



Financial Assistance Award

DENALI COMMISSION
 510 "L" Street, Suite 410
 Anchorage, Alaska 99501
 (907) 271-1414 (phone)
 (907) 271-1415 (fax)
 www.denali.gov

Project Number 0101-DC-2003-114

Project Title State of Alaska-DHSS "Other Than Primary Care" Facilities

Performance Period 07/01/03 - 07/01/06

Recipient Name & Address
 State of Alaska
 Department of Health and Social Services
 PO Box 110601
 Juneau, AK 99811-0601

Authority
 112 Stat 1854

CFDA Number
 90.100

Denali Commission Finance Officer Certification

CGG

Phone: (907) 465.3030
 Fax: (907) 465.3068

Cost Share Distribution Table

Accounting Code	Denali Commission	Other Contributors	Total
95670000 - HRSA FY03	\$3,650,000	\$0	\$3,650,000
			\$0
			\$0
			\$0
Total	\$3,650,000	\$0	\$3,650,000

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
---	--	-------------

Signature of Authorized Official - State of Alaska, DHSS 	Typed Name and Title Joel Gilbertson, Commissioner	Date 9/5/03
---	--	-----------------------

**FINANCIAL ASSISTANCE AWARD CONDITIONS
BETWEEN THE DENALI COMMISSION AND
STATE OF ALASKA, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (DHSS)
“OTHER THEN PRIMARY CARE” FACILITIES
JULY 2003
Project No. 0101-DC-2003-I14**

1. Scope of Work

The proposed project is for funding of 28 “other then primary care” facility sub-projects to be administered by the State of Alaska - DHSS. The 28 projects correspond to the list provided by Commissioner Joel Gilbertson in his letter of July 9, 2003 (Attachment A). Project funds will be used for equipment purchase, construction and improvements limited to the approved project list. All projects will be required to demonstrate sustainability, as defined by the Denali Commission (Commission Resolution 01-15), and meet the Denali Commission’s statutory cost share match requirements.

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

2. Award Performance Period

The Award performance period is July 1, 2003 through July 1, 2006. This is the period during which Award recipients can incur obligations or costs against this Award.

3. Direct and Indirect Costs

The cost principles of OMB Circular 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 15 CFR 24 applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that DHSS 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. The parties acknowledge that a fundamental DHSS responsibility for “pass through” projects is to suspend project funding to sub-award recipients that are unreasonably exceeding the project budget or failing to make reasonable progress. DHSS is to work with the sub-award recipients to develop an action plan to resolve project performance problems.

5. Reporting

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

DHSS shall provide the progress reports in electronic format for posting on the Commission web page.

- 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 the end of the most recent quarter
 - v. The total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
 - vi. The percentage of expenditures to the total budget; and
 - vii. A project performance analysis on project line items, as defined by DHSS or sub-award recipient, 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 at a minimum annually. At a minimum, this report must be submitted on or near December 1st each year. 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. DHSS 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 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 out 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 (including equipment installation) that exceed \$50,000 in total project costs, 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 Form 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	Department of Health and Social Services
<p>Joel Neimeyer 510 L St. Suite 410 Anchorage, AK 99501</p> <p>(phone) 907.271.1459 (fax) 907.271.1415 e-mail jneimeyer@denali.gov</p> <p>Tessa De Long 510 L St. Suite 410 Anchorage, AK 99501</p> <p>(phone) 907.271.1624 (fax) 907.271.1415 e-mail tdelong@denali.gov</p>	<p>Arnold Liebelt PO Box 110650 Juneau, AK 99811-0650</p> <p>(phone) (907) 465-1872 (fax) (907) 465-2607 e-mail Arnold_Liebelt@health.state.ak.us</p>

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110601
JUNEAU, ALASKA 99811-0601
PHONE: (907) 465-3030
FAX: (907) 465-3068

July 9, 2003

Jeff Staser
Federal Co-Chair
Denali Commission
510 L Street, Suite 410
Anchorage, Alaska 99501

Dear Mr. Staser:

Pursuant to your request of May 13, 2003, enclosed is the Department of Health and Social Services' final recommendations for funding non-primary care improvements. These recommendations are consistent with the Congressional intent of July 22, 2003 attached to the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill stating that "The Committee expects the Denali Commission to allocate funds to a mix of rural hospital, clinic, long-term care and social service facilities, rather than focusing exclusively on clinic funding."

The department's recommendations were provided on the basis of the best information obtainable over a short period of time. Assuming that similar Congressional intent may well be forthcoming in future years, the department would be pleased to work with the Commission to develop a more rigorous process for allocating these funds.

At the request of the Denali Commission and subject to the approval of the Legislative Budget and Audit Committee, the department is also prepared to administer Denali Commission funds allocated for these projects.

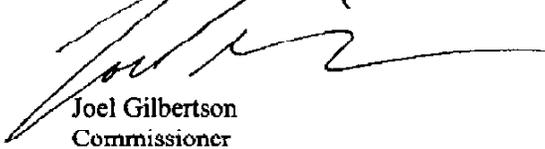
Honorable Jeff Staser

Denali Commission

Page 2

The department commends the Commission for their ongoing commitment to improved health care for Alaskans.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Gilbertson", written over a horizontal line.

Joel Gilbertson
Commissioner

cc: Doug Bruce, Director
Division of Public Health

Janet Clarke, Director
Division of Administrative Services

Enclosure

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/ Comments	Total Project Cost/Request	Committee Recommendation
Bristol Bay Area Health Corp.	Dillingham	Replace Community Mental Health Center	Existing leased facility has numerous code violations and does not meet minimal clinical standards. Recipient must coordinate project development with IHS.	4,000.0	1,000.0
Norton Sound Health Corp.	Nome	Concept design and schematics for new hospital	Land acquired. Construction funding on IHS priority list. Denali funding will "jump-start" design work. Recipient must coordinate project development with IHS.	113,000.0	500.0
Consortium of Fairbanks Agencies.	Fairbanks	Detox Center Construction	Total project cost does not include land. Would be stand-alone facility next to the new Community Mental Health Center which could provide laundry and food service.	3,300.0	1,450.0
Interior Neighborhood Health Center	Fairbanks	Dental Facility Completion	Total project cost 6,889.0. Denali Commission support to date 3,693.0 Other support for project. This 250.0 is expected to complete the funding package.	250.0	250.0

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/Comments	Total Project Cost/Request	Committee Recommendation
City of Petersburg	Petersburg	Mountain View Manor Assisted Living Facility	Specialties 12.0; Equipment 18.0; Furnishings 78.0; Conveying Systems 67.0; Mechanical 420.0 Project is currently funded with City reserves 2,530.3 and a grant from AHFC 853.7	3,384.0	78.0
Nome Community Center	Nome	Convert and equip 5 units of existing senior housing to assisted living.	Only minor modifications to the existing facility are needed.	N/A	50.0
Metakatka Housing Authority	Metakatka	Design and construction of a 5 unit assisted living home.	Site designated. Funds will be used to begin development.	750.0	67.3
Subtotal Non-Hospital					3,395.3
Hospital/Nursing Homes: (In Priority Order by Facility)					
South Peninsula Hospital	Homer	Bulk Oxygen System	Patient safety issue. Currently oxygen supplied by a bank of cylinders.	250.0	250.0
		Emergency Water System	On-site storage tank. Provide back-up in the event of water system disruption.	350.0	
		Portable Classroom Building	Support Weber State and UAA nursing programs	162.0	
		Pyxis Medication Dispensing Unit	Patient safety. Improve dispensing and monitoring of medications.	37.7	

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/ Comments	Total Project Cost/Request	Committee Recommendation
		Arthroscopy Tower	Replace outdated equipment	25.8	
		Orthopedic Accessories for Operating Room Table	Replace outdated equipment.	17.8	
		Pulmonary Function Testing Equipment	Enhance pulmonary ab testing. Maximize productivity of therapist.	38.0	
		Physiocontrol Life-Pak 12 Defibrillator	Patient Safety. Standardize defibrillators throughout hospital.	14.9	
			Facility Total	896.2	250.0
Valdez Regional Health Authority	Valdez	Kitchen Equipment	Will provide surge capacity for new hospital.	58.0	
		GE Highlight Advantage CT Scanner	Valdez currently has no CAT scan. Patients must travel to Anchorage.	300.0	300.0
			Facility Total	358.0	300.0
Providence Seward/Wesley Care Center	Seward	Helical CT Scanner and Accessories	Seward currently has no CAT scan. Patients must travel to Anchorage.	288.0	288.0
			Facility Total	288.0	288.0
Sitka Community Hospital	Sitka	New Ultrasound Machine	Replace old technology. Avoid patient travel.	200.0	200.0
			Facility Total	200.0	200.0
Petersburg Medical Center	Petersburg	CT Scanner	Petersburg current has no CAT scan. Patients must travel to other communities	300.0	300.0

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/Comments	Total Project Cost/Request	Committee Recommendation
Providence Kodiak Island Medical Center	Kodiak	Replace x-ray equipment	Current equipment will not have replacement parts after 2003.	81.0	81.0
		Computer Aided Detection System for Mammography	Allows radiologist to confer with others on diagnosis.	110.0	110.0
Facility Total				300.0	300.0
Ketchikan General Hospital	Ketchikan	Purchase and Installation of new digital Radiology and Fluoroscopy System	Replace obsolete equipment. Existing digital unit will serve as back-up once new system in place. Hospital will contribute 100.0 towards project.	262.8	262.8
Facility Total				262.8	262.8
Bartlett Regional Hospital	Juneau	Pharmacy Safe	Juneau Recovery Hospital is starting a metadone detox program. Safe storage needed for drugs.	7.5	7.5
	Skagway	Replace radiology unit at Skagway Clinic.	Bartlett has signed a contract to manage the Dahl Memorial Clinic in Skagway. Parts are not available for obsolete radiology unit.	120.0	120.0
Facility Total				127.5	127.5

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/Comments	Total Project Cost/Request	Committee Recommendation
Heritage Place Nursing Facility	Soldotna	Critical hardware and software purchase and installation	Servers 15.0; Software 40.0; Installation/data conversion 20.0	75.0	75.0
		Medication Management Distribution System	Improve patient safety in dispensing and reduce wastage of drugs.	90.0	90.0
		Roof Repair	Reseam and repair 17 year old roof.	65.0	65.0
		Complete Upgrade of Resident Rooms	Would allow for contractor, as opposed to in-house maintenance, to complete work in 1-5 months as opposed to 1-2 years.	25.0	25.0
		New carpet for facility	Replace 9 year old carpet	35.0	35.0
		Install Sidewalk and Turnout	Sidewalk, park benches, turnout, raised bed garden consistent with Eden Alternative philosophy.	20.0	
			Facility Total	310.0	290.0
Fairbanks Memorial Hospital	Fairbanks	Diabetes Self-Management Center Start-up	Business plan indicates outpatient center will be self-supporting. Start-up costs as follows: Personnel 155.6; Remodel space 70.1; Space rent 19.2; Phone 1.8; Furnishings/Equipment 45.9	292.6	116.0

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/ Comments	Total Project Cost/Request	Committee Recommendation
		Purchase Community Service Patrol Van for Public Inebriate Project:	Existing vehicles are worn out.	50.0	
		Facility Total		342.6	116.0
Cordova Community Medical Center	Cordova	New Sterilizer	Replace old unit for which there are no longer parts or service.	16.8	16.8
		EKG machine for clinic.	Existing machine is obsolete- no parts or service. Clients must go to hospital.	4.8	4.8
		Purchase and Install San-I-pak Sterilizer.	Needed to dispose of biohazardous material. Incinerator approaching end of useful life.	62.5	62.5
		Purchase and Install Bone Densitometry Unit.	Sustainable service. Service does not currently exist in Cordova. Will reduce travel to Anchorage.	72.0	72.0
		Purchase and Install New X-Ray Processor	Replace existing 30 year old unit which is the only processor in Cordova.	28.3	28.3

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/Comments	Total Project Cost/Request	Committee Recommendation
		Purchase and install new Ultrasound machine	Replace outdated unit. Providence/Anchorage has indicated they will discontinue "reading" scans from Cordova if imaging is not improved which would result in increased travel to Anchorage.	80.0	80.0
		New Central Monitoring Station with three portable bedside units.	Fateint safety. Current system subject to radio interference. Will not be serviceable after 2004.	62.6	
			Facility Total	327.0	264.4
Wrangell Medical Center	Wrangell	Physicians' Clinic Renovation.	Provide adequate space for 4 PFT physicians and visiting specialists. Create single point of admission and improve patient flow.	265.0	265.0
		Equipment	Not specified	50.0	
			Facility Total	315.0	265.0
Central Peninsula General Hospital	Kenai	Open MRI	Existing machine cannot be tolerated by some patients who must travel to Anchorage. Total cost 500.0. Hospital will fund 200.0	300.0	300.0
			Facility Total	300.0	300.0

Final Recommendations to Denali Commission: Non-Primary Care Clinic Projects

Recipient	Community	Project	Description/ Comments	Total Project Cost/Request	Committee Recommendation
Valley Hospital	Palmer	Radiography and Fluoroscopy Room	Replace current room which is over ten years old and breaks down frequently. Total cost 345.0. Hospital will pay 45.0.	299.5	299.5
		Facility Total		300.0	300.0
		Total All Hospital/Nursing Home Requests		4,518.1	3,454.7
		Grand Total			6,850.0