



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	0146-DC-2004-I29
Project Title	Alaska Rural Primary Care Facility Planning, Design, and Construction – FY2004
Performance Period	Sept 1, 2004 through Sept 30, 2006
Authorizing Resolution	04-02
Recipient Organization & Address Alaska Native Tribal Health Consortium 4141 Ambassador Drive Anchorage, AK 99508 Phone: (907) 729-3600 Fax: (907) 271-4734	
Recipient DUNS # 07-137-5658 TIN # 92-0162721	

Authority 112 Stat 1854	CFDA Number 90.100
Denali Commission Finance Officer Certification	<i>CEE</i>

Cost Share Distribution Table

Accounting Code	Denali Commission	Other Contributors	Total
FY04 HRSA funding	\$13,840,072		\$13,840,072
FY04 Commission funding	\$3,166,399		\$3,166,399
Various local match		\$4,086,681	\$4,086,681
			\$0
Total	\$17,006,471	\$4,086,681	\$21,093,152

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
- September 2004 Memorandum of Understanding
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
<http://www.whitehouse.gov/omb/circulars/a133/a133.html>

Administrative Requirements (check one)

- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments
<http://www.whitehouse.gov/omb/circulars/a102/a102.html>
- OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations
<http://www.whitehouse.gov/omb/circulars/a110/a110.html>

Cost Principles (check one)

- OMB Circular A-87, Cost Principles for State, Local 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
<http://www.whitehouse.gov/omb/circulars/a021/a021.html>
- 48 CFR 31.2, Contracts with Commercial Organizations

Signature of Authorized Official - Denali Commission <i>Jeff Staser</i>	Typed Name and Title Jeffrey B. Staser, Federal Co-Chair	Date <i>9.29.2004</i>
Signature of Authorized Official - Alaska Native Tribal Health Consortium <i>Paul Sherry</i>	Typed Name and Title Paul Sherry, Chief Executive Officer	Date <i>9/30/04</i>

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

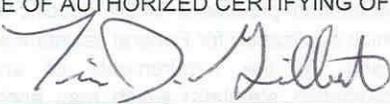
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL		TITLE
		Paul Sherry, CEO
APPLICANT ORGANIZATION		DATE SUBMITTED
Alaska Native Tribal Health Consortium		Sept. 29, 2004

ASSURANCES - NON-CONSTRUCTION PROGRAMS

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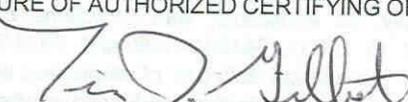
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As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
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7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
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9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL		TITLE	
		<i>for</i> Paul Sherry, CEO	
APPLICANT ORGANIZATION		DATE SUBMITTED	
Alaska Native Tribal Health Consortium		September 29, 2004	

*Financial Assistance Award Conditions
Between the Denali Commission and the
Alaska Native Tribal Health Consortium (ANTHC)
Alaska Rural Primary Care Facility Planning, Design, and Construction – FY2004
Project No. 0146-DC-2004-I29*

1. Scope of Work

This Award is funded from FY2004 Health Resources and Services Administration (HRSA) funding and Denali Commission “base” funding for health facility development in Alaska.

The funding presented in Table A is based upon the September 2004 Memorandum of Understanding for Alaska Health, Sanitation, and Other Related Infrastructure between the Denali Commission and ANTHC (MOU). In addition, the September 2004 MOU and Table A provide a listing of specific projects and tasks funded through this Award.

Non-specific clinic construction funding identified in Table A will be for the following:

- a. Clinic projects funded for construction that will soon have 100% design cost estimates completed and may need additional construction funding. This includes projects such as Aleknagik, Chignik Lake, Chitina, Clark’s Point, Kokhanok, Manokotak, Nondalton, Old Harbor, Koliganek, and Upper Kalskag.
- b. Clinic projects that have yet to fully secure required cost share match, or have cost share match but do not yet have approved business plans and site plan checklists (such as the Fort Yukon Community Health Center).

Prior to expenditure of funds under this Award on projects identified in Table A, there must be an explicit agreement on scope, cost, cash flow and performance time frames as outlined in Paragraph No. 2 (Milestones) and Paragraph No. 5 (Budget and Program Revisions).

The Commission is presently undertaking a cost containment study through a consulting firm. The recommendations are due in November 2004. Based upon the outcome of the recommendations from the report, the Commission may wish to revisit each clinic construction project funded through this Award to achieve cost savings, or reduce cost overruns.

All Commission funding is intended for use for the scope of work identified in the Award document only. In the event there is a balance of funding remaining after the full scope of work has been completed, the Denali Commission shall determine how the excess funds will be allocated.

2. Milestones

As there are multiple sub-projects, appropriate milestones will be identified specifically for each sub-project, when the database record is created by ANTHC in accordance to Section 7, Reporting. An example of minimum project milestone reporting is shown below.

Milestone	Planned		Actual		Comments
	Start Date	End Date	Start Date	End Date	
Final Design					
Construction					

3. Award Performance Period

The Award performance period is September 1, 2004 through September 30, 2006. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB Circular A-122 are applicable to this Award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award. The parties acknowledge that ANTHC is eligible for management fees as identified in the attached Table A.

5. Budget and Program Revisions

The 2004 MOU and the Administrative Circular A-110 apply to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The MOU and Administrative Circular require that ANTHC 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.

This Award and ANTHC's management of the program is to be read in conjunction with the MOU, dated September 2004. If there is an interpretation that cannot be read in collaboration with or facilitate this award, the MOU will govern the interpretation.

With each sub-award, ANTHC shall document a project cash flow timeline for both Commission and contributor funding. In general, the Commission supports utilizing all of the Commission funding up front if the applicants contributions are loans. However, if the applicant's contributions are from grants or their own cash reserves the cash flow

shall be equitably distributed between the various funding sources. Each cash flow timeline shall be based upon the milestones as reported in the quarterly reports and updated as appropriate to reflect project timeline and funding changes.

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. ANTHC must be registered with the ASAP program in order to make draw downs. Please contact the Commission's Program Manager or Finance Manager for further information about registering with the ASAP program. Payments shall be made in accordance with Administrative Circular A-110.

7. *Reporting*

Three forms of project reporting are required under this Award, listed below. ANTHC shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this Award.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is September 1, 2004 to December 31, 2004, and each quarter thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and other funding sources.
 - iii. Update schedule and milestone information as identified in the Scope of Work
 - iv. Narrative 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.
 - v. **Construction Projects:** Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three dated photos per reporting period 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. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

- vi. **Non-Construction Projects:** For minor repair and renovation projects or other non-construction projects, pictures should be provided of before and after, or photos that are representative of the funded activity, to the extent possible. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

- b. **Wage and Residency Reports** (Construction Projects only) shall be submitted on an annual basis using the Denali Commission On-line Project Database. The reporting period is January 1st – December 31st of each year. Reports are due within 30 days of the end of the reporting period. The Wage and Residency Report shall include the following information by for each construction project
 - i. Total number of Local Residents employed during the year and their total payroll earnings.
 - ii. Total number of Non-Local Alaska Residents employed during the year and their total payroll earnings.
 - iii. Total number of Non-Alaska Residents employed during the year and their total payroll earnings.

- c. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] “Non-Federal entities that expend \$500,000 or more in a year in Federal Awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part. [subpart 205] The determination of when an Award is expended should be based on when the activity related to the award occurs.”

Recipients shall also submit single audits to the Federal Clearinghouse designated by OMB. Information can be found on the following web-site:
<http://harvester.census.gov/sac/>

8. *Project Close-Out*

The project close-out shall 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. Recipients must also draw down any remaining funds for expenditures incurred under this Award during this 90-day period.

The Project Close-out report shall be submitted on-line through the Denali Commission’s on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) “Progress Reports”

- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects (including equipment installation) that exceed \$50,000 in total project costs, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient (ANTHC) must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time.
- d. 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. 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.

9. 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.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	ANTHC
Joel Neimeyer, P.E. (phone) 907.271.1459 e-mail jneimeyer@denali.gov or Tessa Rinner (phone) 907.271.1624 e-mail trinner@denali.gov Denali Commission 510 L Street, Suite 410 Anchorage, AK 99501 Fax – 907-271-1415	Roger Marcil Alaska Native Tribal Health Consortium 1901 South Bragraw Street, Suite 200 Anchorage, AK 99508-3440 907-729-3600 (receptionist) 907-729-3747 (direct) 907-729-4090 (fax) rmarcil@anthc.org

12. Changes to the Financial Assistance Award

Changes can take two forms.

Amendments shall be identified by sequential number followed by the Denali Commission project number (i.e. Amendment No. 2 – Project # 0001-DC-1999-11). The Commission Federal Co-Chair and the designated representative for ANTHC shall execute these Amendments. These documents (in Financial Assistance Award format with attached Award Conditions) define the changes to the scope of work, project schedule and estimated costs for each specific project undertaken. Amendments shall be used for changes in Award funding, in scope of work and performance period.

Addenda to Financial Assistance Award are in letter format from the designated Project Officer for the Commission to the designated Project Officer for ANTHC. Addenda shall be identified by sequential letter followed by the Denali Commission project number (i.e. Addendum No. B – Project # 0001-DC-1999-11). These Addenda shall be coordinated with the DEHE Sr. Director, executed by the concurrence of the Commission Project Officer and approval by the Commission Chief of Staff. In general, Addenda are used to provide project clarification and direction and indicate and document progression between project phases (i.e. planning to design to construction) and for the Repair and Renovation program. Addenda may identify construction projects for funding as long as the projects have previously been identified within the Award document or Amendments.

**Table A - Project and Project Management Funding - FY2004 ANTHC Clinic Award -
Project No. 0146-DC-2004-I29**

Community/Organization/Description	Commission Approved Project Scope	Commission Approved Funding
Akiak	New Clinic Construction - Pass Through Project to YKHC	\$906,428
Chefornak	New Clinic Construction - Pass Through Project to YKHC	\$1,137,836
Chuathbaluk	New Clinic Construction - Pass Through Project to YKHC	\$527,989
Deering	New Clinic Construction - Pass Through Project to Maniilaq	\$709,500
Eek	New Clinic Construction - Pass Through Project to YKHC	\$1,133,511
Marshall	New Clinic Construction - Pass Through Project to YKHC	\$1,258,141
Minto	ANTHC managed new clinic project; 6% Construction Management Fee (Design Management Fee provided in earlier Awards)	\$1,077,912
Napaskiak	New Clinic Construction - Pass Through Project to YKHC	\$932,321
Port Lions	ANTHC managed new clinic project; 6% Construction Management Fee (Design Management Fee provided in earlier Awards)	\$877,740
Tununak	New Clinic Construction - Pass Through Project to YKHC	\$1,126,712
Construction funding for "non-specific" new or major renovation health projects	As defined in future Addendums along with ANTHC management fee	\$4,350,000
Existing Clinic "Repair and Renovation" Program	Includes equipment and repairs as defined in future Addendums	\$800,000
Design funding for new or major renovation health projects	As defined in future Addendums with an agreed 3% design management fee based upon estimated total project cost (at the time of design)	\$2,000,000
	Subtotal	\$16,838,090
ANTHC Program Management Fee - 1% of subtotal of all tasks and projects identified in the Financial Assistance Award		\$168,381
Program Management - (for 10-1-04 to 9-30-05 time period)	In accordance to MOU	\$300,000
	Total	\$17,006,471

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DENALI COMMISSION
AND
THE ALASKA NATIVE TRIBAL HEALTH CONSORTIUM**

FOR ALASKA HEALTH, SANITATION, AND OTHER RELATED INFRASTRUCTURE

September 2004

I. INTRODUCTION:

This Understanding is made between the Denali Commission, hereinafter referred to as the Commission, acting through the Federal Co-Chair, pursuant to the provisions of the Denali Commission Act of 1998, as amended, and the Alaska Native Tribal Health Consortium, hereinafter referred to as the Consortium, acting through the Chief Executive Officer, under and pursuant to the provisions of Public Law 93-638, as amended.

II. PURPOSE:

This Memorandum of Understanding (MOU), between the organizations named above, clarifies and defines the roles and responsibilities of each party with regard to the program management of sustainable health, sanitation, and other related infrastructure within Alaska. The MOU further identifies management fees to be paid by the Commission to the Consortium for services rendered (see Table 1). Finally, this MOU supercedes the MOU dated June 2002 with one exception. The parties acknowledge that any funding for construction projects funded prior to the date of this Agreement will use management fees identified in the June 2002 MOU.

III. AGREEMENT:

A. PROGRAM AGREEMENT DOCUMENTATION:

Annually (or more frequently as necessary), the Commission and the Consortium, together, may execute a Financial Assistance Award. Subsequent amendments or addenda will be formulated, as needed for health, sanitation, and other related infrastructure projects. The Financial Assistance Award will provide the details concerning program scope, funding, timeline, and reporting requirements.

B. CONSORTIUM ROLES AND RESPONSIBILITIES:

1. The Consortium acts as the Commission's fiduciary agent for those Financial Assistance Awards provided to the Consortium to administer.
2. The Consortium will prepare Cooperative Project Agreements with the original award applicant to: a) ensure their compliance with Commission award and project management requirements, and b) outline the procedures to accomplish the project scope of work.

3. The Consortium provides reimbursable services to the Commission with reimbursement based upon a program management base amount and a percentage of the funded work, as outlined in Table 1.
4. The Consortium will designate a single program manager for Commission awards, to ensure compliance with Commission reporting requirements, coordinate Consortium participation in Commission activities, and directly manage select tasks as requested by the Commission and agreed to by the Consortium.
5. The Consortium will ensure web-based progress, labor and audit reports are submitted timely.
6. The Consortium shall conduct pre-construction conferences for projects it directly manages and shall insure that all recipients who provide direct project management shall also conduct pre-construction conferences.
7. The Consortium will participate on Commission committees and workgroups to assist in furthering health, sanitation and other related infrastructure programs.
8. The Consortium will provide engineering expertise to the Commission's Technical Assistance Teams to assist in qualifying applicants for potential awards in regards to health, sanitation and other related infrastructure.
9. The Consortium will review project scopes of work and conditions set forth in Financial Assistance Awards and immediately notify the Commission if a project cannot be accomplished based upon funding, site conditions or other factors.

C. COMMISSION ROLES AND RESPONSIBILITIES:

1. The Commission will designate managers for its health, sanitation, and other related infrastructure programs. Communication with the Consortium will be through the designated single point of contact. Committees or workgroups may be formed to provide guidance to the Commissioners. The Commission may offer the opportunity for Consortium representation on these committees or workgroups.
2. The Commission will provide all necessary project information within the Financial Assistance Award to the Consortium for preparation of the Cooperative Project Agreements.
3. The Commission shall notify in writing to each applicant approved in the conceptual planning project phase. This notification shall clearly identify the role of the Consortium in administering the [Commission's] sub-award agreement with the recipient. A copy of this letter shall be provided to the Consortium.

4. The Commission and the Consortium will collaborate to consolidate project funds provided by other sources into the Financial Assistance Award.
5. The Commission is responsible for approving the recommended environmental analysis, prepared by the Consortium's staff, for compliance with National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA). The Commission will provide a file-copy of the approval documentation to the Consortium's staff.
6. The Commission will collaborate with the Consortium when needed to establish mutually agreeable operational guidelines to better align respective efforts and improve the efficiency of program deployment.
7. The Commission will provide current relevant policies to the Consortium for incorporation by reference in Cooperative Project Agreements

D. THE PROJECT PROCESS:

1. The Commission and Consortium work together during Conceptual Planning to assist award applicants in developing their project scope and analyzing prospective sites for project construction. This allows all parties to reach agreement on project scope and management methodology, identify funding sources and resolve issues or problems that could delay project performance and develop a project construction timeline.
2. The Consortium, upon acceptance of a Financial Assistance Award encompassing construction projects, will enter into a Cooperative Project Agreement with each successful award applicant. This agreement will:
 - a. Contain the IHS NEPA/NHPA compliance review (until such time the Commission has their compliance process in place)
 - b. Describe the project scope, budget, and funding sources, reportable milestones and an estimate of cash flow of Commission and contributor funding to the milestones.
 - c. Designate responsibility for Project Management
 - d. Require compliance with current state regulatory codes
 - e. Require compliance with Financial Assistance Award requirements

**Memorandum of Understanding
Health, Sanitation, & Other Related Infrastructure**

E. CONSORTIUM FEES:

1. Consistent with the Commission’s mission to increase the efficiency of delivery of Government services and to maximize the percentage of Federal funds directly invested in projects in the field, the Consortium will seek to minimize program management costs associated with this effort through best professional practices.

2. Fees associated with these services are paid by the Commission to the Consortium in advance of the Consortium incurring any costs to provide these services. Fees associated with these services are listed in Table 1 below. These fees were estimated by the Consortium based on an anticipated level of effort to provide services. Changes in this level of effort shall be identified and documented in writing by the Consortium to the Commission. The Commission and the Consortium understand that the intent of this Agreement is that the Commission will reimburse expenses incurred by the Consortium in full for services provided by the Consortium under this Agreement. The parties agree to periodically review services delivery level of effort, scope and unit cost based on Consortium quarterly financial and progress reports and other information provided by the Commission to validate and/or adjust the rate structure as appropriate. Any adjustments to the rate structure will be made by mutual agreement and documented in a written amendment or addenda to a Financial Assistance Award.

Table 1. Fees associated with Consortium Services¹

Program Management	\$300,000 made available within 45-days after the beginning of the FY to complete ongoing Program through FY04. 1% of Financial Assistance Award (as amended) total fund amount (to include all contributor funds) made available at the time the Financial Assistance Award is issued.
Project Management	
Design Management/Permitting	3% of the Initial Project Cost Estimate
Construction Management – for construction contracts	6% of the Final Project Cost Estimate
Construction Management – force account construction	14% of the Final Project Cost Estimate (includes a 6% construction management fee provided in addition to the Final Project Cost Estimate and also a “project operations fee” of 8% which is a component of the Final Project Cost Estimate)
Reimbursable Services	Burdened salaries, travel, per diem for surveys, planning meetings, site control checklists, etc. It is anticipated that most of these services will be for activities during the conceptual planning phase.

F. COST OVERRUNS, PROJECT DELAYS, AND/OR PROJECT SCOPE REDUCTION:

¹ This table encompasses fees paid for fiduciary and other services provided by the Consortium and do not reflect the cost for actual design or construction which are included in the design & project cost estimates.

1. The Consortium will inform the Commission at the earliest possible date of any unanticipated project cost overrun, changes in program management level of effort project schedule delays, changes in the project scope, or changed site conditions. This will allow both Consortium and the Commission to cooperatively resolve the problem and successfully complete the project.
2. ANTHC shall manage cost overruns on a programmatic level with an allowable contingency of 5% of the total project construction cost (based upon the 100% design cost estimate). Shifting of contingency funding between projects by the Consortium is allowed provided the change is within 5% (+/-) of the project funded through individual Financial Assistance Awards, and there is no increase in the total project funding provided by the Commission. Such changes shall be documented in writing to the Commission.
3. Written request by letter from the Consortium to the Commission for concurrence is necessary for project budget revisions where the change to an individual project budget exceeds the 5% (+/-) limit, or additional Commission funding may be required.

G. WARRANTY AND BENEFICIAL USE:

1. The Consortium shall manage a warranty program covering all project work for one year after user occupancy of the facility.
2. Funds to provide warranty service will be included in the construction cost estimate and disbursed [for force account projects] only for repairs validated by the project engineer as qualifying for warranty service. A warranty clause shall be included in all competitive bid projects and will be covered as part of the price of the contract.
3. Each construction project will contain a 1-year warranty period. During this time, the project will remain active in the reports database of both organizations.
4. Determination of unexpended funds is made at the end of the warranty period and shall be returned to the Commission and successful award applicant on a *pro-rata* basis.

H. REPORTING:

Project reporting is limited to quarterly project progress reports, annual labor reports, and the annual submission of summary documents attesting to Consortium compliance with the Single Audit Act, as further defined in individual Financial Assistance Awards. Both parties to this agreement will cooperate to ensure this reporting is accomplished through interface of their respective automated reporting systems.

IV. DURATION OF AGREEMENT:

This Agreement shall continue in force until such time that the Consortium or the Commission provides written notice of termination - one hundred and twenty days (120) in advance of termination date.

V. OTHER PROVISIONS:

Nothing herein is intended to conflict with existing legal requirements or the basic mission of all the parties. If the terms of this Agreement are inconsistent with basic mission of any of the parties entering into this Agreement, then those portions of this Agreement which are determined to be inconsistent shall be invalid; but the remaining terms and conditions not affected by the inconsistency shall remain in full force and effect. Changes will be accomplished by either an Amendment to this Agreement or by entering into a new Agreement, whichever is deemed expedient to the interest of all parties.

Should disagreement arise on the interpretation of the provisions of this MOU, or as amended, that cannot be resolved; the area(s) of disagreement shall be stated in writing by each party and presented to the other party for consideration. If agreement on interpretation is not reached within thirty days from exchange of the written interpretation(s), the parties shall then move forward to mediation and arbitration with a neutral third party.

VI. SIGNATURES:

IN THE WITNESS WHEREOF, the parties have subscribed their names,

9.29.2004
Date



Jeffrey B. Staser
Federal Co-Chair
Denali Commission

9/30/04
Date



Paul Sherry
Chief Executive Officer
Alaska Native Tribal Health Consortium