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PROGRAM MEMO

To: Area Agencies on Aging**No:** 23-12**DATE ISSUED:** June 12, 2023**SUBJECT:** Nutrition Modernization (NM) Funding for the Older Californians Act Nutrition Services**EXPIRES:** N/A**PROGRAMS AFFECTED:** Nutrition Services under the Older Californians Act**SUPERSEDES:** N/A**PURPOSE**

This Program Memo (PM) outlines the funding intent, process, project options, methodology, and timing for the FY 2023-24 Nutrition Modernization (NM) funding for nutrition services under the Older Americans Act (OAA) and the Mello-Granlund Older Californians Act (OCA). Funding for these efforts is provided by the State General Fund in response to the Area Agencies on Aging (AAA) network's legislative proposal. The purpose of this PM is to provide guidance to the AAA network and to encourage the AAAs to modernize, advance, and expand the OCA programs where there are opportunities for continued sustainability beyond the one-time funding.

Background

The OCA's first major amendment in 1996 (AB 2800) established various OAA programs and introduced additional programs not part of the OAA. Initially, these additional programs were funded primarily by the State General Fund; subsequent budget cuts during the Great Recession, however, left these programs authorized but unfunded. The NM funding supports the expansion of nutrition services and related projects outlined below as well as the modernization of programs identified under the OAA and OCA.

FUNDING INTENT

Through the 2022 Budget Act, \$186 million is allocated to the California Department of Aging (CDA) to support modernization of the OCA. Of the funding provided, \$126.7 million is dedicated to modernizing nutrition services as follows:

- \$15.1 million General Fund (GF) in FY 2023-24
- \$37.2 million GF in FY 2024-25

- \$37.2 million GF in FY 2025-26
- \$37.2 million GF in FY 2026-27

The NM funding will support the AAAs and their service providers in expanding and modernizing nutrition services for older adults. AAAs will have multiple options in support of nutrition services and may utilize NM funding each contract year over a five-year period to fund one or multiple options outlined under Project Options. The AAA partners are not required to fund all programs identified in the NM contract. It is at the discretion of each AAA to fund programs that can be supported within their respective Planning Service Area (PSA).

PROJECT OPTIONS

AAAs may utilize NM funding to fund as many of the following programs/activities each contract year as desired.

Project Option	Brief Project Description
Brown Bag Program¹	A program that provides both surplus, and donated edible fruits, vegetables, and other unsold food products to low-income older individuals age 60+.
Groceries	Assistance to Older Americans Act (OAA) participants age 60+ in the form of food items
Intergenerational Activities²	Efforts related to the planning, development, and implementation of activities and programs that bring participants of the Older Californians Nutrition Program (OCNP) together or with individuals under the age of 60.
Nutrition Infrastructure	Capacity and infrastructure improvements for the OCNP including purchasing, upgrading, or refurbishing infrastructure for the production and distribution of OCNP meals Note: Nutrition Infrastructure is only available in FY 2023-24.
Title III C-1 and C-2 Meals	Efforts to modernize and/or expand the OCNP and appeal to new clients through options including, but not limited to: <ul style="list-style-type: none"> • To-Go Meals: Meals that are picked up by OCNP clients (or client's agent) or delivered to clients who are not comfortable dining in a congregate meal setting or are unable to attend during congregate meal times.

¹ Brown Bag program as defined in **California Welfare and Institutions Code, Division 8.5, Chapter 7.5 (the Mello-Granlund Older Californians Act [AB 2800, Statutes of 1996])**

² The continuation of intergenerational activities as defined as part of the OARR IF HCBS contract

	<ul style="list-style-type: none"> Restaurant Option Meals: AAAs and/or nutrition providers contract with foodservice establishments such as restaurants, cafes, food trucks, and grocery stores for hot and/or cold meals. OCNP clients may use vouchers to obtain meals at contracted locations.
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For the requirements for each project option, refer to **NM-2324, Exhibit A, Article II Scope of Work** linked [HERE](#).

EQUIPMENT PURCHASES

CDA requires pre-approval of AAA Administrative and AAA Direct Services equipment expenditures/purchases over \$5,000 and all computing equipment, regardless of cost. AAAs have delegated approval authority for subcontract equipment purchases and should require pre-approval of those equipment purchases over \$5,000 and of all computing equipment, regardless of cost and follows CDA’s standard guidelines and procedures as outlined in [PM 22-15](#).

PROGRAM FLEXIBILITIES

Program flexibilities provided under the COVID-19 Major Disaster Declaration ([PM 23-05](#)) will end by June 30, 2023, and do not apply to the NM funding.

FUNDING FORMULA AND DISTRIBUTION

For information on the allocation methodology, please refer to the Allocation Methodology Document included in the emailed contract package.

BUDGET DISPLAYS

Budget Displays are included in the emailed contract package.

EXPENDITURE REPORTS AND CLOSEOUT

This funding is separate from all other Title III C/Area Plan funding and must be tracked separately. Data and expenses for NM funding should not be tracked in the NAPIS/SPR systems.

Data is reported quarterly in the format specified by CDA. Refer to **NM-2324, Exhibit A, Article III. Reporting Provisions** for further detail.

AAAs are required to report expenditures monthly. To report expenditures, AAAs must use the Local Finance Reporting System.

Each Fiscal Year’s funds must be closed out 30 days after the funding period ends. Closeout information will be forthcoming.

Fiscal Year	Funding Period	Closeout Due Date
FY23/24	7/1/23 – 3/31/26	4/30/26

FY 24/25	7/1/24 – 3/31/27	4/30/27
FY 25/26	7/1/25 – 3/31/28	4/30/28
FY 26/27	7/1/26 – 3/31/29	4/30/29

INQUIRIES

For questions regarding this PM, please email:

ocamodernization@aging.ca.gov or CDANutritionandHealthPromotion@aging.ca.gov.

/S/

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