

# CAPITAL IMPROVEMENT 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 Capital Improvement Program (CIP). The CIP funding opportunity (HRSA-09-244) is available at <http://bphc.hrsa.gov/recovery/>.

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### GENERAL

#### 1. How soon can the conditions on our award be removed?

Terms and conditions on the CIP Notice of Grant Awards (NGA) will be released on a project-by-project basis. Once all conditions for a specific project are met, a revised NGA will be issued that will authorize the grantee to begin that project.

#### 2. Regarding the Electronic Health Record (EHR) Checklist, is that needed if we already have a certified EHR and we are only adding to it? Where can we find that checklist?

An EHR Readiness checklist is not necessary if you are enhancing a certified EHR that you have already implemented. As soon as the Health Resources and Services Administration (HRSA) has reviewed your application further and concurs that you were not required to submit an EHR Readiness Checklist, this condition will be lifted and you will be free to proceed with your project. A blank EHR Readiness Checklist is available for download at <http://bphc.hrsa.gov/recovery/>.

#### 3. **UPDATED!** Who do I contact to submit information and release conditions?

HRSA has teams of experts reviewing all CIP applications. HRSA will contact you regarding any condition that requires a HRSA determination as to whether it applies to your project. A Grants Management Specialist (GMS) may have contact you if you have a term identifying questionable costs; if you have a term on your NGA and have a question regarding the questionable cost(s) please email [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov). A staff person from the Bureau of Primary Health Care (BPHC) will contact you if you have a term identifying incorrect project type categorization. A consultant will contact you if you a condition related to the Environmental Information and Documentation (EID) Checklist, National Environmental Policy Act (NEPA) Environmental Assessment, or State Historic Preservation Office (SHPO) consultation.

Further, a consultant may contact recipients with alteration/repair/renovation or construction projects for architectural/engineering (A/E) reasonableness. Please note that revised documentation requested from the A/E consultant must be submitted directly to the consultant. HRSA will ensure that the final corrected information is uploaded to the EHB.

Please note the following for submissions:

- To submit an EHR Readiness Checklist, a Notice of Federal Interest, or Letter of Consent/Statement of Agreement, grantees will soon be able to submit these forms directly into the EHB via the new submissions function. Given that this function is not currently up and running, grantees will be able to submit these at a later date even though the 30-day due date has passed for some of these deliverables. Additional instructions will be provided once this function is operational.
- To submit an EID, draft EA, or SHPO, grantees may email these to [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov) or send them by mail to the Division of Grants Management Operations contact identified in your NGA. Please include your organization's name, CIP grant number (C81), and relevant project number in the email.
- Please submit any other supporting documents to [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov). Please include your organization's name, CIP grant number (C81), and relevant project number in the email.

**4. NEW! For what types and level of changes to my CIP project do I need prior approval from HRSA?**

Consult with HRSA if you are proposing to change your project type (e.g., you would like to add equipment that will require significant installation and will change your project from a IT/equipment type to an alteration/repair/renovation type), if you want to change your originally proposed site at which the project occurs, if a change will significantly alter the originally stated outcomes of the project, or if you wish to reallocate funds between projects. Also, prior approval is needed if you wish to move more than 25% of the CIP project amount or \$250,000, whichever is less, between budget line items or project budgets. Please send requests for programmatic changes to [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) and any requests for budgetary changes to [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov); please include your grantee organization name and C81 grant number in your message. HRSA will evaluate your request and determine if additional information is needed, what documentation needs to be provided, and whether the request can be approved.

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## TERMS AND CONDITIONS

**5. NEW! What order is HRSA conducting its reviews of the applications that will lead to the release of conditions?**

HRSA is working to release all conditions related to equipment projects first, including IT/equipment, HIT, and EHR projects, since the majority of these projects are easy to implement and require less extensive environmental review.

HRSA is concurrently reviewing alteration/repair/renovation projects for architectural and engineering reasonableness and to determine whether a grantee will need to conduct a further environmental analysis or historic preservation consult; if these actions are not required, and as long as the grantee has met any other conditions (e.g., submitted NFI and Letter of Consent/Statement of Agreement, as applicable), the conditions will be released and the grantee will be free to begin the project.

Currently, grantees, as applicable, should be undertaking processes to complete and submit to HRSA a draft Environmental Assessment, SHPO/THPO consult, a Notice of Federal Interest and, a Letter of Consent/Statement of Agreement.

**6. 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?**

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.

**7. UPDATED! How will pre-award costs be approved?**

Pre-award costs will be approved for the following CIP project types:

- IT/equipment and HIT pre-award costs will be approved pending receipt of invoices to confirm that costs were not incurred prior to February 17, 2009.
- Construction and alteration/repair/renovation (A/R/R) projects will be approved after environmental and architectural/engineering reviews have been completed.
- EHR pre-awards costs will be approved once your EHR Readiness Checklist has been reviewed.

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

#### **8. How long will we have to wait for environmental and architectural/engineering reviews to finish before conditions are lifted?**

The environmental and architectural/engineering reviews will run concurrently. Please be aware that, for construction projects, these are time intensive reviews which require completion of State Historic Preservation Office/Tribal Historic Preservation Office (SHPO/THPO) consultations and draft Environmental Assessments (EA). For A/R/R projects, these reviews may require the completion of SHPO/THPO consultations and draft EAs and HRSA will contact the grantee to confirm whether these materials are required. Reviews may take up to 12 weeks barring there are no requests for additional information. Once reviews are completed, the conditions will be lifted from the NGA.

#### **9. NEW! 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/>).

Please understand that we are working hard to perform a comprehensive review on 2,600 projects for environmental compliance and that this may take some time. The definition of "shovel ready" includes reviews for compliance with Federal laws as well.

#### **10. 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 and architectural/engineering reviews and depending on compliance with other Federal requirements, including procurement regulations. Please be aware that if there are serious historic preservation, environmental, and/or architectural/engineering issues, HRSA may advise a change in project scope.

#### **11. What do we do if we mis-categorized our project type (e.g., accidentally categorized a project as construction but it is actually funding only equipment) and now are required—as stated on our NGA conditions—that we need to submit a Notice of Federal Interest (NFI), State Historic Preservation Office (SHPO) consultation, and/or Environmental Assessment (EA)? Can these requirements be waived?**

If you received a term on your award stating that a project has "incorrect categorization," HRSA will contact you within 30 days of the grant award to verify the correct category type.

If you independently believe, absent a term on your award, that you incorrectly categorized a project, please send an email to [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) explaining your situation. Please include your organization's name, CIP grant number (C81), and relevant project number in the email message.

Depending on the type of mis-categorization, a recipient may need to submit revised materials; the Division of Grants Management Operations (DGMO) will determine the necessary terms and conditions to be applied to the revised project. Further review of the project would have to be done to determine if conditions, such as the SHPO or EA requirements, no longer apply.

**Note:** Grantees should not implement the proposed project until any issues regarding correct project type have been resolved with HRSA.

**12. If I have a project that I mis-categorized, how will I now know what conditions and terms will apply once the project has been correctly categorized? Will I receive another NGA?**

If you received a term on your award stating that a project has “incorrect categorization,” HRSA will contact you within 30 days of the grant award to verify the correct category type.

If you independently believe, absent a term on your award, that you incorrectly categorized a project, please send an email to [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) explaining your situation. Please include your organization’s name, CIP grant number (C81), and relevant project number in the email message.

Depending on the type of mis-categorization, a recipient may need to submit revised materials; the Division of Grants Management Operations (DGMO) will determine the necessary terms and conditions to be applied to the revised project. Further review of the project would have to be done to determine if conditions, such as the SHPO or EA requirements, no longer apply.

**Note:** Grantees should not implement the proposed project until any issues regarding correct project type have been resolved with HRSA.

**13. What happens if our non-Federal share falls through and our scope of project may need to change to accommodate for the lost funding, are we allowed to re-allocate our funds to accommodate?**

HRSA realizes that, due to unforeseen circumstances and/or new information, recipients of CIP grants may need to change the scope of an approved CIP project from what was originally proposed in their CIP application. Based on an evaluation of the information provided by the grantee in its request, HRSA will review the proposed change and determine whether the request for a change in CIP scope of project will be approved.

Please contact [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to see what additional documentation may be needed for a change of scope. In the event that non-Federal funds that were to be committed fell through and no longer available, the recipient should submit a change of scope for the project in the event that it will greatly affect the originally proposed outcome. A revised budget must also be submitted along with revised material to request the changed scope of project.

**14. NEW! I would like to start my alteration/repair/renovation project immediately. Can HRSA expedite its review of my project to release my conditions sooner?**

Given the volume of reviews that HRSA must conduct, HRSA is unable to expedite certain projects over others. HRSA is required to thoroughly review all alteration/repair/renovation projects for compliance with environmental regulations, historic preservation issues, and architectural and engineering reviews. These are all thorough reviews that take time to complete accurately, and HRSA is working to get through these as quickly as possible. Grantees are encouraged to ensure they have responded to conditions to submit a NFI and Letter of Consent/Statement of Agreement, if applicable, so that they are prepared to start their projects as soon as HRSA completes its reviews and determines that no additional information is needed. If additional information is needed, HRSA will work with the grantee to adjust deadlines and timelines to ensure successful completion of the project.

**15. NEW! I would like to start my construction project immediately. Can HRSA expedite its review of my project to release my conditions sooner?**

Given the volume of reviews that HRSA must conduct, HRSA is unable to expedite certain projects over others. Grantees proposing construction projects are required to submit a draft Environmental Assessment (EA) and a SHPO/THPO consult letter. Upon submission of these materials, HRSA must thoroughly review all construction projects for compliance with environmental regulations, historic preservation issues, and architectural and engineering reviews. Projects are not considered “shovel-ready” until these reviews have occurred. These are all thorough reviews that take time to complete

accurately, and HRSA is working to get through these as quickly as possible. Grantees are encouraged to ensure they have responded to conditions to submit a NFI and, if applicable, a Letter of Consent/Statement of Agreement, so that they are prepared to start their projects as soon as HRSA completes its reviews and determines that no additional information is needed. If additional information is needed, HRSA will work with the grantee to adjust deadlines and timelines to ensure successful completion of the project.

**16. NEW! How should grantees that are doing an HIT or EHR project utilize the Health IT Adoption Toolbox, available at [http://healthit.ahrq.gov/portal/server.pt?open=512&objID=1135&mode=2&cid=DA\\_986294&path=DA\\_986294](http://healthit.ahrq.gov/portal/server.pt?open=512&objID=1135&mode=2&cid=DA_986294&path=DA_986294)?**

In order to effectively implement the HIT or EHR project, grantees should refer to this website and the many resources it provides on topics from Getting Started to Evaluating and Sustaining. To request an account to log into the HRSA Health IT Community, send an email to [healthit@hrsa.gov](mailto:healthit@hrsa.gov).

Grantees should also work with any Health Center Controlled Network they may be a part of and other partners in order to effectively implement projects.

**17. NEW! What if I need to change my Project Director on my grant?**

To request a change of Project Director, grantees may send a message to [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov); include the grantee organizational name and C81 grant number in the correspondence.

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## BUDGET ISSUES

**18. NEW! Is it possible to reallocate equipment by swapping/trading one piece of equipment we planned in our CIP 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. If a grantee wishes to reallocate funds between projects or to move more than 25% of the total grant or \$250,000, whichever is less, between budget line items, then the grantee must contact Grants Management at [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov) to obtain prior approval; please include your grantee organization name and C81 grant number in your message.

Grantees will need to remember that equipment purchased with CIP 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.

**19. NEW! Can we move money from one project to the other? Can we add a new site and move money to it with approval from our Grants Management Specialist?**

CIP funds may be transferred between projects; however, since the CIP funds must be clearly tracked, the grantee must consult with a Grants Management Specialist by emailing [ofamrecovery@hrsa.gov](mailto:ofamrecovery@hrsa.gov); please include your grantee organization name and C81 grant number in your message. Recipients are required to request prior approval from the GMS to move more than 25% or \$250,000 (whichever is less) between line items or project budgets.

Since projects are closely linked to the site at which they occur, any grantee wishing to add a new project or new site must submit a formal request to change the scope of its CIP project and receive prior approval from HRSA. Keep in mind that adding a new project or new site will require additional reviews by HRSA (for service area overlap, environmental reviews, architectural/engineering reviews, etc.). Please email [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to discuss these types of requests.

**20. We'd like to proceed but have questionable cost issues noted on the NGA. How do we resolve the issues so we can use the funds?**

A Grants Management Specialist will contact recipients to discuss any questionable costs noted on the NGA. The GMS will determine whether additional or updated budget information needs to be submitted. Once questionable cost issues are discussed, clarified, and resolved, the GMS will send correspondence acknowledging budget acceptance.

**21. 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 \$250,000, whichever is greater) may result in a revised NGA being issued. Once any revised material is obtained by DGMO, they will give further notice. 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.

**22. 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 CIP 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. CIP funds must be fully obligated within the 2-year project/budget period.

**23. 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?**

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.

**24. As long as we can clearly justify our budgets and equipment lists, will our questionable costs be deemed allowable?**

Any revised budget or 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.

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## DRAWDOWN OF FUNDS

**25. How soon can we draw down our funds?**

For IT/Equipment, HIT, and EHR-related projects, if the grantee has submitted a complete Environmental Information and Documentation (EID) Checklist that does not identify any potential environmental issues, the grantee may begin drawing down funds unless questionable costs, incorrect project type, or other conditions exist. If the grantee is proposing the purchase of a new EHR system, it should not draw down funds for that system until the EHR Readiness condition has been released. For alteration/repair/renovation and construction projects, the grantee 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 HRSA gives final approval to break ground/begin project.

**26. Will grantees be able to go to their regular H80 accounts in PMS to drawdown CIP funds?**

No. Sub-accounts are setup for CIP recipients to drawdown funds (the CIP grant number begins with C81). Be advised this sub-account is different from your regular H80 account. Please contact your Payment Management System (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.

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## FEDERAL INTEREST

**27. 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) filing. For alteration/repair/renovation projects less than \$500,000, the award recipient 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.

**28. 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.

NFIs must be filed prior to **starting** the construction or alteration/repair/renovation project. A sample NFI was included in the CIP guidance (HRSA-09-244) and is also available for download at <http://bphc.hrsa.gov/recovery/>.

**29. 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 and 74.37 or of 45 CFR 92.31 ([http://www.access.gpo.gov/nara/cfr/waisidx\\_07/45cfr74\\_07.html](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](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](http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc))

**30. If an A/R/R project is under \$500,000, why is the NFI condition on my award?**

During processing, all NGAs with A/R/R projects received a condition requiring a NFI. If the A/R/R project at an individual site is below the threshold of \$500,000, the condition will be lifted from the NGA after review.

**31. What about the stipulation that we need to provide a letter from the property owner. In the CIP Guidance I thought it said that was only for projects over \$500,000—have things changed?**

During processing, all NGAs with A/R/R projects received a condition requiring a NFI. If the A/R/R project at an individual site is below the threshold of \$500,000, the condition will be lifted from the NGA.

**32. The recently released FIP application goes into more detail about Federal Interest 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 ALL construction projects and for alteration/repair/renovation projects with a net project cost of greater than \$500,000 (minus the cost of equipment), recipients that lease the project site/facility will need to provide a Letter of Consent/Statement of Agreement from the Facility 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 from the Facility Owner is available for download at <http://bphc.hrsa.gov/recovery/>.

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

A recipient will not be required to file another NFI if there is an existing NFI on the same piece of property; however, the NFI must be updated with the information related to the CIP funding opportunity (grant number, purpose, etc.). A notarized and recorded copy of the revised NFI must be sent to the Grants Management Specialist. Recipients must also remember that NFIs must be filed prior to starting the construction or alteration/repair/renovation project.

**34. NEW! Where do I file and record my NFI at the local level?**

Most local jurisdictions, in most cases the county, have records or land use offices that handle NFI filing. Some counties and offices may not be familiar with the NFI process, so grantees may need to contact multiple offices to determine the proper process. Unfortunately, as processes and organizations vary greatly across the country, HRSA does not have local level information available.

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## ENVIRONMENTAL IMPACT

**35. UPDATED! Why do we need to submit the EID again?**

If you correctly and appropriately submitted your documentation with your CIP application, you will not need to resubmit. If needed, blank EIDs are available for download at <http://bphc.hrsa.gov/recovery/>.

HRSA is conducting reviews of projects and deliverables; once projects have been cleared, a revised NGA will be issued and grantees may start their projects.

**36. We submitted an EID checklist with the grant application. There were not any adverse environmental issues. I'm assuming that no further environmental assessments are necessary. Is that accurate?**

HRSA must still review all EIDs for all projects to assess whether an issue exists. For IT/equipment, HIT and EHR projects, additional environmental assessments will not be necessary unless the EID has identified that a potential issue exists. The Federal Government must make the determination regarding the requirement for an environmental assessment and SHPO/TPHO consultation. We ask for your patience while reviewing each application for architectural/engineering issues as well as environmental and historic preservation issues.

**37. Why do my equipment-only projects require the EID checklist?**

**Each** project must have its **own** EID. For equipment-only projects (IT/equipment, HIT, EHR), **if** recipients (1) completed the project-specific EID, (2) attached this EID in the proper place in the CIP application, and (3) answered "No" to all questions, **then** they may proceed with their project as long as there were no additional conditions on the NGA.

**38. 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?**

HRSA will contact grantees that proposed alteration/repair/renovation projects, after review of their scope of work and EID, to let them know whether a draft EA needs to be submitted. If it is required, the draft EA must be specific to the proposed CIP project. However, the earlier EA could serve as a base and provide much of the information that is required in the draft EA for HRSA.

**39. My NGA states that I need to consult with my Project Officer regarding my SHPO and EA. When will my PO let me know?**

The environmental and architectural/engineering reviews will run concurrently. Please be aware that these are time intensive reviews which require completion of SHPO consultations and draft Environmental Assessments. Reviews may take up to 12 weeks barring there are no requests for additional information. HRSA will notify grantees if additional information is required as well as when the SHPO consultation and the EA has been completed.



**40. NEW! We are proposing an alteration/repair/renovation project. Is there guidance for what must be included in the EA? We did the EID Checklist but the NGA states HRSA has determined that an EA is required.**

HRSA is currently reviewing applications, including EID Checklists and CIP project details. Upon completion of these reviews, HRSA will notify grantees whether an EA is required for the alteration/repair/renovation project; keep in mind that an alteration/repair/renovation project **may** warrant an EA. Information on the EA process is available at <http://bphc.hrsa.gov/recovery/faqdraftassessment.htm>.

**41. NEW! One of the CIP grant conditions for our construction project requires us to submit draft EA within 60 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 CIP 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 60 day deadline and submit the EA prior to drawing down construction funds?**

Grantees should submit the EA, if required, as soon as possible. If you are not able to meet the deadline (60 days after award), send an email to [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) with your request to extend the deadline and an explanation as to why the extension is necessary; please include your grantee organization name and C81 grant number in your message. Grantees may not begin the construction project until the draft EA has been approved by HRSA.

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## CULTURAL RESOURCE ASSESSMENT AND HISTORIC PRESERVATION

**42. 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, the grantee is still required to provide a SHPO/THPO letter and complete the EID and/or EA regarding the affect of the project. This determination must be made by legally qualified consultants regarding the property. SHPO/THPO is required within 30 days after issuance of NGA. NEPA and EA are required 60 days after issuance of NGA to DGMO.

**43. Is a SHPO required for our project? Can you tell us if one is needed?**

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.

HRSA is reviewing alteration/repair/renovation projects to determine whether a SHPO/THPO consultation is necessary; if the consultation is necessary, HRSA will communicate this to the grantee.

**44. If an alteration/repair/renovation project planned for a facility less than 50 years old involving no interior moving of walls and proposes merely interior painting and re-carpeting—is SHPO consultation necessary?**

HRSA is reviewing alteration/repair/renovation projects to determine whether a SHPO/THPO consultation is necessary; if the consultation is necessary, HRSA will communicate this to the grantee.

**45. In an alteration/repair/renovation project planned for a facility less than 50 years old and involves exterior painting of fascia and soffits, is SHPO consultation necessary?**

HRSA is reviewing alteration/repair/renovation projects to determine whether a SHPO/THPO consultation is necessary; if the consultation is necessary, HRSA will communicate this to the grantee.

**46. In an alteration/repair/renovation project planned for a facility less than 50 years old and involves moving an interior wall and installing a shower, is SHPO consultation necessary?**

HRSA is reviewing alteration/repair/renovation projects to determine whether a SHPO/THPO consultation is necessary; if the consultation is necessary, HRSA will communicate this to the grantee.

**CHANGE IN SCOPE—SITES****47. We have proposed moving the clinic to a larger space. I thought the CIP 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 CIP application, you do not need to take any further action. HRSA is reviewing new site requests and will notify the grantee whether the site has been approved within 60 days of the NGA.

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

HRSA is currently processing all new site requests, including new sites proposed through the CIP application or a normal CIS requests linked to a CIP project. HRSA will notify grantees if site is approved within 60 days. Recipients will need to verify the new site within 60 days of project completion.

**CHANGE OF SCOPE—CIP GRANT****49. What happens if we find we need to change our original CIP project?**

HRSA realizes that grantees may wish to change their original CIP proposal based on emerging information about the immediate needs of the communities they serve and/or on unforeseen circumstances. HRSA will work with grantees to make and document minor programmatic or budgetary changes within their application that do not significantly affect the outcome of the project.

For changes that may significantly impact the originally proposed outcome:

- Any proposed changes must result in a project that remains consistent with the intent of the CIP.
- Recipients may not request a CIP award amount above the originally requested amount.
- The recipient must submit the change request in writing to HRSA. Based on an evaluation of the information provided by the grantee in its request, HRSA will review and determine whether the request for a change in CIP scope of project will be approved.

**50. NEW! What happens if we need to change the site that we originally proposed in our CIP application? We were not able to lease the building we wanted to, but found an alternate location a block away.**

Since projects are closely linked to the site at which they occur, any grantee wishing to add a new project or new site must submit a formal request to change the scope of its CIP project and receive prior approval from HRSA. Keep in mind that adding a new project or new site will require additional reviews by HRSA (for service area overlap, environmental reviews, architectural/engineering reviews, etc.). Please email [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to discuss these types of requests. HRSA will determine what additional information is needed and will work with you to process your request on a case-by-case basis.

**51. NEW! We are not able to secure the additional financing for the alteration/repair/renovation project we proposed. We would like to either scale back our renovations or use the CIP funds to purchase equipment. Can we do this?**

For either alternative, a formal request must be submitted to HRSA and receive prior approval. Keep in mind that changing project type may require additional reviews by HRSA (for service area overlap, environmental reviews, architectural/engineering reviews, etc.). Please email [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to discuss these types of requests. HRSA will determine what additional information is needed and will work with you to process your request on a case-by-case basis.

**52. NEW! What is we are not able to complete the construction project as originally proposed, due to unforeseen circumstances. Can we scale back our construction project from 20,000 sq. ft. to 15,000 sq. ft?**

A formal request must be submitted to HRSA and receive prior approval. Keep in mind that changing project scope may require additional reviews by HRSA (for service area overlap, environmental reviews, architectural/engineering reviews, etc.). Please email [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to discuss these types of requests. HRSA will determine what additional information is needed and will work with you to process your request on a case-by-case basis.

**53. Can we use the cost savings realized in one project for another approved CIP project or to propose a new CIP project?**

Since projects are closely linked to the site at which they occur, any grantee wishing to add a new project or new site must submit a formal request to change the scope of its CIP project and receive prior approval from HRSA. Keep in mind that adding a new project or new site will require additional reviews by HRSA (for service area overlap, environmental reviews, architectural/engineering reviews, etc.). Please email [bphcrecovery@hrsa.gov](mailto:bphcrecovery@hrsa.gov) to discuss these types of requests. HRSA will determine what additional information is needed and will work with you to process your request on a case-by-case basis.

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## ADMINISTRATIVE AND POLICY REQUIREMENTS

**54. The NGA states nothing about Davis-Bacon Wages. Are they still required for the construction projects?**

Yes, Davis-Bacon applies to CIP alteration/repair/renovation and construction projects.

**55. NEW! 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>. Per this resource:

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\(a\)\(3\)](#).

Since HRSA is not party to the contract, "the contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to...the applicant, sponsor, or owner, as the case may be, for transmission to the (HRSA)." If needed, HRSA will request any documentation directly from the grantee.

**56. NEW! What needs to be recorded if we do some of our own work through our facilities management staff ("force account labor") and where do we send that?**

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](mailto:ofamrecovery@hrsa.gov); please include your grantee organization name and C81 grant number in your message.

**57. I just received the NGA today and 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.

**58. Is my project subject to the simplified acquisition threshold?**

All goods and services over \$100,000 need to be competitively bid. The simplified acquisition threshold applies to good 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.

**59. If we followed the initial guidance and had a staff member affiliated with the project complete the EID checklist, do we now need to hire an outside consultant to complete the EID checklist and re-submit it?**

No. If you correctly and appropriately submitted your documentation with your CIP application, it will be reviewed and a revised NGA will be issued once review of the submitted material confirms receipt of the EID. Subsequently, the condition(s) will be lifted from the NGA.