



**PIEDMONT TRIAD REGIONAL COUNCIL**  
**AREA AGENCY ON AGING**

## **HCCGB Cost Computation Tips & New Items for FY 2025**

Reimbursement rate for FY 2025 NSIP is **\$0.80 per meal**

### **Prior Approval Required for Capital Acquisitions and Building Improvements**

A prior approval process has been in effect since January 8, 2021, which applies to all capital purchases and building improvements using **federal and/or state funding** costing **\$5,000 or more**.

This process applies to Home and Community Care Block Grant (HCCBG) funded services including Senior Center Operations as well as the state Senior Center General Purpose funds. DAAS

Administrative Letter regarding this can be found here: <https://www.ncdhhs.gov/media/10452/open>

Any capital purchase and/or building improvement costing **\$5,000 or more** requires the use of a “Prior Approval Request and Justification Form” along with the submission of three quotes. The PTRC Area Agency on Aging forwards this form to the NC Division of Aging and Adult Services for approval.

The dollar amount threshold applies where the total of the single transaction purchase is \$5,000 or more. For example, purchasing iPads that are \$299.00 each but 20 iPads are purchased at one time. The total transaction is \$5,980, so this would require the use of a “Prior Approval Request and Justification Form” along with the submission of three quotes.

A capital purchase means those items that have a useful life of more than one year.

**Capital purchases include:** equipment including exercise equipment, appliances including refrigerators and freezers, furniture, tools, electronics, technology, and technology systems.

**Building improvements include:** building renovations, as well as building and grounds projects.

**Beginning with SFY 2022, HCCBG Cost Computation paperwork that includes categories for Equipment, Furniture, Electronics, Technology, and Building Improvements must include an itemized detail of the specific costs for each category.**

Home and Community Care Block Grant funding **may not** be used for the purchase of gift cards and or the purchase of fuel / gas cards.

### **DAAS-732A1-Labor Distribution Worksheet**

The DAAS 732a1 totals should match the DAAS 732a totals for each service as found on Page 2, Section II, Staff Salary, of the DAAS 732a.

### **DAAS-732A-Service Cost Computation Worksheet**

**Page 1: Projected Revenue** (Revenue MUST equal Expenses)

- Include the Agency Name, County, and Fiscal year.
- Place HCCBG service title at the top of each column on every page.

- Double check and make sure you have the correct allocation for your agency.
- Be specific about In-Kind Match identifying the source and calculation.
  - Ex: 1000 Volunteer hours using the national volunteer rate of \$31.80 <sup>1 Footnote</sup>
- NSIP is calculated by taking the projected total unit count from page 3, Sec. III A. 2. times \$0.80
  - Ex: 6500 total projected units x \$0.80 = \$5200; Page 1, Sec. I, D. = \$5200

#### Match and Non-match

- Identify the **source** of the match/non-match by **name**: Sections I.A, I. E, I.F, and I.G.
  - Ex: Cash; United Way; ROAP Funds; County Funds

#### Page 2: Line Item Expenses (Expenses MUST equal Revenue)

- FICA must be broken out as a separate line item.
- Admin Cost must include the basis for which the Admin cost spread is based.
  - Ex: Basis: Schedule of percentage of direct salaries charged on *732A1 Labor Distribution form*.
- In-kind Match revenue must be off set and listed on page 2, Section C, Local In-kind Resources under expenses.
  - Ex: Page 1: Revenue In-kind Match \$2500.  
Page 2: Expenses In-Kind Match \$2500.
- Travel: Include Mileage Reimbursement rate and formula supporting projected total.
  - Ex: \$0.50 x 2000 miles = \$1000
- If a service provider has a federally approved indirect cost plan, a copy is to be submitted with the service provider's cost computation documentation.

#### General Operating Expenses

- If a service provider has several In-Home aide contractors, please list each subcontractor separately along with the contract rate for each.
- When providing nutrition service, separate costs for congregate meals and home delivered
  - Ex: 218 home delivered meals x \$3.32 per meal = total cost of home delivered
- Occupancy costs - Include the basis and the calculation as to how occupancy costs are spread and charged to the funded HCCBG programs should be provided. <sup>2 Footnote</sup>
- Be specific when identifying costs.
  - Ex: rent, accounting fees, utilities, printing costs, and mailing

#### Page 3: Computation of Rates

- Information on page 3 corresponds with the information stated on the Provider Services Summary DAAS 732. See lower left corner for instructions.

### DAAS-732-County Service Summary

- Include the Agency Name, County, and Fiscal year.
- Complete column H "Projected HCCBG Clients" for every service.
- Carry the rate for unit based services to four decimal points.
  - Ex: \$33.9974 **not** \$34.00

### DAAS-733-Methodology to Address Special Needs

- Include the Agency Name, County, and Fiscal year.
- This narrative should explain in detail the method, plan or approach that will be utilized to target each of the Special Needs groups as required by the Older Americans Act.

## DAAS-734-Standard Assurances

- Include the Agency Name, County, and Fiscal year.
- Signed by the agency director.

## Certification of Match

- Include the Agency Name, County, Services, and Fiscal year.
- In-Kind match resources (Ex: In-kind rent; space; or staffing) must be fully documented and verifiable. Records must be maintained to support how the value of the in-kind resource was determined. An in-kind report will be requested by the PTRC AAA near the end of the fiscal year for approval and verification.
- Matching funds listed on the *732a Cost Computation worksheet* Sections I.A, I. E, I.F, and I.G should be listed in Section C: Other Non-Matchable Resources on the Certification of Match.
  - Ex: Cash; United Way; ROAP Funds; County Funds

## Exhibit 14A

Exhibit 14A is required annually from all service providers who file a Subcontractor Performance Evaluation form(s) with the PTRC AAA.

### Footnote:

- <sup>1</sup> Source: <https://independentsector.org/resource/value-of-volunteer-time/#:~:text=In%20its%20newest%20Value%20of,state%20data%20on%20volunteer%20hours>
- <sup>2</sup> Per Part 200 Section 400.405 (d): When direct costs benefit two or more activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the activities based on the proportional benefit. If the benefit cannot be proportionally determined the costs may be allocated on **any reasonable documented** basis. However, note what Part 200 Section 400.405 (c) states: Any cost allocable to a particular Federal award under the principles provided for in this part **may not** be charged to other Federal awards to overcome fund deficiencies. **So using revenue as a basis for spreading costs is not allowable.**  
[Code of Federal Regulations, Part 200 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS](#)

## Calculating Local Match

Minimum match is determined as follows: the amount of HCCGB funding divided by .90, then multiplied by .10. The sum of cash match and in-kind match must total the minimum match requirement. If in-kind resources are being used to meet any or all local match requirements, adequate documentation describing the contribution and the method of determining its value must be maintained.

$$\text{HCCBG allocation amount} \div .90 \times .10 = \text{Required Local Match}$$