



# FY 2020 Health Center Program Look-Alikes: Expanding Capacity for Coronavirus Testing (LAL ECT)

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**July 15, 2020**

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**Vision: Healthy Communities, Healthy People**



# Housekeeping

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- Please mute your microphone  or phone if you called in
- If you dialed in mute your computer speakers
- Feel free to ask questions  in the comment box during the presentation
- Replay link will be sent out after the webinar
- Slides with  Icon have hyperlinked text
- Attachments are reference guides to assist you with managing your grant

# Welcome

**Jim Macrae**

Associate Administrator

Bureau of Primary Health Care



# Agenda

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- Office of Federal Assistance Management
- FY 2020 LAL ECT Funding Overview
  - Award Highlights
  - Allowable & Ineligible Uses of Funding
- Grants Administration
  - Regulatory and Legislative Requirements
  - HRSA's Electronic Handbooks (EHB)
  - Notice of Award & Payment Management System
  - Terms, Conditions and Reporting Requirements
  - Prior Approval Requirements
- Key Fiscal Requirements and Best Practices



# Office of Federal Assistance Management (OFAM)

OFAM provides national leadership in the administration and assurance of the financial integrity of Health Resources and Services Administration (HRSA) grant programs, and along with our program office partners, provides oversight over HRSA grant activities to ensure they are efficiently and effectively managed. OFAM remains focused on supporting HRSA's mission of improving health and achieving health equity through access to quality services, a skilled health workforce, and innovative programs.

## Division of Grants Management Operations (DGMO)

- DGMO is responsible for the business aspects of all HRSA grant and cooperative agreement award and post-award processes, and participates in the planning, development, and implementation of policies and procedures for grants and other federal financial assistance mechanisms.

## Division of Financial Integrity (DFI)

- DFI is responsible for assisting HRSA program and grants staff with assessing and increasing, if necessary, the financial integrity of HRSA grantees and grant applicants.



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# FY 2020 Health Center Program Look- Alikes: Expanding Capacity for Coronavirus Testing (LAL ECT) Funding Overview



# Overview: Award Highlights

- Funding was appropriated by the Paycheck Protection Program and Health Care Enhancement Act, P.L. 116-139.
- \$17.2 million total funds awarded on July 9, 2020
- 78 look-alike (LAL) federally qualified health centers
- Funding formula:
  - Base value of \$98,329, plus
  - \$15 per patient reported in the 2019 Uniform Data System (UDS), plus
  - \$16,123 each
- One-year awards
- Grant number L1CXXXXX-01-00



# Look-Alike ECT Funding

# HRSA

Health Resources & Services Administration

Bureau of Primary Health Care  
Health Center Program

*Health Center Program Look-Alikes:  
Expanding Capacity for Coronavirus Testing*

Funding Opportunity Number: HRSA-20-147  
Funding Opportunity Type(s): New  
Assistance Listings (CFDA) Number: 93.527

## NOTICE OF FUNDING OPPORTUNITY

Fiscal Year 2020

**Application Due Date: June 2, 2020**

*SAM.gov and Grants.gov administrative flexibilities have been implemented. Please see Section IV.3 for more information.*

**Issuance Date: May 18, 2020**

Allison Amone  
Public Health Analyst, Bureau of Primary Health Care  
Office of Policy and Program Development  
Contact: [BPHC Contact Form](#)  
Telephone: (301) 594-4300  
[LAL ECT technical assistance webpage](#)

Authority: Paycheck Protection Program and Health Care Enhancement Act, Public Law 116-139

## Notice of Funding Opportunity (NoFO)

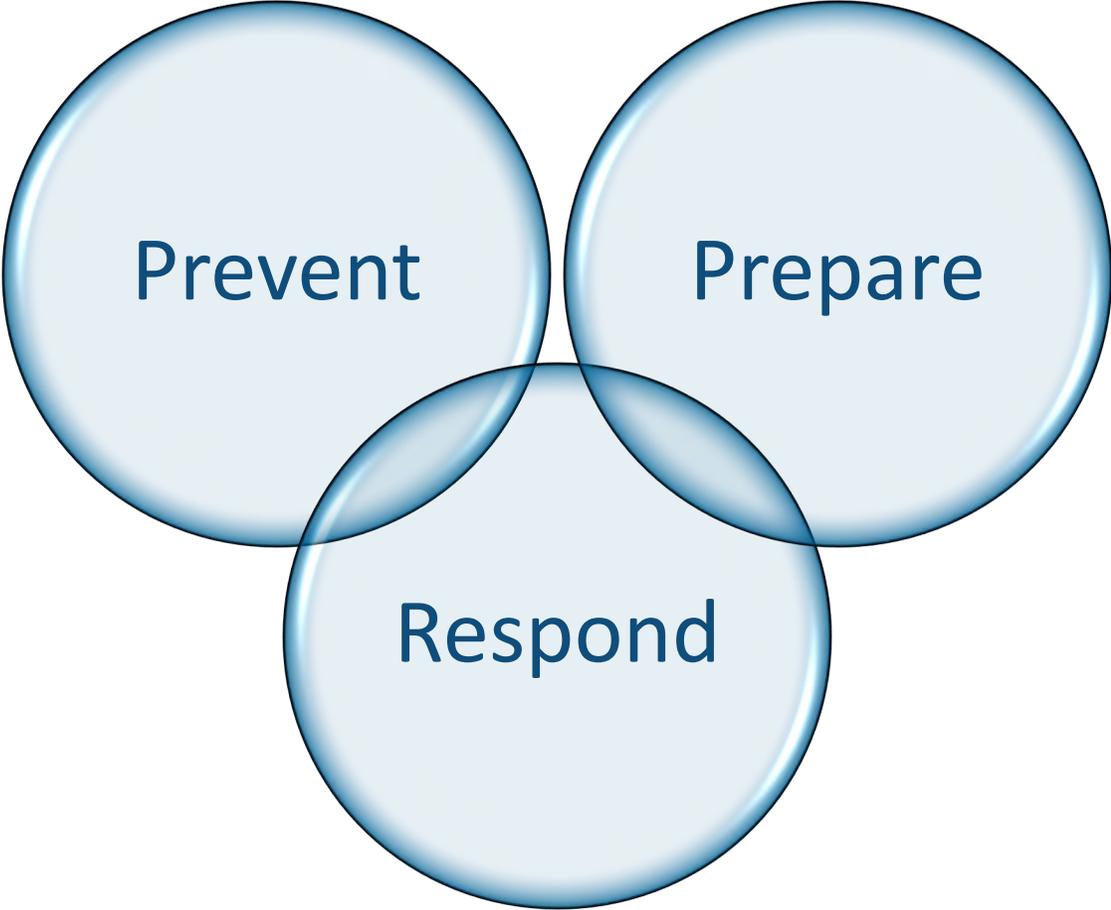
### HRSA-20-147

- Program Purpose and Background
- Application and Submission Information
  - ✓ Budget / Budget Justification Narrative
  - ✓ Funding Restrictions
    - What is allowed and not allowed?
- Award Administration Information
  - ✓ Reporting



# LAL ECT Funding

One time funding to support designated LALs in preventing, preparing for, and responding to coronavirus disease (COVID-19).



# Purpose LAL ECT Funding



Purchase

Administer

Expand  
Capacity

for testing to monitor and suppress COVID-19

# Pre-Award Costs

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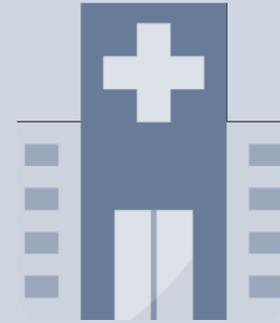
Reimbursement of allowable costs is authorized  
retroactive to January 20, 2020



# Example Uses of Funds



*There may be other allowed uses of funds.*



Maintain and increase capacity to support COVID-19 testing and related clinical and operational needs

Develop testing plans  
Purchase and distribute testing equipment and supplies (including PPE)

Laboratory services  
Temporary drive- or walk-up testing  
Personnel testing

Assess symptoms  
Deliver test results  
Conduct appropriate follow up (including phone, text, or video)

Notify contacts in coordination with other public health agencies  
Report to public health agencies, consistent with law

Outreach and education for patients at high risk or with access barriers

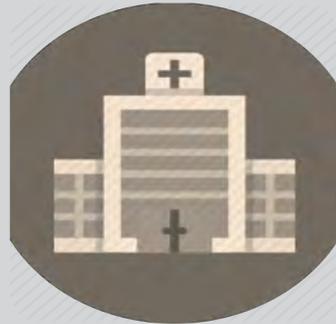
Equipment and supplies  
Health information technology and digital tools

Purchase or lease of mobile vans/units directly supporting testing capacity expansion

# Ineligible Costs



Activities outside of your Health Center Program scope



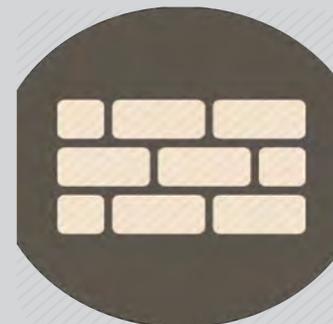
Costs reimbursed or compensated by other state or federal programs



EHRs that are not ONC certified



Facility or land purchases  
Installation of trailers and pre-fabricated modular units



New construction activities, additions, expansions, and site work  
Alteration and renovation (A/R) projects

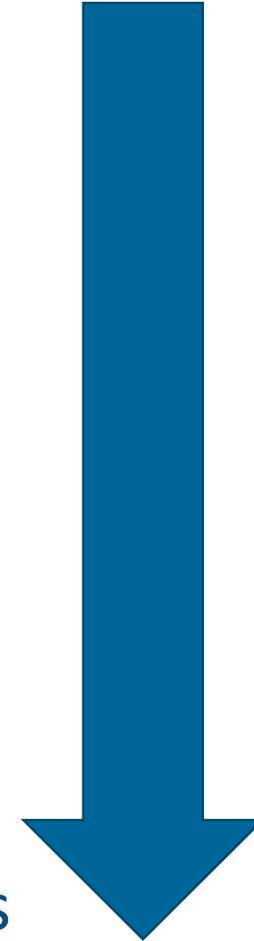


Costs not related to COVID-19 testing activities



# Grants Requirements - Order of Precedence

- Legislative Mandates
- Federal Legislation
  - Statute and Program Requirements
- Uniform Administrative Requirements
  - Code of Federal Regulations
- Grant Requirements
  - Notice of Award (NoA)
  - Terms, Conditions, Reporting Requirements
  - Notice of Funding Opportunity (NoFO)
- Grant Organization (Recipient) Policies and Procedures



# Legislative Mandates



## Statutory provisions that limit the use of funds on HRSA grants and cooperative agreements

- ✓ Remain in effect until a new appropriation bill is passed setting a new list of requirements

**(1) Salary Limitation**

**(2) Gun Control**

**(3) Anti-Lobbying**

**(4) Acknowledgment of Federal Funding**

**(5) Restriction on Abortions**

**(6) Exceptions to Restriction on Abortions**

**(7) Ban on Funding Human Embryo Research**

**(8) Limitation on Use of Funds for**

**Promotion of Legalization of Controlled**

**(9) Restriction of Pornography on**

**Computer Networks**

**(10) Restriction on Funding ACORN**

**(11) Restriction on Distribution of Sterile Needles**

**(12) Confidentiality Agreements**



# Uniform Administrative Requirements



Recipient Type	Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*	Uniform Administrative Requirements, Cost Principles and Audit Requirements for HHS Awards
State, Local, and Tribal Governments  Educational Institutions  Non-Profits	2 Code of Federal Regulations (CFR) Part 200	<p style="text-align: center;"><b>45 CFR 75</b></p>

## Contents

- Acronyms and Definitions
- General Provisions
- Pre-Federal Award Requirements
- Post-Federal Award Requirements
- Cost Principles
- Audit Requirements



# Equipment Costs

Equipment is tangible personal property (including information technology systems)

- useful life of more than one year
- per-unit acquisition cost of at least \$5,000
- moveable equipment only
  - readily shifted from place to place without requiring a change in the utilities or structural characteristics of the space.

## Equipment Requirements ([45 CFR Part 75.320](#))

Equipment MUST be:

- Pertinent to the COVID-19 activities
- Procured through a competitive process
  - While [M-20-11](#) is in effect, you may request HRSA to waive procurement requirements regarding geographical preferences, and contracting small and minority businesses, women's business enterprises, and labor surplus area firms.

Maintained, tracked, and disposed of per 45 CFR 75.



# Allowable Use of Funding: Equipment Costs

## Example of Allowable Use of Funding for Equipment Costs:

- Vehicles to transport personnel or patients for testing activities
- Equipment for personnel engaging in telehealth services from home
- Equipment for testing for patients and personnel
- Temporary and non-fixed barriers to separate patients



Additional reporting requirement if tangible personal property is obtained:

Reporting Requirements	Submit To	EHB Submission Name	Due Date
Tangible Personal Property Report	EHB	SF-428 Reporting	90 days after the end of the period of performance

# Key Term – Steven’s Amendment

## Acknowledgement of Federal Funds

The Consolidated Appropriations Act requires recipients to state the following on products developed with federal funds:

1. the percentage of the total costs of the program or project which will be financed with Federal money;
2. the dollar amount of Federal funds for the project or program; and
3. percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Press releases and other public statements

Publications and other documents

Toolkits and Resource guides

Websites & Visual presentations

Requests for proposals & bid solicitations



# Key Term – Steven’s Amendment Statement

## Example of Acknowledgement of Federal Funding Statement

“This [project/publication/program/website, etc.] [is/was] supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with XX percentage funded by HRSA/HHS and \$XX amount and XX percentage funded by non-government source(s). The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by HRSA/HHS, or the U.S. Government.”

More information and additional examples:

<https://www.hrsa.gov/grants/manage/acknowledge-hrsa-funding>



# Key Term – Salary Cap Limitation

The salary amount that may be awarded and charged to HRSA grants and cooperative agreements to the Federal Executive Pay Scale Level II rate

- Cannot exceed the Federal Executive Pay Scale Level II rate - currently **\$197,300**
- This amount reflects an individual's base salary exclusive of fringe benefits
- HRSA funds may not be used to pay a salary in excess of this rate
- An individual's base salary, per se, is NOT constrained by the legislative provision for a limitation of salary. The rate limitation simply limits the amount that may be awarded and charged to HRSA grants and cooperative agreements
- This salary limitation also applies to sub-recipients under a HRSA grant or cooperative agreement.
- Does not apply to payments made to consultants under this award although, as with all costs, those payments must meet the test of reasonableness and be consistent with recipient's institutional policy.



# HRSA Electronic Handbook (EHB) Registration

## HRSA Electronic Handbooks (EHBs) Registration Requirements

### Required to register:

- The Project Director (listed on your NoA) & Authorizing Official (AOR)

### After registration:

- Note the 10-digit grant number from box 4b of the NoA and add this grant to your portfolio

### EHBs is required for:

- Updating contact information (addresses, emails)
- Submission of certain deliverables (condition responses, reporting requirements)
- Submission of changes requiring HRSA prior approval

- EHB login: <https://grants.hrsa.gov/webexternal/login.asp>



# HRSA Electronic Handbook (EHB) Reminders



**REMEMBER:** Add the L1C grant to your EHB portfolio

**How to Add the FY 2020 Coronavirus Supplemental Funding Grants for Health Centers to Your EHB Portfolio**



<https://bphc.hrsa.gov/program-opportunities/coronavirus-supplemental-funding-health-centers-ehb-portfolio>

**Grant Access & Registration FAQs:**



<https://help.hrsa.gov/display/public/EHBSKBFG/Grants+Access+and+Registration+FAQs>

**Need help with EHB?:** Call 1-877-464-4772



# Notice of Award (NoA)

You **MUST** follow your approved budget!



Always read the terms and conditions on your NoA!

All terms and conditions on superseded NoA's remain in effect unless specifically rescinded

1. DATE ISSUED: 06/25/2020		2. PROGRAM CFDA: 93.527					
3. SUPERSEDES AWARD NOTICE dated: <small>except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.</small>							
4a. AWARD NO.: 1 L1CCSXXXX-01-00		4b. GRANT NO.: L1CCSXXXX	5. FORMER GRANT NO.:				
6. PROJECT PERIOD: FROM: 07/01/2020 THROUGH: 06/30/2021							
7. BUDGET PERIOD: FROM: 07/01/2020 THROUGH: 06/30/2021							
8. TITLE OF PROJECT (OR PROGRAM): FY 2020 Health Center Program Look-Alikes: Expanding Capacity for Coronavirus Testing							
9. GRANTEE NAME AND ADDRESS:		10. DIRECTOR: (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR)					
11. APPROVED BUDGET: (Excludes Direct Assistance) <input checked="" type="checkbox"/> Grant Funds Only <input type="checkbox"/> Total project costs including grant funds and all other financial participation		12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE:					
a. Salaries and Wages : \$119,432.00		a. Authorized Financial Assistance This Period \$250,000.00					
b. Fringe Benefits : \$40,662.00		b. Less Unobligated Balance from Prior Budget Periods					
c. Total Personnel Costs : \$160,094.00		i. Additional Authority \$0.00					
d. Consultant Costs : \$0.00		ii. Offset \$0.00					
e. Equipment : \$0.00		c. Unawarded Balance of Current Year's Funds \$0.00					
f. Supplies : \$14,354.00		d. Less Cumulative Prior Awards(s) This Budget Period \$0.00					
g. Travel : \$0.00		e. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION \$250,000.00					
h. Construction/Alteration and Renovation : \$0.00		13. RECOMMENDED FUTURE SUPPORT: (Subject to the availability of funds and satisfactory progress of project)					
i. Other : \$17,262.00		<table border="1"> <thead> <tr> <th>YEAR</th> <th>TOTAL COSTS</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">Not applicable</td> </tr> </tbody> </table>		YEAR	TOTAL COSTS	Not applicable	
YEAR	TOTAL COSTS						
Not applicable							
j. Consortium/Contractual Costs : \$58,290.00		14. APPROVED DIRECT ASSISTANCE BUDGET: (In lieu of cash)					
k. Trainee Related Expenses : \$0.00		a. Amount of Direct Assistance \$0.00					
l. Trainee Stipends : \$0.00		b. Less Unawarded Balance of Current Year's Funds \$0.00					
m. Trainee Tuition and Fees : \$0.00		c. Less Cumulative Prior Awards(s) This Budget Period \$0.00					
n. Trainee Travel : \$0.00		d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION \$0.00					
o. TOTAL DIRECT COSTS : \$250,000.00							
p. INDIRECT COSTS (Rate: % of S&W/TADC) : \$0.00							
q. TOTAL APPROVED BUDGET : \$250,000.00							
i. Less Non-Federal Share: \$0.00							
ii. Federal Share: \$250,000.00							



# Payment Management System (PMS)



Only draw funds to support the purpose of the grant Expenditures (in the General Ledger) must align with the PMS draw

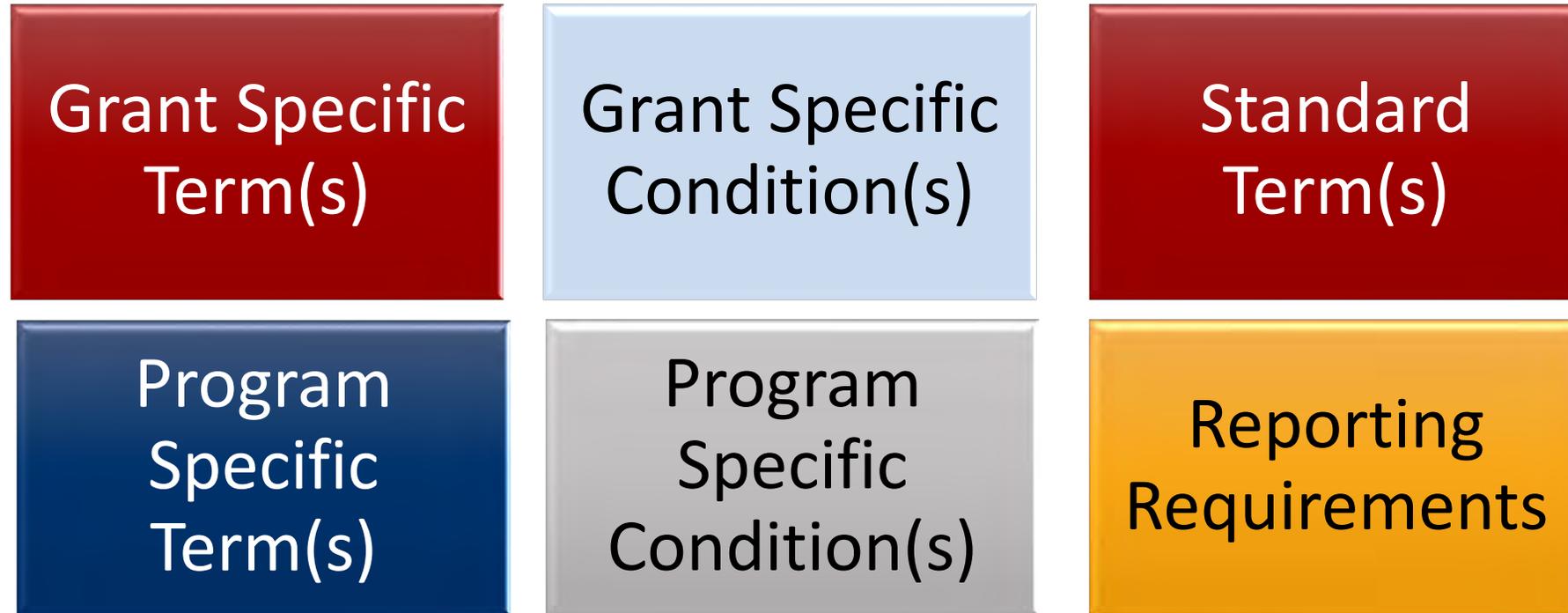
- When drawing funds PMS you will need your subaccount code
  - Listed on the bottom of page 1 of your NOA



FY-CAN	CFDA	DOCUMENT NO.	AMT. FIN. ASST.	AMT. DIR. ASST.	SUB PROGRAM CODE	SUB ACCOUNT CODE
20 - 398T173	93.224	20L1CCS00000C4	\$250,000.00	\$0.00		20-COVID19-LAL-C4



# Terms, Conditions and Reporting Requirements



## Terms and Conditions

Failure to comply with the remarks, terms, conditions, or reporting requirements is considered non-compliance and HRSA may take a variety of steps including restricting drawdowns of funds from the Payment Management System or denials of future funding

# Terms, Conditions and Reporting Requirements

- **Term:**
  - provides information and requirements that must be adhered to for the duration of the project
- **Condition:**
  - is a requirement placed on an award that requires a specific response or deliverable from the recipient
    - ✓ response submitted in EHBs for HRSA review
    - ✓ approval/lift of condition is noted on a revised NoA
- **Reporting Requirements:**
  - Federal Financial Report (FFR)
  - Programmatic or project-related



All of the above may be added to all types of Notices of Award (NoA) throughout the grant period - monetary awards and revisions

# Conditions: Examples - Budget

## Budget: Additional/Revised Information

- Budget Form (SF-424A)
- Line Item Budget and Narrative Justification (specific items of cost)
- Funds should not be expended until the budget condition is lifted on a NoA



# Conditions: Example – Project Narrative

Budget Period: July 1, 2020 – June 30, 2021

Condition	Submit To	Due Date
Revised Project Narrative	EHB	July 30, 2020 30 Days after the Award Date



## LAL ECT Revised Project Narrative

Within 30 days of award release date, you must submit a revised project narrative that includes only activities eligible for support under this funding opportunity. Contact the project officer listed on this notice of award for information about the required changes to your proposed activities.



# LAL ECT Program Reporting Requirements

Budget Period: July 1, 2020 – June 30, 2021

Reporting Requirements	Submit To	Due Date
Quarterly COVID-19 Progress Reports	EHB	October 30, 2020 January 30, 2020 April 30, 2020 July 30, 2020

## LAL ECT Progress Report

You must submit a progress report at least quarterly into the HRSA Electronic Handbooks. Reports will describe the status of the activities and use of funds to purchase, administer, and expand capacity for testing to monitor and suppress COVID-19.



# Reporting Requirements – FTCR and FFR

- Submit in the Payment Management System (PMS)
- Federal Cash Transaction Report (FCTR) - Disbursements
  - Submitted quarterly through the Payment Management System (PMS)
  - Due within 30 days of the end of the quarter
    - Ex. June 30th report due July 30th
- Federal Financial Report (FFR) – Expenditures
  - Submitted at least annually according to budget/project period end date
  - Due date aligned with PMS quarterly due date

PMS DELIVERABLES	SUBMIT TO	DUE DATE
Federal Cash Transaction Report (FCTR)	PMS	Quarterly <b>(See PMS for Due Dates)</b>
Federal Financial Report (FFR)	PMS	Annual/Final <b>(Due October 30, 2021)</b>



# Prior Approval Requests – Make Changes

REQUEST



- HRSA approval is required when recipient has a change to certain aspects of the approved application (such as budget revision, change of scope, change of key personnel)
  - See **45 CFR 75.308**
- Recipient submits a Prior Approval request through the EHBs for HRSA review
- Approval of the request is provided in the form of a revised NoA



# Prior Approval – Key Personnel Change

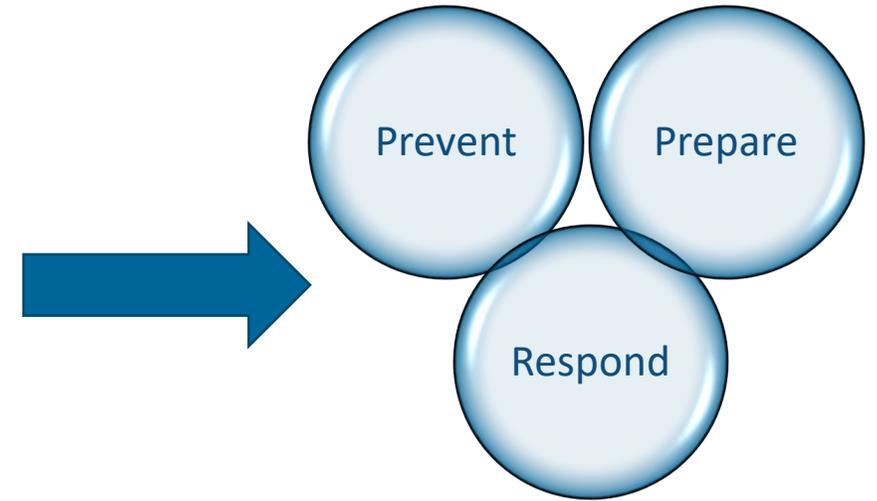
**Key Personnel:** Change in Program Director or reduction in time



# Prior Approval – Re-budgeting

- **Follow your approved budget**

- Align costs with the purpose of the award
- Avoid unallowable costs
- Comply with **45 CFR 75**



- **Significant Rebudgeting → Requires prior approval**

- ✓ If the change exceeds 25% of the total federal budget OR
- ✓ Would move funds to a line item that HRSA did not approve (i.e. supplies, other) on the initial budget.

- **Use of funds to purchase of equipment → Requires prior approval**



# Prior Approval Requests – Other



**No-Cost Extension:** Extension of Project Period to Complete Approved Activities – no additional funding



**Relinquishment:** Cannot carry out all or part of award



**Property Disposition:** Approval to transfer, sell equipment or transfer, mortgage, or sell real property



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# Key Fiscal Requirements and Best Practices



# Recipient Responsibilities



- The Recipient
  - is responsible for the oversight of the operations of the Federal award-supported activities
  - must monitor its activities under Federal awards to assure compliance with applicable Federal and agency grant requirements
    - ✓ monitoring by the Recipient must cover each program, function, or activity
  - Must respond to conditions and reporting requirements
  - Must request approval from HRSA of changes to grant using EHBs Prior Approval request function

**45 CFR 75.342**



# Financial Management System



- Separation of Funding by Source **45 CFR 75.302**
  - ✓ Account for all funding separately in General Ledger
- Maintain timely, accurate, current, and complete disclosure of the financial records of each Federal award
- Identify source and application of funding
  - ✓ Federal funds cannot be commingled with other funding sources
  - ✓ Compare budget to actual expenditures



# Internal Controls



Management and oversight of federal grants must be supported by a system of internal controls

**45 CFR 75.303**

- **Develop internal controls adequate to the size and complexity of your organization**
  - Standards for Internal Control in the Federal Government
  - Internal Control Integrated Framework
- **Know where the risks are in your organization!**



# Major Internal Control Processes for Grants

- Compliance with Federal Regulations Grant Terms and Conditions
- Monitoring the Grant
- Segregation of Duties
- Time and Effort Reporting
- Reconciliations between Expenditures and PMS Draws
- Monitor sub-recipients (if applicable)



- Cash Management
- Safeguarding of Assets
- Adequate Documentation
- Policies and Procedures
- Ensure costs charged
  - Allowable
  - Allocable to HRSA grant
  - Reasonable
  - Documented
- PMS Draws

# Allowable Costs



- Allowable **45 CFR 75.403**

- Be necessary and reasonable for proper and efficient performance and administration of Federal awards and;
- Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit and;
- Be allocable to the grant.





# Allowable Costs (cont'd)

- Not be included as costs or used to meet cost sharing or matching requirements of any other federally-financed program either current or a prior period.
- Be accorded consistent treatment.
- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Be adequately documented.



# Reasonable and Allocable



- **Reasonable** - A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. **45 CFR 75.404**
- **Allocable** - A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. **45 CFR 75.405**

# Maintaining Supporting Documentation



- Maintain supporting documentation for all expenditures
  - Including pre-award costs (dating back to January 20, 2020)
    - a. Adjusting journal entries
    - b. Reason for change of source
- Ensure all costs charged are:
  - **Allowable** – Purchase dates must fall within grant period
  - **Reasonable** – Maintain cost comparisons and bids
  - **Allocable** – Connection to the grant in general ledger
  - **Budgeted** – Adherence to the budget



**DOCUMENTATION IS KEY!**

# Examples of Supporting Documentation



- Invoices (vendor, date and amount paid)
- Receipts (confirmation of payment)
- Copies of cancelled checks that show the amount actually paid
- Sub-recipient agreements or contracts (signed and dated)
- Detailed travel logs



**IDBI BANK** Bank Name  
No.118,Kulanthai Complex,Neeiakattu Pudur,Sivamalai Village,  
Kangayam Taluk,Tamilnadu - 638701.  
IFS Code : IBKL0001056

VALID FOR THREE MONTHS ONLY  
D D M M Y Y Y Y

PAY TO THE ORDER OF या धारक को OR BEARER

₹ अदा करें।

Account number: 1056104000052508

MICR number

Account holder's name: A SULTHAN

Payable At Par At All IDBI Bank Branches

Please sign above

Sulthan Academy



# Time and Effort Records (Personnel)



- Time and effort records must be maintained for all employees\*:
  1. who are paid in whole or in part with federal funds; and/or
  2. whose salaries are used to meet a match/cost share requirement.



\*not required to be maintained for contractors since they are not considered employees

# Documentation of Personnel Expenses



All salaries and wages must be based on records that accurately reflect the work performed **45 CFR 75.430(I)(1)**



- Be supported by a system of internal controls;
  - ✓ accurate, allowable and allocable
- Be incorporated into official records;
- Reasonably reflect total activity for which employee is compensated;
  - ✓ Not to exceed 100%
- Encompass all compensated activities (federal and non federal);
- Comply with established accounting policies and practices; and
- Support distribution of salary and wages.
  - ✓ specific activities, projects or funding sources

# Policies and Procedures



- Organizations must have written policies and procedures including:
  - Overall grants management
    - ✓ Do your policies conform to **45 CFR 75?**
  - Unexpected or emergency circumstances
    - ✓ Hazard/premium pay, furlough pay, leave policy, reassignment, lost productivity, etc.)
  - Treatment of costs
    - ✓ Apply uniformly to both federally-financed and other non-federally funded activities.



**Have documented policies and procedures and follow them!**



# Direct vs. Indirect Costs



## Direct Costs **45 CFR 75.413**

Costs that can be identified specifically with a particular project (grant)

## Indirect Costs **45 CFR 75.414**

Costs incurred for common or joint objectives that cannot be readily identified but are necessary to the operation of the organization

- Common or Joint Objectives = Shared Costs
- Shared Costs need to be allocated





# Direct vs. Indirect Costs

- Must use consistent approach across all federal awards
- No double charging
  - A cost cannot be a direct cost and an indirect cost

## Direct

- Staff Salaries
- Fringe Benefits
- Equipment
- Subawards
- Travel
- Contractual
- Specific Project Supplies

## Indirect

- Rent
- Operations and Maintenance
- Utilities
- Administration
- Information Technology
- Human Resources



# Indirect Costs



Recipients should use the negotiated indirect cost rate to apply indirect costs.

- If a recipient does not have a negotiated indirect cost rate a de minimis rate of 10% of modified total direct costs (MTDC) may be used indefinitely.

De Minimis  
**10%** of  
modified  
total direct  
costs

Or

Negotiated  
Indirect  
Cost Rate\*

\*<https://psc.gov/services/indirect-cost-negotiations>



# Program Income



Gross income earned by a recipient, subrecipient, or a contractor under a grant—directly generated by the grant-supported activity or earned as a result of the award.

- **Only used for approved project-related activities**
  - ✓ Must further the purpose of the award
- **Additive Alternative**
- **Recording** (Tracking Program Income)
- **Reporting** (SF-425 FFR)



**45 CFR 75.307**



# Audit Requirements – Single Audit



- 45 CFR Part 75 – Subpart F

**45 CFR 75.501**

- *Audit required annually* for a recipient that expends \$750,000 or more during entity's fiscal year.



- **Due Date:** Earlier of 9 months after fiscal year end or 30 days after receipt of the audit report

# Recipient Responsibilities – Single Audit



- Hire an independent accounting firm to conduct the audit
- Provide auditor access to all the books and records
  - Schedule of Expenditure for Federal Awards
- Ensure the audit is submitted timely
  - Submission to the Federal Audit Clearinghouse
- Follow-up and take corrective actions on audit findings



# Required Reporting for Subawards



## Federal Funding Accountability and Transparency Act of 2006 (FFATA)

Recipients **must** report information for each subaward of \$25,000 or more in federal funds and executive total compensation.

(<http://www.hrsa.gov/grants/ffata.html>) 

## Subaward

- an award provided by a *pass-through entity* to a *subrecipient* for the subrecipient to carry out part of a Federal award received by the pass-through entity.
  - may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.



# FFATA Reporting for Subawards



**Who?** – A pass-through entity will be required to report on its subaward.

**What?** – Any subaward greater than or equal to \$25,000.

**Where?** – The FFATA Subaward Reporting System [www.fsrs.gov](http://www.fsrs.gov) 

**When?** – By the end of the month following the month in which the pass-through entity awards

Please direct all “Transparency Act” / FFATA questions to the [HRSA Post Awards](mailto:hrsapostawards@hrsa.gov) mailbox, at [hrsapostawards@hrsa.gov](mailto:hrsapostawards@hrsa.gov).



# HRSA Oversight



- **HRSA is permitted to perform site-visits and the recipient must allow access to all the books and records**
  - Programmatic Site-Visits
  - Fiscal Site-Visits
- **HRSA can initiate a desk-review to review a recipients compliance with legislation and federal grant requirements**
  - Review of policies and procedures
  - Review of costs claimed under grant



# Federal Record Retention Policy



- Record Retention – must retain all records for three (3) years after submitting the final Federal Financial Report (FFR).

**45 CFR 75.361**



- **Best Practice**– maintain documentation for at least 3 years from the date in which the final FFR is **approved!**



## Communication is Key!!

Recipient Success = HRSA Success



Here to help

## HRSA PO Support

Reference your NOA for  
your respective  
Program Contact

## HRSA GMS Support

Reference your NOA for  
your respective GMS  
or

Vera Messina, Chief  
Health Center Branch  
[EMessina@hrsa.gov](mailto:EMessina@hrsa.gov)  
301-945-0882

# LAL ECT Technical Assistance



[View the LAL ECT technical assistance webpage](#)

# LAL ECT Technical Assistance Contacts

## LAL ECT Programmatic questions

[TA webpage](#)

[Health Center Program Support](#)

Select Coronavirus Inquiries (COVID-19)  
Then, Look-Alike COVID-19 Funding

## Grants.gov Submission questions

[support@grants.gov](mailto:support@grants.gov)

1-800-518-4726

[Grants.gov Resources](#)

## Budget questions

Christie Walker  
Grants Management Specialist (GMS)

[cwalker@hrsa.gov](mailto:cwalker@hrsa.gov)

301-443-7742



# DFI Contact Information

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**Fiscal Technical Assistance  
Division of Financial Integrity  
Office of Federal Assistance Management**

[OFAMFTA@hrsa.gov](mailto:OFAMFTA@hrsa.gov)



# Resources

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- Coronavirus Disease 2019 (COVID-19) Frequently Asked Questions

<https://www.hrsa.gov/grants/manage-your-grant/COVID-19-frequently-asked-questions>

- 45 Code of Federal Regulations Part 75

<https://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75>

- HRSA Manage Your Grant

<https://www.hrsa.gov/grants/manage/index.html>



# Questions

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**Unmute** your microphone or phone to ask a question or type it on the comment box.



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