

Frequently Asked Questions

The FAQ's Library is a repository of Frequently Asked Questions received by the Office of Grants Management.

Questions and Answers are assigned a Program Name or Topic or both and the Program Name and Topic fields can be filtered to search for Questions and Answers based on certain criteria.

If a Question and Answer applies only to one ONC grant program, that Question and Answer is assigned the appropriate ONC Grant Program Name. If the Question and Answer applies to more than one grant program, the Program Name field is left empty.

ID	Topic	Grant Program	Question	Answer
1	Operations Plan	Regional Extension Centers (REC)	What is the process and timeline for having my operation plan approved and the direct assistance restriction lifted?	<p>Once your Project Officer has approved your Operations Plan s/he will sign and date the cover page of the plan and fax/email a scanned copy of it to you; you should then sign and date the cover page and return it via fax. The entire plan does not need to be submitted in paper copy. Next, your Project Officer will notify the Grants office via email, with you CCed.</p> <p>Once your operations plan has been cleared through both the Program and Grants offices of ONC, and your budget has been approved by OGM, a revised Notice of Grant Award will be issued. Only a revised Notice of Grant Award will serve as a valid form of approval for additional funds to become unrestricted.</p>

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2	Core and Direct Assistance	Regional Extension Centers (REC)	Please describe what activities should be funded from my Core funds and what should be funded using Direct Assistance funds.	<p>Per page 14 of the FOA, Core and Direct Support are defined as follows:</p> <p>In the first two years, recipients will use federal funding across two categories:</p> <ul style="list-style-type: none"> • Core Support – This funding will be used for outreach and educational activities, grants and program management, local workforce support, and participation peer-learning and knowledge transfer activities facilitated by the HITRC. We anticipate an award value expected to average between approximately \$500,000 and \$750,000 per Center per year for these core activities for each of the two years of the initial budget period. This funding will be released pursuant to milestones established in each Regional Center award. • Direct Assistance Support – Direct Assistance, as specifically defined for the ONC/REC program, will be used for providing direct onsite technical assistance to providers. In addition to the Core Support funding, approximately \$500 million will be allocated among the successful applicants in proportion to the numbers of priority primary-care providers to receive direct technical assistance during the initial budget period, as established in each Regional Center’s award. This funding will be released quarterly based on the number of identified providers that have achieved specific milestones within the preceding quarter. In order to prioritize provision of support for providers in small practices, and in light of the greater economies of scale and internal resources of larger practices, the federal subsidy for a Regional Center’s direct technical assistance to any single incorporated will be capped at the amount allocated for a practice equal to or less than ten priority primary-care providers. <p>Therefore, you must follow the approved narrative and budget that are now part of the approved Notice of Grant Award. If the narrative does not clearly delineate Core Support from Direct Assistance Support, then you must follow the guidelines provided in this email. List and justify your expenses within the definitions above in a consistent manner, being sure to document all costs and have a sound justification in your program files regarding how you are assigning Core Support vs. Direct Assistance Support.</p>
3	Budget	Regional Extension Centers (REC)	Are detailed budgets required for REC Supplemental application?	<p>Yes. Detailed budgets accounting for the critical access and rural health projects are required. What OGM is requesting from Supplement Funding recipients is a budget detail/narrative for each of the 2 years, as well as SF 424A's for each year to reflect how those funds will be utilized.</p>

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4	Budget	Regional Extension Centers (REC)	What is the timeline for requesting an increase in my core funds? What is the process for requesting this?	<p>All RECs were notified via email on February 26th, 2010 that Core Funds will be restricted (in addition to REC specific restrictions, where applicable) to \$500,000 per year unless prior approval is obtained. Any request for prior approval must be done 30 days in advance of the requested change.</p> <p>To request an increase in core funds, please send a letter which outlines and justifies your request to ONCgrants@hhs.gov, and CC your Project Officer. This letter must be signed by the Authorized Organization Representative. The only valid form of approval is a revised Notice of Grant Award.</p> <p>Please note that an increase in core funds will not change the overall federal share of your cooperative agreement.</p>
5	Budget	Regional Extension Centers (REC)	Will my revised NGA still have a budget period start date of February 8th? Can I incur costs prior to this date?	Yes, your revised NGA will still reflect an award date and budget start date of February 8th, 2010. Expenses incurred prior to this start date are not authorized and will be considered ineligible and unallowable expenses.
6	Budget	Regional Extension Centers (REC)	Are core funds “use or lose”? If at the end of the year there are unobligated funds, what happens?	Funds are available for the length of the 2-year budget period, although it should be noted that unobligated funds must be annually reported, per the requirements sent out in the Notice of Grant Award. At the end of the first 2-year budget period, unobligated funds may be rolled over to the next 2-year budget period (years 3 and 4) if a non-competing continuance is awarded, or may be redistributed; this is at the discretion of ONC.

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7	Cost Share		Part of our cost share will be met by the receipt of donated goods and services. How do I determine the value of the donations?	<p>Donated supplies may include such items as expendable property, office supplies (unless treated as an indirect cost), or workshop and classroom supplies. The value assigned to the donated supplies must be reasonable and cannot exceed the fair market value of the supplies at the time of donation.</p> <p>The value of donated equipment cannot exceed the fair market value of equipment of the same age and condition at the time of donation. The value of loaned equipment cannot exceed its fair rental value. If any part of the donated property was acquired with Federal funds, only the non-Federal share of the property may be counted as matching or cost share.</p> <p>The value of donated space cannot exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.</p> <p>Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for volunteer services must be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient's organization, rates must be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved. Only the amount representing an amount consistent with the function performed are allowable, e.g., if a doctor serves as a receptionist, only the amount that would be allowable for a receptionist is allowable as a contribution to the grant. In other words, if a doctor whose hourly rate is normally \$130/hour volunteers 10 hours of time functioning as a receptionist (whose hourly rate is normally \$8/hour), the amount of the donated services would be \$80, not \$1,300.</p> <p>The HHS Grants Policy Statement (HHS GPS) provides additional detail and information regarding cost sharing valuation starting on page II-47. A copy of the HHS GPS can be obtained at: http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc.</p>

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8	Budget		If a grantee is completing their budget revisions and asked if they should have the budget years go by fiscal year or by calendar year?	The budget period is reflected on the grantees NGA and awardees should follow this period.
9	Significant Rebudgetting		The Notice of Award indicates that states are required to update the budgets to ONC annually. However, since the implementation CA HIE program is very dynamica recipient shift funds between budget items (i.e. for travel to supplies) without ONC approval to reflect changing priorities and demands during the year	<p>Significant rebudgeting, in excess of 25% of grant award, requires prior approval from ONC.</p> <p>The following is found in the Grants Policy Statement (GPS), which is incorporated as a term of your initial Notice of Grant Award (NGA). The GPS guides the instances when prior approval is required from ONC. The GPS can be found at http://dhhs.gov/asfr/ogapa/grantinformation/hhsgps107.pdf.</p> <ul style="list-style-type: none"> • Significant rebudgeting, whether or not the particular expenditures require prior approval. Significant rebudgeting occurs when, under a grant with a Federal share exceeding \$100,000, cumulative transfers among direct cost budget categories for the current budget period exceed 25 percent of the total approved budget (which includes direct and indirect costs, whether chargeable to Federal funds or required matching or cost sharing) for that budget period or \$250,000, whichever is less. <p>Rebudgeting of less than the above noted thresholds does not require prior approval in most instances. Please refer to the GPS for additional information. Please note that if the budget change results in a change in scope or any other change which requires prior approval (e.g. training line items) the recipient must obtain approval.</p>
10	Accounting		Please clarify/further elaborate on ways that the State can and should differentiate dollars between inter- and intra-state funds?	Your finance shop will need to address this through your chart of accounts. You will need an accounting method that allows you to identify expenditures associated with interstate and intrastate separately. This must be done in line with your policies and procedures, but one way to do this is through assigning project codes. If the question you are asking is what can be charged to each of these categories (i.e. allowable/approved activities within each category – interstate or intrastate), please talk to your project officer about that matter.

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13	Milestones	Regional Extension Centers (REC)	How will milestones be reimbursed?	<p>Payments will be made in accordance with HHS grants policy and regulations. Drawdowns will be closely monitored against program milestone achievements each calendar quarter. ONC will authorize funds for drawdown in the HHS Payment Management System; please note that PMS cash flow policies apply. Conversely, while funds may appear available in the PMS, this does not mean that you may expend them; you must not spend above and beyond the allowable amounts or allowable core threshold (whichever is less) without approval in the form of a revised Notice of Grant Award from ONC. Please visit the PMS website http://www.dpm.psc.gov/Default.aspx and the HHS Grants Policy Statement http://www.hhs.gov/grantsnet/adminis/gpd/ for more information on these topics.</p>
14	Milestones	Regional Extension Centers (REC)	Can you define each milestone?	<ol style="list-style-type: none"> 1. Milestone One is considered met when ONC receives a signed Provider Agreement between a healthcare practice and a Regional Extension Center. Please see below for Provider Agreement parameters. 2. Milestone Two will be achieved when a practice and the associated providers have gone live. "Go Live" is considered achieved when e-Prescribing and quality reporting measures (such as disease registries) are actively being utilized. 3. Milestone Three will be met when a practice and its associated providers have met meaningful use. ONC will verify meaningful use based on the CMS standard. The meaningful use definition is currently being promulgated through the federal Notice of Proposed Rulemaking process. Please refer to the ONC website for updates and more information. <p>http://healthit.hhs.gov/portal/server.pt?open=512&objID=1325&parentname=CommunityPage&parentid=1&mode=2</p>

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16	Audits		Which programmatic and/or financial reporting is subject to audit?	<p>All reporting under the grant is subject to audit. OMB Circular A-133 requires a State government, local government, or non-profit organization (including institutions of higher education) that expends \$500,000 or more per year under Federal grants, cooperative agreements, and/or procurement contracts to have an annual audit by a public accountant or a Federal, State, or local governmental audit organization. The audit must meet the standards specified in generally accepted government auditing standards (GAGAS) (HHS GPS pg II-90).</p> <p>For additional more information on audit requirements, see page II-90 of the HHS Grants Policy Statement. An electronic copy of the document can be found at http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc.</p> <p>Information on the scope, frequency and other aspects of the audits can be found in OMB Circular A-133. An electronic copy of the document can be found at http://www.whitehouse.gov/omb/circulars/.</p>
18	Program Income		Please explain what is considered Program Income and how it may be used.	<p>Program income is gross income-earned by a recipient, subrecipient, or a contractor under a grant and is directly generated by the grant-supported activity or earned as a result of the award. Fees and other funds generated by the project are considered program income under 2 CFR Part 215.</p> <p>Program income includes, but is not limited to, income from fees for services performed; charges for the use or rental of real property, equipment, or supplies acquired under the grant; the sale of commodities or items fabricated under an award; charges for research resources; and license fees and royalties on patents and copyrights (pg 62 HHS GPS0).</p> <p>In accordance with the Terms and Conditions in the Notice of Grant Award (NGA), program income generated by the recipient states how the grantee should use program income. Organizations who exceed their budgeted match target are REQUIRED to use the additional income to reinvest in the program. Per the FOA, however, ONC reserves the right to renegotiate service areas if the match is exceeded.</p> <p>For additional more information on program income, see page II-62 of the HHS Grants Policy Statement. An electronic copy of the document can be found at http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc.</p>

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19	Records Management		<p>What kinds of records and documentation do I need to have to show proof of expenditures? Will ONC or the auditors look at invoices or financial records?</p>	<p>Recipients must relate financial data to performance data and develop unit cost information whenever practical. Recipients are required to meet the standards and requirements for financial management systems set forth or referenced in 45 CFR 74.21 or 92.20, as applicable. Recipients' financial management systems must be able to provide for the following:</p> <ol style="list-style-type: none"> 1. Accurate, current, and complete financial information about each HHS-sponsored project or program. 2. Records that adequately identify the sources and application of funds for federally assisted activities and the purposes for which the award was used. The records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest. 3. Effective control over and accountability for all cash, real and personal property, and other assets under the award. Recipients are required to adequately safeguard all such assets and ensure they are used solely for authorized purposes. 4. Comparison of actual expenditures or outlays with the approved budget for the award. 5. Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the issuance or redemption of checks, warrants, or payments by the recipient. 6. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the applicable Federal cost principles, program regulations and other requirements cited in the terms and conditions of the award. 7. Accounting records, including cost accounting records, that are supported by source documentation. <p>These standards are intended to ensure that Federal funds are handled in a responsible manner and include adequate internal controls and cash management consistent with Department of Treasury requirements.</p> <p>Both ONC and the auditors will look at invoices and financial records throughout the life cycle of the award. ONC will conduct monitoring visits and perform desk audits. The auditors will review records and systems during their engagements.</p> <p>For more information on financial management system and documentation requirements, please refer to the HHS Grants Policy Statement (GPS). A copy of the HHS GPS can be obtained at: http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc. 45 CFR 74.21 can be accessed using the following link: http://www.access.gpo.gov/nara/cfr/waisidx_09/45cfr74_09.html. 45 CFR 92.20 can be accessed using the following link:</p>

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20	Reporting		Please clarify the financial reporting requirements and deadlines.	<p>Recipients are required to complete two recurring financial reports: the FFR Cash Transaction Report (formerly the PSC-272) and the Financial Status Report (SF-269).</p> <p>The FFR Cash Transaction Report (formerly the PSC-272) is due quarterly and must be submitted within 30 days of the end of the calendar quarter. The Financial Status Report (FSR or SF 269) is due annually and must be submitted within 30 days after the end of the applicable 12 month period. A final FFR Cash Transaction Report and FSR are due within 90 days after the end of the project period of performance.</p> <p>FFR Cash Transaction Report: Recipients must report Federal cash transaction data via the Payment Management System (PMS). Recipients will use the system to complete Federal Cash Transaction section (lines 10a-c) of the SF-425. The FFR is due quarterly and must be submitted within 30 days after the end of the quarter (January 30, April 30, July 30, and October 30). FFR Cash Transaction Reports are due every calendar quarter for the life of the grant. If the report is not submitted on or before the due date, funds will be restricted. For additional information on how to complete the FFR in PMS go to: http://www.dpm.psc.gov/grant_recipient/ffr_information.aspx?explorer.event=true</p> <p>FSR (SF 269): Recipients must report on actual expenditures and unliquidated obligations incurred. The FSR also captures data related to program income and cost share. The FSR is due annually and must be submitted within 30 days after the end of the applicable 12 month period. The period of performance that will be covered on the first FSR will be the first day of the Project Period through September 30, 2010. The first FSR will be due to HHS no later than December 30, 2010. The FSR should be submitted using the On Line Data Collection (OLDC) tool.</p>
25		Regional Extension Centers (REC)	Is this supplement only for direct assistance?	Yes, this supplement is only for direct assistance and will be reimbursed on the same three milestones used for PPCP: Sign-up, Go Live, and reaching Meaningful Use.
29	Match	Regional Extension Centers (REC)	Will I be required to meet the full amount of federal match applied for in the Supplement (or indicated in my NGA), even if I am not able to meet all the milestones or recruit every CAH-RH in my service area (and thus not spend the full federal share)?	The grantee must first agree to provide the full amount of the match requirement and demonstrate how they would meet that requirement. The final amount is calculated based on actual allowable costs incurred for the project.

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30	General		Where can I find answers on grants related questions?	<p>The first thing all award recipients should do is thoroughly read and review the Notice of Award (NGA). The NGA includes terms and conditions that recipients must follow to stay in compliance with Federal statutes and regulations.</p> <p>All award recipients should obtain a copy of the HHS Grants Policy Statement (HHS GPS). The HHS GPS is a valuable resource and will provide answers to many grants administration questions. As stated in the NGA, the award is subject to the applicable requirements of the HHS GPS. A copy of the HHS GPS can be obtained at: http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc.</p> <p>Recipients should also be familiar with the HHS grants administration regulations which can be found in 45 CFR Part 92 or 45 CFR Part 74, depending on your type of organizations. The grant regulations also incorporate by reference various parts of 2 CFR which include allowable and unallowable items of cost.</p> <p>All recipients should have copies of these documents. When a question arises, the resources identified above should be consulted first for an answer. If after reviewing the information, questions still exist, the recipient should contact the grants management office for further guidance.</p>
31	Property		Federal Property Inventory – Is this due by the end of the Government Fiscal Year or at the end of the first year of the grant?	<p>45 CFR Sections 74.31 through 74.37 set forth the standards governing management and disposition of property purchased by HHS or whose cost are charged directly to a project supported by an HHS award. 45 CFR 74.33(a)(1) states recipients are required to submit annually an inventory listing of federally-owned property in their custody to the HHS awarding agency. REC award recipients are not receiving federally-owned property. Consequently, a federal property inventory is not required to be submitted to HHS. Title to equipment acquired by a recipient with HHS funds vests in the recipient. 45 CFR 74.34(f)(1) details equipment record requirements. In addition, recipients are required to take a physical inventory of equipment and reconcile the results with the equipment records at least once every two years and the inventory should be available for audit.</p> <p>45 CFR Part 74 (Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations) can be accessed using the following link: http://www.access.gpo.gov/nara/cfr/waisidx_09/45cfr74_09.html</p>

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32	Match		What kind of documentation is required for donated goods and services?	The basis for determining the valuation of personal services, materials, equipment, buildings, and land must be verifiable from the records of the recipient, subrecipient, or contractor under the grant. Volunteer services, to the extent feasible, should be supported by the same level of documentation used by the recipient for its own employees, including time and attendance records.
33	Reporting		Where do I find the pertinent information for my ARRA reporting (such as CFDA number, treasury symbol, activity code, etc)?	<p>This information is online in the HHS ARRA Recipient Reporting Readiness Tool. http://taggs.hhs.gov/ReadinessTool/ From here, select your state and follow the prompts until you find your own form; the basic data is pre-filled for your convenience.</p> <p>For the “activity code” field, each REC should choose the code that works best to describe their organization. The sample ARRA reports include a search tool that can be used to evaluate various activity codes. Recipients are encouraged to evaluate the “E” codes which pertain to health. Within this realm, recipients are further encouraged to evaluate the E06 Series (Health Care Issues) and E09 Series (Patient Care/Health Care Delivery) for possible options.</p> <p>The sample REC report and associated instructions are located here: http://www.hhs.gov/recovery/reports/reportingassistance.html#reports</p>
34	Reporting		Is in-kind volunteer/other staff time (funded with other than ARRA funds) subject to ‘Sec 1512 reporting’. We believe that it is NOT.	If in kind volunteer staff time is counted towards meeting the matching requirement under an ARRA award, it is subject to Sec 1512 Reporting.
35		Regional Extension Centers (REC)	Can we over-recruit providers as a means of mitigating attrition?	Yes, you may “over-recruit” providers. However, please recognize that the per milestone payments taken in total, may not exceed your total direct assistance amount over the 2-year budget period.

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36		Regional Extension Centers (REC)	Is the \$12,000 per Critical Access and Rural Hospital Supplement going to by per site, or per organization? Seeing as many CAHs have associated ambulatory facilities, may I choose which site I work with and am reimbursed \$12,000 for?	The \$12,000 reimbursement for Critical Access Hospitals is provided per CAH entity. The REC may choose to work with the inpatient or outpatient site(s) of the CAH, however only one \$12,000 reimbursement will be made per entity.
37	Matching	Regional Extension Centers (REC)	How was my match calculated?	<p>Under this program, the cost share requirement is \$1 for every \$9 Federal dollars for the first and second years of the program. In other words, for every \$9 dollars received in Federal funding, you must contribute at least \$1 dollar in non-Federal resources toward the project's total annual cost. In the third and fourth years of the program, the cost share requirement is \$9 for every \$1 Federal dollars of the program. In other words, for every \$1 dollar received in Federal funding, you must contribute at least \$9 dollars in non-Federal resources toward the project's total annual cost.</p> <p>The cost share calculation for years 1 and 2 is based on the total amount of Federal funds received. For example, if you are awarded \$100,000 in Federal funds, then the cost share requirement is \$11,111($\\$100,000 \div 9$). The total budget for years 1 and 2 is \$111,111.</p>
38	Match		Does the 9:1 match (11.1%) need to be met on a monthly basis?	<p>No. Matching funds need to be met at the end of the budget period, which is 2 years (8 quarters) from the start of the project period. In accordance with good business practices, a recipient should provide required match in proportion to its expenditure of the Federal share of the total project costs. The rate of expenditure/in-kind contribution should be consistent with the nature of the contribution. For example, if salaries or volunteer services are contributed, they generally should be credited throughout the budget period as opposed to a one-time expenditure, such as the purchase of a piece of equipment.</p> <p>The grants office will be reviewing recipient expenditures and ensuring match is being met at an appropriate rate. If a recipient is not providing match at an appropriate rate, the grants office, in consultation with the program office, will assess the reasons and work with you to get your match on pace.</p>
39	Match		Does the match apply to both core and direct funds?	Yes. The match applies to all Federal dollars received (core and direct). For the first two-year budget period, the match you committed to providing is identified in Box 17: Award Computation, Line A: Non-Federal Share, on the Notice of Grant Agreement (NGA). The Non-Federal Share amount is the match amount you must provide during the two year budget period.

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41	Match		What kind of documentation is required when counting in-kind services toward my match?	<p>All costs and contributions used to satisfy a matching or cost sharing requirement must be documented by the recipient and are subject to audit. 2 CFR 215.23 states all contributions, including cash and third party in-kind, must be verifiable from the recipient's records.</p> <p>The source and amount of costs and/or the value of third-party in-kind contributions proposed by the applicant to meet a matching or cost-sharing requirement must be identified in the application budget. The determination of allowability of costs for matching or cost-sharing purposes is based on the same requirements, including the cost principles, that apply to use of Federal funds. Also, the classification of a contributed cost as either direct or indirect must be consistent with the classification of other costs incurred by the recipient for the same purpose in like circumstances. Guidance on the valuation of in-kind contributions is found in 45 CFR 74.23, 45 CFR 92.24, and Part II of the HHS Grants Policy Statement. The HHS Grants Policy Statement can be found at: http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc.</p>
42	Match		Can the match be cumulative for the duration of the grant instead of a \$1- to \$1 match?	Yes they can.
43	Match		If so, could the matching shortage from one year be made up in the next year or from prior year(s) or quarters?	Yes it can.
44	Match		Could the match funding be accumulated effective the date of the grant or should it be on or after 10/01/10?	It should be the date of the grant.

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45	Match		If it is cumulative, what are the requirements for reporting, tracking and documentation? In case of an OIG review, what would be the specifics that they will be reviewing/looking for?	<p>The Grants Policy statement pg II 49 states the following:</p> <p>Documentation- the basis for determining the valuation of personal services, materials, equipment, building, and land must be verifiable from the records of the recipient, sub recipient, or contractor under the grant. Volunteer services, to the extent feasible, should be supported by the same level of documentation used by the recipient for its own employees, including time and attendance records.</p>
46	Match	State Health Information Exchange (HIE)	Could we claim HIE work group volunteers (stake holders) time as a match? Is there any specific requirement for this? Documented process?	<p>Is this a necessary part of the program? If it is, volunteer services may be counted as matching or cost sharing if they provide an integral or necessary part of an approved program or project and if payment for them would constitute an allowable cost if the recipient had to pay for them.</p> <p>Documentation- the basis for determining the valuation of personal services, materials, equipment, building, and land must be verifiable from the records of the recipient, sub recipient, or contractor under the grant. The recipient must first ensure that services are in fact being provided. If services are being provided a value should be assigned. Volunteer services, to the extent feasible, should be supported by the same level of documentation used by the recipient for its own employees, including time and attendance records.</p>
48	Match	State Health Information Exchange (HIE)	A state is sub-granting out work with specific tasks which can generate fees for the sub-grantee which is Program Income. They wanted to know if they can use this Program Income as match towards the Prime grantee requirement.	<p>If you refer to the HIE Standard Terms and Conditions in each grant award, under program income, it states that "Program income must be used/applied toward the match requirement. Once the match requirement is met, ONC requires the additional cost alternative of program income which allows for the program income to further eligible project or program objectives". Further in the Grants Policy Statement under program income, it states costs financed by program income may not count toward satisfying a matching or cost-sharing requirement unless they are expressly permitted by the notice of grant award (NoA). Since we included the allowance for the use of program income as match in our notice of grant award, the grantee can use program income as match. Since the subgrantee will be generating the program income, please make sure the State is aware that they should include a term on program income in their award documents to the subgrantee.</p>

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49		State Health Information Exchange (HIE)	<p>The State Health Policy Consortium will be providing support services (funds for consultants, webinars, and in-person meetings) for groups of three or more states working to solve policy issues that inhabit the interstate exchange of health information. Funds will not cover staff time of participating organizations (i.e. state staff time will not be paid for). The project contractor will directly procure the services of any consultants that states are seeking. Many of the applications for these support services will be State HIE Cooperative Agreement awardees. Work under the Consortium will be coordinated with and feed into states work on the HIE Cooperative Agreements.</p> <p>The request period for the Consortium is currently open and I have received a few questions from states in regards to if staff time working on the State Health Policy Consortium Project could be counted towards their matching requirement for the State HIE Cooperative Agreement. I've had a few variant on this for instance in one version all the state's staff time is currently allocated towards meeting the matching requirement and they wanted to use some of that time to work on the Consortium and still count it towards the Cooperative Agreement.</p> <p>Would states or SDEs be able to count time on the Consortium towards the Cooperative Agreement? If they cannot, could put a positive spin on it by making a statement like "While staff time cannot be used for matching time spent on the State Health Policy Consortium could be covered by Cooperative Agreement funds if it is related to the your states goals in the Cooperative Agreement."</p>	The State Health Policy Consortium was not included in the Notice of Award therefore it is not allowable under this program.

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50	General	State Health Information Exchange (HIE)	Does OMB Circular A-110 apply to a state's HIE Cooperative Agreement? If so, does it only apply to sub-recipient awards that a state enters into with non-profits?	Recipients should follow the HHS policy and regulations. HHS regulations for states can be found in 45 CFR Part 92. Non-government organizations will follow 45 CFR Part 74. The cost principles which outline allowable and unallowable items of cost can be found in 2 CFR and are incorporated by reference.
51	Reporting		The grantee has not drawn down any funds (obviously since she is waiting to receive the materials to set up their account). Will they still need to file the FFR by Friday?	The grantee is responsible for financial reporting even if they have not yet drawn any funds.
53	Subrecipients		Can For-Profit Organizations be sub-recipients?	For-Profit Organizations cannot receive a sub-grant as a sub-recipients. They can however, be awarded a contract, as a sub-recipient, who is performing a substantive amount of programmatic work.
54	Internal Control		Should we be handling the grant using fund accounting where the monies are kept separate from all other funds? We have just one checking account at this time. So, the monies are certainly tracked and coded as to which are grant monies, but there is just one bank account.	If you are able to track the funds separately and have the funds coded, and are able to reconcile back to your expenditures (for auditing purposes especially) you may do this. Please be sure to reference 45 CFR 74.21 to ensure compliance.

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55	In-Kind		An awardee has a professional that is donating a lot of time. This will be counted as In-kind services. To be able to count the value of her services in our “matching funds” would we need to code her as a vendor or consultant, or does that matter?	Accounts should be set up in accordance with organizational policies and procedures. Please note that 2 CFR 215.23 states all contributions, including cash and third party in-kind, must be verifiable from the recipient’s records and 45 CFR 74.23 provides guidance on valuation of services etc.
56	Drawdown of funds		Is it okay to have a small sum of \$ in the account in the interim of processing the next drawdown coinciding with payables. Or do we have to keep it at zero?	Funds drawn down must be spent within 3 days. Recipients should minimize the time elapsing between drawdown of funds and disbursement, per 45 CFR Parts 74 and 92..
57	Indirect Costs		What is the guidance for indirect rate for subcontractors?	The direct recipient should approve any indirect costs for the subrecipient. ONC will not review/approve subrecipient indirect cost requests. If a recipient has a Federally approved rate agreement this approved rate should be used.
59	Program Income	Regional Extension Centers (REC)	Can specialty clinic fees be used for program income for the REC program?	Any funds that are generated by the REC funding that was awarded can be counted towards program income, be it specialty clinic fees, or any other fees that are charged. Any other funds that are generated, that were not generated by REC funding awarded cannot be used as program income, but can be used as match towards your project.

ID	Topic	Grant Program	Question	Answer
60	Drawdown of funds		How do I justify my draw down expenditures?	Awardees must put policies and procedures in place that are in line with 45 CFR Parts 92 and 74. Source documentation is required to support a recipient's accounting records and typically includes cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.