

 <p align="center">Financial Assistance Award</p> <p align="center">DENALI COMMISSION 510 "L" Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov</p>	Project Number	0102-DC-2003-I15
	Project Title	Dillingham Mental Health Facility
	Performance Period	9/01/03 thru 9/30/07
	Recipient Name & Address	
Authority 112 Stat 1854		Bristol Bay Area Health Corporation (BBAHC) 6000 Kanakanak Road P.O. Box 130 Dillingham, Alaska 99576 Phone: (907) 842-5201 Fax: (907) 842-9354
CFDA Number 90.100		
Denali Commission Finance Officer Certification		TMM for CEE

Cost Share Distribution Table

Accounting Code	Denali Commission	Other Contributors	Total
95670000	\$1,000,000		\$1,000,000
Rasmuson Foundation		\$400,000	\$400,000
HUD - ICDBG		1,373,333	\$1,373,333
Local Match		\$879,648	\$879,648
Total	\$1,000,000	\$2,652,981	\$3,652,981

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

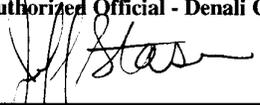
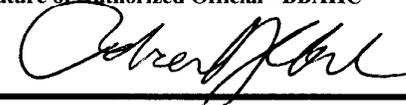
- Special Award Conditions and Attachments
- Line Item Budget
- OMB Circular A-133, Audits of States, Local Governments and Indian Tribal Governments
(www.whitehouse.gov/OMB/circulars/a133/a133.html)

Administrative Requirements (check one)

- 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments
(www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html)
- 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
(www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html)

Cost Principles (check one)

- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments
(www.whitehouse.gov/OMB/circulars/a087/a087-all.html)
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
(www.whitehouse.gov/OMB/circulars/a122/a122.html)
- OMB Circular A-21, Cost Principles for Educational Institutions
(www.whitehouse.gov/OMB/circulars/a021/a021.html)
- 48 CFR 31.2, Contracts with Commercial Organizations

Signature of Authorized Official - Denali Commission 	Typed Name and Title Jeffrey B. Staser, Federal Co-Chair	Date 9-12-03
Signature of Authorized Official - BBAHC 	Typed Name and Title Robert Clark, President and CEO	Date 9/19/03

**AWARD CONDITIONS TO THE FINANCIAL ASSISTANCE AWARD
BETWEEN THE DENALI COMMISSION
AND BRISTOL BAY AREA HEALTH CORPORATION
FOR A STAND ALONE MENTAL HEALTH FACILITY
September 2003
Project No. 0102-DC-2003-I15**

1. Background and Scope of Work

The Bristol Bay Area Health Corporation (BBAHC) has identified as its greatest need a new facility to treat patients that experience mental illness, some of which also have co-occurring substance abuse issues. The existing facility, owned by the School District, is in poor physical condition and is located over 5 miles from the Kakanak Hospital campus. Specifically, the building lacks secondary fire exit or fire alarm system, the heat and ventilation systems are inadequate, there are electrical problems and a leaky roof. Also, styrofoam separates counseling rooms in attempt to provide confidentiality to clients. The School District is unable to provide the necessary funds to bring the facility to code. Further, the School District recently raised the lease from \$32,520 to \$75,840 from the previous year, an increase that will reduce funding for services provided.

The BBAHC has completed construction design through the firm of Estimations Inc., with an estimated construction project cost of \$3,267,824. An additional \$632,860 is estimated for design, code reviews, land, furniture, equipment, moving and administrative costs. The proposed facility (6,926 square foot) includes 11 counseling offices, one child therapy room, and four administrative offices.

Denali Commission funding for this project is contingent upon the demonstration of sustainability through an approved business plan. Note: The parties acknowledge BBAHC will use the Rural Primary Care business plan template for this purpose. Planning funds up to \$15,000 may be drawn down for purpose of developing a business plan.

The business plan will be reviewed by Commission staff and its technical assistance committee for approval and will recommend revisions if necessary. If the project demonstrates sustainability, the balance of Commission funds may be used for construction (\$1,000,000).

All Commission funding is intended for use for the scope of work identified in the Award document only.

Cost per square foot:

The Commission has concerns about the high unit cost for this project. The parties understand that BBAHC is conducting a “value engineering” analysis through Dowl Engineering. It is understood that upon completion, the findings will be presented to the Commission.

Integration:

BBAHC has indicated the intent to expand the new mental health facility at a later time to provide additional space for Jake's Place services. Through the master plan adopted by the BBAHC board of directors, a priority has been given first to the mental health facility and then to the east addition expansion which includes many primary care services. However, the design of this mental health facility includes supporting infrastructure that at a later time will allow for such an expansion.

Site Control:

The site selected for construction consists of 3.5 acres owned by the Indian Health Service (IHS). Commission funding for the Dillingham Mental Health Center will be available to the BBAHC contingent upon the signing of a separate agreement with the IHS to clarify the land use understanding. Mr. Doug Ott, IHS facility officer, shall act as the primary point of contact to complete this. Wording to include the following has been drafted by IHS and accepted by the Commission:

“The BBAHC agrees to enter into a Memorandum of Understanding with the Indian Health Service (IHS) prior to completing the project design which shall incorporate the terms and requirements of the IHS draft guidance dated June 9, 2003 entitled, ‘Guideline for Tribal Construction of Health Facilities on Federally Owned and IHS Managed Real Property.’ The purpose of this agreement is to document the need for space, specify federal design standards, comply with the federal gifting requirements, federal asset management reporting requirements and future maintenance considerations.

BBAHC acknowledges and agrees that the facility built with this funding will become the property of the United States upon completion and acceptance of the project by IHS.”

The signed agreement with IHS shall be submitted to the Denali Commission along with the business plan.

Funding:

The Commission shall provide up to \$1,000,000 to the BBAHC for construction of the Bristol Bay mental health facility on the Kakanak Hospital campus with the expectation that the following entities have committed funding to the project:

The Rasmuson Foundation:	\$400,000
Housing and Urban Development, Indian Community Development Block Grant	\$1,373,333*

*Ekuk - \$500,000, Curyung - \$500,000 and Koliganek - \$373,333

The BBAHC will provide \$879,648 to cover the remaining cost of construction to include \$632,860 of planning/design, code/environmental reviews, land, furniture/equipment, moving expenses and administration.

Any remaining funding gap after a revised cost estimate is reached shall be closed through either additional funding from BBAHC or through financing. The manner in which this is handled must be included in the business plan.

2. *Award Performance Period*

The Award performance period is September 1, 2003 through September 30, 2007. This is the period during which Award recipients can incur obligations or costs against this Award. Costs previously incurred in prior development of this may be considered as participant's matching funds to the project. ***No construction costs may be incurred against this Award prior to written notification from the Denali Commission that a business plan has been approved.***

3. *Direct and Indirect Costs*

The cost principles of OMB A-87 are applicable to this Award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

4. *Budget and Program Revisions*

The Administrative Circular A-133 applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that Bristol Bay Area Health Corporation will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

5. *Reporting*

Five forms of project reporting are required under this Award, listed below. The first quarterly reporting period is Oct 1, 2003 - Dec 31, 2003. Unless otherwise indicated, reports are due within 30 days of the end of the reporting period.

BBAHC shall provide the progress reports in electronic format using the Commission's web-based project reporting system.

- a. Quarterly project reporting shall include both a narrative and financial summary. The narrative summary shall include a summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems. The project financial status report shall show the following:
 - i. The total project budget
 - ii. The project schedule with milestone dates for design and construction
 - iii. The total amount of Denali Commission funds committed to the project
 - iv. The total project expenditures as of t

- v. the end of the most recent quarter
 - vi. The total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
 - vii. The percentage of expenditures to the total budget; and
 - viii. A project performance analysis on project line items, as defined by Bristol Bay Area Health Corporation, showing budget costs compared to actual expenditures and obligation to date versus work performed to date (for each line item).
- b. A final Financial Status Report (Standard Form 269 – www.whitehouse.gov/OMB/grants/index.html#forms) shall be submitted to the Commission Project Officer within 90 days after the end of the Award Performance Period. If the Award Performance Period is longer than one year, or if the Agreement is revised to extend the Award Performance Period beyond one year, the recipient must submit a completed Standard Form 269 annually within 90 days after the end of each anniversary of the award date.
- c. A Labor Type, Residence, and Wage Report shall be submitted to the Commission project officer once annually. At a minimum, this report must be submitted on or near December 1st each year to correspond with the Alaska construction season. A Labor Type, Residence, and Wage Report must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date. Personal or confidential information such as Social Security numbers, names of individuals, or other information that would identify an individual should not be included in this report.
- d. Photographic documentation of project progress shall be provided with the quarterly reports for active construction projects. The photo documentation shall include a minimum of five, dated photos per quarter such that a complete record of the construction is maintained over time, from “before,” showing the situation before the start of construction, to “during” showing work proceeding on the project, and “after” to show the finished project. For minor repair and O&M projects, pictures should be provided of before and after to the extent possible. Photos may be provided as photo quality, 3x5 prints with negative for each picture, and/or print quality electronic photos (digital images). A short description of the activity and names of those in the photos shall also be provided.
- e. Bristol Bay Area Health Corporation shall report annually the percentage of total funds (from the Commission and other sources) received used for planning, design and construction of infrastructure facilities, and/or economic development projects. In addition, this annual report will include a breakdown on how these funds were used: force account construction (including local labor wages paid, rural Alaska wages paid, and total project wages paid), and construction contracting. The 4th quarter report for the

year can be used as both a quarter and annual summary report (providing both quarterly and annual financial data).

6. *Payments*

Payments under this Award will be made through the U.S. Department of Treasury's Automated Standard Application for Payment (ASAP) system. The ASAP system is the Commission's mechanism for requesting and delivering Federal funds to Award recipients. Your organization must be registered with the ASAP program in order to make draw downs. Please contact the Commission's Project Manager or Finance Manager for further information about registering with the ASAP program. Payments will be made in accordance with 15 CFR, Part 14. **No interest will be accrued on these funds.**

7. *Award Close Out*

- a. The Award closeout must be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. The project closeout process includes the submission of both a final narrative report and financial status report. Recipient organizations must also request any remaining funds for expenditures under this award during this 90-day period. Please refer to the Commission guidance for project closeout for additional details on the requirements. This is available by contacting the Commission office or the Project Manager.
- b. Acknowledgement of support: For all construction projects, the Award recipient shall include an acknowledgement of the Government's support for the project(s) developed under this Award. The Award recipient shall display a sign that:
 - i. Has the Denali Commission logo displayed on the upper right-hand quadrant;
 - ii. States the following: "This project was financed by the Denali Commission and its partners (*list the name of the funding partners*)";
 - iii. Shows the logo of each partner in the lower right-hand quadrant.

The cost of this sign shall be paid out of the project funding received by the Award recipient from the Denali Commission. Final approval of signage material and placement of sign must be obtained from the Commission Project Manager.

- c. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government's support for the project(s) developed under this Award. Acknowledgement shall include:
 - i. The Denali Commission logo and the logo of each partner;
 - ii. The following statement: "This project was financed by the Denali Commission and its partners (*list the name of the funding partners*)".

The format for acknowledgement of the Government's support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

8. *Public Policy Laws and Assurances*

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects) or SF 424d (construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

9. *Project Officers & Contact Information*

Denali Commission	Bristol Bay Area Health Corporation
Denali Daniels 510 "L" Street Suite 410 Anchorage, Alaska 99501 907.271.1189 907.271.1415 ddaniels@denali.gov	Joan Ribich P.O. Box 130 Dillingham, Alaska 99576 907.842.1230 (fax) 907.842.5174 jribich@bbahc.org