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Health Resources & Services Administration

FY 2020 Coronavirus SHIP: Budget and Financial Management Technical Assistance

May 1, 2020

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Vision: Healthy Communities, Healthy People

Housekeeping

- Please mute your microphone
- 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

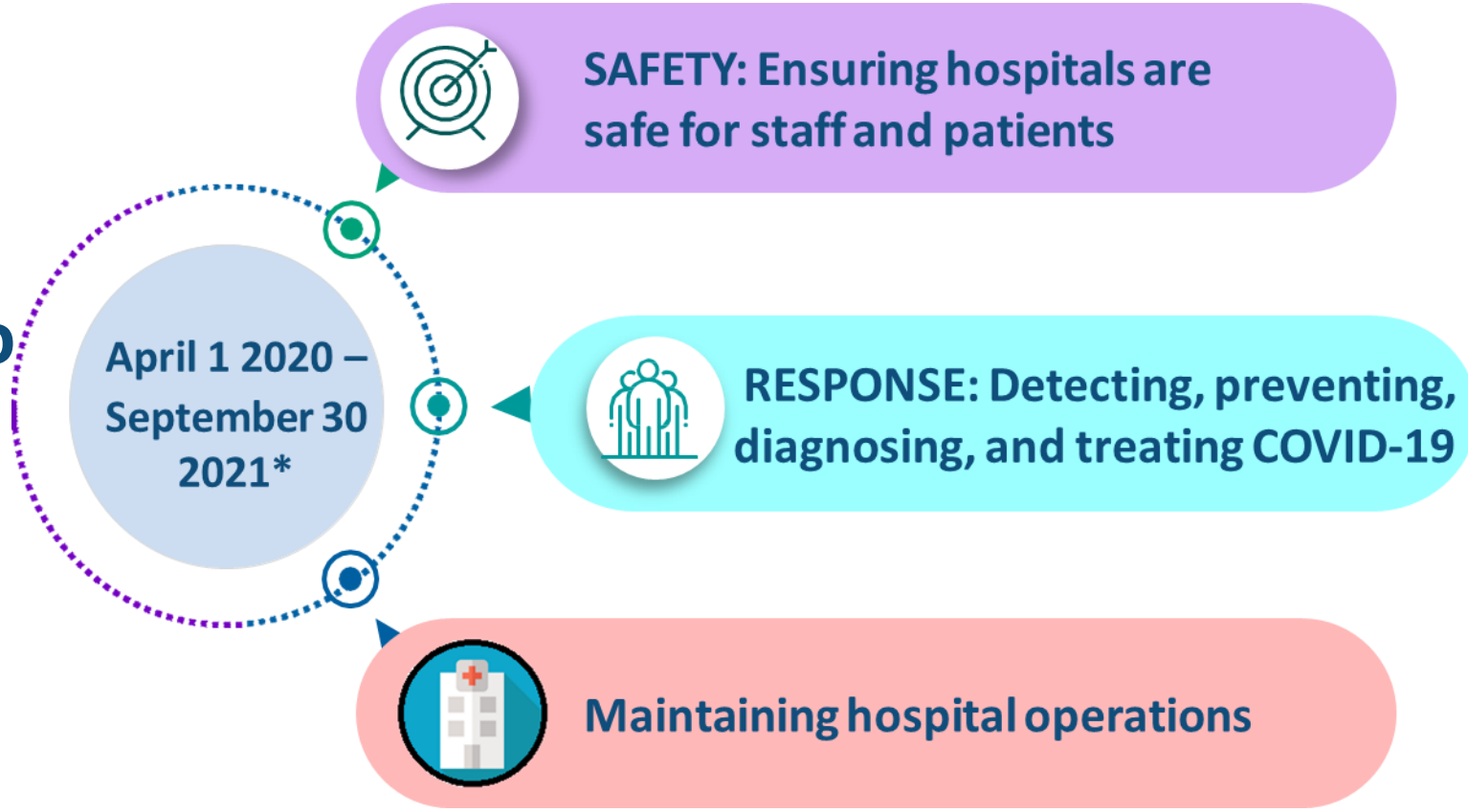
Agenda

- FY 2020 COVID SHIP Funding Overview
  - Reporting Requirements
  - Notice of Award and Budget
- Allowable Uses of Funding
- Maintaining Supporting Documentation
- Administrative Reminders
- Federal Funding Accountability and Transparency Act of 2006
- Key Fiscal and Grant Management Reminders

FY 2020 COVID SHIP Funding Overview

COVID SHIP Program Overview (H3J)

One-time funding to support hospitals **prevent, prepare for, and respond to** the coronavirus-related (COVID-19) public health emergency



***Costs can be dating back to January 20, 2020**

See **SHIP-TA Website for FORHP COVID SHIP Resources**

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COVID SHIP - Reporting Requirements & Due Dates

DELIVERABLES	SUBMIT TO	DUE DATE
CARES Response Workplan and Overview	EHB	May 22, 2020 30 Days after the Award Date
CARES Response Budget and Budget Justification	EHB	May 22, 2020 30 Days after the Award Date
Quarterly Progress Reports	EHB	July 30, 2020 October 30, 2020 January 30, 2021 April 30, 2021 July 30, 2021 September 30, 2021
Federal Financial Report (FFR)	EHB	January 30, 2022 Quarter End Date after 90 Days of Budget End Date

Budget Period: April 1, 2020 – September 30, 2021

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NOA

You will not receive an updated NOA with adjusted line items.

You MUST follow your approved budget!

1. DATE ISSUED: 04/17/2020	**2. PROGRAM CFDA:** 93.301
3. SUPERSEDES AWARD NOTICE dated: except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.	
4a. AWARD NO.: 1 H3JRH0000-01-00	**4b. GRANT NO.:** H3JRH0000 / **5. FORMER GRANT NO.:**
6. PROJECT PERIOD: **FROM:** 04/01/2020 **THROUGH:** 09/30/2021	
7. BUDGET PERIOD: **FROM:** 04/01/2020 **THROUGH:** 09/30/2021	
8. TITLE OF PROJECT (OR PROGRAM): Coronavirus State Hospital Improvement Program	
9. GRANTEE NAME AND ADDRESS:	**10. DIRECTOR:** (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR)

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NOTICE OF AWARD
AUTHORIZATION (Legislation/Regulation)
Section 1820(g)(3) of the Social Security Act, 42 U.S.C. 1395i-4

11.APPROVED BUDGET:(Excludes Direct Assistance)

[X] Grant Funds Only

[ ] Total project costs including grant funds and all other financial participation

a . Salaries and Wages :	$0.00
b . Fringe Benefits :	$0.00
c . Total Personnel Costs :	$0.00
d . Consultant Costs :	$0.00
e . Equipment :	$0.00
f . Supplies :	$0.00
g . Travel :	$0.00
h . Construction/Alteration and Renovation :	$0.00
i . Other :	$9,000,844.00
j . Consortium/Contractual Costs :	$0.00
k . Trainee Related Expenses :	$0.00
l . Trainee Stipends :	$0.00
m . Trainee Tuition and Fees :	$0.00
n . Trainee Travel :	$0.00
o . TOTAL DIRECT COSTS :	$9,000,844.00
p . INDIRECT COSTS (Rate: % of S&W/TADC) :	$0.00
q . TOTAL APPROVED BUDGET :	$9,000,844.00
i. Less Non-Federal Share:	$0.00
ii. Federal Share:	$9,000,844.00

12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE:

a. Authorized Financial Assistance This Period	**$9,000,844.00**
b. Less Unobligated Balance from Prior Budget Periods	
i. Additional Authority	$0.00
ii. Offset	$0.00
c. Unawarded Balance of Current Year's Funds	$0.00
d. Less Cumulative Prior Awards(s) This Budget Period	$0.00
e. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	**$9,000,844.00**

13. RECOMMENDED FUTURE SUPPORT: (Subject to the availability of funds and satisfactory progress of project)

YEAR	TOTAL COSTS
Not applicable	

14. APPROVED DIRECT ASSISTANCE BUDGET:(In lieu of cash)

a. Amount of Direct Assistance	$0.00
b. Less Unawarded Balance of Current Year's Funds	$0.00
c. Less Cumulative Prior Awards(s) This Budget Period	$0.00
d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION	**$0.00**

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NOA, continued

FY-CAN	CFDA	DOCUMENT NO.	AMT. FIN. ASST.	AMT. DIR. ASST.	SUB PROGRAM CODE	SUB ACCOUNT CODE
20 - 370RHC1	93.301	20H3JRH0000C3	$ 9,000,844.00	$0.00		20-COVID SHIP-C3

When drawing funds in the Payment Management System (PMS) be sure to draw COVID SHIP funds from this subaccount.

Listed on the bottom of page 1 of your NOA

COVD SHIP Budget

Budget Narrative (due May 22, 2020)

- Clearly detail costs for each federal object class category, with calculations for how each cost is derived
- Include any requested reimbursement of allowable costs incurred retroactive to January 20, 2020 (likely more relevant for the sub recipient budgets)
- **Do not** include any ineligible costs

- **Significant Rebudgeting → Requires prior approval**
  - exceeds **25%** of the total federal budget OR for a line item that HRSA did not approve (i.e. supplies, other)

Indirect Costs

The indirect cost for participating State Offices of Rural Health is limited to the lesser of:

15 percent of the amount of the grant for administrative expenses; or

the state's federally negotiated indirect rate for administering the grant.

Indirect Costs, Continued

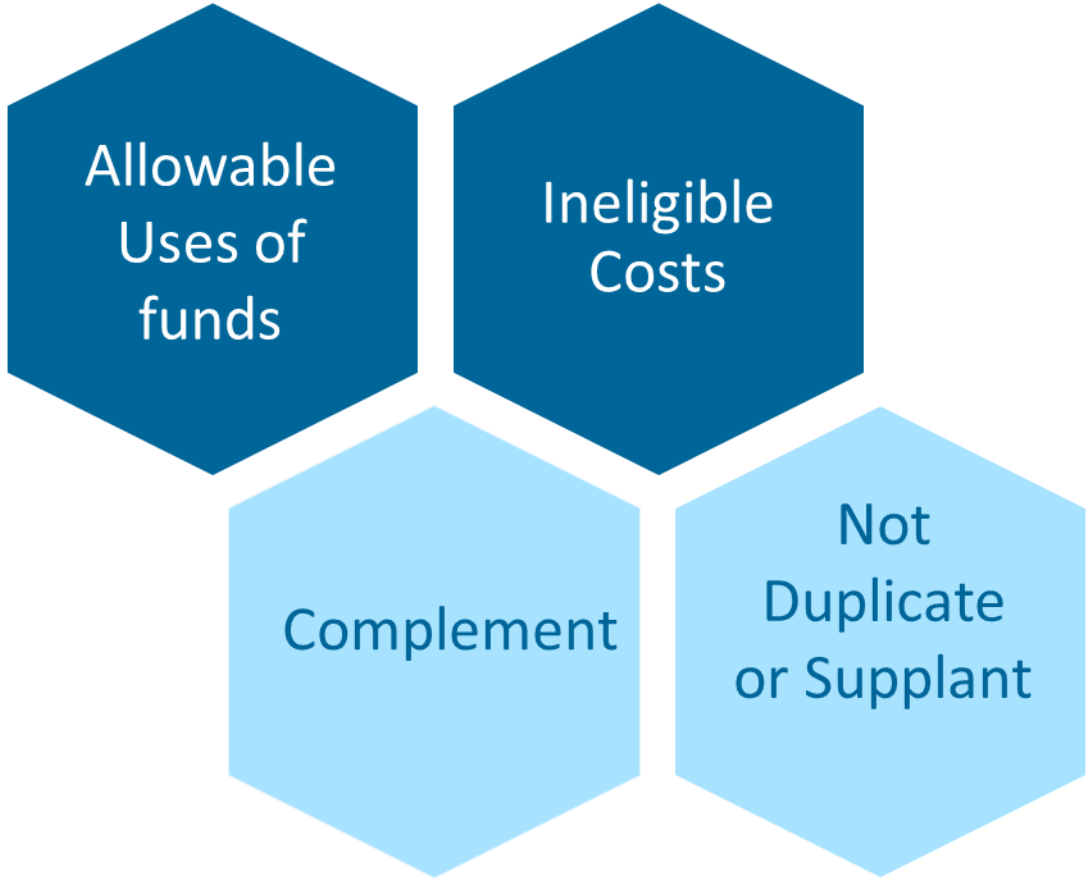
Can I charge an indirect rate less than 15 percent to my award?

YES

- Award recipients may forgo or reduce the amount of indirect claimed at their discretion.

Informing Your Subrecipients

It is crucial to communicate with your subrecipients



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Use of COVID SHIP Funding

Complement

other COVID-funding.

Use to reach an objective for combating COVID-19 for health care workers and patients.

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Use of COVID SHIP Funding, Continued

Purchases that can be made with H3J funds:

Safety

- Supplies for Respiratory hygiene and cough etiquette items (hand sanitizer)
- Personal Protective Equipment (Approved N95 Respirators)
- Purchase and post visual alerts (signs, posters)

Response

- Purchase and administer COVID-19 therapeutics and vaccines
- Mobile Unit to provide testing and/or deliver care
- Purchase or lease radiological equipment
- **Ventilators and other respiratory equipment**

Maintain Operations

- Support personnel salaries in response to COVID-19 impact
- Provide paid leave to exposed or vulnerable hospital staff
- Repurpose Office Staff to increase hospital capacity

See **SHIP-TA Website for FORHP COVID SHIP Resources**

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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

Equipment Requirements (45 CFR Part 75.320)

Equipment MUST be:

- 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.

Equipment Costs and Documentation

Tangible Personal Property Report

- Within 90 days after the project end date, submit the SF-428 (Tangible Personal Property Report) with the SF-428B (Final Report Attachment) and, if applicable, the SF-428S (Supplemental Sheet). These documents must be completed using the HRSA Electronic Handbooks (EHBs). You must report federally-owned property, acquired equipment with an acquisition cost of $5,000 or more for which HRSA has reserved the right to transfer title, and residual unused supplies with total aggregate fair market value exceeding $5,000. Records for equipment acquired with Federal funds shall be retained for three years after final disposal

Equipment Disposition

General Instructions: (see 45 CFR 75.320)

Requirements for final reporting are based on individual award provisions and the type of property. Generally, at the end of a Federal assistance award, recipients are required to:

a. submit a report of Federally-owned property.

b. provide a listing of equipment items, with an acquisition cost of $5,000 or more, when the awarding agency has reserved the right to transfer title to the equipment to the Federal Government or a third party.

Equipment Disposition (cont.)

Federally-owned Property.

(i) To request transfer of the property for use on CONVID-19 activities to another awardee. The transferee and the recipient will be responsible for transfer cost.

(ii) To request Federal agency disposition instructions for unneeded Federally-owned property.

(iii) To request a disposition other than (i) or (ii). For example, requests for transfer of title under authority of the Stevenson-Wydler Act.

COVID SHIP Funding CANNOT

Supplant

use SHIP funding to take the place of other funding sources

Duplicate

use SHIP funds to support other funds received through existing payment or other CARES Act programs supporting hospitals

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Ineligible Use

- MAY NOT use grant funds for costs that are reimbursed or compensated by other federal or state programs that provide for such benefits

  - Examples: Small Business Administration's Paycheck Protection Program, $100 billion in the Public Health and Social Services Emergency Fund, or unemployment compensation.

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Ineligible Use of COVID SHIP Funding

INELIGIBLE USE

- Purchase/upgrade of electronic health records not certified by ONCHIT
- New construction activities/structure expansion
- Significant site work (new parking lots, etc.)
- Installation of permanent modular or pre-fabricated building
- Facility or land purchases

See [SHIP-TA Website for FORHP COVID SHIP Example Uses of Funding]

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Reminder

HRSA Electronic Handbook (EHB) Reminders

REMEMBER: Add the H3J grant to your 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

Payment Management System (PMS) Reminders

Each of your SHIP grants (H3H & H3J) are in separate PMS accounts

- recipients to specifically identify the individual grant for which they are drawing funds and will assist HRSA in monitoring the award.

You must keep track of expenditures and ensure you are drawing from the correct grant.

PMS DELIVERABLES	SUBMIT TO	DUE DATE
Federal Cash Transaction Report	PMS	Quarterly (See NoA for Due Dates)

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Supporting Documentation

Remind your subrecipients

Pre-Award Costs

What if costs are incurred prior to receiving the grant award?

- Pre-award costs are allowable (January 20, 2020 – April 1, 2020)
- CANNOT be costs already supported with other sources of federal funding
- Maintain supporting documentation including:
    a. Adjusting journal entries
    b. Reason for change of source
    c. Allocable, reasonable, allowable

Maintaining Supporting Documentation

Your sub recipients must maintain adequate supporting documentation

- Invoices (vendor, date and amount paid);
- Receipt (confirmation of payment);
- Purchase dates should fall within grant period
- Copies of cancelled checks that show the amount actually paid;
- Connection to the grant (cost center, fund type code) – in general ledger;
- Sub-recipient agreements or contracts (signed and dated);
- Cost should only items listed in the budget;
- Detailed travel logs.

Maintaining Supporting Documentation, Continued

Examples of adequate supporting documentation

Federal Funding Accountability and Transparency Act of 2006

Required Reporting

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)

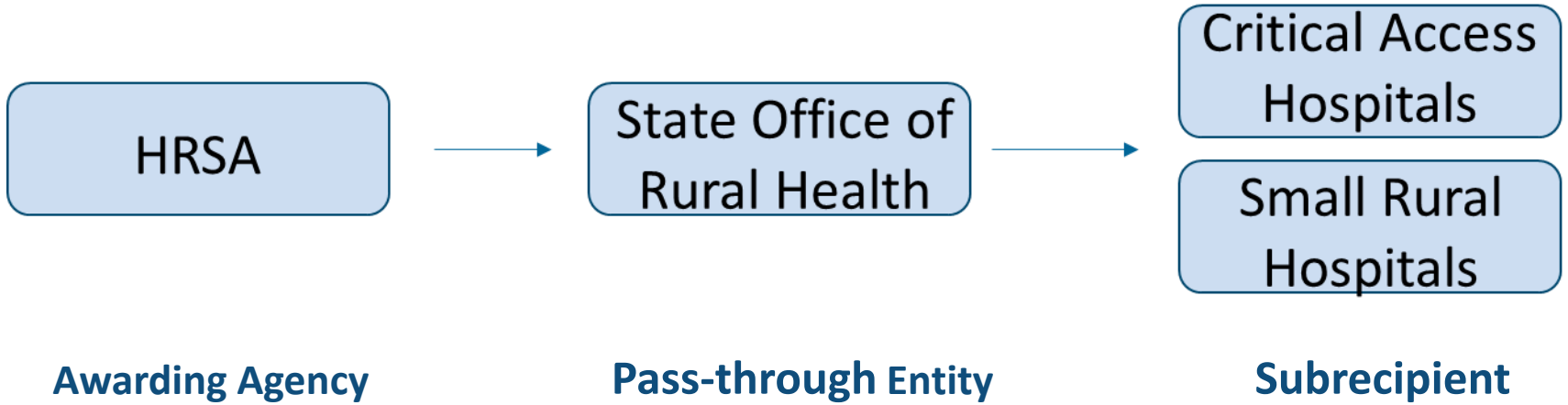
Subaward

- 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.

Pass-Through Entity

Pass-through entity

a non-Federal entity that provides a *subaward* to a *subrecipient* to carry out part of a Federal program



Subrecipient

Subrecipient

a non-federal entity that receives a *subaward* from a *pass-through entity* to carry out part of a federal program;

- does not include an *individual that is a beneficiary* of such program.
- may also be a recipient of other Federal awards directly from a Federal awarding agency.

Federal Funding Accountability and Transparency Act of 2006 (FFATA)

Who is required to file a FFATA report in FFATA subaward Reporting System (FSRS)?

- A pass-through entity will be required to report on its subaward.

FFATA

What to report?

- Basic information on first-tier subawards of $25,000 or more reflecting HRSA federal funds.

Where to report?

- The FFATA Subaward Reporting System www.fsrs.gov is the reporting tool Federal prime awardees and prime grants recipients use to capture and report subaward data regarding their first-tier subawards to meet the FFATA reporting requirements.

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FFATA, Continued

When to report?

- By the end of the month following the month in which the pass-through entity awards any subaward greater than or equal to $25,000.
  - (For example, if the obligation was made on May 4, 2020, the obligation must be reported by no later than June 30, 2020)

Please direct all “Transparency Act” / FFATA questions to the HRSA Post Awards mailbox, at hrsapostawards@hrsa.gov.

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Key Fiscal and Grant Reminders

Code of Federal Regulations

Uniform Administrative Requirements, Cost Principles and Audit Requirements for HHS Awards
45 Code of Federal Regulations (CFR) Part 75

Financial Management System Structure 45 CFR 75.302

States:

- MUST apply state laws and procedures for expending and accounting for federal funds
  - Same manner as state funds and in accordance with the applicable grant regulation.

- Grant expenditures must be traceable to or supported by accounting reports and source documentation and be allowable based on the regulations, statutes, and terms and conditions of the award.

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Key Fiscal and Grant Management Reminders

- Account for all funding separately in General Ledger
  - H3H, H3J
- Managing of federal grants should be supported by a system of internal controls
- 45 CFR Part 75 requirements are still applicable and need to be followed unless explicitly stated on the NOA or noted in the OMB flexibilities
  - Single Audit completion and submission flexibility of up to 12 months beyond the normal due date for non-delinquent audits

Key Fiscal and Grant Management Reminders, Continued

- Organizations must have policies and procedures including:
  - to address unexpected or emergency circumstances (Hazard/premium pay, furlough pay, leave policy, reassignment, lost productivity, etc.)

- Maintain supporting documentation for all expenditures
  - Including pre-award costs (January 20, 2020 – April 1, 2020)

Documentation is Key!

Communication is key!!!

Recipient Success = HRSA Success

Contact Information

HRSA PO Support

- SALLAY BARRIE
- JEANENE MEYERS
- PO MAP

HRSA GMS Support

- JAMES PADGETT
- KIMBERLY DEWS
- POTIE PETTWAY
- JESSICA SANDERS
- BEN WHITE

TA Support

- SALLY BUCK
- KIONA HERMANSON
- ANGIE LAFLAMME
- SHIP-TA EMAIL

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DFI Contact Information

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Stephanie Sowalsky
Special Assistant

Wayne Bulls
Auditor

Resources

- **45 Code of Federal Regulations Part 75**

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

- **HRSA Mange Your Grant**

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

- **FFATA Subaward Reporting System (FSRS)**

https://www.fsrs.gov/

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

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

- **SHIP TA – COVID SHIP Resources**

https://www.ruralcenter.org/ship/cares-act

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Questions

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