

<b>Region 9 AAA</b>	<b>Local Policy #</b>	<b>12</b>
<b>Policy Name</b>	<b>Waiver of Contract</b>	
<b>Original Policy Date</b>	<b>August, 2007</b>	
<b>Review/Revise Date</b>	<b>November 30, 2010, March 10, 2014, November 2016, September 2021</b>	

**Policy:**

The Area Agency on Aging provides opportunity for Subcontractors to request policy waivers. A Subcontractor may request a waiver to amend service agreements/contracts to assure compliance with the Michigan Aging and Adult Services Agency (AASA) rules and regulations.

**Procedures:**

1. A request for waiver must be submitted in writing to the Area Agency on Aging Director and include the rationale for such request.
2. Written approval from the Area Agency on Aging Director must be received prior to any changes in operation.
3. Minimum service standards waiver requests submitted to the Area Agency on Aging mid-year are to be considered temporary accommodations and subject to approval by the NEMCSA Board of Directors.

<b>Region 9 AAA</b>	<b>Local Policy #</b>	<b>13</b>
<b>Policy Name</b>	<b>Withholding of Subcontractor Funds</b>	
<b>Original Policy Date</b>		
<b>Review/Revise Date</b>	<b>November 30, 2010, March 10, 2014, November 2016, September 2021</b>	

**Policy:**

The Area Agency on Aging reserves the right to delay, suspend or withhold payment of any Subcontractor funds for reasons deemed necessary by the Area Agency on Aging. Reasons may include, but are not limited to:

- Insufficient paperwork.
- Incorrect paperwork.
- Late submission of required paperwork/reports.
- Failure to meet contract obligations.
- Non-compliance with service standards.
- Conflict of interest.
- Termination of contract.

**Procedures:**

1. The Area Agency on Aging will make every effort to work with the Subcontractors to resolve any insufficiencies and will use the suspension or withholding of funds or delayed payment as options of last resort.
2. The Area Agency on Aging will notify the Subcontractor of its intent to impose this option by formal written communication and will be provided with a time-limited opportunity to respond prior to the suspension, delay or withholding of funds.

<b>Region 9 AAA</b>	<b>Local Policy #</b>	<b>14</b>
<b>Policy Name</b>	<b>Subcontractor Reporting</b>	
<b>Original Policy Date</b>		
<b>Review/Revise Date</b>	<b>November 30, 2010, March 10, 2014, November 2016, September 2021</b>	

**Policy:**

The Area Agency on Aging requires specific reporting mechanisms from Subcontractors to ensure all minimum standards are being met and appropriate procedures and safety measures are being followed.

**Procedures:**

1. The following reports are required monthly:
  - Daily Food Cost Reports.
  - Temperature Charts—AASA standards must be followed for proper food temperature and reports must include both hot and cold food temperatures.
  - Nutrition Education.
  - Meeting Minutes.
  - Newsletters, as applicable.
  - NAPIS reporting.
  - Financial Reports.
  
2. The following reports are required quarterly:
  - Programmatic.
  
3. The following reports are required annually:
  - Health Inspections—ensure corrections to any critical violations are addressed.
  - Fire Drills (fire inspections are required every three years).
  - Update of County Board of Directors—report after annual elections.
  - Site Agreements.
  - Staff/Volunteer Trainings (two required each year). The MI Choice Waiver Program may have other requirements.

<b>Region 9 AAA</b>	<b>Local Policy #</b>	<b>15</b>
<b>Policy Name</b>	<b>Cost Share</b>	
<b>Original Policy Date</b>		
<b>Review/Revise Date</b>	<b>November 30, 2010, March 10, 2014, November 2016, September 2021</b>	

**Policy:**

The Subcontractor may place potential participants on a wait list for in-home services when funding is insufficient to meet the demand for services.

**Procedures:**

1. The Subcontractor may offer to provide the service to the individual at 100% of the cost until such time as funding becomes available.
2. The potential participant does not have to accept the private pay option for services and may remain on the wait list until funded services are available.

<b>Region 9 AAA</b>	<b>Local Policy #</b>	<b>16</b>
<b>Policy Name</b>	<b>Reprogramming and Redistribution of Funds</b>	
<b>Original Policy Date</b>	<b>September, 2006</b>	
<b>Review/Revise Date</b>	<b>November 30, 2010, March 10, 2014, November 2016, September 2021</b>	

**Policy:**

The Area Agency on Aging is responsible for fiscal monitoring of Subcontractors. Monitoring outcomes may result in reprogramming and redistribution of funds. Accurate fiscal reporting on the part of the Subcontractor should coincide with the budget development process. Subcontractor budgets should be well planned to provide a reliable guide for spending. The fiscal reports will demonstrate whether or not program spending is progressing on schedule.

The reprogramming policy is not intended to be punitive in nature. The Area Agency on Aging's first attempts to reprogram funds will be to do so within the project in question. Funds will only be redistributed when it has been conclusively determined by the Area Agency on Aging that the Subcontractor cannot adequately demonstrate the ability to spend the funds in an appropriate, approved and allowable manner.

**Procedures:**

1. Subcontractors should institute internal analysis protocols to ensure spending/reporting is on track with expected expenditure of funding on a monthly basis.
2. Reprogramming will be considered by the Area Agency on Aging when under-spending and/or under-performing is at least ten percent (10%) below what was planned for the year.
3. The Area Agency on Aging staff will monitor all monthly expenditures.
4. All Subcontractors will be notified at the time it appears that funds are under-spent and/or performance measures are not met.
5. If the Area Agency on Aging determines that a project of a Subcontractor is consistently under-spending and/or under-performing, a determination of the cause will be made by an on-site visit and a follow-up report.
6. Based on the findings of the Area Agency on Aging staff, the Subcontractor in question will have 30 days to accomplish the following:
  - Provide written assurance, including budgetary documentation, that the current under-expenditure will be resolved. When this option is chosen and the project still exhibits under-spending and/or under-performance issues, the contract will automatically be reduced to reflect actual expenditures.

- Submit a revised service budget that is reduced by the projected carry-over budget.
7. If a Subcontractor's contract is reduced, the funds will be redistributed to other Subcontractors, either current or new, based on the following criteria:
    - Subcontractor's conformance with the Area Plan objectives;
    - Subcontractor's ability to demonstrate priority needs for additional funding;
    - Subcontractor's current rate of spending;
    - Subcontractor's current service delivery capacity.
  8. All contracts having substantive revisions will be approved by the Northeast Michigan Regional Council on Aging and the NEMCSA Policy Board and will be submitted to AASA within 30 days of their receipt by the Area Agency on Aging.
  9. Any contracted funds unspent after the final report of the approved budget period will be returned to the Area Agency on Aging with the final financial report.