



## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **Health Resources and Services Administration**

#### **Health Center Program Performance Period Extensions**

**AGENCY:** Health Resources and Services Administration (HRSA), Department of Health and Human Services.

**ACTION:** Notice of 3-month extension for Bronx Community Health Network, Inc. (BCHN).

**SUMMARY:** To avoid a gap in services to its service area between the end of BCHN's current period of performance and the next Service Area Competition (SAC), BCHN will receive a 3-month Extension with Funds to extend the end date of its period of performance from January 31, 2026, to April 30, 2026. BCHN currently has a period of performance ending on January 31, 2026. Extending BCHN's total period of performance to April 30, 2026, will prevent interruption in access to critical primary health care services in the community currently served by BCHN. Since there will be no SAC competition released for health centers with a period of performance end date of January 31, 2026, this extension will also permit BCHN to apply to the SAC application cycle for health centers with a period of performance end date of April 30, 2026.

**FOR FURTHER INFORMATION CONTACT:** Erica Clift, Division Director, Office of Program and Policy Development, Bureau of Primary Care, HRSA, at [eclift@hrsa.gov](mailto:eclift@hrsa.gov) and 301-443-0741.

#### **SUPPLEMENTARY INFORMATION:**

*Intended Recipient of the Award:* BCHN, which serves the Bronx, New York service area. The Bronx is a community that is vulnerable to a lapse in access to comprehensive primary care services.

*Amount of Award(s):* 1 award for \$2,377,440

*Project Period:* February 1, 2022, to April 30, 2026

*Assistance Listing Number:* 93.224

*Award Instrument:* Grant – Non-competing Continuation

*Authority:* Section 330 of the Public Health Service Act, as amended (42 U.S.C. 254b, as amended).

*Justification:* Providing BCHN a 3-month extension to April 30, 2026, is consistent with the Health Center Program’s policy decision to change from 3-year project periods to 4-year project periods in a phased-in approach over the next 2 years and to align with the SAC cycle that begins in April 2026. Health centers currently receive a 3-year period of performance when they successfully compete and receive Health Center Program funding through an SAC. HRSA will begin to move health centers with a current 3-year period of performance to a 4-year period of performance through a phased approach starting in FY 2026 with periods of performance beginning on May 1, 2026, to:

- Reduce the burden on health centers by extending the timing for their operational site visits and their SAC application submission from every 3 years to every 4 years;
- Provide HRSA with increased operational flexibility and efficiency by distributing the review and processing of SACs, Program Analysis and Recommendations, and operational site visits more evenly across the 4-year funding cycles of health center competitive awards without sacrificing the integrity of compliance reviews and funding decisions for the Health Center Program; and
- Increase the continuity of patient access to comprehensive primary health care services by committing each health center to a longer time frame in each service area, while remaining aligned with current grants requirements and policies.

HRSA will provide BCHN with a 3-month extension with funds to ensure continuity of services between the current period of performance end date and when a new award is made for the service area.

**Request for Recipient Response:** This action extends the period of performance with funds to your Health Center Program (H80CS00626) award. BCHN's award with a current period of performance of February 1, 2022, through January 31, 2026, will be extended by 3 months to April 30, 2026. This extension will prevent interruptions in access to critical health care services in the community. To process this action, BCHN must respond to this request for information (RFI) within the specified timeframe by providing a SF-424A and Budget Narrative, as detailed below.

**Activities/Requirements:** Activities and work funded under this 3-month extension are within the scope of the current award. All of the terms and conditions of the current award apply to activities and work supported by this 3-month extension.

**Required Submission Response:** BCHN must submit the response to the RFI in HRSA's Electronic Handbook. If HRSA does not receive a response to the RFI by the deadline, or the response to the RFI is incomplete or non-responsive, there may be a delay or lapse in the issuance of funding. The response should not exceed 20 pages, single-spaced, and must include the following information.

**1. SF-424A: Budget Information Form**

Upload an SF-424A: BUDGET INFORMATION FORM attachment.

**Section A: Budget Summary:** Verify the pre-populated list of Health Center Program funding types:

- Community Health Center (CHC)
- Migratory and Seasonal Agricultural Workers (MSAW)
- Homeless Population (HP)
- Residents of Public Housing (RPH)

If the funding types are incorrect, make necessary adjustments. In the Federal column, provide the funding request for each Health Center Program funding type (CHC, MSAW, HP, RPH). The total federal funding requested across all Health Center Program funding types must align with the amount provided in the request from HRSA.

**Note:** This RFI submission may **not** be used to request changes to the total award, funding type(s), or Health Center Program funds allocation between funding types. **Funding must be requested and will be awarded proportionately for all funding types as currently funded under the Health Center Program.**

In the Non-Federal column, provide the total non-federal funding sources for each type of Health Center Program (CHC, MSAW, HP, RPH).

**Section B: Object Class Categories:** Provide the object class category breakdown (i.e., line-item budget) for FY 2026 budgeted funds. Include federal funding in the first column and non-federal funding in the second column. Each line represents a distinct object class category that must be addressed in the Budget Narrative. Indirect costs may only be claimed with an approved indirect cost rate (see details in the Budget Narrative section below).

**Section C: Non-Federal Resources:** Provide a breakdown of non-federal funds by funding source (e.g., state, local) for each type of Health Center Program funding (CHC, MSAW, HP, RPH). If you are a state agency, leave the State column blank and include state funding in the Applicant column.

### **Salary Rate Limitation**

As required by the current appropriations act, “[n]one of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate over Executive Level II” (see <https://www.opm.gov/policy-data->

oversight/pay-leave/salaries-wages/salary-tables/25Tables/exec/html/EX.aspx). Effective January 2025, the salary rate limitation is \$225,700. As required by law, salary rate limitations may apply in future years and will be updated.

## **2. Budget Narrative:**

Upload a Budget Narrative attachment for the budget period (February 1, 2025, to April 30, 2026) that explains the amounts requested for each line in Section B: Object Class Categories of the SF-424A Budget Information Form. The Budget Narrative must itemize both your federal request and non-federal resources.

The Budget Narrative must describe how each line-item will support achieving the project objectives. Refer to 45 CFR 75 (2 CFR 200) for information on allowable costs (see <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-75#part-75>). Include detailed calculations explaining how each line-item expense within each cost category is derived (e.g., number of visits, cost per unit). Include a description for each item in the “other” category.

Include the following in the Budget Narrative:

**Personnel Costs:** Explain personnel costs **and list each staff member who will be supported by Health Center Program funds**, name (if possible), position title, percentage of full-time equivalency, and annual salary.

**Reminder:** An individual's base salary, per se, is NOT constrained by the statutory provision for a salary limitation. The rate limitation limits the amount that may be awarded and charged to the HRSA grant. Provide an individual's actual base salary if it exceeds the cap. Refer to the Sample Budget Narrative on the Budget Period Progress Report Technical Assistance webpage (see <https://bphc.hrsa.gov/funding/funding-opportunities/budget-period-progress-report-bpr-noncompeting-continuation-ncc>).

**Fringe Benefits:** List the components that make up the fringe benefit rate, for example, health insurance, taxes, unemployment insurance, life insurance, retirement plans, and tuition reimbursement. The fringe benefits should be directly proportional to the personnel costs allocated for the project.

**Travel:** List travel costs according to local and long-distance travel. For local travel, outline the mileage rate, number of miles, reason for travel, and staff members/consumers completing the travel. The budget should also reflect the travel expenses (e.g., airfare, lodging, parking, per diem, etc.) for each person and the trip associated with participating in meetings and other proposed training or workshops. Name the traveler(s) if possible, describe the purpose of the travel, and provide the number of trips involved, the destinations, and the number of individuals for whom funds are requested.

**Equipment:** List equipment costs and justify the need for the equipment to carry out the program's goals. Extensive justification and a detailed status of current equipment must be provided when requesting funds to purchase items that meet the definition of equipment (a unit cost of \$10,000 or more and a useful life of 1 or more years).

**Supplies:** List the items that will be used to implement the proposed project. Separate items into 3 categories: office supplies (e.g., paper, pencils), medical supplies (e.g., syringes, blood tubes, gloves), and educational supplies (e.g., brochures, videos). Items must be listed separately. Equipment items such as laptops, tablets, and desktop computers are classified as a supply if the acquisition cost is under the \$10,000 per unit cost threshold.

**Contractual/Subawards/Consultant:** Provide a clear justification, including how you estimated the costs and the specific contract/subaward deliverables. Attach a summary of contracts with the Budget Narrative. Make sure that your organization has an established and adequate procurement system with fully developed written procedures for awarding and monitoring all contracts/subawards. Recipients must notify potential subrecipients that

entities receiving subawards must be registered in System for Award Management (SAM) and provide the recipient with their Unique Entity Identifier number (see 2 CFR part 25 in <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-25>).

In your budget:

- For consultant services, list the total costs for all consultant services. Identify each consultant, the services they will perform, the total number of days, travel costs, and total estimated costs.
- For subawards to entities that will help carry out the work of the grant, describe how you monitor their work to ensure the funds are being properly used.
- **Note:** You should not provide line-item details on proposed contracts; rather, provide the basis for your cost estimate for the contract.

Per the Suspension and Debarment rules in the Uniform Administrative Requirements, as implemented by HRSA under 2 CFR § 200.214, non-federal entities and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, and 2 CFR parts 180 and 376. These regulations restrict awards, subawards, and contracts with certain parties debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

**Other:** Include all costs that do not fit into any other category and provide an explanation for each cost in this category (e.g., Electronic Health Record provider licenses, audit, legal counsel). In some cases, rent, utilities, and insurance fall under this category if they are not included in an approved indirect cost rate.

**Indirect Costs:** Indirect costs are costs you charge across more than one project that cannot be easily separated by project.

To charge indirect costs, you can select one of two methods:

**Method 1 – Approved rate.** You currently have an indirect cost rate approved by your cognizant federal agency. If indirect costs are included in the budget, attach a copy of the indirect cost rate agreement in the Budget Narrative attachment.

**Method 2 – *De minimis* rate.** Per 2 CFR 200.414(f) (see <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRd93f2a98b1f6455/section-200.414>), if you have never received a negotiated indirect cost rate, you may elect to charge a *de minimis* rate. If you choose this method, costs included in the indirect cost pool must not be charged as direct costs.

This rate is 15 percent of modified total direct costs (see 2 CFR 200.1 in [https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#p-200.1\(Modified%20Total%20Direct%20Cost%20\(MTDC\)\)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#p-200.1(Modified%20Total%20Direct%20Cost%20(MTDC)))). You can use this rate indefinitely.

**Submission Deadline:** Submit the response to this request via HRSA’s Electronic Handbook no later than **30 days from the receipt of the request.**

**System for Award Management (SAM):** Recipients must continue to maintain active SAM registration with current information at all times that they have an active federal award, an active application, or an active plan under consideration by an agency (unless you are an individual or federal agency that is exempted from those requirements under 2 CFR § 25.110(b) or (c), or you have an exception approved by the agency under 2 CFR § 25.110(d)). For your SAM registration, you must submit a notarized letter appointing the authorized Entity Administrator.

**Intergovernmental Review:** This funding is subject to the provisions of Executive Order 12372, as implemented by 45 CFR part 100.

**Review Criteria and Process:** HRSA will conduct a review of the submitted response in

accordance with HRSA guidelines. HRSA reserves the right to request clarification, a resubmission of the budget, narrative, and forms, or additional information if the submission is not fully responsive to any of the requirements or if ineligible activities are proposed. Following the review of all applicable information, HRSA reviews and awards management officials will determine if special conditions are required, and what level of funding is appropriate. Award decisions and funding levels are discretionary and are not subject to appeal. Continued funding depends on congressional appropriation of funds, satisfactory performance, and a decision that continued funding would be in the government's best interest.

As part of HRSA's required review of risk posed by applicants for this program, as described in 2 CFR § 200.206 (see <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.205>), HRSA will consider additional factors. These factors include, but are not limited to, past performance and the results of HRSA's assessment of the financial stability of your organization. HRSA reserves the right to conduct site visits and/or use the current compliance status to inform final funding decisions.

**Award Notice:** HRSA anticipates issuing the Notice of Award on or near **January 31, 2026**.

**Thomas J. Engels,**

*Administrator.*

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