

**Health Resources and Services Administration  
Federal Office of Rural Health Policy**

Small Rural Hospital Improvement Program (SHIP)  
FY 2025 Noncompeting Continuation (NCC) Progress Report  
Instructions for Submission  
Funding Announcement Number: 5-H3H-25-001  
Available in EHB and Salesforce: December 1, 2024  
Due Date in EHB and Salesforce: February 1, 2025  
Budget Start Date: June 1, 2025

This is the Health Resources and Services Administration (HRSA) streamlined process to renew your budget period and release the continuation funding for your ongoing award. The continuation of grant funding is based on compliance with applicable statutory and regulatory requirements, demonstrated organizational capacity to accomplish the project's goals, adequate justification for all projected costs, availability of appropriated funds, and a determination that continued funding would be in the best interest of the Government. Inadequate justification and/or progress may result in the reduction of approved funding levels.

HRSA's expectations are that grantees will pursue all years of their grant projects as originally proposed and recommended for approval in competitive review, in terms of scope of work and budget line items. The continuation funding process is not a vehicle to request changes in scope or re-budgeting of your project. If significant changes in scope or budgeting are necessary, first discuss the proposed changes with your assigned HRSA FORHP Project Officer (PO), and then request prior approval separately through EHB, as is specified in your Notice of Award (NOA).

The NCC Progress Report is intended to report on Small Rural Hospital Improvement Program (SHIP) activities only and should not report on other HRSA funded programs unless the activity specifically relates to SHIP. This NCC Progress Report will provide funding during the FY 2025 budget year.

The budget period start date is June 1, 2025. This is year 3 of a 5-year project period (June 1, 2023 – May 31, 2028). The purpose of SHIP is to support eligible small rural hospitals in meeting value-based payment and care goals for their respective organizations through purchases of hardware, software, and training.

**NCC Progress Report Required Sections**

The following sections are required to submit the NCC Progress Report in HRSA's EHBs:

- SF-PPR (EHBs web-based form)
- SF-PPR-2 (cover page continuation; EHBs web-based form)
- Key Contacts/Principal (EHBs web-based form)
- Performance Narrative (no more than 8 pages)
- Attachments (see list [below](#))

The following Administrative Reports are required to submit the NCC Progress Report in HRSA's DCP:

- FY 2024 Hospital Activities Progress Update
- FY 2025 Hospital Funding Allocation and Activities

## Key Contacts/Principal Form Information

HRSA recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR parts 180 and 376 (45CFR 75.213). These regulations restrict awards, subawards and contracts with certain parties that are debarred, suspended, or otherwise excluded for or ineligible for participation in Federal assistance programs or activities.

This section will pre-populate principals from the last suspension and debarment (S/D) review for the grant. Review the list of names and add, delete, or edit the form to include all principals (as defined in 2 CFR 180.995 and 2 CFR 376.995). The Principal Investigator/Project Director must always be listed on the Key Contact/Principal form. Please provide as much information on the form as possible. You are reminded to review [SAM.gov](https://sam.gov) for any personnel identified as a principal prior to completing and submitting the form to HRSA.

## Performance Narrative Instructions

The Performance Narrative is uploaded as one attachment in the “Performance Narrative” section of the NCC Progress Report in the EHBs.

The purpose of the Performance Narrative is to provide a comprehensive overview of the project and to provide documentation of project activities and accomplishments during the current FY 2024 budget period. Discuss progress on each funded activity during this current budget period (June 1, 2024 – May 31, 2025). Then address plans for the upcoming (June 1, 2025 – May 31, 2026) budget year. **Do not delete any of the narrative headings.**

The Performance Narrative should include the following information in the order listed below and should be no more than 8 pages in length (appendices do not count towards page count). Information must be reported in a narrative form, portrait format. **Do not copy/paste your work plan;** rather frame the Performance Narrative as a summary of your work plan. Make sure the document is clearly labeled with your organization’s name and HRSA award number. **Reminder:** The NCC Progress Report is intended to report on SHIP activities only and should not report on other HRSA funded programs unless the activity specifically relates to SHIP.

- I. **FY 2024 SORH Progress on Activities:** Provide a short high-level summary (3-5 paragraphs) on the progress of your grant activities during the FY 2024 budget period (June 1, 2024 – May 31, 2025) including the number of hospitals funded. Include a brief discussion of hospital monitoring and evaluation strategies to identify hospitals at risk for non-compliance and how you addressed non-compliance. Provide a summary of the project’s activities including the impact of activities and outcomes thus far. Include other relevant accomplishments such as dissemination of completed projects and/or presentations. Indicate any barriers or challenges to the project’s progress during the current budget period and describe efforts taken to address them.
- II. **FY2024 Noteworthy Accomplishments:** Describe the SORH’s biggest accomplishment during the FY 2024 period. Include a summary of the activity, program objectives, and any progress/process measures and outcomes/impact. Describe 2-3 hospital accomplishments thus

far. Include the hospital name, a 1-2 sentence summary of the activities, and 1-2 sentences demonstrating outcomes/impact or lessons learned/best practices.

- III. **FY 2024 Health Equity Activities:** Provide an update on activities hospitals are utilizing SHIP funds to ensure the consistent and systematic fair, just, and impartial treatment of patients and address Health Equity to eliminate disparities among rural underserved communities<sup>1</sup>.
- IV. **FY 2024 Significant Changes:** Summarize any significant changes to the project occurring during the FY 2024 reporting period and whether that required the submission of a prior approval request, including changes of scope, key personnel changes, changing the funding mechanism (e.g. from individual hospital to pooled/network/consortium activities), etc.
- V. **Plan for Upcoming FY 2025 Budget Year:** Discuss your project plan for the upcoming budget year (June 1, 2025 – May 31, 2026) including the number of participating hospitals that submitted signed applications (see **reminder** below) attesting to undertaking required & allowable activities. Include whether the SORH will allocate funds to a network/consortium, the funds will be released by the SORH, the SORH funds direct to hospitals, or some combination of those three mechanisms<sup>2</sup>. Include a brief discussion of hospital monitoring and evaluation strategies to identify hospitals at risk for non-compliance and how you will address non-compliance. Provide a detailed statement of the milestones or progress toward the outcome objectives planned for the period for which NCC funds are being sought and a description of the process objectives and activities that will be undertaken to achieve those milestones. Discuss any modifications (other than significant changes requiring a prior approval request) to the approved project plan in your original application, including changes to goals and/or objectives for the upcoming year (note: any anticipated change of scope will require a separate EHB prior approval submission).

**Reminder:** SORHs must request and maintain hospital applications as part of integrity validations. Prior to submitting this NCC, the SORH must have a completed, CEO-signed **FY 2025 Hospital Application Form A or B** from each hospital included in this NCC request. Do **not** submit the hospital applications to FORHP unless explicitly requested by your FORHP Project Officer. The FY 2025 Hospital Application Forms A and B are available on the [SHIP TA website](https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates): <https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates>.

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<sup>1</sup> Populations include those that are rural and Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; and persons otherwise adversely affected by persistent poverty or inequality as defined by Executive Order 13985:

<https://www.federalregister.gov/documents/2021/01/25/2021-0>

<sup>2</sup> **To Network/Consortium:** a portion or all of the funds will go to a network/consortium (e.g. vendor-led training for all participating hospitals).

**Released by SORH:** the hospital must complete certain processes as defined by the SORH before receiving funds (e.g. submitting invoices for reimbursement).

**Direct to Hospital:** SORH acts as a pass through of funds to the hospital.

## Required Attachments

Only include the attachments listed below with the NCC Progress Report submission. Each attachment must contain the Grant Number, Project Title, Organization Name, and Primary Contact Name. Ensure that each attachment is correctly labeled and attached in the “Appendices” section as follows:

1. FY 2024 (Current) Work Plan Matrix (table)
  2. FY 2025 (Future) Work Plan Matrix (table)
  3. FY 2025 Budget Justification Narrative
  4. Staffing Plan and Position Descriptions
  5. Biographical Sketches/Resumes
  6. FY 2024 Deviations due to hospital closure, REH conversion, forfeiture, etc.
  7. Other relevant documents
- **Attachment #1:** Updated *FY 2024 (Current) Work Plan Matrix* for the current budget period (June 1, 2024 – May 31, 2025), in table format, landscape layout, that includes activities, completion date, responsible staff and entity, progress/process measures and outcome/impact pertaining to the goals and objectives of the program. Please note that the progress/process measures section and outcomes/impact section should contain detailed information on progress made in the current budget period thus far. The *FY2024 (Current) Work Plan Matrix* is a snapshot of what will be captured in the Performance Narrative section. FORHP expects the Objectives, Activities, and Process Measures/Outcomes to be outlined in a table format without narrative. A workplan template and example is available on the [SHIP TA website: https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates](https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates)
  - **Attachment #2:** Provide a *FY 2025 (Future) Work Plan Matrix* for the budget period (June 1, 2025 – May 31, 2026), in table format, landscape layout, that includes activities, anticipated completion date, responsible staff and entity, expected progress/process measures and outcome/impact pertaining to the goals and objectives of the program. The *FY2025 (Future) Work Plan Matrix* should include any adaptations or updated progress/process measures for the upcoming year based upon the current year’s progress. Include ongoing activities that will continue from the current budget period, and any new activities. Projects designed for a single budget year should fully develop their measurement strategy and present it clearly. Projects designed for more than one year will need to define the measurement strategy and set intermittent targets reflective of the activities to be executed in addressing the Objectives. FORHP expects the Objectives, Activities, and Outcomes to be outlined in a table format without narrative. A workplan template and example is available on the [SHIP TA website: https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates](https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates)
  - **Attachment #3:** Provide a *FY 2025 Budget Justification Narrative* that sufficiently details each [object class category](#) as follows:
    - 1) Personnel: Indicate the employee’s name, title, base salary, FTE, salary requested.
    - 2) Fringe Benefits: indicate the fringe benefit rate and benefit breakdown (i.e., insurance at 0.55%).

- 3) Travel, Equipment, Supplies, Construction, and Other are unallowable object class categories for SORHs.
- 4) Contractual category: Itemize services provided, including number of participating hospitals, vendors (if known), etc.
- 5) Indirect costs: SORHs are encouraged to limit indirect costs to the lesser of 15 percent of the amount of the grant for administrative expenses or the SORH's federally negotiated indirect rate for administering the grant. Attach a copy of the current indirect cost rate agreement, if applicable.

Discuss any significant changes to your budget relative to the budget laid out in your FY 2024 Non-Competing Continuation and/or FY 2023 Competitive Application.

- **Attachment #4: Staffing Plan and Position Descriptions.** Provide the staffing plan in table format for all SHIP positions. Include FTE on SHIP and FTE across all federal grants, and whether SHIP grant funds will support the position. If new staff, also include a brief position description. NOTE: Project Director changes MUST be submitted as a prior approval request in EHB and not as part of the NCC submission.
- **Attachment #5: Biographical sketches or resumes** for any staff hired since submission of the FY 2024 NCC. State "no changes" on attachment if applicable.
- **Attachment #6: FY 2024 Deviations due to hospital closure, REH conversion, forfeiture, etc.** During the FY 2024 budget period thus far, did any hospitals close, convert to REH, or forfeit their SHIP award such that they were unable or unauthorized to spend all or part of the FY 2024 award? If so, include the following in table format:
  - Hospital name and address, and reason for deviation (e.g., hospital bed count no longer eligible, hospital closed, hospital converted to REH, hospital applied but later declined funds, etc.).
  - SHIP Coordinator Actions: briefly describe follow-up and outcomes.
  - Depending on the reason for deviation, indicate if the hospital(s) is(are) participating in the upcoming FY 2025 budget period and what actions the SHIP coordinator will take to ensure the hospital(s) spend(s) awarded funds.

A template with example is available on the [SHIP TA website](https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates):

<https://www.ruralcenter.org/programs/ship/state-grantee-guidance/guidance-and-report-templates>

State "no deviations" on attachment if applicable.

- **Attachment #7: Other Relevant Documents** - Upload any relevant documents and information (e.g., new or revised supplementary information such as memorandums of understanding, letters of commitment or support letters, monitoring and evaluation plan, etc.).

## Reporting Requirements

**Federal Financial Report (FFR) submitted through the Payment Management System (PMS)**

Annual FFRs are due within 90 days after the budget period end date, or no later than August 29<sup>th</sup>, and must be submitted electronically through the Payment Management System (PMS). While it is an expectation that all funds are used within the year they are awarded, if you anticipate that there will be an unobligated balance (UOB) of funds at the end of the current budget period, you must note this in the 'FFR Remarks' block of the FFR. Additionally, you must request prior approval to use the UOB as carryover for your project in the new budget period. You may do so by submitting a prior approval request through the HRSA EHBs within 30 days of the electronic FFR submission, or no later than September 28<sup>th</sup>. (Note: FORHP cannot grant carryover deadline extensions.) The request to use the UOB shall include an explanation of why the funds were not spent (including a breakdown by hospital or vendor, as applicable) and why the carryover is needed, a detailed budget justification, and SF424A. Only activities listed in the previously approved SORH work plan and hospitals activities report are eligible for carryover into the next budget period.

### **Annual Progress Report**

The Federal Office of Rural Health Policy requires awardees submit an annual progress report within 90 days of the budget period end date, or by August 29<sup>th</sup>, in DCP/Salesforce. The purpose of this report is to capture the final status of hospitals' activities. Further instructions will be provided by your Project Officer.

### **HRSA Contacts**

Grantees are encouraged to request assistance, if needed, when submitting their NCC Progress Report. Please contact your FORHP project officer to obtain additional information regarding overall program issues:

Mx. Krista Mastel (they/them), MPH  
Small Rural Hospital Improvement Program Coordinator  
Health Resources and Services Administration  
Federal Office of Rural Health Policy  
5600 Fishers Lane  
Rockville, MD 20857  
Telephone: 301-443-0491  
Email: [kmastel@hrsa.gov](mailto:kmastel@hrsa.gov)

Grantees may obtain additional information regarding business, administrative, or fiscal issues related to this NCC Progress Report by contacting:

Lisette Young  
Grants Management Specialist  
HRSA Division of Grants Management Operations, OFAM, HRHB  
5600 Fishers Lane  
Rockville, MD 20857  
Telephone: 301-287-9864  
Email: [lyoung@hrsa.gov](mailto:lyoung@hrsa.gov)

Recipients may need assistance when working online to submit their information electronically through HRSA's Electronic Handbooks or Data Collection Platform. For assistance with submitting information in

HRSA's EHBs or DCP (i.e., technical system issues), contact the HRSA Customer Support Center, Monday-Friday, 7a.m. to 8 p.m. ET (except federal holidays):

HRSA Customer Support Center

Phone: (877) 464-4772

TTY: (877) 897-9910

Submit a ticket online via the [contact form](#).