . . . .										
D. TRAVEL (STAFF). . . . .										
E. CONSULTANTS. . . . .										
F. OTHER COSTS. . . . .										
G. TOTAL DIRECT COSTS . . . . .										
H. INDIRECT COSTS ____%. . . . .										
I. TOTAL COSTS. . . . .										
J. LESS PROJECT INCOME. . . . .										
K. NET COST . . . . .										
L. FEDERAL SHARE ____%. . . . .										

<b>6. CASH BALANCE, UNPAID OBLIGATIONS AND EARNED FEDERAL FUNDS:</b>		<u>TOTAL</u>		<u>FEDERAL</u>		<u>NON-FEDERAL</u>
A. FEDERAL RESOURCES RECEIVED AND NON-FEDERAL RESOURCES CONTRIBUTED	\$		\$		\$	
B. TOTAL NET DISBURSEMENTS (NET COST)						
C. CASH BALANCE ON HAND (LINE A LESS LINE B)						
D. TOTAL UNPAID OBLIGATIONS						
E. UNOBLIGATED CASH BALANCE (LINE C LESS LINE D)						
F. NET COST DISTRIBUTED BY SHARE: ____% FEDERAL, ____% NON-FEDERAL						
G. FEDERAL/NON-FEDERAL OVER OR UNDER CONTRIBUTED (LINE A LESS LINE F)						
H. AMOUNT OF FEDERAL GRANT UNEARNED (LINE 4C LESS LINE 6F)						

**7. I CERTIFY THAT THE INFORMATION CONTAINED IN THIS STATEMENT IS ACCURATE TO THE BEST OF MY KNOWLEDGE; THAT ALL ADJUSTMENTS ARE COMPLETELY ACCOUNTED FOR, AND THAT ALL COSTS REPORTED HEREIN WERE ACCRUED IN ACCORDANCE WITH THE CONDITIONS OF THIS AWARD.**

SIGNATURE OF PROJECT DIRECTOR \_\_\_\_\_ DATE \_\_\_\_\_

CHAPTER VI

INSTRUCTIONS  
FOR COMPLETING  
REQUEST FOR PAYMENT OF FEDERAL FUNDS  
UNDER TITLE VII OF THE  
OLDER AMERICANS ACT  
AoA FORM 707

ARIZONA STATE DEPARTMENT OF ECONOMIC SECURITY  
SECTION ON AGING  
1624 West Adams  
Phoenix, Arizona 85007

INSTRUCTIONS FOR COMPLETING REQUEST FOR PAYMENT OF FEDERAL FUNDS  
FORM AoA 707

(Data Elements not discussed are considered self-evident).

GENERAL INFORMATION:

Frequency of Requests for Cash:

Federal Cash will be advanced on only a monthly basis.

Project Identification Number.

Use the number appearing on the NOTIFICATION OF NUTRITION PROJECT AWARD.

Type of Request:

Check the SUPPLEMENTAL block only if this is a request for an additional payment between regularly scheduled payments, otherwise, check the REGULAR block.

Type of Payment Requested

Check the ADVANCE block and enter the inclusive dates of the monthly period for which the advance is requested. This will normally be the month in which the request is submitted. If the grantee failed to request cash for a period and later submits a request for cash to cover that period, check the REIMBURSEMENT block and enter the appropriate time period. In some cases, cash may be requested on both an ADVANCE and REIMBURSEMENT basis. In such case, check both blocks and enter the appropriate time periods.

1. ESTIMATE OF COSTS TO BE ACCRUED DURING PERIOD:

Enter the same period or sum total of the two periods reflected in "Type of Payment Requested" above.

FOR COLUMN ENTITLED:

Balance of Approved Budget at Beginning of Period:

Enter the balance for each cost category after subtracting from each amount appearing in the APPROVED COST section in the NOTIFICATION OF NUTRITION PROJECT AWARD--the costs incurred for each category during the project year up to the beginning date of the period set forth in 1 above. In the fourth, seventh, and tenth months, these costs should be the same as those reported in the Total Column of Section 5 of the quarterly NUTRITION PROJECT FINANCIAL REPORT.

NOTE: In some cases, the request for Federal funds may have to be compiled and submitted before costs for the most recent month are computed. In this case, estimate costs for the most recent month; use this estimate in determining amounts to be entered in the "Beginning of Period" column; and annotate this column with the word "Estimate".

Any transfers made between the cost categories must be reflected in this column and transfers should be made to avoid negative balances. See Chapter III, "Comments regarding NOTIFICATION OF NUTRITION PROJECT AWARD" for amounts which can be transferred without approval of the Division for the Aging.

Estimated Costs During Period:

The grantee's estimate of cost, by category, to be incurred during the period stated in item 1 above includes both cash and in-kind.

Estimated Balance of Approved Budget At End of Period:

Enter the balance for each cost category after subtracting estimated costs during period from balance of approved budget at beginning of period.

2. COMPUTATION OF FEDERAL FUNDS REQUIRED FOR PERIOD:

Enter same dates that appear in Section 1.

A. Estimated Costs During Period:

Enter total from Section 1.

B. Plus Cash Balance Desired at End of Period:

The maximum amount which can be entered is the estimated cost required for 30 days of project operations.

C. Plus Unpaid Obligations at Beginning of Period:

Enter amount required to pay for all obligations remaining unpaid as of beginning date of the period.

D. Less Total of:

(1) Cash Balance on Hand at Beginning of Period:

Enter the actual cash balance on hand ( as of the beginning of the period ).

(2) Unpaid Obligations Estimated for End of Period:

Enter an estimate of the amount which will be required to pay for all obligations remaining unpaid as of the ending date of the period.

(3) Project Income to be Earned:

Enter an estimate of revenue, if applicable, the project expects to accrue during the period.

AoA-707 (Con.)

(4) Federal Funds Previously Approved for Payment (if any):

Complete only if this is a supplemental request. Enter any Federal funds previously approved for the period, whether or not actually received.

E. Amount of Federal Funds Required for Advance:

Subtract amount on line 2-E-(6) from amount on line 2-D.

3. REQUEST FOR FEDERAL FUNDS:

Enter the amount from line 2F above.

