

Beginner's Guide to Diversifying Funding for OAA Programs

Introduction

The world of money and funding is a complex but necessary and important part of the daily work of senior nutrition programs. Older Americans Act (OAA) Title III-C funds are not intended to cover the entire cost of nutrition programs. Instead, this funding is intended to be supplemented with other sources. Having a diverse set of funding sources often leads to long-term security and flexibility.

Use this guide to think about diversifying your program's funding. Familiarize yourself with the definitions in bold type. Below each definition, you will find inspiration from a successful program or helpful resources for funding options of interest!



Learn the Lingo

Bequest:

Money or property which you legally leave to someone after your death.

INSPIRATION:

Meals on Wheels of Alameda County provides sample language on its website for how to give a gift through a bequest. Consultation with family and financial planners is encouraged prior to preparing a bequest. ([Source](#); [Additional Resource](#))

Budget:

An estimate of income and expenditure for a set period of time.

Revenue:

Money generated from normal business operations including payments for services and donations or contributions received.

Line Item:

Part of a budget that is dedicated to a particular need.

Funding Allocation:

An amount of money allotted to each budget line item or category.

RESOURCES:

- [Edmond Mobile Meals Resource Development Plan Sample](#) - Excel sheet that can be used as a resource development roadmap.
- [What Is a Line Item Budget and What Are the Advantages of Using One?](#) - Article providing insight on line item budgets.

Crowdfunding:

When a large number of people give money to pay for a project, especially by using a website to collect the money.

RESOURCE:

- [Success in an Online Giving Day: The Role of Social Media in Fundraising](#) - Research article on the impact of using social media when fundraising.

RECOMMENDED SITES:

- [Indiegogo](#)
- [Mightycause](#)
- [National Day of Giving](#)

Donation:

Something given by either an individual or corporate donors, especially a sum of money.

INSPIRATION:

- [Senior Services of Alexandria](#) - Donation page highlighting many ways to give.
- [Windy Hill on the Campus](#) - Meet Tammy Miller, Executive Director of Windy Hill on the Campus senior center in Pennsylvania.

RESOURCES:

- [Top 10 Tips to Ask for Donations in Aging](#) - American Society on Aging toolkit on compelling campaigns.
- [Effective Strategies For Diversifying Funding](#) - Best practices for identifying, cultivating, soliciting, and stewarding donors.
- [Edmond Mobile Meals Donor Stewardship Sample](#) - Sample spreadsheet to help keep track of thanking donors and staying connected.

Endowment Fund:

An investment held by a nonprofit organization for the purpose of generating a permanent stream of income. Donations are added to the fund, and the donations inside the fund typically stay invested forever. Generally, the earned interest is available to finance the activities specified by the donors.

INSPIRATION:

- The Loving Legacy Endowment Fund at The Hub in Sheridan, Wyoming, was established in 2007. Endowment dollars generate income, a portion of which is available year after year, while the principal continues to build the fund for the future. The endowment helps to provide financial security for services which include meals, transportation, activities, and caregiver support among others. ([Source](#))

Fee-for-Service:

Charging a fee for a meal or service.

*Cost-Sharing: Requiring a participant to pay some portion of the cost for meals, typically using a sliding scale based on income. **This is strictly prohibited by section 315 of the OAA when providing OAA funded meals.***

INSPIRATION:

The Pennsylvania Department on Aging established a policy allowing AAAs to establish private pay meal service:

- "AAAs and/or centers may implement a ... meal program at the discretion of the AAA, providing fresh or frozen meals on a private pay basis. The monies earned from the sale of these meals may provide an additional revenue stream to the AAAs. Meals provided ... do not need to meet menu requirements for congregate or home delivered meals."

RESOURCE:

- [Meal Services Elements of Sustainability: Establishing a Private Pay Program](#) - Guide to establishing a fee-for-service system.

Foundation:

A private, community, family, or other organization which provides money for a special purpose such as research or charity.

INSPIRATION:

- Senior Resources delivers hot and frozen meals to the doorsteps of 600 plus older adults in South Carolina's Richland County. Senior Resources was awarded \$20,000 from the Bank of America Charitable Foundation. This award helped older adults remain healthy and independent in their homes by funding nutritional support and resources. ([Source](#))

Funding Diversification:

Having a variety of short-, medium-, and long-term funding sources.

INSPIRATION:

- [Creative Fundraising Ideas for SNP](#) - ACL webinar exploring creative ways to sustain senior nutrition programs.

RESOURCE:

- [Instructional Campus on Aging Nutrition \(ican!\) Module 10](#) - Self-study that helps in identifying how to diversify funding through voluntary contributions, private pay, donations, grants, and innovative revenue.

Fundraising:

Seeking financial support for a program.

Note that federal rules for Older Americans Act funds have restrictions for fundraising according to [CFR 200.442](#)

"Costs of organized fundraising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable. Fundraising costs for the purposes of meeting the Federal program objectives are allowable with prior written approval from the Federal awarding agency."

RESOURCE:

- [Annual Fund: The Ultimate Guide](#)

Grant:

A sum of money given to an individual or a company by the government or another organization for a particular purpose.

Notice of Award: The written formal document from the sponsor that informs grant recipients that their application submitted for funding has been approved.

INSPIRATION:

- [INNU Grantee Spotlight Page](#)

RESOURCES:

- [ACL Open Funding Opportunities](#)
- [Grant Station Insider](#)
- [Grants.gov](#)
- [Philanthropy News Digest](#)

In-Kind:

Resources donated, other than money, that you would have otherwise needed to pay for.

INSPIRATION:

- Meals on Wheels by ACC in Sacramento, California lists items that they accept for in-kind donations on their donations' page. Some items include placemats, Bingo prizes, adult coloring books, and greeting cards. They also accept vehicle donations through [DonateACar.com](#). ([Source](#))
- [Berkeley County Meals on Wheels \(West Virginia\)](#)
- [Meals on Wheels People \(Oregon\)](#)

RESOURCES:

- [In Kind Donations \(Jitasa\)](#)
- [In Kind Gifts \(Candid.\)](#)

Restaurant Voucher Program:

Using Title III-C funds to offer older adults meal vouchers to local, participating restaurants.

INSPIRATION:

- [INNU 2020: Iowa Cafe](#) - Iowa Department on Aging's restaurant voucher initiative
- [Senior Dine](#) - New Opportunities' partnerships with local restaurants to provide meal services to area seniors

RESOURCE:

- [Iowa Cafe Guide for Partners](#) - Example restaurant partnership guide designed to help foodservice establishments partner with Area Agencies on Aging.

Shared Kitchens:

Specially licensed commercial kitchens used by food entrepreneurs, caterers, food truck operators, and others to produce food products without having to invest in owning and operating a commercial kitchen.

INSPIRATION:

- Shasta Senior Nutrition Program in Redding, California offers the community options to rent its banquet hall, smaller rooms, commercial kitchen, and meeting rooms that offer professional settings for 10 to 300 persons. Rental proceeds are used to support programs for older adults. ([Source](#))

RESOURCE:

- [Maximizing the Use of Commercial Kitchens for Senior Nutrition Programs](#) - Includes opportunities and challenges for shared kitchens.

Sponsor:

One who contributes money or goods towards a program in return for advertisement.

INSPIRATION:

- Meals on Wheels Mercer County in Ewing, New Jersey participated in the annual event called March for Meals which is a month-long celebration of Meals on Wheels and of the older adults who rely on the service to remain independent. Various activities throughout the month of March took place through the help of sponsors. They highlighted their sponsors' logos on their web page and in a short video. ([Source](#))

Title III-C Funds:

The funding from the Older Americans Act that goes to nutrition services.

RESOURCES:

- [Quick Tips: Older Americans Act Basics](#) - Common questions on providing Title III-C Nutrition Services
- [Quick Tips: Funding Options](#) - Information and resources related to common questions on funding for OAA Title III-C Nutrition Services

Total Cost of a Meal:

A calculation of both the direct and indirect costs that go into a meal.

RESOURCE:

- [Identifying the Total Cost of a Meal](#) - Summary brief for meal cost calculations to accurately assess and encourage voluntary contributions based on the actual cost of nutrition services.



Voluntary Contributions:

Donations given of participants' own free will.

Noncoercive Solicitation: Making a need known in a way that clearly informs each participant that there is no obligation to donate.

Means Testing: Establishing eligibility for participation based on income. **This is strictly prohibited by the OAA.** No participant who is otherwise eligible may be denied services due to an inability or unwillingness to contribute.

INSPIRATION:

- [Voluntary Contribution Study](#): In Baltimore, Maryland, small donation envelopes with a suggested contribution amount were placed on the table where participants collect silverware and water for their meals. Placing the envelopes in this high traffic area made it natural for participants to pick up an envelope along with the other items before sitting down to eat their meals.
- [Voluntary Contribution Study](#): In Greater Waterbury, Connecticut, a site created placemats that highlighted the difference between the price of similar meals at a local restaurant and the suggested donation amount at the congregate meal site. Having the restaurant price as a reference point made the suggested donation seem comparatively low.

RESOURCES:

- [Voluntary Contributions: What Senior Program Professionals Need to Know](#) - General guidance on required and prohibited acts.
- [Understanding Participants' Monetary Contributions](#) - ACL issue brief on voluntary contributions at nutrition sites.

Definition Sources:

- [Oxford Languages](#)
- [Collins Dictionary](#)
- [Community Tool Box Chapter 46, Section 2: Strategies for Sustaining the Initiative](#)
- [FDIC Liquidity and Funds Management](#)
- [Identifying the Total Cost of a Meal](#)
- [Voluntary Contributions: What Senior Nutrition Program Professionals Need to Know](#)



See below for 5 steps on where to go from here!

