

FACILITY INVESTMENT PROGRAM—NOTICE OF GRANT AWARD

Frequently Asked Questions

The following questions and answers are organized by the following headings/topics for the awards made under the Facility Investment Program (FIP). The FIP funding opportunity (HRSA-10-029) is available at <http://bphc.hrsa.gov/recovery/fip>.

GENERAL	1
TERMS AND CONDITIONS	1
BUDGET ISSUES	2
DRAWDOWN OF FUNDS	3
FEDERAL INTEREST	4
ENVIRONMENTAL IMPACT	5
CULTURAL RESOURCE ASSESSMENT AND HISTORIC PRESERVATION	5
CHANGE IN SCOPE—SITES	6
CHANGE OF SCOPE—FIP GRANT	6
ADMINISTRATIVE AND POLICY REQUIREMENTS	7
REPORTING	10

GENERAL

1. Who do I contact to submit information and release conditions?

Deliverables can be submitted directly to HRSA’s Electronic HandBook (EHB). Please ensure that you upload the appropriate deliverable in response to a specific condition; this will ensure timely review and processing of your deliverable. For more information about registering in the EHBs and accessing post award submissions, please visit <https://grants.hrsa.gov/webExternal/help/hlpTOC.asp>.

For assistance using the EHBs or completing these submissions, please contact the HRSA Call Center at 877-Go4-HRSA/877-464-4772, 301-998-7373, or CallCenter@HRSA.gov.

For programmatic questions, please contact BPHCRecovery@hrsa.gov.

2. Who is my Grants Management Specialist (GMS)? When should I contact her?

Your contact in the Division of Grants Management Operations (DGMO) is listed on the final page of the NGA. Contact the GMS in order to resolve budget questions and if you have budget related questions.

TERMS AND CONDITIONS

3. If requested documentation was already submitted prior to my award, why is the condition on my NGA? Do I need to re-submit all that information again?

It is possible that materials submitted with the application did not meet the requirements of this funding opportunity. If you correctly and appropriately submitted your documentation with your application, it will be reviewed and a revised NGA will be issued once review of the submitted material confirms receipt of all necessary documentation (for example, service area overlap, historic preservation, environmental, and architectural/engineering reviews). Subsequently, the condition(s) will be lifted from the NGA.

4. How will pre-award costs be approved?

For approval of pre-award costs, recipients must submit a description of the costs and invoices to the Grants Management Specialist by sending an email to the Grants Management Specialist (GMS) listed on the NGA. Costs incurred prior to February 17, 2009 cannot and will not be approved.

5. Why does HRSA have to perform an environmental review of my project?

The National Environmental Policy Act (NEPA) establishes national environmental policy and goals for the protection, maintenance, and enhancement of the environment, and it provides a process for implementing these goals within the federal agencies. Federal-wide regulations for the National Environmental Policy Act, are found at 40 CFR Part 1500. This was further reinforced in the Recovery Act section 1609, which also requires HRSA to publicly report the status of its environmental reviews by grant and project number. HRSA's procedures (approved by the White House Council on Environmental Quality) can be found at HHS Grants Administration Manual (GAM) Part 30 (<http://www.hhs.gov/hhsmanuals/read/gam/part30/>).

6. What if we have already begun construction for one (or more) of our projects?

Pre-awards costs after February 17, 2009 may be approved pending environmental, historic preservation and architectural/engineering reviews and depending on compliance with other Federal requirements, including procurement regulations. If the construction or renovation work itself has begun prior to final approval from HRSA, FIP funds may be at risk if HRSA is unable to complete its environmental, historic preservation and other reviews.

7. Can we start our FIP project(s) immediately?

FIP applications have already undergone significant reviews—including an independent objective review and technical reviews for environmental impact, historic/cultural preservation, architectural and engineering reasonableness, and service area overlap. Notices of Grant Award (NGAs) will identify outstanding conditions that remain. Recipients should **NOT** start FIP projects until **ALL** applicable conditions have been satisfactorily met. Costs that may be incurred prior to the meeting of all conditions include those for limited activities related to meeting one of these conditions, such as expenses for completing architectural and engineering plans, meeting licensing and permitting requirements, historic preservation consultation with SHPO/THPO, and preparing the Environmental Assessment.

8. What if we need to change the Project Director on the FIP grant?

To request a change of Project Director, grantees may send a message to the GMS identified on the NGA; include the grantee organizational name and C80 grant number in the correspondence.

BUDGET ISSUES

9. Why do I have disallowed/unallowable costs listed in my NGA? Why is my original grant request reduced?

If HRSA's review of your application identified unallowable costs that can not be supported with FIP grant funds, a term was included in the Grant Specific Terms section of the NGA that details the unallowable cost(s). If the application included sufficient non-federal resources to cover these costs, then the unallowable costs are listed but the grant award as originally requested remains the same. If the application did not include sufficient non-federal resources to cover these costs, then the grant award was reduced accordingly to ensure FIP funds do not support unallowable costs.

Failure to comply with the term (i.e., FIP funds are used to pay for unallowable costs) may result in the disallowance of grant funds and/or drawdown restriction being placed on your Payment Management System (PMS) account.

10. Would a revised NGA be issued for minor re-budgeting of costs or costs re-budgeted across line item categories?

Any major change to a budget (greater than 25% of total budget or \$100,000, whichever is greater) requires approval and may result in a revised NGA being issued. The only instance that a revised budget

would be requested for re-budgeting funds less than 25% of the total budget is if funds are being moved to a category that did not have any funding prior to the revised budget.

11. Is it possible to reallocate equipment by swapping/trading one piece of equipment we planned in our FIP application to purchase another?

As long as the equipment does not significantly impact the outcome of the originally proposed project, grantees may reallocate funds within the Equipment line on the project budget (Line 9 on the SF-424C) to support other types of equipment. Any minor changes to the originally proposed project should be documented as part of the grantee's quarterly reporting. As long as the costs do not exceed 25% or \$250,000, grantees will not need prior approval.

Grantees will need to remember that equipment purchased with FIP funds must be maintained, tracked, and disposed of in accordance with 45 CFR Parts 74.34 and 92.32. Grantees should maintain documentation of all changes to the original equipment list, as a final and correct equipment list will need to be provided to HRSA upon completion of the project.

12. Can we move money from one FIP project to the other?

No. FIP funds may NOT be transferred between projects.

13. Can we add a new site and move money to it with approval from our Grants Management Specialist?

No. FIP projects must occur at the site proposed in the application.

14. If a revised budget is needed, does it have to account for costs incurred during the next 24 months?

The budget should account for how FIP funds will be utilized for the 2-year project/budget period of the award. Any pre-award costs will need to be approved and sent separately to the appropriate GMS. FIP funds must be fully obligated within the 2-year project/budget period.

15. Can we re-budget our contingencies or miscellaneous costs in another category to get our budgets approved since they were flagged as being excessive or exceeding the percentage limit outlined in the guidance?

Grantees with questionable costs in their applications received a condition on their NGA requiring the submission of a new budget and budget justification. Any revised budget or relevant material will have to be reviewed by DGMO for approval. Further justification of a budget for contingencies or excessive miscellaneous costs may be needed in order for DGMO to approve costs and deem them allowable for a given project.

DRAWDOWN OF FUNDS

16. How soon can we draw down our funds?

Grantees may draw down funds for preparation costs (e.g., environmental assessment, architectural/engineering permitting, SHPO/THPO consult) and may NOT draw down funds to pay for other costs until **ALL** conditions on the NGA have been satisfied. Grantees should exercise caution before committing to a construction start date prior to completion of HRSA's review and approval to lift conditions.

17. Will we be able to go to our H80 accounts in PMS to drawdown FIP funds?

No. The FIP is a SEPARATE grant from the H80 program. Grantees **may NOT** commingle funds from the Federal Investment Program, Capital Improvement Program, Increased Demand for Services, the Health Center Cluster, and the Health Center Program grant.

Payment Management System (PMS) sub-accounts are setup for FIP recipients to drawdown funds (the FIP grant number begins with C80). Be advised this sub-account is different from the H80 account.

Please contact your PMS representative for help setting up this account. Please be aware of any restrictions on your NGA that prohibits the drawdown of funds before responding to a condition of award.

FEDERAL INTEREST

18. If my alteration project is less than \$500,000 why does Federal Interest still pertain?

Federal Interest exists irrespective of the filing of a Notice of Federal Interest (NFI). For alteration/renovation (A/R) projects less than \$500,000, the grantee shall maintain adequate documentation regarding protection of all Federal Interest. This will include communications with a lessor related to protecting such interest, in accordance with the standard award terms and conditions. Such documentation should be available for subsequent review.

19. What are the requirements for Federal Interest for minor renovation projects?

For minor renovation projects where the project cost (total project costs minus equipment costs) is less than \$500,000, a Notice of Federal Interest is not required. For leased properties, please keep a copy of the lease agreement and a letter from the landlord stating that the health center grantee will maintain reasonable control of the property (i.e., showing reasonable access and use of the property for the required lease period) and that the site is consistent with the scope of the CIP project. Further, reviewing Federal Interest requests takes time, and HRSA requests patience and cooperation in the process.

Recipients who are required to file a NFI must:

- File a Notice of Federal Interest with the appropriate jurisdictional records, and
- Submit a notarized and recorded copy of the NFI to the Grants Management Specialist through EHB.

NFIs must be filed prior to **starting** the construction or alteration/renovation project. A sample NFI was included in the FIP guidance (HRSA-10-029) and is also available for download at <http://bphc.hrsa.gov/recovery/fip>.

20. What are the terms and conditions regarding Federal Interest for minor renovation projects?

While alteration and renovation projects below \$500,000 do not require a Notice of Federal Interest on the property, there is still Federal Interest in real property as there is with equipment. It is expected that grantees will follow the following requirements regarding Federal Interest:

- 45 CFR 74.30 through 74.32 or 45 CFR 92.31
(http://www.access.gpo.gov/nara/cfr/waisidx_07/45cfr74_07.html and
http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title45/45cfr92_main_02.tpl)
- HHS Grants Policy Statement S II-68, Real Property
(http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc)

21. The recently released FIP application goes into more detail about Federal Interest for leased properties than the CIP application did but it is still not clear as to what "all the terms and conditions" need to be complied with and communicated to the landlord.

For (i) ALL construction projects and (ii) those alteration/renovation projects with a net project cost of greater than \$500,000 (minus the cost of moveable equipment), recipients that lease the project site/facility will need to provide a Letter of Consent/Statement of Agreement from the Property Owner that demonstrates the owner (1) agrees to the project, (2) agrees to provide the applicant health center reasonable control of the project site for at least 10 years, and (3) agrees to file a NFI in the land records of the local jurisdiction when the project begins. A sample Statement of Agreement (also known as the Landlord Letter of Consent) from the Property Owner is available for download at <http://bphc.hrsa.gov/recovery/fip>.

22. If there is already a NFI on the same piece of property that the construction will be placed upon, is the owner required to file another?

If there is an existing HRSA NFI on the same piece of property, the NFI must be amended with the additional information related to the CIP funding opportunity (grant number, purpose, etc.). This revised copy must be recorded with the appropriate jurisdictional records. A **notarized and recorded** copy of the revised NFI must be provided to the Grants Management Specialist via EHB. Recipients must also remember that NFIs must be filed prior to starting the construction or alteration/renovation project.

23. Where do I file and record my NFI at the local level?

The NFI must be filed against the property deed. Property deeds are usually located at the County Courthouse, County Clerks, Register of Deeds, or other equivalent recordation offices. Some counties and offices may not be familiar with the NFI process, so grantees may need to explain that a NFI is essentially a Federal lien. Because the process and locations to file property related records varies greatly between jurisdictions, HRSA is unable to provide detailed information as to how the process works within each locality.

The NFI needs be notarized AND recorded in lands records office or Municipal records office BEFORE a copy is sent to HRSA. A copy of a filed NFI is needed in order to lift the condition from NGAs. Please see the fact sheet on Federal Interest available online at <http://bphc.hrsa.gov/recovery/fip/>.

ENVIRONMENTAL IMPACT

24. My NGA states that I need to consult with my Project Officer regarding FIP requirements. When will my PO let me know?

FIP applications have already undergone technical reviews. Contact BPHCRecovery@hrsa.gov regarding this deliverable.

25. Is the draft EA project-specific? Since we are proposing alterations to a 10,000 square foot unit within a large existing facility, would an EA that was done earlier in 2009 be sufficient or would we need to do an EA on our proposed remodel of the interior space for use as a health center?

EA's are project specific. Some grantees that proposed alteration/renovation projects received a condition on their award informing them if a draft EA is required or if they should consult with their Project Officer to determine if one is required. If it is required, the draft EA must be specific to the proposed FIP project. However, general information from the previous EA could serve as a base and provide much of the information that is required in the draft EA for HRSA. Additional technical assistance on the requirements of the draft EA can be found at <http://bphc.hrsa.gov/recovery/fip/>.

26. One of the FIP grant conditions for our construction project requires us to submit draft EA within 90 days of award issue date. We do not think we will be able to meet this deadline. The EA guidance on the BPHC Recovery website (and in the initial FIP application guidance) indicates that the EA must be submitted prior to drawing down construction funds but that architectural funds may be drawn down prior to submitting the EA. Is it permissible for me to miss the 90 day deadline and submit the EA prior to drawing down construction funds?

Grantees should submit the draft EA, if required, as soon as possible. If you are not able to meet the deadline (90 days after award), send an email to the Project Officer identified on the NGA with your request to extend the deadline and an explanation as to why the extension is necessary; please include your grantee organization name and C80 grant number in your message. Grantees may **NOT** begin the construction project until the draft EA has been approved by HRSA.

CULTURAL RESOURCE ASSESSMENT AND HISTORIC PRESERVATION

27. What if I know that my project does not have any historic value or is affecting any historic preservation or has no detrimental environmental impact?

For all construction projects, under the National Historic Preservation Act, the National Environmental Policy Act, and section 1609 of the American Recovery and Reinvestment Act of 2009, grantees are required to provide a letter from either the State Historic Preservation Office (SHPO) or Tribal Historic Preservation Office (THPO). This determination must be made by qualified officials regarding the property. A number of applicants included this documentation as part of their FIP application. For those that did not submit this documentation, SHPO/THPO is required within 30 days after issuance of the FIP award as indicated in the NGA. For alteration/renovation projects, HRSA has done a preliminary review of projects and indicated, through a condition on the NGA, whether the SHPO/THPO consultation is required or if the grantee needs to consult with their PO to make this determination.

28. Is a SHPO required for our project?

The State Historic Preservation Office (SHPO) is part of the Cultural Resource Assessment and Historical Preservation Review. If a grantee proposed a construction project, it is authorized to contact their State Historic Preservation Office (SHPO) and/or Tribal Historic Preservation Office (THPO) to obtain either:

- A letter indicating a finding of no adverse impact, or
- A draft Memorandum of Agreement (MOA) between the SHPO/THPO, grantee and HRSA detailing a plan to reduce the adverse effects. Upon approval by HRSA, it will be signed by all parties.

For A/R projects, please review the conditions in the FIP NGA to see if a SHPO/THPO consultation is required.

CHANGE IN SCOPE—SITES

29. In our FIP application, we proposed moving the clinic to a larger space. I thought the FIP application instructions stated that this would be the Change in Scope request and that we did not have to submit a change per PIN 2008-01. Do we have to submit a change in scope request?

If you filled out the Form 5B and the Add Site Checklist for the new site within the FIP application, you do not need to take any further action. HRSA has reviewed new site requests and the NGA will indicate whether the site has been approved.

30. If a project involving a new site is among the projects funded within the FIP NGA, can we assume that it has been officially approved to be added to our scope of Federal project?

The FIP NGA contains a term that approves the site address proposed in your FIP application. This site will be added to the grantee's list of sites that are "Pending Verification" and the grantee will need to verify the new site is operational within 60 days of becoming operational at that site.

CHANGE OF SCOPE—FIP GRANT

31. What happens if we find we want to change our original FIP project?

FIP projects must be implemented as they were proposed in the application since the FIP is a competitive funding opportunity. HRSA may take action to withdraw the approval and funds for the project(s) if subsequent events lead HRSA to conclude that a project as originally proposed is ineligible or cannot be completed. Subsequent events could include, but are not limited to:

- (1) The identification or previously undocumented environmental or historic preservation issues that lead HRSA to conclude a construction project cannot be carried out;
- (2) The conclusion that the project cannot be completed as proposed (e.g., information submitted through the required ARRA reporting indicates that the grantee's progress is sufficiently noncompliant with the approved scope, costs, or timeline presented in the application and that completion as proposed will not be possible); or

- (3) The conclusion that the grantee is noncompliant with a requirement of the application guidance (e.g., the FIP project is not separate and distinct from a CIP project; grantee does not resolve concerns to the satisfaction of HRSA).

32. We are not able to secure the additional financing for the project we proposed. We would like to either scale back our renovations or use the FIP funds to purchase equipment. Can we do this?

No. Grantees will not be able to significantly scale back projects or use FIP funds to purchase equipment. Due to the competitive nature of this funding opportunity, no changes can be made given the project(s) were assessed and ranked against the review criteria established in HRSA-10-029.

33. What if we are not able to complete the construction project as originally proposed, due to unforeseen circumstances beyond our control? What can we do?

Depending on the nature of the circumstances (i.e., natural disaster), grantees may—on a case-by-case basis **ONLY**—be able to scale back projects, modify the scope of the project, or use FIP funds to purchase equipment. No significant changes can be made to FIP projects. Grantees must contact the C80 Project Officer immediately to discuss options.

34. Can we use any cost savings realized?

No, given the competitive nature of the FIP funding opportunity, grantees CANNOT use any cost savings realized in the FIP project.

ADMINISTRATIVE AND POLICY REQUIREMENTS

35. What does the Davis-Bacon Act mean for health centers implementing construction and alteration/renovation projects with FIP funds?

Davis-Bacon labor clauses must be included by the grantee/Health Center in contracts they award in excess of \$2,000 for construction, alteration or repair (including painting and decorating). The Health Center is responsible for reviewing the contract language used by any contractors they hire that subcontract out federally assisted construction, alteration and/or repair. The grantee/Health Center is responsible for ensuring contractor compliance. The contractors must submit certified weekly payroll statements to the grantee/Health Center as part of the grant-related documentation (subject to the recordkeeping and retention requirements). HRSA will sample those records periodically to ensure compliance.

36. Regarding Davis-Bacon Act—does the grantee collect the employee and wage information necessary from the contractors and then send it some place or do we just keep it for audits?

The U.S. Department of Labor maintains a very helpful website about Davis-Bacon and Related Acts at <http://www.dol.gov/compliance/laws/comp-dbra.htm>. Under the Davis-Bacon and Related Acts (DBRA), covered contractors must maintain payrolls and basic records and submit certified weekly payrolls.

Although use of Form WH-347 is optional, the form will satisfy the requirements of Regulations, Parts 3 and 5 (29 CFR, Subtitle A), as to payrolls submitted in connection with contracts subject to the DBRA.

Records to be maintained include:

- Name, address, and social security number of each employee;
- Each employee's work classification(s);
- Hourly rate(s) of pay (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof);
- Daily and weekly numbers of hours worked;
- Deductions made; and
- Actual wages paid.

See [29 CFR 5.5\(a\)\(3\)](#).

The contractor shall maintain weekly copies of all payrolls, however they will not be required to regularly submit this information to HRSA. HRSA will request to sample any documentation through the grantee.

37. How do I comply with the wage rate requirements under the ARRA?

Please see the fact sheet on Wage Rate Requirements at <http://bphc.hrsa.gov/recovery/fip/>.

38. What needs to be recorded if the grantee does some work through its facilities management staff (“force account labor”) and where does information need to be sent?

HRSA needs a basic level of information in order to approve the work. A simple cost analysis that describes the amount the organization spent for its own labor and materials, and how this approach is cost effective given the amount a contractor would charge to do the equivalent work, is sufficient. Any supporting documentation should be sent to ofamrecovery@hrsa.gov; please include your grantee organization name and C80 grant number in your message.

39. I am in the process of receiving bids on medical equipment and other office equipment that we identified in our application. The question that has come up is—does all equipment purchased need to be American made?

The Buy American provision only pertains to certain construction materials for public buildings and not privately owned buildings. Grantees will be notified in the NGA if this requirement pertains to their FIP award.

40. Is my project subject to the simplified acquisition threshold?

Yes. All goods and services over \$100,000 need to be competitively bid. The simplified acquisition threshold applies to goods and services that are less than \$100,000. For acquisition less than \$100,000, recipients should keep in mind that they still need to get more than one quote (not bids) for the work to determine that the costs are reasonable, and the threshold shall not be broken down into several purchases or artificially reduced to smaller quantities to permit negotiations under simplified acquisition procedures.

41. Can you please clarify when it is allowable to hire/contract without competitive bidding?

The Federal Acquisition Threshold for procurement of goods and services is \$100,000; contracts of \$100,000 or more need to go through competitive bidding 45 CFR §92.36 (b) through (i). Contracts secured under the simplified acquisition procedure must still document that the grantee took actions to ensure that it is receiving the best price for the services/goods purchased (e.g., document three (3) separate price quotes for equipment and justify why one was chosen).

Please see the fact sheet on procurement available online at <http://bphc.hrsa.gov/recovery/fip/>.

42. What does a grantee do if the state it is implementing a project in has more stringent requirements around procurement?

Federal law does not preempt State and local laws. The grantee must comply with State and local laws. It is the grantee’s responsibility to comply with State and local laws, and HRSA encourages grantees to ensure they are aware of and are complying with all applicable State and local laws. HRSA may not be able to fund a project that is clearly in violation of a State or local law.

43. What do solicitations for goods and services procured with FIP funds need to include?

Nonprofit organizations must provide for all of the following in solicitations:

- (a) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
- (b) Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
- (c) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- (d) The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.

- (e) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
- (f) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

44. What needs to be included in a contract for FIP projects?

A5: Per OMB Circular A-110 Subpart C.48, the non-profit organization (grantee) shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. In addition to other ARRA requirements, the following provisions shall also be applied to subcontracts:

- (a) Contracts in excess of the small purchase threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
- (b) All contracts in excess of the small purchase threshold shall contain suitable provisions for termination by the recipient, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
- (c) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the Federal awarding agency may accept the bonding policy and requirements of the recipient, provided the Federal awarding agency has made a determination that the Federal Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows.
 - (1) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
 - (2) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
 - (3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.
 - (4) Where bonds are required in the situations described herein, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR part 223, "Surety Companies Doing Business with the United States."
- (d) All negotiated contracts (except those for less than the small purchase threshold) awarded by recipients shall include a provision to the effect that the recipient, the Federal awarding agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.
- (e) All contracts, including small purchases, awarded by recipients and their contractors shall contain the procurement provisions of Appendix A to this Circular, as applicable.

45. Can we add our FIP project to an open contract for work we have already been engaged in?

When a grantee enters into a service-type contract in which the term is not concurrent with the budget period of the award, the grantee may charge the costs of the contract to the budget period in which the contract is executed:

- The awarding office has been made aware of this situation either at the time of application or through post-award notification.
- The contract was solicited and secured in accordance with Federal procurement standards.
- The recipient has a legal commitment to continue the contract for its full term.
- Contract costs will be allowable only to the extent that they are for services provided during the grant's period of performance. The grantee will be responsible for contract costs that continue after the end of the grant budget period.

In general, for FIP, grantees **MAY NOT** piggyback onto existing, open contracts—this is unallowable.

46. Does the grantee need to publish the results of an open but private bid?

The grantee does not need to publish the results but does have to document the rationale for the selected contractor and ensure that the selection criteria was evenly applied to all bids.

REPORTING

47. I am aware of the reporting requirements under the ARRA. What are the other reporting requirements listed in my NGA?

The Reporting Requirements section of the NGA lists out specific deliverables that are required of all FIP projects for both construction and alteration/renovation. The table below provides an outline of the requirements. These requirements allow HRSA to monitor the progress of grantees and to ensure that projects are progressing as they were proposed in the FIP application. Failure to comply with these reporting requirements will result in deferral or additional restrictions of future funding decisions.

Deliverable	Due Date	Details
Quarterly Reports	Quarterly Beginning: 01/01/2010 Ending:10/31/2011	The grantee will submit a Health Center Quarterly Report (HCQR) on programmatic measures into the HRSA Electronic Handbook (EHB). Additional information for FIP and HCQR will be posted online at http://bphc.hrsa.gov/recovery/hcqr/ . The grantee will submit quarterly reports on standard American Recovery and Reinvestment Act (ARRA) measures through http://www.federalreporting.gov .
Pre-Certification Letter	02/01/2010	It is expected that the grantee will engage the services of an architect/engineer (A/E) to develop the pertinent construction documents as well as to administer the construction phase of the project. Accordingly, the A/E will submit a pre-certification statement attesting to his/her suitable involvement in this project. This statement should be submitted into the EHB within 30 days from the date A/E services are secured. If this deadline is not feasible, contact the Program Office to request an extension. Please reference http://www.hrsa.gov/hcofconstruction/constructionprojects.htm for a sample format.
Construction Contract	02/01/2010	It is the responsibility of the grantee to make every effort to award the construction contract(s) under a process where maximum competition is achieved in order to obtain the most reasonable price. Therefore, competitive bidding by formal advertisement must be used except when construction management procedures are employed. Accordingly, the grantee will submit the selected contract, certified by its A/E, and its formal recommendation of award. The recommendation should also include a statement of

Deliverable	Due Date	Details
		determination that the selected contractor is not on the U.S. General Services Administration Lists of Parties Excluded from Federal Procurement or Non-Procurement Programs (debarred list). If you award the contract to any qualified bidder other than the lowest bidder, provide proper documentation for your decision. Subsequently, a copy of your award letter(s) to the successful contractor(s) must also be submitted to the HCOF program office. The selected contract, certification, award recommendation, debarred list, statement, and award letter must be submitted into the EHB within 30 days from the scheduled contract award date.
Bonding and Insurance Coverage Letter	02/01/2010	The grantee must certify that the various bonding and insurance requirements for federally-assisted construction projects will be met. This must be submitted into the EHB within 30 days from the scheduled contract award date. Please reference http://www.hrsa.gov/hcofconstruction/constructionprojects.htm for a sample format.
Certification of Final Design Letter	03/10/2010	The grantee must design the project in accordance with the mandatory requirements imposed on federally-assisted construction projects as well as all applicable program standards, State codes, and local codes and ordinances. Accordingly, the A/E must certify (before construction bidding and contract award) that the final working drawings and final technical specifications were so developed. It is expected that the design documents will be completed by the estimated completion date so stated in the pre-certification statement, and that the certification of final design statement will be submitted into the EHB within 30 days from that date. Please reference http://www.hrsa.gov/hcofconstruction/constructionprojects.htm for a sample format.
Upon Project Completion		
Certificate of Occupancy	Within 30 days of Project End Date	The grantee must scan and upload the following document(s) into the EHB within 30 days after the completion of the project or the project period end date, whichever comes first. A Certificate of Occupancy issued by the local authority having jurisdiction, if applicable.
Certificate of Substantial Completion	Within 30 days of Project End Date	The grantee must scan and upload the following document(s) into the EHB within 30 days after the completion of the project or the project period end date, whichever comes first.
Property Insurance	Within 30 days of Project End Date	The grantee must scan and upload the following document(s) into the EHB within 30 days after the completion of the project or the project period end date, whichever comes first. Immediately upon acquiring the real property or occupancy of the leased property, the nongovernmental grantee shall, at a minimum, provide the same insurance coverage as provided to other property owned by the recipient. DHHS considers that the coverage described below constitutes minimum prudent insurance coverage of real property acquired with DHHS grant support. The term immediately upon acquiring real property; means either when the builder turns the facility over to the grantee institution (e.g., the date of the final

Deliverable	Due Date	Details
		<p>acceptance of the building) or at the point of beneficial occupancy, whichever comes first.</p> <p>A physical destruction policy (e.g., fire and extended coverage) shall insure the full replacement value, as approved by DHHS, of the facility from risk of partial and total physical destruction. When the Federal participation in the construction or acquisition of real property covers only a portion of the building, the insurance should cover the total replacement cost of the facility because any damage to the building could make the building unusable and thus affects the Federal Interest. The insurance policy should contain an inflation clause for the insured amount. The insurance policy is to be maintained for the period of time the property is owned by the grantee.</p> <p>Within five days of the completion of acquiring the real property or occupancy of the leased property, the grantee shall submit into the EHB, the documentation specified in either a. or b. below. If option a. is selected, the policies shall include a requirement that the insurance company provide copies of policy changes to the GMO, HRSA.</p> <p>a. A written statement signed by an authorized business official certifying that the grantee (1) purchased the required insurance policies on the Government-funded facility and (2) will maintain the insurance coverage at the full replacement value of the facility throughout the period of time the property is owned by the grantee; or b. Copies of such insurance policies.</p>
Photographs	Within 30 days of Project End Date	The grantee must scan and upload the following document(s) into the EHB within 30 days after the completion of the project or the project period end date, whichever comes first. Photographs, with brief descriptions, of the completed project. Exterior shots (front, rear of building) and major rooms will suffice.
Final SF 424C Budget	Within 30 days of Project End Date	The grantee must scan and upload the following document(s) into the EHB within 30 days after the completion of the project or the project period end date, whichever comes first. A SF-424C budget page showing the actual project costs. See page 15 of the following link http://www.hhs.gov/forms/PHS-5161-1.pdf .
Financial Status Report	Within 90 days of Budget End Date	The grantee must submit a Financial Status Report within 90 days after the budget period end date. This report should reflect cumulative reporting within the project period and must be submitted into the EHB.
Equipment List	Within 90 days of Budget End Date	The grantee must submit an itemized list of all equipment items purchased with grant funds. This list must be uploaded into the EHB. Records for equipment acquired with Federal funds shall be retained for 3 years after final disposition.