

FY 2025 HRSA General Terms and Conditions

These terms and conditions apply to all award actions issued on or after Oct. 1, 2024, as well as all active awards that have not reached their project period end date.

1. Administrative Requirements

You must comply with the laws, policies, and terms and conditions included in your Notice of Award (NoA).

This includes:

- requirements of the authorizing statutes and implementing regulations for the programs under which your award is funded
- appropriations acts provisions
- terms and conditions included in the [HHS Grants Policy Statement](#). This includes the requirements of applicable HHS regulations, [45 CFR 75](#), and portions of [2 CFR Part 200](#)
- the [HHS Administrative and National Policy Requirements](#)
- requirements included in the Notice of Funding Opportunity (NOFO); and
- policies specific to the award.

In case of conflicting or inconsistent requirements, follow the order of precedence indicated in [HHS Administrative and National Policy Requirements](#). This document provides statutory, regulatory, and executive requirements that apply to HHS awards.

We may list exceptions to individual requirements stated above in the NoA.

Use of the terms “federal award,” “award,” and “grant” refers collectively to federal assistance awards, grants, and cooperative agreements, unless otherwise indicated.

Additionally, SAM.gov and Unique Entity Identifier (UEI) registration is required throughout the lifecycle of all HRSA awards.

a. HRSA adoption of 2 CFR 200

On Oct. 2, 2024, HHS published the [Interim Final Rule](#) explaining the department’s phased approach for adopting 2 CFR part 200.

HRSA awards are subject to the requirements in [45 CFR part 75](#), except as amended by the following provisions of [2 CFR part 200](#):

- [2 CFR § 200.1](#). Definitions, “*Modified Total Direct Cost*”, “*Equipment*”, and “*Supplies*”
- [2 CFR § 200.313\(e\)](#). Equipment, *Disposition*
- [2 CFR § 200.314\(a\)](#). Supplies
- [2 CFR § 200.320](#). Procurement methods (for the Micro-purchase threshold¹)
- [2 CFR § 200.333](#). Fixed amount subawards
- [2 CFR § 200.344](#). Closeout²
- [2 CFR § 200.414\(f\)](#). Indirect costs, *De Minimis Rate*

¹ This provision was adopted on December 12, 2017 under [Public Law 115-91](#) and [OMB Memorandum 18-18](#).

² This provision was adopted on September 15, 2023 under [88 FR 63591](#).

- [2 CFR § 200.501](#). Audit requirements.

HHS is adopting the following changes:

2 CFR 200 citation	Replaces 45 CFR 75 citation	Before Oct. 1, 2024, Threshold under 45 CFR Part 75	On and After Oct. 1, 2024, New Threshold
2 CFR § 200.1 . Definitions, "Modified Total Direct Cost"	45 CFR § 75.2. Definitions, "Modified Total Direct Cost"	\$25,000	\$50,000
2 CFR § 200.313(e) . Equipment, <i>Disposition</i>	45 CFR § 75.320(e). Equipment, <i>Disposition</i>	\$5,000	\$10,000
2 CFR § 200.314(a) . Supplies	45 CFR § 75.321(a). Supplies	\$5,000	\$10,000
2 CFR § 200.320 . Procurement Methods (Micro-purchase threshold)	45 CFR § 75.329. Procurement Procedures (Micro-purchase threshold)	\$10,000	\$50,000
2 CFR § 200.333 . Fixed amount subawards	45 CFR § 75.353. Fixed amount subawards	\$250,000	\$500,000
2 CFR § 200.344 . Closeout	45 CFR § 75.381. Closeout	90 days	120 days
2 CFR § 200.414(f) . Indirect costs, <i>De Minimis Rate</i>	45 CFR § 75.414(f). Indirect (F&A) costs, (f)	10%	15%
2 CFR § 200.501 . Audit requirements	45 CFR § 75.501. Audit requirements	\$750,000	\$1,000,000

b. Subrecipients and Recipients (Pass-Through Entities) Responsibilities

The recipient is the entity that receives a federal award directly from HRSA.

The recipient can give a portion of the direct award to other organizations, called subrecipients, to accomplish the goals and objectives of the award.

In this case, the recipient becomes a pass-through entity and the subrecipient's award is called a subaward.

As a recipient, you must ensure the applicable general terms and conditions stated in this document flow down to subrecipients. See [HHS Administrative and National Policy Requirements](#).

c. Health Information Technology Interoperability

When your activities involve implementing, acquiring, or upgrading health IT, you and your subrecipients will:

- Meet the standards and specifications in [45 CFR part 170, subpart B](#), if those standards support the activity.
- If the activities relate to activities of eligible clinicians in ambulatory settings or hospitals under Sections 4101, 4102, and 4201 of the HITECH Act, you will use only health IT certified by the [Office of the National Coordinator for Health Information Technology \(ONC\) Health IT Certification Program](#).

If standards and implementation specifications in [45 CFR part 170, subpart B](#) cannot support the activity, we encourage you to use health IT that meets non-proprietary standards and specifications of consensus-based standards development organizations. This may include standards identified in the [ONC Interoperability Standards Advisory](#).

For more information, review [HHS Health IT Alignment Policy | HHS Intranet](#) and [HHS Health IT Alignment Policy | HealthIT.gov](#).

d. Prior Approval

You must get prior approval for certain items, as stated in 45 CFR [§ 75.308](#) and [§ 75.407](#). This includes significant rebudgeting of project costs.

- Significant budget changes require prior approval when they constitute a change of scope or exceed 25 percent of total direct costs of the last approved budget period. If you are not sure your budget change is beyond the scope, call your Grants Management Specialist (GMS).
- We do not automatically authorize prior approvals under [45 CFR § 75.308\(d\)](#):
 - We do not waive cost-related or administrative prior approvals unless specifically stated in your NoA. You must submit these as a Prior Approval action via HRSA Electronic Handbooks (EHBs).
 - Only responses to prior approval requests signed by the Grants Management Officer (GMO) are valid.

If you act based on responses from other officials, you do so at your own risk. We do not consider these responses binding.

e. Funding Restrictions

See your NoA, [HHS Administrative and National Policy Requirements](#), and [HRSA Legislative Mandates](#) for funding restrictions, such as:

- Salary Cap (also see [Salary Rate Limitation](#))
- Gun control
- Anti-lobbying
- Restrictions on abortion
- Ban on funding embryo research
- Limitation on use of funds for promotion of legalization of controlled substances
- Restriction of pornography on computer networks
- Restriction on the purchase of sterile needles
- Prohibition on certain telecommunications and video surveillance services or equipment.

f. Roles and Responsibilities.

To see the roles and responsibilities of the GMS and the Program Official (PO) for your award, visit [Manage Your Grant](#).

g. Cybersecurity

You need to follow specific cybersecurity guidelines if you access HHS systems or handle personally identifiable information (PII) or personal health information (PHI).

These include requirements such as:

- Creating a cybersecurity plan.

- Limiting access and training your staff on cybersecurity and privacy.
- Using multi-factor authentication and antivirus software.
- Routinely backing up data.
- Creating [incident response plans](#) and reporting any cybersecurity incidents to HHS.

For full details, see the [NIST Cybersecurity Framework](#), the Cybersecurity Act of 2015 at [6 USC § 1533\(d\)](#), and [HHS Guidance](#).

h. Condition for Research Awards that Involve Procurement of Synthetic Nucleic Acids or Benchtop Synthesizers

Beginning April 26, 2025, HHS funds may only be used to procure synthetic nucleic acids or benchtop nucleic acid synthesis equipment from sources adhering to [the Office of Science and Technology Policy Framework for Nucleic Acid Synthesis Screening](#).

HHS awardees are expected to adhere to the [Office of Science and Technology Policy Framework for Nucleic Acid Synthesis Screening](#) for HHS projects.

2. National Policy Requirements

For national policy requirements, review the [HHS Administrative and National Policy Requirements](#) and the following:

a. Publications and Acknowledgment of Support

For more information and examples on how to acknowledge HRSA funding in products including press releases, publications, websites or more, review [HHS Administrative and National Policy Requirements](#).

b. Conflict of Interest

See HRSA [Federal Financial Assistance Conflict of Interest Policy \(COI Policy\)](#)

c. Accessibility provisions and non-discrimination requirements

If you receive an award, you must follow all applicable nondiscrimination laws. You agree to this when you register in SAM.gov.

You must also submit an Assurance of Compliance form ([HHS Form 690](#)).

To learn more, see the [Laws and Regulations Enforced by the HHS Office for Civil Rights](#).

Contact the [HHS Office for Civil Rights](#) (OCR) for more information about obligations and prohibitions under federal civil rights laws or call 1-800-368-1019 or TDD 1-800-537- 7697.

The HRSA Office of Civil Rights, Diversity, and Inclusion (OCRDI) offers technical assistance, individual consultations, trainings, and plain language materials to supplement OCR guidance.

[Learn more](#) about how federal civil rights laws (requiring nondiscrimination based on race, color, national origin, sex, disability, age, and religion) apply to your programs, or [contact OCRDI directly](#).

3. Financial Requirements

a. Salary rate limitation (SRL)

See our [Salary Cap Summary Table](#) for the latest salary rate limitation and salary pay tables and [How to Compute Rates of Pay](#).

Also review your NoA, [HHS Administrative and National Policy Requirements](#), and [HRSA Legislative Mandates](#) for additional information.

The HHS salary rate limitation applies to both direct and indirect costs for applicable HHS awards.

Effective Oct. 1, 2024, when HHS is the Federal Cognizant Agency or when HHS is acting as the shared-service provider for another Federal Cognizant Agency, the HHS component that reviews and negotiates indirect cost rate proposals and cost allocation plans will issue [Negotiated Indirect Cost Agreements] (NICRAs) that incorporate the HHS SRL, to comply with HHS Appropriations Act requirement.

Beginning with HHS awards, including continuation and supplemental awards, made on or after Oct. 1, 2024, if you do not have an approved indirect cost rate that complies with the HHS SRL requirement, you must take and document the following actions. This may be because the NICRA was issued before Oct. 1, 2024, and it is not yet up for renewal. It may also be because the NICRA was issued by another Cognizant Agency that does not have an identical SRL:

- Identify any HHS award where HHS funds are used to pay any salary using the HHS award that exceeds the SRL. This includes both direct and indirect costs, both in whole and any portion of a salary that at a full-time equivalent exceeds the SRL.
- Have written policies and procedures that ensure you do not draw down HHS award funds, whether as direct or indirect costs, to pay for salaries above the HHS SRL.

You may request a companion rate on the NICRA from HHS that does not incorporate the HHS SRL if:

- HHS is your Cognizant Federal Agency or HHS is the shared-service provider for your Federal Cognizant Agency; and
- You are applying for an award from another federal awarding agency or from a program not subject to the HHS SRL.

b. Payments

Grant funds must be drawn down through the HHS Payment Management System (PMS).

PMS is a tool to help you draw down funds and file the Federal Financial Report (FFR). The [Division of Payment Management](#), Financial Management Services, Program Support Center, manages PMS and has instructions for obtaining payments.

Submit direct inquiries about payments:
ONE-DHHS Help Desk for PMS Support at 1-877-614-5533 or PMSSupport@psc.hhs.gov.

If you do not have access, [complete a PMS Access Form](#) (PMS/FFR Form). If you have any questions about accessing PMS, [contact the PMS Liaison Accountant](#).

c. Program income

You must use program income earned under the award through the deduction method, unless specified otherwise by the authorizing statute or the NOA, as follows:

- Deduct program income from total allowable costs to determine the net allowable costs.
- Use program income for current costs unless the NOA states otherwise.
- Use program income that you did not anticipate at the time of the federal award to reduce the federal award and your contributions rather than to increase the funds committed to the project.

d. Adjustments

Your federal award amount may be adjusted based on:

- Total allowable costs incurred
- The value of third-party in-kind contributions
- A congressional rescission occurring after the award is made

4. Reporting Requirements

Review your NoA, [HHS Administrative and National Policy Requirements](#), and [HRSA Manage Your Grant](#) for required reports and method of submission.

a. General Reports may include:

- Federal Financial Reports (FFR)
- Noncompeting Continuation (NCC) Progress Reports
- Tangible Personal Property Report (SF-428) for Equipment and Supplies
- Real Property Report (SF-429)
- Subaward Reporting under the Federal Funding Accountability and Transparency Act (FFATA)
- Recipient integrity and performance

b. Audit Reports

- If your organization is not a for-profit organization and is required to have audits in accordance with [45 CFR part 75, Subpart F](#) (See [2 CFR § 200.501](#)) because it spends \$1,000,000 or more in federal funds in one fiscal year, submit the audit reports to the [Federal Audit Clearinghouse](#).
- Commercial organizations required to have audits should [submit the audit reports directly to HRSA](#).

c. Reporting Fraud, Waste, Abuse, and Mismanagement

- The HHS Office of the Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]; TTY: 1-800-377-4950) and [website](#) for receiving information concerning fraud, waste, abuse, and mismanagement under HHS programs.

Additionally, information may be submitted by mail to:

Office of the Inspector General
 Department of Health and Human Services
 Attn: HOTLINE
 330 Independence Ave., SW
 Washington DC 20201

- Such reports are treated as sensitive material. You can decline to give your name if you choose to remain anonymous.

5. Termination

a. Circumstances

HRSA or the pass-through entity may terminate this award under any of the following circumstances, per [45 CFR § 75.372](#):

- If your organization fails to comply with the terms and conditions of the award
- For cause
- With your consent, in which case you and HRSA must agree on the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated
- By you, upon sending HRSA or the pass-through entity a written notification setting forth the reasons for termination, the effective date, and, in the case of partial termination, the portion to be terminated.

However, if HRSA or the pass-through entity determines, in the case of partial termination, that the reduced or modified portion of the award or subaward will not accomplish the purposes for which the award was made, HRSA or the pass-through entity may terminate the federal award.

b. Appeal

HRSA affords appeal rights for remedies for non-compliance, including termination.

See [45 CFR § 75.374](#) for opportunities to object, hearings, and appeals.