

Health Emergency Readiness Coalition (HERC) Budget Instructions Fiscal Year 2021–2022



Wisconsin Department of Health Services
Division of Public Health
Office of Preparedness and Emergency Health Care
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HERC Budget Introduction

The purpose of this document is to provide guidance to the Wisconsin healthcare emergency readiness coalition (HERC) regions with regard to their role in managing the Assistant Secretary for Preparedness and Response (ASPR) Hospital Preparedness Program (HPP) funds provided by the Wisconsin Hospital Preparedness Program (HPP), to outline budgeting processes and yearly allocations to the HERC regions.

Many of the documents referenced throughout this guidance sheet are located on the [Partner Communication and Alerting Portal \(PCA Portal\)](#). The PCA Portal requires a Wisconsin Logon Management System (WILMS) ID. For access to or technical questions about the PCA Portal, please contact the [PCA Portal support team](#).

These funds are received per the following HPP Cooperative Agreements:

- Budget Period 2 1901 (BP2 1901): 6 U3REP190586-02-02 – CFDA 93.889—HPP Carryover Funds
- Budget Period 3 1901 (BP3 1901): 6 U3REP190586-03-01 – CFDA 93.889—HPP Base Funds
- HPP COVID-19: 6 U3REP190586-02-02 – CFDA 93.889—HPP COVID-19 Carryover Funds

HPP Budget Allocation to HERC in BP3 1901

For the budget period 3 1901 grant period (July 1, 2021–June 30, 2022), each of Wisconsin’s HERC regions will receive \$150,000 in HPP BP3 1901 (HPP base) funding. In addition, each region will receive any underspending from the previous year’s base and HPP COVID-19 funds as additional carryover funding, once approved by ASPR. There may be additional allocations of HPP BP2 1901 carryover funding later in the year.

Each HERC region will develop a budget for these funds using a spreadsheet template provided by the ASPR HPP program to submit to the state HPP staff for review and approval no later than October 28, 2021.

Note that the ASPR grant requirements are clear that a budget must be submitted 30 days within receipt of the signed contract:

“Within 30 days following receipt of the subaward, all funded HCCs **must** submit their final budgets to the recipient and upload a copy into the Coalition Assessment Tool (CAT). The budget should identify the percent of funding received from the recipient, other federal sources, and non-federal sources.”

Role of the HERC Coordinator in the Budget and Fiscal Processes

The role of the HERC coordinator in the budget process is to facilitate and provide technical assistance to the HERC board in order to complete and submit the budget template. The HERC coordinators have the program knowledge and experience that will be helpful in responding to questions from the HERC board as they develop an annual budget to meet grant expectations and work plan objectives.

In addition, the HERC coordinator will work with their HERC board and financial oversight authority to make purchases supporting regional activities and objectives, including submitting necessary paperwork to the Department of Health Services (DHS), such as monthly invoices and supporting documentation. The HERC coordinator will work closely with their HERC board and financial oversight authority to ensure that all purchases have been approved in the budget and are allowable grant expenses—in addition to meeting all regional fiscal and contracting requirements.

At times, the HERC coordinator may be tasked with coordinating and providing additional information regarding budget and fiscal activities on behalf of their HERC region to help the state HPP program respond to questions from our ASPR partners and as part of the annual budget development process.

Role of the HERC Board in the Budget and Fiscal Processes

The regional HERC board is responsible for developing the direction of the budget in order for the region to complete regional work plan objectives. The board will use documents provided by the state HPP program and ASPR, including the “2019–2023 Health Care Preparedness and Response Capabilities” and the Notice of Funding Opportunity (NOFO). The regional HERC board should identify each budget item, provide appropriate fiscal detail, and link the purchase to a specific ASPR capability in the regional work plan. Also, the HERC board is responsible for monitoring and, as needed, requesting revisions to the budget from the state HPP program. It is recommended that each HERC provide budget and fiscal updates at their regional meetings.

In addition, the HERC board is responsible for approving all expenses and to work closely with the HERC coordinator and the financial oversight authority to ensure that prior to any purchase, items are included in the approved budget and are allowable per fiscal and grant guidelines. All decisions regarding the budget are made and approved by the HERC board.

It is expected that each HERC region have a written policy to define their process to approve actual expenses identified in the budget. It is also expected that each HERC region have a procedure to route invoices for approval by the HERC board and for payment by the financial oversight authority that establishes appropriate financial checks and balances into the daily financial management of the region’s funds.

In order to ensure that each HERC’s expenses have been reviewed and approved for reimbursement, the Office of Preparedness and Emergency Health Care (OPEHC) requires that at least one HERC board member indicate their approval of the invoice. Best approval practices may include an email from the HERC board member documenting their approval of the expenses or an invoice cover sheet with the HERC board member’s initials on it.

Role of the Financial Oversight Authority in the Budget and Fiscal Processes

Once the budget is approved by the state HPP program, each region must expend grant dollars according to the budget and related narrative. It is the role of the financial oversight authority, working with the HERC coordinator and the HERC board, to ensure that all HERC expenditures are in accordance with the approved budget and to submit invoices to the state for reimbursement.

Note that the financial oversight authority is not responsible for managing the HERC budget but is in a role to support and, as needed, provide technical assistance to the HERC coordinator and the HERC board. For example, if the region includes the purchase of an item in the budget but has questions about procurement, the financial oversight authority—per the regional HERC documentation—may be able to assist with suggesting possible vendors and providing guidance so that the purchase adheres to federal and HERC procurement and fiscal guidelines.

If the budget needs to be modified, the request must be submitted to the HPP program manager and the grants manager in writing by the HERC coordinator with approval by the HERC board. Each request will be approved or denied in writing by the HPP state program.

Note: It is not the responsibility of the financial oversight authority to administer the HERC regional budget nor to make the initial determination as to whether or not an item or service is allowable per the approved budget and/or federal guidelines. The role of the financial oversight authority is to support the HERC in tracking approved budget expenses, providing consultation related to invoices and expenditures, and receipting HERC invoices against the region's purchase order with the state HPP program. If the financial oversight authority has questions about the allowability of a HERC expense, they may contact state HPP staff to discuss at any time. While they are responsible for monitoring the budget and submitting invoices to the state HPP program for reimbursement of allowable HERC expenses, the expectation is that the HERC board, per the approved budget, only proceeds with purchases for items and services that are allowable under the grant guidance and that are clearly tied to work plan objectives.

HERC staff, including HERC coordinators and regional trauma advisory council (RTAC) coordinators are not funded by the regional budgets. This funding is provided directly from the state to the individual coordinator. However, there may be activities outside of the HERC coordinator and/or RTAC coordinator scopes of work that could be included in a regional HERC budget, based on the delineation of specific activities and if approved by the state HPP program in the region's budget.

In addition, the financial oversight authority works with the HERC board and the HERC coordinator to communicate allowable travel and other reimbursement rates as well as provide guidance on any other purchases to ensure they adhere to federal, state, and HERC regional fiscal policy.

Per the NOFO, all recipients **must** execute subawards within 90 calendar days from the start of each budget period. State HPP staff are aware that the final approval of the HERC grant agreement by the HERC board and the Division of Public Health (DPH) may require approval processes that could take several weeks. State HPP staff recommends that the HERC coordinators and the regional HERC board work closely with each other to review the grant agreement so that final contracts are executed within the 90 day time period.

Role of the State HPP Staff in the Budget and Fiscal Processes

The role of the state HPP staff includes:

- Providing a budget template to HERC regions and offering technical assistance in completing the required information to meet state and ASPR program requirements.
- Establishing grant agreements with the HERC regions, while providing fiscal expectations and budget instructions, a DPH contract template for signature by authorized personnel, and processing any amendments to the grant agreement.
- Reviewing all submitted budget templates and meeting with the HERC boards, HERC coordinators, and financial oversight authority, as needed, to ensure that budget information meets ASPR program grant and state HPP regional work plan requirements.
- Reviewing all invoices for regional HERC expenses and, as needed, requesting clarification or additional information.

- Coordinating with the HERC coordinators, HERC boards, and financial oversight authorities on any fiscal and budget reporting requirements, including additional budget detail for potential amendments to the grant agreement (for example, additional HPP budget due to an approved re-direct).
- Providing technical assistance related to the grant and budget guidance, including providing clarification regarding allowable federal and state costs.
- Working with HERC coordinators and their financial oversight authority to respond to any questions or clarifications, including meeting with all parties, as requested.

General Budget Information

This section identifies basic concepts and rules that apply to the budget template.

If the HPP grant funding were audited, auditors would reference all of the HERC budgets. Please keep this in mind while explaining functions of purchases and justifications throughout each budget template. Following these budget guidelines will help ensure a correctly completed budget.

- Allocations: Each budget must match the corresponding allocation award.
- Itemization: Use only one line per item or one line per multiple of the same item. Do not copy additional information onto a second line.
- Justifications: Provide a justification for each line item in the budget that explains how the position or item supports hospital preparedness.
- Supplanting: Funds may not be used to cover positions and other expenditures already funded by other sources.

To request preapproval for any expense for which it is required, email the [OPEHC grants manager](#).

Step-by-Step Budget Instructions

Below is a list of necessary steps to complete the HERC budget. Completing these steps will minimize errors and delays. Following these steps, there are detailed instructions for each tab of the budget.

1. OPEHC staff announces annual base funding allocations during regular HERC calls.
2. The OPEHC grants manager and HERC regional financial oversight authority collaboratively determine carryover funding to ensure alignment in carryover amount.
3. The OPEHC grants manager will share the ASPR budget template with coordinators, as appropriate.
4. You must name the spreadsheet using the format “[HERC Region] HPP BP3 Base Budget.”
5. **You must verify the completion of the HPP capabilities, as you fill out the budget**, for all rows in each tab on the budget spreadsheet for which a cost is listed. These capabilities are featured on the far right of each budget tab. (See Figure 1, below.)

HPP Capability 1 - Supported Activities																			
Obj 1			Obj 2					Obj 3		Obj 4						Obj 5			
A1	A2	A3	A1	A2	A3	A4	A5	A1	A1	A2	A3	A4	A5	A6	A1	A2	A3	A4	A5

Figure 1: Example of HPP Capability Sheet

- 6. You must submit the completed budget to the [OPEHC grants manager, Tim Doerfler](#), and the [HERC mailbox](#) once approval has been received from HERC core members.

Budget Summary Tab

Directions

Ensure that you are using the correct budget template. Remember to name the spreadsheet using the following format: “[HERC Region] HPP BP3 Base Budget.”

Enter the name of the HERC, the HERC Point of Contact (POC), and the date the budget was approved by the HERC core members in the Budget Summary tab. List funding amounts for HPP funding and any other sources of federal funding. As the remaining tabs are completed, the total amounts will automatically populate on the Budget Summary tab under “Category Total.”

Personnel Tab

Directions

For each requested position, provide the following information:

- Position title
- Name of personnel occupying the position (if not available, use "vacant")
- Annual salary
- Percentage of time budgeted for this program (full time equivalent [FTE])
- Number of months budgeted
- Fringe as a fixed amount
- Organization type
- Fiduciary agent

Fringe benefits are usually applicable to direct salaries and wages. Enter fringe as a fixed amount.

Remember to fill in the HPP Capability Time & Cost Allocation table and HPP Capability Activity Assignments tables. Ensure that the percent of Total Allocation totals to 100 percent.

Item #	Position/Title	Name	Annual Salary	% FTE	Months	Total \$ Fringe	Total \$ Requested	Organization Type	Fiduciary Agent
Example	Program Manager	John Smith	\$76,000.00	100%	12.00		\$76,000.00	Health Care Coaliton	State or Local Hospital Association

HPP Capability Time & Cost Allocation											HPP Capability 1 - Activity Assignments																								
Capability 1		Capability 2		Capability 3		Capability 4		Program Administration		% of Total Allocation	Obj 1			Obj 2					Obj 3			Obj 4						Obj 5							
A1	A2	A3	A1	A2	A3	A4	A5	A1	A1	A2	A3	A4	A5	A6	A1	A2	A3	A4	A5	A6	A1	A2	A3	A4	A5										
20%	\$15,200.00	50%	\$38,000.00	10%	\$7,600.00	20%	\$15,200.00	0%	\$0.00	100%	x	x		x						x															

Figure 2: Example of correctly populated Personnel Tab

Common Errors in Completing the Personnel Tab

Name of Personnel column lists only generic groups, such as “staff.” Make sure to list names of individual personnel on separate lines.

Travel Tab

Directions

The following are reimbursement options for all OPEHC grantees and contractors:

- Option 1: [State of Wisconsin travel reimbursement rates](#)
- Option 2: [Federal \(GSA\) travel reimbursement rates](#)
- Option 3: Agency or organization’s travel reimbursement rates as set forth in an established policy

Each HERC will be given the opportunity to select their preferred reimbursement option from the list above to apply to their travel portion of the budget for the duration of the fiscal year. These choices are available beginning immediately with the current fiscal year (July 1, 2021–June 30, 2022).

When submitting the HERC budget for approval, please note in the email which travel reimbursement option the HERC will be selecting. In future fiscal years, selecting the HERC’s preferred travel reimbursement rate will be part of the annual budget and contracting process.

Please note that all reimbursement options are negotiable. OPEHC retains the right to deny a grantee or contractor’s reimbursement rates (Option 3) if they are deemed significantly in excess of state or federal rates and would strain fiscal resources.

Provide a brief narrative justification for travel describing why the travel is required, how it relates to hospital preparedness, and approximate dates (such as National Association of County and City Health Officials (NACCHO) Conference, May 2022) in the Cost Justification column (see Figure 3, below). If travel costs include a registration fee, please list the expense in the Other column on the Travel tab, and specify this item in the Cost Justification column. State the organization type and complete the HPP Capability table.

Out-of-State Travel

Generally speaking, the amount of HPP funds used to support multiple travelers for multiple out-of-state trips should be limited. Authorization from OPEHC is required prior to budgeting multiple out-of-state travelers or multiple out-of-state trips.

HPP grantees in travel status are expected to use good judgment when incurring travel costs. Only expenses incurred while conducting official HPP business will be reimbursed. Reimbursement claims must represent actual, reasonable, and necessary expenses. Reimbursements may not cover the entire cost if they exceed prescribed limitations.

Note: If the traveler is not listed on the Personnel or the Contractual page, the traveler must be involved in hospital preparedness work.

HCC Travel Details												
Item #	Location	Travel Type	Trips	People	Days	Nights	\$ Mileage (Total)	\$ Airfare per person	\$ Lodging per night	\$ Per Diem (MI&E) per day	\$ Other (Total)	\$ Total
Example	7 locations across the state of XX (list the locations)	In State	7.00	1.00	2.00	1.00	\$0.00	\$0.00	\$100.00	\$50.00	\$55.00	\$1,785
Example	Houston, TX	Out of State	1.00	1.00	4.00	3.00	\$0.00	\$350.00	\$175.00	\$75.00	\$200.00	\$1,375

Travel Justification	
Cost Justification (Must include: name of traveler & benefit to program)	Organization Type
HCC Coordinator to conduct trainings on developing hospital EOPs at the 7 hospitals in the HCC. Other costs cover daily incidental expenses, such as tolls, parking, and phone calls.	Health Care Coalition
The HCC Coordinator, will attend the National Healthcare Coalition Preparedness Conference. Attendance is a requirement of the FOA and needed to maintain situational awareness of program guidance and best practices from HCCs around the country. This conference provides the opportunity to interact with other HPP recipients, and local HCC leaders. Other costs cover daily incidental expenses such as conference registration fee (\$100), airport parking, and ground transportation.	Health Care Coalition

Figure 3: Example of a Correctly Populated Travel Tab

Common Errors in Completing the Travel Tab

- The Cost Justification column does not provide a clear link between travel and hospital preparedness work. Remember to include a justification for each line item that highlights how travel relates to hospital preparedness.
- Only the budget Total column is populated. Make sure to fill out the following information according to your anticipated travel: Mileage, Per Diem, Lodging, or Other.
- Entries in the Other column are not clarified in the Cost Justification section. If including items in the Other column, make sure to explain what these funds are used for in the Cost Justification column, such as conference registration fees, parking, or ground transportation.

Equipment Tab

Directions

The Equipment tab (see Figure 4, below) is for items costing greater than \$5,000. Items costing less than \$5,000 should be listed in the Other tab. Provide a description of the item, quantity purchased, and unit cost. List a justification for the purchase of each item and organization type. Complete the HPP Capability checklist for each line item.

This section is for items that are **not** considered supplies. Equipment refers to an item that is durable and will be used beyond the budget period (such as electronics or refrigerators) and for the purposes of this budget, **is at least \$5,000 per unit cost**. If multiple items total more than \$5,000, such as the purchase of three laptop computers at \$2,500 each, these do not go in the Equipment tab, as their **individual cost is less than \$5,000 each**.

Maintenance or rental fees for equipment should be included in the Other tab.

Note: If using HPP funding to partially pay for an item, please include the total amount in the cost justification column.

Note: The HPP program collects equipment information as part of the federal asset reporting requirements. The HPP program may follow up in future years to determine the disposition of these items.

HCC Equipment Details					Equipment Justification	
Item #	Item Description	Quantity	Unit Cost	Total Request	Cost Justification (Must include: intended user & benefit to program)	Organization Type
Example	800mhz Radio Control Station	1.0	\$5,396	\$5,396	Replace unusable 800 megahertz radio control stations. Most control stations in the jurisdiction were replaced due to manufacturer's discontinuation of the product. These radios are used on a daily basis for coordination and are the main redundant communications device for the hospitals, regional Emergency Medical Services Councils, and DOH State Health Centers. The HCC is currently reviewing options for radios. Funds for replacement are limited to what is needed immediately. Budget: Cost includes the unit, shipping, and installation.	Health Care Coalition
Example	Desktop Personal Computer Unit (PCU)	2.0	\$3,372	\$6,744	Procure Two Dell BX620 desktop PCU for HPP staff to perform daily hospital preparedness program activities. These two positions are 100% HPP.	Health Care Coalition

Figure 4: Example of a correctly populated Equipment Tab

Common Errors in Completing the Equipment Tab

- Individual items priced at less than \$5,000 are included in the Equipment tab. Please only include individual item costs greater than \$5,000.
- Equipment listed falls outside of federal guidelines and/or has not received prior approval from OPEHC.

Supplies Tab

Directions

Supplies are generally consumable and expendable or are items, such as electronics, that cost less than \$5,000 each. List each supply item individually. (See Figure 5, below.) List the quantity of items purchased and unit cost. Please complete the cost justification and select a subcategory and organization type. Complete the HPP Capability checklist for each line item.

Supply items should **not** include services purchased. Services, such as monthly service contract or maintenance fees, should go in the Contractual tab.

Note: The purchase of promotional items such as giveaways, tote bags, or magnets with HPP funds is [prohibited](#).

HCC Supply Details					Supply Justification		
Item #	Item Description	Quantity	Unit Cost	Total Request	Cost Justification (Must include: intended user & benefit to program)	Subcategory	Organization Type
<i>Example</i>	<i>General Office Supplies</i>	<i>1.5</i>	<i>\$250.00</i>	<i>\$375.00</i>	<i>Funding is requested for general day to day office supplies for HPP funded positions. Supplies include: paper, pens, highlighters, post-it notes, notebooks, tables, markers, staples, paper clips, binder clips, etc. Cost is based on historical spending averages at \$250 per position.</i>	<i>General Office Supplies</i>	<i>Health Care Coalition</i>

Figure 5: Example of a Correctly Populated Supplies Tab

Common Errors in Completing the Supplies Tab

- Quantity and cost per unit are not specified.
- Services are included. Services should be listed in the Contractual tab.
- Promotional items are included. Promotional items are not an allowable expense (see [Funding Restrictions](#)).
- Item Description is general and does not provide details or itemization (for example, “miscellaneous costs”). Items must be specified.

Contractual Tab

Directions

See Figure 6, below. For contractual costs that are general in nature, such as janitorial, maintenance, payroll services, or Certified Public Accountant (CPA), include a detailed Cost Justification. For services, summarize the scope of work (for example, what you will receive) under Cost Justification, and indicate how the contractor was selected (for example, bid or sole source) under Selection Method. Please list the type of contractor, the start and end date of the contract, as well as the method of accountability. Follow HERC board procurement guidelines.

If sole source, please provide a detailed justification as to why this approach was utilized as opposed to a bid method. Documentation of contracts or purchases must be made available to OPEHC upon request. Complete the HPP Capability checklist for each line item.

Note: The federal government uses this category for any item for which you could use a “contract” when purchasing from a vendor. For example, if you purchase personal protective equipment, it would be via a “contract” with a vendor (like a purchase order) or you may hire a trainer and develop a “contract” with a “scope of work” to define what the trainer will accomplish for you.

HCC Contract Details								Contract Justification	
Item #	Contractor (Legal Name)	Selection Method	Type	Start Date	End Date	Method of Accountability	Total Request	Cost Justification (Must include: intended user & benefit to program)	Organization Type
<i>Example</i>	<i>EMS Systems</i>	<i>Bid</i>	<i>Health Care Coalition</i>	<i>8/31/2017</i>	<i>8/30/2018</i>	<i>Quarterly Report</i>	<i>\$8,500.00</i>	<i>The HCC will purchase additional licenses for EMS Systems' bed tracking software. This system is currently supported by the State and utilized by the other HCCs. The additional software licenses are vital to maintaining increased situational awareness of non-hospital bed capacity across the HCC.</i>	<i>Health Care Coalition</i>

Figure 6: Example of a Correctly Populated Contractual Tab

Common Errors in Completing the Contractual Tab

- The Selection Method and Cost Justification columns are left blank or are inadequate.
- A detailed justification is not included when sole source method versus bid method is utilized for selection method. When sole source selection is utilized, a justification for this mode of selection must be provided if over \$5,000.

Other Tab

Directions

The Other tab (see Figure 7, below) is where you should include items such as phones, copiers, software license costs, or other items that would be "enterprise services" within the coalition. Maintenance or rental fees for equipment should be listed here.

Individually list each item requested and provide appropriate justification related to the program capabilities. Complete the Item Description column, Total Requested, Cost Justification, Subcategory, and Organization Type. Complete the HPP Capability checklist for each line item.

If appropriate, detail monthly or other recurring costs in the Cost Justification column.

Membership fees should also be listed here and should receive prior [approval from OPEHC](#).

HCC Other Details			Other Justification		
Item #	Item Description	Total Request	Cost Justification (Must include: intended user & benefit to program)	Subcategory	Organization Type
Example	Printing	\$3,000	Funding is requested for printing costs for HCC meetings and training manuals. Using state Correctional Industries for printing services. Print jobs include training manuals/checklists for distribution to subgrantees, subgrantee grant packets, and other program mailings. Use of self-service copier in office, linked to HPP program code, for printing of documents, contracts, copies of invoices and POs for filing, meeting handouts, and various general office copy tasks. Based on prior year actuals. (\$0.06 per x 50,000 documents)	Other	Health Care Coalition

Figure 7: Example of a Correctly Populated Other Tab

Common Errors in Completing the Other Tab

Numerous items are listed together in the same line of the budget. Make sure to list distinct items on separate lines.

Finalizing the Budget

1. Ensure the Total Expenditures on the Budget Summary tab have populated correctly once your budget is complete.
2. Ensure that your budget is saved with the correct title: "[HERC Region] HPP BP3 Base Budget."
3. Verify the completion of the HPP Capability—Supported Activities for all rows in each tab on the budget spreadsheet for which a cost is listed.
4. Ensure approval has been received from HERC core members.
5. Share the finalized budget with the [OPEHC grants manager, Tim Doerfler](#), and the [HERC mailbox](#).
6. Once the budget has been approved by OPEHC, please upload the budget to [the CAT Application](#).

Funding Restrictions

HPP NOFO

Restrictions that must be considered while planning the programs and writing the budget are:

- Recipients may not use funds for research.
- Recipients may not use funds for clinical care except as allowed by law. For the purposes of this FOA, clinical care is defined as "directly managing the medical care and treatment of patients."
- Recipients may use funds only for reasonable program purposes, including personnel, travel, supplies, and services.
- Generally, recipients may not use funds to purchase furniture or equipment. Any such proposed spending must be clearly identified in the budget.
- Pursuant to the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2019 (Public Law (PL) 115-245), recipients may not use funds for lobbying activities:
 - Recipients shall not use any funds from an award made under this announcement for other than normal and recognized executive legislative relationships. Recipients shall not use funds for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the U.S. Congress or any state or local legislature or legislative body, except in presentation to the U.S. Congress or any state or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government, except in presentation to the executive branch of any state or local government itself.
 - Recipients shall not use any funds from an award made under this announcement to pay the salary or expenses of any employee or subrecipient, or agent acting for you, related to any activity designed to influence the enactment of legislation, appropriations, regulations, administrative action, or executive order proposed or pending before the U.S. Congress or any state government, state legislature or local legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a state, local or tribal government in policymaking and administrative processes within the executive branch of that government.
 - The above prohibitions include any activity to advocate or promote any proposed, pending, or future federal, state or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.
 - Recipients may not use funds to carry out any program of distributing sterile needles or syringes for hypodermic injections of any illegal drug.
 - Recipients may not use funds to advocate or promote gun control.
 - Recipients may not use funds for antibiotics for treatment of secondary infections.
 - The direct and primary recipient in a cooperative agreement program must perform a substantial role in carrying out project outcomes and not merely serve as a conduit for an award to another party or provider who is ineligible.
 - Recipients may not use funds for construction or major renovations.
 - Recipients may supplement but not supplant existing state or federal funds for activities described in the budget.
 - Recipients may not use funds for fundraising.
 - Payment or reimbursement of backfilling costs for staff is not allowed.
 - Recipients may not use funds for the cost of money even if part of the negotiated indirect cost rate agreement.

- Salaries may not exceed the rate of \$189,600 USD per year: the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2019 (PL 115-245) limits the salary amount that recipients may award and charge to HHS/ASPR grants and cooperative agreements. Award funds should not be budgeted to pay the salary of an individual at a rate in excess of Executive Level II. Currently, the Executive Level II salary of the Federal Executive Pay scale is \$189,600 USD. This amount reflects an individual's base salary exclusive of fringe and any income that an individual may be permitted to earn outside of the duties to the applicant organization. This salary limitation also applies to sub-awards/subcontracts under an HHS/ASPR grant or cooperative agreement.
- Funding under these awards may only be used for minor alteration and renovation (A&R) activities. Construction and major A&R activities are not permitted. A&R of real property generally is defined as work required to change the interior arrangements or installed equipment in an existing facility so that it may be more effectively utilized for its currently designated purpose or be adapted for an alternative use to meet a programmatic requirement. The work may be categorized as improvement, conversion, rearrangement, rehabilitation, remodeling, or modernization, but it does not include expansion, new construction, development, or repair of parking lots, or activities that would change the "footprint" of an existing facility (e.g., relocation of existing exterior walls, roofs, or floors; attachment of fire escapes). Minor A&R may include activities and associated costs that will result in:
 - Changes to physical characteristics (interior dimensions, surfaces, and finishes); internal environments (temperature, humidity, ventilation, and acoustics); or utility services (plumbing, electricity, gas, vacuum, and other laboratory fittings);
 - Installation of fixed equipment (including casework, fume hoods, large autoclaves, biological safety cabinets);
 - Replacement, removal, or reconfiguration of interior non-load bearing walls, doors, framed, or windows in order to place equipment in a permanent location;
 - Making unfinished shell space suitable for purposes other than human occupancy, such as storage of pharmaceuticals; or,
 - Alterations to meet requirements for accessibility by physically-disabled individuals.
- HPP funds may not be used to purchase clothing for promotional purposes, such as those items with recipient, HCC, and/or health care organization names/logos, as HPP funding is intended to address acute care patient surge. Clothing that can be used for personal protective equipment (PPE) and/or response purposes, and can be re-issued, may be purchased.
- Recipients may not use funds to purchase a house or other living quarters for those under quarantine, as HPP funding is intended to address acute care patient surge, and quarantine is a public health function rather than a patient care function.
- HPP recipients may (with prior approval) use funds for overtime for individuals directly associated (listed in personnel costs) with the award.
- HPP recipients cannot use funds to support standalone, single-facility exercises.
- HPP recipients cannot spend HPP funds on training courses, exercises, and planning resources when similar offerings are available at no cost.

HPP Vehicle Purchase

Non-public road vehicles:

- HPP grant funds can (with prior approval) be used to purchase HCC material-handling equipment such as industrial or warehouse-use trucks to be used to move HCC materials, supplies and equipment (such as forklifts, lift trucks, turret trucks, etc.). Vehicles must be of a type not licensed to travel on public roads.

HPP Vehicle Leasing and Hauling Agreements

Passenger road vehicles:

- HPP grant funds cannot be used to purchase over-the-road passenger vehicles.
- HPP grant funds can (with prior approval) be used to procure leased or rental vehicles as means of transportation for carrying people (e.g., passenger cars or trucks) during times of need. Examples include transporting HCC leadership to planning meetings, to an exercise, or during a response.

Transportation of medical material:

- HPP grant funds can (with prior approval) be used to procure leased or rental vehicles for movement of materials, supplies and equipment by HCC members.
- Additionally, HPP grant funds can (with prior approval) be used for HCCs to make transportation agreements with commercial carriers for movement of HCC materials, supplies and equipment. There should be a written process for initiating transportation agreements (e.g., contracts, memoranda of understanding, formal written agreements, and/or other letters of agreement). Transportation agreements should include, at a minimum, the following elements:
 - Type of vendor
 - Number and type of vehicles, including vehicle load capacity and configuration
 - Number and type of drivers, including certification of drivers
 - Number and type of support personnel
 - Vendor's response time
 - Vendor's ability to maintain cold chain, if necessary to the incidentThis relationship may be demonstrated by a signed transportation agreement or documentation of transportation planning meeting with the designated vendor. All documentation should be available to the FPO for review if requested.

Deployment of HPP-Funded Personnel, Equipment, and Supplies during Emergencies via the Emergency Management Assistance Compact (EMAC)

Deployment of HPP-funded equipment, supplies and personnel via EMAC for the purpose of mutual aid and assistance between states during a governor-declared state of emergency or disaster is permitted, but is subject to the federal provisions of 45 CFR Part 75. However, affected recipients must notify their ASPR grants management specialist within a 24-hour period of the personnel, services and/or equipment being loaned out for the emergency. Recipients should follow their state legislation that governs how they will operate during an emergency or when another state requests assistance via EMAC. Recipients may reference the [EMAC](#) website for detailed information.

Use of HPP Funds during a Declared Emergency

Consistent with section 319C-2 of the PHS Act, HPP funds may only be used to support activities that prepare states for public health emergencies and to improve surge capacity. There are two situations when states (see definition) may use HPP funds during a state or locally-declared emergency, disaster, or public health emergency (hereafter referred to as an "emergency"). These situations and related criteria are described below.

Situation 1: HPP Staff Conducting Activities Consistent with Approved Project Goals

Recipients may use HPP funds to support positions performing preparedness-related activities consistent with the recipient's project goals and may utilize those positions within any phase of the disaster cycle, provided that the staff members in those positions continue to do work within statutory limitations, the notice of award, and the approved spending plan. For example, an employee's salary may be permissible for response activities if that employee is carrying out the same responsibilities they would carry out as part of their preparedness responsibilities.

Situation 2: Using a Declared Emergency as a Training Exercise

Under certain conditions, HPP funds may, on a limited, case-by-case basis, be reallocated to support response activities to the extent they are used for purposes provided for in section 319C-2 of the PHS Act, applicable cost principles, the FOA, and the recipient's application (including the jurisdiction's all-hazards plan). Recipients should contact their assigned HPP FPO and grants management specialist for guidance on the process to make such a change. ASPR encourages recipients to develop criteria such as costs versus benefits for determining when to request a "scope-of-work" change to use a real incident as a required exercise.

The request to use an actual response as a required exercise and to pay salaries with HPP funds for up to seven days will be considered for approval under these conditions:

- A state or local declaration of an emergency, disaster, or public health emergency is in effect.
- No other funds are available for the cost.
- The recipient agrees to submit within 60 days (of the conclusion of the disaster or public health emergency) an AAR, a corrective action plan, and other documentation that supports the actual dollar amount spent.

Note: A change in the scope of work is required to use an actual event as an exercise whether or not funds are needed to support salaries. Also, regardless of the amount of money used in response to an event, the state is still required to meet all the requirements of the original award.

Use of HPP Funds for Establishing a Separate Legal Entity

While allowable, establishment of HCCs as a separate legal entity is entirely voluntary and subject to the following directions and guidance. Use of any other organizational structures not addressed in this directive requires prior approval from appropriate HHS officials.

Several scenarios could occur when HCCs set up as a business. In the first two scenarios, listed below, the HCCs would be establishing a stand-alone company and follow all the laws, both state and federal, that apply to any business operating within the state. In the third scenario the state may establish a central body, either the state itself or with another agent, and have the HCCs serve as "chapters" across the state.

In all cases these legal entities must set up as a business and follow the standard business practices required of that type of organization. For example, a non-profit should have a Board of Directors that is legally responsible for all the undertakings of the company. If an HCC hires employees, they must meet all the payroll requirements including withholding and reporting of all associated taxes. The company will need to establish the policy and procedures required to administer the grant funds. The state must assure that the company has the financial capability to administer the grant funds, prior to issuing a sub-award.

Prior approval to use the state HPP funds to support any costs regarding the setup of the organization is required, regardless of the total requested amount.

Prior Approval Process

Prior approval is required before using any HPP funds:

- To support the HCCs in establishing a non-profit organization, or
- Before establishing the affiliated organization structure.

ASPR strongly advises that recipients work with their assigned HPP FPO and grants management specialist while developing the request.

Associated Organization Costs

Different organization costs are allowed depending on what type of company the HCCs are setting up.

- If an HCC forms a separate for-profit organization, including a limited liability corporation, then none of the associated organization costs may be paid for using the grant funds. (Source [FAR Part 31.205-27](#)))
- If an HCC forms a separate non-profit group the following organization costs, as stated in [2 CFR Part 230](#), may be approved costs.

Organization costs including expenditures, such as:

- Incorporation fees,
- Brokers' fees,
- Fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselors, whether or not employees of the organization, in connection with establishment or reorganization of an organization, are unallowable except with prior approval of the awarding agency.

If a state establishes a central body with the HCCs serving as "chapters" across the state, the HCC is then considered an affiliated organization and the following guides would apply.

Affiliated organizations: A number of universities and other organizations have established closely affiliated, but separately incorporated, organizations to facilitate the administration of research and other programs supported by federal funds. Such legally-independent entities are often referred to as "foundations," although this term does not necessarily appear in the name of the organization. Typically, the parent organization provides considerable support services to its "foundation" in the form of administration, facilities, equipment, accounting, and other services, and the latter, acting in its own right as a recipient, includes the cost of these services in its indirect cost proposal.

Costs incurred by an affiliated, but separate, legal entity in support of a recipient foundation (foundation) are allowable for reimbursement under HHS grants only if at least one of the following conditions is met:

- The foundation is charged for, and is legally obligated to pay for, the services provided by the parent organization.
- The affiliated organization is subject to state or local law that prescribes how federal reimbursement for the costs of the parent organization's services will be expended and requires that a state or local official acting in his or her official capacity approves such expenditures.
- There is a valid written agreement between the affiliated organizations whereby the parent organization agrees that the foundation may retain federal reimbursement of parent organization costs. The parent organization may either direct how the funds will be used or permit the foundation that discretion.

If none of the above conditions is met, the costs of the services provided by the parent organization to the foundation are not allowable for reimbursement under an HHS grant. However, the services may be acceptable for cost sharing (matching) purposes. (Source: [HHS Grants Policy Statement \(GPS\) Services Provided by Affiliated Organizations \(II 45\)](#)).

Approval by appropriate HHS officials is required for any other scenario under which an HPP recipient or sub-recipient HCC may seek to charge such costs to their award or sub-award under this option.

HPP Funding Limitations for Individual Health Care Facilities

Funding to individual health care entities is not permitted to be used to meet CMS conditions of participation, including CMS-3178-F Medicare and Medicaid Programs: Emergency Preparedness.

Requirements for Medicare and Medicaid Participating Providers and Suppliers. CMS-3178-F requires providers and suppliers to meet the following conditions of participation.

- Develop an emergency plan: based on a risk assessment, develop an emergency plan using an all-hazards approach focusing on capacities and capabilities that are critical to preparedness for a full spectrum of emergencies or disasters specific to the location of a provider or supplier. HPP funding may not be provided to individual health care entities to meet this requirement; however, ASPR encourages HCCs to provide TA to their individual members to assist them with the development of their emergency plans. HCCs are permitted to use HPP funding to develop the staffing capacity and technical expertise to assist their members with this requirement.
- Develop policies and procedures: develop and implement policies and procedures based on the plan and risk assessment. HPP funding may not be provided to individual health care entities to meet this requirement; however, ASPR encourages HCCs to provide TA to their individual members to assist them with the development of policies and procedures. HCCs are permitted to use HPP funding to develop the staffing capacity and technical expertise to assist their members with this requirement.
- Develop and maintain a communication plan: develop and maintain a communication plan that complies with both federal and state law. Patient care must be well-coordinated within the facility, across health care providers, and with state and local public health departments and emergency systems. HPP funding may not be provided to individual health care entities to meet this requirement; however, ASPR encourages HCCs to provide TA to their individual members to assist them with the development a communication plan that integrates with the HCC's communications policies and procedures. HCCs are permitted to use HPP funding for costs associated with adding new providers and suppliers to their HCC who are seeking to join coalitions to coordinate patient care across providers, public health departments, and emergency systems (e.g., hiring additional staff to coordinate with the new members, providing communications equipment and platforms to new members, conducting communications exercises, securing meeting spaces, etc.)
- Develop and maintain a training and testing program: develop and maintain training and testing programs, including initial and annual trainings, and conduct drills and exercises or participate in an actual incident that tests the plan. HPP funding may not be provided to individual health care entities for individual health care organizations' trainings and exercises. HPP funding may be used to plan and conduct trainings and exercises at the regional or HCC level.

Advertising and Public Relations, Supplies, Meetings, Promotional Items and Memorabilia

([Federal Regulation Codes under section 200.421](#): PART 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)

- (a) The term “advertising costs” means the costs of advertising media and corollary administrative costs. Advertising media includes magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.

- (b) The only allowable advertising costs are those which are solely for:
- (1) The recruitment of personnel required by the non-federal entity for performance of a federal award (See also §200.463 Recruiting costs).
 - (2) The procurement of goods and services for the performance of a federal award.
 - (3) The disposal of scrap or surplus materials acquired in the performance of a federal award except when non-federal entities are reimbursed for disposal costs at a predetermined amount.
 - (4) Program outreach and other specific purposes necessary to meet the requirements of the federal award.
- (c) The term “public relations” includes community relations and means those activities dedicated to maintaining the image of the non-federal entity or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.
- (d) The only allowable public relations costs are:
- (1) Costs specifically required by the federal award.
 - (2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the federal award (these costs are considered necessary as part of the outreach effort for the federal award).
 - (3) Costs of conducting general liaison efforts with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc.
- (e) Unallowable advertising and public relations costs include the following:
- (1) All advertising and public relations costs other than as specified in paragraphs (b) and (d) of this section
 - (2) Costs of meetings, conventions, convocations, or other events related to other activities of the entity (see also §200.432 Conferences), including:
 - (i) Costs of displays, demonstrations, and exhibits.
 - (ii) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events.
 - (iii) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings.
 - (3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.
 - (4) Costs of advertising and public relations designed solely to promote the non-federal entity.

General Procurement Standards

Some of the general standards over procurement include:

- Every non-federal entity receiving federal awards must have documented procurement procedures that reflect federal law, Uniform Guidance standards, and any state regulations.
- Entities should focus on the most economical solution during the procurement process, and must avoid using federal funds for the acquisition of unnecessary items. Organizations are encouraged to consider the use of shared services and intergovernmental agreements to foster greater economy and efficiency.

- Written conflict-of-interest policies are required. No employee or agent of the entity may participate in the selection, award, or administration of a contract funded by federal grant dollars if they have an actual or apparent conflict of interest.
- The organization must document the procurement steps and activities required to be completed. This includes the basis for the type of procurement, contract type, and the basis for the contractor selection and price.
- Ultimately, the recipient of federal awards must maintain an appropriate level of oversight to ensure that contractors perform in accordance with the terms of their contract.

Uniform Guidance for the Five Methods of Procurement:

- **Micro-purchase:** purchases where the aggregate dollar amount does not exceed \$3,000 (or \$2,000 if the procurement is construction and subject to Davis-Bacon). When practical, the entity should distribute micro-purchases equitably among qualified suppliers. No competitive quotes are required if management determines that the price is reasonable.
- **Small purchase:** includes purchases up to the Simplified Acquisition Threshold, which is currently \$150,000. Informal purchasing procedures are acceptable, but price or rate quotes must be obtained from an adequate number of sources.
- **Sealed bids:** used for purchases over the Simplified Acquisition Threshold, which is currently \$150,000. Under this purchase method, formal solicitation is required, and the fixed price (lump sum or unit price) is awarded to the responsible bidder who conformed to all material terms and is the lowest in price. This method is the most common procurement method for construction contracts.
- **Competitive proposals:** used for purchases over the Simplified Acquisition Threshold, this is currently \$150,000. This procurement method requires formal solicitation, fixed-price or cost-reimbursement contracts, and is used when sealed bids are not appropriate. The contract should be awarded to the responsible firm whose proposal is most advantageous to the program, with price being one of the various factors.
- **Noncompetitive proposals:** also known as sole-source procurement, this may be appropriate only when specific criteria are met. Examples include when an item is available only from one source, when a public emergency does not allow for the time of the competitive proposal process, when the federal awarding agency authorizes, or, after a number of attempts at a competitive process, the competition is deemed inadequate.

Memberships

Generally, funds may not be used for membership fees. However, with prior approval from OPEHC, under certain conditions, funds may be used for membership fees. To request preapproval for any expense for which it is required, email the [OPEHC grants manager](#).

Appendix A: Indirect Costs

HERCs are expected to follow the state's policies for establishing indirect costs and fringe benefit rates. Documentation of these rates must be made available to OPEHC upon request.

The following are examples of expenditures that may be covered by indirect costs rate:

- Financial tracking and report preparation
- Information technology distributed costs
- Distributed accounting costs
- County counsel time
- Administrative services
- Facilities operations charges
- Department analyst time
- Auditor and/or controller time working on the grant
- Liability insurance
- Personnel services
- Overhead costs

Appendix B: Invoice Processing

Disbursing Funds

The financial oversight authority will make all disbursements for each project. All transactions will be recorded in the project account established by the financial oversight authority. Sufficient documentation must be maintained by the financial oversight authority to allow the financial oversight authority's external auditor to perform the fiscal and compliance audit of the grant award. This includes the following functions: maintain original requisitions, purchase orders, invoices, receiving reports and payment vouchers for direct expenditures made by the financial oversight authority.

The financial oversight authority and the HERC region should establish a regular schedule for the disbursement of funds and when to expect payment from the state. Note that the state HPP program must follow State of Wisconsin payment procedures and **will be unable to expedite payments**. The state's STAR fiscal system is programmed to pay invoices 30 days after the invoice has been sent to the state once services or delivery of goods have been received. Please be aware of this information when submitting invoices to the state HPP program for payment. For example, if the most recent date of a service received is January 1, but the invoice was sent to the state on February 15, the fiscal agent will not receive payment until March 15. Disbursement of funds may not exceed the amount of the grant agreement.

Requesting Reimbursement

All reimbursements to the HERC regions will be made via purchase order with the Wisconsin Department of Health Services. Requests for reimbursement may be aggregated and forwarded for payment either monthly or bi-monthly or per another arrangement approved by state HPP staff. A spreadsheet invoice template is available. The process to request reimbursement includes:

- Working with your HERC coordinator to complete the invoice spreadsheet and submit to [OPEHC grants manager](#). Invoices may be submitted monthly or bi-monthly or per other approved arrangement.
- Attaching required documentation including: PDF copies of final invoices or e-mails that document purchasing arrangement between region and vendor. At this time, the state HPP program is only requesting a PDF of a final invoice, a copy of a credit card statement, or a PDF of an e-mail documenting an agreement with a vendor. We do not need all the paper work related to the purchase.
- Completing the appropriate tab in the spreadsheet for reimbursement of travel requests.
- Submitting expenses that have been approved per the region's guidelines. For example, a region's policy could be that the HERC coordinator may approve expenses up to \$x amount and/or approval by the regional advisory group's treasurer or chair person is needed after an expense exceeds that amount.

Note: As a reminder, funds are considered obligated when there is a contract, purchase order, invoice, or some other documentation that designates an obligation to pay. State HPP approval to expend funds does not mean the funds are obligated. In addition, for contracts with vendors that provide a service, the service must be completed by June 30, 2022; for contracts with vendors that supply a good, funds may be obligated if the product has been ordered prior to June 30, 2022, and the goods are delivered by August 15, 2022.

Appendix C: HERC Fiscal Deadlines for Budget Period 3

Dates	Items
June 30, 2021	Last day to purchase items for the BP2 fiscal year
August 16, 2021	Last day to submit BP2 invoices
August 16, 2021	HERCs must submit fiscal report or reconciliation of expenditures to DHS
August 31, 2021	(Goal) Last day for HERCs to become incorporated and become new suppliers within the STAR system
September 1, 2021	Reconcile final expenditures between DHS and HERCs or fiscal agents
September 28, 2021	Last day to sign DHS grant agreements
July 1–October 28, 2021	Submit initial budgets for review (need to submit 30 days after executed award)
September 15–October 28, 2021	Submit carryover budgets for review (include HPP and COVID-19 carryover in initial budget template)
January 30, 2022	Upload draft budget to the CAT
June 30, 2022	Last day to purchase items for the BP3 fiscal year
August 15, 2022	Last day to submit BP3 invoices

Appendix D: Frequently Asked Questions

1. May HPP annual funds be utilized to purchase preparedness materials (for example, Stop the Bleed Kits) for schools?

OPEHC has determined that HPP annual funds may not be used to purchase preparedness materials for schools. Other funding sources may be better suited for providing preparedness materials. For example, Stop the Bleed kits may be supported by trauma funding.

2. As part of the emergency COVID-19 response, may the HERC utilize HPP funds on supplies such as infrared thermometers and O2 Sats to be disseminated to schools, LTCs, hospitals, or Law Enforcement?

These items are allowable for purchase. If you refer to the 2017–2022 Health Care Preparedness and Response Capabilities document, there are many activities that support the coordination of resource needs during an emergency. One example is from Capability 2—Health Care and Medical Response Coordination: Graphic titled "Objective 3: Coordinate Response Strategy, Resources, and Communications."

3. Is there a comprehensive list of allowed or restricted purchases for the HERCs?

OPEHC does not have a comprehensive list of activities or items that funding can be spent on. If activities or projects align with HPP capabilities and objectives, they are more than likely to be approved by OPEHC. Nothing is completely guaranteed, but OPEHC strives to have the least impact on HERC capacity as possible. As for funding restrictions, those general items are listed in this HERC Budget Instructions Guidance document.

4. May the HERC purchase items such as masks, pens, or educational materials featuring the HERC logo?

According to the Code of Federal Regulations §200.421 - Advertising and public relations, under (e) states, "Unallowable advertising and public relations costs include the following: 4) Costs of advertising and public relations designed solely to promote the non-federal entity. Since the code of federal regulations applies to any awarded federal grant, purchasing items with the HERC logo will not be allowed under the HPP grant. The HERC is allowed to supply disposable face masks, but not with the logo. If your HERC receives non-federal funding, it may be possible to use those funds to brand the masks.

5. May the HERCs use HPP annual funding to support opioid awareness and educational efforts?

HPP funds can be used to support opioid awareness and educational efforts such as conferences as long as the funding goes towards either speakers or room fees. The HERC needs to ensure that none of the HPP funding will go towards unallowable costs such as t-shirts.

6. May HPP annual funding be allocated towards regional public service announcements as needed throughout an emergency response?

Yes, HPP annual funds may be used to support this activity.

Per HPP Capability 4, Activity 9 (Joint HPP/PHEP Activity): During an infectious disease outbreak, ASPR and CDC require that recipients and HCCs coordinate the following activities to ensure the ability to surge to meet the demands during a highly infectious disease response:

- Establish a medical common operating picture
- Develop or update plans accordingly
- Establish key indicators and essential elements of information (EEI)*
- Provide real-time information sharing
- Coordinate public messaging

*Note: EEI requirements have been suspended.

7. What steps must the HERC complete if they wish to serve as the RTAC fiscal agent?

- 1) HERCs will enter into a contract with their respective RTACs, agreeing that the HERC will act as the RTAC's fiscal agent. HERCs will need to include a line item in their work plan that states that they will be acting as the fiscal agent for the RTAC.
- 2) RTACs will send their budgets to the trauma coordinator for the new state fiscal year (July 1, 2021– June 30, 2022) by Thursday, July 15.
- 3) HERCs will need to sign two DHS grant agreements: one to receive RTAC funding and one to receive HERC funding.
- 4) HERCs will receive two purchase orders from DHS: one for the RTAC funding and one for HERC funding. A new supplier form will not be required since the HERC is already in the STAR fiscal system.
- 5) RTACs and HERCs will present their items to the board for approval. If a planned expense is over a certain threshold, it may need to be discussed with the HERC if it is an allowable expense.
- 6) HERCs or financial oversight authority will send an invoice to the trauma coordinator requesting reimbursement for RTAC expenses.
- 7) Thirty days after the invoice date, funds will be deposited into the HERC's bank account.
- 8) The HERCs or financial oversight authority will use their existing bank account to mail and write out check(s) to the parties listed on the RTAC invoice, indicating the item being reimbursed in notes area.

8. May HERCs use the state vendor contracts (already established by Department of Administration [DOA]) to purchase medical supplies?

Only state agencies are allowed to piggyback off of established DOA contracts. HERCs will need to reach out to medical vendors on their own to negotiate pricing.

9. Is there a one-pager from the state that explains the bid requirements, amount when a Request for Application (RFA) is needed, and how to properly document compliance with those requirements?

There is not a one-pager available for procurement policies. Please refer to the [300 Series: Competitive Solicitations](#) for more information regarding competitive solicitations such as best judgement and simplified bidding. If you would like to view the entire procurement manual, please refer to the [Department of Administration's webpage](#).