

R5HCC Procurement
FOR INTERNAL USE ONLY

Purpose:

To provide a standard procedure for purchase procurement process using Administration for Strategic Preparedness and Response (ASPR) cooperative agreement for Region 5 Healthcare Coalition to accomplish work plan goals.

Definitions:

Annual Budget: Annual Budgets are prepared each year to align with the federal grant year, which begins July 1st and ends June 30th of the following year. The annual budget is developed as a collaboration between the Healthcare Coalition (HCC) and the State of Michigan Bureau of Emergency Preparedness, EMS, and Systems of Care (BEPESoC). The annual Budget is reviewed by the fiduciary for consistency and compliance with all applicable cost principles.

Grant Budget: Grants from the State of Michigan BEPESoC to the HCC are 12 months. Due to the state fiscal year, the grant is divided into 2 contracts. The first contract is July-September (3 months) with 25% of the grant allocation. The second contract is October-June (9 months) with 75% of the grant allocation. Any additional funds not spent during the first contract will be rolled over in an amendment to the 9-month contract. Grant Budgets are generated from the approved Annual Budget, with expenses adjusted to match the duration of the grant. Grant Budgets are incorporated into the grant agreement between the State of Michigan and the MCA Fiduciary.

Cost Principles: Cost principles applicable to the grant funding are defined in 2CFR 200 and grant agreement between the State of Michigan and the MCA Fiduciary. In addition to the cost principles outlined in this grant agreement, the policies of both the HCC and the fiduciary apply. In cases of conflict between cost principles, the more restrictive policy shall apply.

Implementation Request: Used when the goods or services requested fall within an existing budget category in which there is sufficient funding to support the new expense. Signatures are required by the Planning Board chair and MCA Fiduciary before submission to BEPESOC for approval. No additional funds are sought under this request type. No amendment to the Grant Budget is typically required.

Reallocation Request: Used when the goods or services requested fall within an existing budget category, but the funding in that category is insufficient. A separate budget category and specific line items from which the funding will be reallocated is identified. Signatures are required by the Planning Board and Fiduciary before submission to the state for approval. No additional funds are sought under this request type. No amendment to the Grant Budget is typically required.

Special Funding Request: Used when additional funds are available, and the state reviews and approves special funding requests. Goods or services may or may not fall

within an existing budget category. The request identifies the specific items and the appropriate budget category. An amendment to the Grant Budget is required.

MCA Fiduciary/Fiduciary: Holds the contract between MDHHS and the Healthcare Coalition

- The fiduciary will comply with grant requirements for the spending and tracking of funds distributed by MDHHS on behalf of ASPR for the Regional Preparedness project.
- The fiduciary will not allocate, promise, spend or spend on behalf of the coalition any monies distributed by MDHHS to the coalition for preparedness projects or activities without first going through the written coalition approval process.

Policy:

Budget Template

1. Budget categories and amounts allocated in each category will be outlined at the beginning of each budget period or as indicated by the State of Michigan in accordance with ASPR grant guidelines. Budget categories and amounts will be approved by the Planning Board.
 - a. Committees may make recommendations to be submitted by the head of the committee and then passed to the Planning Board for approval or denial.

Special Funding Requests

1. **If** funds are available and the state approves special funding requests, a request for equipment/supplies/etc. can be completed by the due date as defined by the state.

Implementation/Re-Allocation/Committee Purchase Requests

1. **Implementation request and allocation/re-allocation**
 - a. Requests for spending of grant funds can come from the R5HCC staff, R5 Planning Board, and/or R5 approved committees/partners. Requests must align with ASPR work plan goals and grant requirements, and is the responsibility of R5HCC staff, R5 Planning Board, MCA Fiduciary and state to ensure requests are aligning.
 - b. R5 Planning Board will review the request and determine if the request aligns with ASPR work plan goal and is for the greater good of the healthcare coalition.
 - c. **If approved by the R5 Planning Board**, the completed implementation request (completed by Healthcare Coalition coordinator/or assistant coordinator followed by coalition medical director if coordinator unavailable) on the State of Michigan implementation BEPESoC form.
 - i. After completion of the implementation form, R5 Planning Board chair or designated proxy is to sign implementation form within 10 business days of completion.

- ii. Implementation form is then forwarded to the fiduciary for signature to be signed within 10 business days from sent date.
 1. **If denied by the fiduciary**, written documentation for denial reason is required within 10 business days and R5 Planning Board will revisit the implementation request.
 - a. If documentation is not acquired or within 10 business days, communications move to the state level.
 - iii. After all signatures are obtained the implementation form is sent to the state for approval.
 1. **If approved by the state**, R5HCC coordinator or approved proxy will be notified, and will follow appropriate procedures for purchasing of assets.
 2. **If denied by state**, written documentation of denial reason will be sent to R5HCC coordinator or approved proxy. R5HCC staff will then advise the Planning Board of denial, with recommendations as given by the state.
2. **Committee Purchase Request (See end of SOP for form)**
 - a. **If** purchase request document is submitted by a committee it will be sent to the Healthcare Coalition coordinator (or assistant coordinator followed by coalition medical director, if coordinator unavailable)
 - b. The purchase request document will be reviewed, then approved or denied by R5HCC Planning Board.
 - c. **If approved**, the item(s) will be placed on the State of Michigan BEPESoC implementation request, to be sent to the MCA Fiduciary for signature and then to State of Michigan BEPESoC for approval.
 - i. **If denied** by the R5 Planning Board, a written letter explaining the rational of the denial and to resubmit request to align with work plan goals and grant requirements.
 3. Implementation requests, allocation/re-allocation of funds, special funding, or any spending of coalition funds must be submitted to the fiduciary by the coalition coordinator (or assistant coordinator/coalition medical director, if coordinator unavailable) in the form of the State of Michigan implementation request after the approval from the R5HCC Planning Board.
 - a. The HCC Planning Board serves as the final regional entity for approval of implementation requests, allocation/re-allocation of funds, special funding requests for submission to BEPESoC.
 4. It is the responsibility of the R5HCC MCA Fiduciary to ensure that the appropriate amount of HPP and MITESA funds are available prior to approval at the fiduciary level.

Day to Day Procurement: Credit Card (If applicable)

1. Day-to-day funding will be allocated for the upcoming budget period during the previous budget period. Spending allows for unexpected day-to-day expenses including but not limited to food for meetings, parking, etc.

Emergency Procurement: Credit Card (If applicable)

1. Any supplies deemed emergent by the coalition coordinator or assistant coordinator under the cost of \$1,000. Anything over \$1,001 must be deemed emergent and approved by the coalition medical director. Funds must be present to allow for purchasing. Healthcare Coalition funds must be reallocated to cover the cost of the emergent purchases.

Aligning with ASPR Work Plan Goals

1. It is the role of the R5HCC coordinator, assistant coordinator, regional medical director, R5HCC Planning Board, and R5HCC MCA Fiduciary that all implementation requests and dispersal of coalition funding must align with the ASPR & State of Michigan grant guidelines.
2. It is the responsibility of the R5HCC MCA Fiduciary to ensure that coalition and MITESA funds do not violate the contract provisions.

Fiduciary Procurement Process

1. All purchases will be performed within federal, state, fiduciary cost principles.