



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee members
From: Sorsha Anderson, Staff Associate
Date: October 20, 2021
Subject: Grant Request – JFO #3067

Enclosed please find one (1) item, which the Joint Fiscal Office has received from the Administration. **The VT Agency Human Services has requested an expedited review of JFO #3067. Please respond by Wednesday, October 27, 2021.**

JFO #3067 – \$953,336 to the VT Agency of Human Services from the Center for Medicare and Medicaid Services. Funds to help create a unified, equitable, mobile crisis response system of care which is statewide, community-based, and meets the needs of individuals in the mental health, substance use, developmental disability, and older adult systems of care. This grant is authorized by the American Rescue Plan Act of 2021. The grant had a tight notification and application timeline, explained on page 3 of the attached packet. The grant period is September 30, 2021 to September 29, 2022.

[Received October 19, 2021, expedited review requested 10/19/2021]

Please review the enclosed materials and notify the Joint Fiscal Office (Sorsha Anderson: sanderson@leg.state.vt.us) if you have questions or would like this item held for legislative review. Members will be polled on Wednesday, October 27, 2021 if they have not responded before then.

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		This grant supports the mobile crisis response system of care, specifically - technical assistance for a statewide assessment, stakeholder engagement, and implementation plan design; identification of training needs and development of trainings to support providers, community-based organizations, and law enforcement; and implementation of state information systems edits and other related updates.			
Date:		9/29/2021			
Department:		Agency of Human Services - Central Office			
Legal Title of Grant:		Community-Based Mobile Crisis Intervention Services			
Federal Catalog #:		93.639			
Grant/Donor Name and Address:		Centers for Medicare & Medicaid Services 750 Security Boulevard Baltimore, Maryland 21244-1850			
Grant Period:		From:	To:		
		9/30/2021	9/29/2022		
Grant/Donation		\$953,336			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$476,668	\$476,668	\$	\$953,336	
Position Information:		# Positions	Explanation/Comments		
		0	Full amount of grant to be spent on contracts.		
Additional Comments:		EXPEDITED REVIEW REQUESTED.			
Department of Finance & Management					(Initial)
Secretary of Administration					(Initial)
Sent To Joint Fiscal Office					Date





State of Vermont
Agency of Human Services
Office of the Secretary
280 State Drive
Waterbury, VT 05671-1000
humanservices.vermont.gov

Michael K. Smith, *Secretary*
Jenney Samuelson, *Deputy Secretary*

[phone] 802-241-0440

[fax] 802-241-0450

To: Joint Fiscal Committee

From: Sarah Clark, CFO

DocuSigned by:
Sarah Clark
23638E76F800418...

Date: September 23, 2021

RE: Expedited Review of Grant Acceptance for Community-Based Mobile Crisis Intervention Services

The Agency of Human Services (AHS) has received a grant award of \$953,336 from the Department of Health and Human Services, Centers for Medicaid & Medicaid Services. The grant, Community-Based Mobile Crisis Intervention Services was authorized by The American Rescue Plan Act of 2021 amended Title XIX of the SSA (the Act).

The project period for the grant is from September 30, 2021 to September 29, 2022. The award has no state match requirements.

The funding opportunity was announced on July 13, 2021 with an application deadline of August 13, 2021. AHS, through its component departments (Department of Vermont Health Access, Department of Mental Health, Department of Health, and Department of Disabilities, Aging, and Independent Living), has a variety of initiatives related to the mobile crisis response system of care which are either currently underway in a pilot phase, are in the planning and design process, or are conceptual ideas pending future developments such as funding or collaborative opportunities. The American Rescue Plan Act of 2021 Section 9813 state planning grant and subsequent funding for qualifying community-based mobile crisis intervention services affords AHS the transformative opportunity that is necessary to achieve its goal of a unified, equitable, mobile crisis response system of care which is statewide, community-based, and meets the needs of individuals in the mental health, substance use, developmental disability, and older adult systems of care. A mobile crisis system of care designed to meet these needs will reduce the strain on emergency departments and improve health outcomes for all Vermonters.

AHS's plan is to support technical assistance for a statewide assessment, stakeholder engagement, and implementation plan design; identification of training needs and development of trainings to support providers, community-based organizations, and law enforcement; and implementation of state information systems edits and other related updates.

Therefore, AHS is asking for expedited review of this AA-1 due to the tight timeframe of the grant.

Please let us know if you have any questions or need additional information.

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:		Agency of Human Services		
2. Department:		Secretary's Office		
3. Program:		Community-Based Mobile Crisis Intervention Services		
4. Legal Title of Grant:		Community-Based Mobile Crisis Intervention Services		
5. Federal Catalog #:		93.639		
6. Grant/Donor Name and Address: Department of Health and Human Services Centers for Medicare & Medicaid Services 750 Security Boulevard Baltimore, Maryland 21244-1850				
7. Grant Period:		From:	9/30/2021	To: 9/29/2022
8. Purpose of Grant: The American Rescue Plan Act of 2021 Section 9813 state planning grant and funding for qualifying community-based mobile crisis intervention services affords AHS the transformative opportunity that is necessary to achieve its goal of a unified, equitable, mobile crisis response system of care which is statewide, community-based, and meets the needs of individuals in the mental health, substance use, developmental disability, and older adult systems of care. A mobile crisis system of care designed to meet these needs will reduce the strain on emergency departments and improve health outcomes for all Vermonters.				
9. Impact on existing program if grant is not Accepted: This is an opportunity to leverage technical assistance in order to rollout a robust statewide community-based mobile response program.				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2022	FY 2023	FY	
Personal Services	\$476,668	\$476,668	\$	Contracts
Operating Expenses	\$	\$	\$	
Grants	\$	\$	\$	
Total	\$476,668	\$476,668	\$	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$476,668	\$476,668	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source)	\$	\$	\$	
Total	\$476,668	\$476,668	\$	
Appropriation No:	3400001000		Amount:	\$953,336

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

			\$
			\$
			\$
			\$
			\$
			\$
		Total	\$953,336

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Jenney Samuelson Agreed by: JS (initial)

12. Limited Service Position Information:	# Positions	Title
Total Positions		

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

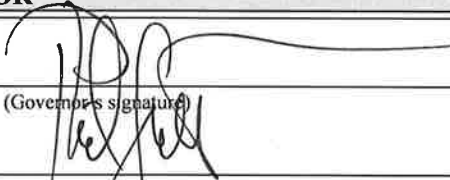
13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>Jenney Samuelson</u>	Date: <u>9/18/2021</u>
	Title: Deputy Secretary	
	Signature:	Date:
	Title:	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/> Approved:	(Secretary or designee signature) Kristin Clouser	Date:
	Digitally signed by Kristin Clouser Date: 2021.10.07 13:21:38 -04'00'	

15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/> Accepted	(Governor's signature) 	Date: <u>10/18/21</u>
<input type="checkbox"/> Rejected		

16. DOCUMENTATION REQUIRED

Required GRANT Documentation	
<input checked="" type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input checked="" type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

End Form AA-1

(*) The term "grant" refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).



Department of Health and Human Services
Centers for Medicare & Medicaid Services

Notice of Award

Award# 2I2CMS331822-01-00
FAIN# 2I2CMS331822
Federal Award Date: 09/17/2021

Recipient Information

1. Recipient Name

Vermont Agency of Human Services
280 State Dr
Waterbury, VT 05671-9501
[NO DATA]

2. Congressional District of Recipient

00

3. Payment System Identifier (ID)

1036000264C7

4. Employer Identification Number (EIN)

036000264

5. Data Universal Numbering System (DUNS)

809376155

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

Ms. Judith Morse
Financial Manager
judith.morse@vermont.gov
802-241-0445

8. Authorized Official

Ms. Judith Morse
Financial Manager
judith.morse@vermont.gov
802-241-0445

Federal Agency Information

Office of Acquisitions and Grants Management

9. Awarding Agency Contact Information

Ms. Linda Gmeiner.
Grants Management Specialist
linda.gmeiner@cms.hhs.gov
410-786-9954

10. Program Official Contact Information

Effie George
Project Officer

effie.george@cms.hhs.gov
410-786-8639

Federal Award Information

11. Award Number

2I2CMS331822-01-00

12. Unique Federal Award Identification Number (FAIN)

2I2CMS331822

13. Statutory Authority

The American Rescue Plan Act of 2021 amended Title XIX of the SSA (the Act): "SEC. 1947. State Option to Provide Qualifying Community-Based Mobile Crisis Intervention Services".

14. Federal Award Project Title

Community-Based Mobile Crisis Intervention Services

15. Assistance Listing Number

93.639

16. Assistance Listing Program Title

Section 9813: State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services

17. Award Action Type

New

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date	09/30/2021	- End Date	09/29/2022	
20. Total Amount of Federal Funds Obligated by this Action				\$953,336.00
20a. Direct Cost Amount				\$953,336.00
20b. Indirect Cost Amount				\$0.00
21. Authorized Carryover				\$0.00
22. Offset				\$0.00
23. Total Amount of Federal Funds Obligated this budget period				\$0.00
24. Total Approved Cost Sharing or Matching, where applicable				\$0.00
25. Total Federal and Non-Federal Approved this Budget Period				\$953,336.00
26. Project Period Start Date	09/30/2021	- End Date	09/29/2022	
27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period				Not Available

28. Authorized Treatment of Program Income

ADDITIONAL COSTS

29. Grants Management Officer - Signature

Mrs. Mary Greene
Grants Management Officer

30. Remarks

Funds have been authorized in accordance with the final negotiated budget dated 9/7/2021, conditional upon the restrictions noted in the Recipient Specific Terms and Conditions.

Please see the attached Recipient Specific, Program, and Standard Terms and Conditions.



Department of Health and Human Services
Centers for Medicare & Medicaid Services

Notice of Award

Award# 2I2CMS331822-01-00
FAIN# 2I2CMS331822
Federal Award Date: 09/17/2021

<p>Recipient Information</p> <p>Recipient Name Vermont Agency of Human Services 280 State Dr Waterbury, VT 05671-9501 [NO DATA]</p> <p>Congressional District of Recipient 00</p> <p>Payment Account Number and Type 1036000264C7</p> <p>Employer Identification Number (EIN) Data 036000264</p> <p>Universal Numbering System (DUNS) 809376155</p> <p>Recipient's Unique Entity Identifier Not Available</p>
<p>31. Assistance Type Cooperative Agreement</p> <p>32. Type of Award Other</p>

33. Approved Budget (Excludes Direct Assistance)	
I. Financial Assistance from the Federal Awarding Agency Only	
II. Total project costs including grant funds and all other financial participation	
a. Salaries and Wages	\$0.00
b. Fringe Benefits	\$0.00
c. Total Personnel Costs	\$0.00
d. Equipment	\$0.00
e. Supplies	\$0.00
f. Travel	\$0.00
g. Construction	\$0.00
h. Other	\$953,336.00
i. Contractual	\$0.00
j. TOTAL DIRECT COSTS	\$953,336.00
k. INDIRECT COSTS	\$0.00
l. TOTAL APPROVED BUDGET	\$953,336.00
m. Federal Share	\$953,336.00
n. Non-Federal Share	\$0.00

34. Accounting Classification Codes					
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	OBJECT CLASS	AMT ACTION FINANCIAL ASSISTANCE	APPROPRIATION
1-5991661	212331822C6	212	412K	\$953,336.00	75-X-0516

AWARD ATTACHMENTS

Vermont Agency of Human Services

2I2CMS331822-01-00

- 1. Recipient Specific Terms & Conditions**
- 2. Program Terms & Conditions**
- 3. Standard Terms & Conditions**

American Rescue Plan Act (ARP) of 2021: Section 9813 State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services

Recipient Specific Terms and Conditions

In order to ensure that the amount of funds awarded for this program do not exceed the total funds available, the final award amounts were reduced from the original applications for each Recipient. As a result, Recipients are asked to submit a revised budget to reflect the final award amount as shown on this Notice of Award (NoA). The instructions are provided below.

1. Restriction of Funds:

- The Recipient will not have access to funds until a revised budget is submitted to CMS for review and approval through issuance of an amended NoA. If CMS has additional questions or follow-up with the Recipient's application beyond those already addressed in these Recipient Specific Terms and Conditions, CMS will send out those additional items within 7 business days through the use of Grant Notes correspondence in GrantSolutions.

2. Submission Requirements:

- Award funds are currently allocated in the "other" budget cost category. Revised documents for submission include an SF-424, an SF-424A, and a revised Budget Narrative to depict the reallocation of funds to the appropriate budget cost categories and include all required information.
- The Recipient must submit a "Revision (Budget)" amendment to GrantSolutions within 30 calendar days and include a cover letter signed by the Authorized Organizational Representative (AOR), as well as a revised SF-424, SF-424A, and a revised Excel budget workbook that addresses all requirements included in these Recipient Specific Terms & Conditions.
- In the budget narrative, the Recipient must provide a detailed, itemized budget for all activities/costs including subrecipients, contracts, or consultants. Lump sum totals are not acceptable. If an itemized budget cannot be provided for any activity/cost within 30 calendar days of issuance of this NoA, funding restrictions will remain in place for any activities/costs not yet approved until the Recipient provides the requested information and CMS provides approval through an amended NoA.

- If applicable, any questions or follow-up requests provided by CMS through Grant Notes correspondence must also be addressed and provided.

CMS will review the revised budget information submitted and will either request additional revisions or issue an amended NoA releasing funds to support the approved activities/costs.

3. Additional Required Documentation:

- The Recipient shall provide a response to the comments as noted in the **“Business Assessment of Applicant Organization”**. This document will be sent to you via Grant Notes correspondence by your Grants Management Specialist.

**DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850**



**The American Rescue Plan Act of 2021 (ARP) Section 9813
State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services**

PROGRAM TERMS AND CONDITIONS

1. The project period for the American Rescue Plan Act Section 9813 State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services is from September 30, 2021, to September 29, 2022. The start date for the award is September 30, 2021. No cooperative agreement funds can be used for expenses incurred prior to this date.
2. With the initial expenditure of funds, the Recipient certifies that the State Medicaid Agency, meaning the single state agency for medical assistance provided under Title XIX of the Social Security Act (the Act), meets the definition of an “eligible entity” as defined in the Notice of Funding Opportunity (NOFO) which corresponds to Section 2113(f) of the Act.
3. This Notice of Award (NoA) includes funding for the 12-month budget period, September 30, 2021 through September 29, 2022.
4. The Recipient must have and maintain an account with GrantSolutions (GS) in order to communicate, receive, and obtain documentation from the Centers for Medicare & Medicaid Services (CMS). If the designated Recipient Authorized Organizational Representative (AOR) and Project Director (PD) do not already have accounts in GS, they should contact GS immediately upon receipt of award to complete a user account form. Any change in personnel with access to GS must also be communicated to CMS and GS staff on a timely basis so that the key individuals responsible for this award are current and correct within the GS system.
5. The Recipient is responsible for transmitting a copy of the NoA and accompanying documents to the individual at the state who is authorized to request funds from the Payment Management System (PMS).
6. The Recipient is required to participate in all required communications (e.g., monitoring or guidance calls, emails) and participate in technical assistance activities as specified in these program terms and conditions or as requested by CMS. Required communication regarding grant-related activities includes, but is not limited to the following topics:
 - a. Cooperative agreement implementation status;
 - b. Strategies employed;
 - c. Challenges and responses;

- d. Drawdown of cooperative agreement funds, as appropriate for the cooperative agreement period; and
- e. Progress with program monitoring and improvements as needed.

7. REPORTING REQUIREMENTS

Quarterly and Final Progress Reports:

The Recipient is required to submit quarterly progress reports as well as a final progress report when the project period ends. These reports should include narrative updates on planning grant activities as well as information on each Recipient's approved work plan as specified in each Recipient's approved application.

Qualifying community-based mobile crisis intervention services must meet the requirements contained in section 1947(b) of the Act and necessitate the successful submission and approval of a State Plan Amendment (SPA), section 1115 demonstration application, or section 1915(c) or 1915(b) waiver program request or amendment.

CMS will provide Recipients with additional instructions for the quarterly progress report and the final progress report submissions.

Satisfactory progress will be determined by the Recipient's adherence to the CMS approved detailed project work plan and timeline, and in accordance with the terms and conditions.

Submission of Recipient progress reports are required to be completed 30 days after the end of each fiscal year quarter: Quarter One ends December 31; Quarter Two ends March 31; Quarter Three ends June 30; Quarter Four ends September 30.

The Recipient will submit other information as requested by CMS. Submission of web-based Recipient logs are required to be completed 30 days after the end of each fiscal year quarter: Quarter One ends December 31; Quarter Two ends March 31; Quarter Three ends June 30; Quarter Four ends September 30.

Financial Reports:

CMS is requiring that financial reports be submitted via PMS on a semi-annual basis, and will be due 30 days after the end of each 6-month period.

Please refer to the Standard Terms and Conditions entitled, FINANCIAL REPORTING, that provides detailed financial reporting instructions and be familiar with BOTH financial report requirements (quarterly cash transaction report as well as the semi-annual report).

- 8. CMS reserves the right to modify required data elements reported in all technical documents and reports submitted, to better measure outcomes for Recipients with specialized goals and

strategies. CMS may also require the reporting of additional data elements over the course of the cooperative agreement in order to fully assess Recipient performance.

9. The Recipient shall assume responsibility for the accuracy and completeness of the information contained in all technical documents and reports submitted.
10. All program progress reports must be uploaded into the Grant Notes section of GrantSolutions, and be titled "Program Progress Report" that will be reviewed by the CMS Project Officer and Grant Management Specialist. Upon review, the CMS Project Officer will either accept or return to the Recipient for additional information or clarification. The cooperative agreement will not be considered complete and in accordance with the terms and conditions until all required reports have been accepted by both the CMS Project Officer and Grants Management Specialist.
11. All written reports must be in a format compliant with section 508 of the Rehabilitation Act (29 U.S.C. 794d).

12. Personnel Changes:

The Recipient is required to notify the CMS Project Officer and the CMS Grant Specialist within ten (10) days of any key personnel changes affecting the award. The AOR, PD, and Financial Officer (who is responsible for completing the Financial Report SF-425), as well as any Key Contractor staff are considered key personnel changes. Certain key personnel changes require prior CMS approval as well as an amendment request submitted in GS.

13. The Recipient may not deviate from the original scope of work as described in the CMS approved grant application and work plan for which the cooperative agreement was awarded without first receiving written prior approval from CMS. If proposing changes, the Recipient must first consult with the CMS Project Officer. The formal request must include a detailed explanation for the change to the scope of work, including revised time line, work plan, and budget and be submitted as an amendment in GS. The CMS Grants Management Officer makes the final decision to approve or deny a request for a change in scope of work.
14. All attachments to these program terms and conditions are integral to the agreement between CMS and the Recipient and must be observed as such. As stated in the NOFO, Section F3, Terms and Conditions, CMS may terminate this award for material noncompliance. Material noncompliance includes, but is not limited to violation of the terms and conditions of the award; failure to perform award activities in a satisfactory matter; improper management of funds; or fraud, waste, abuse, mismanagement, or criminal activity. CMS will consider the Recipient for corrective action, funding restrictions, or termination if they do not meet the requirements outlined in their terms and conditions as stated in the Standard Terms and Conditions, Term #35. CMS reserves the right to reduce funds or terminate the cooperative agreement based on the Recipient's performance.
15. The Recipient is responsible for ensuring that no federal funds provided under this award are used to provide technical assistance or other services that are duplicative of funds and services

authorized under other federal initiatives. The Recipient may be requested by CMS to provide evidence of well-documented internal controls to ensure that resources are used in the most efficient manner and that activities are not duplicative as stated above. If any duplication occurs, the Recipient must notify the CMS Grants Management Specialist and the CMS Project Officer at the time of discovery and provide a mitigation plan to the CMS Grants Management Specialist and to the CMS Project Officer.

ATTACHMENT A:

**The American Rescue Plan (ARP) Act of 2021 Section 9813
State Planning Grants for Qualifying Community-Based Mobile Crisis Intervention Services**

TIMELINE

<u>ACTIVITY</u>	<u>TIMELINE</u>
Cooperative Agreement Project Period	September 30, 2021 through September 29, 2022
Cooperative Agreement period begins	September 30, 2021
Acceptance of Cooperative Agreement Award	Upon initial draw of funds from PMS
Monitoring Calls with CMS PO	Monthly beginning on or after September 30, 2021
Quarterly Progress Reports	30 days after the end of each fiscal year quarter: Quarter One, December 31; Quarter Two, March 31; Quarter Three, June 30; Quarter Four, September 30
Semi-Annual Financial Reports	30 days after the end of each semi-annual period. See Standard Terms and Conditions for Financial Reporting Instructions
Final Progress Report	January 30, 2022

**Centers for Medicare & Medicaid Services
Standard¹ Grant/Cooperative Agreement² Terms and Conditions**

1. **Recipient.** The Recipient is the Grantee designated in the Notice of Award (NoA).
2. **Acceptance of Application & Terms of Agreement.** Initial drawdown of funds by the Recipient constitutes acceptance of this award.
3. **Notice of Funding Opportunity (NOFO).** All relevant project requirements outlined in the NOFO apply to this award and are incorporated into these terms and conditions by reference.
4. **Uniform Administrative Requirements, Cost Principles, and Audit Requirements.** This award is subject to 45 CFR Part 75 [available at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75&rgn=div5>], which implements 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) for the U.S. Department of Health & Human Services (HHS) operating divisions, effective December 26, 2014. All recipients must comply with Subparts A-F unless as described immediately below under *Cost Principles* and *Audit Requirements*.
 - **Uniform Administrative Requirements.** All Recipients must comply with Subparts A-D of 45 CFR Part 75.
 - **Cost Principles.** Centers for Medicare and Medicaid Services (CMS) grant awards provide for reimbursement of actual, allowable costs incurred and are subject to the Federal cost principles. The cost principles establish standards for the allowability of costs, provide detailed guidance on the cost accounting treatment of costs as direct or indirect, and set forth allowability and allocability principles for selected items of cost. Applicability of a particular set of cost principles depends on the type of organization. CMS recipients must comply with the cost principles set forth in HHS regulations at 45 CFR Part 75, Subpart E with the following exceptions: (1) hospitals must follow Appendix IX to part 75 and commercial (for-profit) organizations are subject to the cost principles located at 48 CFR subpart 31.2³.

¹ Standard Terms and Conditions include all possible grants administrative requirements for CMS awards. All standard terms and conditions apply unless the requirement is not applicable based on the project awarded. Recipients should contact their assigned Grants Management Specialist if they have questions about whether an administrative term and condition applies.

² A Cooperative Agreement is an alternative assistance instrument to be used in lieu of a grant whenever substantial Federal involvement with the recipient during performance is anticipated. The difference between grants and cooperative agreements is the degree of Federal programmatic involvement rather than the type of administrative requirements imposed. Therefore, statutes, regulations, policies, and the information contained in these Standard Terms and Conditions that are applicable to grants also apply to cooperative agreements, unless otherwise stated.

³ There are no cost principles specifically applicable to grants to for-profit organizations. Therefore, the cost principles for commercial organizations set forth in the FAR (48 CFR subpart 31.2) generally are used to determine allowable costs under CMS grants to for-profit organizations. As provided in those cost principles, allowable travel costs may not exceed those established by the FTR (available on-line at <http://gsa.gov/portal/content/104790>). The cost principles in 45 CFR 75, Appendix IX, determine allowable costs under CMS grants to proprietary hospitals.