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MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
PUBLIC HEALTH SERVICE
HEALTH RESOURCES ADMINISTRATION
BUREAU OF HEALTH RESOURCES DEVELOPMENT

TO : Acting Director, DRMP

DATE: August 28, 1974

FROM : Acting Chief, GM

SUBJECT: Policy Manual

We are in the process of revising the booklet entitled, Guidelines and Information for Assisting RMPs in Phasing Out RMPS Support. Tom Simonds has been assigned the responsibility and will be the author. The purpose for the proposed revision is two-fold. First, some of the policy statements contained in it require changes to make them more accurate or clearer and there is also a need for additional policies. Secondly, we would endeavor to prepare a manual which could be used by the emerging health organization or at least serve as a solid basis for operating during the transition period. As the new organization develops and matures, a policy manual tailored to it will probably be required; however, the one we are developing should offer the framework on which to build it.

Therefore, we are beginning by editing the existing "phase-out manual" and making the necessary changes. We will then develop new policies on a variety of subjects. Some of these are:

Loan of excess property to grantees
Compensation for part-time federal employees
Reimbursement for advisory group members
Discretionary funding

We will then introduce additional sections which are not necessarily policy in nature but which would assist grantees - particularly new ones - in the management of government grants. These will cover topics which have proven to be troublesome to new and unsophisticated grantees and, in fact, to some not so new, who consider themselves to be experienced.

The existing "phase-out manual" has been well received by the RMPs generally and acclaimed by some as the most useful document produced by DRMP. We are of the opinion that building on this to produce a more timely manual should be equally well received by and useful to the new organizations which will replace RMP and CHP. It should also be beneficial in avoiding problems for new and inexperienced grantees.

There is attached for your information an outline of the manual we will develop. We would appreciate any thoughts you may have for topics to be included.

G. Lee Teets

Attachment

cc: Acting Deputy Director, DRMP

Preface

A. Broad description of organization
   1. Mission
   2. Responsibilities
      a. Grants
      b. Grantees

I. Introduction
   A. Composition of Manual (general statement)
   B. Documents grantee should have access to and where obtained.
      1. CFR
      2. Fed-Register
      3. Grants Administration Manual
   C. Order of Precedence of policies in event of conflict
      1. Fed. legislation
      2. Fed. Regulations
      3. DHEW Grants Administration Manual
      4. Policies in this manual

II. Funding and Application
   A. Funding determination based on approval
   B. Notice of Grant Award (general and brief statement)
   C. Continuation
      1. Application
   D. Unobligated Balances
      1. ROE
      2. Treatment of unobligated balances
         a. Offset
         b. Carryover
         c. Refund

III. Costs
   A. General statement regarding direct and indirect costs
   B. Grantee responsibilities
   C. Direct costs
      1. Definition
      2. Identify and explain each
         a. Identify pertinent DHEW Grants Administration Manual Chapter.
      3. Add policy on air conditioning being considered as a utility cost
   D. Indirect Costs
      1. Applicable cost Principle and Procedures
         a. Brochures available describing procedure for computing

IV. Payment
   A. Monthly Cash Request
   B. Letter of Credit
   C. Reimbursement by Treasury Check

V. Grant Related Income

VI. Equipment Accountability
A. Loan of excess property to grantees

VII. Contracting by Grantee