

## PROJECT: Public Health Emergency Preparedness (PHEP) and Cities Readiness Initiative (CRI) as applicable

### 3 Month Project – BIOTHREE/CRITHREE

Beginning Date: 7/1/2023

End Date: 9/30/2023

### 9 Month Project – BIONINE/CRININE

Beginning Date: 10/1/2023

End Date: 6/30/2024

### **Project Synopsis**

As a Grantee of funding provided through the Centers for Disease Control and Prevention (CDC) Public Health Emergency Preparedness (PHEP) Cooperative Agreement, each Grantee shall conduct activities to build preparedness and response capacity and capability. These activities shall be conducted in accordance with the PHEP Cooperative Agreement guidance for BP5(2023-2024) plus any and all related guidance from the CDC and the Department that is issued for the purpose of clarifying or interpreting overall program requirements.

### **Reporting Requirements (if different than contract language)**

1. Grantee are required to submit a 3-month (July 1 to September 30) budget and a 9-month (October 1 to June 30) for both Base PHEP and CRI funding, including the 10% MATCH for those periods (see below for detail regarding Match). Submitted to the Financial Analyst, Janis Tipton at [tiptonj2@michigan.gov](mailto:tiptonj2@michigan.gov) with a cc to [MDHHS-BETP-DEPR-PHEP@michigan.gov](mailto:MDHHS-BETP-DEPR-PHEP@michigan.gov) by April 7, 2023.
2. ALL activities funded through the PHEP cooperative agreement must be completed between July 1, and June 30, and all BP5 funding must be obligated by June 30, 2024, and activity completed by the August 15, 2024 Final FSR submission deadline.
3. Grantee must submit required PHEP program data and reports by the stated deadlines. This includes, but is not limited to, progress reports, performance measure data reports, National Incident Management System (NIMS) compliance reports, updated emergency plans, budget narratives, Financial Status Reports (FSR), etc. Failure to do so will constitute a benchmark failure. All deliverables must be submitted by the designated due date in the LHD BP5 work plan.

4. Grantee must maintain National Incident Management System (NIMS) compliance as detailed in the LHD work plan and submit annually to the Department – DEPR per the LHD BP5 work plan.
5. Each subrecipient Grantee must retain program-related documentation for activities and expenditures consistent with Title 2 CFR Part 200; Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, to the standards that will pass the scrutiny of audit.

**Any additional requirements (if applicable)**

All Grantee activities shall be consistent with all approved BP5 work plan(s) and budget(s) on file with the Department through the EGrAMS. In addition to these broad requirements, the Grantee will comply with the following:

- Grantee provides the required 10% MATCH of the MDHHS Comprehensive amount for July 1 to September 30 and October 1 to June 30. Grantee are required to submit a letter (on agency letterhead) stating the source, calculation, and narrative description of how the match was achieved, unless said match is met using local dollars. This is due with the narrative budget submission to the Division of Emergency Preparedness and Response-DEPR.
- Grantee will maintain a 1.0 full-time equivalent (FTE) emergency preparedness coordinator (EPC) position, to support emergency preparedness and response activities and as a program point of contact. This position will be supported at a minimum of 75% with PHEP funding. Other grants may be used up to 25% to support flexibility in grant utilization. In addition to the Grantee health officer, the EPC shall participate in collaborative capacity building activities of the PHEP Cooperative Agreement, all required reporting and exercise requirements and in regional Healthcare Coalition (HCC) initiatives. Any changes to this staffing model must be approved by the Public Health Emergency Preparedness Program Manager at the Division of Emergency Preparedness and Response (517-335-8150).
- Under the PHEP cooperative agreements, Grantees must continue to partner with the Regional Healthcare Coalitions (HCC) and support HCC initiatives to ensure that healthcare organizations receive resources to meet medical surge demands. Working well together during a crisis is facilitated by meeting on a regular basis. To this end, EPCs, supported by CDC PHEP are required to participate in and support regional HCC initiatives. In addition, the EPC or designee is required to attend regional HCC planning or advisory board meetings. The intent is for LHDs that cross regional boundaries to align with one regional coalition.
- There are a number of special initiatives, projects, and/or supplemental funding opportunities that are facilitated under this cooperative agreement. For example, the Cities Readiness Initiative (CRI) performance and evaluation initiatives. Each

Grantee that is designated to participate in any of these types of supplemental opportunities is required to comply with all CDC and the Department – Division of Emergency Preparedness and Response (DEPR) guidance, and all accompanying work plan and budgeting requirements implemented for the purpose of subrecipient monitoring and accountability. Some or all supplemental opportunities may require separate recordkeeping of expenditures. If so, this separate accounting will be identified in separate project budgets in the EGrAMS. These supplemental opportunities may also require additional reporting and exercise activities.

- Budget amendments that contain line items deviating more than 15% or \$10,000 (whichever is greater) from the original budgeted line item must be approved by DEPR prior to implementation via email to the Financial Analyst, Janis Tipton at [tiptonj2@michigan.gov](mailto:tiptonj2@michigan.gov) with a cc to [MDHHS-BETP-DEPR-PHEP@michigan.gov](mailto:MDHHS-BETP-DEPR-PHEP@michigan.gov)
- In response to repeated communications from CDC strongly urging states to ensure all funds are spent each year a threshold has been established to limit the amount of unspent funds. A maximum of 2% of the Grantee allocation or \$3,000 (whichever is greater) of unspent funds is allowable each budget period. Failure to meet this requirement, or misuse of funds, will affect the amount that is allocated in subsequent budget periods.

### **Unallowable and Allowable Costs**

- Grantee may not use funds for research.
- Grantee may not use funds for clinic care except as allowed by law.
- Generally, Grantee may not use funds to purchase furniture or equipment. Any such proposed spending must be clearly identified in the budget.
- Reimbursement of pre-award costs generally is not allowed unless the CDC provides written approval to the recipient.
- Other than for normal and recognized executive-legislative relationships, no funds may be used for:
  - a. Publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body.
  - b. The salary or expenses of any grant or contract recipient, or agent acting for such recipient related to any activity designed to influence the enactment of legislation, appropriations regulation, administrative action, or Executive order proposed or pending before any legislative body.

- Lobbying is prohibited.
- The direct and primary recipient in a cooperative agreement 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.
- Grantee may not use funds to purchase vehicles to be used as means of transportation for carrying people or goods, e.g., passenger cars or trucks, electrical or gas-driven motorized carts.
- Grantee can (with prior approval) use funds to lease vehicles to be used as means of transportation for carrying people or goods, e.g., passenger cars or trucks and electrical or gas-driven motorized carts.
- Payment or reimbursement of backfilling costs for staff is not allowed.
- No clothing may be purchased with these funds.
- Items considered as give away such as first aid kits, flashlights, shirts etc., are not allowable.
- None of the funds awarded to these programs may be used to pay the salary of an individual at a rate in excess of Executive Level II or \$189,600 per year.
- Grantee may not use funds for construction or major renovations.
- Grantee may not use funds to purchase a house or other living quarter for those under quarantine.
- PHEP funds may not be used to purchase or support (feed) animals for labs, including mice. Any requests for such must receive prior approval of protocols from the Animal Control Office within CDC and subsequent approval from the CDC OGS as to the allowable of costs.
- Grantee may supplement but not supplant existing state or federal funds for activities described in the budget. Supplantation is the replacement of non-federal funds with federal funds to support the same activities. Under Public Health Service Act, Title I, Section 319(c), it strictly and expressly prohibits using cooperative agreement funds to supplant any current state or local expenditures.
- Grantee may use funds only for reasonable program purposes including personnel, travel, supplies and services.
- Grantee may (with prior approval) use funds for overtime for individuals directly associated (listed in personnel costs) with the award.

- Grantee can (with prior approval) use funds to purchase material-handling equipment (MHE) such as industrial or warehouse-use trucks to be used to move materials, such as forklifts, lift trucks, turret trucks, etc. Vehicles must be of a type not licensed to travel on public roads.
- Grantee can use funds to purchase caches of medical or non-medical Counter measures for use by public health first responders and their families to ensure the health and safety of the public health workforce.
- Grantee can use funds to support appropriate accreditation activities that meet the Public Health Accreditation Board's preparedness-related standards.

### **Audit Requirement**

A grantee may use its Single Audit to comply with 42 USC 247d – 3a(j)(2) if at least once every two years the awardee obtains an audit in accordance with the Single Audit Act (31 USC 7501 – 7507) and Title 2 CFR, Part 200 Subpart F; submits that audit to and has the audit accepted by the Federal Audit Clearinghouse; and ensures that applicable PHEP CFDA number 93.069 are listed on the Schedule of Expenditures of Federal Awards (SEFA) contained in that audit.

### **Pandemic and All Hazards Preparedness and Advancing Innovation Act of 2018**

Requires the withholding of amounts from entities that fail to achieve PHEP benchmarks. The following PHEP benchmarks have been identified by CDC and MDHHS-DEPR for the Fiscal Year:

- Demonstrated adherence to all PHEP application and reporting deadlines. Grantees must submit required PHEP program data and reports by the stated deadlines. This includes, but is not limited to, progress reports, performance measure data reports, National Incident Management System (NIMS) compliance reports, updated emergency plans, budget narratives, Financial Status Reports (FSR), etc. Failure to do so will constitute a benchmark failure. All deliverables must be submitted by the designated due date in the LHD BP5 work plan.
- Demonstrated capability to receive, stage, store, distribute, and dispense medical countermeasures (MCM) I during a public health emergency, per the LHD BP5 Work Plan.
- Further guidance related to specific preparedness deliverables will be included in the LHD workplan.

## **Benchmark Failure**

Awardees are expected to “substantially meet” the PAHPIA benchmarks. Per the Cooperative Agreement, failure to do so constitutes a benchmark failure, which carries an allowable penalty withholding of funds. Failure to meet any one of the two benchmarks and/or the spending threshold is considered a single benchmark failure. Any awardee (or sub-awardee) that does not meet a benchmark, and/or the spending threshold will have an opportunity to correct the deficiency during a probationary period. If the deficiency is not corrected during this period, the awardee is subject to a 10% withholding of funds the following budget period. Failure to meet the pandemic influenza plan requirement constitutes a separate benchmark failure and is also subject to a 10% withholding. The total potential withholding allowable is 20% the first year. If the deficiency is not corrected, the allowable penalty withholding increases to 30% in year two and 40% in year three.

## **Regional Epidemiology Support**

For those Grantees receiving additional funds to provide workspace for Regional Epidemiologists, the grantee must provide adequate office space, telephone connections, and high-speed Internet access. The position must also have access to fax and photocopiers.