



Overview of the DARS Intrastate Funding Formula (IFF)

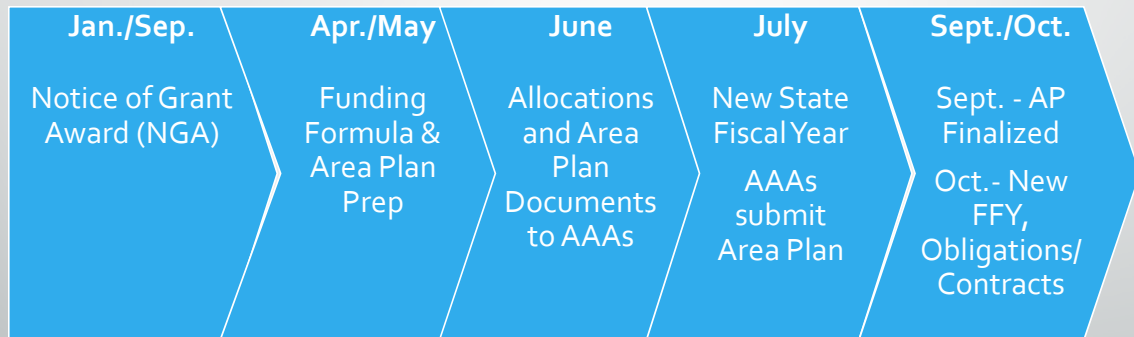
July 2022



Discussion Points

- Timeline
- Grant Awards and Funding
- Steps in the IntraState Funding Formula (IFF) Process
 - Transfers, Base Award, Weights, Formula Allocation, Hold Harmless
- Titles III, VII, NSIP, Preventative Health, Ombudsman
- Reserve and Final Allotments

Timeline



Notice of Grant Award



DEPARTMENT OF HEALTH & HUMAN SERVICES

Administration for Community Living
Washington, D.C. 20201

Notice of Award

Title of Program: (OACM) Older Americans Act Title III - Congregate Meals
Award Authority: P.L. 116-131 (OAA)

Grantee:
 Virginia
 Department for Aging and Rehabilitative Services
 8004 Franklin Farms Dr
 HENRICO, VIRGINIA 23229 5019

Date: September 3, 2021

Grant No.: 2101VAOACM-03
Award Instrument: Grant (Formula)
Project Period: 10-01-2020 - 09-30-2022
Budget Period: 10-01-2020 - 09-30-2022

EIN: 1540756941A5
DUNS#: 809740541

CFDA: 93.045

Object Class Code: 41.15

Appropriation	CAN	Award This Action	Cumulative Grant Award to Date
75-21-0142	2021,2994320	\$56,026.00	\$5,875,770.00
Total		\$56,026.00	\$5,875,770.00

Advanced Payment

- The Commonwealth of Virginia is an advanced funding state. AAAs receive their allocations in advance.
- Allocations are estimated based upon level funding from the previous Federal Fiscal Year (FFY).
- DARS issues estimated allocations in June so that AAAs can begin budget planning through the Area Plan process during the summer in time for the FFY beginning October 1.
- In years past, DARS receives the federal award through the Administration for Community Living (ACL) sometime in January or February – FY2022 received last notices in May.

FFY 2021 OAA Funding (Before Transfers)

- Title III (\$33,263,263)
 - III-B Support Services: \$9,354,993
 - III-C(1) Congregate Meals: \$12,225,770
 - III-C(2) Home Delivered Meals: \$6,594,946
 - III-D Preventative Health: \$598,897
 - III-E Family Caregiver: \$4,488,717
- Title VII (\$560,243)
 - Ombudsman: \$457,423
 - Elder Abuse: \$102,820
- NSIP (USDA): \$1,905,398
- Supplemental Funding III-C(2): \$4,077,856

FFY 2021 ARPA Funding (no transfers, no reserve)

- Title III (\$33,749,097)
 - III-B Support Services: \$11,109,729
 - III-C(1) Congregate Meals: \$7,245,476
 - III-C(2) Home Delivered Meals: \$10,868,214
 - III-D Preventative Health: \$1,062,670
 - III-E Family Caregiver: \$3,463,008
- Title VII Ombudsman: \$241,516
- Expanding Access to COVID 19 Vaccines: \$1,213,648
- TOTAL: \$35,204,261 (\$77,011,021 FY21 Total)

IFF Step 1: Administrative Funds

- Administrative funds (5%) are used for the operations of the State Unit on Aging (SUA) in accordance with the Older Americans Act Section 305(a)(1)(E).
- Administrative costs are calculated on the total Title III award and deducted prior to the allocation calculations.
- Costs for AAA IT user seats (PeerPlace) - reserved in advance and taken out of the DARS administrative funds (part of the 5%).

Administrative Calculation

- Total Title III Award: \$35,000,000
- State Administration: 5%
- SUA Admin Amount: \$1,750,000
 - Admin amounts are split between Titles III-B and III-E
- Total III-E Award: \$5,000,000
- State Administration: 5%
- SUA Admin Amount: \$250,000
- Title III Admin (\$1,750,000) - Title III-E (\$250,000) = \$1,500,000 Title III-B Admin Amount

IFF Step 2: Transfers

- After admin amount has been subtracted...
 - Transfer 15% of federal allocation from Title III-C1 to Title III-C2
 - Transfer 20% of federal allocation in Title III-C (C1 + C2) from Title III-C1 to Title III-B
 - Proposal: new IFF transfers will need to be requested when submitting annual budget and the area plan

IFF Step 3: Reserve Funds

- Reserve funding is an amount that is retained by the SUA prior to the allocation formula calculations to ensure that we do not over obligate in advance of the actual appropriation.
- Reserve funding offsets time lags between advanced allocations and actual awards and provides a reserve during continuing resolutions and other delays.
- Unlike administrative funds DARS does not use reserve funding for operations.
- The full amount is always allocated to AAAs before the end of the FFY on the obligation page that accompanies the new contract.

Reserve Funds/Notice of Award

- DARS operates several months into the Federal Fiscal Year (FFY) before receiving award notices. Funding to AAAs is advanced even though DARS has not received the full Notice of Grant Award (NGA a.k.a NOA and NOO) during this period.
- The actual award amount may be higher or lower than the original estimate at the time funds were allocated.
- Funding methodology was designed to provide a reserve to prevent over-obligations and to soften the impact of delays. A reconciliation is performed to ensure that DARS fully obligates the award to AAAs by the end of each FFY.
- Reserve amounts equal approximately 5% of the total for each award.

IFF Step 4: Base Allocations

- Virginia updated the Intrastate Funding Formula beginning with Federal Fiscal Year's 2013 distribution.
- The funding formula includes a base of fifty percent of the Federal Fiscal Year's 2012 allocation.
- All funds awarded above the base are allocated using the data from the most recent American Community Survey (ACS) special compilation produced by the U. S. Census Bureau and published by the Administration for Community Living (ACL).

2012 Base Allocations for FFY 21

PSA	III B (\$)	III C (\$)	III E (\$)	Total (\$)
1	156,314	195,039	51,187	402,540
2	178,341	222,523	58,400	459,264
3	268,759	335,341	88,008	692,108
4	122,657	153,044	40,166	315,867
5	225,507	281,373	73,845	580,725
6	251,989	314,416	82,517	648,922
7	161,108	201,020	52,757	414,885
8A	68,433	85,386	22,409	176,228
8B	85,556	106,751	28,016	220,323
8C	307,804	384,058	100,794	792,656
8D	39,170	48,874	12,827	100,871
8E	68,204	85,101	22,334	175,639
9	123,125	153,627	40,319	317,071
10	132,541	165,377	43,402	341,320
11	221,111	275,889	72,405	569,405
12	336,197	419,485	110,091	865,773
13	182,402	227,590	59,730	469,722
14	184,179	229,807	60,311	474,297
15	514,212	641,602	168,384	1,324,198
16	112,980	140,970	36,997	290,947
17 ²	199,025	248,331	65,173	512,529
19	188,036	234,619	61,574	484,229
20	674,673	841,815	220,929	1,737,417
21	266,111	332,037	87,141	685,289
22	108,561	135,455	35,549	279,565
Total:	5,176,995	6,459,530	1,695,265	13,331,790

IFF Step 5: The Formula

- The Older Americans Act of 1965, as amended, Section 305,(a),(2),(C) requires the state agency to: in consultation with area agencies, in accordance with guidelines issued by the Assistant Secretary, and using the best available data, develop and publish for review and comment a formula for distribution within the State of funds received under this title that takes into account
 - The geographical distribution of older individuals in the State; and
 - The distribution among planning and service areas of older individuals with greatest economic need and older individuals with greatest social need, with particular attention to low income minority older individuals including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas.

Demographic Weights – Title III

30% - Population = age 60+

10% - Population = age 60+ in rural area

50% - Population = age 60+ in poverty

10% - Population = age 60+ minority in poverty

100% Total Funds

Description of Factors

- **Population 60+**: This factor is the basis for the distribution of funds by jurisdiction (county and city) of older Virginians. It reflects the proportion of persons age 60 and older throughout the Commonwealth by jurisdiction as provided by the U.S. Bureau of the Census
- **Population 60+ in Poverty**: This factor is an application of the definition of greatest economic need as required by the Older Americans Act. The financial condition of the older person is a major determinant of his or her ability to meet basic life needs such as food, shelter, mobility, and healthcare. The U.S. Bureau of the Census prepares this information to perform a special tabulation for the Administration on Aging.

Description of Factors – cont.

- **Population 60+ in Rural Jurisdictions**: This factor addresses the geographical isolation faced by older Virginians who live in the rural areas. DARS defines "rural" as any jurisdiction (city or county) which is not within a Metropolitan Statistical Area (MSA) or any jurisdiction which is within an MSA but which has a population density of 50 persons or less per square mile. An MSA is calculated by the U.S. Bureau of the Census and is updated in the formula when the census population data is updated. Square mileage by jurisdiction is obtained from the most recent Report of the Secretary of the Commonwealth and is updated in the formula when the census population data is updated.
- **Population 60+ Minority in Poverty**: This factor addresses the special needs of older racial and ethnic minorities in Virginia as well as the economic needs of this group. The U.S. Bureau of the Census prepares this information to perform a special tabulation for the Administration on Aging.

FFY 2021 Factors (2016-2019 ACS)

Funding Formula Using	Tabulation								MINORITY
	RURAL POP 60+	% RURAL POP 60+	RURAL WEIGHTED 10%	POP 60+ BEL POV	POP 60+ BELOW POV	POP 60+ BELOW POV WEIGHTED 50%	MINORITY 60+ BEL POV	% MINORITY 60+ BEL POV	MINORITY 60+ BEL POV WEIGHTED 10%
PSA 17/18									
LANCASTER CO.	4,895	1.46111	0.43833	375	0.30396	0.03040	125	0.26126	0.02613
NORTHUMBERLAND	5,235	1.56259	0.46878	310	0.25128	0.02513	70	0.14631	0.01463
RICHMOND CO.	2,320	0.69250	0.20775	323	0.26181	0.02618	118	0.24663	0.02466
WESTMORELAND CO	5,555	1.65811	0.49743	495	0.40123	0.04012	270	0.56432	0.05643
ESSEX CO.	3,045	0.90890	0.27267	234	0.18967	0.01897	109	0.22782	0.02278
GLOUCESTER CO.		0.00000	0.00000	425	0.34449	0.03445	90	0.18811	0.01881
KING & QUEEN CO	2,130	0.63578	0.19073	225	0.18238	0.01824	80	0.16721	0.01672
KING WILLIAM CO		0.00000	0.00000	180	0.14590	0.01459	105	0.21946	0.02195
MATHEWS CO.		0.00000	0.00000	205	0.16617	0.01662	75	0.15676	0.01568
MIDDLESEX CO.	4,150	1.23873	0.37162	309	0.25047	0.02505	94	0.19647	0.01965
PSA 19									
DINWIDDIE CO.		0.00000	0.00000	1,060	0.85920	0.08592	565	1.18090	0.11809
GREENSVILLE CO.	2,535	0.75667	0.22700	255	0.20670	0.02067	220	0.45982	0.04598
PRINCE GEORGE		0.00000	0.00000	255	0.20670	0.02067	130	0.27171	0.02717
SURRY CO.	1,840	0.54922	0.16477	115	0.09322	0.00932	50	0.10450	0.01045
SUSSEX CO.	2,615	0.78055	0.23417	304	0.24641	0.02464	224	0.46818	0.04682
COL. HEIGHTS CITY		0.00000	0.00000	355	0.28775	0.02878	75	0.15676	0.01568
EMPORIA CITY	1,275	0.38057	0.11417	264	0.21399	0.02140	164	0.34277	0.03428
HOPEWELL CITY		0.00000	0.00000	568	0.46040	0.04604	228	0.47654	0.04765
PETERSBURG CITY		0.00000	0.00000	1,190	0.96458	0.09646	950	1.98558	0.19856

Example: Mathematical Formula

- Step 1: Percent of statewide population 60+ (1.36% or .0136) X 30% weight factor = (.41% or .0041)
- Step 2: Percent of statewide population 60+ in Rural Jurisdictions (6.83% or .0683) X 10% weight factor = (.68% or .0068)
- Step 3: Percent of statewide population 60+ in Poverty (2.42% or .0242) X 50% weight factor = (1.21% or .0121)
- Step 4: Percent of statewide population 60+ Minority in Poverty (.17% or .0017) X 10% weight factor = (.02% or .0002)
- Step 5: .0041 + .0068 + .0121 + .0002 = .0232 X available funds for Title III allocation
- Step 6: Add the categories together (III-B, III-C, and III-E) for the total allocation to a PSA

FFY 21 Data

PSA	60+	60+ Rural	60+ in Poverty	60+ Minority in Poverty
1	22,945	22,945	3,271	91
2	28,805	28,805	3,671	146
3	52,975	33,460	5,526	331
4	36,435	9,155	2,789	209
5	69,800	8,045	6,314	1,424
6	67,820	12,275	5,244	409
7	52,230	17,790	3,844	494
8A	22,735	-	1,780	1,120
8B	31,700	-	2,359	1,359
8C	203,040	-	9,935	5,650
8D	43,555	-	1,905	860
8E	64,210	-	3,010	1,590
9	40,340	15,630	2,493	648
10	54,120	13,710	3,674	899
11	61,385	3,860	5,378	1,633
12	68,875	52,755	7,140	2,235
13	24,670	24,670	3,125	1,610
14	25,605	25,605	3,376	1,896
15	206,200	2,080	13,908	7,188
16	55,880	10,445	3,204	1,004
17	43,045	27,330	3,081	1,136
19	37,900	8,265	4,366	2,606
20	205,590	4,640	15,578	8,673
21	98,165	-	6,640	3,725
22	13,555	13,555	1,759	909

FFY 21 Total Allocations

PSA	III B (\$)	III C (\$)	III E (\$)	Total (\$)
1	328,606	397,491	114,565	840,662
2	381,712	459,588	133,055	974,355
3	568,056	683,917	197,853	1,449,826
4	271,038	326,590	94,682	692,310
5	532,813	641,444	186,805	1,361,062
6	519,683	626,899	180,821	1,327,403
7	381,874	458,897	133,841	974,612
8A	166,118	202,393	58,523	427,034
8B	213,694	257,354	75,155	546,203
8C	935,241	1,119,547	331,453	2,386,241
8D	162,441	193,901	58,186	414,528
8E	261,341	314,104	93,547	668,992
9	288,374	347,421	101,075	736,870
10	348,562	418,187	122,783	889,532
11	485,391	585,822	169,571	1,240,784
12	770,282	926,101	269,490	1,965,873
13	377,420	454,288	131,268	962,976
14	393,969	474,345	137,323	1,005,637
15	1,285,112	1,544,236	451,702	3,281,050
16	312,888	375,435	110,498	798,821
17	415,114	499,714	144,456	1,059,284
19	416,113	500,930	145,336	1,062,379
20	1,517,847	1,826,123	530,569	3,874,539
21	636,597	766,956	223,390	1,626,943
22	217,313	261,982	75,451	554,746
Total:	12,187,599	14,663,665	4,271,398	31,122,662

IFF Step 6: Hold Harmless

- Funding calculated at the overall (total) PSA funding level not by specific funding category
- If a PSA receives less than it did in 2006 for all federal and state allocations as a whole – a hold harmless calculation is applied to bring the AAA up to the 2006 level
- State funds are the funding source
- Last applied in FY2019

Title III-D MUA

- For each jurisdiction, DARS obtains medically underserved area (MUA) data from the U.S. Department of Health and Human Services, Health Resource and Services Administration
- MUA are areas or populations designated by HRSA have too few primary care providers, high infant mortality, high poverty or a high elderly population.
- MUA is determined for each jurisdiction. If any portion in whole or part is medically underserved, the entire jurisdiction is included in the funding allocation.

Title III-D Preventative Health

- Base of \$2,000 per PSA
- If a PSA does not include a MUA, the PSA does not receive any additional Title III-D allocations (beyond the base amount)
- If a PSA includes one or more jurisdictions that are classified as MUAs, the total number of MUA-eligible jurisdictions within the PSA are weighted as a proportion of the total MUAs within the state.
- Funding is then allocated to those PSAs as a proportion of the total federal funding.

Title III-D MUA Example

MUA		Medically Underserved Areas	Adjusted Total	PSA	
				FORMULA %	PSA
	PSA 9			3.25770	9
X	CULPEPER CO.	0.45080 ✓	0.62384		
X	FAUQUIER CO.	0.74642 ✓	1.03293		
X	MADISON CO.	0.32885 ✓	0.45508		
X	ORANGE CO.	0.65170 ✓	0.90185		
X	RAPPAHANNOCK CO	0.17631 ✓	0.24399		
	PSA 10			3.59535	10
X	ALBEMARLE CO.	0.95524 ✓	1.32190		
X	FLUVANNA CO.	0.21625 ✓	0.29925		
X	GREENE CO.	0.13568 ✓	0.18777		
X	LOUISA CO.	0.79843 ✓	1.10491		
	NELSON CO.				
X	CHARLOTTESVILL	0.49248 ✓	0.68152		
	PSA 11			2.84828	11
	AMHERST CO.				
	APPOMATTOX CO.				
X	BEDFORD CO. (Bedford	1.01038 ✓	1.39822		
	CAMPBELL CO.				
	BEDFORD CITY				
X	LYNCHBURG CITY	1.04785 ✓	1.45006		
	PSA 12			8.58257	12
X	FRANKLIN CO.	0.94020 ✓	1.30110		
X	HENRY CO.	1.32877 ✓	1.83881		
X	PATRICK CO.	0.55161 ✓	0.76335		
X	PITTSYLVANIA	1.58987 ✓	2.20014		
X	DANVILLE CITY	1.36514 ✓	1.88915		
X	MARTINSVILLE CITY	0.42637 ✓	0.59003		

Title III-D FY2021 Allocations

PSA	Title III D (\$)	PSA	Title III D (\$)
1	21,139	10	23,685
2	26,452	11	19,036
3	36,208	12	53,396
4	16,347	13	28,792
5	21,590	14	27,161
6	7,828	15	87,084
7	11,357	16	25,558
8A	2,000	17	27,694
8B	2,000	19	21,634
8C	2,000	20	102,974
8D	16,881	21	38,901
8E	2,000	22	14,791
9	21,813		

Nutrition Services Incentive Program

- Data is collected from the state-mandated OAA reporting system to determine each PSA's previous FFY's meal counts (base 2019) for congregate and home delivered meals.
- From this data, DARS calculates each PSA's total meals served in the previous FFY as a proportion of the total meals served in the previous FFY across all PSAs.
- This determines each PSA's proportion of the overall federal funding allocation for this category for the current allocation.

NSIP FY2019 Data

FY'19 Meal Counts				
PSA	Congregate Meals Served	Home Delivered Meals Served	Total Meals Served	NSIP Funds
1	9,238	100,155	109,393	80,284
2	8,605	122,908	131,513	96,518
3	18,812	122,785	141,597	103,919
4	6,268	40,220	46,488	34,118
5	7,547	124,311	131,858	96,771
6	10,672	106,961	117,633	86,332
7	27,545	36,010	63,555	46,643
8A	18,162	33,148	51,310	37,657
8B	12,687	61,308	73,995	54,305
8C	191,872	233,844	425,716	312,436
8D	78,884	65,185	144,069	105,733
8E	25,658	33,437	59,095	43,370
9	31,859	23,508	55,367	40,634
10	14,114	31,281	45,395	33,316
11	7,464	72,554	80,018	58,726
12	23,576	125,541	149,117	109,438
13	1,973	32,577	34,550	25,356
14	3,380	42,330	45,710	33,547
15	40,177	90,214	130,391	95,695
16	8,335	16,871	25,206	18,499
17/18	8,730	118,588	127,318	93,440
19	8,703	51,775	60,478	44,385
20	51,820	107,363	159,183	116,825
21	16,203	134,471	150,674	110,581
22	<u>7,066</u>	<u>22,190</u>	<u>29,256</u>	<u>21,471</u>
Total	639,350	1,949,535	2,588,885	1,900,000

Title VII: Ombudsman

- A single AAA program has a base of \$15,000, two or more AAAs that operate a joint program have a base of \$25,000. Then the remainder of the Ombudsman calculation is based on the total number of beds per PSA.
- The remainder is distributed in proportion to the number of:
 - licensed nursing facility beds (VDH),
 - licensed assisted living facility beds (VDSS), and
 - licensed geriatric mental health beds located in each PSA (DBHDS).

Ombuds Counts

PSA	Nursing Facility Beds	Assisted Living Facility Beds	State Mental Health Facility Beds	Total Beds in PSA	Percent of State
1	641	282	0	923	1.30000
2	549	361	0	910	1.28169
3	1580	1192	20	2,792	3.93239
4	761	564	0	1,325	1.86620
5	2300	2355	60	4,715	6.64085
6	1504	1809	0	3,313	4.66620
7	1003	1444	0	2,447	3.44648
8A-8D	3742	7840	0	11,582	16.31268
8E	720	1470	0	2,190	3.08451
9	766	578	0	1,344	1.89296
10	1052	1524	0	2,576	3.62817
11	1815	1555	0	3,370	4.74648
12	1929	829	0	2,758	3.88451
13	841	339	0	1,180	1.66197
14	670	345	123	1,138	1.60282
15	4478	6303	0	10,781	15.18451
16	785	1094	0	1,879	2.64648
17/18 & 21	2,611	3,012	40	5,663	7.97606
19	949	743	30	1,722	2.42535
20	4418	3613	0	8,031	11.31127
22	281	80	0	361	0.50845
Total	33,395	37,332	273	71,000	100.00000

Ombuds FY2021 Fed + State Allocations

PSA	Base Amount	Formula Amount	Total
1	15,000	6,956	21,956
2	15,000	6,858	21,858
3	15,000	21,042	36,042
4	15,000	9,986	24,986
5	15,000	35,534	50,534
6	15,000	24,968	39,968
7	15,000	18,442	33,442
8C (Incl 8A-8D)	25,000	87,286	112,286
8E	15,000	16,505	31,505
9	15,000	10,129	25,129
10	15,000	19,414	34,414
11	15,000	25,398	40,398
12	15,000	20,785	35,785
13	0	0	0
14	15,000	8,576	23,576
15	15,000	81,250	96,250
16	15,000	14,161	29,161
17/18 & 21	25,000	42,679	143,204
19	15,000	12,978	27,978
20	15,000	60,525	0
22	15,000	2,721	17,721
Total	320,000	526,190	846,190

Title VII: Elder Abuse

- Funds will be allocated using the same methodology (estimates) as Title III-B, C, and E.

PSA	Elder Abuse	PSA	Elder Abuse
1	2,883	9	2,448
2	3,336	10	2,863
3	4,985	11	4,202
4	2,343	12	6,589
5	4,511	13	3,337
6	4,595	14	3,444
7	3,232	15	10,704
8A	1,388	16	2,532
8B	1,779	17/18	3,660
8C	7,391	19	3,597
8D	1,197	20	13,055
8E	1,951	21	5,368
		22	1,942
		TOTAL	103,327

IFF Step 7: Reserve Allocations

- For all federal funding categories:
 - (Title III B, C, D, E, VII – Chapter 3 (Elder Rights), VII – Chapter 2 (Ombudsman), and NSIP),
- Near the end of the FFY, the funds previously held in reserve are calculated and allocated using the same process as previously documented.



Questions