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03057 - [A2153247] ~~Restricted~~

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Local Area Agencies Help the Aging but Problems Need Correcting. HBD-77-82; B-165430. August 2, 1977. 45 pp. + 8 appendices (25 pp.).

Report to Rep. John Brademas, Chairman, House Committee on Education and Labor: Select Education Subcommittee; Sen. Frank Church, Chairman, Senate Special Committee on Aging; Sen. Thomas F. Eagleton, Chairman, Senate Committee on Human Resources: Aging Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Income Security Programs: Programs for Special Target Populations (1304).

Contact: Human Resources Div.

Budget Function: Income Security: Public Assistance and Other Income Supplements (504).

Organization Concerned: Administration on Aging; Department of Health, Education, and Welfare.

Congressional Relevance: House Committee on Education and Labor: Select Education Subcommittee; Senate Special Committee on Aging; Senate Committee on Human Resources: Aging Subcommittee.

Authority: Older Americans Amendments of 1975 (P.L. 94-135). Older Americans Comprehensive Services Amendments of 1973 (P.L. 93-29). Older Americans Act of 1965, as amended (42 U.S.C. 3001). OMB Circular A-95.

State agencies on aging allocate funds to local organizations they designate as "area agencies on aging," which coordinate existing services and pool available but untapped resources to either improve existing services for older Americans or implement new ones. Social services may also be funded. Findings/Conclusions: Although most area agencies had not been operating 1 full year at the time of GAO's study, they were pooling and coordinating services as required. However, many problems in implementing the program were identified by Federal, State, and local officials. These included: funding levels were too low to properly implement and administer the program; the size and/or qualifications of staffs were inadequate; the clarity, reasonableness, consistency, or timing of some policies issued by the State agencies on aging or the Administration on Aging were unsatisfactory; adapting from former programs to the area agency concept created problems; the current division of duties among State and area agencies and service providers does not apply to all situations; almost 20% of the area agencies were not meeting the regulation to serve poor and minority elderly people in proportion to their relative numbers; and the State agencies did not provide enough services and guidance. (Author/SC)

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**REPORT OF THE
COMPTROLLER GENERAL
OF THE UNITED STATES**

**Local Area Agencies Help The Aging
But Problems Need Correcting**

Administration on Aging
Department of
Health, Education, and Welfare

Although most of the local agencies reviewed had not completed a full year of operation, they had made progress in doing the work assigned to them by law and regulation. Area plans were being carried out, and pooling and coordination among agencies resulted in new or improved services for the elderly.

However, regional, State, and area agency officials identified several factors, such as inadequate funding, insufficient staff, and untimely, inconsistent policy, which may have delayed their work.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-165430

The Honorable Frank Church
Chairman, Senate Special Committee on Aging

The Honorable Thomas F. Eagleton
Chairman, Subcommittee on Aging
Senate Committee on Human Resources

The Honorable John Brademas
Chairman, Subcommittee on Select Education
House Committee on Education and Labor

Pursuant to your request of September 30, 1974, and subsequent discussions with your offices, we have studied the implementation of the area agency concept of developing social service systems for the elderly. In June 1975 we issued an interim report on this study to respond to your needs during consideration of the Older Americans Amendments of 1975. This report summarizes the final results of the study.

When the study was begun in early 1975, most area agencies had not yet completed a full year's operation. Therefore, as agreed with your offices, we limited our work to using interview questionnaires designed to identify problems experienced by Federal, State, and local officials in implementing the area agency concept.

As agreed with your offices, we did not obtain formal written comments from the Department of Health, Education, and Welfare. However, the information in this report has been discussed with officials of the Administration on Aging.

A handwritten signature in black ink, reading "Thomas B. Staats".

Comptroller General
of the United States

REPORT OF THE
COMPTROLLER GENERAL
OF THE UNITED STATES

LOCAL AREA AGENCIES HELP
THE AGING BUT PROBLEMS
NEED CORRECTING
Administration on Aging
Department of Health,
Education, and Welfare

D I G E S T

State agencies on aging allocate funds to local organizations they designate as "area agencies on aging." These agencies coordinate existing services and pool available but untapped resources to either improve existing services or implement new ones. Social services may also be funded. (See pp. 1, 3, and 5.)

Although most area agencies had not been operating 1 full year at the time of GAO's study, they were pooling and coordinating services as required. (See p. 5.) However, Federal, State, and local officials identified problems they had in implementing the new program.

- Funding levels were too low to properly implement and administer the program. (See pp. 29 to 33.)
- The size and/or qualifications of staffs were inadequate. (See pp. 25 to 28.)
- The clarity, reasonableness, consistency, or timing of some policies issued by the State agencies on aging or the Administration on Aging were unsatisfactory. (See pp. 40 to 46.)
- Adapting from former programs to the area agency concept created problems. (See pp. 19 to 23.)
- The current division of duties among State and area agencies, and service providers (such as visiting nurse associations) does not apply to all situations. Depending on the situation, either organization might be

eliminated or its responsibilities be divided differently. (See pp. 23 to 24.)

--Almost 20 percent of the area agencies were not meeting the regulation to serve poor and minority elderly people in proportion to their relative numbers. Twenty-five percent of the area agencies did not know if they were meeting this requirement. Many area agencies had not complied with the minority contractor regulation. Several States and area agencies had special problems serving elderly Indians living on reservations. (See pp. 33 to 36.)

--The State agencies did not provide enough services and guidance. (See pp. 37 and 38.)

Interview questionnaires were used to identify these problems. No attempt was made to verify and validate the data gathered from these questionnaires. (See p. 4.)

GAO discussed this report with officials of the Administration on Aging. They believe that attempts to launch simultaneously the area agency program and a nutrition program contributed to many of the problems discussed. According to these officials, all the staff needed at the Federal and State levels were not hired until well after many aspects of the two programs were implemented. Since the programs were just beginning, many issues did not become apparent until after the program had started. (See p. 4.)

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ABBREVIATIONS

AOA	Administration on Aging
GAO	General Accounting Office
HEW	Department of Health, Education, and Welfare

CHAPTER 1

INTRODUCTION

On September 30, 1974, the Chairmen of the Senate Special Committee on Aging; the Subcommittee on Aging, the Senate Committee on Labor and Public Welfare (now the Committee on Human Resources); and the Subcommittee on Select Education, House Committee on Education and Labor requested that we study the implementation of the area agency concept. Area agencies were authorized by the Older Americans Comprehensive Services Amendments of 1973 (Public Law 93-29).

In June 1975, we issued interim reports (MWD-75-95,96, 97, June 18, 1975) to respond to the Committees' needs during consideration of the Older Americans Amendments of 1975 (Public Law 94-135). This report summarizes the final results of the study.

BACKGROUND

The Older Americans Comprehensive Services Amendments of 1973 established the area agency concept for developing systems of services for the elderly. This law modified the Older Americans Act of 1965, as amended (42 U.S.C. 3001), to charge the Administration on Aging (AOA), in the Department of Health, Education, and Welfare (HEW), with overall responsibility for developing at the substate level a system of comprehensive and coordinated services for older persons. The area agency concept was developed to

- improve State and local organizational structures for providing social services to the elderly,
- permit the targeting of limited resources to high priority areas, and
- improve planning and coordination of resources at the local level.

Before the 1973 amendments, the title III program administered by AOA provided formula grant funds to the States. The States used these funds to support individual social services provided by local agencies. In contrast, most of the title III formula grant funds authorized by the 1973 amendments are allotted by the States to area agencies. Area agencies develop local systems of comprehensive coordinated services for older persons by

- determining the need for services in their geographic areas,
- evaluating the effectiveness of resources used to meet these needs, and
- arranging with local social service providers for needed social services.

State agency responsibilities

To participate in the title III formula grant program, a State must designate a sole State agency to

- develop a State plan to be submitted to the Commissioner on Aging for approval,
- be primarily responsible for coordinating all State activities related to the purposes of the Older Americans Act, and
- divide the entire State into planning and service areas.

In dividing a State into planning and service areas, the State agency must consider the geographical distribution of individuals aged 60 or older, the need for social services (including the number of older persons with low incomes residing in the area), the distribution of resources available to provide these services, the location of units of local government, and other relevant factors.

Any local government which has a population aged 60 or over of 50,000 or more or which contains 15 percent or more of the State's population aged 60 or over is to be designated a planning and service area. However, the State may designate any region within the State as a planning and service area if the region includes one or more local government units and the State determines that the designation is necessary for effective program administration.

Designation of area agencies

Once planning and service areas are designated, the State agency determines for which ones area plans will be developed. After considering the views of local government units in the area, the State agency names for each selected planning and service area a single public agency or nonprofit private organization as the area agency.

The State agency may, with the approval of the Commissioner on Aging, designate all or most of the State as a single planning and service area. Most of the States and U.S. territories approved as single planning and service areas are either small or sparsely populated. In such States or territories, the State agency is also the area agency and performs the functions of both agencies.

Since 1965, 56 States and territories have created State agencies on aging. The fiscal year 1974 State plans established 621 planning and service areas and called for the designation of 412 area agencies. Most of these area agencies were designated between January and June 1974. Twelve States and territories were designated single planning and service areas. Planning and service areas for most of the remaining 44 States and territories were based on existing substate boundaries established under OMB Circular A-95 ¹/ for areawide planning and social services. Appendix II lists the major types of organizations designated to act as area agencies.

In fiscal year 1975 the number of planning and service areas was reduced to 585, primarily due to consolidation, and the number of area agencies was increased to 462.

Several programs like the area agency program support substate organizations which are responsible for planning, coordination of resources and/or provision of services. The area agency program, however, is unique because the substate agencies which perform all of these functions receive Federal funds through a State agency which approves its plan of action.

SCOPE OF REVIEW

During January - March 1975, we interviewed representatives of 28 area agencies on aging in 15 States, 15 State agencies on aging, 1 combined State/area agency, and 9 HEW regional offices listed in appendix III. We have counted the State/area agency as an area agency unless otherwise stated. We also interviewed State and local officials in another State where our work was limited to determining the effect of imposing the area agency concept on an already existing State network of services to the elderly. The information obtained on this State is discussed in chapter 3. (See pp. 21 to 23.)

¹/This circular provided a mechanism for State and local governments to comment on the consistency of proposed Federal projects with State and regional projects.

At the time of our study, HEW regional offices, State agencies on aging, and the area agencies lacked extensive experience with the area agency concept since most area agencies had not been operating 1 full year. Therefore, we used interview questionnaires designed only to identify problems of Federal, State, and local officials in implementing the 1973 amendments.

We consulted with the requesting Committee and Subcommittees in determining the agencies to visit and the scope of work to be performed at each. As requested, we also interviewed representatives of selected area agency grantees, local governments, councils of governments, and review agencies established in accordance with OMB Circular A-95 1/, to determine their relationships with the area agencies and to obtain their assessments of the program.

As agreed with the Committee and Subcommittees, we made no attempt to verify the data obtained. In certain instances the data requested was not available and either conflicted with data obtained from other sources or was not comparable from location to location. Conflicting or incomparable data was excluded from our analysis.

We discussed the contents of this report with AOA officials and their comments were considered. AOA officials believe that attempts to launch simultaneously the area agency program and the title VII nutrition program contributed to many of the problems discussed in the report. According to these officials, the full complement of aging staff at both the Federal and State levels was not realized until well after many aspects of the two programs were implemented. Due to the emerging nature of the programs, many program and policy issues did not surface until after program implementation.

1/These agencies are the mechanism for State and local governments to comment on the consistency of proposed Federal projects with State and regional projects. They receive notification of selected types of Federal projects in their areas and distribute them to appropriate local groups for comment. In addition, many A-95 review agencies also act as comprehensive or functional planning agencies.

CHAPTER 2

ACHIEVEMENTS OF AREA AGENCIES

DURING FIRST YEAR OF OPERATION

Each area agency must prepare annually a plan for developing a comprehensive and coordinated system of services for the elderly. The annual plan must provide for

- continuous planning,
- coordination of existing services, and
- pooling of untapped resources. 1/

The plan may also provide for service programs designed to help older persons become aware of available services (out-reach, information and referral), provide access to such services (transportation and escort), and support other needed social services which other agencies cannot or will not provide, which are gap-filling services. In approving the plan, the State agency allocates funds to an area agency for services and activities.

At the time of our study, the State agencies had been attempting to implement the area agency concept for little more than a year. During that time, planning and service areas had been established, area agencies had been designated, and area plans had been approved. The area agencies in our study received their initial funds sometime during the first three quarters of calendar year 1974.

All the area agencies studied had made progress in performing most of the responsibilities assigned them by law and regulation. Area plans were being administered by all area agencies we studied, and most had made pooling and coordination efforts that resulted in new or improved services for the elderly. Advisory councils had been formed by most area agencies. Although several advisory councils were too new to have greatly influenced local aging programs, most officials believed these groups contributed to State and local aging programs.

1/ Coordination is the linking of resources already used to serve the elderly, while pooling is obtaining resources which are not currently used to serve older persons.

ACTIVITIES OF AREA AGENCIES

Twenty-eight of 29 area agencies studied were able to supply budgetary data for developing and administering the area plans and service programs in effect at the time of our study. The table on page 7 summarizes the activities and services included in these budgets. Twenty-three area agencies had allotted Federal funds to all three of the required activities of planning, coordination and pooling. None of the remaining five budgeted any resources for pooling. Two of these five agencies also had not allotted title III resources to coordination, and one intended to support its planning activity only with other resources. 1/

HEW regulations do not require that Federal funds authorized by title III be used to provide outreach, information and referral, transportation, and escort services. However, standard provisions developed by AOA and included in all area plans provide that area agencies make social services more accessible to older persons by developing and supporting these four services. In addition, one of AOA's 1974 national objectives was that each area agency show a measurable increase in the use of existing social services as a result of outreach, information and referral, transportation, and escort services either begun or strengthened with title III funds. As shown in the table on page 7, most of the area agencies had, at the time of our fieldwork, allotted funds to information and referral, transportation, and outreach services. Escort services were funded less frequently.

Gap-filling services were included in the budgets of 26 area agencies. The number of such services ranged from 1 to 15, with a median of 4. The gap-filling services most frequently listed were recreation, homemaker, education, and health. Three area agencies did not indicate the type of gap-filling services they provided.

1/Other resources include any resources other than Federal funds provided under title III of the Older Americans Act or non-Federal resources used to match the title III funds.

Services and Activities Budgeted
by the Area Agencies Studied

<u>Service or activity</u>	<u>Number of area agencies providing services</u>	
	<u>With title III or matching funds</u>	<u>Only with other resources</u>
Planning	27	1
Pooling	23	-
Coordination	26	-
Information and referral	26	-
Outreach	22	1
Transportation	25	1
Escort	13	1
Gap-filling	26	-

Appendix IV compares the budgets of the area agencies surveyed; appendix V presents 1 year's budgetary data on the allocation of resources to the eight service and activity categories. Actual data was not available in many cases because either the agency's first year of operation had not been completed or the year's financial records had not been finalized.

Performance of functions

HEW regulations provide that an area agency is responsible for performing certain functions in addition to developing and administering the area plan. These include the required areas of planning, coordination, and pooling mentioned previously. In total, area agencies are charged with

- providing leadership and advocacy on behalf of older persons;
- determining the need for social services;
- inventorying and evaluating local resources;
- establishing program objectives and priorities;
- planning with existing planning agencies and local providers of services;
- developing a program to (1) coordinate the delivery of existing services and (2) pool untapped resources to either strengthen existing services or create new ones;

- periodically evaluating the activities included in the plan;
- conducting public hearings concerning the needs of the elderly;
- collecting and disseminating information concerning the needs of the elderly;
- providing technical assistance to service providers;
- arranging, where necessary and feasible, for legal services for older persons;
- arranging, where possible, for older persons to aid in day care centers for children;
- establishing area agency advisory councils; and
- considering the views of recipients of services under the area plan.

All area agencies were trying to perform most of these functions either directly or under grant or contract. Five area agencies indicated they were performing all 14 functions, and most were performing 12 or 13 functions.

Arranging for older persons to work in day care centers and arranging for legal services for the elderly were the functions performed least frequently. Only about 30 percent of the area agencies were arranging for older persons to work in day care centers, and about 40 percent indicated they were arranging for legal services for the elderly. Many of these agencies indicated they were not providing day care work opportunities and legal services because other organizations were providing these services and/or they considered these functions to be low priority. Appendix VI summarizes the number of area agencies performing each function.

We also asked the State agency officials if the area agencies on aging were performing the assigned functions. In some cases the State and area agency officials did not agree on which functions were performed. The total number of area agencies performing each function, however, did not differ significantly between the State and area agency answers.

Both State and area agency officials believed that coordination, planning, pooling, and leadership and advocacy are the most important functions of the area agencies. Both

also agreed that establishing and working with advisory councils, advocacy and leadership, and inventorying resources were among the functions in which the most progress was being made. Day care work opportunities, legal services, evaluations of activities in the area plan, and collection and dissemination of information were functions for which officials of both the area agencies and States indicated slower progress was being made.

Title III regulations provide that wherever possible, area agencies perform most of their functions directly. Development of the coordination and pooling program, however, may be performed under grant or contract. In addition, the area agencies need only to arrange for others to provide legal services and day care work opportunities, not provide them directly.

Eight of the 29 area agencies in our study used grants or contracts for some functions which were to be performed directly. In one instance, an area agency used grants for seven of these functions. Because it lacked full-time staff this area agency was not performing any functions directly. Each of two area agencies used grants or contracts for two functions, while five area agencies used grants or contracts for one function to be performed directly. Determining needs and inventorying resources were the functions most frequently performed under grant or contract. Explanations were not provided on why these functions were not being performed directly.

Appropriateness of area agency functions

About 60 percent of HEW regional, State, and area agency officials interviewed believed that not all functions listed in the regulations should have been the responsibilities of the area agencies. About half the officials of the States and area agencies and three of the regions believed that the area agencies should not have been responsible for arranging to have older persons work in day care centers. About 20 percent of officials at the State and area agencies, and officials at four regions felt that the area agencies should not have been responsible for arranging legal services for the elderly. One explanation given for this was that these two functions were the responsibilities of other programs. Another reason was that State, area, and regional officials believed greater importance should be attached to the functions listed in the regulations than to other activities. Because they did not attach much importance to arranging for day care work opportunities and legal services, they believed these activities should be considered only allowable

services. Some officials also indicated that either these were low priority functions or that the area agencies did not have enough staff to perform them.

The function of arranging for older persons to work in day care centers was believed by some officials to have been too restrictive. They suggested it should have been replaced by a broader term, such as "promote volunteer work opportunities for the elderly." Several officials indicated it was unrealistic to have expected the area agencies to perform all 14 functions during the first year of operation and suggested that these responsibilities should have been phased in.

Many officials believed the area agencies should not have been responsible for all the assigned functions. However, approximately three-quarters of the regional, State and area officials indicated that the area agencies should have had additional responsibilities. About 40 percent of the officials interviewed believed that the area agencies should either have been the grantee for, or have had greater coordination with other programs which benefited the elderly, such as the nutrition program under title VII of the Older Americans Act and social services for the elderly under the Social Security Act.

Developing priorities and plans for organizations to follow in serving the elderly and reviewing and commenting on other funds being spent for the elderly in the planning and service areas were suggested as means by which area agencies could achieve greater coordination. Several officials believed that the area agencies should not have had additional functions because the agencies lacked sufficient staff and/or funds to have handled additional responsibilities.

Development of comprehensive service systems through pooling and coordination

The legislative history of the 1973 amendments to the Older Americans Act indicates that title III funds alone were not expected to support the comprehensive coordinated system of services which the area agency must develop. Title III funds are to be used as an incentive to draw increasing commitments from public and private service providers. Although title III funds may be used for support of social services which no public or private agencies of the area provide, the comprehensive service systems are to be developed primarily through coordination of existing services and pooling of untapped resources.

Coordination of existing services

All the area agencies in our study had made some attempt to coordinate with other organizations. With one exception, the area agencies said they coordinated with 2 to 75 organizations. One area agency has a mailing list of 7,000 to 8,000 organizations and said it coordinated with all of them. Half the area agencies coordinated with fewer than 11 organizations, and about one-third coordinated with 5 or fewer organizations. Almost all the area agencies coordinated with local or county governments. Many area agencies also coordinated with senior citizens organizations, regional and State governments, churches, hospitals and other charitable organizations, and various Federal organizations.

According to area agency officials, this coordination resulted in improved technical assistance, transportation, information and referral, funding, homemaker, and outreach services. However, area, State, and HEW regional officials noted that an area agency's ability to coordinate can be limited by factors such as knowledge of other programs, number of qualified staff, and relationship with governments. The major limiting factors are listed in more detail in appendix VII.

Coordination between area agencies and title VII nutrition projects

The Older Americans Act and its implementing regulations also stress the necessity for coordination between area agencies and the nutrition program authorized by title VII of the act. The regulations require the area agencies, in conjunction with the State agencies, to take the initiative in developing a mutual agreement with title VII grantees or contractors whereby the nutrition projects shall be made part of the coordinated and comprehensive system of services for older persons to be established under the area plan. Officials of all the State and area agencies interviewed agreed there should have been close coordination between the two programs, and many believed that coordination would have maximized resources and eliminated duplication.

One measure of the extent of coordination between the area agencies and nutrition projects was the degree to which they shared resources and services. As shown in the table below, officials of about 59 to 66 percent of the area agencies indicated they and the nutrition projects shared outreach services, volunteers, and facilities; about 38 percent shared paid personnel. Ten of the area agencies in our study were

also the title VII grantees; a much greater percentage of these area agencies shared resources with the nutrition program than did those who were not title VII grantees.

Number of Area Agencies Sharing Resources
with Title VII Nutrition Projects

<u>Resources</u>	For 10 area agencies which were title VII <u>grantees</u>	For 19 area agencies which were not title VII <u>grantees</u>	<u>Total</u>
Outreach	9 (90%)	8 (42%)	17 (59%)
Paid personnel	6 (60%)	5 (26%)	11 (38%)
Volunteers	7 (70%)	10 (53%)	17 (59%)
Facilities	10 (100%)	9 (47%)	19 (66%)

Title VII regulations require that certain supporting social services, including transportation, information and referral, health and welfare counseling, nutrition education, shopping assistance, and recreational activities be provided to individuals who participate in the nutrition program. The table on the next page summarizes the number and percent of area agencies which provided these services to title VII projects. Except for nutrition education, the majority of area agencies studied provided these social services to the title VII projects. However, as shown in the following table, the percentage of area agencies which provided these services did not seem to be consistently affected by whether the area agency was the title VII grantee. Eleven area agencies, seven of which were not title VII grantees, funded nutrition projects with funds other than title VII. Most of these projects were for home-delivered meals.

Number of Area Agencies Providing Services
to the Title VII Nutrition Projects

<u>Services</u>	<u>For 10 area agencies which were title VII grantees</u>	<u>For 19 area agencies which were not title VII grantees</u>	<u>Total</u>
Information and referral	9 (90%)	13 (68%)	22 (76%)
Transportation	7 (70%)	15 (79%)	22 (76%)
Health and welfare counseling	6 (60%)	11 (58%)	17 (59%)
Nutrition education	1 (10%)	7 (37%)	8 (28%)
Shopping assistance	5 (50%)	10 (53%)	15 (52%)
Recreational activities	5 (50%)	13 (68%)	18 (62%)

Barriers to coordination between area agencies and title VII nutrition projects

The majority of State and area agency officials believed there were barriers which hindered coordination between the area agencies and title VII projects. Most of the 12 area agencies whose officials indicated there were no major barriers to coordination were recipients of both titles III and VII grants. Retaining responsibility for the title VII program at the State level was the most frequently cited barrier to coordination, making the role of the area agency ambiguous. Other coordination barriers included reluctance of title VII grantees to relinquish authority to the area agencies, personality conflicts and other rivalry and friction, and conflicting or unclear legislation and guidelines (including the lack of a standard definition of coordination). State agencies encouraged coordination between the two titles by awarding a title VII grant to an area agency, sponsoring joint training and meetings for the area agencies and nutrition projects, having the area agencies provide the social

services to title VII projects, mandating or strongly suggesting that such coordination occur, and requiring the area agencies to prepare a plan for coordination with title VII grantees.

Although we did not ask agency officials for their views on who should have administered the title VII program, representatives of two regions, three States, and five area agencies volunteered that the area agencies should have administered the title VII program because this arrangement would have reduced the possibility of duplication, decreased conflict between the two programs, and given the area agencies more credibility which would have better enabled them to act as leaders and advocates. Another regional official believed that although the area agencies should have supported and coordinated with title VII services, the programs should not have been combined because the title VII program was more efficient than the title III program. Also, some area agencies which were part of councils of governments could not concentrate all their efforts on the elderly. These agencies received funding from their councils and had to reflect the council's overall goals, which were not always directed solely toward the elderly.

We also interviewed officials of three nutrition projects to determine if they thought the programs should have remained separate. One project official stated that the title VII nutrition program had been established before the existence of area agencies and that there would have been no benefit in combining titles III and VII because the area agencies were planning and not functional agencies. The director of another nutrition project did not believe the area agencies in her State had effectively performed their responsibilities. Therefore, she did not believe they were capable of assuming responsibility for the title VII projects.

The director of the third nutrition project indicated that the greatest obstacle to further coordination between the nutrition projects and the area agencies was that some organizations lost their designations as area agencies. At the time of our study, three organizations in this State had lost their area agency designation and the director felt the failure of another was imminent. She believed that title VII would have been hurt if made part of the area agency because if the agency failed, the nutrition project would also fail. However, according to AOA officials, this should not be a common problem because on a nationwide basis only a small percentage of area agency designations have changed.

Pooling untapped resources

Pooling untapped resources is another method used to develop and fund comprehensive service systems for the elderly. To determine the success of area agency pooling activities, we asked the area agencies to identify the organizations that were at least partially influenced by the area agency to earmark resources or increase activities for the elderly without title III funding participation. All but three area agencies said they had been able to influence at least one organization to help improve services for the elderly. Representatives of the area agencies which had not influenced other organizations to assist the elderly, indicated that their age and small staff had prevented them from successfully performing this function. Three area agencies were able to influence 11 organizations to assist the elderly; the median number of organizations listed was 5. Services frequently mentioned which resulted from pooling were new or improved transportation, health, outreach, and nutrition services.

According to State, regional, and local officials, a multitude of factors, such as small, inexperienced, or unqualified staffs; limited resources; and poor relationships with, or limited support from, government and private organizations hindered area agencies in pooling untapped resources. A summary of the major factors is included in appendix VIII. Of the 29 area agencies in our study, 25 had pooled funds from local government revenues; 11 from State general revenues; 19 from revenue sharing; and 20 from public sources, such as programs funded by the Office of Economic Opportunity and the Department of Housing and Urban Development.

The area agencies experienced difficulty pooling revenue sharing funds because some communities regarded elderly service programs as a low priority. Some local governments were not sure that revenue sharing funds would continue and, therefore, used them for capital improvements instead of reoccurring social programs. Representatives of most of the area agencies which had not pooled from State general revenue funds stated either they did not have the time and staff available to seek State funds or did not think such funds were available to them. Officials of several area agencies stated that the elderly had a low priority in the distribution of limited State funds.

MOST AREA AGENCIES OBTAINED MATCHING FUNDS

The use of title III funds is limited to not more than 75 percent of the cost of developing and administering an area plan nor more than 90 percent of the cost of social services provided under the plan. Resources used to match title III funds must not come from Federal sources.

According to the budgetary data supplied by the area agencies in our sample, most were meeting these matching requirements, while some were substantially exceeding the minimum levels. All but two of the area agencies in our sample met the minimum matching requirement for administrative costs. The match for administration ranged from about 17 to 88 percent with a median of about 26 percent. The match for services ranged from about 4 to 80 percent with a median of 24 percent. Only one area agency failed to meet the minimum match for social services. Two agencies were not included in this analysis because one was not able to tell us how it allotted matching funds between administration and social services, and the other could not supply complete budgetary data.

Total non-Federal match for the 28 area agencies which provided complete budgetary data ranged from 9 to 81 percent of the area agency budgets, with a median of 23 percent. Appendix IX presents the percent, source, and type of non-Federal matching resources for each of these 28 area agencies.

ESTABLISHMENT OF ADVISORY GROUPS

Title III regulations require each area agency to establish an advisory council consisting of representatives of program participants and the general public, including low income and minority older persons. The regulations also contain a similar requirement for a State advisory committee. According to AOA policy the role of these councils and committees is to be advisory only -- they are not to function in a policymaking capacity. The State and area agencies are to seriously consider the opinions and recommendations of the advisory groups, but are not obligated to implement them.

Officials of 22 of the area agencies in our study believed that the advisory councils had contributed to the aging program. The vast majority of State agency officials believed the State and area agency advisory groups had contributed significantly to the aging program. Officials of one-third of the HEW regions believed these advisory groups had made significant contributions, another third believed these groups had not made significant contributions, and the remainder were unsure.

Participation in State or area agency planning was the most frequently cited contribution of advisory groups. Many officials also indicated that advisory groups acted as advocates with governments and the general community, and conducted needs studies or otherwise helped in the identification of the needs of the elderly. Several advisory groups conducted public hearings, approved or monitored subcontracts, and participated in allocation of funds.

Officials of two States believed the area agency advisory councils were more effective than the State advisory committees, which they felt duplicated the area agency councils or just rubber-stamped State agency decisions. One State official added that because persons with mental or physical handicaps, poor health, or without transportation did not participate, these advisory groups were biased and did not represent all elderly participants. Other negative comments about the contributions of advisory groups centered on their newness and on their failure to fully understand their role in relation to the role of the State agency. Area agency officials believed that the education, background, and leadership capabilities of the advisory group members and their understanding of their roles were the two factors which most affected the ability of these groups to perform their functions properly. Inadequate training, transportation problems, inconvenient meeting times, lack of staff support, and members not devoting sufficient time to their duties were other factors which were told hindered the effectiveness of advisory groups. Most of the States and area agencies believed they received the proper amount of Federal and State guidance concerning the composition, size, and functions of their advisory groups.

Although most State and area agency officials believed proper responsibilities had been assigned to their advisory groups, several indicated these groups needed more specific or additional responsibilities. Officials of two area agencies indicated that advisory councils should have set priorities and have initial input to the plan instead of just reviewing it. Representatives of several States believed the advisory groups should have been policymakers. For example, one State official felt the area agency advisory council should have been given more policy-making responsibilities, including the authority to hire the director and disapprove the area plan. In another State, which already viewed the councils as policymakers, the area agencies were required to accept and implement any policy set by the council as long as it was consistent with the legislation and regulations.

OTHER VIEWS ON AREA AGENCIES

We interviewed representatives of 29 local governments and organizations serving the elderly in 18 planning and service areas. Eighteen of these organizations listed at least one problem concerning the area agency in their areas. Ten organizations said the program was good with no problems, and one did not evaluate the program in its area.

We also interviewed representatives of numerous planning organizations. Although we did not specifically question the planning organization about the success of the aging program, several of them commented on the subject. Planning organizations in three of four planning and service areas where we had not interviewed local representatives cited some problems in the aging program, as did several planning organizations in the other service areas.

The most frequently mentioned problems concerned funding or ineffective planning, pooling, and coordination. Other officials believed that the area agencies duplicated existing services or did not serve all parts of the planning and service area equally. Several local officials indicated that although their particular area agency was experiencing problems, the overall area agency concept was good. Appendix X summarizes the opinions of the officials interviewed.

CHAPTER 3

PROBLEMS IN ADAPTING TO

THE AREA AGENCY CONCEPT

The Older Americans Comprehensive Services Amendments of 1973 established the area agency concept under title III of the Older Americans Act and eliminated two predecessor programs--the Areawide Model Project Program and a program for State and area services. These amendments changed the orientation of the title III program from service delivery to planning, advocacy and capacity building. They provided for the establishment of a network of State and area agencies which are to develop comprehensive and coordinated service systems to meet the needs of Older Americans at the community level throughout the Nation. Several States and area agencies in our study had problems in making the transition from the former title III programs to the area agency concept. Some State and area agency officials and one regional official believed the present division of responsibilities among the AOA State agencies, area agencies, and service providers was not applicable to all situations. They suggested alternatives to the area agency organizational structure.

CONVERSION TO THE AREA AGENCY CONCEPT

The goals of the Areawide Model Project Program were (1) to generate and redirect community resources to meet priority needs of the elderly and (2) to change patterns of service delivery through the coordination of available resources and jointly funding services previously unavailable. Although similar to the area agency concept, the model project program was not viewed as increasing State and local capacity for developing the comprehensive and coordinated service systems envisioned under the area agency concept. Twenty-one projects were funded under this program.

The program for State and area services previously authorized under title III, focused principally on service delivery rather than planning and coordination to develop a comprehensive service system for the elderly. Under this program title III funds were granted by the States to local agencies which provided specific social programs such as recreation and senior centers.

Conversion from areawide model project

Officials in four of the five States in our study which previously had an areawide model project indicated no major problems in incorporating these projects into the area agency concept. In one case, however, a former areawide model project conflicted with its State agency regarding the transition from the model project to the area agency concept. Officials of the area agency believed the model project, which provided a package of services to a small target population concentrated in an urban area, was the type of program authorized under the area agency concept and, therefore, wanted to continue the model project without major changes. State agency officials, however, believed that the area agency, which was responsible for both rural and urban areas, needed to provide at least one or two services throughout the entire planning and service area; it maintained that the model project did not meet the requirements of an area agency. At the end of fiscal year 1975, the area agency was still concentrating its efforts on the urban areas.

Conversion from prog. ams for State and community services

Several States had problems in converting from State and community services programs authorized before the 1973 amendments to the area agency concept. For the most part, these problems appeared to stem from a continuing emphasis by the States and/or area agencies on delivering individual services rather than on developing a comprehensive, coordinated service system. The following are examples of problems experienced.

In one State the previous allotment of title III funds was used primarily to fund about 45 senior centers which emphasized social services, such as recreation and nutrition. Although these centers may have been good vehicles for providing comprehensive and coordinated services, State officials believed that the area agencies were using too much of their allocations in duplicating activities. The State officials wanted the area agencies to become more planning-oriented and to develop a comprehensive coordinated network of services to the elderly which would include transportation and information and referral services.

In another State, an official indicated that the implementation of the area agency concept had been hindered because the general public, local leaders, and service providers tended to think of the aging program and the needs of the elderly in

terms of senior centers and recreational activities rather than in terms of comprehensive systems of service.

In still another State, one area agency included in our study appeared to be an area agency in name only--it had little control over the use of title III funds and did not operate as an entity separate from the local community service agency. The State agency representatives believed the State should have retained the grantor role it had under the former title III program because it was more qualified than the area agency and was not as susceptible to local political pressure. Thus, the State directed that all the area agency's title III funds be allotted to community centers which basically provided recreational services. Not only did this hinder the area agency's ability to plan by depriving it of the authority to allot title III funds based on local need but it eliminated title III funding for support services and area agency activities. Although the approved area plan provided for a full time director, as required by HEW regulations, the area agency director also directed the local community service agency which served low income and elderly individuals. Because the area agency had no staff and, thus, could not operate as a separate entity, the community service agency performed the area agency functions.

Other area agencies in this State may have experienced similar difficulties. According to the 1975 State plan, five of the nine area agencies received no title III funds for planning. Four area agencies received less than \$8,700 each to support all activities other than gap-filling services. In addition, a local government official informed us of another area agency in which much of the title III funds were allotted to service providers by the State agency instead of the area agency. A regional official indicated that other States in his region had attempted to tell their area agencies which service providers they should have funded. He had consulted with the States and thought the problem had been alleviated.

We interviewed area agency officials in only one of the States in this region and, therefore, cannot comment on the severity of these problems in the other States.

**SPECIAL IMPLEMENTATION PROBLEMS IN
A STATE WITH AN EXISTING
NETWORK OF ELDERLY ORGANIZATIONS
SIMILAR TO AREA AGENCIES**

Prior to nationwide implementation of the area agency concept, one State had started a substate network of nonprofit

aging corporations which were responsible for many of the same functions and responsibilities as the area agencies. These substate aging corporations received funds from titles III and VII of the Older Americans Act, social service portions of the Social Security Act, and the State. Controversy developed among Federal, State, and local officials concerning the manner in which these substate aging corporations would be incorporated into the area agency concept. This unique problem is one of the factors which delayed full implementation of the area agency concept in this State.

In the fall of 1973, at the time of the implementation of the area agency concept, the State agency intended to establish 8 regional offices and wished to designate them as the area agencies. However, AOA interpreted the legislative history of the Older Americans Act as requiring the State agency and area agencies to be separate entities at two different government levels. The final title III regulations, therefore, prohibited designating State regional offices as area agencies. AOA's Commissioner on Aging suggested that the substate aging corporations be designated as area agencies. But the director of the State agency rejected this proposal.

In December 1973 the State submitted for approval a plan which designated the entire State as a single planning and service area. The regional HEW office, however, concluded that this State did not meet the criteria and thus recommended that the plan be disapproved.

Meetings on acceptance of the State's plan were held in early 1974 and representatives of two Congressmen became involved in the issue. In May 1974 the fiscal year 1974 State plan designating the State as a single planning and service area was approved. However, a condition of approval was that the fiscal year 1975 plan would divide the State into six planning and service areas, and that five area agencies would be designated and operating by September 1, 1974. In December 1974 the fiscal year 1975 State plan, providing for five area agencies in six planning and service areas was approved.

After we had completed our fieldwork in the spring of 1975, the State agency initiated action to dissolve some area agencies and to designate the substate aging corporations as area agencies. By October 1975, one of the original area agencies had been abolished and its functions were merged with those of five existing substate aging corporations. By October 1976 two more area agencies had been dissolved and their functions transferred to six substate aging corporations.

The fiscal year 1977 State plan provides for continued consolidation of the substate aging corporations and area agencies.

ALTERNATIVES TO THE AREA AGENCY CONCEPT

Although we did not specifically ask the officials interviewed about the division of responsibilities among AOA, State and area agencies, and service providers, officials of one region, three States, and two area agencies believed that the division of duties, prescribed by legislation and regulations, was not applicable to all situations. Most recommendations for changes in duties applied to rural areas which have small populations spread throughout a large geographic area.

In one State, a State agency official suggested that area agencies should have been designated only for metropolitan areas with the State agency providing services directly to rural areas. He believed that such an arrangement would have been much more efficient than designating area agencies throughout the State. In another State, a State official indicated that title III resources were so limited in rural areas that the area agency was not able to carry out all its responsibilities. He suggested that area agencies be made responsible for overall coordination; the State would then establish multi-service centers to plan, pool, and deliver services. A representative of a third State indicated that in a particular planning and service area the area agency was also the only service provider, and had attempted to perform both the service provider and the area agency functions but failed. The State agency would have liked to assume the area agency role and contracted with the area agency to act as a service provider.

One regional official suggested an alternative form of providing elderly services in rural areas where dispersed population and limited resources make it unrealistic to expect the development of comprehensive systems of services for the elderly. According to this official, many rural area agencies were little more than conduits for State funding and were occupied with managing the continuation of grants (previously funded by the State agency) and had little time to provide leadership and undertake other functions.

This alternative system would not have attempted to develop a comprehensive service system for the entire planning and service area but would have developed separate local programs for isolated communities. Each local area would have had a program board, which would have had advisory council and policy determination functions. All general expectations

of area plans would have applied to the local plans except they would have been tempered to realistically reflect the limited available resources. Although programs would have been developed for only a small portion of the planning and service area, only a small portion of the total population would have lived in the areas excluded.

If an area agency was designated for the planning and service area, it would have performed all of its prescribed responsibilities. The area agency director would have been responsible for managing the area but would have looked to the local program boards for leadership in developing and implementing the area plan. This area plan would have been limited to a compilation of the local plans.

If it wasn't economically feasible to establish an area agency, the State agency would have funded the local programs directly and assumed some of the area agency responsibilities for area plan development, leadership, and technical assistance. However, most of the normal area agency responsibilities would have been handled by the local program boards. A reasonable level of administrative costs normally awarded an area agency could have been allowed to the State agency for the additional responsibility.

Officials of two area agencies suggested that area agencies in some of the large cities should have been funded and monitored directly by AOA instead of by the State agency. One director suggested this because some area agency staffs had more expertise than the State agency staff. The other area agency official suggested that direct funding should have occurred when the budget of the city office on aging (exclusive of titles III and VII matching funds) exceeded the budget of the State agency on aging.

CHAPTER 4

OTHER FACTORS HINDERING PROGRAM SUCCESS

Although the State and area agencies had made some progress in implementing the area agency concept, the majority of State and HEW regional officials believed that insufficient staffing of State and area agencies and inadequate funding had prevented the area agency program from achieving its full potential. Many officials also believed that the program would have been more successful if relationships between regions, States and area agencies were improved. Problems in adapting to the area agency concept (discussed in ch. 3), difficulties in meeting some of the criteria for serving low income and minority elderly, and unsatisfactory policy guidance also hindered implementation of the program in some areas.

Appendix XI lists the State's and area agencies' major problems in implementing the area agency concept as cited by HEW regional and State officials.

STAFFING OF STATE AND AREA AGENCIES CITED AS INADEQUATE

HEW regulations require that State and area agencies on aging have enough qualified staff members. The regulations further require that an area agency be headed by a full-time qualified individual who works solely on the implementation of the area plan. Likewise, the single organizational unit designated as the State agency, must be headed by a qualified individual who is assigned on a full-time basis to the leadership of the State's aging program.

The State agencies in our study had staffs that ranged from 10 to about 115 full-time or equivalent employees. As shown in the first table below, about two-thirds of the 15 State agencies in our study had 30 or fewer employees.

Staffing of the 15 State Agencies
Included in the Study

Number of full-time equivalent employees	Number of States in that range
1-10	1
11-20	3
21-30	6
31-40	1
41-50	1
51-60	-
61-70	1
71-80	1
over 80	1

With regard to area agency staffing, the following table shows that one of the area agencies had no staff of its own. This agency was operated by the local community service agency. The full-time equivalent employees of the remaining area agencies ranged from 1 to 30; about one-third of these agencies had 3 or fewer employees.

Staffing of the 29 Area Agencies
Included in the Study

Number of full-time equivalent employees	Number of area agencies in that range (note a)
0	1
1-3	9
4-6	6
7-10	6
11-15	5
16-20	-
21-25	1
Over 25	1

a/Several area agencies included in their list of employees individuals employed under a title VII grant or individuals employed to perform gap-filling services which would usually be performed under grant or contract. Because these are unusual situations, these individuals were excluded from the figures in this table.

We attempted to obtain comments from regional and State officials on the adequacy of State and area agency staffs in terms of both numbers and qualifications. We were not always successful in obtaining views on both. Area agency officials were asked if they had enough staff to perform the 14 area agency functions. The views of these officials follow.

State agency staffing

Regional officials stated that:

- Seven States had enough employees: of these States, five had qualified employees, one did not, and the regional official was uncertain about the qualifications of the remaining State's staff.
- Six States did not have enough staff members: no comment was made concerning the qualifications of these staffs.
- The adequacy of the size and qualifications of staffs of two States were uncertain.

State officials stated that:

- Five States were adequately staffed in terms of both qualifications and numbers.
- Eight States did not have enough employees: the employees of three of these States were qualified, two were not and no comment was made concerning the qualifications of the remaining three.
- Two States were uncertain about the adequacy of the size of their own staffs: the employees of one of these were qualified and no comment was made concerning the qualifications of the other.

Area agency staffing

State officials:

- Believed 12 area agencies had enough employees: 11 area agencies' staffs were qualified and 1 was not.
- Believed 12 area agencies did not have enough employees: of these staffs, 4 were adequately qualified, 4 were not (2 of these were rated as unqualified because it was impossible for 1 person to adequately perform

all area agency functions), and no comment was made concerning the qualifications of the other 4 area agencies' employees.

--Were uncertain about the adequacy of size of four area agencies: of these staffs, they were uncertain about the qualifications of three and made no comment about the qualifications of the other.

Area agency officials believed:

--Six area agencies had enough employees to perform the 14 area agency functions.

--Six area agencies would have enough employees once more were hired.

--Seventeen area agencies did not have enough employees and did not foresee an immediate solution to this problem.

Representatives of 13 area agencies specified insufficient funds as a cause of inadequate staffing. We obtained the views of those officials primarily responsible for administering only the elderly programs and they, therefore, are unlikely to reflect the priorities of these programs relative to other government programs and activities.

One State director suggested that inadequately trained area agency directors hindered implementation of the area agency concept. According to this official, the gerontology schools attended by some directors did not require program management courses and some of their graduates considered administration and coordination to be insignificant.

PROBLEMS IN REACHING MINORITY EMPLOYMENT GOALS

The Older Americans Act of 1965, as amended, and HEW regulations require that preference be given to qualified persons aged 60 and over for any position in State and area agency organizations. In addition, the State and area agencies must develop an affirmative action plan for equal employment opportunity. All of the State agencies visited included employees from minority groups and only one did not have any employees aged 60 or older. A majority of the area agencies questioned had no employees 60 or older on their staff, and slightly less than half had no minority employees. The following table summarizes the percent of State and area agency employees who either are minority members or are at least 60 years of age.

Employment of Minorities and Older Persons

	Percent of total employees							
	0	1-10	11-20	21-30	31-40	41-50	51-60	Over 60
Employment in:								
15 State agencies:								
Minorities	-	5	7	3	-	-	-	-
60 or over	1	7	6	-	1	-	-	-
28 area agencies								
(note a):								
Minorities	12	1	4	3	3	1	3	1
60 or older	15	3	5	3	-	2	-	-

a/One area agency studied was not included in this table because it had no staff of its own.

Most States said they and the area agencies were having difficulty implementing the affirmative action plans. According to HEW regional and State officials the main hindrances included low salary, limited personnel turnover, lack of qualified applicants, limited control over who is hired, and confusion over the development and implementation of the plan. HEW regional officials added that lack of commitment or interest and prejudices or apathy by the hiring authority were major hindrances.

FUNDING CITED BY SOME AS INADEQUATE

Representatives of about half of the HEW regions and States cited funding inadequacies as one of the major problems the States and area agencies experienced in attempting to implement the area agency concept. An official of the parent organization of one area agency indicated that the area agency concept was designed to fail because in some areas of the country there were no significant resources which could be tapped for the elderly, and the title III funding level was insufficient to support the comprehensive coordinated network of services.

In some instances, limited resources precluded serving a significant portion of the target population. Several officials indicated that because of limited funding they could serve only low income and minority individuals instead of all elderly. In other cases, services tended to be available only to those who resided in areas of high elderly population density while the more isolated elderly were less likely to be served. In many rural areas the lack of other resources and the high cost of services to a scattered population increased the funding problem.

Some officials believed general funding problems were complicated by restrictions on administrative funding and a limit on the number of years a project may receive title III funding. In addition, some area agency officials believed that the ability to develop comprehensive service systems for the elderly was hindered by the lack of a formal mechanism to keep them informed of new Federal, State, local, and private funds available in the area.

Limit on administrative costs

The law requires that not more than 15 percent of a State's allotment for area planning and social services be used to pay up to three-fourths of the cost of administering area plans. The remaining 85 percent may be used to fund social services. Representatives of most area agencies did not believe they were receiving adequate funds for administration. Officials of only four area agencies in our study believed their administrative funds were adequate; two others were uncertain. Officials of two area agencies felt they had sufficient administrative funds to perform their current limited role but would need more if they were to effectively perform all required area agency functions and responsibilities.

An official of one area agency rated administrative funding as adequate because the area agency received a large amount of funds from the State, which it used to supplement its title III administrative funds. One area agency director was uncertain about the adequacy of administrative funds because only 5 of 15 area agencies planned for the State had been designated. Therefore, the 15 percent limit might be a problem in the future if each area agency's administrative budget must be decreased because the total administrative funding would be allocated among 15 area agencies instead of 5.

Officials of two area agencies indicated they stayed within their administrative funds limit by including some administrative costs in the social service section of their budgets. Representatives of 17 area agencies indicated that administrative funds were insufficient to hire enough staff members to satisfactorily perform area agency responsibilities.

The one combined State/area agency included in our study received \$160,000 in administrative funds, the minimum prescribed by law for a State agency. Representatives of this

agency believed this amount was inadequate for a State agency and was certainly insufficient to enable a combined State/area agency to perform both area agency and some State agency functions, such as administration of the nutrition program. This agency, therefore, recommended that small States receive a minimum of \$200,000 in administrative funds and combined State/area agencies receive at least \$250,000 in administrative funds.

The 15-percent limit on administration, combined with AOA's desire to have area agencies designated for all areas as soon as possible, was considered by one State director to be one of the greatest problems in implementing the area agency concept. In this State 15 percent of the State's allotment was sufficient to designate only 7 area agencies in 18 pre-existing planning and service areas. The director indicated that this restriction was grossly unfair to the elderly in areas without an area agency and it was unrealistic to expect State government officials to continue to support the program unless all areas of the State received equal coverage. Therefore, the director believed the 15-percent limit had to be repealed if the program was to meet its legislative intent.

Three-year funding limit for social service activities

AOA encouraged the area agencies to use title III funds only as a catalyst and to seek other funding sources by prohibiting individual service projects from receiving title III funds for more than 3 years unless the Commissioner on Aging after obtaining State agency views, approves further funding. Representatives of the majority of State and area agencies felt that social service activities would not be able to continue after 3 years without continued Federal funding. Application of the 3-year limit became effective in October 1976. Because the extension of each social service must be considered individually, and not all social services have completed three funding years under an area plan, AOA cannot determine yet how many projects will receive title III funding for a fourth year.

Lack of funds at the local level and the low priority assigned to assisting the elderly by most funding sources were the two factors most frequently cited by State and area agency officials as preventing the projects from continuing after 3 years without AOA funding. Representatives of several State and area agencies indicated that 3 years was an

unrealistic period because it would take several years to establish a project and to educate the public on its need. In addition, many officials did not believe that the projects could exist without AOA assistance. Several officials suggested that AOA support be continued at a reduced level.

About one-third of the area agencies were attempting to overcome financial barriers through general advocacy with potential funding sources. Several State agencies were attempting to obtain additional funds through a special State tax, State general revenue, or Federal revenue sharing funds.

Officials of several agencies indicated that they funded only those projects which were likely to have been supported by community groups after several years.

Many of the area agencies did not have any plans for continuing projects after title III funds had been withdrawn. One area agency director added that the barriers were too great to be overcome.

Knowledge of potential funding sources

Knowledge of available funding is essential if limited title III funds are to be augmented through coordination and pooling. The most frequently mentioned sources of information on the availability of Federal, State, local, and private funds for services to the elderly were contacts with review agencies established under OMB Circular A-95, councils of governments, and other planning groups. Congressional newsletters and reports and HEW publications, as well as State governments and local organizations, were also frequently mentioned as sources of funding information. A significant number of States and area agencies cited each other as sources of this information. (See app. XII for a more complete list.) There was no consistent method used by the State and area agencies to keep informed. Comments received from representatives of area agencies and review and planning groups showed that their relationship with each other varied significantly. The responses ranged from a very close working relationship between these organizations to some area agencies and planning organizations lacking contact with each other.

DIFFICULTIES IN SERVING LOW INCOME AND MINORITY ELDERLY AND USING MINORITY CONTRACTORS

The Older Americans Comprehensive Services Amendments of 1973 require that priority for health, educational, and social

services be given to the elderly with the greatest economic and social needs. The implementing regulations require that in considering available resources, wherever possible, low income and minority individuals be served at least in proportion to their numbers in the planning and service area. To encourage their participation in the aging program, HEW regulations also require that

"area plan shall provide for contracts or grants under the area plan to be operated by minority individuals, at least in proportion to their relative number in the planning and service area."

Services to minority and low income populations

Officials of 80 percent of the States and 55 percent of the HEW regions we visited thought all their area agencies were serving minorities and low income people at least in proportion to their numbers. However, several State and regional officials added that their responses were opinions because the title III information system, in use at the time of our study, did not include information on poor and minority elderly.

Officials of almost 20 percent of the area agencies indicated they were not meeting at least one of these requirements. However, many area agency officials indicated they were serving a much greater percentage of poor and minority elderly than required. Representatives of about 25 percent of the area agencies did not know whether they were satisfying the requirements. Several who said they were meeting the requirements admitted that their statements were opinions rather than statements based on actual data. In addition, all the interviewed area agency officials either had no information on the percentage of funds spent on poor and minority elderly, or stated that the percentage of funds spent on these groups was directly proportional to their size.

Officials cited several problems with serving poor and minority elderly. The most frequently cited were identification and contacting of potential recipients, language and cultural barriers, and the stigma of a welfare image. About one-third of the officials indicated that either transportation problems or insufficient resources hindered their efforts. Other officials indicated that the low income and minority elderly were often suspicious of government programs and that it was sometimes difficult to serve minority and nonminority

groups at the same project. One official indicated it was also difficult to serve more than one minority group at a single project. Several officials added that these groups did not have enough influence to assure that their needs were met, and that the general public and funding sources were either not aware of the needs of the elderly poor and minorities or had no desire to serve them.

Some of the more frequently cited techniques for overcoming these problems were (1) the use of bilingual and minority employees and contractors, (2) location of projects in areas with a high concentration of poor and minority populations, (3) increased outreach efforts, and (4) use of public relations techniques to improve the image of the program.

Minority contractor requirement

Officials of 10 State agencies and 5 regions told us that the area agencies in their States and regions had not complied with the regulation on using minority contractors. The primary reasons given were (1) a lack of emphasis on this requirement until after the area plans had been developed, (2) a scarcity of experienced and competent minority contractors, (3) difficulties in defining a minority contractor, and (4) minority contractors that often were not financially competitive.

Other problems in complying with this regulation were cited. Officials in several States indicated that strict enforcement of the minority contractor regulation could have been detrimental to the aging program. Most aging projects in one State were operated by local councils on aging. Although the membership and leadership of these groups were racially balanced, they did not meet the definition of a minority contractor. Officials indicated that terminating or reducing existing projects and initiating new ones to meet the minority contractor regulation would have hurt the program and resulted in fragmentation of services. Similar problems were mentioned by an official in a State which stressed contracts with city and county governments. An official in a third State said that the aging program could have been seriously damaged if grantees serving minorities had been replaced because they were not minority contractors. In some States the minority contractor regulation conflicted with State requirements that contracts be made with the lowest bidder. Several officials also cited difficulty with understanding and consistently interpreting this requirement.

Special problems in serving elderly Indians on reservations

Several area agency, State, and regional officials mentioned special problems in serving elderly Indians on reservations. HEW regulations require that, when possible, Indian reservations be designated planning and service areas and that the tribal organizations be designated the area agencies. Although eight of the States in our study had Federal Indian reservations, none had been designated planning and service areas. Officials in five States said that the small number of elderly Indians living on the reservations was a primary reason for not making the designation. Officials of the other three States said they had not designated reservations as planning and service areas because the planning and service area boundaries followed existing substate boundaries which did not make allowances for Indian reservations.

In fiscal year 1975, States with more than 250 elderly Indians living on a reservation were required to include in their State plans an objective for serving these people. Although each of 3 States in our study had more than 250 elderly Indians on a reservation, 1 State plan did not contain an objective for funding a project for Indians, and the other 2 plans contained only very general objectives.

Officials in several States indicated it was difficult to serve elderly Indians living on reservations because the boundaries of Indian reservations and State and area agencies did not coincide. Officials in two States also indicated that implementing the special provision for Indians would have discriminated against other minority groups.

Service to elderly Indians was also hampered by some tribes not wanting to work with State and area agencies but wanting instead direct funding from AOA. The tribes believed that numerous Federal treaties and regulations recognized their tribal governments as sovereign nations with a direct peer relationship to the Government. They felt, however, that state or area agency involvement in developing and implementing aging programs infringed on their sovereign nation status by making them subordinate to State and local governments.

RELATIONSHIPS BETWEEN AREA AGENCIES, STATES, AND HEW REGIONAL OFFICES

An area agency's primary source of guidance on how its aging program should be implemented at the local level is the State agency on aging. Similarly, the State agency looks to the HEW regional office for assistance. We discussed with these organizations their relationships with each other.

Relationship between the area agencies and States 1/

Although most State agency officials felt that their relationship with the area agencies was good, area agency officials expressed concern about the insufficient number and degree of services provided by the States. Both State and area agency officials cited problems with the division of responsibilities between the State and area agencies.

We asked State, area agency, and HEW regional officials to list the five State activities that they felt most assisted the area agencies. As shown in the following table, the majority of officials in each group agreed that technical assistance and training were among activities that most assisted the area agencies. However, these groups disagreed on the importance of monitoring, legislative advocacy, policy guidance, dissemination of information, and planning and coordination.

State Agencies' Activities which Helped Area Agencies Perform their Responsibilities

	Number of 28 area agency officials citing activity	Number of 15 State officials citing activity	Number of 9 regional officials citing activity
Technical assistance	22	14	9
Planning, pooling, and coordinating with other State agencies	8	13	9
Monitoring and evaluating	5	12	5
Training	14	11	8
Dissemination of information-- including information on available funds	12	6	3
Policy guidance and interpretations of Federal regulations	11	3	3
Legislative advocacy	7	8	4

1/The combined State/area agency does not have a State agency/area agency relationship and is not included in this section.

Officials of more than half of the area agencies could not list five activities performed by the State that helped them perform their duties; three agencies listed only one activity. The average number of activities listed was fewer than four. Many area agency representatives believed that the State agency needed to initiate or provide additional assistance in coordination, technical assistance, consistent interpretation of Federal policy, training, and legislative advocacy. Appendix XIII lists additional activities for which the area agencies believed they needed State agency assistance.

Other concerns expressed by representatives of the area agencies pertained to pooling and coordinating. The majority of area agency officials did not believe that the State agencies gave them sufficient guidance and support to perform these functions adequately. They were dissatisfied because they believed their State agencies needed to exhibit greater advocacy and leadership with other State and Federal agencies. Area agency officials also believed that the State agencies lacked the necessary expertise to supply adequate guidance and needed to provide more technical assistance, especially detailed guidelines.

Officials of five of the area agencies, five of the States, and four of the HEW regions we interviewed believed there was unnecessary duplication of effort between State and area agencies. Duplication in coordinating services, supplying technical assistance to local grantees and nutrition projects, and monitoring and evaluating were examples most frequently cited. Some officials believed other organizations were duplicating State and area agency efforts because they supplied some of the same services (especially information and referral) to a target population which included the elderly. One State agency official believed that the responsibilities assigned to the State and area agencies by title III regulations were so similar that it was not clear which agency had ultimate authority and, therefore, many responsibilities were duplicated at State and area agency levels. In two States, the State agency on aging or the State department which included the State aging agency employed individuals to coordinate existing services at the local level. A regional official believed this was unnecessary duplication of the area agency's coordination function.

About two-thirds of the HEW regional and half of the State representatives thought that responsibilities were properly divided between the States and area agencies.

Most of the State and regional officials who did not believe that the responsibilities were properly divided indicated that this division of responsibilities was not clearly defined. One regional official indicated that it was too early to determine the validity of delegating some responsibilities to the area agency.

Officials in several States indicated that the division of responsibilities hindered the State in carrying out its responsibilities because the area agencies questioned its authority to set Statewide priorities and policy and to evaluate the area agencies. Two regions indicated that when a council of governments was designated the area agency, the State agency may not have had sufficient authority over the area agency to carry out its responsibilities. Because the area agencies received their funding through the councils of governments, they had to reflect the councils' goals and could not totally concentrate on the elderly; thus they could not always be responsive to the State agency on aging.

Several officials indicated that the staffs of some of the area agencies had more expertise than some State agency staffs and, therefore, bypassed the State agency and worked directly with AOA.

Relationship between State agencies and HEW regional offices

Representatives of most State agencies rated their relationship with the HEW regional offices as good, two rated their relationship as average, and one said it was poor. Both officials who rated their relationship as average said that there was inconsistency in the quality of the guidance received. The State official who had a poor relationship with the region stated that his State had received no technical assistance from the region. He also believed that the region was too compliance oriented because it stressed compliance with regulations rather than assessing the State's progress in meeting its goals and objectives.

Although most State officials frequently asked for regional assistance, about half felt that the policy guidance they received was only average; three States' representatives thought they received poor policy guidance. Two of the poor ratings were given because the regions lacked the authority to provide sufficient guidance and had to request policy guidance from headquarters. The third poor rating was given because of conflicting instructions and inconsistent interpretation of regulations concerning fiscal management.

DISSATISFACTION WITH STATE AND ADMINISTRATION ON AGING POLICY

Officials from all the States (including the combined State/area agency), about 90 percent of the regions, and about 80 percent of the area agencies were dissatisfied with the reasonableness, timing, clarity, and consistency of State or AOA policies. Most State officials and many regional and area agency representatives, including one which had not rated policy issuances negatively, indicated that policy was not interpreted consistently throughout the Nation. One area agency director did not respond to the questions on policy issuances because her efforts were concentrated on working with people, problems, and programs. Therefore, she believed there was no time to read all the policy guidelines received.

Policy was frequently described as hard to understand, or conflicting with other AOA and HEW or State policy. Lack of timeliness, including insufficient leadtime and unrealistic deadlines, was the second most frequently mentioned problem. Several State and area agency officials indicated they sometimes did not receive the applicable policy issuances until after the required action was to have occurred.

Although several State and area agency officials indicated that State and AOA policy issuances did not give sufficient guidance, most of the negative comments described such issuances as unrealistic and overly restrictive. Many officials on aging were dissatisfied with the policy on minority contractors, information and referral services, direct provision of services, reporting, and required services. Several officials also believed that some directives did not sufficiently consider local variances in the program. The comments of aging officials concerning minority contractors were discussed earlier in this chapter.

Dissatisfaction with information and referral requirements

The Older Americans Act and HEW regulations provide for establishing or maintaining information and referral services by the State and area agencies in sufficient numbers to assure that all older persons in the State or planning and service area have reasonably convenient access to such services. The regulations required these services to be in place by the end of fiscal year 1975. Where possible, the area agencies were to use the existing information and referral resources of the Social Security district offices

to meet this requirement, and in all cases, the State and area agency information and referral resources were to be closely coordinated with the Social Security district offices.

In August 1974, AOA issued minimum standards for information and referral services, to be met by June 30, 1975. Part of these standards required that information and referral services be available during normal working hours through walk-in centers and/or by telephone. Where appropriate, these services were to be staffed by bilingual personnel. If these services received Older Americans Act funds, the names of older persons using the service were to be removed from their records 30 days after the initial contact. This last requirement was instituted to protect the confidentiality of information supplied by older persons seeking assistance through these services.

Officials of about one-third of the area agencies, several States, and one HEW region were dissatisfied with requirements for information and referral services. A majority of the negative comments indicated that the destruction of information and referral records after 30 days was unreasonable because these records could have been used for followup or long-term counseling. One State official indicated the 30-day destruction limit made it difficult to obtain information and referral through pooling and coordination because organizations with which they might have shared resources wanted to keep records for 1 year. Two other officials indicated that the information and referral policy, in general, was too restrictive. Two officials indicated that there was no consensus about what constituted reasonable access to these services. According to one of these officials, some States required that staff and telephone service be maintained at the local level, and other States believe one Statewide toll free telephone number would have been sufficient. A representative of one area agency indicated it was unreasonable for the State to require rural areas to have an 8-hour telephone information and referral service staffed with bilingual personnel because some counties in the planning and service area only received about \$6,000 to provide these services.

In March 1975 AOA requested further comments from the State and area agencies on the 30-day requirement and in June 1975 revised its policy to provide a quarterly review of records containing personal information. If the review determines that a case is closed, the name associated with the personal information is to be deleted. However, personal information in an active file can be retained for longer than

3 months if a statement indicating the reason the name was not deleted is placed in the file.

Differences of opinion about the direct provision of services

The Older Americans Act provides that no social services be provided directly by the State or area agency unless the State agency determines that direct provision of a service is necessary to assure an adequate supply of that service. The regulations further provide that except for information and referral services and coordination activities, the State agency not approve direct services by an area agency unless the area agency was providing social services before its designation as an area agency or direct provision of a service is necessary to assure an adequate supply of that service and no other agency will effectively deliver such service.

Over one-third of the regional, State, and area agency officials contacted disagreed with this regulation or had experienced some difficulty in implementing it. Several officials who agreed with the regulation added that the exception to the prohibition against direct provision of services was essential because in some areas, particularly rural ones, the area agency was the only organization capable of providing services to the elderly.

Officials of one region disagreed with the policy because they believed a State or an area agency should not have been allowed to provide direct services under any circumstances; however, all of the other officials who disagreed believed it placed too many limitations on direct provision of services. Several officials believed that direct provision of services should have been allowed because that would have resulted in more effective coordination and strengthened the image of the aging agencies. Several other officials indicated that the area agencies might have been the organizations most qualified to provide services or that directly providing services was sometimes the most economical method, especially if the area agency would otherwise have had to help set up a new organization for this purpose. Representatives of two State agencies believed there should have been an exception to allow them to provide services directly in areas without area agencies and officials of two area agencies believed that they, not the State agency, should have determined if the area agency qualified for the exception. One State and one regional representative believed the State should have been allowed to provide information

and referral on a statewide basis instead of having had the individual area agencies provide this service.

AOA views the exceptions to the prohibitions against direct service delivery as an immediate short-term measure to be applied if local agencies, other than the area agency, have not developed the capacity to provide the needed services. However, the policy of one State was that all of its area agencies directly provide certain linkage services, including information and referral, and transportation. This State had designated the area agencies as the single local agency to develop an integrated and comprehensive coordinated system of services for the elderly supported by the social services titles of the Social Security Act, titles III and VII of the Older Americans Act, and significant amounts of State and local funding. According to an official of this State, certain key services were essential to the development of this integrated system and direct provision of these services by the area agencies was consistent with the pattern of developing an integrated plan for the elderly. The State's decision that all area agencies would have provided some services directly was influenced by the fact that the area agencies in this State were part of local governments which had a long history of directly providing services to the elderly. Also, the State did not believe it could delegate its legal responsibility to nonprofit organizations.

An official of one area agency in this State believed the area agencies should have directly provided services when possible, and representatives of two other area agencies believed they should have used existing services.

Several State and area agency officials had difficulty in implementing the direct service regulation. Some officials believed direct services were prohibited even if a service was needed and no other agency could provide the service. Other officials indicated that this regulation was not applied consistently by all State and area agencies.

Several officials indicated there was some confusion concerning which agencies were subject to the prohibition against direct services. An official of one area agency, which was part of a city government, indicated the State agency had not determined if the prohibition applied only to the single organizational unit acting as the area agency, to all units of the department in which the area agency was located, or to the entire city government. AOA policy permits

an area agency to contract for services with either regional units of the State agency on aging or with other State agencies. However, where there is no area agency, the State agency must meet the exception clause if it or one of its local offices wants to provide direct services. However, one State agency on aging had failed to rule consistently on allowing an area agency to contract with a local office of the State social services department. The director of a State agency on aging, which was part of a State human resources department, believed it and all other subdivisions of the human resources department were prohibited from being titles III and VII service providers.

Dissatisfaction with reporting requirements

At the time of our study AOA was starting to implement a new program reporting system for both titles III and VII. This quarterly report included the following title III information: State agency's progress in meeting certain national and State objectives, estimated number of people receiving various aging services, and State and area agency staffing and pooling of other resources. Before implementation of the combined titles III and VII reporting system, the title III program reporting system consisted of weekly (later changed to monthly) phone calls by the State agencies to the HEW regional offices. These verbal reports conveyed information on State and area agency staffing, number of area agencies, total title III funding for various categories of area agency services, status of the State plan, percent of the State's elderly population living in areas with area plans, and the number and cost of projects in areas without area plans. The regional officials were required to convey this data to AOA for the preparation of a national summary. In accordance with standard Federal grant administration procedures, the State agencies also had to submit financial reports at least quarterly.

The number of fiscal and program reports which the area agencies were required to prepare varied from State to State. For example, some States required monthly reports of area agencies and other States required quarterly reports. State and area agency officials also had to respond to sporadic but frequent special requests by AOA and the States for survey material, statistics, and other information related to elderly programs.

About half of the State and one-third of the area agency officials we interviewed were dissatisfied with the reporting

requirements. The major reasons were that the reports were too detailed and time consuming to prepare and did not contain the type of information the State and area agencies needed or could use to manage their aging programs. A number of HEW regional, State, and area agency officials had problems with the special request reports. Usually, these special requests had unrealistically short target dates, especially since the data requested was not always related to functions controlled by the area agency. Two officials questioned the validity of data gathered under such circumstances; two others indicated that the regional offices and States passed on these requests to the State and area agencies, respectively, even though they had access to the required information.

Another problem with reporting policy was the lack of formal feedback. Although the regions or AOA headquarters sometimes summarized the results of a particular report, systematic feedback did not normally occur. Nevertheless, several State officials indicated that the field representatives provided feedback when they visited the area agencies.

Required services hindered local planning

One of the objectives of the 1973 amendments is to insure that the planning and operation of comprehensive programs for the aging are undertaken as a partnership of older citizens, community agencies, and State and local governments, with appropriate assistance from the Federal Government. The area agencies are to (1) determine the need for social services in the planning and service area, (2) evaluate the effectiveness of the use of resources in meeting that need, and (3) enter into agreements with service providers to meet such needs. However, the act also provides that the area agency consider priorities established by the Commissioner on Aging, AOA, when initiating, expanding, or improving services in the planning and service area. Therefore, the Commissioner established nationwide priority services--transportation, information and referral, outreach, and escort.

Although HEW regulations do not require that Federal funds authorized by title III be used to provide these priority services, standard provisions developed by AOA and included in all area plans indicate that area agencies are to make social services more accessible to older persons by developing and supporting these four services. Some States mandated that the priority services be provided

before other services can receive title III funds; other States allowed area agencies to determine which services they would fund.

A number of State and area agency officials complained that meeting these national priorities prevented the area agencies from providing other services they believed were most needed by the elderly. About one-third of the area agencies specified that the national priorities were not consistent with local needs. Four States also indicated that national priorities were restrictive and priorities should be established at the State or local level.

Several officials believed that some AOA policy did not sufficiently consider variations among different State and area agencies. Officials in two area agencies indicated that not all policy was applicable to rural areas and one State official indicated that most policy directives assumed that all area agencies had similar size staffs and could have met the same requirements. Two State officials indicated that some policy was difficult to implement because it was inconsistent with local regulations. Other officials believed AOA policy was written without practical consideration of costs and other implementation problems.

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United States Senate

SPECIAL COMMITTEE ON AGING

(SUBCOMMITTEE ON A. A. A. STAFF AND SERVICES)

WASHINGTON, D.C. 20510

September 30, 1974

WILLIAM E. GRUEL, STAFF DIRECTOR
 DAVID A. APPELBY, CHIEF COUNSEL
 JOHN GUY MILLER, IDENTIFY STAFF DIRECTOR

The Honorable Elmer B. Staats
 Comptroller General
 General Accounting Office
 441 G Street, N.W.
 Washington, D.C. 20548

Dear Mr. Staats:

Next year the Congress will consider extension of the Older Americans Act.

It is imperative that we have as much information as possible on the implementation of a key provision of the Older Americans Comprehensive Services Amendments of 1973.

We are referring to the establishment of area agencies on aging under Title III.

We realize that many of the A.A.A.'s have been in operation for a comparatively limited time, and that many have not yet even been organized.

Nevertheless, we feel that the Congress should have the benefit of a Government Accounting Office survey over the next few months.

Dr. Arthur Flemming, Commissioner of the Administration on Aging, has been informed that we would request this GAO inquiry and report. He will assign staff to work with Committee and Subcommittee staff and GAO staff in planning the survey.

Accordingly, your office will soon be contacted to arrange for a date for a preliminary meeting. Our tentative description of possible goals for the GAO inquiry is as follows:

I. INFORMATION FROM A.O.A.

- A. Number of A.A.A.s and degree of progress
- B. Range of funding levels
- C. Types of P.S.A.s (sponsorship and geographic design)

The Honorable Elmer B. Staats

-2-

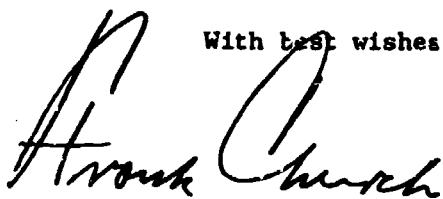
September 30, 1974

- D. A.O.A. plans (if any) for changes in legislation
 - E. All A.O.A. announcements and directives relating to state and A.A.A. policies
- II. INFORMATION FROM SITE INTERVIEWS WITH SELECTED A.A.A.s (urban and rural) AND STATE AGENCIES ON AGING
- A. Questions about state or A.O.A. directives
 - B. Ability to perform basic responsibility: coordinate existing services and develop new ones where needed
 - C. Major use of funds provided, and how well that use complies with the intent of law and the directives of A.O.A.
 - D. Number of staff and evaluation of ability to meet workload.
 - E. Suggestions for change in law
 - F. Relationship with H.E.W. regional office
 - G. Relationship between Title VII and Title III
- III. INFORMATION FROM G.A.O.
- A. Summary of earlier finding on A.O.A. operations
 - B. Information on whether any other Federal agency has a strategy similar to that of A.O.A. on A.A.A.s

We realize that any such survey and report will entail a great deal of staff work and time. But we feel that the effort must be made in order to give the Congress essential data on which to base informed judgements.

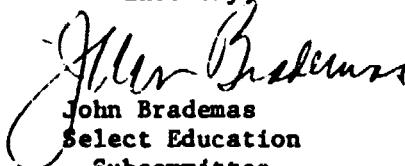
We envision having the report by April 15 at the latest.

With best wishes,

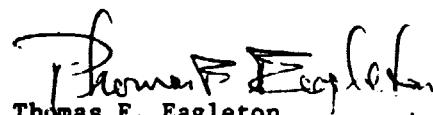


Frank Church
Chairman
Committee on Aging

Sincerely,



John Brademas
Select Education
Subcommittee
Education and Labor
Committee



Thomas F. Eagleton
Subcommittee on the Aging
Labor and Public Welfare
Committee

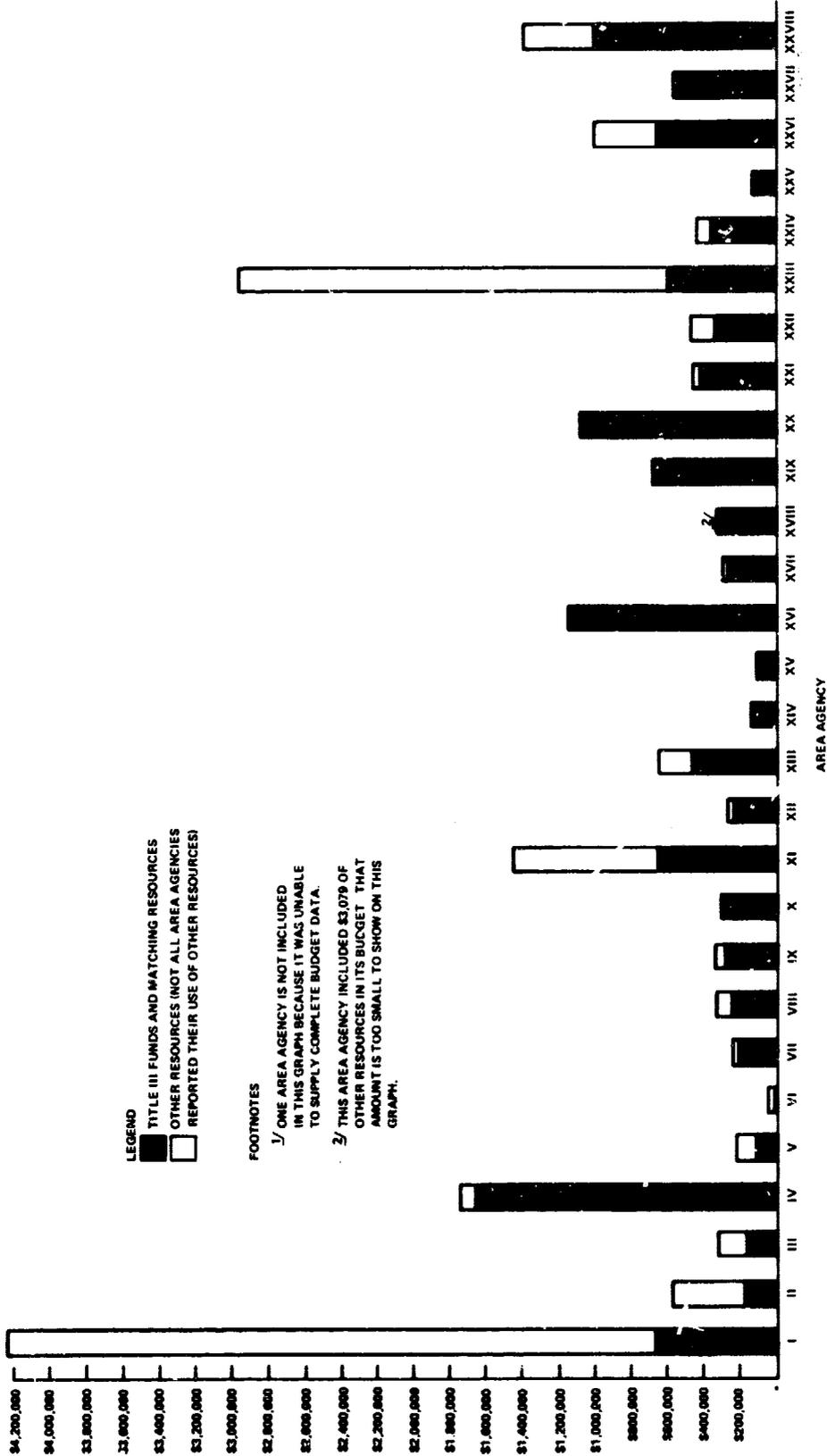
TYPES OF ORGANIZATIONSDESIGNATED AS AREA AGENCIES (note a)

<u>Type of organization</u>	<u>Number of area agencies</u>
Councils of governments	74
City governments	10
County governments	105
Private agencies	64
Other public agencies	19
Manpower planning councils	1
Comprehensive health planning agencies	2
Community action agencies	6
Economic development districts	18
Combination of one or more of the above	7
Not stated	<u>30</u>
Total	<u><u>336</u></u>

a/Based on profiles of 336 area agencies prepared by the State agencies on aging during the summer of 1974.

APPENDIX IV

COMPARISON OF BUDGETS OF THE AREA AGENCIES STUDIED^{1/}



DOLLARS

ALLOCATION OF RESOURCES BY THE AREA AGENCIES STUDIED (note a)

Activity or service	Area agency I title III and match (note b)	Area agency II title III and match (note b)	Area agency III title III and match (note b)	Area agency III title III and match	Area agency IV title III and match	Area agency V title III and match	Other resources
Program planning	\$ 80,594 12%	\$ 28,524 15%	\$ 8,671 5%	\$ 189,463 12%	-	\$ 23,517 20%	-
Coordination	c/80,907 12%	c/50,369 27%	c/62,275 36%	263,824 16%	-	13,777 12%	-
Pooling	-	-	-	102,925 6%	-	5,320 4%	-
Information and referral	123,839 19%	24,455 13%	13,430 8%	413,426 25%	92,710 100%	11,200 9%	15,555 16%
Outreach	119,817 18%	6,386 3%	21,083 12%	97,811 6%	-	-	8,345 9%
Transportation	79,858 12%	20,787 11%	28,431 16%	389,776 24%	-	55,607 47%	9,227 10%
Escort	74,972 11%	3,085 2%	8,756 5%	107,345 7%	-	-	3,740 4%
Gap-filling	100,136 15%	54,233 29%	32,215 18%	73,700 4%	-	10,000 8%	59,464 62%
Total title III and match	\$660,123 16%	\$187,839 32%	\$174,861 54%	\$1,638,270 95%	-	\$119,421 55%	-
Other resources	\$3,550,535 84%	\$391,239 68%	\$151,832 46%	-	92,710 5%	-	\$96,331 45%
Total title III and match and other re- sources	\$4,210,658 100%	\$579,078 100%	\$326,693 100%	-	1,730,980 100%	-	\$215,752 100%

a/One area agency was not included in this schedule because it was unable to supply complete budgetary data.

b/The allocation of other resources by activity or service was not available.

c/The allocations for coordination and pooling were reported as one amount.

Activity or service	Area agency VI		Area agency VII		Area agency VIII		Area agency IX	
	title III and match	other resources	title III and match	other resources	title III and match	other resources	title III and match	other resources
Program Planning	-	\$ 5,000 20%	-	-	\$ 26,432 11%	\$ 5,462 6%	\$ 25,759 9%	-
Coordination	1,624 7%	5,000 20%	a/99,505 48%	-	31,322 13%	-	25,259 9%	-
Pooling	-	-	-	-	6,416 3%	-	12,630 4%	-
Information and referral	b/60 less than 1%	-	73,516 35%	-	19,448 8%	-	60,197 21%	12,200 22%
Outreach	b/60 less than 1%	15,000 60%	-	-	35,246 14%	-	38,517 14%	-
Transportation	-	-	-	-	49,981 21%	34,845 41%	60,746 21%	25,000 44%
Escort	-	-	-	-	-	-	-	-
Gap-filling	20,129 92%	-	36,340 17%	32,085 100%	71,282 30%	43,885 52%	61,366 22%	19,500 34%
Total title III and match	\$21,873 47%	-	\$207,363 87%	-	\$240,127 74%	-	\$283,974 83%	-
Other resources	-	\$25,000 53%	-	\$32,085 13%	-	\$84,192 26%	-	\$56,700 17%
Total title III and match and other resources	-	46,873 100%	-	\$239,448 100%	-	324,319 100%	-	340,674 100%

a/The allocations for program planning, coordination, and pooling were reported as one amount.

b/All local match--no title III funds.

Activity or service	Area agency X title III and match (note a)	Area agency XI title III and match	Area agency XII title III and match	Area agency XIII title III and match	Area agency XIII other resources	Area agency XIV title III and match
Program planning	\$ 60,143 20%	\$ 78,330 12%	\$ 37,622 16%	\$ 5,700 22%	\$ 7,000 4%	\$ 23,576 17%
Coordination	37,752 12%	140,119 21%	-	-	2,949 2%	7,906 6%
Pooling	37,750 12%	117,920 18%	-	-	-	7,906 6%
Information and referral	100,000 33%	233,766 39%	53,554 23%	-	6,000 3%	-
Outreach	-	31,471 5%	19,131 8%	-	6,000 3%	2,250 2%
Transportation	70,222 23%	-	15,416 7%	15,000 58%	-	77,128 56%
Escort	-	-	14,665 8%	-	-	-
Gap-filling	-	34,569 5%	91,253 40%	5,000 19%	168,800 88%	18,000 13%
Total title III and match	\$305,867 100%	\$656,175 45%	\$231,641 90%	-	\$461,833 71%	\$136,766 100%
Other resources	-	-	-	\$25,700 10%	\$190,749 29%	-
Total title III and match and other resources	\$305,867 100%	\$1,443,136 100%	\$257,341 100%	\$257,341 100%	\$652,582 100%	\$136,766 100%

a/Area agency did not report use of other resources.

APPENDIX V

APPENDIX V

Activity or service	Area agency XV title III and match (note a)	Area agency XVI title III and match (note a)	Area agency XVII title III and match	Area agency XVIII title III and match	Area agency XIX title III and match (note a)	Area agency XX title III and match (note e)
Program planning	\$ 24,802 22%	\$165,677 14%	\$ 5,378 2%	\$ 54,103 14%	\$ 33,334 5%	\$ 41,948 4%
Coordination	4,931 4%	44,525 4%	48,393 18%	38,008 10%	25,001 4%	53,933 5%
Pooling	-	14,105 1%	14,397 5%	9,772 3%	25,001 4%	23,969 2%
Information and referral	-	416,666 36%	27,636 10%	(c)	-	115,154 10%
Outreach	-	-	14,565 6%	23,908 6%	84,444 12%	-
Transportation	\$ 84,256 74%	-	23,230 9%	(d)	50,739 7%	128,606 12%
Escort	-	-	5,986 2%	553 3%	48,282 7%	-
Gap-filling	-	520,184 45%	124,106 48%	19,801 8%	418,142 61%	728,527 67%
Total title III and match	\$113,789 100%	\$1,161,157 100%	\$263,791 92%	\$377,769 99%	\$684,943 100%	\$1,092,137 100%
Other resources	-	-	22,200 8%	3,079 1%	-	-
Total title III and match and other resources	\$113,789 100%	\$1,161,157 100%	\$285,991 100%	\$380,848 100%	\$684,943 100%	\$1,092,137 100%

a/Area agency did not report use of other resources.

b/The allocations for information and referral, outreach, transportation, escort, and gap-filling services were reported as one amount.

c/The allocation for information and referral is included in administrative portion of the budget.

d/The allocation for transportation is included in gap-filling services.

e/Information regarding the allocation and amount of other resources was not available for this period.

Activity or service	Area agency XXI		Area agency XXII		Area agency XXIII		Area agency XXIV	
	title III and match	other resources	title III and match	other resources	title III and match	other resources	title III and match	other resources
Program planning	\$ 49,200 12%	-	\$ 36,734 11%	\$ 4,938 4%	\$ 99,084 17%	\$ 44,000 2%	\$ 28,252 8%	-
Coordination	14,050 3%	-	2/13,486 4%	2/3,526 3%	-	-	21,007 6%	-
Pooling	10,085 2%	-	-	-	-	-	22,715 6%	-
Information and referral	28,740 7%	-	b/42,104 13%	b/32,793 23%	42,093 7%	149,147 6%	75,547 21%	b/58,707 99%
Outreach	-	-	-	-	c/213,769 36%	460,934 19%	105,765 30%	-
Transportation	138,150 34%	9,400 33%	d/47,596 14%	d/90,320 66%	115,578 20%	395,895 17%	71,081 20%	-
Escort	-	-	-	-	-	-	90 1%	-
Gap-filling	170,527 42%	18,350 67%	193,977 58%	6,000 4%	120,358 20%	1,320,956 56%	29,778 8%	886 1%
Total title III and match	\$410,752 94%	-	333,897 71%	-	\$590,882 20%	-	354,235 86%	-
Other resources	-	27,750 6%	-	137,577 29%	-	2,370,932 80%	-	59,593 14%
Total title III and match and other re-sources	-	438,502 100%	-	\$471,474 100%	-	\$2,961,814 100%	-	413,828 100%

a/The allocations for coordination and pooling were reported as one amount.

b/The allocations for outreach and information and referral services were reported as one amount.

c/The allocation for outreach services includes an allocation for home services.

d/The allocations for transportation and escort services were reported as one amount.

<u>Activity or service</u>	<u>Area agency XXV title III and match (note a)</u>	<u>Area agency XXVI title III and match (note b)</u>	<u>Area agency XXVII title III and match (note a)</u>	<u>Area agency XXVIII title III and match</u>	<u>Other resources</u>
Program planning	\$ 28,161 24%	\$ 32,000 5%		\$ 127,233 13%	-
Coordination	12,179 10%	24,000 4%	c/84,795 15%	27,489 3%	-
Pooling	12,327 10%	24,000 4%		22,288 2%	-
Information and referral	41,369 35%	47,845 7%	44,892 8%	32,000 3%	-
Outreach	8,365 7%	170,667 26%	23,353 4%	120,000 12%	-
Transportation	16,578 14%	43,480 7%	81,200 14%	80,000 8%	342,000 90%
Escort	-	17,070 3%	4,988 1%	-	-
Gap-filling	-	289,218 44%	326,370 58%	602,689 59%	40,000 10%
Total title III and match	\$118,979 100%	\$648,280 65%	\$565,598 100%	\$1,011,699 73%	-
Other resources	-	355,800 35%	-	-	\$382,000 27%
Total title III and match and other re- sources	\$118,979 100%	\$1,004,080 100%	\$565,598 100%	-	\$1,393,699 100%

a/Area agency did not report use of other resources.

b/The allocation of other resources by activity or service was not available.

c/The allocations for program planning, coordination, and pooling were reported as one amount.

NUMBER OF AREA AGENCIESPERFORMING EACH FUNCTION (note a)

<u>Function</u>	<u>Directly</u>	<u>Under grant or contract</u>	<u>Not performed</u>
Leadership and advocacy	27	2	-
Determine needs	25	4	-
Inventory resources	24	4	1
Establish objectives	28	1	-
Plan	28	1	-
Develop a plan to:			
Coordinate exist-			
ing services	b/26	b/3	1
Pool untapped			
resources	26	2	1
Evaluate	24	1	4
Conduct public hear-			
ings	22	-	7
Collect and dis-			
seminate informa-			
tion on needs	27	1	1
Provide technical			
assistance	27	1	1
Arrange for legal			
services	9	3	17
Arrange for child			
care work			
opportunities	6	2	21
Establish advisory			
councils	28	-	1
Solicit views of			
recipients	27	1	1

Total number of functions performed by each area agency

<u>Number of functions performed</u>	<u>Number of area agencies citing this number</u>
14	5
13	6
12	13
11	2
9	1
8	2

a/Based only on area agency responses.

b/One area agency coordinated both directly and under a grant.

MAJOR FACTORS HINDERING COORDINATION

<u>Factor</u>	<u>Number of 9 regional officials citing factor</u>	<u>Number of 15 State officials citing factor</u>	<u>Number of 29 area agency officials citing factor</u>
Poor communica- tion	1	3	7
Small, inexperi- enced or un- qualified staff	8	9	11
Limited knowledge of resources and other programs	4	4	17
Poor relationship with, or limited support from, gov- ernment and private agencies	6	10	13
Organizational problems, lack of authority and visibility	6	7	12
Conflicting or unclear policy and goals within the title III program and among other programs	4	7	11
Limited funding	3	4	5
Reluctance to relinquish program authority	5	9	13
Need for formal agreements between agencies	2	6	2

MAJOR FACTORS HINDERING POOLING OF UNTAPPED RESOURCES

<u>Factor</u>	<u>Number of 9 regional officials citing factor</u>	<u>Number of 15 State officials citing factor</u>	<u>Number of 29 area agency officials citing factor</u>
Small, inexperienced, or unqualified staffs	8	3	13
Limited knowledge of resources and other programs	4	4	8
Limited support from, or poor relationships with, government and private organizations	3	7	9
Conflicting or unclear policy and goals within the title III program and among other programs	2	6	1
Limited resources	7	6	13
Organizational problems, lack of authority and visibility	5	4	7
Reluctance to relinquish program authority	.	3	3

SOURCES OF NON-FEDERAL MATCHING FUNDS
FOR EACH AREA AGENCY STUDIED (note a)

Area Agency	Source of match	Percent of match to total budget (note b)		
		Form of match		Total
		Cash	In-kind	
I	State government	-	-	-
	Local governments	6	-	6
	Private organizations	<u>7</u>	<u>15</u>	<u>22</u>
	Total	<u>13</u>	<u>15</u>	<u>28</u>
II	State government	-	-	-
	Local governments	46	-	46
	Private organizations	-	-	-
	Total	<u>46</u>	-	<u>46</u>
III	State government	1	-	1
	Local governments	8	1	9
	Private organizations	-	-	-
	Total	<u>9</u>	<u>1</u>	<u>10</u>
IV	State government	-	-	-
	Local governments	2	9	11
	Private organizations	-	-	-
	Total	<u>2</u>	<u>9</u>	<u>11</u>
V	State government	-	-	-
	Local governments	6	10	16
	Private organizations	-	-	-
	Total	<u>6</u>	<u>10</u>	<u>16</u>
VI	State government	-	-	-
	Local governments	26	2	28
	Private organizations	-	-	-
	Total	<u>26</u>	<u>2</u>	<u>28</u>

Area agency	Source of match	Percent of match to total budget (note b)		
		Form of match		Total
		Cash	In-kind	
VII	State government	-	-	-
	Local governments	12	4	16
	Private organizations	<u>5</u>	<u>-</u>	<u>5</u>
	Total	<u>17</u>	<u>4</u>	<u>21</u>
VIII	State government	-	3	3
	Local governments	17	7	24
	Private organizations	<u>3</u>	<u>1</u>	<u>4</u>
	Total	<u>20</u>	<u>11</u>	<u>31</u>
IX	State government	-	-	-
	Local governments	9	-	9
	Private organizations	<u>-</u>	<u>16</u>	<u>16</u>
	Total	<u>9</u>	<u>16</u>	<u>25</u>
X	State government	-	-	-
	Local governments	-	7	7
	Private organizations	<u>-</u>	<u>2</u>	<u>2</u>
	Total	<u>-</u>	<u>9</u>	<u>9</u>
XI	State government	-	-	-
	Local governments	-	15	15
	Private organizations	<u>-</u>	<u>1</u>	<u>1</u>
	Total	<u>-</u>	<u>16</u>	<u>16</u>
XII	State government	-	-	-
	Local governments	39	15	54
	Private organizations	<u>-</u>	<u>-</u>	<u>-</u>
	Total	<u>39</u>	<u>15</u>	<u>54</u>
XIII	State government	-	-	-
	Local governments	14	8	22
	Private organizations	<u>7</u>	<u>11</u>	<u>18</u>
	Total	<u>21</u>	<u>19</u>	<u>40</u>

Area agency	Source of match	Percent of match to total budget (note b)		
		Form of match		Total
		Cash	In-kind	
XIV	State government	-	-	-
	Local governments	7	-	7
	Private organizations	-	5	5
	Total	<u>7</u>	<u>5</u>	<u>12</u>
XV	State government			
	Local governments		(c)	
	Private organizations			
	Total			<u>15</u>
XVI	State government	-	-	-
	Local governments	7	-	7
	Private organizations	-	8	8
	Total	<u>7</u>	<u>8</u>	<u>15</u>
XVII	State government	48	-	48
	Local governments	5	8	13
	Private organizations	4	16	20
	Total	<u>57</u>	<u>24</u>	<u>81</u>
XVIII	State government			
	Local governments		(d)	8
	Private organizations			9
	Total			<u>17</u>
XIX	State government	-	-	-
	Local governments	3	-	3
	Private organizations	3	24	27
	Total	<u>6</u>	<u>24</u>	<u>30</u>
XX	State government			
	Local governments		(c)	
	Private organizations			
	Total			<u>33</u>

Area agency	Source of match	Percent of match to total budget (note b)		
		Form of match		Total
		Cash	In-kind	
XXI	State government	-	-	-
	Local governments	29	10	39
	Private organizations	Less than <u>1</u>	-	Less than <u>1</u>
	Total	<u>29+</u>	<u>10</u>	<u>39+</u>
XXII	State government	-	-	-
	Local governments	-	13	13
	Private organizations	-	<u>15</u>	<u>15</u>
	Total	<u>-</u>	<u>28</u>	<u>28</u>
XXIII	State government	-	-	-
	Local governments	1	3	4
	Private organizations	-	<u>10</u>	<u>10</u>
	Total	<u>1</u>	<u>13</u>	<u>14</u>
XXIV	State government			-
	Local governments	(e)		3
	Private organizations	-	-	<u>17</u>
	Total	<u>-</u>	<u>-</u>	<u>20</u>
XXV	State government			Less than 1
	Local governments	(e)		14
	Private organizations	-	-	<u>2</u>
	Total	<u>-</u>	<u>-</u>	<u>16+</u>
XXVI	State government	3	-	3
	Local governments	17	1	17+
	Private organizations	<u>19</u>	<u>6</u>	<u>25</u>
	Total	<u>39</u>	<u>6+</u>	<u>45+</u>

Area agency	Source of match	Percent of match to total budget (note b)		
		Form of match		Total
		Cash	In-kind	
XXVII	State government			
	Local governments		(c)	
	Private organizations	—	—	—
	Total	—	—	<u>16</u>
XXVIII	State government	9	-	9
	Local governments	f/24	-	24
	Private organizations	—	—	—
	Total	<u>33</u>	—	<u>33</u>

a/One area agency is not included in this schedule because it was unable to supply complete budgetary data.

b/Excluding other resources.

c/No breakouts available; only total non-Federal match.

d/No breakouts of cash or in-kind; also State and local figures combined.

e/Only total available not broken down between cash and in-kind.

f/Local government and private organization figures are combined--no breakout available.

OPINIONS OF REPRESENTATIVES OF LOCAL GOVERNMENTS,SERVICE PROVIDERS, AND PLANNING ORGANIZATIONSABOUT AREA AGENCIES (note a) .

<u>Area agency</u>	<u>Type of organization</u>	<u>Did not evaluate program</u>	<u>Program is good. No problems mentioned</u>	<u>Identified problems</u>	<u>Summary of problems</u>
I	Service Service Planning	X	X X		
II	Planning Planning Planning	X X		X	State agency, not area agency, determined what services were offered and who offered them.
III	Planning Service		X	X	Coordination performed by service providers, not area agency. Area agency was carrying out old model project instead of implementing new concept.
IV	Planning			X	Area agency had "turf fight" with another area agency and therefore was cautious about coordination with other planning bodies.
V	Service Parent organization of area agency Planning Local government Advisory council	X	X	X X X	Area agency concept will fail because of lack of funding. Area agencies in general were ineffective because in some areas its grant had been taken from one organization and given to another. Local organizations therefore viewed area agencies as temporary and had not wanted to coordinate with them. If the area agency had been a public organization instead of a private one, it would have been more accountable to the public and there would have been less potential for duplicating services.
VI	Local government Service Planning			X X X	Area agency concentrated on providing services and did not emphasize planning and coordination. It developed new services and advisory groups instead of using existing ones.

<u>Area agency</u>	<u>Type of organization</u>	<u>Did not evaluate program</u>	<u>Program is good. No problems mentioned</u>	<u>Identified problems</u>	<u>Summary of problems</u>
					Failure to coordinate with service providers resulted in incorrect information in area plan about existing services for the elderly. Last minute deadlines prevented local government from commenting on area plan before its approval. Senior citizens did not know about the area agency.
VII	Local government			X	Not needed in rural area. Did not help to provide services; may actually have hurt because senior center staffs spent too much time meeting area agency requirements instead of serving the elderly. Local people did not like to give the area agency control of projects they had worked hard to develop. Advisory councils members wanted to favor their own locality instead of working for good of area agency. The area agency director encouraged this division. Three-year funding limit is unrealistic.
VIII	Service Local government		X X		
IX	Service Service			X X	Did not look to area agency for leadership in serving elderly. No change in welfare of elderly since area agency was established. City where area agency was located received better elderly services than rest of the planning and service area.
X	Planning	X			
XI	Planning Local government		X	X	Area agency served only the city in which it was located, "planning without representation" for rest of planning and service area because having a representative on advisory council was not the same as formulating policy. Area agency did not receive sufficient funding.

APPENDIX X

APPENDIX X

<u>Area agency</u>	<u>Type of organization</u>	<u>Did not evaluate program</u>	<u>Program is good. No problems mentioned</u>	<u>Identified problems</u>	<u>Summary of problems</u>
XII	Local government Planning	X	X		
XIII	Local government Planning		X	X	State duplicated area agency efforts by having regional coordinators.
XIV	Planning Local government	X		X	Rural area should have received a prorated share of funding.
XV	Planning Local government		X	X	As part of the council of governments the area agency did not actually implement programs. This made it difficult to act as an advocate.
XVI	Planning Service	X		X	Federal support must continue. Local programs will not become self-supporting.
XVII	Planning Service Service	X		X X	Insufficient Federal funding. Federal funding must continue because local government can't support program. Unreasonable amount of paperwork and administration at service level. Area agency grantee had doubled staff during 3-year period but actually served fewer people.
XVIII	Local government Service Local government			X X	Insufficient funding. Programs must receive title III funding for more than 3-years.
XIX	Local government Planning			X	Insufficient funding.
XX	Service Local government Planning		X	X	Difficult to administer a program supported by both title III funds and funds from a program with different client eligibility requirements.
XXI	Service Planning			X	Insufficient funding.
XXII	Planning			X	Duplication of information and referral services.

a/Comments were obtained concerning 22 of the 29 area agencies included in the study.

MAJOR PROBLEMS OF STATES AND AREA AGENCIES
IN IMPLEMENTING THE AREA AGENCY CONCEPT

<u>Problems</u>	<u>Number of 15 State officials citing problem for area agencies</u>	<u>Number of 9 regional officials citing problem for area agencies</u>	<u>Number of 9 regional officials citing problem for States</u>
Staffing (lack of trained personnel and funds to pay for additional or better qualified personnel)	8	6	8
Lack of funds for administration and implementation	9	5	5
Transition problems, lack of experience, and understanding of role	6	5	5
Reluctance to relinquish program authority and political conflicts	-	5	1
Lack of authority, lack of support from the State and local community	6	6	4
Unsatisfactory State and/or AOA policy guidance	4	3	6
Attempting to do too much in short time period (all 14 functions, implement titles III and VII programs at same time, and develop State and area agencies programs at same time)	2	1	2

SOURCES OF INFORMATION ON AGING FUNDS

<u>Source</u>	<u>Number of 29 area agency officials citing each source</u>	<u>Number of 15 State officials citing each source</u>
A-95 review agencies, councils of governments, other planning bodies	13	5
State offices on aging	11	-
Area agencies and nutrition projects	-	6
"Congressional Record," congressional newsletters, and contacts with congressmen or State lobbyists	6	4
Local governments	5	-
Service providers	8	1
Other State departments or local organizations	5	12
Special staff assigned to this function	3	3
Advisory councils and other advocates for the elderly	4	-
Information memos, program instructions, "Aging Magazine," and other HEW publications	5	7
Newsletters from funding sources and trade publications, such as the "Grantsmanship News," "Leisure Information Service," "United Way Bulletin," "U.S. Commerce Business Daily," "Ford Foundation Magazine," and "Senior Advocate"	7	4
Public news media	5	3
"Federal Register"	2	2
Contacts with HEW regional office	-	4

AREA AGENCY RECOMMENDATIONS
FOR GREATER STATE AGENCY ASSISTANCE

<u>Activity</u>	<u>Number of 28 area agency officials citing activity (note a)</u>
Better coordination with Federal and other State agencies, including actions to improve coordination at the local level	11
Additional technical assistance, especially in areas of information and referral, transportation, coordination, monitoring, and fiscal management	9
Interpret Federal guidelines consistently, develop title III manual, and develop basic policy	8
Training and funds for external training	8
Legislative advocacy	6
Assistance in obtaining funds (especially for administration)	6
Additional area agency participation in developing State plan and State agency policy	4
Develop statewide data base and develop and disseminate information on needs of elderly	4
Develop uniform reporting procedures	4
Promote research on elderly by (1) developing information on new research resource, (2) developing and disseminating research statistics, and (3) developing research centers	3
Provide information on other elderly programs, help area agencies become grantees for these programs, and notify area agencies of programs in their areas which could assist the elderly	4
Disseminate information on activities of other area agencies	2

a/The combined State/area agency does not have a State/area relationship and is not included in this table.