

93.042 SPECIAL PROGRAMS FOR THE AGING – TITLE VII, CHAPTER 2 – LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS (STATE GRANTS FOR LONG-TERM CARE OMBUDSMAN SERVICES)

State Project/Program: SPECIAL PROGRAMS FOR THE AGING – TITLE VII, CHAPTER 2 – LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS (STATE GRANTS FOR LONG-TERM CARE OMBUDSMAN SERVICES)

**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION ON AGING**

Federal Authorization: Older Americans Act of 1965; Title III and Title VII, Chapter 2, Public Law 89-73, as amended; Public Law 90-42, 81 Stat. 106; Public Law 91-69, 83 Stat. 108; Public Law 93-29, 87 Stat. 30; Public Law 93-351, 88 Stat. 357; Public Law 94-135, 89 Stat. 713; Public Law 95-65, 91 Stat. 269; Public Law 95-478; 92 Stat. 1513; Public Law 97-115, 95 Stat. 1595; Public Law 98-459, 98 Stat. 1767; Public Law 100- 175, 101 Stat. 926; Section 705, Public Law 100-628; 42 U.S.C. 3022-3030(d); Public Law 102-375; Public Law 114-144, as amended.

**N. C. Department of Health and Human Services
Division of Aging and Adult Services**

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SFY 2021 audit confirmation reports for payments made to Counties, Local Management Entities (LMEs), Managed Care Organizations (MCOs), Boards of Education, Councils of Government, District Health Departments and DHSR Grant Subrecipients will be available by mid-October at the following web address: <https://www.ncdhhs.gov/about/administrative-offices/office-controller/audit-confirmation-reports>

At this site, click on the link entitled “Audit Confirmation Reports (State Fiscal Year 2020-2021)”. Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except select “[Non-Governmental Audit Confirmation Reports \(State Fiscal Years 2019-2021\)](#)”.

The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

Auditors may request documentation of monitoring visits by the State Agencies.

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This compliance supplement must be used in conjunction with the OMB 2021 Compliance Supplement which will be issued in the summer. This includes “Part 3 - Compliance Requirements,” for the types that apply, “Part 6 - Internal Control,” and “Part 4 - Agency Program” requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

The North Carolina Division of Aging and Adult Services (DAAS) issues a Notice of Grant Award (NGA) each fiscal year when funds are allocated to the Area Agencies on Aging (AAA). DAAS also revises NGAs during the fiscal year as necessary. Auditors should review the NGAs on file at the AAA to determine actual funding amounts. The last NGA issued for the year shows the total amount of funds by source awarded to the AAA.

I. PROGRAM OBJECTIVES

The Older Americans Act (federal law) requires that each state establish and maintain a Long-Term Care Ombudsman Program to advocate on behalf of residents in nursing and adult care homes (rest homes). State Law (N. C. Gen. Stat. 143B.181.15 *et. seq.*) spells out how the program functions in North Carolina. The major responsibilities of this program include: receiving and resolving complaints made by or on behalf of residents in long-term care facilities, providing information to the general public on long-term care issues, promoting community involvement with long-term care facilities and residents, working with long-term care providers to resolve issues impacting on the welfare of residents, assisting long-term care providers with staff training (particularly on Residents’ Rights), provide training and technical support for community advisory committees, providing training to caregivers, providing information to public agencies, legislators, and others on problems impacting the rights of long term care residents and making recommendations for resolution of issues identified. In addition, the Ombudsman program is required to coordinate with State and local law enforcement agencies and courts of competent jurisdiction.

II. PROGRAM PROCEDURES

Funds are provided to States in accordance with a predefined formula upon submission of a State plan to the Commissioner of Aging in Health and Human Services. States allocate funds to Area Agencies on Aging which provide for Ombudsman services in their respective planning and service areas.

Monitoring of the Ombudsman Program by Area Agencies would include site visits to Long-Term Care Facilities, consultation with other state and local agencies and other appropriate follow-up action required to resolve complaints by, or on behalf of residents in these facilities.

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III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency, noted as “Y,” on the “Matrix of Compliance Requirements” located in Part 2 of the OMB 2021 Compliance Supplement; however, the State Agency may have added the Type and this is noted by “Y.” If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by “N.”

If the Matrix indicates “Y,” the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2021 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the “Matrix” in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
N	Y	N	N	N	Y	N	N	N	Y	N	Y

B. ALLOWABLE COSTS/COST PRINCIPLES

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the cost principles described in the N. C. Administrative Code at 09 NCAC 03M .0201.

G. MATCHING, LEVEL OF EFFORT, EARMARKING

This allocation requires a 10% match of local resources. The local matching resources may be in the form of cash, in-kind or any combination of cash and in-kind.

There are no level of effort or earmarking requirements at the local level.

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L. REPORTING

1. Following the completion of mandated regional Ombudsman activities, all activities' results must be documented in the Ombudsman Documentation and Information Reporting System, contemporaneously or as soon as practicable after the events occur, but no later than the end of the designated quarter (October, January, April, and August).
2. Actual expenditures that support all regional Ombudsman program activities are reported through the Division's Aging Resource Management System and can be found in report series ZGA 801.

N. SPECIAL TESTS AND PROVISIONS

Any change to the initial budget/allocation of funds for the Long-Term Care Ombudsman program must have written approval from the DAAS.

Suggested Audit Procedure (For Auditors of AAAs, pass-through agencies)

Examine any budget amendments and ascertain that all adjustments to original annual allocations for Ombudsman activities within the Area Agency budgets are substantiated with written approval from the DAAS Chief Budget Officer or Director.