

Labor, Health and Human Services, and Education, and Related Agencies

General Guidance

CDS projects should not be viewed as continuous funding sources and should be distinct from competitive grant opportunities at the relevant agencies. CDS projects should be viewed as a way to jump start an activity not sustain it over time. Successful projects will match the project to the authorization or mission of an agency or account and have the support of local officials or communities.

Except where specifically authorized and noted, CDS cannot be used for construction (or the acquisition of property) or renovation of buildings. In addition, recipients of CDS may not sub-grant to other organizations or agencies.

Department of Labor:

- Employment and Training Administration (ETA)
 - CDS requests under ETA (through the Workforce Innovation and Opportunity Act (WIOA) demonstration authority) should clearly articulate a project purpose and be focused on meeting the employment and training needs of workers. Generally these projects should include direct services which could include career services, training services (including work-based training), supportive services, and other permissible services, as they are defined in WIOA¹. Typical activities include training unemployed individuals to increase their skills and obtain employment and enhancing the skills of incumbent workers to get higher-paying jobs.
 - CDS requests should include a basic budget that clearly describes how the funds will be used for specific activities to achieve the project's goals.
 - CDS funding may be used for the purchase of equipment, but generally only if it is an incidental part of the larger project to provide direct services (a similar standard applies to curriculum development). If a larger portion of the CDS funding is expected to be used for equipment or curriculum development, please note that and provide a detailed justification for why such investments are necessary to meet the employment and training needs of individuals.
 - CDS funding within ETA cannot be used for construction or renovation of facilities or the purchase of land or buildings, and ETA CDS recipients may not sub-grant to other organizations or agencies.
 - Finally, CDS projects will be expected to have measurable outcomes and demonstrate a linkage with the state or local workforce investment system.

Department of Health and Human Services:

- Health Resources and Services Administration (HRSA) — Program Management
 - HRSA CDS recipients may not sub-grant to other organizations or agencies.
 - CDS within HRSA should be submitted through the Program Management account and must fall under one of the following categories:
 - **Health Facilities Construction and Equipment**— CDS requests for the cost

¹ Generally these are defined in 20 CFR § 678.430, 20 CFR § 680.200, and 20 CFR § 680.900.

of limited-scope construction, renovation, or capital equipment purchase for facilities for health, mental health, or substance abuse services, training of health professionals, or medical research. Examples of eligible facilities include hospitals, health centers, and clinics; skilled nursing facilities; mental health centers; facilities for schools of medicine, nursing, or other health professions; and medical research laboratories. In addition to construction and renovation, CDS funding can be used to acquire capital equipment, such as lab equipment, x-ray machines, or telehealth and information technology. The Committee will not consider a CDS request for federal funding within this account that exceeds \$15 million. Equipment-only CDS requests—that is, requests not involving construction—are permissible. Generally, any equipment having a useful life of more than one year and a unit cost of at least \$5,000 will be eligible as capital equipment. In addition, equipment with lower costs may also be eligible, provided that it is treated as an item of capital expense under the recipient institution’s pre-existing, written accounting policies. Equipment expenses for health information systems and electronic medical records systems are permitted expenditures. The costs of expendable supplies such as pharmaceuticals, lab chemicals, or office paper are not eligible.

- HRSA Health Facilities funding cannot be used to acquire land or purchase existing buildings, or to pay salaries or other operating costs. Funding cannot be used to pay for work previously completed. CDS requests can be used for architectural and engineering costs associated with an eligible construction project, but cannot be used for general feasibility studies or planning and design
- **Rural Health** — CDS requests for projects to improve health care in rural areas. Examples of eligible activities include medical, dental, or mental health care services; health promotion and education; chronic disease management; telehealth services; and improvements to emergency medical services. CDS funds can be used for services only in areas that meet HRSA’s definition of rural. For lists of eligible rural areas and further information regarding that definition, see: <https://www.hrsa.gov/rural-health/about-us/definition/index.html>. Please include the address of the project’s activities if different than the legal entity recipient address, for purposes of determining project eligibility.

- **Substance Abuse and Mental Health Services Administration—Health Surveillance and Program Support**

- CDS within SAMSHA cannot be used for construction (other than a limited amount of renovation necessary to carry out a funded project).
- Needle Exchange: A General Provision prohibits the award of funding for projects which distribute sterile needles or syringes for I.V. drug injection.
- Use of Illegal Substances: A General Provision prohibits the award of funding for projects which promote the legalization of illegal drugs or substances.
- CDS within SAMHSA should be submitted through the Health Surveillance and

Program Support account and must fall under one of the following categories:

- **Mental Health**—funding to support programs that promote the prevention or treatment of mental health disorders, including rehabilitation, outreach, and other support services.
 - **Substance Abuse Treatment**— funding to support programs that improve access, reduce barriers, and promote high quality, effective treatment and recovery services.
 - **Substance Abuse Prevention**— funding to support programs to prevent the onset of illegal drug use, prescription drug misuse and abuse, alcohol misuse and abuse, and underage alcohol and tobacco use.
- **Administration for Children and Families (ACF)— Children and Families Services Programs**
 - CDS funding within ACF cannot be used for construction or renovation of facilities, and ACF CDS recipients may not sub-grant to other organizations or agencies.
 - CDS within ACF should be submitted through the Children and Families Services Programs account and must fall under one of the following categories:
 - **Child Abuse Prevention**— projects to improve the prevention, assessment, identification, and treatment of child abuse and neglect through research, model service improvement, information dissemination, and technical assistance. Projects must serve or target abused and/or neglected children and their families.
 - **Social Services Research and Demonstration**— projects to promote the ability of families to thrive through financial self-sufficiency in order to reduce poverty and to promote the healthy development and greater well-being of children and families. Projects can serve a diverse population including: low-income individuals, children, youth, families, individuals with developmental disabilities, and Native Americans.
- **Administration for Community Living (ACL)—Aging and Disability Services Programs**
 - CDS funding within ACL cannot be used for construction or renovation of facilities, and ACL CDS recipients may not sub-grant to other organizations or agencies.
 - CDS requests within ACL should be submitted through the Aging and Disability Services Programs account and must fall under the following category:
 - **Aging and Disability Services Programs**—projects to improve the ability of older adults and individuals of all ages with disabilities to live independently and participate fully in their communities. Generally, CDS requests should focus on improving access to, or the quality of, education, training, support services, and independent living services for older adults and individuals with disabilities.
 - CDS cannot be used for construction or renovation of facilities.

Department of Education

- **Innovation and Improvement—Fund for the Improvement of Education**
 - Elementary and secondary education CDS requests can be designated under this heading for a wide variety of elementary and secondary education projects,

including instructional services, afterschool centers, curricula development, teacher training, acquisition of books and computers, arts education, social and emotional learning activities, full-service community schools, and early childhood education. In general, the focus of elementary and secondary education CDS requests should be providing early childhood or K-12 educational services.

- CDS requests to provide and improve special education services at the elementary and secondary levels are also eligible under this heading. These CDS requests may include early intervention services for infants and toddlers, transition services, and postsecondary education services.
- Eligible CDS recipients are state education agencies, school districts, colleges and universities, and other public and private nonprofit entities. Generally, CDS requests intended for individual schools are provided to the applicable school district and not directly to the individual school.
- CDS funding within FIE cannot be used for construction or renovation of school buildings, except in the case of minor remodeling or minor alterations in a previously completed building, for example as part of technology upgrades. Daycare and childcare projects that do not include educational services are also not eligible under this account.
- **Higher Education—Fund for the Improvement of Postsecondary Education (FIPSE)**
 - CDS requests through FIPSE should primarily be focused on improving access to, or the quality of, postsecondary education. This can include a range of activities as authorized and specified in section 741(a) of the Higher Education Act (20 U.S.C. 1138(a)). CDS recipients are usually colleges and universities but may include other public and private nonprofit organizations.
 - Examples of the types of CDS requests that can be funded under FIPSE include projects to hire and train faculty, establish and improve degree programs, improve teacher preparation programs, develop and improve curricula, upgrade technology, equipment, and telecommunications, provide student support, and implement university partnerships with school districts. If a significant portion of CDS funds are expected to be used for the purchase of equipment make sure to note that and include a justification for that use of funds. CDS funding within FIPSE cannot be used for endowments, or for the construction or renovation of facilities, except in the case of minor remodeling or minor alterations in a previously completed building, for example as part of technology upgrades