**IFF BACKGROUND**

Funding for Virginia’s area agencies on aging (AAAs) is allocated via an advanced payment method. AAA funding is estimated based on the previous year’s funding, with adjustments made as the year progresses based on the final federal allocation Virginia receives.

DARS receives federal funding allocations broken down by: Titles III B, C (C1 and C2), D, E, and NSIP.

The following funding factors are used in the IFF:

|  |  |
| --- | --- |
| **Factor** | **Description** |
| **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.Data Source: Five-year American Community Survey (ACS) special tabulation prepared for the U.S. Administration for Community Living (ACL). The population factors are updated with the most recent ACS five-year tabulation available to determine the AAA allocations each year.  |
| **Population 60+ in Rural Jurisdictions** | This factor addresses the unique social needs of older adults in rural areas, specifically the geographical isolation faced by older rural Virginians. DARS defines “rural” as 1) any jurisdiction (city or county) not within a Metropolitan Statistical Area (MSA), or 2) any jurisdiction within an MSA but which has a population density of 50 persons or less per square mile. Data Source: An MSA is calculated by the U.S. Census Bureau and is updated in the formula when the census population data is updated. Square mileage by jurisdiction is obtained from the U.S. Census Bureau and is updated in the formula when the decennial census population data is updated. The determination of rural or urban is reassessed when the population numbers are updated or when the U.S. Census Bureau updates land area. |
| **Population 60+ in Poverty** | This factor addresses the economic needs of older persons throughout the Commonwealth by jurisdiction. Data Source: Five-year American Community Survey (ACS) special tabulation prepared for the U.S. Administration for Community Living (ACL). The population factors are updated with the most recent ACS five-year tabulation available to determine the AAA allocations each year.  |
| **Population 60+ Minority in Poverty** | This factor addresses the unique social and economic needs of older racial and ethnic minorities throughout the Commonwealth by jurisdiction.Data Source: Five-year American Community Survey (ACS) special tabulation prepared for the U.S. Administration for Community Living (ACL). The population factors are updated with the most recent ACS five-year tabulation available to determine the AAA allocations each year.  |
| **Medically Underserved Area (MUA)** | 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.Data Source: The U.S. Department of Health and Human Services, Health Resource and Services Administration (HRSA), maintains the MUAs/Populations. DARS updates this factor when the population data is updated. |

**APPLYING THE IFF**

**1. STATE PLAN ADMINISTRATION**

Before applying the funding formula (Items 4 and 5), DARS withholds up to the maximum amount that the U.S. Administration for Community Living (ACL) allows for state plan administration for Title III B, C1, C2, and D from only Title III B funds.

DARS also withholds up to the maximum amount that the ACL allows for state plan administration for Title III E for administrative expenses for Title III E.

No state plan administrative expenses are removed from Titles III C, D, or NSIP.

**2. TRANSFERS**

After state plan administrative expenses have been used (Item 1), but before applying the funding formula (Items 4 and 5), DARS:

* Transfers 15% of the federal allocation from Title C1 to Title C2, and
* Transfers 20% of the total federal allocation in Title C from Title C1 to Title III B.

**3. INITIAL RESERVES**

After accounting for state plan administrative expenses and transfers (Items 1 and 2), but before apply the funding formula (Items 4 and 5), DARS sets aside approximately 5% of the funds within all funding categories (Title III B, C, D, E, and NSIP) as a reserve. This is later allocated as indicated in Item 7.

**4. FUNDING FORMULA PART 1**

For federal allocations within Titles III B, C, D, and E: DARS allocates 50% of the 2012 federal allocation for each category to each AAA. The allocation for each category for each AAA is a fixed amount calculated based on the 2012 IFF.[[1]](#footnote-1)

For FFY2021, each PSA received the following federal funds for this Item:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PSA** | **III B ($)** | **III C ($)** | **III E ($)** | **Total ($)** |
| 1 | 156,314 |  195,039  | 51,187 | 402,540.00 |
| 2 | 178,341 |  222,523  | 58,400 | 459,264.00 |
| 3 | 268,759 |  335,341  | 88,008 | 692,108.00 |
| 4 | 122,657 |  153,044  | 40,166 | 315,867.00 |
| 5 | 225,507 |  281,373  | 73,845 | 580,725.00 |
| 6 | 251,989 |  314,416  | 82,517 | 648,922.00 |
| 7 | 161,108 |  201,020  | 52,757 | 414,885.00 |
| 8A | 68,433 |  85,386  | 22,409 | 176,228.00 |
| 8B | 85,556 |  106,751  | 28,016 | 220,323.00 |
| 8C | 307,804 |  384,058  | 100,794 | 792,656.00 |
| 8D | 39,170 |  48,874  | 12,827 | 100,871.00 |
| 8E | 68,204 |  85,101  | 22,334 | 175,639.00 |
| 9 | 123,125 |  153,627  | 40,319 | 317,071.00 |
| 10 | 132,541 |  165,377  | 43,402 | 341,320.00 |
| 11 | 221,111 |  275,889  | 72,405 | 569,405.00 |
| 12 | 336,197 |  419,485  | 110,091 | 865,773.00 |
| 13 | 182,402 |  227,590  | 59,730 | 469,722.00 |
| 14 | 184,179 |  229,807  | 60,311 | 474,297.00 |
| 15 | 514,212 |  641,602  | 168,384 | 1,324,198.00 |
| 16 | 112,980 |  140,970  | 36,997 | 290,947.00 |
| 17[[2]](#footnote-2) | 199,025 |  248,331  | 65,173 | 512,529.00 |
| 19 | 188,036 |  234,619  | 61,574 | 484,229.00 |
| 20 | 674,673 |  841,815  | 220,929 | 1,737,417.00 |
| 21 | 266,111 |  332,037  | 87,141 | 685,289.00 |
| 22 | 108,561 |  135,455  | 35,549 | 279,565.00 |

For federal allocations for Title III D: DARS allocates each PSA a base of $2,000.

**5. FUNDING FORMULA PART 2**

For federal allocations within Titles III B, C, and E: The remaining current fiscal year's allocation for each category is allocated to the AAAs as directed:

For each jurisdiction, DARS obtains the population figures from the most recent 5-year American Community Survey (ACS) special compilation produced by the U.S. Census Bureau for the Administration on Community Living (ACL). Each jurisdiction’s population figures are collected for: 1) Population 60+, 2) Population 60+ in Rural Jurisdictions, 3) Population 60+ in Poverty, and 4) Population 60+ Minority in Poverty.[[3]](#footnote-3)

For FFY2021, PSAs[[4]](#footnote-4) had the following estimated figures:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **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  |

Once DARS obtains the jurisdiction figures, DARS allocates federal funding within each funding category using the weighted factors as follows:

|  |  |
| --- | --- |
| **Factor** | **Weight** |
| Population 60+ | 30% |
| Population 60+ in Rural Jurisdictions | 10% |
| Population 60+ in Poverty | 50% |
| Population 60+ Minority in Poverty | 10% |
| **TOTAL** | **100%** |

In other words, within each funding category, for each jurisdiction, each factor is weighted and compiled for a PSA’s total weight. This determines each PSA’s proportion of the overall funding allocation for each funding category.

For FFY2021, each PSA received the following federal funds for this Item:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PSA** | **III B ($)** | **III C ($)** | **III E ($)** | **Total ($)** |
| 1 |  328,606  |  397,491  |  114,565  | 840,662.00 |
| 2 |  381,712  |  459,588  |  133,055  | 974,355.00 |
| 3 |  568,056  |  683,917  |  197,853  | 1,449,826.00 |
| 4 |  271,038  |  326,590  |  94,682  | 692,310.00 |
| 5 |  532,813  |  641,444  |  186,805  | 1,361,062.00 |
| 6 |  519,683  |  626,899  |  180,821  | 1,327,403.00 |
| 7 |  381,874  |  458,897  |  133,841  | 974,612.00 |
| 8A |  166,118  |  202,393  |  58,523  | 427,034.00 |
| 8B |  213,694  |  257,354  |  75,155  | 546,203.00 |
| 8C |  935,241  |  1,119,547  |  331,453  | 2,386,241.00 |
| 8D |  162,441  |  193,901  |  58,186  | 414,528.00 |
| 8E |  261,341  |  314,104  |  93,547  | 668,992.00 |
| 9 |  288,374  |  347,421  |  101,075  | 736,870.00 |
| 10 |  348,562  |  418,187  |  122,783  | 889,532.00 |
| 11 |  485,391  |  585,822  |  169,571  | 1,240,784.00 |
| 12 |  770,282  |  926,101  |  269,490  | 1,965,873.00 |
| 13 |  377,420  |  454,288  |  131,268  | 962,976.00 |
| 14 |  393,969  |  474,345  |  137,323  | 1,005,637.00 |
| 15 |  1,285,112  |  1,544,236  |  451,702  | 3,281,050.00 |
| 16 |  312,888  |  375,435  |  110,498  | 798,821.00 |
| 17 |  415,114  |  499,714  |  144,456  | 1,059,284.00 |
| 19 |  416,113  |  500,930  |  145,336  | 1,062,379.00 |
| 20 |  1,517,847  |  1,826,123  |  530,569  | 3,874,539.00 |
| 21 |  636,597  |  766,956  |  223,390  | 1,626,943.00 |
| 22 |  217,313  |  261,982  |  75,451  | 554,746.00 |

For federal allocations for Title III D: The remaining current fiscal year's federal allocation for Title III D is allocated to the AAAs as directed:

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 (HRSA).

If a PSA does not include a MUA, the PSA does not receive any additional Title III D allocations (beyond the base amount provided in Item 4). For FFY2021, PSAs 8A, 8B, 8C, and 8E did not include an MUA.

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 Virginia. The federal funding is then allocated to those PSAs as a proportion of the total federal funding.

For FFY2021, Title III D federal allocations were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **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  |  |  |

For NSIP: To allocate federal funding for NSIP, DARS collects data from the state-mandated OAA reporting system to determine each PSA’s previous FFY’s meal counts 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.

**6. HOLD HARMLESS**

Hold harmless is calculated at the overall PSA funding level, not by specific funding category.

If a PSA is estimated to receive less than the PSA received in 2006 for all federal and state allocations as a whole, a hold harmless is applied with state general funds in order to bring the PSA’s FFY funding to PSA’s 2006 funding level.

**7. RESERVE ALLOCATION**

For all federal funding categories (Title III B, C, D, E, and NSIP), toward the end of the FFY, the funds held in reserves (from Item 3) are calculated and allocated using the same process identified in Item 5.

**8. REALLOTTED FUNDS**

In instances when Virginia receives an additional allotment of federal funds beyond what was estimated or when federal funds are allocated late in the FFY to DARS, DARS completes the following:

* For Titles III B, C, D: DARS withholds up to the maximum amount that ACL allows for state plan administration for Title III B, C1, C2, and D from only Title III B funds, adds the reallotted funds to the reserve funds identified in Item 7, and follows the same process identified in Item 5 to allocate the funds.
* For Title III E: DARS withholds up to the maximum amount that ACL allows for state plan administration for Title III E for administrative expenses for Title III E, adds the reallotted funds to the reserve funds identified in Item 7, and follows the same process identified in Item 5 to allocate the funds.
* For NSIP: DARS adds the reallotted funds to the reserve funds identified in Item 7 and follows the same process identified in Item 5 to allocate the funds.

**9. AREA PLAN ADMINISTRATION & TITLE III B PRIORITY SERVICES**

Once federal funds are allocated to the AAAs, DARS permits (but does not require) AAAs to use up to 10% of their allocations from Titles B, C, and E for Area Plan Administration.

1. Note: The 2012 IFF mirrors the current IFF identified in Item 5. [↑](#footnote-ref-1)
2. PSA 17 also includes PSA 18. [↑](#footnote-ref-2)
3. See the section on Description of Formula Factors for more detail. [↑](#footnote-ref-3)
4. Each PSA’s figures include the relevant jurisdictions (cities and counties) that fall within the PSA. [↑](#footnote-ref-4)