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Funding Formulas

The following are the funding formulas currently utilized by the Iowa Department on Aging:

Federal Allotments:

OAA federal funds—Title III.

- a) Administration allotments to Area Agencies on Aging. The Department shall award administration funds available to Area Agencies on Aging each fiscal year from funding under the Older Americans Act.
- b) Each Area Agency on Aging shall receive the greater of one-fourth of 1 percent of the funds available for allotment, or \$24,000, to be used for administration or services.
- c) Each Area Agency on Aging shall receive the greater of four-hundredths of 1 percent or \$4,000 for each county in its planning and service area to be used for administration or services.
- d) If the sum of the amounts generated under paragraphs “b” and “c” for all Area Agencies on Aging exceeds 10 percent of the amount available to the Department for Area Agency on Aging allotment, the Department shall reduce the amount allotted under paragraph “c” by an amount sufficient to result in the sum for all Area Agencies on Aging generated by paragraphs “a” and “b” being equal to or less than 10 percent of the amount available to the Department.

Intrastate service funding.

Funds remaining after the application of paragraphs “b” and “c” (above) shall be allocated to each Area Agency on Aging proportionate to its weighted population to the total weighted population of the state. The weighted population shall be the sum of the number of persons residing in the planning and service area with the following factors, multiplied by the applicable weights:

Factor	Weight
Persons aged 60 and older	1
Minority persons aged 60 and older	1
Persons aged 60 and older at or below the poverty level of income	2

State Allotments:

Aging programs.

All state aging program funds appropriated to the Department, excluding those otherwise specifically identified in the appropriation, shall be allocated to each Area Agency on Aging by utilizing a formula that:

- a) Shall triple-weight all of the following:
 - 1. Individuals aged 75 and older.
 - 2. Individuals aged 60 and older who are members of a racial minority.
 - 3. Individuals aged 60 and older who reside in rural areas.
 - 4. Individuals aged 60 and older who have an income at or below the official poverty guidelines, as defined each year by the federal Office of Management and Budget and adjusted by the Secretary of the U.S. Department of Health and Human Services.
- b) Shall single-weight for individuals aged 60 and older.

New administrative rules became effective on June 19, 2013, that govern the funding formula utilized by the Iowa Department on Aging. Pursuant to the new rules, the Department on Aging shall begin a process to review and enact a new funding formula. The new administrative rules governing funding formulas may be found at [17 Iowa Administrative Code 5.2](#) and [17 Iowa Administrative Code 5.3](#).