

Single Audit Under the Uniform Guidance for Community Health Centers in the New World of CARES Act and American Rescue Plan Act Funding

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TODAY'S SPEAKERS



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AGENDA

- Uniform Guidance Single Audit Overview
 - When is a Single Audit required
 - Submission requirements
- COVID-19 Federal Funding Sources Available to CHCs
 - Timeline
 - Eligible use of funds
- What should Recipients Expect from Auditors During the Single Audit
 - Compliance Requirements for COVID-19 Funding
 - Best practices



**UNIFORM GUIDANCE
SINGLE AUDIT OVERVIEW**



SINGLE AUDIT REQUIREMENTS

- States, local governments, Indian tribal governments, institutions of higher education and other non-profit organizations that administer federal financial assistance programs
 - Equal to or in excess of \$750,000
 - Shall have an audit of its federally-funded programs conducted in accordance with *Government Auditing Standards* and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”)
 - Shall submit the audited financial statements and Data Collection Form to the Federal Audit Clearing House



SINGLE AUDIT REQUIREMENTS

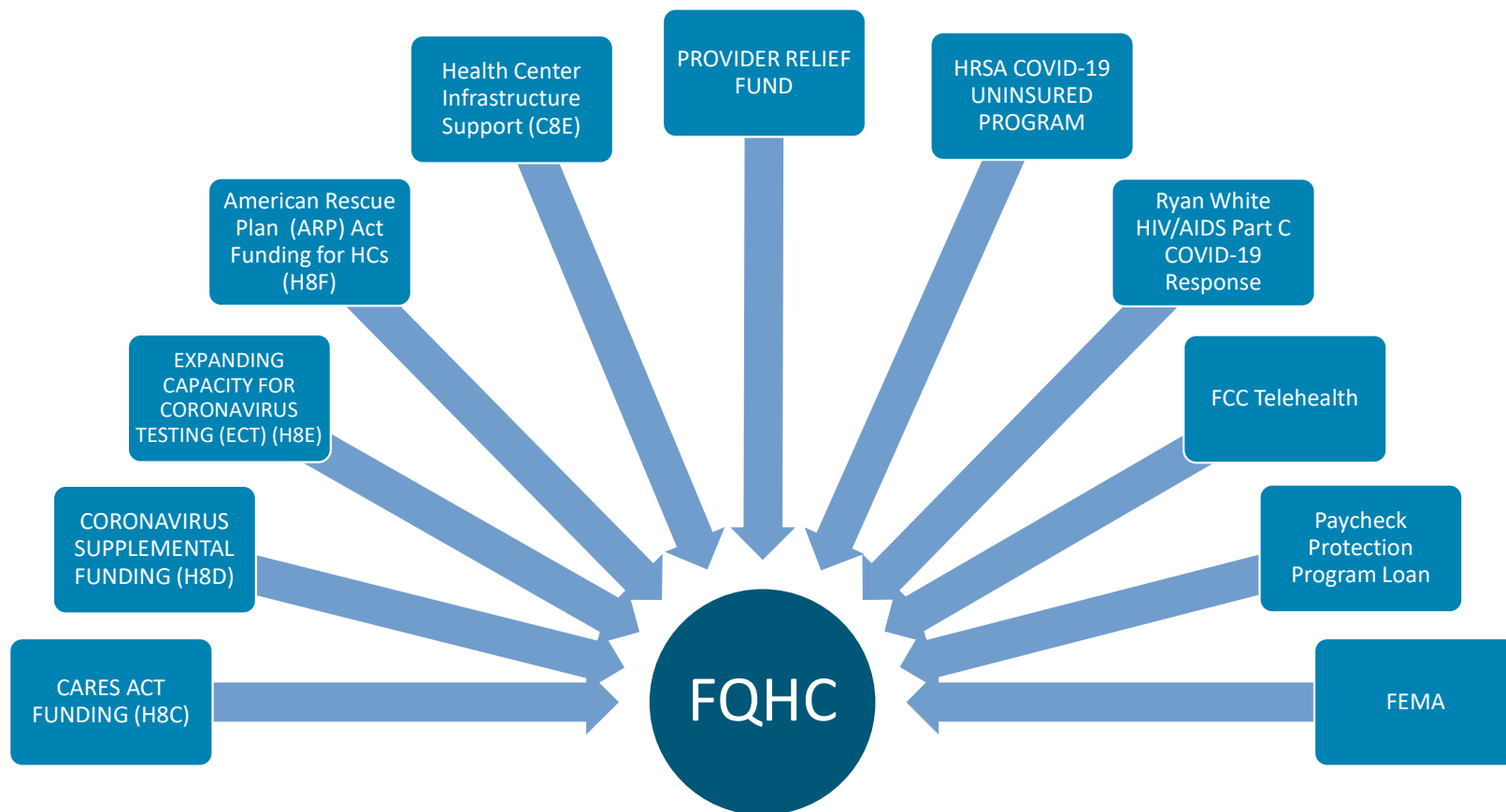
- Single Audits, when required, must be performed by an independent auditor
- Independent auditor audits the auditee's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the auditee's major federal programs
- The auditor's procedures include both test of internal controls over compliance and also test of compliance
- The normal due date for single audits is the earlier of 30 calendar days after receipt of the auditor's reports or 9 months after the end of the audit period. 6-months beyond the normal due date for auditees that had not yet filed their single audits with the Federal Audit Clearinghouse as of the date of the issuance of OMB Memo M-21-20. (i.e. 3/19/21) (This applies to fiscal year ends through June 30, 2021)



COVID-19 FEDERAL FUNDING SOURCES AVAILABLE TO CHCS



COMMON COVID-19 FEDERAL FUNDING SOURCES





COVID -19 FUNDING SOURCES – QUALIFYING EXPENSES

HEALTH CENTER FUNDS AVAILABLE as of October 2021	Operating Expenses						Equipment				Renovation/ Construction	
	COVID Specific (*)	General Personnel	Rent / Utilities	Training	Software & Licenses	Other Than Personnel	Telehealth Equipment	Facility	Clinical	Mobile Devices	Minor Alterations	Construction
H80 Base Funding		✓	✓	✓	✓	✓						
1 H8C	✓											
2 H8D	✓						✓				✓	
3 H8E	✓						✓				✓	
4 PPP- Round 1 ◇		✓	✓		✓	✓						
5 PRF - Phases 1-4	✓						✓	✓	✓	✓	✓	
6 FCC Telehealth - Round 1					✓		✓	✓	✓			
7 PPP - Round 2 ◇		✓	✓		✓	✓						
8 H8F ◎	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
9 Uninsured Claims Portal	✓											
10 C8E ◎							✓	✓	✓	✓	✓	✓
11 FEMA	✓					✓	✓	✓	✓			

*Direct and Indirect - which include all activities referenced under "Operating Expenses"

◇ Restrictions noted for certain expenses

◎ May not be co-mingled for one project. Projects must be distinct and separate



COVID-19 FUNDING SOURCES –TIMELINE

- HRSA Grantees can request additional time by submitting a "Extension Without Funds" (no cost extension) prior approval request to HRSA. May not use this one-time extension to expend unused funds for new or additional project or program-related activities.
- There may be other funding sources (State and Foundation) unique to your organization with restricted terms and conditions that are in addition to the federal programs.

HEALTH CENTER FUNDS DISTRIBUTED as of October 2021	Cost Incurred Period	2020	2021	2022	2023	2024
H80 Base Funding	Ongoing	.....	.....	.....	.....	.....
1 H8C *	1/2020 - 3/2021	.....	.....	
2 H8D *	1/2020 - 3/2021	.....	.....	
3 H8E *	1/2020 - 4/2021	.....	.....	
4 PPP- Round 1	4/2020 - 10/2020	.....			
5 FCC Telehealth - Round 1	3/2020 - 12/2020	.....			
6 PRF - Phases 1-4	1/2020 - 12/2022	.....	.....	.....
7 FEMA	1/2020 - 12/2021	.....	.....	
8 PPP - Expanded 1st Draw	4/2021 - 10/2021		.....		
9 PPP - Round 2	4/2021 - 10/2021		.....		
10 FCC Telehealth - Round 2	3/2020 - TBD	.....	.....	
11 H8F **	1/2020 - 3/2023	.....	.....	.....	.....
12 Uninsured Claims Portal	2/2020 - TBD	.....	.....	.....	.....	.....
13 C8E/ARP-Capital	9/2021 - 9/2024		.....	.....	.....	.....

* Twelve-month period of performance, however, can account for expenses incurred as of January 2020.

** Twenty-four-month period of performance, however, can account for expenses incurred as of January 2020.



COVID-19 FEDERAL FUNDING SOURCES

CARES Act (H8C)

- 2020-2021
- *Support detection and or prevention, diagnosis and treatment of COVID-19*
- **Assistance Listing Number - 93.224**

Coronavirus Supplemental (H8D)

- 2020-2021
- *Support prevention, preparation for and responding to COVID-19*
- **Assistance Listing Number - 93.224**

ECT (H8E)

- 2020-2021
- *Support necessary expenses to purchase, administer and expand capacity for testing to monitor and suppress COVID-19*
- **Assistance Listing Number - 93.224**



COVID-19 FEDERAL FUNDING SOURCES

- American Rescue Plan (ARP) Act Funding for Health Centers (H8F)
 - Payment is to be used for expenses relating to:
 - Administration of and tracking COVID-19 vaccinations
 - Detection, tracing, treatment and monitoring of COVID-19 infections
 - Equipment and supplies to conduct mobile testing or vaccinations for COVID-19
 - Establishing and expanding health care workforce to prevent, prepare for and respond to COVID-19
 - Modification and expansion of health care services and infrastructure
 - Conduct of community outreach and education activities related to COVID-19
 - Covers the period April 1, 2021 through March 31, 2023
 - **Assistance Listing Number - 93.224**



Department of Health and Human Services
Health Resources and Services Administration

Notice of Award
FAIN#
Federal Award Date: 03/26/2021

Recipient Information	Federal Award Information
<p>1. Recipient Name</p> <p>2. Congressional District of Recipient</p> <p>3. Payment System Identifier (ID)</p> <p>4. Employer Identification Number (EIN)</p> <p>5. Data Universal Numbering System (DUNS)</p> <p>6. Recipient's Unique Entity Identifier</p> <p>7. Project Director or Principal Investigator</p> <p>8. Authorized Official</p>	<p>11. Award Number 1 H8F</p> <p>12. Unique Federal Award Identification Number (FAIN) H8F</p> <p>13. Statutory Authority American Rescue Plan Act (P.L. 117-2)</p> <p>14. Federal Award Project Title American Rescue Plan Act Funding for Health Centers</p> <p>15. Assistance Listing Number 93.224</p> <p>16. Assistance Listing Program Title Community Health Centers</p> <p>17. Award Action Type New</p> <p>18. Is the Award R&D? No</p>
<p>Federal Agency Information</p> <p>9. Awarding Agency Contact Information Clare S Oscar Grants Management Specialist Health Resources and Services Administration coscar@hrsa.gov (301) 443-8862</p> <p>10. Program Official Contact Information Robin T Levine Public Health Analyst Health Resources and Services Administration rlevine@hrsa.gov (301) 594-4126</p>	<p>Summary Federal Award Financial Information</p> <p>19. Budget Period Start Date 04/01/2021 - End Date 03/31/2023</p> <p>20. Total Amount of Federal Funds Obligated by this Action</p> <p>20a. Direct Cost Amount</p> <p>20b. Indirect Cost Amount</p> <p>21. Authorized Carryover \$0.00</p> <p>22. Offset \$0.00</p> <p>23. Total Amount of Federal Funds Obligated this budget period</p> <p>24. Total Approved Cost Sharing or Matching, where applicable \$0.00</p> <p>25. Total Federal and Non-Federal Approved this Budget Period</p> <p>26. Project Period Start Date 04/01/2021 - End Date 03/31/2023</p> <p>27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period</p> <p>28. Authorized Treatment of Program Income Addition</p> <p>29. Grants Management Officer – Signature Evera Messina on 03/26/2021</p>



COVID-19 FEDERAL FUNDING SOURCES

- Health Center Infrastructure Support (C8E)
 - Health Center Construction and Capital Improvements (ARP-Capital, C8E) one-time funding supports construction, expansion, alteration, renovation, and other capital improvements to modify, enhance, and expand health care infrastructure administration of and tracking COVID-19 vaccinations
 - ARP-Capital funding supports one or more of the following project types, for up to five (5) total projects per eligible health center:
 - **Construction of a New Facility:** This project creates a new building structure. Activities in this project include construction of a new stand-alone structure.
 - **Construction/Expansion of an Existing Facility:** This project adds square footage to an existing facility and/or includes significant site work.
 - **Alteration/Renovation (A/R) of an Existing Facility:** This project involves renovations to an existing facility that does not increase square footage of the facility.
 - **Equipment Only:** This project involves the acquisition of loose, moveable equipment not affixed to the physical building structure.
 - **Covers the period September 15, 2021 through September 14, 2024**
 - **Assistance Listing Number - 93.526**



COVID-19 FEDERAL FUNDING SOURCES

- Provider Relief Fund (PRF)
 - Payment is to be used to prevent, prepare for, and respond to coronavirus
 - Payment shall reimburse for health care related expenses or lost revenues attributable to coronavirus
 - Payment cannot be used to reimburse expenses/losses that are reimbursed from other sources
 - Expenses and lost revenue starting January 1, 2020 through period covered by the specific funding phase
 - **Assistance Listing Number - 93.498**



PROVIDER RELIEF FUND: \$175 BILLION PROGRAM

Phase 1: General Fund

- First \$30B -Medicare providers based on share of 2019 Medicare FFS claims
- Second \$20B -Additional amount of at least 2% of 2018 total patient revenue, or lost revenue, distributed on rolling basis

Phase 2: Enhanced Provider

- To Medicaid/CHIP providers, dentists, assisting living, providers who missed Phase 1

Phase 3: General Fund

- Providers who billed Medicaid/CHIP between 1/1/18 and 3/31/20; certain dental, behavioral health providers; certain providers who experienced a CMS approved change in ownership

Phase 4 General Fund

- Providers who billed Medicaid/CHIP, Medicare (Parts A,B,C); certain dental, behavioral health providers; assisted living; and others

Targeted Distributions

- Hot Spots (hospitals), Safety Net Hospitals, Skilled Nursing Facilities and LTCs
- Rural Distributions

Uninsured Claims Portal

- Payments for COVID testing and treatment rendered for uninsured individuals



PROVIDER RELIEF FUND: TERMS AND CONDITIONS

Certifies that Provider, since January 31, 2020, provided diagnoses, testing, or care for individuals with possible or actual cases of COVID-19

HHS broadly views every patient as a possible case of COVID-19

Payment is to be used to prevent, prepare for, and respond to coronavirus; Payment shall reimburse for health care related expenses or lost revenues attributable to coronavirus

Payment cannot be used to reimburse expenses/losses that are reimbursed from other sources

General Terms and Conditions

Incorporates FY2020/FY 2021 list of Legislative Mandates for HRSA award recipients (e.g. executive pay cap, lobbying, gun control, abortion, promote legalization of controlled substances, etc.)

Providers cannot seek out-of-pocket expenses from patients for care for presumptive or actual COVID-19 greater than what would have been required for in-network services

NOTE: In addition to the general terms and conditions, there are additional terms specific to Rural Health Clinics and Skilled Nursing Facilities



COVID-19 FEDERAL FUNDING SOURCES

- HRSA COVID-19 Testing for the Uninsured Program
 - DHHS reimburses claims to health care providers generally at Medicare rates for providing services to uninsured individuals: testing for COVID-19, treating individuals with a COVID-19 diagnosis, and administering COVID-19 vaccines
 - Services provided on or after February 4, 2020
 - **Assistance Listing Number - 93.461**



COVID-19 COMPLIANCE REQUIREMENTS



HOW TO IDENTIFY APPLICABLE COMPLIANCE REQUIREMENTS

- Agreements/Awards/Notices
 - 93.224 and 93.526 - Notice of Awards; Health Center Program Compliance Manual
 - 93.498 - Post-Payment Notice of Reporting Requirements (June 11, 2021 most recent)
- Terms and Conditions
 - 93.498 - PRF General Terms and Conditions
- FAQs and other communications with funding agency
 - 93.498 - PRF FAQs
 - 93.461 - PRF FAQs and provider fact sheet



ACTIVITIES ALLOWED OR UNALLOWED

Activities Allowed or Unallowed	Compliance Considerations
93.224	<ul style="list-style-type: none">Funds can not be used for abortion services
93.526	<ul style="list-style-type: none">Funds can only be used as per budget submitted to HRSA.Award recipients do not have expanded authority under this program.
93.498 (PRF)	<ul style="list-style-type: none">Funds can be used to reimburse for expenses attributable to coronavirus not reimbursed by other sources or which other sources are obligated to reimburse or for “lost revenue”
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">Claims should be for providing services to uninsured individuals such as testing for COVID-19, treating individuals with a COVID-19 diagnosis, and administering COVID-19 vaccine



PROVIDER RELIEF FUND: HOW TO SPEND?

PRF payments can be used in the following manner and order as instructed by HHS:

DIRECT
COVID-19 RELATED
EXPENSES

- Healthcare related expenses attributable to Coronavirus that another source has not reimbursed and is not obligated to reimburse, which may include General and Administrative (G&A) or healthcare related operating expenses



LOST REVENUES
DUE TO
COVID-19 IMPACT

- PRF payment amounts not fully expended on healthcare related expenses attributable to Coronavirus are then applied to patient care lost revenues



PROVIDER RELIEF FUND FAQ: APPLYING FEMA FUNDING



If a Reporting Entity anticipates that it will receive coronavirus-related assistance, such as from FEMA, but that assistance has not yet been received, should that be accounted for in its Provider Relief Fund reporting? **(Added 7/1/2021)**

*Provider Relief Fund payments may be applied to expenses or lost revenues attributable to coronavirus, after netting the other funds received or obligated to be received which offset those expenses. **If a provider has submitted an application to FEMA, but has not yet received the FEMA funds, the provider should not report the requested FEMA amounts in the Provider Relief Fund report.** If FEMA funds are received during the same Payment Received Period in which provider is reporting on use of Provider Relief Fund payments, the receipt and application of each payment type is required in the Provider Relief Fund reporting process. **If an entity receives a retroactive payment from FEMA that overlaps with the period of availability, the entity must not use the FEMA payment on expenses or lost revenues already reimbursed by Provider Relief Fund payments.***

<https://www.hrsa.gov/provider-relief/faq/reporting>



PROVIDER RELIEF FUND FAQ: FQHC COVID-19 GRANTS



Must HRSA Health Center Program-funded health centers and look-alikes fully draw down COVID-19 Supplemental grant funding received from HRSA before using Provider Relief Fund payments for eligible expenses and lost revenues attributable to coronavirus?
(Modified 8/30/2021)

Yes, Health Center Program COVID-19 Grants awarded to FQHCs and FQHC Look-Alikes for costs for expenses or losses that are potentially eligible for payments under the Provider Relief Fund would need to be fully drawn down before Provider Relief Fund payments could be used during the applicable period of availability. The Provider Relief Fund requires that funds not be used to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. If FQHCs or FQHC Look-alikes have incurred expenses or losses attributable to coronavirus that these grant awards do not cover, they may use Provider Relief Fund payments towards those expenses or losses. Grant funding may be awarded to support either broad or specific allowable uses, depending on the terms and conditions of the award. Recipients must use grant funding awarded by HRSA for the purposes (as budgeted) approved by HRSA. Should those costs also be eligible for payment under the Provider Relief Fund, a Health Center Program-funded health center or look-alike must use their grant funds before utilizing Provider Relief Fund payments.



PROVIDER RELIEF FUND: LOST REVENUES

What are the options for calculating lost revenues?

OPTION 1

Up to the amount of the difference between actual patient care revenues.

OPTION 2

Up to the amount of the difference between budgeted (prior to March 27, 2020) and actual patient care revenues.

OPTION 3

Utilize any reasonable method of estimating revenues.

ADDITIONAL DOCUMENTATION REQUIRED

Revenues from Patient Care by Payor Mix and by Quarter for each Quarter during the period of availability

Same info per Option 1, as well as budgeted numbers; copy of budget; attestation from CEO/CFO

Describe methodology
Calculation / formula
Describe rationale
Direct correlation to COVID-19

<https://www.hhs.gov/sites/default/files/provider-post-payment-notice-of-reporting-requirements-june-2021.pdf>



PROVIDER RELIEF FUND: PATIENT CARE REVENUE



- **What happens if you don't meet reasonableness?**
Recipient must resubmit report within 30 days of notification using either Option 1 or Option 2 to calculate lost revenues attributable to the coronavirus.
- **How do you define Patient Care Revenue?**
Includes:
 - health care services and support services
 - **HRSA COVID-19 Claims Reimbursement for uninsured included in "other" category – *added 9/13/2021***
 - Patient Revenue received from public and private payers
 - Other assistance (i.e. PPP Loan) – The Other Assistance Received reported to HRSA will not be used in the calculation of expenses or lost revenues...– *added 7/1/2021***Excludes:** insurance, retail, or real estate values (except for SNFs, where that is allowable as a patient care cost) ; prescription sales revenue (***exception when derived through 340B program***); grants or tuition; contractual adjustments from all third party payers; charity care adjustments; bad debts; and any gains or losses on investments.



ALLOWABLE COSTS AND COST PRINCIPLES

Allowable Costs and Cost Principles	Compliance Considerations
93.224	<ul style="list-style-type: none">• Costs charged to the program must comply with the cost principles at 45 CFR Part 75, Subpart E and any other requirements or restrictions on the use of federal funding.
93.526	<ul style="list-style-type: none">• Costs charged to the program must comply with the cost principles at 45 CFR Part 75, Subpart E and any other requirements or restrictions on the use of federal funding.
93.498 (PRF)	<ul style="list-style-type: none">• 45 CFR 75 Subpart E – Cost Principles do not apply to 93.498. However, charges must be necessary, reasonable, accorded consistent treatment, and conform to the limitations and exclusions of the terms and conditions of the award.
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• 45 CFR 75 Subpart E – Cost Principles do not apply to 93.461. However, charges must be necessary, reasonable, accorded consistent treatment, and conform to the limitations and exclusions of the terms and conditions of the award.• Not reimbursement-based but is based on number of units of services provided X rate



ALLOWABLE COSTS AND COST PRINCIPLES

45 CFR Part 75, Subpart E - Cost Principles

- Allowable Costs Vs. Unallowable Costs
 - *Example of unallowable costs: costs of alcoholic beverages, bad debts, contributions and donations, fines, penalties, damages and other settlements, fundraising and investment management costs*
- Cost allocations; direct versus indirect costs
- Indirect cost rate (10% de minimis indirect cost rate vs. negotiated indirect cost rate)
- Required certifications
- Compensation - personnel services (time and attendance)





ALLOWABLE COSTS AND COST PRINCIPLES

45 CFR Part 75, Subpart E - Cost Principles

- For 93.498 (PRF) and 93.461 (COVID-19 Uninsured Program) - **Cost Principles do not apply**
- However, recipient must be able to prove that charges are necessary, reasonable, accorded consistent treatment, and conform to the limitations and exclusions of the terms and conditions of the award.
- Recipient must have documentation in place.





CASH MANAGEMENT

Cash Management	Compliance Considerations
93.224	<ul style="list-style-type: none">• Minimize the time elapsing between the transfer of funds and its disbursement
93.526	<ul style="list-style-type: none">• Minimize the time elapsing between the transfer of funds and its disbursement
93.498 (PRF)	<ul style="list-style-type: none">• Not applicable
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Not applicable



CASH MANAGEMENT

- When awards provide for advance payments, recipients must follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement.
- Interest earned on advances (except for funds under the Intergovernmental Cooperation Act and the Indian Self-Determination Act) by non-state non-profit entities in excess of \$500, is required to be submitted promptly, but at least quarterly, to the Department of Health and Human Services, Payment Management System. (Best practice: *drawdowns are deposited into an interest-bearing account*)
- When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government.





EQUIPMENT AND REAL PROPERTY MANAGEMENT

Equipment and Real Property Management	Compliance Considerations
93.224	<ul style="list-style-type: none">• Proceeds may be used to purchase equipment for testing, contract tracing, surveillance, mitigation and treatment of COVID-19, mobile testing and vaccination.
93.526	<ul style="list-style-type: none">• Proceeds may be used for construction, expansion, alteration, renovation, and other capital improvements to modify, enhance, and expand health care infrastructure administration of and tracking COVID-19 vaccinations
93.498 (PRF)	<ul style="list-style-type: none">• Proceeds from PRF may be used to purchase equipment as long as it was to Prevent, Prepare For, or Respond to COVID-19.
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Not applicable



EQUIPMENT AND REAL PROPERTY MANAGEMENT

- Equipment must be used in the program or project for which it was acquired.
- Maintain property records.
- Conduct physical inventory at least once every two years.
- Adequate safeguard against loss, damage or theft and adequate maintenance.
- Follow disposition procedures.





ELIGIBILITY

Eligibility	Compliance Considerations
93.224	<ul style="list-style-type: none">• Not applicable
93.526	<ul style="list-style-type: none">• Not applicable
93.498 (PRF)	<ul style="list-style-type: none">• Not applicable
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Services must be for individuals, who at the time the services were provided, were uninsured



PERIOD OF PERFORMANCE

Period of Performance	Compliance Considerations
93.224	<ul style="list-style-type: none">• See Notice of Award for budget period• Expanded authority
93.526	<ul style="list-style-type: none">• See Notice of Award for budget period• Expanded authority not applicable to this program
93.498 (PRF)	<ul style="list-style-type: none">• Starting January 1, 2020 through period covered by the funding phase
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Services rendered from February 4, 2020



PERIOD OF PERFORMANCE

Expanded Authority (45 CFR Part 75 Section 200.308 (d)(3))

- Recipients may take the following action without prior approval of the Grant Management Officer:
 - Carry forward unobligated balances to subsequent periods of performance
 - Except for funds restricted on a Notice of Award, recipients are authorized to carry over unobligated grant funds remaining at the end of the budget period up to 25% of the amount awarded for that budget period
 - In all cases, the recipient must notify HRSA when it has elected to carry over unobligated balances under Expanded Authority under item 12, “Remarks” on the initial submission of the Federal Financial Report (FFR)





PERIOD OF PERFORMANCE

Provider Relief Fund payments may be used during the period of availability to reimburse recipients for health care related expenses to prevent, prepare for, and respond to coronavirus or lost revenues attributable to COVID-19.

Reporting Period	Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received)	Period of Availability	Reporting Time Period
Period 1	April 10, 2020 to June 30, 2020	January 1, 2020 to June 30, 2021	July 1, 2021 to September 30, 2021
Period 2	July 1, 2020 to December 31, 2020	January 1, 2020 to December 31, 2021	January 1, 2022 to March 31, 2022
Period 3	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2022	July 1, 2022 to September 30, 2022
Period 4	July 1, 2021 to December 31, 2021	January 1, 2020 to December 31, 2022	January 1, 2023 to March 31, 2023



PROVIDER RELIEF FUND FAQ: EXTENSIONS



Are providers able to request extensions on the deadline to use funds? (Modified 9/29/2021)

No. HRSA will not approve extensions on the use of funds for any providers. Any unused funds must be returned to the government within 30 calendar days after the end of the relevant Reporting Time Period or any associated grace period.

<https://www.hrsa.gov/provider-relief/faq/reporting>



PROCUREMENT AND SUSPENSION AND DEBARMENT

Procurement and Suspension and Debarment	Compliance Considerations
93.224 93.526	<ul style="list-style-type: none">• 2 CFR was revised on August 12, 2020 and the revisions are effective November 13, 2020• Revisions include higher thresholds for micro-purchase (\$10,000) and simple acquisitions (\$250,000)• Auditors are not expected to develop findings for entities that have implemented increased purchase thresholds for all awards after November 12, 2020
93.498 (PRF)	<ul style="list-style-type: none">• Not applicable
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Not applicable



PROCUREMENT AND SUSPENSION AND DEBARMENT

- Non-federal entities must have and follow written procurement procedures
- Standards of Conduct covering conflicts of interest
- 200.318(c)(2) provision that covers organizational conflict of interest (i.e., if the non-Federal entity has a parent, affiliate, or subsidiary organization (that is not a state, local government, or Indian tribe), the non-Federal entity must also maintain written **standards of conduct covering organizational conflicts of interest**)





PROCUREMENT AND SUSPENSION AND DEBARMENT

Methods of procurement:

Procurement "Claw" (Sections 200.317-326)





REPORTING

Reporting	Compliance Considerations
93.224	<ul style="list-style-type: none">• Federal Financial Report (FFR)• Federal Funding Accountability and Transparency Act (FFATA)
93.526	<ul style="list-style-type: none">• FFR• FFATA
93.498 (PRF)	<ul style="list-style-type: none">• FFATA• Provider Relief Fund Reporting Portal
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• Not applicable



FEDERAL FINANCIAL REPORTING

To-date, Community Health Centers have received 5 COVID-related grants in addition to the base grant funding

Grant #	Grant Program Title	CFDA #	Budget Period
H80#####-##-##	Health Center Program (Base Grant Funding)	93.224	##/##/2020 = ##/##/2021
H8C#####-01-00	FY2020 Coronavirus Supplemental Funding for Health Centers	93.224	3/15/2020 – 3/14/2021
H8D#####-01-00	Health Center Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding	93.224	4/1/2020 – 3/31/2021
H8E#####-01-00	FY2020 Expanding Capacity for Coronavirus Testing (ECT)	93.224	5/1/2020 – 4/30/2021
H8F#####-01-00	America Rescue Plan Act Funding for Health Centers	93.224	4/1/2021 – 3/31/2023
C8E#####-01-00	American Rescue Plan Act – Health Center Infrastructure Support	93.526	9/15/2021 – 9/14/2024



FEDERAL FINANCIAL REPORTING

- Although all HRSA grants have the same Assistance Listing Numbers (formerly referred to as CFDA numbers), they each have different Grant Numbers requiring the submission of separate Federal Financial Reports (FFRs) - SF-425
- Annual FFR Filing Deadlines (per NoAs)

2. Due Date: Annually (Budget Period) Beginning: Budget Start Date Ending: Budget End Date, due Quarter End Date after 90 days of reporting period.

The grantee must submit an annual Federal Financial Report (FFR). The report should reflect cumulative reporting within the project period and must be submitted using the Electronic Handbooks (EHBs). The FFR due dates have been aligned with the Payment Management System quarterly report due dates, and will be due 90, 120, or 150 days after the budget period end date. Please refer to the chart below for the specific due date for your FFR:

- Budget Period ends August – October: FFR due January 30
- Budget Period ends November – January: FFR due April 30
- Budget Period ends February – April: FFR due July 30
- Budget Period ends May – July: FFR due October 30



REPORTING - FFATA

- Federal Funding Accountability and Transparency Act (FFATA) - Under the requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act) that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements who make first tier subawards of \$25,000 (\$30,000 on or after November 12, 2020) or more are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS. Information input to FSRS is available at [USASpending.gov](https://www.usaspending.gov) as the publicly available website for viewing this information (<https://www.usaspending.gov/search>).



Source: 2020 Compliance Supplement Addendum



REPORTING - FFATA

- The revisions to 2 CFR 170.220 published in 85 FR 49506 on August 13, 2020 raised the subaward reporting threshold from \$25,000 to \$30,000. As a result, recipients of awards made prior to November 12, 2020 are required to report on subawards over \$25,000, while the recipients of awards made on or after November 12, 2020 are required to report on subawards over \$30,000.
- Grant and cooperative agreement recipients and contractors are required to register in the FSRS and report subaward data through FSRS. To do so, they will first be required to register in the System for Award Management (SAM) (previously Central Contractor Registration (CCR)) (if they have not done so previously for another purpose (e.g., submission of applications through Grants.gov)) and actively maintain that registration. Prime contractors have previously been required to register in CCR/SAM. Information input to FSRS is available at USASpending.gov as the publicly available website for viewing this information (<https://www.usaspending.gov/search>).





REPORTING - FFATA

What do Health Centers need to do?

- Identify which awards, if any, are subject to the FFATA - review the Notice of Grant Award and/or inquire with funder
- Identify the Federal Award Identification Number (FAIN) for the award
- Ascertain if there is any sub-award or sub-contract of the COVID-19 grant for an amount equal to or greater than \$25,000 for awards prior to November 12, 2020 and \$30,000 for awards on or after November 12, 2020.
- Register or report the award in FSRS (FFATA Subaward Reporting System) (Registration or reporting must be done no later than the last day of the month following the month in which the subaward/subaward amendment obligation was made or the subcontract award/subcontract modification was made)



Source: 2020 Compliance Supplement Addendum



REPORTING - FFATA

For all audits with fiscal years ending after September 30, 2020, the requirement of the FFATA is extended to all selected major programs regardless of whether COVID-19 funding is involved as long as the reporting requirement is applicable per the matrix and the auditor determines the reporting requirement to be direct and material and the Center makes first tier subawards. This testing is in addition to the other required tests as it relates to the reporting requirement.

Key Definitions:

- 2 CFR Part 170 defines “**subaward**” as a legal instrument to provide support for the performance of any portion of the substantive project or program for which a recipient received a grant or cooperative agreement award and that is awarded to an eligible subrecipient. The term does not include procurement of property and services needed to carry out the project or program. A subaward may be provided through any legal agreement, including an agreement that the recipient considers a contract.
- FAR 52.204-10(a) defines “**first-tier subcontract**” to mean a subcontract awarded directly by a contractor to acquire supplies or services (including construction) for performance of a prime contract, but excludes the contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that benefit multiple contracts or the costs of which would normally be applied to a contractor's general and administrative expenses or indirect cost.

Source: 2020 Compliance Supplement Addendum



REPORTING – PRF REPORTING PORTAL

Reporting - on September 10, 2021, HHS announced a 60-day grace period for PRF Reporting period 1: Providers who received PRF payments during Period 1 (April 10, 2020 through June 30, 2021) were given a **60-day** grace period if they do not report use of funds by September 30, 2021. Providers will be afforded protection from recoupments and other enforcement between October 1, 2021 and November 30, 2021.

Announcing 60-Day Grace Period – Reporting Period 1

The September 30, 2021 Reporting Period 1 deadline has not changed, however in response to challenges providers are facing given the Covid surges and natural disasters around the country a 60-day Grace Period is in place. This period allows providers to come into compliance with their PRF reporting requirements should they fail to meet the September 30, 2021 deadline.

Important Details:

- While you will be out of compliance if you do not submit your report by September 30, 2021, recoupment or other enforcement actions will not be initiated during the 60-day grace period (October 1 – November 30, 2021).
- The grace period begins on October 1, 2021 and will end on November 30, 2021.
- Providers who are able are strongly encouraged to complete their report in the PRF Reporting Portal by September 30, 2021.
- Providers should return unused funds as soon as possible after submitting their report. All unused funds must be returned no later than 30 days after the end of the grace period (December 30, 2021).

This grace period only pertains to the Reporting Period 1 report submission deadline. There is no change to the Period of Availability for use of PRF payments.



PROVIDER RELIEF FUND – SEFA REPORTING

	Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received)	Deadline to Use Funds	PRF Portal Reporting Time Period	Schedule of Expenditures for Federal Awards (SEFA) Reporting
Period 1	April 10, 2020 to June 30, 2020	June 30, 2021	July 1, 2021 to September 30, 2021	Fiscal Year End (FYE) of June 30, 2021 through June 29, 2022
Period 2	July 1, 2020 to December 31, 2020	December 31, 2021	January 1, 2022 to March 31, 2022	FYEs of December 31, 2021 through FYEs June 29, 2022
Period 3	January 1, 2021 to June 30, 2021	June 30, 2022	July 1, 2022 to September 30, 2022	Guidance will be included in 2022 Compliance Supplement
Period 4	July 1, 2021 to December 31, 2021	December 31, 2022	January 1, 2023 to March 31, 2023	Guidance will be included in 2022 Compliance Supplement



SPECIAL TESTS AND PROVISIONS

Special Tests and Provisions	Compliance Considerations
93.224	<ul style="list-style-type: none">• Sliding fee discounts• Abortion services (if any) can not be charged to federal funds
93.526	<ul style="list-style-type: none">• Within 90 days of project end date, certain documentation for the approved project is required to be submitted
93.498 (PRF)	<ul style="list-style-type: none">• PRF terms and conditions indicate specifically that recipient (CHC) certifies that it will not seek to collect from the patient, out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider, for patients with presumptive or actual case of COVID-19 from January 31, 2020 through the end of the Public Health Emergency.
93.461 (COVID-19 Uninsured)	<ul style="list-style-type: none">• All claims will be full and complete (i.e., no interim bills or corrected claims) and no balance billing or charge any type of cost sharing for any COVID-19 testing, testing-related items and services provided, treatment, or vaccination administration fees for which the recipient receives a payment from this program.



BEST PRACTICES

- Proper allocation of expenses to available funding streams, documented in the accounting records
- Maintain active checklist for all COVID-19 Reporting Requirements
- Documentation, Documentation, Documentation
- Stay Alert for release of continuous COVID-19 guidance through HRSA website; FAQs, etc.



RESOURCES

**Code of Federal
Regulations (2
CFR Part 200)**

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>

**Office of
Federal
Financial
Management**

<https://www.whitehouse.gov/omb/office-federal-financial-management/>

**PRF General
Information
(including FAQs
and Reporting)**

<https://www.hrsa.gov/provider-relief>

<https://www.hrsa.gov/provider-relief/faq/reporting>

<https://www.hrsa.gov/provider-relief/reporting-auditing>



QUESTIONS

