### SECTION 2 SCOPE OF WORK

### 2.00 Overview

The Older Americans Act (OAA) directs each state to develop a comprehensive and coordinated network of providers who can offer services, opportunities, and protections for older Americans to help them maintain health and independence and to be able to continue to function as a part of their community.

### Title III of the OAA authorizes funding to state units on aging (SUA) which designate and make funds available to area agencies on aging (AAA) in their states. The SUA in Kentucky is the Department for Aging and Independent Living (DAIL). As authorized by section 305 of the OAA, Kentucky has designated the area development districts to be the area agencies on aging. AAAs identify local needs and fund local services to support older persons and caregivers in their service area. OAA funds are to be used to expand the range of community-based programs and services designed to maintain the independence of older persons in a home environment, to support caregivers, to fill gaps in existing services and to contribute to the development of a comprehensive and coordinated system of services.

### 2.01 CHFS/DAIL Responsibilities

The Department for Aging and Independent Living (DAIL) is designated as the state unit on aging for the state of Kentucky pursuant to the Older Americans Act Sec. 305(a)(1). Responsibilities of DAIL are largely defined by, but not limited to, the OAA Section 305:

1. Develop and administer the State plan;
2. Be primarily responsible for the planning, policy development, administration, coordination, priority setting, and evaluation of all State activities related to the objectives of the Older Americans Act;
3. Serve as an effective and visible advocate for older individuals by reviewing and commenting upon all State plans, budgets, and policies which affect older individuals and providing technical assistance to any agency, organization, association, or individual representing the needs of older individuals;
4. Designate area agencies on aging;
5. Ensure that the views of recipients of services under the Older Americans Act are taken into account in the planning, development, and administration of the State plan;
6. Develop and publish for review and comment a formula for distribution within the State of funds received;
7. Provide assurance that preference will be given to providing services to older individuals with greatest economic need and older individuals with greatest social need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas), and include proposed methods of carrying out the preference in the State plan;
8. Provide assurances that the State agency will require use of outreach efforts described in section 307(a)(16) of the Older Americans Act;
9. Set specific objectives, in consultation with area agencies on aging, for each planning and service area for providing services funded under Title III to low-income minority older individuals and older individuals residing in rural areas;
10. Provide an assurance that the State agency will undertake specific program development, advocacy, and outreach efforts focused on the needs of low-income minority older individuals; and
11. The State agency shall, consistent with the Older Americans Act, promote the development and implementation of a State system of long-term care that is a comprehensive, coordinated system that enables older individuals to receive long-term care in home and community-based settings, in a manner responsive to the needs and preferences of the older individuals and their family caregivers.

### 2.02 Area Agency on Aging (Contractor) Responsibilities

### Responsibilities of the AAA (Contractor) are largely defined by, but not limited to, the OAA Section 306:

### Provide, through a comprehensive and coordinated system, for supportive services, nutrition services, multipurpose senior centers, and other services as designated by DAIL;

### Provide an adequate proportion of funds for the following categories of services:

### Services associated with access to services (transportation, health services (including mental and behavioral health services), outreach, information and assistance (which may include information and assistance to consumers on availability of services under part B and how to receive benefits under and participate in publicly supported programs for which the consumer may be eligible), and case management services);

### In-home services, including supportive services for families of older individuals who are victims of Alzheimer’s disease and related disorders with neurological and organic brain dysfunction; and

### Legal assistance.

### Report to the State agency in detail the amount of funds expended for each service.

### Set specific objectives, consistent with State policy, for providing services and outreach to

### Older individuals residing in rural areas;

### Older individuals with greatest economic;

### Older individuals with greatest social need

### Older individuals with severe disabilities;

### Older individuals with limited English proficiency;

### Older individuals with Alzheimer’s disease and related disorders and their caretakers;

### Older individuals at risk for institutional placement; and

### Low-income minority older individuals.

### Coordinate planning, identification, assessment of needs, and provision of services for older individuals with disabilities, with particular attention to individuals with severe disabilities and individuals at risk for institutional placement, with agencies that develop or provide services for individuals with disabilities.

### Serve as the advocate for older individuals within the community.

**2.00 General and Administrative Requirements**

The ADD, through its Area Agency on Aging and Independent Living (contractor), shall administer all the programs and provide for all the services in accordance with all laws and/or requirements of federal, state, and local fire, health, safety, and sanitation and other standards prescribed in law or regulations; and the terms set forth in this contract, including, but not limited to:

1. Federal Law
	1. This grant is subject to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards under 45 CFR Part 75. These requirements and additional terms and conditions that are applicable to this award can be found on the ACL website (<https://www.acl.gov/grants/managing-grant>) and include, but are not limited to, the following:
		1. Federal Awardee Performance and Integrity Information System (FAPIIS)
		2. HHS Grants Policy Statement, Part II
		3. Trafficking Victims Protection Act
		4. Federal Funding Accountability and Transparency Act (FFATA)
		5. SAM / DUNS Requirements
		6. Consolidated Appropriations Act, 2017, Pub. L. 115-31, signed into law on May 5, 2017
2. State Law
	1. 910 KAR 1:140
	2. 910 KAR 1:180
	3. 910 KAR 1:190
	4. KRS Chapter 13B – Hearing Procedures Relating to Area Agency on Aging Contractor Selection Actions.
	5. KRS 116.048(1)(d) Voter Registration
	6. KRS 209.030
3. Requirements by the Department for Aging and Independent Living (DAIL)
	1. Ensure that all services made available under this Contract are provided and maintained on a continuing basis throughout the fiscal year.
	2. Ensure service is in place on the first day of the fiscal year. Any transition costs related to the beginning or termination of a grant will be borne by the ADD.
	3. Provide information, upon request of DAIL, concerning all activities performed pursuant to this Contract, including but not limited to, periodic data reporting and data system input concerning program activities or any data that is required by applicable state or federal law.
	4. Cannot require more documentation of the direct service providers than DAIL requires of the ADD such that the number of services provided or number of people served by the direct service provider cannot be counted in NAPIS.
	5. Limit the amount of paperwork required of the direct service providers, including using technology where applicable.
	6. Utilize the definitions of services provided by DAIL (also referred to as “taxonomy”).
	7. Assist DAIL in conducting client surveys regarding aging services. This may include but not be limited to phone surveys, in person interviews, questionnaires, or longitudinal surveys. Results of any surveys will be shared with the ADD.
	8. Attend meetings as scheduled by DAIL, including in-person and web-based meetings. When unable to attend, provide notification to DAIL at least one (1) business day in advance to make arrangements with the meeting coordinator to gather information discussed at the meeting.
	9. Employ appropriately qualified and trained staff sufficient to carry out the number of programs and types of services provided for participants and provide adequate supervision. A copy of the ADD’s current job descriptions must be on file with DAIL.
	10. Establish Internet access and maintain at least one business email address that will be the primary receiving point for all email correspondence from DAIL. Contractor must notify DAIL of any email address changes within five (5) business days from the effective date of the change.
	11. Provide at a minimum the equivalent insurance coverage for real property and equipment acquired or improved with funds under this contract. Contractors must provide proof of coverage to DAIL prior to the commencement, and throughout the grant period.[[1]](#footnote-1)
	12. Adhere to all deadlines, deliverables, and performance measures stated in this Contract, unless otherwise instructed. Failure to meet deadlines, deliverables, and/or performance measures may result in loss of funds. Willful submission of incomplete or incorrect materials by a deadline in order to meet the deadline and later submit a corrected version will not be acceptable for this Contract and may result in loss of funds.
	13. DAIL reserves the right to alter deadlines, deliverables, and performance measures stated in this Contract if needed to comply with federal or state requirements, to improve the delivery of services, or to assist with the administration of this Contract.
4. Required General Policies and Procedures

The ADD shall maintain written policies and procedures on the agency website that include but are not limited to the following:

* 1. Personnel, including salary, conditions of employment, and job descriptions relative to all personnel involved in the delivery of services under this Contract.
	2. Continuity of services
	3. Reporting abuse, neglect, and exploitation as indicated by KRS 209.030 within 24 hours of learning of such incidences.
	4. Maintain written policies and procedures regarding the implementation and application of services provided under the Aging & Disability Resource Center (ADRC).
		1. Provide information assistance, prescreening, intake, and disposition of calls for service and supports and enter such calls and disposition into SAMS.
	5. A disaster plan that shall include:
		1. Maintaining communications between DAIL and ADD staff during the time of a disaster unless telecommunication devices are rendered inoperable.
		2. Contacting all homebound clients in the designated disaster area within 48 hours of the initial disaster to ensure health, safety, and welfare. Biweekly contact will occur thereafter until the ADD resumes services for the client. Documentation of each contact shall be entered into SAMS.
	6. Waitlist for services
		1. Enter information in SAMs for individuals who are on a waitlist.
		2. Maintain local, state, and federal information and resource contact information, including private pay option, to be provided to individuals who are waiting for services.
		3. Document community resources offered to individuals placed on the Homecare waiting list.
	7. Outreach activities to ensure participation of eligible older persons with special emphasis on the following groups:[[2]](#footnote-2)
		1. Older persons with the greatest economic need (with particular attention to low-income minority older persons and low-income older persons with limited English proficiency);
		2. older persons with the greatest social need (with particular attention to low-income minority older persons and low- income older persons with limited English proficiency);
		3. older persons with severe disabilities;
		4. older persons with limited English proficiency;
		5. older persons at risk of institutional placement; and
		6. older persons with Alzheimer's disease and related disorders with neurological and organic brain dysfunction (and the caregivers of such individuals);
		7. and to inform them about the availability of such assistance.[[3]](#footnote-3)
	8. Identifying and serving older persons with the greatest economic or social need, with particular attention to low-income older individuals, including low-income minority older persons and older individuals with limited English proficiency.[[4]](#footnote-4)
	9. Satisfying the service needs of low-income minority individuals in the area served by the ADD and serving low-income minority older individuals in at least the same proportion as the population of low-income minority older individuals bears to the population of older individuals of the area served by the ADD.[[5]](#footnote-5)
	10. Identifying the major languages other than English in the service area and developing a plan for providing service to clients proficient in languages other than English. This plan must include the components outlined in the Policy Guidance on the Title VI Prohibition against National Origin Discrimination as it Affects Persons with Limited English Proficiency which can be found at [www.lep.gov16](http://www.lep.gov16).[[6]](#footnote-6)
	11. Coordination and utilization of the services and resources of other appropriate public and private agencies and organizations[[7]](#footnote-7).
	12. Obtaining participants' views on the services they receive. Eligible participants’ input must be sought and utilized in the planning of services. The service provider must have procedures for obtaining the views of participants about the services they receive. Client surveys, interviews using a structured method to obtain information, complaint reviews, Boards of Directors or Advisory Council with more than 50% of members over the age of 60 are methods to meet this requirement.[[8]](#footnote-8)
	13. Methods to carry out activities to identify older individuals with greatest economic need who may be eligible to receive, but are not receiving, supplemental security income benefits under Title XVI of the Social Security Act, medical assistance under Title XIX of the Social Security Act, and benefits under the Food Stamp Act of 1977 or benefits under any other applicable program. Contractors shall establish methods to assist older individuals in applying for such assistance and such benefits.[[9]](#footnote-9)
	14. Procedures for inventory control in compliance with the uniform standards set forth in 2 CFR 200.310-200.316 governing the management and disposition of property which cost was supported by Grant funds.
	15. Methods to assure that older persons are provided with volunteer opportunities. Plans for recruitment, training, supervision and recognition shall be included.[[10]](#footnote-10)
	16. Procedures for collecting, handling, counting and depositing contributions for Title III services. Voluntary contributions shall be allowed and may be solicited for all services for which funds are received under this Act if the method of solicitation is non-coercive. Contributions shall be encouraged for individuals whose self-declared income is at or above 185% of the poverty line.[[11]](#footnote-11)
	17. Procedures for informing participants about voluntary contributions in accordance with the Older Americans Act Sec 315(b).
	18. **Financial Requirements**
1. Budget
	1. Create a budget that accurately reflects the administration of the area plan and the services provided to meet the needs of the community as established in the area plan.
		1. Ensure at least ninety percent (90%) of all funding provided through DAIL is used for service provision.[[12]](#footnote-12) Must be documented on monthly invoices.
		2. The ADD shall submit a budget for all programs to DAIL by 4:30 p.m., Eastern Standard Time August 1st of the contract year.
			1. For any allocations that are provided to the ADD after July 1st of the current year, specific timelines for return on budget shall be provided in the budget instruction letter.
		3. The cost of operating supplies, personnel, facilities, travel/training, and any additional major cost categories must be included in the budget submitted.
			1. Abide by state regulations located at 200 KAR 2:006 including but not limited to mileage rate, per diem rates, and subsistence for all travel. Reimbursement by DAIL will not be made for any amount that exceeds these limitations.
		4. Budget narratives must be included for all budgets submitted to DAIL on a form provided by DAIL, including initial budgets and any budgetary shifts requiring contract modification.
	2. Adhere to the approved budget, following outlined procedures for amendments.
		1. The ADD shall request written approval for any of the following:
			1. to move funds from one program to another program,
				1. Funds cannot be moved from one program to another program after March 1st.
				2. Budgetary shifts between federal fund programs shall follow the Administration for Community Living (ACL) guidance.
			2. to reduce the number of services or persons served, or
			3. to increase personnel costs by more than 10% from the original budget.
2. Cost Principles

The ADD is responsible for efficient and effective administration of federal awards and should administer federal funds consistent with this agreement, program objectives, and the terms and conditions of the federal awards. All costs should be allowable, reasonable, and allocable. DAIL reserves the right to work with the ADD to redesign a program to make it more cost effective and/or customized to a specific community.

* 1. Allowability of Costs[[13]](#footnote-13)
		1. Funds cannot be used:
			1. As match for another federal grant
			2. To influence political activities
			3. For the personal gain of an individual through gifts or cash payments
			4. For illegal activities or to purchase illegal products
		2. Funds must be used:
			1. For activities for which the grant is funded
			2. Documented properly
	2. Reasonable Costs[[14]](#footnote-14)
		1. The ADD cannot pay more for something than any other entity would in the same circumstances.
			1. The ADD is expected to:
				1. Shop around
				2. Buy the best quality at the best price
				3. Seek guidance if unfamiliar with the quality and pricing of a product or service
	3. Allocable Costs[[15]](#footnote-15)
		1. Expenses must have a direct connection to the activities of this contract.
		2. If an item or activity purchased benefits multiple programs, the costs must be reasonably split.
1. Direct/Indirect Costs
	1. Direct costs are those costs that can be identified specifically with a particular award, or that can be directly assigned to funding activities relatively easily with a high degree of accuracy.[[16]](#footnote-16)
		1. The ADD will not charge administrative costs/expenditures to direct costs in accordance with the agency’s submitted cost allocation plan and 2 CFR Part 200, Subpart E.
	2. Indirect costs are those costs that cannot be identified specifically with a particular award.[[17]](#footnote-17)
		1. Maintain a Cost Allocation Plan that may be utilized in determining costs to be reimbursed under this Contract. A copy of the Cost Allocation Plan shall be available upon request.
		2. Ensure that administrative costs across all awards from DAIL to the ADD will follow the Administrative Costs as detailed in the U.S. Department of Health & Human Services Policy Statements.
2. Allowable/Unallowable Costs
	1. Refer to CFR 200, 45 CFR Part 75, OMB Circular A-87, OMB Circular A-122 for a complete list and explanation of allowable/unallowable costs. Below represents a selection of the parameters most relevant to this contract:
		1. Advertising and Public Relations Costs[[18]](#footnote-18)
			1. The term “advertising costs” means the cost of advertising media (and corollary administrative costs). Advertising media include magazines, newspapers, radio and television programs, direct mail, exhibits, and the like.
			2. The term “public relations” includes community relations and means those activities dedicated to maintaining the image of the governmental unit or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.
			3. Advertising costs are allowable when they are incurred for the recruitment of personnel, the procurement of goods and services and any other specific purposes necessary to meet the requirement of the approved grant award.
			4. Public relations costs are allowable when:
				1. Required by the grant award.
				2. Incurred to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of the grant award.
		2. Compensation of Personal Services
			1. Ensure that any portion of the Executive Director’s salary paid using Aging funds is allocable (directly related to the activities of the grant) and is compliant with 2 CFR 225(8)(h) and is supported by appropriate documentation stated therein.
			2. If records do not meet the standards in 2 CFR 200.430, then Grantor may notify Contractor of the requirement to submit Personnel activity reports. See 2 CFR 200.430(i)(8). Personnel activity reports shall account on after the fact basis for one hundred percent (100%) of the employee’s actual time, separately indicating the time spent on the grant, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate officiant and coincide with a pay period. These time records should be used to record the distribution of salary costs to the appropriate accounts no frequently than quarterly.
			3. The documentation standards for salary changes to grants as prescribed by 2 CFR 200.430, and in the cost principles applicable to the entity’s organization (Paragraphs 7.4 through 7.7).
		3. Fund Raising and Investment Management Costs
			1. Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable, regardless of the purpose for which the funds will be used.[[19]](#footnote-19)
		4. Food
			1. Meals or refreshments served during general staff meetings; board meetings; conferences; or a networking session are unallowable, unless otherwise stipulated in program administration.
		5. Memberships, Subscriptions and Professional Activities
			1. Cost of memberships in business, technical and professional organizations are allowable providing they are relevant to the grant that is charged the expense.[[20]](#footnote-20)
	2. Failure to meet the requirements for allowable costs will result in the refund of such ineligible costs to DAIL.
3. Match Requirements
	1. Provide local match equal to or greater than the amount in effect during the fiscal year prior to the period covered by this contract. Failure to provide the required local match may result in a proportionate reduction of state funding.
	2. Meet the match requirements through allowable costs and/or third party in-kind contributions, state funds, or local cash.
	3. Provide substantial documentation including, but not limited to, volunteer forms, provider invoices, and floor plan with square footage in order to verify match.
	4. Ensure that the application of funds shall be in accordance with requirements for match of the specific funding source, as referenced in 2 CFR 200.29 and 2 CFR 200.306.
	5. The federal share of a project cost, as applicable, is earned only when the cost is accrued and the nonfederal share of the cost has been contributed. Receipt of federal funds (through reimbursement) does not constitute earning of these funds. If the ADD is unable to provide the required local match, there will be a proportionate reduction of the federal allotment.
	6. Corroborate match as part of the audit process when a program is subject to an audit under Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements for programs funded by state funds.
4. Third Party In-Kind (Non-Cash) Contributions
	1. The valuation of third party in-kind (non-cash) contributions must be supported with adequate documentation to include, but not be limited to, documentation of size and value of space donated; total volunteer time spent and total value of time including hours and duties performed; and documentation of item contributed.
	2. Third party in-kind contributions shall be defined as stated in 2 CFR 200.29, 2 CFR 200.96, 2 CFR 200.306 and its application shall be subject to applicable portions of this regulation, Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and contractual provisions.
	3. Third party in-kind documentation shall be submitted with monthly invoices.
5. Program Income
	1. The ADD is encouraged to earn income to defray program costs where appropriate, subject to 2 CFR 200.307.
	2. Provide all clients an opportunity to voluntarily donate toward the cost of services, as outlined in policies and procedures.
	3. Account for, provide source documentation, and expend program income in accordance with 2 CFR 200.80, 2 CFR 200.307, and as further defined by the Administration on Aging (AOA) Policy.
	4. Program income collected by a provider may be retained or submitted to the ADD, at the ADD’s discretion. If retained by the provider, a report of program income, by program, must be submitted to the ADD, with financial reports, for the ADD’s approval.
	5. All program income must be used for the expansion of services.
	6. Program income must be used during the same budget period and in the same program, in which the income is earned.
	7. Any interest income earned by the ADD on any portion of the funds reimbursed under this agreement shall be used to expand services in the programs in which the interest is earned. It is also expressly understood that if interest income, earned from a specific fund dollar, is not expended for the same services in the same fiscal year in which it is earned, the funds shall be returned to the DAIL. Procedures to minimize the time elapsing between the transfer of funds and this disbursement by the ADD shall be maintained.
6. Documentation of Expenditures
	1. Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and sub award documentation. All supporting documentation should be clearly identified with the award and general ledger accounts which are to be charged or credited.
	2. Records of expenditures must be maintained for each Award by the cost categories of the approved Budget (including indirect costs that are charged to the Award), and actual expenditures are compared with the Budgeted amounts at least quarterly.
	3. Ensure indirect depreciation expense on real property, as applicable, is charged correctly.
7. Unexpended Funds
	1. Make every effort to expend funds in time allotted. The ADD shall communicate with DAIL frequently about the likelihood of unexpended funds in order for DAIL to identify opportunities for spending within the ADD or for reallocation.
	2. Upon confirmation of final closure of audit, or final expenditure report, any funds remaining from the allocation shall be refunded to DAIL.
8. Responsibilities
	1. Acknowledge that for state-funded contracts, DAIL reserves the right to withhold payments under this Contract and provide services directly to the counties within the ADD if DAIL determines that the ADD’s performance under this Contract has endangered the health, safety, or welfare of its clients or if DAIL determines the ADD has failed to comply with Federal or State Laws, including the area plan requirements, regulations, or policies.
	2. Acknowledge that if the ADD fails to meet any individual component of these requirements, it shall have all reimbursement request(s) held regardless of funding source, program, and amount until such time as the budget report complies with all requirements set forth above.
	3. Monitor and respond to any fiscal and/or program exceptions established by evaluation, monitoring and/or auditing of this Contract, and resolve promptly any monitoring, fiscal and program audit exceptions by making direct payment or reduction of future reimbursement, or by other methods approved by DAIL.
9. Audit Requirements
	1. After acceptance by the ADD’s Board of Directors, the ADD shall submit an electronic copy of the final audit report and final audited invoice to their DAIL Financial Liaison by 4:30 pm Eastern Standard Time, December 31st of the current year. Failure to submit the final audit report by the due date may result in forfeit of unexpended funds.
	2. The ADD shall have a financial audit for the period ending June 30th of the current year conducted in accordance with:
		1. Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements:
			1. Section 200.501 (a): non-federal entities that expend $750,000 or more in a year in Federal awards shall have a single audit; or
			2. Section 200.501(d): non-federal entities that expend less than $750,000 in a year in Federal awards are exempt from a single audit.
		2. *Government Audit Standards, 2011 Revision*, as issued by the Comptroller General of the United States, and
		3. Auditing standards generally accepted in the United States of America.
	3. The audit report shall contain a supplemental Department for Aging and Independent Living Schedule which summarizes Aging funds received by the ADD. The auditor must issue an opinion on this supplemental schedule. The schedule shall:
		1. Present by program the revenues, expenditures, and excess (deficit) of revenues over expenditures. The totals of these programs are to be presented in a separate column. Matching funds are to be separated out by Local Cash, In-Kind, and Program Income.
		2. Include an integral disclosure note that shall describe details of deferred revenue.
		3. Include notes that describe accounting policies used in preparing the schedule.
		4. Note if the ADD elected to use the 10% de minimis cost rate as covered in Section 200.414 of Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements.
	4. If the ADD pays federal or state funds to vendors, contractors, or subcontractors who are not subject to the audit requirements of this contract, then the ADD shall, at a minimum, provide the final expenditures reports of those entities.
	5. If the ADD is required to make revisions to its fourth quarterly report as a result of the audit, the revised quarterly report shall be marked as “Audited”.
	6. The auditor or audit firm shall be a member of the American Institute of Certified Public Accountants (AICPA) and be licensed by and registered with the Kentucky Board of Accountancy, which includes being enrolled in a peer review program. The audit firm’s professional members shall maintain their professional proficiency through continuing education and training. Auditors assigned to the engagement shall maintain, at a minimum, the Continuing Professional Education (CPE) requirements of the current edition and official interpretations of Government Auditing Standards (a/k/a Yellow Book).
	7. The ADD shall ensure that the auditor, if in agreement with recommendations of the reviewer, makes timely revisions to the audit report or performs additional follow-up audit work in order to correct quality deficiencies, or if not in agreement, responds in writing why the review recommendation is not valid or not warranted.
	8. The ADD shall not pass-on to DAIL or any program funded by DAIL the costs incurred by the independent auditor for time spent correcting deficiencies in audit reports.
	9. Any communications with those charged with governance from the independent auditor to the ADD, immediately upon receipt, and in particular if there are issues or findings of:
		1. Abuse, fraud, illegal acts, or noncompliance with provisions of laws, regulations, contracts, or grant agreements, which could have a direct and material effect on determination of financial statement amounts.
		2. Significant deficiencies or material weaknesses in internal control over financial reporting or major programs, or material questioned costs.
	10. Any correspondence from a federal agency with audit oversight to the ADD that concerns financial or compliance issues of an audit, immediately upon receipt.
	11. For questions concerning audit requirements or requests for audit deadline extensions, please contact the assigned DAIL Financial Liaison.
	12. A copy of any Corrective Action Plan as a result of financial statement findings or federal awards findings and questioned costs sent by the ADD as a response to the independent auditor or to a federal agency.
	13. If the ADD fails to meet any individual component of these requirements, all reimbursement requests shall be held for payment by DAIL regardless of funding source, program, and amount until the audit report complies with all requirements set forth above.
	14. **Program Requirements**
10. Service Population and Eligibility
	1. Serve any person age 60 years or older in need of service and in the project area regardless of other eligibility criteria normally in use by the ADD. The ADD may not impose a requirement as to duration of residency or citizenship as a condition of service. Service must be accessible and available to people with disabilities and limited English speaking older persons. Priority must be given to providing services that will assist and benefit older persons with the greatest social need, economic need, limited English Proficient and those at risk for institutional placement.[[21]](#footnote-21)
	2. Provide services to the following older adult demographic groups, at minimum, in proportion to their representation in the overall age 60+ population in their service area:
		1. Older individuals (60+) with greatest economic need;
		2. Older individuals (60+) with greatest social need;
		3. Low-income minority older (60+) individuals; and
		4. Older individuals (60+) with limited English proficiency.
	3. Provide services throughout the entire service area for which funding is being awarded.
	4. Ensure that client eligibility has been determined according to program regulations, prior to the provision of services and that required client information including eligibility, assessments, and journal entries are entered into the SAMS database.
	5. Ensure that clients meeting program eligibility requirements shall only be removed or denied services if said client meets the requirements of 910 KAR 1:220 (7)(4)(b).
	6. Ensure that services and information shall be offered to those clients that express a desire to pursue private pay designation.
	7. Make the best use of existing resources, including but not limited to the following:
		1. Incorporating the “informal” network into the services design;
		2. Using volunteers and other available local resources as appropriate;
		3. Leveraging local support from local municipalities, foundations, school districts, civic groups, fundraising, etc. to increase funds available and create stronger local ownership of the programs; and
		4. Coordinating and complementing the existing formal service network – public, non-profit and for-profit.
11. Changes to Services
	1. Notify DAIL in advance of any planned closure of the ADD on a day that would normally be a working day (i.e. staff retreats, unofficial holidays). An agency calendar provided to DAIL is sufficient.
	2. Notify DAIL as soon as a decision is made for an unplanned closure that will disrupt the provision of services (i.e. senior center or ADD office closed due to inclement weather).
	3. Provide educational materials to each participant regarding substantial changes to the service delivery of programs within five (5) business days, when indicated to do so by DAIL.
12. Record Maintenance & Documentation
	1. Ensure client records are transferred appropriately, when necessary. Upon termination of this Contract, copies of all appropriate records of all active clients and/or participant data shall be provided to the new service provider in accordance with policy.
	2. Ensure the retention of client-specific records, in a secured physical or electronic location, for five (5) years after the last date of service.
	3. Ensure that confidential data is destroyed in accordance with Federal, State, or local privacy laws and regulations.
	4. Ensure that back-up documentation is provided for any and all expenditures and revenue claimed on all invoices including but not limited to detailed payroll reports, subcontractor invoices, financial system generated reports, and any additional requested documentation.
	5. Ensure all client documentation is available for review in the SAMS system.
	6. Ensure documentation is available at monitoring and upon request by DAIL.
	7. Submit required documentation electronically to DAILAging@ky.gov with an electronic copy to the ADD’s program and/or financial liaison, unless otherwise instructed.
13. Training
	1. Staff providing services under this contract, including staff of subcontractors, should be adequately trained to fulfill their duties.
	2. Ongoing training should be provided by the ADD and/or subcontractor to staff providing services under this contract. Topics should be relevant to the job duties and population served. The number of hours of training should reflect the type of position (i.e. more training hours for a social worker or case manager).
	3. Documentation of training shall be available upon request and should indicate the training date, number of hours, training topic, the trainer, and validation by signature or electronic means (i.e. an email certificate or webinar screenshot).
	4. All staff and volunteers shall be trained annually on preventing, identifying, and reporting abuse, neglect, and exploitation of older adults. Training should be provided by individuals or organizations with expertise in working with older adults and educated in elder justice.
	5. Provide DAIL-approved Board trainings with 100% attendance of the executive board and with a minimum of 70% attendance of all remaining board members.
14. Volunteers
	1. Ensure volunteers that are providing direct service are trained on their role and the Federal, State, local, and contractual requirements of their duties.
	2. Ensure volunteers performing the work of a paid staff position meet all qualifications of the position.
	3. Maintain volunteer records including but not limited to training, total number of volunteers, training hours provided, job description, and work completed.
	4. Provide or arrange for appropriate insurance coverage to protect volunteers from personal liabilities.
15. Acknowledgements
	1. Ensure public awareness materials supported with federal funds and allocated to the ADD through this Contract contain the following statement: “This information is made possible by state and/or federal funding provided by the Kentucky Department for Aging and Independent Living.”
	2. **Requirements Specific to Title III Programs**
16. Intake and Screening
	1. Registered Services as Defined by the Administration on Community Living
		1. Utilize ADRC screening to determine eligibility for Title III programs and to provide community resources to potential clients on the waiting list for Title III services.
		2. Provide person centered planning and transition support for consumers and families with multiple needs.
		3. Record in SAMS those demographics required by the Administration for Community Living.
	2. Unregistered Services
		1. Record in SAMS those demographics required by DAIL and make reasonable effort to record additional demographics.
17. Match Requirements

|  |  |  |
| --- | --- | --- |
| **Program** | **Federal** | **State/Local** |
| Administration | 75% | 25% |
| III-B, C-1, C-2 | 85% | 15%\* |
| III-D Health Promotion and Disease Prevention | 100% | n/a |
| Title III-E National Family Caregiver Support Program | 75% | 25% |

\*5% of the 15% Match Requirement must come from state sources.

1. Additional Requirements for In-Home Services
	1. In-home services shall only be contracted with those personal service agencies certified pursuant to 906 KAR 1:180.
	2. Provide in-home services to clients based upon the client's needs assessment.
	3. Ensure current services provided to the client reflect the care plan.
	4. Report in-home client contacts and any change in the client's status in SAMS.
	5. Utilize the person centered planning approach and document the process in the client record including who was involved, the agency, and services they will provide.
	6. Providing general information to or conducting follow up for potential clients on the waiting list may not be recorded as a case management service, but may be recorded as a supportive service where applicable (i.e. information and assistance).
2. Additional Requirements for Ombudsman
	1. Ensure compliance with 910 KAR 1:210.
	2. Engage with community partners to inform and educate residents, organizations, the long-term care industry, and the general public on issues affecting the long-term care system, the Ombudsman Program, and resident rights per 910 KAR 1:210 Section 4(2)(j).
	3. Participate in elder abuse prevention activities including but not limited to:
		1. Training facility staff
		2. Providing information to facility residents
		3. Providing information to caregivers, family, friends, and support networks of facility residents
	4. Ensure that for maintenance of effort, the ADD shall expend on activities of the Ombudsman Program not less than the amount of Title III funds expended by the Area Agency in Federal Fiscal Year 2000, State Fiscal Year 2001. If the ADD fails to meet any individual component of this requirement it shall have a reduction in administrative funds equal to the unmet maintenance of effort for this program for the next fiscal year.
	5. Purchase liability insurance through the ADD insurance carrier for the DLTCOP when the ADD contracts directly with an individual to provide DLTCO services.
	6. Provide thorough documentation in the approved database including but not limited to:
		1. Ombudsman activities
			1. complaints closed
			2. consultations to facilities
			3. consultation/information to individuals
			4. participation in facility surveys
			5. work with resident councils
			6. work with family councils
			7. facility visits
		2. Training
			1. volunteer ombudsman
			2. friendly visitors
			3. ombudsman staff
			4. facility staff
		3. Community Education
	7. Employ one (1) full time District Long-Term Care Ombudsman.
3. Additional Requirements for Title III-C1 Congregate Meals and Title III-C2 Home Delivered Meals
	1. Ensure every meal shall provide one-third (1/3) of the dietary reference intake (DRI), meet the requirements of the most recent Dietary Guidelines for Americans, and have been approved by a licensed dietitian or certified nutritionist. This includes emergency and shelf-stable meals.
	2. Employ a site director on a paid or volunteer basis who is responsible for activities at the site. OAA Title III-C1 funds may pay a maximum of five (5) hours per day of the site director's time.
4. Additional Requirements for Title III-C1 Congregate Meals
	1. Provide one (1) hot or nontraditional congregate meal per day, five (5) or more days per week, within each county (except in a rural area where such frequency is not feasible and less frequency is approved in writing by DAIL.[[22]](#footnote-22)
		1. Submit an exception request as part of the ADD's area plan in the Waivers and Special Program Approvals section. If an area plan has already been approved by DAIL for a fiscal year, the ADD shall submit an amended area plan to comply with this requirement. An explanation of the reason for the exception request should include the following:
			1. Number of days requested to serve.
			2. Reason for serving less congregate meals than five (5) days per week.
			3. Number of participants affected by this particular change or action.
			4. Determination if the ADD is serving less than five (5) days per week is short term or long-term.
			5. The date the ADD advisory council approved the change.
			6. The date the ADD board approved the change.
			7. How current participants will still be able to access one (1) hot or nontraditional meal per day, five (5) or more days per week.
			8. If a change or reduction of congregate meals is due to attendance, provide an explanation of actions taken to increase attendance.
			9. Provide a cost analysis for proposed plan (cost analysis on keeping services going versus the change, costs versus serving congregate meals less than five (5) days per week).
			10. Provide the location of and distance to the nearest site.
			11. Provide how transportation will be provided to the nearest site.
			12. Provide a proposed effective date for the change.
			13. Provide emergency meals that meet the nutrition requirements of 910 KAR 1:190.
		2. All exception requests must be approved by DAIL before the ADD can serve congregate meals less than five (5) days per week in a rural area.
5. Additional Requirements for Title III-C2 Home Delivered Meals
	1. Administer Title III-C2 Home Delivered Meals in accordance with the OAA, 910 KAR 1:180, 910 KAR 1:190 and the provisions of this contract.
	2. Provide one (1) hot or nontraditional home delivered meal per day, five (5) or more days per week.
	3. Perform nutrition screening using questions required by DAIL at intake and at least annually thereafter.
		1. The score assigned to each question and the total score shall be recorded in SAMS and the participant’s file.
	4. Implement a plan for nutrition education that shall include a minimum of one (1) session each month. Information provided should be derived from a reputable, professional source.
	5. Maintain a policy and procedure that explains how a home delivered meals program will be monitored according to the requirements of 910 KAR 1:190 Section 5, Home Delivered Nutrition Services.
	6. Ensure clients meet eligibility as outlined in 910 KAR 1:190 Section 2(3), Eligibility and document how participants of home delivered meals meet eligibility:
		1. unable to attend a congregate site because of illness or an incapacitating disability and
		2. there is no one in the home able to prepare a nutritious meal on a regular basis.
	7. Provide documentation of approval for provision of non-traditional meals.
		1. Include documentation of contact with participants who receive non-traditional meal delivery less than once a week.
		2. Complete and retain non-traditional meal assessments on all Home Delivered Meal clients receiving non-traditional meals and record the following items in the participant’s file:
			1. The need for further intervention as determined by a score of six (6) or greater.
			2. Intervention provided based on score.
			3. Follow up on previous interventions.
6. Additional Requirements for III-D Disease Prevention and Health Promotion
	1. Administer the Title III-D Disease Prevention and Health Promotion according to section 361 of the OAA, the policies and procedures of the chosen program, and the provisions of this contract.
	2. Ensure Title IIID funds are used only for programs that have been demonstrated through rigorous evaluation to be evidence-based and effective according to the definitions of the ACL.
	3. DAIL reserves the right to limit the programs available for selection to more efficiently utilize financial resource and improve the health outcomes across the state.
	4. Participate in monthly conference calls with DAIL.
7. Additional Requirements for Title III-E National Family Caregiver Support Program
	1. Engage at a minimum quarterly with community partners to provide community outreach and education regarding available resources for NFSCP recipients.
	2. Engage with community partners to provide one (1) region wide annual caregiver training. All NFCSP recipients shall be notified of the annual caregiver training.
	3. Schedule at a minimum quarterly region wide caregiver support group meetings. All NFCSP recipients shall be notified of the caregiver support group meetings.
	4. Participate in conference calls and attend Coordinator meetings or trainings as scheduled and requested by DAIL.
	5. Ensure that no more than twenty percent (20%) of the total funds shall be used for supplemental services.
	6. Ensure that no more than ten (10%) of the total funds shall be allocated to the implementation of support services to grandparents and older individuals who are relative caregivers to children age eighteen (18) years and younger.
	7. Submit receipts with invoices for the purchase of appropriate supplemental services as needed to support the participant. Invoice requests are not to exceed amount listed on the voucher.
	8. Ensure applicants meet ACL criteria for eligibility:
		1. Adult family members or other informal caregivers age 18 and older providing care to individuals 60 years of age and older
		2. Adult family members or other informal caregivers age 18 and older providing care to individuals of any age with Alzheimer’s disease and related disorders
		3. Older relatives (not parents) age 55 and older providing care to children under the age of 18; and
		4. Older relatives, including parents, age 55 and older providing care to adults ages 18-59 with disabilities
	9. Process applications on a priority basis using the National Family Caregiver Support Program Caregiver Prioritization worksheet provided by DAIL.
	10. Ensure the National Family Caregiver Enrollment application for completeness of information, verifications, signatures, and dates.
	11. Utilize the ADRC screening to identify needs outside the NFCSP and document any follow-up efforts in the participant's case file.
	12. Provide documentation in the case file of any additional resources provided to NFCSP recipients as requested or provided by contractor staff.
	13. Develop and utilize an outreach log that shall be available during monitoring to document the following:
		1. Type of outreach activity.
		2. Area of community covered.
		3. Total number of people receiving the information.
		4. Partners in the activity.
	14. Complete annual reassessments, dated and in a DAIL approved format for caregivers for additional needs and/or care recipients for changes in level of care (needing assistance with ADLs/IADLs or needs supervision).
	15. Utilize the Attestation of Relationship form for the Caregiver program when no other verification of relationship can be obtained.
	16. Provide or designate at least one (1) Program Coordinator.

###  Deliverables

1. Administrative and Financial
	1. A copy of the ADD’s current job descriptions must be on file with DAIL.
	2. Submit an updated waiting list, in the DAIL approved format, quarterly as follows: July 15th, October 15th, January 15th, and April 15th.
	3. Develop an area plan in accordance with a template and instructions provided by DAIL and perform all the functions described in the approved area plan, budgets, and service delivery objectives, which are hereby incorporated by reference as if fully set forth herein. Area plans are due March 31st.
	4. Submit a correct budget for all programs to DAIL by 4:30 p.m., Eastern Standard Time August 1st of the current year. For any allocations that are provided to the ADD after July 1st of the current year, specific timelines for return on budget shall be provided in the budget instruction letter.
	5. Ensure all invoices with supporting documentation are submitted by the 19th day of each month by 4:30 p.m., Eastern Standard Time or the next business day if the 19th falls on a weekend day or a state holiday.
	6. Ensure ninety-nine percent (99%) of state funds shall be expended by June 30th.
		1. 25% of all funds should be expended by the end of each quarter. Within 14 days of the end of each quarter, if 25% of funds have not been expended, the AAA shall contact DAIL to discuss any issues and plans for spending the funds.
	7. Ensure at least ninety percent (90%) of all funding provided through DAIL is used for service provision in accordance with monthly invoices.
	8. Provide local match equal to or greater than the amount in effect during the prior fiscal year.
	9. Provide DAIL-approved Board trainings with 100% attendance of the executive board and with a minimum of 70% attendance of all remaining board members.
	10. Distribute client satisfaction surveys to measure outcomes and satisfaction. Client Satisfaction Surveys shall be available for review during monitoring or as requested by DAIL.
	11. Provide documentation that all staff and volunteers have received training on preventing, identifying, and reporting abuse, neglect, and exploitation of older adults.
2. Services
	1. Provide the number of services needed to the greatest number of recipients feasible in order to achieve the goals of the approved area plan.
		1. The baseline minimum number of units of service and number of clients served is equal to the numbers established in the previous year in the following categories:
			1. Total Clients
			2. Total Registered Clients
				1. % Minority Clients
				2. % Rural Clients
				3. % Clients Below Poverty
				4. # Clients with 3+ ADLs
				5. # of Persons Served at High Nutrition Risk
			3. # of Service Units and # of People Served in Title III-B, C-1, C-2:
				1. Personal Care
				2. Homemaker
				3. Chore
				4. Home Delivered Meals
				5. Adult Day Care
				6. Case Management
				7. Assisted Transportation
				8. Congregate Meals
				9. Transportation
				10. Legal Assistance
				11. Information and Assistance
				12. Outreach
				13. Health Promotion and Disease Prevention
				14. Self-Directed Care
				15. Other Services
		2. # of Service Units and # of People Served in Caregivers Serving Older Adults
			1. Counseling/Support Groups/Caregiver Training
			2. Respite Care
			3. Supplemental Services
			4. Self-Directed Care
			5. Access Assistance
			6. Information Services
		3. # of Service Units and # of People Served in Older Relative Caregivers
			1. Counseling/Support Groups/Caregiver Training
			2. Respite Care
			3. Supplemental Services
			4. Self-Directed Care
			5. Access Assistance
			6. Information Services
	2. If there is a difference +/- 10% in a category, a justification should be provided that adequately describes the circumstances that contributed to the difference. Justifications are used to identify trends, establish priorities, and plan for the future needs of the aging network and service recipients.
	3. Title III-B Ombudsman
		1. Ensure the resolution rate for each district program shall be seventy percent (70%) or higher each quarter. If the district program is not at 70%, the district program shall submit a plan to the Kentucky Long-Term Care Ombudsman to increase the resolution rate for the next quarter.
		2. Ensure that a Certified Ombudsman, at a minimum, attends at least one nursing facility resident council meeting annually for each long term care facility that has a resident council established within the district.
		3. Document the number of training sessions for new Certified Ombudsman staff or volunteers in Ombudsmanager. Documentation will show that 100% of Certification Training provided meets the minimum requirement of twenty-four (24) hours of Certification Training.
		4. Provide continuing education training to Certified Ombudsman staff and volunteers, excluding Certification Training, to ensure volunteers are aware of ongoing developments and skills needed to maintain health, safety, welfare and rights of residents. District Programs will provide at a minimum, four (4) hours of continuing education to Certified Ombudsman staff and volunteers. These trainings may coincide with advisory council meetings. These activities shall be documented in Ombudsmanager.
	4. Title III-E National Family Caregiver Support Program
		1. Maintain a list of referral resources provided to the NFCSP recipients and have available at monitoring.
		2. Submit a proposed agenda including the location of the event, a list of event activities, and a list of community providers engaged in the annual caregiver training at least 14 calendar days prior to the scheduled training for DAIL approval.
		3. Submit a schedule quarterly of region-wide caregiver support group meetings available to caregivers in the district.
	5. State Focus Areas

DAIL is introducing focus areas to improve senior health across the state. These priorities were chosen following a review of the 2018 America’s Health Rankings Senior Report, Healthy People 2030, and the Kentucky State Health Improvement Plan 2017-2022. AAAs shall address these focus areas utilizing current funding and their current service network as is feasible. DAIL will provide guidance and support for this new initiative.

* + 1. Reducing food insecurity
			1. Track activities conducted to reduce food insecurity.
			2. Track the number of individuals added to/removed from the congregate and home-delivered meals waitlist.
			3. Track the percent change in nutrition risk score pre and post meals service, as applicable.
		2. Smoking cessation
			1. Track activities conducted to reduce the number of older adults who smoke.
			2. Track the number of individuals who participate in smoking cessation activities.
			3. Track the number of individuals who successfully quit smoking after participating in an activity/service/program provided by or in partnership with the AAA, as applicable.
		3. Increasing physical activity
			1. Track activities conducted to increase the physical activity of older adults.
			2. Track the number of individuals who participate in physical activity.
			3. Track the aggregate number and percent change in number of days and/or minutes of physical activity completed by older adults pre and post activity/service/program, as applicable.
		4. Improving mental wellbeing
			1. Track activities conducted to improve mental wellbeing.
			2. Track the number of individuals who participate in any activity/service/program provided by or in partnership with the AAA, as applicable.
			3. Track any outcome or performance measures for any activity/service/program provided by or in partnership with the AAA, as applicable.

###  Reporting Requirements

1. SAMS
	1. Ensure all reported data is accurately reflected and documented in SAMS no later than the 10th of the following month. The SAMS report information shall match the information submitted on the backup documents for the Homecare program. SAMS information shall include:
		1. All data required by the ADRC.
		2. Complete client records, including intake, screening, the DAIL approved assessment, DAIL approved plan of care, and service units.
2. NAPIS State Program Reports
	1. NAPIS reports are completed by the states to provide the Administration on Aging (AoA) with a review of the state’s annual performance. Three principal types of data are included:
		1. performance data on programs and services funded by the Older Americans Act (OAA);
		2. demographic/descriptive data on the older adult population obtained from the U.S. Census Bureau and other sources; and
		3. descriptive data on the infrastructure of home and community-based services in place to assist older persons, based on AoA studies and related reviews.
	2. The state’s annual NAPIS report is a roll up compilation of each individual contractor’s NAPIS Report. In order to report the state’s performance to the Administration on Aging, the ADD shall:
		1. Submit the NAPIS report electronically via SAMS and with email notification to DAIL on or before October 31st at 4:30 pm EST. FY 2019 – 2020 data due October 31, 2020.
		2. Ensure missing data is not equal to or greater than three percent (3%) in any category.
		3. Include complete justifications on the required DAIL form for any changes plus (+) or minus (-) 10% for each service and cost category of units and expenditures.
		4. Include a 2-year comparison submitted on the required DAIL form.
		5. Corrections to the NAPIS report must be complete and approved by DAIL on or before close of business November 16th.
3. Other reporting requirements
	1. Submit a written evaluation of findings, corrective action plans (if necessary), and desktop monitoring, to DAIL no later than March 31st of the current year.
	2. Submit a plan by January 15th on how state and federal funds will be spent down if funds are not 50% expended for the first six months of the state fiscal year.
	3. Submit quarterly reports (see KRS 147A.115 for definitions and guidance) to include:

1st October 31, 2019

2nd January 31, 2020

 3rd April 30, 2020

4th July 31, 2020

1. Program specific reporting requirements
	1. Ombudsman
		1. Ensure that the previous month's cases, complaints, and program activities are documented in the Ombudsmanager System by the 15th of each month. Monthly invoices shall match the documentation in Ombudsmanager.
		2. Submit a quarterly report on the ADD's resolution rate to the Kentucky Long-Term Care Ombudsman. When the resolution rate is below 70%, submit a plan to increase the resolution rate for the following quarter. Quarterly reports are due October 1st, January 1st, April 1st, and June 30th.
	2. Title III-C1 and Title III-C2
		1. Ensure cost effective meals by collecting data including the information listed below. The information shall be available to the DAIL Dietician upon request and/or during monitoring.
		2. Track and compare over-produced meal numbers for all providers. This would include meals produced, but not consumed by a participant.
		3. Monitor food purchasing practices to ensure best cost.
		4. Monitor delivery times and routes.
		5. Maintain documentation of Home Delivered Meals clients who were not home to receive meals.
		6. Track volunteer numbers and service time.
	3. Title III-D
		1. Provide planning and progress reports quarterly using the same schedule as the other quarterly reports.
2. If any individual component of these reporting requirements is not met, all reimbursement request(s) will be held regardless of funding source, program, and amount until such time as the NAPIS report complies with all requirements set forth above.

### Subcontractors

1. Direct provision of supportive, nutrition or in-home services, except as specifically approved by the Department, is not allowed.
	1. Any ADD wishing to provide direct service must determine the basis for the exception by a review of the Older Americans Act Section 307(a)(8) and submit a written request for exception. Such requests for exception must:
		1. Include the basis for the exception which is either:
			1. Based on the need to assure an adequate supply of the service; and/or
			2. Based on the service being directly related to the ADD’s administrative functions; and/or
			3. Based on the service being provided more economically, and with comparable quality, by the ADD
				1. Include verifiable evidence and documentation to support such a request for exception;
				2. Include precise measurable objectives for the proposed service; and
				3. Be approved by DAIL in writing.
		2. Approval by DAIL for an ADD to perform direct services will be valid for not more than one area plan cycle. During the cycle, the ADD must work with local service providers to develop the capacity to perform the service if the exception no longer meets the criteria cited in above.
		3. Provision of direct services by the ADD will not be incorporated in the area plan without specific prior approval of DAIL.
2. Subcontracts shall be made to service providers and include the following:
	1. specify how the provider intends to satisfy the service needs of low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas in the area served by the provider;
	2. to the maximum extent feasible, provide services to low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas in accordance with their need for such services; and
	3. meet specific objectives established by the area agency on aging, for providing services to low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas within the planning and service area.[[23]](#footnote-23)
3. All RFPs should adhere to KRS 45A Kentucky Model Procurement Code.
	1. Provide DAIL with all RFPs and related processes thirty (30) calendar days prior to the scheduled release date to be approved for distribution.
4. Ensure entities contracting with the ADD to provide services utilizing DAIL funds do not subcontract with another entity to perform services. Second tier subcontracts are prohibited.
	1. The ADD may submit a request in writing for an exception. A request should include the name of the entity, the reason for the request to subcontract, and any disclosures of conflicts of interest with the ADD or its contractor(s).
5. Include a flow down clause in all subcontracts requiring all subcontractors to adhere to the obligations of the ADD pursuant to this Contract.
	1. Subcontract with only those personal service agencies certified pursuant to 906 KAR 1:180 Section 2(1) through (4) and KRS 216.710(8).
6. Monitor subcontractors annually, and ensure documentation is maintained and available for DAIL during on-site monitoring, or upon request.
7. Ensure any DAIL written communication sent to the ADD that impacts the ADD’s subcontractors is sent in original format to the subcontractor in as timely a manner as possible.
8. Ensure all subcontract agencies comply with applicable statute, regulatory, and contract requirements.
9. Ensure service continuity and for the protection of the health, safety and welfare of the clients receiving services under this Contract. The ADD shall either perform the responsibilities of the terminated provider or assign responsibilities to another provider. It is the ADD’s responsibility to secure all program/client records, facilities under program control, and equipment. Should a termination of a subcontract be necessary, the ADD must contact DAIL immediately and an emergency plan of action must be submitted for DAIL approval within 10 days of action, with a permanent plan of action submitted for approval within 90 days.
10. Sub-awards and/or sub-providers to this Contract shall be subject to monitoring by DAIL staff on an as needed basis.

###  Payment and Invoicing Requirements

1. Payments by DAIL to the ADD shall be conditioned upon:
	1. receipt of appropriate, accurate, and actual invoices along with backup documentation including source documentation,
	2. receipt of invoices by the stated deadline,
	3. continued satisfactory performance, as determined by DAIL, and
	4. the availability and allocation of local agency or governmental funds, or state or federal funds necessary to finance the performance of the services described in this Contract.
	5. Payment by DAIL to the ADD shall be made only after the Secretary of the Finance and Administration Cabinet or his designee has approved this Contract.
	6. Reimbursement of actual allowable expenditures shall be made in accordance with the approved budget.
2. Pursuant to KRS 205.211, the CHFS Cabinet Secretary has the authority to correct any underpayment or overpayment of public assistance benefits.
3. Requirements for Invoices
	1. Invoices may be submitted between the tenth (10th) and nineteenth (19th) day of each month following the month of service to DAIL by the ADD.
	2. Invoices must be submitted in accordance with Section 3.00.10 – Payment and at a minimum include:
		1. Vendor's name and address.
		2. PON2 number that invoice(s) are using for funding.
		3. Clearly list dates of service (from and to) in stated format example: January 1, 2018 to January 31, 2018.
		4. The dates covered by the invoice must be between the first day of the month and the last day of the month. Invoices cannot cover part of a different month. For example, April’s invoice would be April 1 through April 30, not April 1 through May 19.
		5. Total amount due for the current billing cycle.
		6. Cumulative total for all invoices to date.
	3. If invoices are not received by the 19th, no approval or payment will take place until the following month’s submission of invoices. In this event, individual monthly invoices are required and will not be accepted in a combined amount on a single invoice.
	4. If notification of incorrect invoices is received, the ADD will have two (2) business days to respond.
	5. If invoices are not correct in totality (financial and programmatic) within fifteen (15) business days, payments will not be made until the following month with the submission of that month’s invoice.
	6. The above policies exclude the procedures for the month of June.
		1. June invoices shall be due to DAIL in compliance with the Commonwealth’s fiscal year close out procedure.
		2. June invoices shall be submitted four (4) business days prior to the last day to post transactions in the Commonwealth’s accounting system per the relevant fiscal year’s closing schedule.
		3. A closing memo will be issued to the ADD upon notification to DAIL by the Commonwealth.
	7. All services billed must be documented as required in SAMS and/or other program-specific systems. Required data on invoices or invoice backup forms must match data recorded in SAMS.

### Monitoring Requirements

The ADD shall monitor and evaluate the performance of activities under Title III in accordance with this Contract, 910 KAR 1:220, and all other federal and state laws, regulations, and licensure requirements.

1. Notify DAIL within three (3) working days whenever such compliance is not met.
2. Ensure that client eligibility has been determined, according to each program regulation, prior to the provision of services and entered into SAMS prior to service implementation.
3. Provide training and technical assistance regarding corrective action plans as needed.
4. Follow the same internal monitoring process for services provided by the ADD as for those that are subcontracted.
5. Maintain all monitoring documentation and findings for review by DAIL.

### Related Documents and Materials Incorporated by Reference

KRS Chapter 13B Administrative Hearings KRS 45A Kentucky Model Procurement Code

KRS 116.048 Voter registration agencies

KRS 147A.115 Annual reports of receipt and expenditure of state and federal fundings

KRS 205.211 Secretary to correct any underpayment or overpayment of public assistance benefits KRS 209.030 Reports of adult abuse, neglect, or exploitation

KRS 216.710 Personal services agencies

200 KAR 2:006 Employees' reimbursement for travel

910 KAR 1:140 General administration, programs for older individuals and persons with disabilities 910 KAR 1:180 Homecare program for the elderly

910 KAR 1:190 Nutrition program for older persons

910 KAR 1:220 General administration, programs for older individuals and persons with disabilities

1. 2 CFR 200.310 [↑](#footnote-ref-1)
2. Older Americans Act (OAA) Section 306(a)(4)(A)(i) and (a)(4)(B) [↑](#footnote-ref-2)
3. OAA Sec 306(a)(5)(B) [↑](#footnote-ref-3)
4. OAA Sec 305(a)(2)(E) [↑](#footnote-ref-4)
5. OAA Sec 306(a)(4)(A)(ii) [↑](#footnote-ref-5)
6. Federal Register Vol 68, No. 153, August 8, 2009, p. 47311 [↑](#footnote-ref-6)
7. OAA Sec 306(a)(1) [↑](#footnote-ref-7)
8. OAA Sec 306(a)(6)(a),(d)] [↑](#footnote-ref-8)
9. OAA Sec 202(a)(20) [↑](#footnote-ref-9)
10. OAA Sec 373(d) [↑](#footnote-ref-10)
11. 45 CFR 1321.67(f)(3,5); OAA Sec 315(b) [↑](#footnote-ref-11)
12. OAA, Section 304(d)(1)(A) [↑](#footnote-ref-12)
13. 45 CFR Part 75 (§75.403) [↑](#footnote-ref-13)
14. 45 CFR Part 75 (§75.404) [↑](#footnote-ref-14)
15. 45 CFR Part 75 (§75.405) [↑](#footnote-ref-15)
16. 45 CFR Part 75 (§75.413) [↑](#footnote-ref-16)
17. 45 CFR Part 75 (§75.414) [↑](#footnote-ref-17)
18. OMB Circular A-87 [↑](#footnote-ref-18)
19. 2 CFR 200.442 [↑](#footnote-ref-19)
20. 2 CFR 200.454 [↑](#footnote-ref-20)
21. OAA Secs 102(40), 306(a)(4)(A)(i), 302(9), 307(a)(13)(A), and 343; 45 CFR 1321.17(f)(2) [↑](#footnote-ref-21)
22. 42 U.S.C. 3030e [↑](#footnote-ref-22)
23. OAA Sec 306(a)(4)(A)(ii) [↑](#footnote-ref-23)