Scholarship for Disadvantaged Students (SDS)

HRSA-25-076 Technical Assistance Webinar
December 5, 2024

Health Careers Pipeline Branch (HCPB)
Division of Health Careers and Financial Support (DHCFS)
Bureau of Health Workforce (BHW)

Vision: Healthy Communities, Healthy People

Agenda

1. Overview

2. Eligibility

3. Funding Considerations
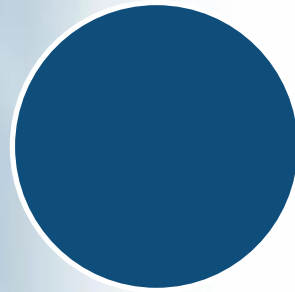
4. Prepare Your Application

5. Review and Award

6. Post Award

HRSA Health Workforce

Overview

Legislative Authority

Established by the Disadvantaged Minority Health Improvement Act of 1990 (P.L. 101-527).

Authorized by Section 737 of the Public Health Service Act (42 U.S.C. 293a).

Scholarship for Disadvantaged Students Program

Legislative Requirements

Scholarships: Tuition expenses, other reasonable educational expenses and reasonable living expenses.

At least 16 percent of the SDS funding for schools of nursing.

Must be currently carrying out a program for recruiting and retaining students from disadvantaged backgrounds.

Preferences to students:
- Severe financial hardship

Purpose

The Scholarships for Disadvantaged Students (SDS) program increases diversity in the health professions and nursing workforce by providing awards to eligible health professions schools for use in awarding scholarships to students from disadvantaged backgrounds who have financial need.

Goals and Objectives

Goals:

- Improving distribution, diversity and supply of primary care providers.
- Improving and strengthening the health profession and nursing workforce.
- Improving healthcare access and quality to medically underserved communities (MUCs).

Objectives:

- Increasing the number of graduates practicing in primary care.
- Increasing the retention of full-time students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups.
- Increasing the number of graduates working in MUCs.

FY 2025 SDS Policy Changes

A set aside of $5 million specifically for midwifery programs.

Allowing up to 8% of funding to be used for indirect costs.

The ability to request direct costs for the Project Director's salary and fringe benefits not to exceed 25% FTE.

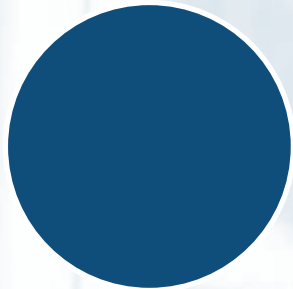An increase in the maximum dental student scholarship award amounts from $40,000 to $50,000.

Updating the definition of an Independent Student to align with the U.S. Department of Education guidelines and the FAFSA Simplification Act.

Eligibility

School Eligibility Criteria

The following types of domestic organizations may apply:

For-profit nursing and physician assistant schools

Public and non-profit health professions schools

Tribes, and tribal organizations are eligible to apply if all other eligibility requirements are met.

School Eligibility Criteria – Continued

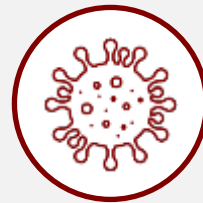*Eligible Program Disciplines:*

Allied Health   **Medicine**   **Dentistry**   **Behavioral and Mental Health**

Nursing   **Physician Assistant**   **Public Health**   **Midwifery**

*Please refer to pages 6-7 of the HRSA-25-076 for a detailed list of eligible SDS disciplines.

School Eligibility Criteria - Continued

Applicants must demonstrate that the program has achieved success with enrolling and graduating full-time students from disadvantaged backgrounds in the specific degree program during academic years July 1, 2021 to June 30, 2024.

At least 20 percent of the total enrollment of the degree program AND

At least 20 percent of the total graduates of the degree program.

School Eligibility Criteria - Continued

Newly established schools may apply if students were enrolled for the academic year covering the period of July 1, 2022, to June 30, 2024.

New schools must provide:

At least 2 years of student enrollment data in the degree program, and

At least 1 year of graduation data in the degree program that demonstrates at least 20 percent of the total enrollment and graduates are from disadvantaged backgrounds.

Student Eligibility

To receive support under this program, a student must be full-time from a disadvantaged background, either economically, educationally or environmentally.

Economically disadvantaged

A person from a family with an annual income below a level based on low-income thresholds, established by the U.S. Census Bureau.

- ✓ Use parental income for students deemed "dependent" by the U.S. Department of Education guidelines.
- ✓ Use student income for students deemed "independent" by the U.S. Department of Education guidelines.
- ✓ Use the U.S. Department of Health and Human Services Poverty Guideline table for one 1 year preceding the data submitted on the FAFSA.

Student Eligibility - Continued

Educationally disadvantaged

A person who comes from a social, cultural, or educational environment that has demonstrably and directly inhibited the person from obtaining the knowledge, skills, and abilities necessary to develop and participate in a health professions education or training program.

Environmentally disadvantaged

A person's environment inhibited them from obtaining the knowledge, skills, and abilities required to enroll in and graduate from a health professions school.

*Please refer to pages 12-13 of the SDS NOFO for more student eligibility requirements.

Scholarship Requirements

Scholarships must be at least half the cost of the student's annual tuition.

Scholarships must not exceed:

- $50,000 per academic year for dental students.
- $40,000 per academic year for all other health and nursing professionals.

The amount of a scholarship may not exceed:

- A student's cost of tuition expenses,
- Other reasonable educational expenses,
- Reasonable living expenses incurred in attendance at the health professions or nursing school.

Scholarship Requirements - Continued

The amount of the scholarship may not exceed the student's financial need, per the Free Application for Federal Student Aid (FAFSA).

You are required to prioritize:

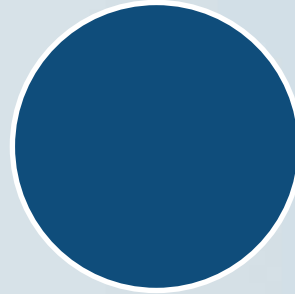Students for whom the cost of attendance would constitute a severe financial hardship.

Your school must provide training through clinical placements in:

Primary care settings

Medically underserved communities

Rural communities

Provide continued scholarship support to current SDS recipients.

Funding Considerations

Summary of Available FY 2025 Funding

5 Year Project Period

July 1, 2025 to June 30, 2030

Funding Range Per Award

Estimated up to $650,000 per year for each health professions program.

Total Budgeted Amount

Estimated $51.470 M per year

Expected # of Awards

Estimated 85 awards

The amount requested in budget years 2-5 cannot be more than the amount you request in your first budget period.

Funding Restrictions

Childcare expenses are not allowable.

Up to $650,000 per award.

Scholarships must be at least half of the cost of the annual tuition (with a cap of $50,000 per academic year for dental students or $40,000 per academic year for all other health and nursing professionals).

Scholarships may not exceed a recipients cost of attendance or financial need.
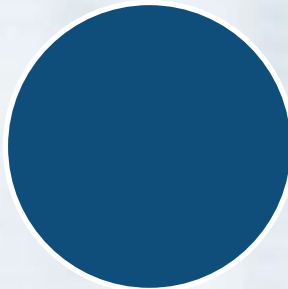
Funding Policies and Limitations

Maintenance of Effort

- Federal funds must add to any existing non-federal funds for your proposed activities.
  - If you receive an award, you will have to spend at least as much as you spent in the last fiscal year before the award.

- You must provide supporting documentation in your Attachment 5.

Prepare Your Application

Application Content and Format

- 60-page limit for the overall application

- Includes abstract, project and budget narratives, and attachments (e.g. bio-sketches, accreditation documentation, proof of non-profit status etc.)

- Standard Form - Scholarships for Disadvantaged Students Program Specific Data Forms Instructions

- HRSA's How to Prepare Your Application

Project Abstract

A short description of your proposed project

Include the needs you plan to address, proposed services, and the population groups you plan to serve

Identify the Program Discipline for which you are applying

Identify if you are requesting a funding priority or preference

Single-spaced and limited to one page in length
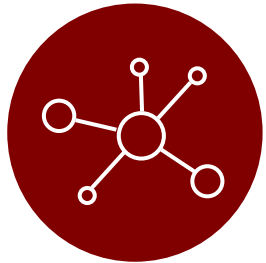
Name of School, State

Project Narrative

Introduction and Purpose

Describe the purpose of your project for the specific health discipline.
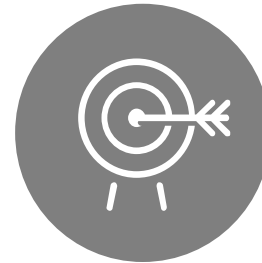
Need

Describe the need of your project for the specific health discipline.

Approach

Describe how you will address your stated needs and meet the program requirements and expectations described in this NOFO.
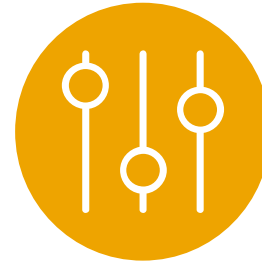
High-level Work Plan

Describe how you will achieve each of the objectives during the period of performance.

Project Narrative - Continued

Resolving Challenges

Discuss challenges that you are likely to encounter in designing and carrying out the activities in the work plan.

Performance Reporting and Evaluation

Describe the expected outcomes (desired results) of the funded activities.
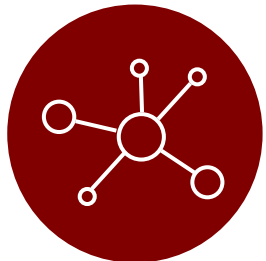
Sustainability

Propose a plan for project sustainability after the period of federal funding ends.

Organizational Information

Describe your mission, structure, and the scope of your current activities.

Budget and Budget Narrative

- Your budget should follow the instructions in section 3.1.4 of the R&R Application Guide.
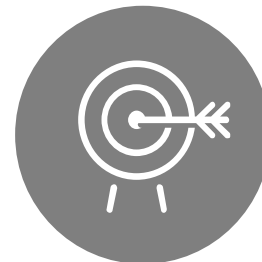
- Your budget should show a well-organized plan.

- The budget narrative supports the information you provide in the Research and Related Budget Form.

- Project Director (PD) Costs – may request direct costs for PD salary/fringe not to exceed 25% Full-time Equivalent.

Calculating Student Financial Need

General Requirements

Student Financial Need	=	Cost of Attendance	−	Student Aid Index	−	Pell Grant

Cost of Attendance
- Tuition and fees
- Room and Board
- Allowances for Books, supplies and transportation.

Student Aid Index
- Use the Free Application for Federal Student Aid (FASFA) to calculate the Student Aid Index.

Budget: Calculating Requested Amount

3-year average DAB* student enrollment** ✖ 3-year average student financial need*** = Budget Amount Requested Per Year
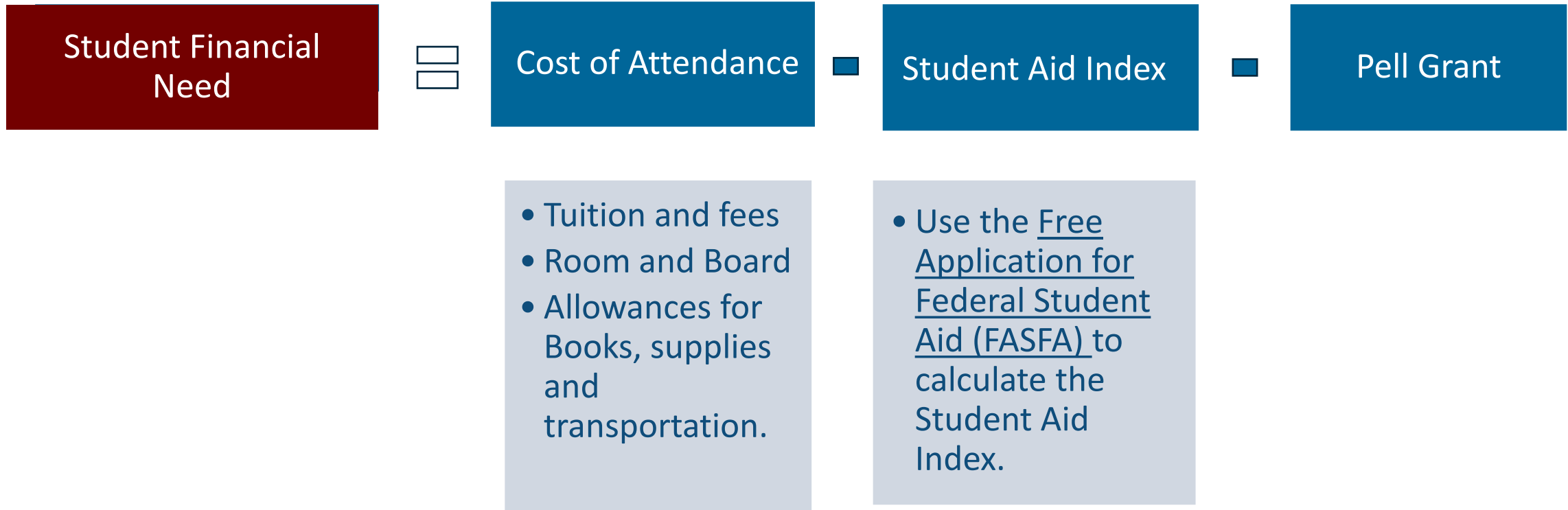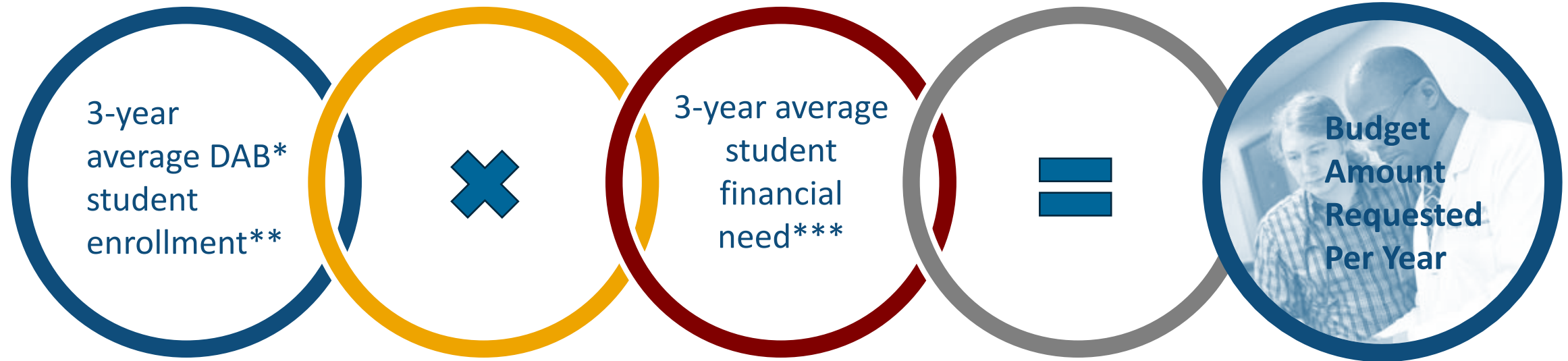
*Disadvantaged Background (DAB)
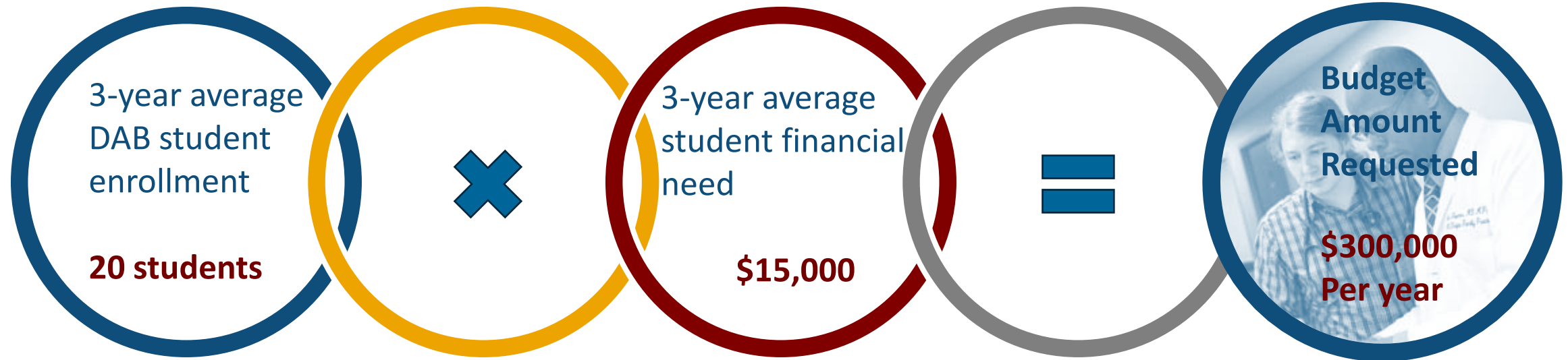**Using data from Section D of the Program Specific Form
***Using data obtained from your Financial Aid Office

Budget: Calculating Requested Amount Example

Calculating Total Scholarship Participant Support Cost Example:

3-year average DAB student enrollment

20 students

✖

3-year average student financial need

$15,000

🟰

Budget Amount Requested

$300,000 Per year

Attachments

The following items are required to complete the content of the application:

- Attachment 1: Accreditation Documentation (Required)
- Attachment 2: Project Organizational Chart (Required)
- Attachment 3: Letters of Agreement, Memoranda of Understanding(MOU), and Contracts (As Applicable)
- Attachment 4: Staffing Plan and Job Descriptions (Required)
- Attachment 5: Maintenance of Effort Documentation (Required)
- Attachment 6: Funding Priority Documentation (As Applicable)
- Attachment 7: Tables & Charts Request for Funding Priority (As Applicable)
- Attachment 8: Letters of support (As Applicable)
- Attachment 9: Research and Related Senior/Key Person Profile (Required)
- Attachment 10: R&R Subaward Budget Attachment(s) Form (As Applicable)

Biographical Sketches

- Biographical Sketches must be uploaded using the RESEARCH & RELATED Senior/Key Person Profile form.

- Biographical Sketches must include:
  - Senior/key personnel name
  - Position Title
  - Education/Training
  - Section A (required) Personal Statement
  - Section B (required) Positions and Honors
  - Section C (optional) Peer-reviewed publications or manuscripts in press
  - Section D (optional) Other Support

Review and Award

HRSA-25-076 Application Merit Review

1	**Purpose and Need (20 points)**
2	**Response (35 points)** • Approach (15 points) • High Level Work Plan (15 points) • Resolution of Challenges (5 points)
3	**Impact (25 points)** • Performance reporting and evaluation (10 points) • Sustainability (15 points)
4	**Resources and Capabilities (10 points)**
5	**Support Requested (10 points)**

Risk Review and Selection Process

A merit panel reviews all applications that pass the initial review. When making funding decisions, we consider:

- ✓ Merit review results.
- ✓ The amount of available funds.
- ✓ Assessed risk.
- ✓ The funding priorities and special considerations.

We may:

- ✓ Fund out of rank order.
- ✓ Fund applications in whole or in part.
- ✓ Fund applications at a lower amount than requested.
- ✓ Decide not to allow a recipient to subaward if they may not be able to monitor and manage subrecipients properly.
- ✓ Choose to fund no applications under this NOFO.

Selection Process Cont'd

★ We will not consider an application that:

- Is from an organization that does not meet all eligibility criteria.

- Requests funding above the award ceiling shown in the funding range.

- Is submitted after the deadline.

- Is incomplete.

Funding Priority Points

- The SDS program gives funding priority to health professions and nursing schools that have at least:
  - 15 percent of their graduates practicing in primary care.
  - 10 percent of their graduates working in medically underserved communities.
  - 15 percent of their full-time students are underrepresented minorities.

- Calculated from data entered in section's C and F of the Program Specific form.

- Identify funding priority in your Project Abstract.

- In order to receive a funding priority, you must include a statement that you are eligible for a funding priority and identify the priority in Attachment 6.

Special Considerations

HRSA will distribute SDS program funding as follows:

Not less than 16 percent of funds shall be distributed to schools of nursing.

Not more than 30 percent for graduate programs in behavioral and mental health.

Not more than 15 percent for allied health programs.

No less than $5,000,000 for nursing and non-nursing midwives' programs (minimum funding).

Application Submission and Deadlines

Applications must be submitted electronically through

http://www.grants.gov

Register with the System for Award Management (SAM)

https://www.sam.gov

Deadline – February 19, 2025, at 11:59pm EST

Key Points

Must apply for your health profession degree program

All data submitted on the Program Specific form must be for your health profession degree program NOT your school.

Use SDS definition of disadvantaged background for purposes of the Program Specific Form and throughout your application.

Please review the definition of independent and how it relates to qualifying a student as economically disadvantaged.

Know the difference between economically disadvantaged and financial need.

Key Points - Continued

Calculate your estimated requested amount by year using historical data.

Submit only one application per degree program.

While multiple applications from an institution will be allowed. Only a maximum of three per institution will be funded.

Collaborative proposals are not allowed.

Amount of Scholarship:

Minimum – half the cost of the annual tuition.

Maximum – not to exceed cost of attendance, discipline cap or financial need.

Anything over the 60-page limit will be redacted.

The Notice of Award (NoA) is sent to the applicant's Authorized Organization Representative (AOR) prior to the award start date.

Indirect Cost

Indirect costs are those incurred for a common or joint purpose across more than one project and that cannot be easily separated by project (like utilities for a building that supports multiple projects).

Learn more at 45 CFR 75.414, Indirect Costs.

Indirect costs for training awards cannot exceed 8% of modified total direct costs. To calculate the (MTDC), we exclude from the direct cost base:

- Direct cost amounts for, equipment, tuition, fees and participant support costs.
- Subawards and subcontracts exceeding $25,000.

State or local governments and federally recognized Indian tribes can charge their negotiated rate or use their state cost allocation plans. For calculating indirect costs, we do not consider state universities or hospitals as government agencies.

Indirect Cost

- For modified total direct costs, we use the definition at 2 CFR 200.1.

- MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $50,000 of each subaward (regardless of the period of performance of the subawards under the award).
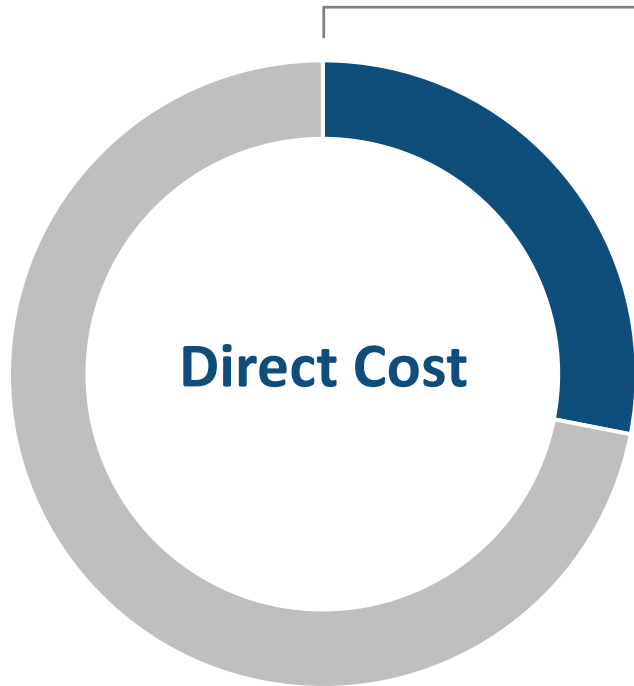
Indirect Cost

- MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of $50,000.

- Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs and with the approval of the cognizant agency for indirect costs.
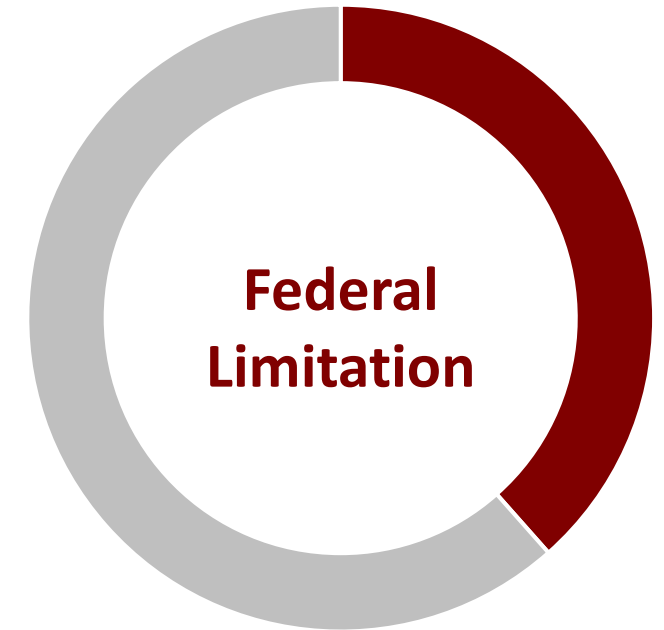
Project Director

Direct Cost

You may request direct costs for the Project Director's salary and fringe benefits not to exceed 25% FTE.

As of 2024, the federal limitation on grant salaries is set at $221,900.

Federal Limitation

Questions

Contact Us – Program Office

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