

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**



Health Resources & Services Administration

Bureau of Primary Health Care  
Office of Policy and Program Development

***American Rescue Plan - Health Center Construction and Capital Improvements***  
**Funding Opportunity Number: HRSA-21-114**  
**Funding Opportunity Type(s): New**  
**Assistance Listings (CFDA) Number: 93.526**

**NOTICE OF FUNDING OPPORTUNITY**

Fiscal Year 2021

**Supplemental Information Due Date in HRSA EHBs: June 24, 2021**

*SAM.gov administrative flexibilities have been implemented. Please see [Section IV](#) for more information.*

**Issuance Date: April 27, 2021**

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Authority: Section 2601 of the American Rescue Plan Act of 2021 (P.L.117-2) and section 330 of the Public Health Service Act (42 U.S.C. 254b)

## EXECUTIVE SUMMARY

The Health Resources and Services Administration (HRSA) is accepting applications for the fiscal year (FY) 2021 American Rescue Plan – Health Center Construction and Capital Improvements (ARP-Capital) funding opportunity. The purpose of this one-time funding opportunity is to support construction, expansion, alteration, renovation, and other capital improvements to modify, enhance, and expand health care infrastructure.

Funding Opportunity Title:	American Rescue Plan – Health Center Construction and Capital Improvements (ARP-Capital)
Funding Opportunity Number:	HRSA-21-114
Due Date for Supplemental Information – <b>HRSA Electronic Handbooks (EHBs)</b>	June 24, 2021 (5 p.m. ET)
Anticipated Total Annual Available FY 2021 Funding:	Approximately \$1.0 Billion
Estimated Number and Type of Awards:	Approximately 1,376 new awards
Estimated Award Amount:	Formula <ul style="list-style-type: none"> <li>• \$500,000 base, plus</li> <li>• \$11 per patient as reported in 2019 UDS</li> </ul>
Cost Sharing/Match Required:	No
Period of Performance:	September 01, 2021 through August 31, 2024 (3 years)
Eligible Applicants:	Existing health centers receiving Health Center Program operational support (under sections 330(e), (g), (h), and/or (i)) at the time of application and at the time of award.  See <a href="#">Section III.1</a> of this notice of funding opportunity (NOFO) for complete eligibility information.

### Application Guide

### Technical Assistance

The Health Resources and Services Administration (HRSA) will offer technical assistance to applicants seeking ARP-Capital funding. Technical assistance will provide an overview of these instructions and an opportunity for applicants to ask questions on the application process and ARP-Capital objectives. Visit the ARP-Capital technical assistance webpage at <https://bphc.hrsa.gov/program-opportunities/american-rescue->

[plan/arp-capital-improvements](#) for details about live and recorded events, frequently asked questions, example documents, and other resources. See Agency Contacts for where to direct program, application system, and budget questions.

HRSA has scheduled the following technical assistance:

*Webinar*

Day and Date: Tuesday May 18, 2021

Time: 2 p.m. - 4 p.m. ET

Call-In Number: 1-833-568-8864

Participant Code: 160 895 1863

Weblink: <https://hrsa.gov.zoomgov.com/j/1608951863>

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# I. Program Funding Opportunity Description

## 1. Purpose

This notice announces the opportunity to apply for American Rescue Plan – Health Center Construction and Capital Improvements (ARP-Capital) funding. The purpose of this one-time funding opportunity is to support construction, expansion, alteration, renovation, and other capital improvements to modify, enhance, and expand health care infrastructure.

## 2. Background

This funding opportunity is authorized by the American Rescue Plan Act of 2021 and section 330 of the Public Health Service Act, as amended ([42 U.S.C. 254b](#)).

On January 31, 2020, the Department of Health and Human Services (HHS) declared a nationwide public health emergency related to severe acute respiratory syndrome coronavirus 2 (COVID-19). In response to this public health emergency, the American Rescue Plan Act of 2021 provides HRSA with funding for awards to eligible entities to:

- Plan, prepare for, promote, distribute, administer, and track COVID–19 vaccines, and carry out other vaccine-related activities.
- Detect, diagnose, trace, and monitor COVID–19 infections and related activities necessary to mitigate the spread of COVID–19, including activities related to, and equipment or supplies purchased for, testing, contact tracing, surveillance, mitigation, and treatment of COVID-19.
- Purchase equipment and supplies to conduct mobile testing or vaccinations for COVID-19, purchase and maintain mobile vehicles and equipment to conduct such testing or vaccinations, and hire and train laboratory personnel and other staff to conduct such mobile testing or vaccinations, particularly in medically underserved areas.
- Establish, expand, and sustain the health care workforce to prevent, prepare for, and respond to COVID–19, and to carry out other health work force-related activities.
- Modify, enhance, and expand health care services and infrastructure.
- Conduct community outreach and education activities related to COVID–19.

Through this funding opportunity, HRSA is making available approximately \$1.0 billion to support infrastructure costs for health center construction, expansion, alteration, renovation, and other capital improvements.

You are encouraged to consider projects to modify, enhance, and expand health care infrastructure that will complement or otherwise advance broader operational objectives of your health center as they relate to:

- Equitable access to COVID-19 vaccination, testing, and treatment;
- Other current and anticipated COVID-19 and primary health care needs in the service area; and

- Population and social determinants of health that may impact access to care, contribute to poor health outcomes, and exacerbate health disparities.

## II. Award Information

### 1. Type of Application and Award

Type(s) of applications sought: New

HRSA will provide funding in the form of a grant. The amount of funding awarded to each recipient will be determined according to the following formula:

- \$500,000 base amount, plus
- \$11 per patient as reported in 2019 UDS.

### 2. Summary of Funding

HRSA will provide approximately \$1.0 billion for an estimated 1,376 awards to all eligible health centers that submit a completed application.

The period of performance will be September 1, 2021 through August 31, 2024 (3 years). If funded, HRSA will award one-time ARP-Capital funding as new grant awards, separate from your Health Center Program operational (H80) award. Depending on the number of approvable applications, HRSA may adjust your award amount consistent with available funds.

You may submit one application to request funding to support one or more of the following project types, for up to five (5) total projects:

- **Construction of a New Facility:** This project creates a new building structure. Activities in this project include construction of a new stand-alone structure. The project is site-specific and may only include one physical site address where construction activities will occur, with or without equipment purchases.
- **Construction/Expansion (C/E) of an Existing Facility:** This project adds square footage to an existing facility and/or includes significant site work. The project is site-specific and may only include one physical site address where construction activities will occur, with or without equipment purchases. Examples of construction activities include adding a new pharmacy wing, constructing a covered driveway for a patient drop-off area, installing a permanently affixed modular or prefabricated building, or converting a grassy area to a newly paved parking lot.
- **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. The project is site-specific and may only include one physical site location where A/R activities will occur, with or without equipment purchases. Examples of alteration/renovation activities include modernizing, improving, and/or reconfiguring the interior arrangements of an existing facility; affixing equipment to the wall, ceiling, or floor of the existing physical facility; installing heating, ventilation, air-conditioning (HVAC) units, and exterior generators; and replacing

the exterior envelope (such as the roof) and/or improving accessibility (such as sidewalk replacement and ramps).

- **Equipment Only:** This project involves the acquisition of loose, moveable equipment not affixed to the physical building structure. Moveable equipment are non-expendable equipment items, with a useful life of more than one year, that can be readily shifted from place to place without requiring a change in the utilities or structural characteristics of the facility. Equipment-only projects do not include any alteration, renovation, construction, or expansion activities. This project may include one or more physical site addresses receiving only equipment items. [Appendix A](#) includes examples of allowable and unallowable project activity costs.

All HRSA awards are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at [45 CFR part 75](#).

### III. Eligibility Information

#### 1. Eligible Applicants

To be eligible to apply, your organization must be an existing health center receiving Health Center Program operational support (under sections 330(e), (g), (h), and/or (i)) at the time of application and at the time of award.

#### 2. Cost Sharing/Matching

Cost sharing/matching is not required for this program.

#### 3. Other

HRSA will consider any application that fails to satisfy the deadline requirements referenced in Section IV.4 non-responsive and will not consider it for funding under this notice.

NOTE: Multiple applications from an organization are not allowable.

#### **Additions to Current Scope of Project**

You may propose to change your Health Center Program scope of project to add a new service delivery site as part of the ARP-Capital funding opportunity.<sup>1</sup> If you propose a project at a new site not currently in your approved scope of project, you must complete the Add Site Checklist as part of the application process for HRSA review and approval as part of your application.

#### **Supplanting of Funds**

ARP-Capital funding may not supplant other resources (federal, state, local, or private funds). You may not propose a construction-related project or connected activity (e.g.,

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<sup>1</sup> Refer to Policy Information Notice (PIN) 2008-01: Defining Scope of Project and Policy for Requesting Changes available at <https://bphc.hrsa.gov/programrequirements/policies/pin200801.html> and Policy Information Notice (PIN) 2007-09: Service Area Overlap: Policy and Process at <https://bphc.hrsa.gov/programrequirements/policies/pin200709.html>

installation of utilities, demolition) that starts before the ARP-Capital award date of September 1, 2021. Proposed projects must be separate and distinct from any other existing construction-related projects. See [Appendix A](#) for further details regarding allowable and unallowable costs.

## **IV. Application and Submission Information**

### **1. Content and Form of Application Submission**

HRSA will send an email to each eligible health center through the HRSA Electronic Handbooks (EHB). This email will provide instructions on how to access the application module in EHB. Application information must be submitted via EHBs with a due date of June 24, 2021 at 5 p.m. ET.

#### **Application Page Limit**

The total size of all uploaded files included in the page limit shall not exceed the equivalent of **50 pages** when printed by HRSA. The page limit includes the abstract, project and budget narratives, attachments, and letters of commitment and support. Standard OMB-approved forms that are included in the workspace application package do not count in the page limit. Please note: If you use an OMB-approved form that is not included in the workspace application package for HRSA-21-114, it may count against the page limit. **It is therefore important to take appropriate measure to ensure your application does not exceed the specified page limit.**

**Applications must be complete and submitted under the correct funding opportunity number prior to HRSA EHBs deadlines.**

#### **Debarment, Suspension, Ineligibility, and Voluntary Exclusion Certification**

- 1) You certify on behalf of the applicant organization, by submission of your proposal, that neither you nor your principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- 2) Failure to make required disclosures can result in any of the remedies described in 45 CFR § 75.371, including suspension or debarment. (See also 2 CFR parts 180 and 376, and 31 U.S.C. § 3321).
- 3) Where you are unable to attest to the statements in this certification, an explanation shall be included in *Attachment: Other Relevant Documents*.

#### **Program-Specific Instructions**

To ensure that you fully complete the application for funding, the table below provides a list of required application information.



<b>NARRATIVE GUIDANCE</b>	
<b><u>Forms and Attachments</u></b>	<b><u>Requirements</u></b>
Form: Proposal Cover Page	Required for each application.
Form: Project(s) Page	Required for each application. Select the appropriate project type for up to 5 projects.
Form: Project Cover Page	Required for each project. Describe planned activities and provide detailed site-specific information.
Attachments: Project Cover Page Requirements	Required for each project. Include the following: <ul style="list-style-type: none"> <li>• Budget Justification</li> <li>• Environmental and Information Documentation (EID) Checklist</li> <li>• Floor Plans/Schematic Drawings</li> </ul>
Form: Project-Specific Forms	Required for each project. Include the following: <ul style="list-style-type: none"> <li>• 424c Project Budget</li> <li>• Funding Sources</li> <li>• Equipment list</li> <li>• Form 5B</li> <li>• Other Requirements for Sites.</li> </ul>
Attachments: Project-Specific Forms Requirements (as applicable)	<ul style="list-style-type: none"> <li>• Property Information (uploaded in the Other Requirements for Sites form)</li> <li>• Landlord Letter of Consent (uploaded in the Other Requirements for Sites form)</li> </ul>
Form: Add Site Checklist	Required when adding a new site to the project.
Form: Consolidated Budget Information (SF424)	Required for each application. Automatically completed based on project budget(s).

***i. Project Narrative (Required for each application)***

***A. Proposal Cover Page (EHBs)***

Applications will contain the information below: Planned Activities and Targeted Domains.

- ***PLANNED ACTIVITIES:*** Provide a comprehensive, consolidated description of the proposed project(s), including:

The alteration, renovation, construction, expansion, and other capital improvements needed to modify, enhance, and expand health care infrastructure in response to COVID-19 and other emerging primary health care infrastructure needs.

***B. Project(s) Type (EHBs) – Required for each application***

Each project type is restricted to one physical site address except for Equipment Only project types. Select the appropriate project type for the specific physical site address where the planned activities will occur, which include:

- *Construction of a New Facility*
- *Construction/Expansion (C/E) of an Existing Facility*
- *Alteration/Renovation of an Existing Facility (A/R)*
- *Equipment Only*

**ii. Project-Specific Forms (Required for each project within an application)**

**A. Project Cover Page (EHBs) – Required for each project**

Provide detailed project description, site, project management, and timeline information in the sections below:

- **Project Description:** Provide a detailed description of the planned activities occurring at the physical site. The project description should include:
  - Specific dimensions, square footage, and clinical and non-clinical area(s) to be impacted
  - Number of new rooms or areas added or improved
  - Purchases of clinical and/or non-clinical moveable equipment items, including replacement mobile vans
  - Creation of a new stand-alone structure
  - Expansion of an existing structure to increase the total square footage
  - Improvement and/or reconfiguration of the interior arrangements of an existing facility
  - Installation of permanently affixed equipment
  - Modifications and/or repairs to the building exterior (including windows)
  - Heating, ventilation, and air-conditioning (HVAC) modifications (including the installation of climate control and duct work)
  - Electrical upgrades and/or plumbing work
- **Site Information:** Enter the total improved square footage. If the project involves construction or expansion of square footage, indicate the total square footage of the new building or added to the existing footprint. If the project involves interior renovations, indicate the total square footage impacted by the activities proposed. For example:
  - If a project involves construction of a new facility, indicate the sum of the interior square footage and the parking lot area.
  - If the project involves expansion of an existing facility, indicate the sum of the square footage of the new addition and any other area where activities occurred.
  - If the project involves renovation activities, indicate the square footage of the area impacted by renovation activities.
  - If the project involves equipment only, improved square footage is not applicable.

- **Project Management** – Required for all projects:
  - Identify the individual responsible for managing the project.
  - Describe the capacity to manage, implement and evaluate the proposed activities. This may be a person or entity accountable in your organization for the implementation and oversight of the project.
  - Indicate whether the planned construction procurement will occur through competitive bid or other method. Describe the proposed method of construction such as design/build, construction management at risk, by the applicant’s own forces, or whether a third party construction manager will be used.
  
- **Project Timeline** – Provide a timeline to achieve the planned activities and the number of months for each of the applicable milestones within the 3-year (36 months) period of performance:
  - Planning
  - Design
  - Obtaining required permits and/or variances
  - Meeting Federal environmental and historic preservation requirements
  - Solicitation of bids and awarding of contracts, alteration/renovation or construction period,
  - Expected project completion date

**B. Budget Information for Construction (Project Budget) – Standard Form SF-424C (EHBs) – Required for each project**

Complete the SF-424C as presented for each proposed project. See instructions in [Appendix A](#) for further details on completing the SF-424C. The SF-424C for the project must be consistent with the Budget Justification supplemental attachment.

**C. Funding Sources (EHBs) – Required for each project**

Identify the total cost associated with the proposed project and describe all public, private or other sources of funding, including governmental agencies, or other grant funds or proposed debt. Identify the status of obtaining the full funding needed to undertake the project (e.g., whether the funds are secured, expected, or forthcoming including the date, the source, and amount).

**D. Equipment List (EHBs) – Required for all projects with equipment purchases**

Provide a complete and reasonable equipment list (clinical and non-clinical items).

NOTE: Equipment purchases supported all or in part by ARP-Capital funding must be maintained, tracked, and disposed of in accordance with 45 CFR Part 75. While title to the equipment vests with the awardee, the Federal government retains interest in the equipment purchased with Federal funds in accordance with 45 CFR Part 75.

**E. Form 5B: Service Sites (EHBs) – Required for each project**

Propose a project at an existing site in your current Health Center Program scope of project, or propose to add a new site.

**F. Add Site Check List (EHBs) – Required for proposed new sites (when applicable)**

Applicants proposing to add a site not currently included in your current Health Center Program scope of project must complete the Add Site Checklist for HRSA review and approval as part of your application.

**G. Other Requirements for Sites (EHBs) – Required for All Alteration/Renovation and/or Construction/Expansion activities**

**Federal Interest and Site Control**

Identify whether the property is owned or leased:

- If the applicant has an ownership interest in the property, the applicant must document in writing the following:
  - Attach a copy of the title to the property.
  - If the title does not list the applicant as owner of the property, attach a legal opinion from the applicant's attorney describing the applicant's legal interest in the site. The opinion should explain why title to the property is not recorded in the name of the applicant and the nature of the applicant's legal interest in the property.
  - Identify potential issues that may affect current or future control of the property, e.g., procurement issues, property ownership not at arm's length.
  - Attach a plot plan survey for the property.
- If the applicant is leasing the project space, the applicant must document in writing that the property owner:
  - Agrees to the renovation of the property and consents to the language outlined within the Leasehold Improvements section, whether as a provision of a new lease or an amendment to an existing lease, agreed to by both the recipient and lessor/property owner,
  - Acknowledges Federal Interest in the property, and
  - Agrees to file a Notice of Federal Interest (NFI) in the land records of the local jurisdiction before the project begins (if applicable).

(See the Leasehold Improvements section for more information on the expectations associated with lease agreements.)

- The applicant agrees and acknowledges that, at the time of the completion of the project, it will obtain and submit to HRSA a written appraisal of the property by an appraiser who is certified or licensed in accordance with the requirements of title 11 of the Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.).

## **Cultural Resource Assessment and Historic Preservation Considerations**

For alteration/renovation projects, you must respond to each of the following questions:

- Is the project facility 50 years or older?
- Does the overall proposed project include a) any renovation/modification to the exterior of the facility (including the installation of new signage), or b) ground disturbance activities (including installation of permanent access ramps, utility work, installation of curb cuts, fencing, and parking)?
- Does the project involve alteration/renovation to a project facility that is architecturally, historically, or culturally significant?
- Is the site located on Native American, Alaskan Native, Native Hawaiian, or equivalent culturally significant lands?

### ***iii. Budget Information***

A budget that follows the instructions provided below will ensure that you will have a well-organized plan. Carefully following the approved plan can help you avoid audit issues during the implementation phase.

[HRSA's Standard Terms](#) apply to this program. Please see Section 4.1 of HRSA's SF-424 Application Guide for additional information. None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II. The current Executive Level II salary is \$199,300. See Section 5.1.iv Budget – Salary Limitation of HRSA's [SF-424 Application Guide](#) for additional information. Note that these or other salary limitations may apply in the following fiscal years, as required by law.

### ***Budget Information for Construction (Consolidated Budget) – Standard Form SF-424C (EHBs) – Required for each application***

Confirm completed SF-424C (in EHBs) as presented for all the proposed activities. The form is automatically filled by EHBs as each project-specific budget information is completed. This budget should reflect the total of all proposed project(s).

### ***iv. Attachments***

Provide the following items in the order specified below. **Unless otherwise noted, attachments count toward the application page limit. Clearly label each attachment.**

#### ***Attachment 1: Budget Justification – Required for all projects***

Provide a budget justification for each proposed project that provides a concise cost estimate, showing quantities, unit prices and total cost for each line item/costs classification in the budget, as well as a breakout of Federal and Non-Federal costs for each line item. Identify the specific sources of other funding and the status of obtaining funding (e.g., whether the funds are secured, expected, or forthcoming, including the date, source, and amount) and describe the plan for securing the balance of the funds that are neither secured nor committed. See sample budget justification:

<https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/fundingopportunities/capital-development/samplebudgetjust2.pdf>

*Attachment 2: Environmental Information Document (EID) Checklist - Required for each site-specific project with Alteration/Renovation and/or Construction/Expansion activities*

Provide a completed EID checklist for the project. See:

<https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/pdf/environmental-info-doc-2019.pdf>

*Attachment 3: Floor Plans/Schematic Drawings/Site Plan – Required for each site-specific project with Alteration/Renovation and/or Construction/Expansion activities*

Provide a floor plan drawn to scale for the proposed project that shows the location of the work and dimensions of the impacted area. All drawings should be consistent with the described activities in the project narrative and must include:

- Rough dimensions of the facility and total square footage,
- Clearly distinguished area in the facility that will be left unaffected from the area that is being altered, renovated, constructed or expanded, showing total square footage of the impacted area, and
- Labels for each room where major project components are occurring, such as exam room, reception area, break room, etc.

For alteration/renovation of existing space, you may mark up and make notations on an exit plan or diagram to show the area of the renovation. The drawings should show space(s) to be renovated and the functional relationship within the building.

If any activities occur outside of the physical building, provide a site plan showing the general layout and location of the existing site conditions. The plan must indicate the uses and structures proposed for the parcel of land. As applicable, label the locations and details of the proposed work or connected activity occurring at the physical site location.

*Attachment 4: Property Information (uploaded in the Other Requirements for Sites) – Required for each site-specific project with Alteration/Renovation and/or Construction/Expansion activities*

Provide a copy of the title, deed, or lease for the project.

*Attachment 5: Landlord Letter of Consent (as applicable; uploaded in the Other Requirements for Sites form) - Required for each site-specific project with Alteration/Renovation and/or Construction/Expansion activities*

Applicants proposing a project on a leased property must provide a Landlord Letter of Consent (see the Leasehold Improvements section for additional information on the expectations associated with lease agreements).

Sample templates for the landlord letter of consent as it applies to Construction, Construction/Expansion (C/E) and Major Alterations/Renovations are available at <https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/fundingopportunities/capital-development/landlordconsent.pdf>.

A sample template for the landlord letter of consent as it applies to minor alteration/renovation projects are available at <https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/fundingopportunities/sud-mh/LLOC-MinorRenovation.pdf>.

*Attachment 6-11: Other Relevant Documents (as applicable)*

Include here any other documents relevant to the application.

## **2. Dun and Bradstreet Data Universal Numbering System (DUNS) Number Transition to the Unique Entity Identifier (UEI) and System for Award Management (SAM)**

The requirements for SAM (System of Award Management) registration have temporarily changed due to the federal government's response to the COVID-19 pandemic. To support entities impacted by COVID-19, applicants are not required to have an active SAM registration at the time of submission of the application under this Notice of Funding Opportunity (NOFO). If not registered at time of award, HRSA requires the recipient to obtain a unique entity identifier (i.e., DUNS) and complete SAM registration within 30 days of the Federal award date.

If you have already completed Grants.gov registration for HRSA or another federal agency, confirm that the registration is still active and that the Authorized Organization Representative (AOR) has been approved.

In accordance with the Federal Government's efforts to reduce reporting burden for recipients of federal financial assistance, the general certification and representation requirements contained in the Standard Form 424B (SF-424B) – Assurances – Non-Construction Programs, and the Standard Form 424D (SF-424D) – Assurances – Construction Programs, have been standardized federal-wide. Effective January 1, 2020, the forms themselves are no longer part of HRSA's application packages and the updated common certification and representation requirements will be stored and maintained within SAM. Organizations or individuals applying for federal financial assistance as of January 1, 2020, must validate the federally required common certifications and representations annually through SAM located at [SAM.gov](https://sam.gov).

**If you fail to allow ample time to complete registration with SAM, you will not be eligible for a deadline extension or waiver of the electronic submission requirement.**

### **Submission Dates and Times**

#### **Application Due Date**

The due date to complete all other required information in HRSA EHBs is *June 24, 2021 at 5 p.m. ET*. HRSA suggests submitting applications to EHBs at least **3 calendar days before the deadline** to allow for resolution of any unforeseen issues.

## **3. Funding Restrictions**

Funds awarded through the ARP-Capital funding opportunity must be fully obligated by the end of the 3-year period of performance. [Appendix A](#) lists allowable and unallowable costs.

HRSA's [Standard Terms](#) apply to this program. Please see Section 4.1 of HRSA's SF-424 Application Guide for additional information.

You are required to have the necessary policies, procedures, and financial controls in place to ensure that your organization complies with all legal requirements and restrictions applicable to the receipt of federal funding including statutory restrictions on use of funds for lobbying, executive salaries, gun control, abortion, etc. Like those for all other applicable grants requirements, the effectiveness of these policies, procedures, and controls is subject to audit.

Be aware of the requirements for HRSA recipients and subrecipients at 2 CFR § 200.216 regarding prohibition on certain telecommunications and video surveillance services or equipment. For details, see the [HRSA Grants Policy Bulletin Number: 2021-01E](#).

## **VI. Application Review Information**

### **1. Review Criteria**

HRSA will conduct internal reviews for completeness, eligibility, and ineligible costs. HRSA reserves the right to request budget modifications and/or additional revisions to an application if the application is not fully responsive to the ARP-Capital instructions or if ineligible costs are proposed.

Prior to award, HRSA will assess the Health Center Program award status of all applicants. You are not eligible to receive this funding if you have one or more of the following characteristics at the time of award:

- Conditions related to five or more Health Center Program requirement areas that are in the 60-day phase of Progressive Action.
- Conditions related to one or more Health Center Program requirement area(s) that are in the 30-day phase of Progressive Action.

### **2. Assessment of Risk**

HRSA may elect not to fund or may place certain restrictions on applicants with management or financial instability that directly relates to the organization's ability to implement statutory, regulatory, or other requirements ([45 CFR § 75.205](#)).

HRSA reviews applications for other considerations that include past performance, as applicable, cost analysis of the project/program budget, assessment of your management systems, ensuring continued applicant eligibility, and compliance with any public policy requirements, including those requiring just-in-time submissions. HRSA may ask you to submit additional programmatic or administrative information (such as an updated budget or "other support" information) or to undertake certain activities (such as negotiation of an indirect cost rate) in anticipation of an award. However, even at that point in the process, such requests do not guarantee that HRSA will make an award. Following review of all applicable information, HRSA's approving and business



management officials will determine whether HRSA can make an award if special conditions are required, and what level of funding is appropriate.

Award decisions are discretionary and are not subject to appeal to any HRSA or HHS official or board.

HRSA is required to review and consider any information about your organization that is in the [Federal Awardee Performance and Integrity Information System \(FAPIIS\)](#). You may review and comment on any information about your organization that a federal awarding agency previously entered. HRSA will consider your comments, in addition to other information in [FAPIIS](#) in making a judgment about your organization's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed as described in [45 CFR § 75.205 HHS Awarding Agency Review of Risk Posed by Applicants](#).

HRSA will report to FAPIIS a determination that an applicant is not qualified ([45 CFR § 75.212](#)).

## **V. Award Administration Information**

### **1. Award Notices**

HRSA will issue the Notice of Award (NOA) prior to the start date of September 01, 2021.

### **2. Administrative and National Policy Requirements**

See Section 2.1 of HRSA's [SF-424 Application Guide](#).

If you are successful and receive a Notice of Award, in accepting the award, you agree that the award and any activities thereunder are subject to all provisions of 45 CFR part 75, currently in effect or implemented during the period of the award, other Department regulations and policies in effect at the time of the award, and applicable statutory provisions.

#### **Accessibility Provisions and Non-Discrimination Requirements**

Federal funding recipients must comply with applicable federal civil rights laws. HRSA supports its recipients in preventing discrimination, reducing barriers to care, and promoting health equity. For more information on recipient civil rights obligations, visit the HRSA Office of Civil Rights, Diversity, and Inclusion [website](#).

#### **Requirements of Subawards**

The terms and conditions in the NOA apply directly to the recipient of HRSA funds. The recipient is accountable for the performance of the project, program, or activity; the appropriate expenditure of funds under the award by all parties; and all other obligations of the recipient, as cited in the NOA. In general, the requirements that apply to the recipient, including public policy requirements, also apply to subrecipients

under awards, and it is the recipient's responsibility to monitor the compliance of all funded subrecipients. See [45 CFR § 75.101 Applicability](#) for more details.

### **Accessible Design Requirements**

The Architectural Barriers Act of 1968, as amended, the Federal Property Management Regulations 101-19.6 (41 CFR 101-19.6), and the Uniform Federal Accessibility Standards issued by the General Services Administration (41 CFR 101-19.6, Appendix C) set forth minimum design standards for making facilities designed, built, altered, or leased with federal funds accessible to, and usable by, the physically handicapped. In addition, the Americans with Disabilities Act (ADA; 42 USC 12101 et HRSA-19-079 28 seq.), as revised in 2010, included accessibility standards, called the 2010 Standards for Accessible Design (2010 Standards), which establish minimum criteria for accessibility in design and construction. More information about the ADA and Architectural Barriers Act Accessibility Requirements are available online at <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites>.

### **Sustainable Design**

You should demonstrate incorporation of appropriate sustainability principles and federal green building requirements detailed in the following federal statutes to the extent practical for each project:

- Executive Order (EO) 13693:  
<https://www.federalregister.gov/documents/2015/03/25/2015-07016/planning-for-federal-sustainability-in-the-next-decade>
- The Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings (Guiding Principles):  
<https://www.epa.gov/greeningepa/guiding-principles-federal-leadership-high-performance-and-sustainable-buildings>

For further guidance, reference:

- EPA Federal Green Building Requirements:  
<https://www.epa.gov/greeningepa/green-buildings-epa>
- The Healthier Hospitals Initiative: <http://healthierhospitals.org/>
- U.S. Green Buildings Council: <https://new.usgbc.org/>
- Facility Guidelines Institute: <https://fgiguidelines.org/>

### **Procurement**

You may acquire a variety of commercially available goods or services in connection with an award-supported project. You can use your own procurement procedures that reflect applicable State and local laws and regulations, as long as those procedures conform to the applicable U.S. Department of Health and Human Services (HHS) regulations, and the HHS Grants Policy Statement. For more information regarding procurement requirements, including your responsibilities, competitive bidding requirements, bonding, and conflicts of interest, review the procurement resource at <https://bphc.hrsa.gov/programopportunities/fundingopportunities/pdf/faqprocurement.pdf>

### **Force Account Labor**

If you choose to use your in-house personnel for in-house design work and/or in-house renovation work in lieu of selecting a private firm, you must obtain approval from HRSA prior to beginning the design phase. The total cost for in-house personnel

plus the fee for the architect and engineer must not exceed the prevailing architectural and engineering fee costs (usually 5 to 15 percent of the construction bid cost). Detailed information regarding the format and content of the justification needed for an assessment of the use of force account labor is available at <https://bphc.hrsa.gov/programopportunities/fundingopportunities/pdf/forcefaq.pdf>.

## **Federal Interest**

### *Real Property*

The Federal Government retains a reversionary interest in real property constructed, acquired, or improved with Federal funds. The Federal interest is based on the total allowable project costs (Federal), excluding movable equipment, as a percent of the value of the property after completion of the project. In addition:

- For alteration/renovation projects, Federal interest exists for the useful life attributable to the alteration/renovation funded under this award. Alteration/renovation projects totaling an allowable project cost (Federal and non-Federal) of \$500,000 or greater, excluding movable equipment with a unit cost of \$5,000 or more and other items with a useful life of more than 1 year and a unit cost less than \$5,000, are required to file a Notice of Federal Interest (NFI) against the property title.
- For all construction/expansion projects, regardless of award amount, you are required to file a Notice of Federal Interest (NFI).

HRSA's Associate Administrator of the Office of Federal Assistance Management must provide prior written approval in order for the property owner to mortgage, sell, transfer, or use the property for a purpose inconsistent with the award. A notarized NFI must be filed against the property deed prior to construction in the appropriate public records office of the jurisdiction in which the property is located and once filed, a copy must be provided to the appropriate HRSA Grants Management Specialist.

A sample NFI is available at:

<https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/fundingopportunities/capital-development/samplenoticeoffederalinterest.pdf>

NFI FAQs are available at:

<https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/fundingopportunities/capital-development/nfifilingguide.pdf>

## **Leasehold Improvements**

While leasehold improvements are allowed under this funding opportunity, please note:

- a) Lessors/Property Owners must provide a Landlord Letter of Consent in Attachment 6, and agree in writing to the following:
  - Permit the grantee to undertake the proposed alteration/renovation project,
  - Length of the lease must be appropriate to the scope of project, e.g., the length of the lease extends for a minimum of 5 years from the period of performance end date,

- Acknowledge Federal interest in the project, and file a Notice of Federal Interest against the property title in the local jurisdiction before the project begins, and
  - Agree to modify the lease with additional terms that indicate the continued rights of the recipient/Federal Government in the event that the lessor of record changes.
- b) HRSA will determine if the term of the lease is long enough for the full value of the award-supported improvements to benefit the award activity. HRSA will consider the purpose and duration of the award, expected life of the facility, and use of the facility for award-supported purposes.
- c) Lease agreement must provide the applicant reasonable control of the property.<sup>2</sup>
- d) Funds may not be used to pay lease costs.
- e) Funds for a leased property cannot address needs that are part of the terms of the lease (i.e., the responsibility of the lessor/property owner).
- f) If funds address improvements that add value to the property (e.g., installation of double paned windows), you must have written evidence of negotiated offset in the rent.

All other improvements that comply with the requirements of this funding opportunity are allowable.

In addition, for major renovation projects proposed in leased facilities, you must provide evidence that the lease includes the following language, whether as a provision of a new lease or an amendment to an existing lease, agreed to by both the recipient (occupant) and lessor (owner):

- a) Recipient agrees not to sublease, assign, or otherwise transfer the leased property, or use the property for a non-award-related purpose(s), without the prior written approval from HRSA (at any time during the term of the lease, whether or not award support has ended);
- b) Lessor will inform HRSA of any default by the recipient under the lease;
- c) HRSA shall have 60 days from the date of receipt of the lessor's notice of default in which to attempt to eliminate the default, and that the lessor will delay exercising remedies until the end of the 60-day period following receipt by HRSA of the lessor's notice of default;
- d) HRSA may intervene to ensure that the default is eliminated by the recipient or another recipient named by HRSA;

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<sup>2</sup> "Reasonable control" for the purpose of the ARP-Capital funding opportunity is defined as the ability to implement the project and realize the benefits of the project without unnecessary demands, such as unreasonably restrictive access and limited control, at the site.

- e) Lessor shall accept payment of money or performance of any other obligation by the HRSA's designee, for the recipient, as if such payment of money or performance had been made by the recipient; and
- f) In the event that the recipient defaults or the recipient vacates the leasehold before the end of the lease term, HRSA shall have the option to designate a replacement for the recipient for the balance of the lease term, subject to approval by the lessor, which will not be withheld except for good reason.

In addition, the lessor/property owner must agree to file a Notice of Federal Interest (NFI) against the property title in the local jurisdiction before the project begins (if the proposed net project cost, less movable equipment, is \$500,000 or greater).

### **Environmental Review**

The National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 (P.L. 91-190, Sec. 2, Jan. 1, 1970, 83 Stat., 852), including Public Disclosure, Section 102 of NEPA, and EO 11514, requires Federal agencies to assess the environment impacts of major Federal actions, including construction projects supported in whole or in part through Federal contracts, grants, subsidies, loans, or other forms of funding assistance.

HRSA requires that you provide information on anticipated environmental impact as part of their applications. YOU MUST submit an Environmental Information and Documentation (EID) Checklist in Attachment 2. The EID Checklist is available at: <https://bphc.hrsa.gov/sites/default/files/bphc/programopportunities/pdf/environmental-info-doc-2019.pdf>

If after reviewing the project description and the EID, HRSA determines that the funded project may have a significant impact on the environment, HRSA will request that the awardee initiate and prepare an Environmental Assessment (EA). Based on the review of the draft EA, HRSA will determine if there is a Finding of No Significant Impact (FONSI) or additional review is required.

**NEPA related reviews must be completed and conditions of award must be released prior to commencing work outside of purchasing moveable equipment, engaging architectural and engineering services, or acquiring necessary licenses, permits and other approvals for the project.**

For additional information regarding compliance with NEPA, visit: <https://bphc.hrsa.gov/about/nepa-nhpa/capital-development.html>

### **Cultural Resource and Historic Preservation (HP) Section 106 Reviews**

Successful projects will be reviewed under the terms of section 106 of the National Historic Preservation Act (NHPA). Under section 106, prior to the expenditure of funds, an assessment must be made of the potential effects of undertakings on historic properties (which include any prehistoric or historic district, site, building, structure, or object), that are eligible for listing or are listed on the National Register of Historic Places (NRHP).

HRSA has determined the following activities constitute an undertaking under the NHPA:

- 1) All new construction and expansion projects (including demolition of existing buildings);
- 2) Alteration/renovation/repair projects where exterior changes to the building facade or surroundings (such as grading, fencing, or additional parking) may be made (including roof, windows and parking lots); and
- 3) Where interior renovations may be made to a building that is over 50 years old, or is historically, architecturally, or culturally significant.

Under section 106, prior commencing work outside of purchasing moveable equipment, engaging architectural and engineering services, or acquiring necessary licenses, permits and other approvals for the project, an assessment must be made of the potential effects of undertakings on historic properties, and a notification/consultation must take place with all interested parties. Pursuant to the regulations at 36 CFR Part 800, HRSA determines the project's effect on historic properties in consultation with the State Historic Preservation Officer (SHPO), Tribal Historic Preservation Officers (THPO), representatives of the local government, and other affected Indian tribes and interested parties.

For projects that require section 106 review, funds may not be drawn down until HRSA receives documentation from the SHPO/THPO concurring whether the property:

- Is not historic, or
- Is historic, with the project causing no potential adverse effects, or
- Is historic and the project may cause adverse effects and provide a resolution to the adverse effects through a fully executed MOA finalized by all parties.

**Section 106 and any related historic preservation reviews must be completed and conditions of award must be released prior to commencing work outside of purchasing moveable equipment, engaging architectural and engineering services, or acquiring necessary licenses, permits and other approvals for the project. Section 106 reviews are project specific; therefore, previous consultations for a particular site are not valid for the purposes of this project.**

## **Equipment**

You must provide, when applicable, a detailed equipment list that includes non-expendable items with a useful life of more than 1 year.

Following the standards below regarding equipment purchases will mitigate many of the negative effects on human health and the environment from the proliferation, rapid obsolescence, low recycling rate, high energy consumption, and potential to contain hazardous materials and increased liability from improper disposal are strongly encouraged, where practicable, to Electronic Product Environmental Assessment Tool (EPEAT) - Silver Rated products: <http://www.epeat.net>.

When EPEAT-registered products are not available, the following environmental features should be given priority:

- Energy Star features, (<http://www.energystar.gov/>)
- Computer Power Management – Enable CPU's to go into power save mode after an appropriate time period (e.g., 15-60 minutes),
- Monitor Power Management – Enable monitors to go into power save mode after an appropriate time period (e.g., 15-60 minutes),

- Establishment of a 4-year or higher replacement cycle (refresh Rate) for desktop computers and laptops,
- Establishment of default setting to double sided printing for printers and print driver software,
- Recycled content, reduced packaging,
- Reduced toxic constituents in the product and in the manufacturing process,
- Designed for recycle/reuse including upgradeability considerations,
- Vendor provided take-back service, and
- Vendor demonstration of corporate environmental responsibility.

### **Community Development Financial Institutions (CDFI) Fund**

The mission of the U.S. Department of the Treasury's CDFI Fund is to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States. Through its various programs, the CDFI Fund enables locally-based organizations to further goals such as: economic development (job creation, business development, and commercial real estate development); affordable housing (housing development and homeownership); and community development financial services (provision of basic banking services to underserved communities and financial literacy training).

HRSA recommends that applicants consider utilizing programs offered by participating CDFIs operating nationally or within your State. For further information on the CDFI Fund, the programs it administers, and a listing of organizations in your community that have been certified as CDFIs, visit <http://www.cdfifund.gov/>.

### **Health Center Facility Loan Guarantee Program**

Eligible Health Center Program awardees working with a lender to secure additional financing for HRSA funded capital projects may consider applying for a guarantee through HRSA's Health Center Facility Loan Guarantee Program (LGP). The LGP supports loans for the construction/expansion, alteration/renovation and modernization of health center medical facilities and may assist in acquiring substantially better loan terms and rates. For more information, visit the [LGP webpage](#). Submit LGP questions or request an introductory conference call with program staff via the [BPHC Contact Form](#).

## **3. Reporting Requirements**

The impact of ARP-Capital funding will be determined by the successful completion of your proposed project(s) by the end of the 3-year period of performance (by August 31, 2024).

This includes the submission of the following in EHB to demonstrate progress and completion.

- A. Award recipients must submit the following documentation for each project:
  - **Project Implementation Certification**, submitted after Architect/Engineer/Contractor is secured for the project. This letter states the project will be completed in accordance with all applicable Federal statutes and regulations.
  - **Final Project Budget**, submitted within 90 days of completing the project.

- **Project Completion Certification**, submitted within 90 days of completing the project. This letter states the project was completed in accordance with previously certified contract documents and in accordance with all applicable Federal statutes and regulations. Supplemental attachments include the Certificate of Substantial Completion and Certificate of Occupancy.
  - **Photographs** (before, during, and after construction-related activities), submitted within 90 days of completing the project. Not applicable to equipment projects.
- B. **Progress Report(s)**. You must submit a progress report to HRSA on a quarterly basis. The progress report must include the following, as applicable:
1. Narrative of project activities
  2. Project completion status (percent complete)
  3. Actual versus projected budget information
  4. Timeline or Construction Schedule
  5. Earned Value Management (as applicable)
- C. **Federal Financial Report**. The Federal Financial Report (SF-425) is required within 150 days of the end of each year of the 3-year project period. The report is an accounting of expenditures for the specified year and should reflect cumulative reporting within the project period of the document number. Effective October 1, 2020, all FFRs will be submitted through the Payment Management System (PMS).
- D. **Submit the SF-428 Tangible Personal Property Report**. Due within 90 days of the period of performance end date. Tangible personal property means property of any kind, except real property, that has physical existence. It includes equipment and supplies. It does not include copyrights, patents or securities.
- E. **Ad Hoc Submissions**: Throughout the period of performance, HRSA may determine that a project requires additional information for each awarded project to be submitted beyond the standard deliverables.

Please note that the OMB revisions to Guidance for Grants and Agreements termination provisions located at [2 CFR § 200.340 - Termination](#) apply to all federal awards effective August 13, 2020.

## VI. Agency Contacts

You may request additional information and/or technical assistance regarding business, administrative, or fiscal issues related to this NOFO by contacting:

David Colwander  
 Grants Management Specialist  
 Division of Grants Management Operations, OFAM  
 Health Resources and Services Administration



5600 Fishers Lane, Mailstop 10SWH03  
Rockville, MD 20857  
Telephone: (301) 443-7858  
Email: [DColwander@hrsa.gov](mailto:DColwander@hrsa.gov)

You may request additional information regarding the overall program issues and/or technical assistance related to this NOFO by contacting:

**Electronic Submission issues:**

[Health Center Program Support](#) or  
877-464-4772. 7 a.m. to 8 p.m. ET,  
Monday - Friday (except federal holidays)

**Program Related questions:**

Technical assistance team  
301-594-4300  
<https://www.hrsa.gov/about/contact/bphc.aspx>

**VII. Other Information**

**Technical Assistance**

HRSA has scheduled the following technical assistance:

*Webinar*

Day and Date: Tuesday May 18, 2021  
Time: 2 p.m. - 4 p.m. ET  
Call-In Number: 1-833-568-8864  
Participant Code: 160 895 1863  
Weblink: <https://hrsa.gov.zoomgov.com/j/1608951863>

**508 Compliance Disclaimer**

Note: Persons using assistive technology may not be able to fully access information in this file. For assistance, please email or call one of the HRSA staff above in [Section VII. Agency Contacts](#).

## APPENDIX A: Allowable and Unallowable Costs

The chart below lists the allowable and unallowable project costs according to the cost classifications in the SF-424C. This chart also indicates the line items within the SF-424C (in EHBs) where you will enter the appropriate cost.

In addition to those items indicated in the chart below, the following uses of award funds are unallowable costs:

- 1) Health center operating costs (e.g., funding direct services, clinical full-time equivalents, costs for staff not directly related to the implementation of the proposed project within the project scope of work), rent, mortgage payments, refinanced credit facilities.
- 2) Costs related to Electronic Health Records (EHR) initiation, ongoing operations, and maintenance.
- 3) Construction related activities associated with a project or connected activity (e.g., installation of utilities, demolition) that starts before the award date.
- 4) Creation of shell space for future use.
- 5) Facility, land, or passenger vehicle purchases other than mobile medical vans;
- 6) Costs for staff not directly related to the implementation of the proposed project(s);
- 7) Creation or improvement of space for use that is not consistent with the Health Center Program (section 330 of the Public Health Service Act, as amended).

The following chart lists examples of allowable and unallowable project costs.<sup>3</sup>

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
Line 1 - Administrative and legal expenses	<ul style="list-style-type: none"> <li>• Salary of your staff and consultant fees that are directly related to the administration of the technical aspects of the proposed project. Administrative and legal expenses cannot exceed 10 percent of line 16c (total costs)</li> <li>• Costs associated with the evaluation of the environmental and historic preservation effects of the proposed project, obtaining public input, producing the necessary studies, analysis, and resultant reports, as well as compliance with</li> </ul>	<ul style="list-style-type: none"> <li>• Salary of your staff and consultant fees that are not related to the administration of the technical aspects of the proposed project</li> <li>• Bonus payments to construction contractors</li> <li>• Costs of groundbreaking and dedication ceremonies and items such as plaques</li> <li>• Fund-raising expenses</li> <li>• Costs associated with defending or pursuing a</li> </ul>

<sup>3</sup> Refer to the cost principles in 45 CFR part 75 at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75> for details on allowable costs.

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
	<p>other environmental and historic preservation laws</p> <ul style="list-style-type: none"> <li>• Costs of title insurance, physical-destruction insurance, builder’s risk insurance and liability insurance</li> <li>• Bid advertising</li> </ul>	<p>legal claim concerning the project or payment of a damages award or settlement in any such claim</p> <p>Consultant fees not related to actual construction</p> <ul style="list-style-type: none"> <li>• Costs related to other sources of project financing</li> <li>• General operations and maintenance</li> </ul>
Line 2 - Land, structures, right-of-way, appraisals, etc.	<ul style="list-style-type: none"> <li>• Filing fees for recording the Notice of Federal Interest (NFI)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Land or the cost of purchasing a building (including title search, closing costs, etc.)</li> </ul>
Line 3 - Relocation expenses and payments	<ul style="list-style-type: none"> <li>• Relocation payments to be made to displaced persons, business concerns and nonprofit organizations for moving expenses and replacement housing</li> <li>• Relocation advisory assistance and the net amounts for replacement (last resort) housing. This line is limited to approved applicants whose project involves the displacement of persons and businesses that must comply with the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ((42 U.S.C. 4601 et seq.) 84 Stat.1894) and 49 CFR Part 24</li> <li>• Costs to lease a temporary space while the main space is being constructed or altered/renovated/repaired</li> </ul>	<ul style="list-style-type: none"> <li>• The cost of permanently relocating the health center</li> <li>• The cost of moving existing furniture back into renovated or newly constructed spaces</li> </ul>

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
Line 4 - Architectural and engineering fees	<ul style="list-style-type: none"> <li>• Fees associated with architectural and engineering professional services including, but not limited to, preparation of bid documents and inspections during the project</li> <li>• Associated expenses for preparation of specifications and reproduction of design documents</li> <li>• Costs incurred for architect's fees and consultant's fees necessary to the planning and design of the project, if the project is approved and funded and the costs comply with federal procurement requirements (when applicable)</li> </ul>	<ul style="list-style-type: none"> <li>• Architectural and engineering fees for work that is not within the scope of the approved project</li> <li>• Elaborate or extravagant designs or projects that are above the known local costs for comparable buildings</li> <li>• Costs of abandoned designs (designs that will not be used for the project)</li> </ul>
Line 5 - Other architectural and engineering fees	<ul style="list-style-type: none"> <li>• Other architectural and engineering services, such as surveys, tests, and borings</li> <li>• Preliminary expenses associated with the approved award</li> <li>• Sustainable design services, such as LEED, including commissioning</li> <li>• Costs associated with the preparation of the Environmental Assessment and State Historic Preservation Officer consultation</li> <li>• Project/Construction management Fees</li> </ul>	<ul style="list-style-type: none"> <li>• Costs of abandoned designs or (costs associated with a design that will not be used in the project)</li> <li>• Costs for work not directly related to the project</li> <li>• Costs for preparing grant applications</li> </ul>
Line 6 - Project inspection fees	<ul style="list-style-type: none"> <li>• Clerk-of-the-works, inspection fees, structural certification, etc., to be provided by architectural engineering firm or your staff</li> </ul>	<ul style="list-style-type: none"> <li>• Fees not directly related with the requested project</li> </ul>
Line 7 - Site work	<ul style="list-style-type: none"> <li>• Site clearance, grading, land improvement costs, including reasonable costs for landscaping to stabilize the site, sidewalks, drives, and parking areas which are located on the site and are essential for the</li> </ul>	<ul style="list-style-type: none"> <li>• Fees not directly related with the requested project</li> <li>• Landscaping outside of vegetation needed for site stabilization and/or building permit requirements</li> </ul>

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
	<p>use and operation of the approved project</p> <ul style="list-style-type: none"> <li>• Sanitary sewer, storm sewer, and portable water connections, providing that existing municipal utilities are located in streets, roads, and alleys contiguous to the site</li> <li>• Sidewalks, drives, and parking areas which are located on the site and are essential for the use and operation of the approved project</li> <li>• Reasonable landscaping costs for seeding and sodding required for soil/slope stabilization and/or landscaping required by the building permit</li> <li>• Alterations at entrances and adjacent sidewalks as required for ADA compliance</li> <li>• Resurfacing of existing parking areas located onsite and deemed essential for the use and operation of an approved project</li> </ul>	<ul style="list-style-type: none"> <li>• Fees not directly related with the requested project</li> </ul>
Line 8 - Demolition and removal	<ul style="list-style-type: none"> <li>• Costs of demolition or removal of structures or improvements (reduce the costs on this line by the amount of expected proceeds from the sale of salvage)</li> </ul>	<ul style="list-style-type: none"> <li>• Costs not directly related with the requested award</li> <li>• Demolition and removal of debris that will not result in a usable structure</li> <li>• Costs of hazard material abatement and remediation</li> </ul>
Line 9 - Construction	<ul style="list-style-type: none"> <li>• Costs of acquisition and installation of fixed equipment<sup>4</sup> necessary for the functioning of the facility (e.g., HVAC, generators)</li> </ul>	<ul style="list-style-type: none"> <li>• Abandoned projects</li> <li>• Relocation of utilities that are off site and off-site improvements</li> </ul>

<sup>4</sup> Fixed equipment are items that requires disturbance of a finished facility surface or modification of the facility for an item's satisfactory installation or removal, and is included in the construction contract. Examples include: HVAC Units, duct work, generators, fume hoods, sinks, fixed shelving, built-in sterilizers, built-in refrigerators, and drinking fountains.

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
	<ul style="list-style-type: none"> <li>• Costs of constructing new building(s) to be used for the program, including costs of materials and labor within the local range of comparable buildings</li> <li>• Construction costs for expansion, remodeling, and alteration of existing buildings, which will be used for the program</li> <li>• Costs of connecting to existing central utility distribution systems contiguous to the site, such as steam and chilled water that service a campus from centrally located boiler and refrigeration plants. Prorated costs for new boilers and chillers to serve the proposed facility are acceptable.</li> <li>• Special features for seismic code requirements. Use nationally recognized codes adopted by authorities having jurisdiction.</li> <li>• Costs of eliminating architectural barriers to the handicapped</li> <li>• Bid guarantees and performance and payment bonds</li> <li>• Costs of pollution-control equipment for the facility's boilers, incinerators, waste water treatment, etc., which may be required by local, State, or Federal regulations. The facility must meet requirements of both current and future pollution abatement regulations as described in currently approved pollution plans</li> <li>• Costs for remodeling and alteration of existing buildings which will be used for the program</li> <li>• Costs of acquisition and installation of building envelope items (e.g.,</li> </ul>	<ul style="list-style-type: none"> <li>• Prorated cost of existing central utility plant and distribution systems, which serve the proposed facility</li> <li>• Interior and exterior decorating fees (e.g. purchase of artwork, sculpture, etc.)</li> <li>• Elaborate or extravagant materials that are above the known local costs for comparable buildings</li> <li>• Fixed equipment if it is not part of the construction contract</li> <li>• Bonus payments to contractors</li> </ul>

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
	<p>roofing, doors, ceilings, windows, HVAC, generators)</p> <ul style="list-style-type: none"> <li>• Installation of equipment items (e.g., mobile generators, wall-mounted items, barriers, sound-proofing panels)</li> </ul>	
Line 10 - Equipment	<ul style="list-style-type: none"> <li>• Equipment that is pertinent to the project and located at the project site.</li> <li>• Tangible personal property (i.e., moveable equipment- a non-expendable item with a useful life of more than 1 year and a unit cost of \$5,000 or more, or equal to the applicant's capitalization threshold, that is not permanently affixed and can be easily moved (e.g., medical exam tables, x-ray equipment, computers, modular workstations, autoclaves, freezers, and telehealth equipment)</li> <li>• Clinical and administrative equipment (e.g., furniture, computers, servers, telephones, fax machines, copying machines, software) with a useful life of one year or greater and a unit cost of less than \$5,000</li> <li>• The cost to train individuals to operate the equipment, if included in the purchase contract</li> <li>• Sales tax (unless the applicant is otherwise exempt) and shipping costs on equipment</li> <li>• Service contract costs if it is included in the purchase contract</li> <li>• Costs of acquisition and renovation of mobile medical vans</li> <li>• IT equipment, software and site licenses to expand to an existing</li> </ul>	<ul style="list-style-type: none"> <li>• Donated equipment, leased equipment, or equipment purchased through a conditional sales contract (lease purchasing)</li> <li>• Luxury furniture</li> <li>• Fixed equipment that is attached to the building (it should be listed under line item 9)</li> <li>• Equipment that does not meet the moveable equipment definition</li> <li>• Vehicles other than mobile medical vans.</li> </ul>

	<b>ALLOWABLE COST</b>	<b>UNALLOWABLE COST</b>
	Electronic Health Records system at the approved project site.	
Line 11 - Miscellaneous	<ul style="list-style-type: none"> <li>Itemized list for items that do not easily fit into the cost classifications above. Such costs should generally be no more than 10 percent of line 16c (total cost)</li> <li>The cost of alternate bid work up to the amount of the original bid submitted</li> </ul>	<ul style="list-style-type: none"> <li>Additional expense resulting from the rejection of an alternate bid at the start of construction and later reinstating the bid at an increased cost due to escalation</li> <li>Sales taxes, Federal excise taxes, and other taxes when the applicant is exempt from such taxes or is entitled to a refund by the State or Federal Government after payment</li> <li>Costs or charges associated with routine maintenance, or operation of the facility</li> <li>Expendable office, medical, and laboratory supplies</li> </ul>
Line 12 – SUBTOTAL	Enter the sum of Lines 1 through 11 (allowable and unallowable costs)	
Line 13 - Contingencies	<ul style="list-style-type: none"> <li>The contingency of this program is limited to 5 percent of Lines 7c, 8c, and 9c. However, the contingency must be reduced to 2 percent of Lines 7c, 8c, and 9c after the contract is awarded. The contingency does not include moveable equipment costs listed in Line 10</li> </ul>	<ul style="list-style-type: none"> <li>Contingency costs above the allowable percentage.</li> </ul>
Line 14 – SUBTOTAL	Enter the sum of Lines 12 and 13 (allowable and unallowable costs)	
Line 15 – Project (program) income	Leave Blank / Not Applicable to this funding	
Line 16 – TOTAL PROJECT COSTS	Enter the amount in line 14 (allowable and unallowable costs)	
Line 17	Enter the allowable portion of the award that is allocated to the project (Note: round to the nearest whole dollar amount)	