

**Southern Mississippi Planning and Development District
Area Agency on Aging
Attachment C
PROGRAM INCOME POLICY**

I. SCOPE AND PURPOSE

The purpose of this document is to transmit the policy regarding program income collection for services rendered with funds administered by the SMPDD Area Agency on Aging and the Division of Aging and Adult Services (herein called "DAAS"). A provision must be made for safeguarding program income contributed by the elderly clients served with aging funds in the most cost effective manner.

II. REQUIREMENTS

- A. Each service that is provided in a centralized location must have the following in place:
1. A lock box must be placed in each location where a service is provided which clearly indicates the service that the funds will expand, such as congregate meals, senior center and day care.
 2. The box must be kept locked at all times with a space at the top of the box through which contributions can be placed.
 3. The staff member who has access to the lock box on a daily basis should not have access to the key. The key should be maintained by a second staff member. A set time should be established, at least weekly, for the box to be accessed by both staff members and program income counted, and the amount certified by both staff members.
 4. Program income generated must be deposited on the same day that the lock box is opened. The form that is used by the two staff members to certify the amount of program income generated should then be attached to the copy of the bank deposit slip and forwarded to the appropriate fiscal officer to account for the funds. The bank deposit slip should clearly indicate the service that generated the program income.
- B. A mechanism must be in place to allow participants to contribute program income for each service funded through funds administered by the AAA and DAAS. When the service is not provided in a centralized location, a plan must be developed by each provider for soliciting and safeguarding

program income contributions. Examples of these services include homemaker, respite, home delivered meals, etc.

- C. Program income must be expended first, prior to the expenditures of federal, state or local cash. Program income must be used to expand the service that generated the funds.
- D. The purchase of lock boxes for safeguarding program income is allowable. The cost should be charged to the service where the box will be used. For instance, a lock box purchased for a congregate meals site should be charged to the congregate meals project management funds.
- E. Program income generated by the nutrition program must be applied to the cost of the meal and will not be budgeted for the project management. Procedures for submittal of nutrition program income will be established with each individual provider.
- F. Subrecipient should develop a suggested contribution schedule for services. In developing such a schedule, subrecipient must consider the income ranges for older persons in the community. Means tests may not be used.
- G. No older person will be denied a service because the older person will not or cannot contribute to the cost of the service.

III. EFFECTIVE DATE

This policy is effective immediately and shall remain in effect until modified or replaced by the Southern Mississippi Planning and Development District Area Agency on Aging.