—TECHNICAL ASSISTANCE MEMORANDUM—

Texas Department of Aging and Disability Services (DADS) – Access and Intake Division

TITLE:	Process and Procedure Development	**NUMBER:**	AAA-TA 504
SECTION:	Area Agencies on Aging	**APPROVAL:**	Betty Ford
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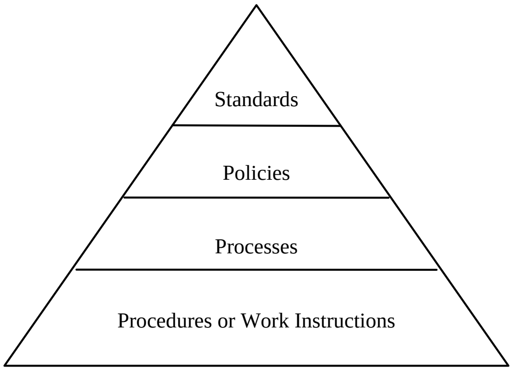
This technical assistance memorandum (TA) is released to assist area agencies on aging (AAA) identify, define, and develop processes and procedures within their AAA.

The TA's intent is two fold. The Section wants to encourage AAAs to document their standards, policies, processes, and procedures or work instructions allowing for an increased ability to determine and measure when compliance is achieved and identify areas for process improvement. The Section also wants to help minimize the possibility of monitoring findings by ensuring the AAAs: have processes and procedures, the processes and procedures are in compliance, and the AAAs are following their processes and procedures.
For some readers, this information may be new and for others, it will serve as a refresher.

There are many elements, ranging from business regulations and strategic plans to procedures and work instructions, involved in process management. This TA covers four elements: standards, policies, processes, and procedures or work instructions. Below is a graphic illustrating the hierarchy.



The hierarchy can be found in all areas whether it is a corporate business, a government agency, the soccer team, or a household. Standards are established, policies are developed to explain and define, and processes and procedures or work instructions are used to provide greater detail on how the policies and standards will be accomplished. Whether they are written or not, they are always present. Committing the elements to paper adds value, sets a baseline by providing an established method that is specific, measurable, achievable, realistic, and trackable - SMART.

Standards

A standard establishes the level of expectation. An example is the Older Americans Act. The act establishes the governance by which the state units on aging and the area agencies on aging (AAA) must be guided. Both the AAAs and DADS must comply with the Older Americans Act.

Policy

A policy expands and outlines how a standard will be met. It sets the areas of responsibilities and requirements that must exist and what has flexibility. Depending on the intent, a policy is interchangeable with a standard. An example would be the Texas Administrative Code. Using the information contained within the Act, DADS develops "rules" defining the responsibilities and providing details on how the standard will be accomplished. DADS rules cover from how the Administration on Aging funds are disbursed to the administrative responsibilities of the AAAs to how the Respite Voucher Service is to be conducted by the AAAs. See the Example Table.

Process

A process covers how the policy will be achieved. A process can range from an overview to detailed information. In a number of situations, a process is interchangeable with a procedure. Both elements have similar, if not the same, properties. It depends on what is needed in the environment. If, in development, the process becomes complicated, cumbersome, or many people are involved, turn the process into a high level overview and have supporting procedures or work instructions. A process, like a procedure or work instruction, has an activity sequence and can use a number of methods to illustrate that sequence. By establishing a baseline, SMART objectives can be utilized and measured. An example could be a AAA's hiring policy or inclement weather policy or the A&I – AAA Section's Budget Instructions for Fiscal Year 2009. See the Example Table.

Procedure or Work Instruction

A procedure describes how to perform administrative tasks whereas work instructions provide a step by step instruction for performing work on physical items. A procedure or work instruction should contain sufficient detail and depth to enable anyone with basic related knowledge or expertise to accomplish the task. Several methods to illustrate the procedure or work instruction may be employed. The procedure or work instruction can contain one or more of the methods. Below are some of the methods:

text, paragraph by paragraph
table form – step 1, step 2, step 3 and so on
flowchart
print screens of each step with instructions in the margins
video clips

Examples:

1. If the user is installing a software program or entering data into a database, a procedure (because this is an administrative task) employing print screens could be a better choice. The user can match what is seen on the computer to what the procedure illustrates.
2. A work instruction on how to answer a AAA telephone line (work instruction because this is performing work on a physical item) could include embedded video clips illustrating the correct and incorrect way to answer the line. It could also show examples of how to handle abusive and rude behavior from the caller.

3. A report must be submitted. This report has information coming from several sources and must be seen by a number of people. The procedure (because this is an administrative [or fiscal] task) could contain a flowchart. Each symbol (e.g., square, circle, and triangle) has a specific meaning. A flowchart can be basic as a “decision tree” (a yes or no chart) or as complicated as a system mapping used by an IT database administrator or a fishbone chart to illustrate cause and effect.

The method chosen needs to encourage the use, not discourage. Always remember who is likely to use the procedure or work instruction and the expertise level of that person. Use the method that will most likely get the procedure or work instruction used.

Test the procedure or work instruction **before** it is used. This is critical. Someone who has basic familiarity with the subject but does not routinely perform the task is ideal for testing the procedure or work instruction. Having someone “test” it to see if they can follow the procedure or work instruction, will always identify missing information.

Every effort should be made to develop the procedure or work instruction **before** the task has to be performed. Spend the time and energy at the beginning, in development, not after the fact by trying to capture or fix the procedure or work instruction. It is more efficient and effective and in the long run, has less associated costs and frustrations.

Once a procedure or work instruction is used and there is consistent compliance to the procedure or work instruction, meaning the same result is seen every time the procedure or work instruction is followed, improvements can be identified. It is easy to fall into the trap of trying to move immediately into “improvements” **before** the procedure or work instructions have been established and there has been consistent compliance to it. When the process is trying to be “improved” before there is compliance, the procedure or work instruction (and process) is still in the development and test phases.

An example could be the NAPIS data entry procedure or a job posting to the website procedure.

Numbering Scheme

If your AAA does not already have a document numbering scheme or a records management numbering scheme or format, one should be designed.

For the AAA Section, we determined the areas of concern such as fiscal, program and administration and designated a code letter for each area. At that point, a series of numbers were assigned to each area. Be sure to designate a number series large enough to cover current and projected needs. List items normally found within each area. Example: Fiscal would have Closeout and Budget processes and Special Initiatives has Housing Bond processes. This will help the author determine the area in which the document belongs. Design a numbering sequence utilizing the area of concern code and the document’s number.

Once a numbering scheme is designed, it can be utilized in other ways. The AAA Section used the same area definition and a similar coding when the new permanent number scheme for the program instructions and technical assistance memorandums was designed.

A copy of the Section’s Processes and Procedures Numbering System procedure (A.700) is attached. Also attached, is the Program Instruction and Technical Assistance Memorandum Numbering format table. Feel free to use any part of the procedures. Also, at the end of this TA, is another example of how processes and procedures can be organized.

Standardize Document Format

Again, if not already identified by the area agency on aging, the AAA Section recommends standardizing the process and procedure format. The Section uses the same format for both a process or procedure or work instruction. Design a format that works best for your area agency on aging. The key is consistency. Once designed and approved, use the format for all processes or procedures, or both. See the attached A.700 Processes and Procedures Numbering System Procedure for an example of the Section's standardized format. Also, at the end of this TA, is another example of how processes and procedures can be organized.

Document and Revision Control

Keeping track of what is issued, the issue date and version number as well as the original signed document and the maintenance of a control book can be a challenge. Designate a person to be owner of the control book and responsible for maintaining the tracking log. The Section maintains a document tracking sheet for each area (see the A.700 Processes & Procedures Numbering System Procedure). The tracking sheet lists the document number and name along with the document's owner (author), version date and number. It also lists when the owner and director approved the document, when the document was put into the Control Book and distributed to the staff. Attached is an excerpt from the Section's AAA Section Administration (area) as an example. How the documents and revisions are controlled is at the discretion of the AAA, but keep in mind maintaining consistency is the key to a well developed system that is easy to understand and follow.

Examples: Below is a table listing examples of a standard, policy, process, and procedure or work instruction and how they are connected.

Example Table:

Standard	**Policy**	**Process**	**Procedure or Work Instruction**
Older Americans Act	Texas Administrative Code §85.202 AAA Fiscal Responsibilities	Access & Intake Division – AAA Section's Budget Instructions for Fiscal Year 2009	Area Agency on Aging of (XXX) - Budget Development Procedure
Older Americans Act	Texas Administrative Code §85.302 Nutrition Services	Access & Intake Division – AAA Section's Program Instruction AAA-PI 300 – Older Americans Act Nutrition Waiver Requests	Area Agency on Aging of (XXX) – Completing and Submitting a Nutrition Waiver Request
Council of Governments (COG) Affirmative Action Plan	XXX - COG Hiring Policy	XXX - COG Job Description Development Guidelines	XXX - COG Posting an Open or New Position to the Website Procedure
Council of Governments (COG) Administrative Operations	XXX – COG Inclement Weather Policy	Area Agency on Aging of XXX's Closing the Area Agency on Aging due to Inclement Weather	Area Agency on Aging of XXX's How to Check the Weather Line
Office of Management and Budget (OMB) A-133	Texas Administrative Code §85.202 AAA Fiscal Responsibilities	Area Agency on Aging of XXX's Single Audits from Service Providers Process	Area Agency on Aging of XXX's Tracking of Single Audits Procedure
OMB A-87 & A-122	Texas Administrative Code §85.202 AAA Fiscal Responsibilities	XXX-COG or Area Agency on Aging of XXX's Capital Equipment Tracking Process	Area Agency on Aging of XXX's Annual Physical Inventory Procedure
Older Americans Act	Texas Administrative Code §83.3 System of Access and Assistance	Area Agency on Aging of XXX's Recording IR&A Units Process	Area Agency on Aging of XXX's Allocating Expenditures to 2-1-1 Call Centers Procedure
Texas Administrative Code §85.201 AAA Administrative Responsibilities	XXX-COG or Area Agency on Aging of XXX's Business Contingency Plan	Area Agency on Aging of XXX's Emergency Disaster Plan	XXX AAA's Service Providers Emergency Disaster Procedure

Access & Intake Division – Area Agencies on Aging Section

Processes and Procedures Numbering System Procedure

Goal:

- Assign a specific number to each process or procedure that also identifies to which area the process or procedures pertains.

Purpose:

- Categorize the procedures or processes into their specific areas.
- Establish a set of numbers assigned to a specific area.
- Easy references when referring to a process or procedure.

Areas Affected:

- Fiscal
- A&I – AAA Section Administration
- Oversight
- Performance (Reporting)
- Program
- Reporting
- Special Initiatives
- Technical

Process:

When the need for a process or procedure is determined, the AAA Policy and Oversight Support Specialist (AAAPOSS) will refer to the Processes and Procedure Numbering System Guide (see attached) to determine the area in which the process or procedure best fits. Once determined, the AAAPOSS will use the number guide and the individual area's Process Tracking sheet to determine the next sequential number to assign the document.

Other Processes Affected:

- F.701 – A&I – AAA Section Process Tracking
- F.702 - A&I – AAA Section Process Format

Document Owner:

(The Document Owner and the AAA Section Director must approve all changes to the process.)

Approvals:

Document Owner: ______________________________ ____________
AAA Policy & Oversight Support Specialist Date

Section Director: ______________________________ ____________
Betty I. Ford Date

Document History:

(Outlines the revision history of document.)

Revision #	Change
1.0	Initial Document
2.0	Updated header information, updated title of document, updated title of the OASO Administrative Technician, updated title of the chart, changed OASO to AAA Section

Processes and Procedures Numbering System Guide

Format: Area Code.Doc #(sequential)
Example: A.101; F.210

Name	Area Code	Document Numbers	Areas
AAA Oversight	O	100 – 199	Rules PMT – Overview Policy Instructions Technical Assistance Monitoring / Risk Assessment
Fiscal	F	200 – 299	Closeout Budget Budget Amendment RfR & RfAJ Refund RfR Single Audit Indirect Cost Allocation Audit Confirmation PMT – Fiscal
Program	P	300 – 399	Area Plan Contract PMT – Program
Performance (Reporting)	R	400 – 499	QPR PMT – Performance Reconciliation NAPIS LBB
Technical	T	500 – 599	Help Desk Mailbox Reports Mailbox
Special Initiatives	SI	600 – 699	CMS Housing Bonds Grants Benefit Counselors
A&A – AAA Section Administration	A	700 – 799	Leave Requests Calendars Process & Procedures Manual

PI / TA Numbering Scheme

A A A	**-**	**P I**	**#**	**# #**
Area Agency on Aging Section	dash	Doc type. Alternate text = TA	Area Code	Sequential numbering

The Code number proposed corresponds with the document numbering sequence used currently in the AAA Section Processes and Procedures Numbering Procedure (A.700).

Area	Code	Examples of Subjects in Area
Fiscal	2	Closeout Budget Budget Amendment RfR & RfAJ Refund RfR Single Audit Indirect Cost Allocation Audit Confirmation PMT – Fiscal
Program	3	Area Plan Contract PMT – Program Guidelines, Policies & Procedures
Performance (Reporting)	4	QPR PMT – Performance Reconciliation NAPIS LBB
Technical	5	Help Desk Mailbox Reports Mailbox PMT Components
Special Initiatives	6	CMS Housing Bonds Grants Benefit Counselors

AAA Section Administration

Number	Title	Owner	Version	Version	Approvals		In Book	Distributed
			Date	Number	Owner	Director		
A.700	Processes & Procedures Numbering System Procedure	AAA Policy & Oversight Support Specialist	4/28/03	1.0	4/28/2003	4/28/2003	4/29/2003	4/29/2003
	title changed from OASO P&P Book Numbering System		5.5.08	2.0	5.5.08	to director 5.5.08		
A.701	OASO Process Tracking	OASO Admin Tech						
A.702	OASO Process Format	OASO Admin Tech						
A.703	Guidelines for Selecting & Using Drivers by	OASO Admin Tech	---	---	4/30/2003	4/30/2003	4/30/2003	4/30/2003
	AAA Section		5/9/03	2.0	5/9/2003	5/12/2003	5/14/2003	5/14/2003
			10/31/07	2.1	11/13/2007	11/14/2007	11/14/2007	11/14/2007
			1/11/08	3.0	1/11/2008	1/11/2008	1/14/2008	1/14/2008
A.704	Records Management in OASO	OASO Admin Tech						
A.705	Entering Time Away into Calendars	AAA Policy & Oversight Support Specialist			5/6/2003	5/8/2003	5/8/2003	5/8/2003
	Changes in calendar viewability and approval for time away resulted in		Obsoleted		3/17/2004	---	em to remove	
A.706	Reserving Room 4429	OASO Admin Tech			5/7/2003	5/8/2003	5/8/2003	5/8/2003
			Obsoleted		9/27/2005	---	NO LONGER IN BLDG	
A.707	OASO Time Sheet Processing	OASO Admin Tech	2/9/04		1.0	2/24/2004	2/25/2004	2/25/2004
	Changes in variance reporting by OASO Admin		3/17/04		2.0	3/22 revised and to CVA for signature		
			Obsoleted		9/27/2005	---	Chg. w/ HB 2292	
A.708	OASO Leave Summary Report Processing	OASO Admin Tech	2/9/04		1.0	2/24/2004	2/25/2004	2/25/2004
			Obsoleted		9/27/2005	---	Chg. w/ HB 2292	

Examples of Other Ways to Develop and Organize Processes and Procedures

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3.1.4 Procedures, Tracking Capital Equipment

The XXX AAA will:

- Maintain an inventory of all fixed assets/capital equipment purchased with Title III funds. The list will describe the item purchased, purchase price, purchase date, and physical location. The list will also track Title III capital equipment that has been transferred or sold, become inoperable, lost or stolen. The list will include both provider and in house capital equipment.

- For items purchased in subsequent years, the item will be added to the inventory at the time of purchase.

- Review the inventory annually during the first quarter of the fiscal year.

- Inspect all Title III capital equipment at least annually.

- Provide subcontractors guidelines for tagging, transferring, or reporting inoperable, lost, or stolen Title III capital equipment.

- Direct the subcontractors to maintain a copy of the inventory in their permanent files. This inventory should be available for inspection by the AAA, DADS, XXXCOG, or others as need dictates.

- Notify subcontractors that Title III capital equipment may not be transferred without the written approval of the XXXCOG Executive Director.

- In the event the contract with the provider is cancelled or not renewed, the following procedures regarding capital equipment will be taken:

    - Identify all capital equipment.

    - Determine the depreciated value of all capital equipment.

    - Determine if any other subcontractor has need of the equipment and if so arrange for a transfer.

    - If the provider wants to retain the capital equipment, negotiate a fair price for the equipment. Any dollars owing the AAA may be considered a credit against a final payment to the provider.

    - If the subcontractor does not want to retain the equipment, arrange for an appropriate disposition. Each case will be analyzed individually. The last option would be to have the equipment returned to the AAA.

3.1.5 Policy, Subcontractors and Capital Equipment

The procedures for tracking of Title III capital equipment apply to both subcontractors and internal purchases.

3.1.6 Procedures, Subcontractors and Capital Equipment

The XXX AAA directs the following procedures for subcontractors in tracking capital equipment.

- The subcontractor will maintain a copy of the inventory in their permanent files. This inventory should be available for inspection by the AAA, DADS, or others as need dictates. The list will describe the item purchased, purchase price, purchase date, and physical location.

- Review the Title III capital equipment list annually during the first quarter to ensure accuracy. Items should be added to the list at the time of purchase.

- Tag all Title III capital equipment according to XXXCOG policy. The tag should indicate the item was purchased with Title III funds and include the date of purchase.

- Complete a Fixed Asset Transfer Form (XXXCOG Procurement Form 13) when requesting the transfer of Title III capital equipment. Capital equipment may not be transferred, sold, or moved without written permission.

- Maintain a copy of all capital equipment transfers.

- The XXX AAA will use money from the sale of any capital equipment to expand the AAA sponsored program services.

- Report inoperable, lost, or stolen property to XXX AAA immediately. The provider will submit a completed Notification of Inoperable, lost, or Stolen Property form (XXXCOG Procurement Form 10) within three (3) days of the incident or discovery. The provider will file a police report, if necessary.

- The subcontractor will conduct an investigation and provide the results to XXX AAA within two weeks after the item is discovered missing.

- The XXX AAA may conduct its own investigation or accept the subcontractor's /vendor’s investigation. A record will be established listing all unaccountable items. The XXX AAA will take appropriate action.