



**American Recovery and Reinvestment Act (ARRA)**

**Health Professions Programs**

**NURSE FACULTY LOAN PROGRAM (NFLP)  
Frequently Asked Questions**

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# The American Recovery and Reinvestment Act of 2009

## 1. 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.

## 2. Why is the NFLP program funded under the ARRA?

The American Recovery and Reinvestment Act of 2009 provides \$500 million to address health professions workforce shortages. HRSA is making funds available to increase the Nation's ability to address the shortages of primary health care practitioners.

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 Nurse Faculty Loan Program (NFLP) provides Federal support for the establishment and operation of a loan fund within participating schools of nursing to assist registered nurses in completing their graduate education to become qualified nurse faculty. The shortage of nursing faculty in the United States is a critical problem that directly affects the nation's nurse workforce shortage, which is projected to worsen in future years.

A substantial increase in newly educated nurses will be needed to meet future demand on the healthcare system. The inability of schools of nursing to recruit and retain qualified nursing faculty has and will continue to directly impact the nursing shortage in the U.S. The nurse faculty shortage is the main barrier that inhibits nursing schools from educating the number of nurses that are needed to provide quality healthcare. According to the American Association of Colleges of Nursing (2009), 49,948 qualified applicants were turned away from baccalaureate and graduate nursing program in 2008 primarily due to a lack of faculty. There were more than 1,900 unfilled full-time faculty positions nationwide in 2007, affecting more than one third of all schools of nursing (36 percent). An estimated 1,716 of those vacancies were in schools offering pre-licensure RN and/or graduate programs

The NFLP program is receiving \$6 million in ARRA funding in FY 2009. An additional \$6 million will be available in FY 2010.

### **3. 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**

### **4. What is the purpose of the ARRA-NFLP funding opportunity?**

The purpose of the American Recovery and Reinvestment Act (Recovery Act or ARRA) Nurse Faculty Loan Program (NFLP) funding is to augment the existing NFLP grant funding for additional loan funds to assist an increased number of nurses in completing their graduate education to become qualified nurse faculty. The purpose of the Nurse Faculty Loan Program (NFLP) is to increase the number of qualified nursing faculty by providing loans to students enrolled in an advanced education nursing program to help alleviate the nursing shortage.

## **Summary of Funding**

### **5. How do schools apply for ARRA-NFLP funds?**

The FY 2009 ARRA competition is complete. Grant announcement HRSA-09-118 opened on January 13 and closed on February 13 for the NFLP program. Successful applicants from that opportunity will be given the opportunity to apply for ARRA-NFLP funds. The next funding opportunity for ARRA-NFLP funds will be in FY 2010. FY 2010 applications will be used to make both regular appropriation and ARRA-NFLP funding decisions.

### **6. If a school does not receive ARRA-NFLP funds in 2009, will they have an opportunity to compete for ARRA-NFLP funding in 2010?**

Yes. In FY 2010 eligible schools will have the opportunity to apply and compete for both ARRA and non-ARRA-NFLP funding, with a single application being used to make both regular appropriation and ARRA-NFLP funding decisions. Eligible applicants are accredited collegiate schools of nursing.

### **7. The NFLP program requires a 1/9<sup>th</sup> institutional contribution. Is the 1/9 institutional contribution required for the ARRA-NFLP award?**

Yes. The requirements for a 1/9<sup>th</sup> institutional contribution applies to the ARRA NFLP program. The HHS makes an award to the institution (hereafter referred to as "the school") in the form of a Federal Capital Contribution (FCC). The school uses the FCC to establish a distinct account called the NFLP fund. In accordance with the regular NFLP authorizing legislation, Title VIII of the Public Health Service Act, Section 846A, schools that receive the FCC grant award must contribute an amount equal to not less than one-ninth of the FCC into the NFLP fund. This applies to all funds awarded, including ARRA-NFLP funds. Please note that ARRA-NFLP funds must be kept as a separate and distinct account from the regular NFLP loan funds.

### **8. When will the grant be awarded?**

ARRA NFLP funds will be awarded by September 1.

### **9. Can ARRA-NFLP funding be used to cover costs incurred prior to the award date?**

In general, these grants are intended to support costs incurred after the ARRA-NFLP project start date. ARRA-NFLP funds cannot be used to support any costs incurred prior to February 17, 2009 (the date the Recovery Act was signed). Any costs incurred before receipt of the Notice of Grant Award (NGA) are at the recipient's risk.

**10. Is there any formal notification of an ARRA-NFLP 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-NFLP applicant organization/institution.

**11. What is the timeline for grantees to use the ARRA-NFLP funds?**

The grantee is expected to use the ARRA-NFLP funds within the 11-month project period. Recipients of ARRA-NFLP 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 to respond to urgent, immediate community needs.

**12. Are schools permitted to carryover unused ARRA-NFLP funds?**

No. ARRA-NFLP funds must be used within the specified project period. In FY 2009, the regular NFLP award combined with the ARRA-NFLP award to schools was determined based upon the funding requested by the applicant in February; therefore, we do not expect schools to have unused funds. Any unexpended ARRA-NFLP funds may be offset at the conclusion of the project period.

## **Student Support**

**13. Are schools permitted to make regular NFLP loans and ARRA NFLP loans to the same student?**

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

**14. Are schools permitted to make ARRA-NFLP loans to students for more than one year?**

Yes. Schools should make ARRA-NFLP loans to students for 2 years beginning in the 2009 project period and for the following 2010 project period if the student did not graduate and requests additional ARRA-NFLP loan support.

**15. Are schools permitted to make ARRA-NFLP loans to continuing and new NFLP students?**

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

**16. Are schools permitted to make ARRA-NFLP loans to part-time students?**

Yes. Consistent with program guidance, loans can be made to full-time and part-time students.

## **Eligible Use of Funds**

**17. Are there certain eligibility requirements for use of these funds?**

ARRA-NFLP funds cannot be used to support students who are already participating in the NFLP and receiving support from the appropriated NFLP funds.

Costs incurred prior to February 17, 2009 are unallowable costs under ARRA-NFLP funding.

**18. How can I track and separate ARRA-NFLP versus non-ARRA-NFLP funds?**

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

**19. How will ARRA-NFLP funding be delivered to grantees?**

Grantees will receive ARRA-NFLP funds much in the same way schools get their current NFLP 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-NFLP project.

**20. How will applications be submitted?**

Applications were submitted as a result of the competitive funding opportunity HRSA-09-118. This opportunity closed on February 13, 2009. No further applications are being accepted for 2009 ARRA-NFLP funding opportunities. Applicants will be asked, however, to report on the number of students these funds will support.

**21. If I decline receiving ARRA funds will it affect my regular NFLP award?**

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

## Reporting

**21. What are the reporting requirements for Recovery Act funding?**

Grantees must continue to comply with the usual and customary reporting requirements of the NFLP 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/](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](http://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.

**22. 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/>

**23. Are schools required to submit both the NFLP Annual Operation Report (AOR) and the ARRA-NFLP quarterly reports?**

Yes. The NFLP-AOR report is a standard annual reporting requirement for the regularly funded program. Similarly, the ARRA-NFLP program has the requirement for an ARRA NFLP-AOR in addition to the required ARRA specific reporting as described on the Recovery.gov web site. However, it is important to note that the AOR is an ANNUAL report while the additional ARRA reporting requirements are quarterly reporting.

**24. Why is the ARRA-NFLP required reporting scheduled quarterly rather than annually?**

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

**25. Will the ARRA-NFLP quarterly report be completed and submitted through the HRSA EHBs?**

No. ARRA-NFLP reports will be completed and submitted via a centralized system on [www.FederalReporting.gov](http://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 Recovery.gov website upon data quality review by the funding agency.

**26. Are schools expected to create new jobs as a result of receiving ARRA-NFLP funds?**

ARRA-NFLP funds are intended to enhance the regular NFLP funding level to increase the number of qualified nursing students that commence nurse faculty employment upon completion of the education program as a result of ARRA-NFLP loan support.

Although ARRA-NFLP 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-NFLP funding. For example, the additional ARRA-NFLP funds compelled the school to hire additional financial aid officers to support the additional ARRA-NFLP student activity, or a school to retain current financial aid officers due to increased funding through ARRA-NFLP.