



**American Recovery and Reinvestment Act
Health Professions Programs**

**Scholarships for Disadvantaged Students (SDS)
Questions and Answers**

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The American Recovery and Reinvestment Act of 2009

What is The American Recovery and Reinvestment Act of 2009?

The American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act), was signed into law February 17, 2009.

The Recovery Act was enacted to:

- preserve and create jobs;
- promote economic recovery;
- help people most impacted by the recession;
- increase economic efficiency by investing in technological advances in science and health;
- promote long-term economic benefits by investing in transportation, environmental protection and other infrastructure; and
- preserve essential services of States and local governments.

Why is the SDS program funded under the ARRA?

The American Recovery and Reinvestment Act of 2009 provides \$500 million to address health professions workforce shortages.

The objective of the Health Professions Programs as supported through ARRA is to address health professions workforce shortages. Programs funded promote training in primary care, nursing and public health, help educational institutions, and increase the diversity of the health professions workforce. These programs will also help disadvantaged individuals who might otherwise have to delay their entry into, or drop out of, training programs or teaching.

Several types of activities will be funded with ARRA dollars, including direct student support, loan repayment, training program infrastructure, and equipment purchases for health professions training programs. The grant programs funded under ARRA will help increase the diversity of students entering health professions programs, support the training of disadvantaged students, provide training in primary care disciplines, and improve training programs by providing better access to equipment.

The Scholarships for Disadvantaged Students (SDS) program promotes diversity among health profession students and practitioners by providing scholarships to full-time students from disadvantaged backgrounds with financial need enrolled in health professions and nursing programs. Participating schools are responsible for selecting scholarship recipients, making reasonable determinations of need, and providing scholarships that do not exceed the allowable costs (i.e., tuition, reasonable educational expenses and reasonable living expenses).

The increasing educational costs associated with pursuing a career in health professions poses significant challenges for students, institutions, and financial aid providers. In response to rising educational costs, institutions have a greater need and dependency on financial resources to recruit and retain a diverse group of students from under-represented minority and socioeconomic backgrounds. ARRA-SDS funding assists HRSA's efforts to increase shortages of primary health care practitioners and other health professionals by providing financial assistance to ensure students from disadvantaged backgrounds will have viable opportunities to enter healthcare workforce.

The SDS program is receiving \$20 million in ARRA funding in FY 2009. An additional \$20 million will be available in FY 2010.

Where can I learn more about the ARRA?

Additional information on the Recovery Act can be found at <http://www.recovery.gov>. Information on activities related to the Recovery Act at the U.S. Department of Health and Human Services (HHS) can be accessed at <http://www.hhs.gov/recovery>.

Purpose

What is the purpose of the ARRA-SDS funding opportunity?

The purpose of the American Recovery and Reinvestment Act (Recovery Act or ARRA) Scholarships for Disadvantaged Students (SDS) funding is to augment the existing SDS grant with additional scholarship funds. Furthermore, ARRA-SDS funding will increase diversity in the health professions and nursing schools through awarding scholarships to students from disadvantaged backgrounds with financial need, many of whom are underrepresented minorities.

Summary of Funding

How do schools apply for ARRA-SDS funds?

The FY 2009 ARRA competition is complete. Grant announcement HRSA-09-127 opened on November 13 and closed on January 16 for the SDS program. Successful applicants from that opportunity will be given the opportunity to apply for ARRA-SDS funds. The next funding opportunity for ARRA-SDS funds will be in FY 2010. In FY 2010 a single application will be used to make both regular appropriation and ARRA-SDS funding decisions.

If a school does not receive ARRA-SDS funds in 2009, will they have an opportunity to compete for ARRA-SDS funding in 2010?

Yes. In FY 2010 eligible schools will have the opportunity to apply and compete for both ARRA and SDS appropriated funding. A single application must be used for regular SDS appropriated funds and ARRA-SDS funds. Eligible applicants are accredited schools of health professions and nursing programs.

When will the grant be awarded?

ARRA SDS funds will be awarded by September 1.

Is there any formal notification of an ARRA-SDS award from the Health Resources and Services Administration (HRSA)?

Yes. HRSA will electronically transmit a formal notification in the form of a Notice of Grant Award (NGA) that will be provided to the ARRA-SDS applicant organization/institution.

What is the timeline for grantees to use the ARRA-SDS funds?

The grantee is expected to use the ARRA-SDS funds within the 11-month project period. Recipients of ARRA-SDS funds should obligate (commit) the grant funds by the end of the 11-month project/budget period. HRSA strongly encourages grantees to expend (spend) all funds during the 11-month project/budget period.

Are schools permitted to carryover unused ARRA-SDS funds?

No. ARRA-SDS funds must be used within the specified project period. In FY 2009, the regular SDS award combined with the ARRA-SDS award to schools was formula based.

Student Support

Are schools permitted to make regular SDS scholarships and ARRA SDS scholarships to the same student during the same grant budget period?

No. ARRA-SDS funds must be used to assist students other than those that receive regular SDS funds. Schools are encouraged to make ARRA-SDS scholarships to students expected to graduate within 2 years of receiving ARRA-SDS scholarship support. Students who do not receive ARRA-SDS awards during the 2009 and 2010 project periods may receive regular SDS scholarship support.

Are schools permitted to make ARRA-SDS scholarships to students for more than one year?

Schools should make 1-year scholarships with ARRA funds to students, but may provide scholarships to the same student two years in a row.

May a student who received ARRA-SDS funds in FY 2009 receive SDS regularly appropriated funds in FY 2010?

Yes. One single student may receive SDS normally appropriated funds in one academic year and ARRA SDS funds in the next as long as ARRA and Appropriated funds are from different grant budget periods. However, we encourage you to award the same student ARRA-SDS for two years (awarding one year at a time), to have a greater impact on the ARRA-SDS outcome measures.

Are schools permitted to make ARRA-SDS scholarships to continuing and new SDS students?

Yes. Schools can make ARRA-SDS scholarships to any continuing or new student. We encourage that scholarships be made to students expected to graduate within two years.

Are schools permitted to make ARRA-SDS scholarships to part-time students?

No. Consistent with program guidance, scholarships must be made to full-time students only.

Are schools permitted to make partial and full scholarships to full-time students with ARRA-SDS funds?

Yes. Consistent with program guidance, schools are permitted to make partial and full scholarships to full-time students.

Our school currently receives non-ARRA SDS funding for multiple disciplines. Are we permitted to decline funding for some but not all disciplines?

Yes. You may accept ARRA-SDS funding for some of your currently funded disciplines, while declining ARRA-SDS funding for others.

Our school did not apply for one or more disciplines with our non-ARRA SDS application. Can we now add those disciplines with ARR-SDS funds?

No. ARRA-SDS funds can only be used to support scholarships for those disciplines that were initially applied for under HRSA-09-127.

Our school receives non-ARRA SDS funding for multiple disciplines at one of our campuses. Are we permitted to use ARRA-SDS funding to support students at a different campus?

No. ARRA-SDS funds can only be used to support students at the campus(es) specified in the HRSA-09-127 application.

Eligible Use of Funds

Are there certain eligibility requirements for use of these funds?

ARRA-SDS funds cannot be used to support students who are already participating in the SDS program and receiving support from the appropriated SDS funds during the same grant budget period.

How can I track and separate ARRA-SDS versus non-ARRA-SDS funds?

To facilitate monitoring and tracking of ARRA-SDS funds from regular SDS funds, ARRA-SDS grants will be provided under a unique grant number and Payment Management System (PMS) sub-account.

How will ARRA-SDS funding be delivered to grantees?

Grantees will receive ARRA-SDS funds much in the same way schools get their current SDS funding via the PMS; a NGA will be issued under a different grant number. For information regarding the drawdown of your awarded funds, contact your account representative at 1-877-614-5533 or <http://www.dpm.psc.gov/>. Grantees should drawdown funds based on the needs of the ARRA-SDS project.

How will applications be submitted?

Applications were submitted as a result of the competitive funding opportunity HRSA-09-127. This opportunity closed on January 16, 2009. No further applications are being accepted for 2009 ARRA-SDS funding opportunities. Applicants will be asked, however, to report on the number of students these funds will support.

In FY 2010 eligible schools will have the opportunity to apply and compete for both ARRA and non-ARRA-SDS funding, with a single application being used for regular appropriation and ARRA-SDS funding.

If I decline receiving ARRA funds will it affect my regular SDS award?

No. Declining ARRA funds will have no affect on your regular SDS award.

Reporting

What are the reporting requirements for Recovery Act funding?

Grantees must continue to comply with the usual and customary reporting requirements of the SDS Program, in addition to specific Recovery Act reporting. Recipients of Recovery Act funding will be required to provide periodic reports to ensure that funds are used for authorized purposes and instances of fraud, waste, error, and abuse are mitigated. Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting

must be separate to meet the reporting requirements of the Recovery Act. Additional information is available at http://www.whitehouse.gov/omb/recovery_default/.

Generally, as required by the Recovery Act, recipients are required to report the following information to www.FederalReporting.gov 10 days after the end of each calendar quarter; submission dates will be July 10, October 10, January 10, and April 10.

These reports will include the following data elements, as prescribed by the Recovery Act:

1. The total amount of Recovery Act funds.
2. The amount of Recovery Act funds received that were obligated and expended to projects or activities. This reporting will also include unobligated allotment balances to facilitate reconciliations.
3. A detailed list of all projects or activities for which Recovery Act funds were obligated and expended, including
 - a. The name of the project or activity;
 - b. A description of the project or activity;
 - c. An evaluation of the completion status of the project or activity;
 - d. An estimate of the number of jobs created and the number of jobs retained by the project or activity.
4. Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

Where can I find out more information about the ARRA reporting requirements?

The OMB Section 1512 guidance for recipient reporting can be found at: <http://www.recovery.gov/?q=node/579>.

In addition, the Office of Management and Budget (OMB) prepared a series of webinars to train Federal Agencies and recipients of ARRA funding on how to comply with their reporting responsibilities. Links to the recorded webinars can be found at: <http://www.whitehouse.gov/Recovery/WebinarTrainingMaterials/>.

Are schools required to submit the SDS Scholarships for Disadvantaged Students Performance Report (SDSPR), Financial Status Report (FSR) and the ARRA-SDS quarterly reports?

Yes. The SDS-SDSPR report and the Financial Status Report (FSR) are standard annual reports requirement for the regularly funded program. Similarly, the ARRA-SDS program has the requirement for an ARRA SDS-SDSPR, ARRA-Financial Status Report (FSR) in addition to the required ARRA specific reporting as described on the Recovery.gov web site. However, it is important to note that the SDSPR and FSR are ANNUAL reports while the additional ARRA reporting requirements are quarterly reporting.

What if a school has not been able to disburse scholarships funds by October 10, 2009 (first quarterly report due date)? Would it still have to submit a quarterly report?

Yes; this is a government-wide requirement. Schools are required to submit quarterly reports regardless of whether or not they have disbursed any funds. If no funds were disbursed prior to the first report, they would report zeroes.

Why is the ARRA-SDS required reporting scheduled quarterly rather than annually?

Quarterly reporting is stipulated for timely measure and transparency of the use and impact of ARRA-SDS funds.

Will the ARRA-SDS quarterly report be completed and submitted through the HRSA EHBs?

No. ARRA-SDS reports will be completed and submitted via a centralized system on www.FederalReporting.gov by no later than 10 days from the end of each quarter. This information will then be migrated for public access to the www.Recovery.gov website upon data quality review by the funding agency.

Are schools expected to create new jobs as a result of receiving ARRA-SDS funds?

ARRA-SDS funds are intended to enhance the regular SDS funding level to promote diversity among health professions students and practitioners by providing scholarships to full-time financially needy students from disadvantaged backgrounds enrolled in health professions and nursing programs as a result of ARRA-SDS scholarship support.

Although ARRA-SDS funds are not permitted to support administrative costs (i.e., staff salaries), schools are encouraged to report on indirect job creation/retention as a result of ARRA-SDS funding. For example, the additional ARRA-SDS funds compelled the school to hire additional financial aid officers to support the additional ARRA-SDS student activity, or a school to retain current financial aid officers due to increased funding through ARRA-SDS.