



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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Director, Division of Aging and Adult Services

**TO:** Area Agency on Aging Directors

**FROM:** Joyce Massey-Smith, Director

**DATE:** September 1, 2020

**SUBJECT:** CHANGE NOTICE FOR DAAS ADMINISTRATIVE LETTER 20-16 COVID-19  
Pandemic Response, Part V  
Change No. 01-20

I. BACKGROUND AND CONTENT OF CHANGE

The Comprehensive ARMS Families First and CARES Act Codes List as of 8/4/20 found in Attachment 1 and the COVID-19 Response IIIB and IIIC Tracking Template workbook found in Attachment 2 of the DAAS Administrative Letter 20-16 have been updated. These items can be found as attachments to this letter.

There is additional guidance located in Part II, Guidance Update, below regarding further clarification on the prior approval process.

The IIIE tracking spreadsheet was revised and sent out on August 10, 2020. It is included as an attachment to this letter.

The following revisions were made, as applicable, to the IIIB Attachment:

- The drop-down list in Column D of the "III-B CARES Services" worksheet contained "Client Group Name" in error; this has been removed.
- Added CDS Care Advisor Code 514, which was mistakenly omitted from the III-B worksheets
- HHI code 944 was revised to delete consumable supplies as an option. Code 943 was created to pick up the consumable supplies category. This was added to the drop-down box. Both codes were changed in the reference tab.
- Changed the Audience Type for the "XYZ Adult Day Care" example in the "III-B CARES Services" worksheet to "Provider"; it was labeled "*Client Individual*" in error.
- Units were previously not defined for the Ombudsman codes in the Comprehensive ARMS Codes List but have been added.

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF AGING AND ADULT SERVICES**

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- An error was identified on tab 875 on the Family Caregiver Support Program III Tracking Template. This formatting error for the drop-down column was identified and corrected as of 8/10/2020.

## II. GUIDANCE UPDATE

The Tracking Spreadsheets require a user to verify whether eligibility has been determined. It is important to keep in mind that there must be documentation or assurance of eligibility for monitoring purposes. Documentation that shows eligibility could be a registration form, volunteer application or a signed attestation affirming a self-declaration of age.

Please note that this does not apply to service provider staff and volunteers under the age of 60 that are being utilized for the continuation of service provision during the COVID-19 response.

The prior approval requirement of purchases over \$5,000 states:

“45CFR75.439 Equipment and other capital expenditures, (b)(2) states that “Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the HHS awarding agency or pass-through entity.” Therefore, the prior approval requirement generally applies only to purchases of items with a unit cost of \$5,000 or more. However, purchases of multiple items for a single purpose, such as enhancements to a program or improvements to a building or facility, with costs totaling \$5,000 or more, regardless of individual unit costs, may be considered a Capital Expenditure and fall under the prior approval requirement.”

*For example, two separate providers want to order an electrostatic disinfectant sprayer, each of which costs about \$4,200. Does the  $\geq$ \$5,000 procedure mean per item, or per order from one supplier? If two sprayers are ordered for a total \$8,400, does this fall under the  $\geq$ \$5,000 rule?*

Because the **unit cost** of the item being ordered is \$4,200, prior approval would not be required, especially considering each sprayer is going to a different provider.

If both were going to the *same* provider, the acquisition should be considered as a single cost and prior approval should be obtained.

## III. EFFECTIVE DATE AND IMPLEMENTATION

This guidance is effective upon receipt.

If you have any questions regarding information in this change notice, please contact the appropriate DAAS Program Consultant.

JMS/HB/LB/pg