



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

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DIVISION OF AGING ADMINISTRATIVE LETTER NO. 24-11; CHANGE NOTICE 01

TO: Area Agency on Aging Directors

FROM: Joyce Massey-Smith

Signed by:

Joyce Massey-Smith
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DATE: April 25, 2025

**SUBJECT: State Fiscal Recovery Fund (SFRF) Nutrition Services for Older Adults:
Food Assistance for High-Risk Older Adults –
“The PEAS (Providing Elders Additional Sustenance) Project”**

Division of Aging's Administrative Letter No. 24-11 issued on Dec. 30, 2024, provided guidance for “The PEAS (Providing Elders Additional Sustenance) Project” funded under the State Fiscal Recovery Fund (SFRF). The purpose of this Change Notice is to update the guidance provided. Updates are provided in italicized, red text. Text that is red and struck through is a deletion. Changes for the Administrative Letter and Attachment C are included here. The following changes are incorporated:

- ARMS codes for allowable PEAS Project services and expenses*
- Clarification on maximum allowable number of units per month*
- Guidance on tracking units and project expenses in Excel*
- Allowance for liquid nutrition supplements in, or in place of, food boxes for clients and guidance on required supporting documentation*

The American Rescue Plan Act (ARPA) was enacted on March 11, 2021, to address the impact of COVID-19 on the economy, public health, state/local governments, individuals, and businesses. It provided \$5.4 billion to North Carolina in State Fiscal Recovery Funds (SFRF) to lay the foundation for a strong and equitable recovery. The NC Pandemic Recovery Office is responsible for overseeing and monitoring the use of the SFRF as well as reporting to the U.S. Treasury on behalf of state agencies.

Under Session Law 2021-180, Section 9A.5, the N.C. General Assembly appropriated \$3.585 million dollars (\$3,585,000) in nonrecurring ARPA funds to the Department of Health and Human Services, Division of Aging and Adult Services, to support special nutrition services for older adults. Per legislative restrictions, no more than 10% of these funds can be budgeted for overall administration of the projects.

Three special nutrition projects were authorized to address food insecurity among older adults because of the COVID-19 pandemic: a hospital discharge meals project for high-risk older adults, an expansion of the NC senior farmers' market program for low-income older adults, and a program to provide food assistance (meals or groceries) to frail or functionally impaired older adults. The first two projects are successfully underway, and the purpose of this administrative letter is to implement the special nutrition project that will be administered by NC Area Agencies on Aging (AAAs) to provide food assistance to frail or functionally impaired older adults. Per Session Law 2021-180 (p. 181), the PEAS Project will provide:

- ... two meals per week or twenty dollars (\$20.00) per week in groceries to eligible older adults who are frail or functionally impaired.

AAAs should complete and submit the attached application for SFRF nutrition funding by January 10, 2025. *[Note: applications are closed.]* If a AAA needs more time to apply, please reach out to julie.l.sundermann@dhhs.nc.gov to request an extension.

Awards to participating AAAs will include a base amount for each region and an amount based on the Intrastate Funding Formula (see Attachment A). There will be no local match requirement. Funds allocated under the executed Notification of Grant Award may be used to provide services through Sept. 30, 2026.

AAAs may administer and implement this program in-house or may receive the grant with the intent to subcontract all or a portion of this SFRF funding. Subcontracts or purchase of service agreements must incorporate the requirements of this administrative letter and as needed, detail the types of food assistance to be provided under the program, including spending limits and documentation requirements. There is no requirement for the solicitation of consumer contributions under the SFRF PEAS Project.

AAA applications for PEAS Project funding may focus on one or both SFRF allowable food assistance priorities:

- Delivery or pick-up of food boxes and/or
- Delivery or pick-up of meals that meet the menu requirements of the NC senior nutrition program.

Clients will be screened for eligibility using the Client Registration Form (DAAS-101 Long Form) to determine whether they are frail or functionally impaired per legislative language.

Expenditures will be tracked in ARMS using service codes for SFRF nutrition services similar to the SFRF "Choosing Home" Program (described in Administrative Letter 24-01). Expenditures will be paid as non-unit reimbursement requests with a client/unit reporting requirement.

Allowable SFRF Food Assistance

AAAs may structure their SFRF applications to address current Area Plan priorities in their regions or focus on additional ways to address food insecurity among older adults.

The following SFRF options have been structured to both support legislative intent and allow flexibility for implementation of the program statewide. It is hoped this flexibility will allow AAA programs to meet local needs for pandemic recovery, address rural/urban differences, or potentially extend the reach of the SFRF funding by collaborating with an existing program operated by community partners such as Food Banks or local senior nutrition service providers.

In recognition that both weekly and monthly distribution schedules may be needed to support local flexibility, the food assistance options outlined below are meant to respect the legislative language regarding the \$20 of food assistance per week but allow monthly delivery or pick-up of four units of assistance as outlined below. Because the Division of Aging's statewide reporting and reimbursement system is based on monthly reimbursements, AAAs and their partners must retain documentation to support the restriction on individual monthly benefits to no more than four *or five* units totaling up to \$80 *or \$100* in food assistance (or up to \$20/week as appropriate for actual distribution, *given the number of weeks the month*). There is no overall limit to food assistance per eligible senior across the total project period so long as this legislative intent on weekly assistance is followed.

AAA applications should provide an overview of the program they expect to implement based on options below, and the Division of Aging staff will follow up if additional information or adjustments are needed prior to the Notification of Grant Award.

- Delivery or pick-up of meals:
 - Meals must meet the menu requirements of the senior nutrition program service standards.
 - May include hot, frozen, and/or shelf-stable meals.
 - Eligible clients may receive up to two meals/week ~~or eight~~ *not to exceed 10* meals/month.
 - Non-unit reimbursement for actual costs up to \$10/meal.
 - Reporting unit = One meal at a rate up to \$10 per meal/~~up to maximum of 8 meals~~ *not to exceed 10* meals per month, *depending on the number of weeks in the month.*
- Delivery or pick-up of food boxes:
 - May include any combination of shelf-stable food and/or fresh produce. May also include meat, eggs, or other food requiring temperature control so long as the food is transported and/or stored to maintain safe temperatures per the nutrition service standards.
 - May include
 - Eligible clients may receive one food box with up to \$20 in groceries per week, ~~or four~~ *not to exceed five* food boxes per month totaling no more than ~~\$80~~ *\$100.*
 - Non-unit reimbursement for actual costs up to stated maximums for weekly or monthly distribution
 - Reporting unit = One food box/week costing up to \$20/~~maximum of four~~, *not to exceed 5* boxes per month, *depending on the number of weeks in the month.*
 - See examples of food boxes in Attachment C.

Client Eligibility

Older adults who apply for food assistance through the PEAS Project must be screened for eligibility using the Client Registration Form (DAAS-101 Long Form) to document that the person is frail or functionally impaired.

Eligible clients are adults aged sixty or older who meet the following criteria as documented in section IV of the CRF:

- Significant impact on daily life because of memory loss or cognitive impairment, OR
- Three or more Activities of Daily Living (ADL) impairments, OR
- Cognitively impaired and at least three Instrumental Activities of Daily Living (IADL) impairments.

An eligible older adult may receive food assistance in the form of meals or food boxes, but not both.

If two eligible people live in the same household, they are each eligible to receive food assistance under the PEAS Project as described above.

The PEAS Project funding may be used to serve eligible older adults who are not part of the existing senior nutrition program, or AAAs may authorize weekend meals to existing high risk clients who are food insecure when the regular senior nutrition program is closed. Applicants on the waiting list for the regular senior nutrition program who meet the frail/functionally impaired eligibility criteria also may be considered for SFRF food assistance.

Tracking and Reporting Requirements

Expenditures will be tracked and reported separately using new ARMS codes for SFRF nutrition program services as outlined below. ~~These service codes will be shared in an update when operational after Notice of Grant Awards are executed for this project.~~

SERVICE CODE	TITLE	DESCRIPTION
TBA	SFRF Meals	Two meals/week or eight meals/month One unit = One meal at a rate up to \$10 per meal.
TBA	SFRF Food Boxes	One food box/week costing up to \$20 or four boxes per month up to \$80.
TBA	SFRF PEAS Project Non-Client Expenses	Staffing costs and mileage for direct service staff implementing the SFRF PEAS Project.
TBA	Administrative Costs	Reasonable, customary, and justifiable expenses for agency overhead during the project period not to exceed the capped amount per AAA region.

Service Code	Service Title	Service Type	Description
620	SFRF PEAS Meals	Non-Unit	Two meals/week, not to exceed 10 meals/month One unit = One meal at a rate up to \$10 per meal.
630	SFRF PEAS Food Boxes	Non-Unit	One food box/week costing up to \$2, not to exceed 5 boxes per month up to \$100. One unit = One box at a rate up to \$20 per box
680	SFRF PEAS Non-Client Expenses	Non-Unit	Staffing costs and mileage for direct service staff implementing the SFRF PEAS Project.
690	SFRF PEAS Administrative Costs	Non-Unit	Reasonable, customary, and justifiable expenses for agency overhead during the project period not to exceed the capped amount per AAA region.

SRW Code	Type of Assistance	Service Title
TBA	Food assistance—Meal—Delivery	SFRF PEAS Project—Meals
TBA	Food assistance—Meal—Pick-up	
TBA	Food assistance—Food Box—Delivery	SFRF PEAS Project—Food Boxes
TBA	Food assistance—Food Box—Pick-up	
TBA	Staffing—direct program staff salaries and fringe	SFRF PEAS Project—Non-Client Expenses
TBA	Mileage—direct program staff	

Source documentation for the tracking and reporting outlined above should be maintained on file for monitoring and auditing purposes. Examples include invoices, receipts, *time sheets*, *paystubs*, *mileage log/documentation*, etc.

In addition to reporting units and reimbursement requests in ARMS each month, AAAs must

complete and submit an Excel tracking workbook to track units per client per month and PEAS Project expenses. Tracking workbooks for the service month are due via email to Chidera Anigabor at chidera.anigabor@dhhs.nc.gov on the 15th of the following month (e.g. tracking for service in May 2025 is due June 15).

Questions regarding applications for SFRF special nutrition funding should be directed to Julie Sundermann at 984-301-2911 or julie.l.sundermann@dhhs.nc.gov.

Attachments:

- A – Regional Allocations
- B – SFRF PEAS Project Application
- C – Guidance for Person-Centered Planning

ATTACHMENT A:**REGIONAL ALLOCATIONS for Food Assistance for High-Risk Older Adults –
“The PEAS (Providing Elders Additional Sustenance) Project”**

Regional Formulas		Funding Amounts Per Region for PEAS Project			
Region	Funding Formula SFY 2025 Rate	Base	SFRF SVCS	SFRF Admin	Total
A	2.93%	\$ 50,000.00	\$ 47,881.18	\$ 7,388.70	\$ 105,269.87
B	4.79%	\$ 50,000.00	\$ 78,387.99	\$ 12,096.30	\$ 140,484.28
C	2.83%	\$ 50,000.00	\$ 46,311.67	\$ 7,146.50	\$ 103,458.17
D	2.49%	\$ 50,000.00	\$ 40,821.20	\$ 6,299.25	\$ 97,120.45
E	3.68%	\$ 50,000.00	\$ 60,171.53	\$ 9,285.26	\$ 119,456.79
F	18.31%	\$ 50,000.00	\$ 299,548.68	\$ 46,224.30	\$ 395,772.98
G	17.28%	\$ 50,000.00	\$ 282,648.93	\$ 43,616.45	\$ 376,265.37
J	15.21%	\$ 50,000.00	\$ 248,890.88	\$ 38,407.14	\$ 337,298.02
K	2.89%	\$ 50,000.00	\$ 47,237.78	\$ 7,289.41	\$ 104,527.20
L	3.96%	\$ 50,000.00	\$ 64,857.04	\$ 10,008.29	\$ 124,865.33
M	4.98%	\$ 50,000.00	\$ 81,525.09	\$ 12,580.39	\$ 144,105.49
N	3.61%	\$ 50,000.00	\$ 59,090.04	\$ 9,118.37	\$ 118,208.41
O	5.00%	\$ 50,000.00	\$ 81,783.92	\$ 12,620.34	\$ 144,404.26
P	5.97%	\$ 50,000.00	\$ 97,622.25	\$ 15,064.40	\$ 162,686.65
Q	4.02%	\$ 50,000.00	\$ 65,741.13	\$ 10,144.72	\$ 125,885.85
R	2.06%	\$ 50,000.00	\$ 33,627.70	\$ 5,189.20	\$ 88,816.89
Total	100.00%	\$ 800,000.00	\$ 1,636,147.00	\$ 252,479.00	\$ 2,688,626.00

ATTACHMENT B:

**State Fiscal Recovery Fund (SFRF) Nutrition Services for Older Adults –
“The PEAS (Providing Elders Additional Sustenance) Project”**

Area Agency on Aging Application

AAA Region: Click or tap here to enter text.

Contact Person: Click or tap here to enter text.

Phone Number: Click or tap here to enter text.

Email address: Click or tap here to enter text.

Submission Date: Click or tap to enter a date.

PROJECT DESCRIPTION:

Describe how the AAA will spend SFRF nutrition funding in compliance with allowable expenditures outlined in the Administrative Letter. Include how you will find potential clients.
Click or tap here to enter text.

In what ways if any will this program complement or coordinate with the regular OAA/HCCBG senior nutrition program?

Click or tap here to enter text.

Describe if/how this program will involve community partners, including other public/private agencies providing food assistance to older adults.

Click or tap here to enter text.

PROJECTED COSTS WORKSHEET:

Use this worksheet to estimate how the AAA grant budget will be divided into reimbursable project expenditures and to project total amount of funding to be requested.

MEALS:

Estimated # of clients x # of weeks x up to \$20/week (or up to \$80/month) = proposed budget for meal delivery or pick-up. (Meal costs in some counties may be lower than \$10/meal.)

FOOD BOXES:

Estimated # of clients x # of weeks x up to \$20/week (or up to \$80/month) = proposed budget for food box delivery or pick-up.

PROGRAM STAFF/NON-CLIENT EXPENSES:

Projected non-client expenses for salaries/fringe/mileage of program staff implementing the PEAS Project (may include AAA program staff and/or local program staff, depending on how the program is implemented).

ADMINISTRATIVE COSTS:

Reasonable, customary, and justifiable expenses for agency overhead during the project period not to exceed the capped amount per AAA region.

	PROJECTED BUDGET THROUGH 9/30/26
MEALS	
FOOD BOXES	
NON-CLIENT EXPENSES	
ADMINISTRATIVE COSTS	
PROJECTED PROJECT TOTAL	

ATTACHMENT C: GUIDANCE FOR PERSON-CENTERED PLANNING

What considerations are important when planning person-centered nutrition services?

The Client Registration Form will provide valuable information on each client's needs and abilities. When deciding what type of meals or grocery boxes to provide, agencies should also assess whether a client can safely store food (e.g., has a working refrigerator and/or freezer where required) and can open and/or prepare food independently or with assistance (e.g., can use a microwave or oven and/or can-opener).

To provide a greater level of individualization, providers may also want to ask clients about the following:

- Food allergies or sensitivities (e.g., peanut allergy, lactose-intolerance)
- Special dietary needs (e.g., special diet for management of kidney disease, food-drug interactions)
- Food preferences (e.g., vegetarian)
- Chewing and swallowing abilities

Must each grocery box include all food categories (e.g., grains, proteins, vegetables, fruit, and dairy)?

No. Providers may create boxes with food from a variety of categories or create boxes that focus on a limited category of foods, such as fresh produce boxes, or meat boxes, etc. Boxes could also be designed around themes, such as a breakfast box or a box of pantry staples.

Grocery boxes should not include the following:

- Non-food items
- Soda or juice
- Chips, pretzels, or other snack foods
- Cookies or other desserts

May grocery boxes include liquid nutrition supplements for clients unable to tolerate solid foods?

Liquid nutritional supplements are nutritionally fortified, commercially prepared liquid meals.

PEAS Project funding may be used to support the purchase and distribution of liquid nutrition supplements in place of solid food for clients who have a documented medical need for such products. Such products may not replace solid foods in grocery boxes unless a disability or condition warrants their sole use. The provision of this product as a replacement for solid foods must be approved by a physician, physician's assistant, nurse practitioner, registered nurse, or registered dietitian. The authorization must include name of recipient, reason why product is needed, the recommended product, duration (not to exceed 6 months), name/signature/telephone number of the authorizing professional, and date of authorization. This authorization must be updated at least every 6 months for the client's duration of participation in the PEAS Project.

Liquid nutrition supplements may be provided in addition to solid food if appropriate for the client. Medical authorization is not required for liquid nutrition supplements that are provided as a component of a client's food boxes over the course of each month. In cases where there is not a documented medical need for liquid nutrition supplements, the supplements may not be provided

without also providing other groceries.

Provision of liquid nutrition supplements should be classified in the grocery box category. The same legislative limit of \$20 in groceries per week, not to exceed five \$20 boxes per month, applies to food boxes which contain liquid nutrition supplements, in whole or in part.

Must the provider deliver the same type of grocery box each week?

No. Different types of boxes could be offered at different times. The client does not need to receive the same type of box each week as long as the box received is always appropriate to their individual needs and preferences.

May one (1) \$80 grocery box or two (2) \$40 grocery boxes be provided per client per month, rather than one (1) \$20 grocery box per week?

Yes. A \$80 grocery box per month would be recorded as four units in ARMS. A \$40 grocery box per month would be recorded as two units in ARMS. ~~Four units is the maximum reportable grocery box unit per client per month.~~ *In months with five weeks, a \$100 grocery box is allowable and would be reported as five units.*

May providers substitute a \$20 grocery gift card for a \$20 grocery box?

No. It is important to provide meals or grocery boxes to frail or functionally impaired older adults per the legislative language.

What are examples of \$20 grocery boxes?

For programs focusing on monthly deliveries or pick-ups, an example might include a box of fresh meat up to \$20, a box of eggs and fresh produce up to \$20, and two shelf-stable boxes of up to \$40 worth of canned protein, canned vegetables, canned fruit with high-fiber, whole grain crackers or bread, ultra-pasteurized milk products.

Below are other examples of possible grocery boxes with more details. Each example is labeled as shelf-stable or perishable. Additionally, the examples note whether food preparation or cooking would be required before eating the food.

These examples are for illustrative purposes only. Providers have the flexibility to plan \$20 grocery boxes to meet their clients' needs and preferences.

Food Box Example One		
✓ Shelf-Stable		
✓ No cooking required		
Food Category	Standard Unit Size for Item	Approximate Price
Vegetables	15 oz. can green beans	\$1.25
Fruits	15 oz. can pears in juice	\$2.69
	15 oz. can pineapple tidbits	\$1.38
Grains	15 oz. shredded wheat	\$3.98
	cereal	\$2.98
	12.7 oz. multi-grain crackers	

Dairy	Quart of UHT shelf-stable milk	\$2.99
Protein	14.75 oz can of salmon	\$4.29
	Sub-Total	\$19.56
	2% Food Sales Tax	\$0.39
	Total	\$19.95

Grocery Box Example Two

✓ Shelf-stable

✓ Requires cooking

Food Category	Standard Unit Size for Item	Approximate Price
Vegetables	15 oz. can green beans	\$1.25
	24 oz. jar marinara pasta sauce	\$2.48
Fruits	15 oz. can pears in juice	\$2.69
	15 oz. can pineapple tidbits	\$1.38
Grains	16 oz. rotini pasta	\$0.99
	18 oz. cannister of quick oats	\$2.39
Dairy	Quart of UHT shelf-stable milk	\$2.99
Protein	15 oz can of black beans	\$0.86
	14.75 oz can of salmon	\$4.29
	Sub-Total	\$19.32
	2% Food Sales Tax	\$0.39
	Total	\$19.71

Food Box Example Three

✓ Perishable

✓ No cooking required

Food Category	Standard Unit Size for Item	Approximate Price
Vegetables	1 lb. baby carrots	\$1.32

Fruits	Bunch of 5 bananas	\$1.50
	3 lb. bag of Clementines	\$4.98
Grains	1 loaf of whole wheat bread	\$1.97
Dairy	Quart of UHT shelf-stable milk	\$2.99
Protein	16 oz. jar of peanut butter	\$3.12
Other	18 oz. jar of strawberry jam	\$3.72
	Sub-Total	\$19.62
	2% Food Sales Tax	\$0.39
	Total	\$19.99

Food Box Example Four		
✓ Perishable		
✓ Requires cooking		
Food Category	Standard Unit Size for Item	Approximate Price
Vegetables	2 lb. sweet potatoes	\$1.28
	1 lb. broccoli	\$1.78
	1 lb. onion	\$1.14
Fruits	1.5 lb. apples	\$3.72
	Bunch of 5 bananas	\$1.50
Grains	16 oz. rotini pasta	\$0.98
	1 loaf of whole wheat bread	\$1.97
Dairy	Quart of UHT shelf-stable milk	\$2.99
Protein	1 dozen eggs	\$2.50 \$6.00
	8 oz. cheddar cheese	\$1.97
	Sub-Total	\$18.90 \$19.61
	2% Food Sales Tax	\$0.38
	Total	\$19.28 \$20.00

What are some recommendations for working with food banks?

If the provider plans to implement a grocery box program, the Division encourages partnership with a food bank or food pantry where appropriate. Food can be heavy, and it often takes up lots of space. Additionally, some food requires refrigerator and freezer capacity, which local providers may be limited in. Food banks and food pantries often have more robust food storage and distribution infrastructure that the traditional aging network.

Food banks rely on their local affiliates (often food pantries) to screen for program eligibility and do

intake for their own nutrition programs. Sometimes the local affiliates do not understand Title III programs because they do not have much experience with them. While the PEAS Project is not a Title III program, the Client Registration Form must be used to identify eligible participants, so food banks and food pantries may require additional training and oversight to ensure they are completing the form and determining eligibility correctly, if they are subcontracted to be a PEAS Project provider.

What are other types of community partners that may be able to help implement the PEAS Project?

The local farmers market may offer great connections to local farmers willing to assemble boxes with local produce, eggs, and/or meat. Local food hubs and/or Cooperative Extension offices may also be able to help.

What are other ways providers can connect PEAS Project clients with nutrition resources?

The Division recommends providing all clients a list of community resources for food insecurity, such as the contact information of the local DSS office where a client could sign up for Food and Nutrition Services (also known as the Supplemental Nutrition Assistance Program [SNAP] or “food stamps”). This is an entitlement program which means benefits are always available for everyone who is eligible. There is never a waiting list for SNAP benefits.

If working with a food bank or pantry that implements the Commodity Supplemental Food Program (CSFP), the provider could share information on signing up for that program as well. However, CSFP is not an entitlement program. That means not everyone who is eligible may receive benefits because funding is limited. CSFP agencies do maintain waiting lists if they have a full caseload, though, so other eligible clients may eventually receive benefits.

JMS/JSL/RF/JS/~~PB~~/pg