

FUNDED

MAY 2026 | VOLUME 16 | ISSUE 2



A Deep Dive into the US FY26 Federal Budget and the Investments Defining the Next Decade

Also: A guide to writing DEI/EDI Statements, a look at Canada's funding opportunities for SME's and educational technology, and much more!



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Dear reader,

The federal budget process is rarely straightforward, but the FY2026 cycle has been particularly instructive for grantseekers. Congress ultimately approved approximately \$79 billion for the Department of Education — well above the Administration's original request — while simultaneously reflecting the Administration's priorities in targeted cuts and program restructuring. The result is a landscape of both stability and flux, and this issue of FUNDED is designed to help you read both.

Our cover story takes a deep dive into the FY2026 federal budget overall, examining where the investments are flowing and what they signal for the decade ahead. You'll also find sector-specific budget summaries across healthcare, critical infrastructure, transportation, nonprofits and community services, education, and research and innovation — each paired with the context and analysis you need to act on it.

Beyond the budget, this issue is full of the practical, timely guidance our readers count on. Amber Walker traces the early roll out of the Rural Health Transformation Program, one of the largest federal investments in rural healthcare in history. With \$50 billion over five years and a tight first-year spending deadline, the window to act is now. Christina Fernandez breaks down what the FY2026 Department of Education budget really means in practice, and what the FY2027 request is beginning to signal. Marc Smithers cuts through the headlines to tell you what has actually changed — and what hasn't — at the National Science Foundation. And for our Canadian readers, Sid Aubeeluck covers both the SME grant funding landscape and what it really takes to turn a technology wish list into a competitive education proposal.

We've also included strong pieces on funding school safety through foundations, the childcare and early learning landscape, 911 and PSAP capabilities, DEI/EDI statements that actually move the needle, and the criminal justice continuum from response to reentry.

As the grants environment continues to evolve, we at Grants Office remain committed to being your most reliable source of intelligence and perspective. For the latest developments in federal funding as they happen, I encourage you to visit our dedicated web page at grantsoffice.com. And if you haven't yet explored Grants Office Communities at communities.grantsoffice.com, I encourage you to take it for a spin — there's a free two-week trial, and I think you'll find it genuinely changes how you approach grant research and proposal management.

As always, if you have comments, feedback, corrections, or ideas for future issues, I'd love to hear from you at mpaddock@grantsoffice.com.

I hope you enjoy this issue of FUNDED as much as we have enjoyed bringing it to you!


Sincerely,

Michael Paddock

Editor and Publisher,
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COVER STORY

The 2026 Federal Budget: What You Need to Know to Navigate the Latest Funding Landscape

Chris LaPage, Chief Services Officer
Ashley Schultz, Manager of Community Engagement



For grant professionals, the start of a new federal fiscal year usually brings a familiar sense of *déjà vu*. We track the process from the President's initial budget announcement through Congress's final vote, anxiously anticipating when federal agencies will finally open their competitive and allocation grant cycles.

However, the 2026 funding landscape will be built upon a vastly different process from previous years. This year's budgetary cycle was paralyzed by the longest government shutdown in U.S. history and further complicated by aggressive executive

realignments. Navigating these legislative delays requires grantseekers to cut through the headline noise and pinpoint the actual drivers that will impact their grant funding pipeline. Ultimately, the most successful organizations will be those ready to identify emerging priorities and adapt their programmatic strategies to the realities of the current administration.

This article will outline the major federal budgetary updates from 2026, breaking down how these shifts impact the grantseeking landscape. For more targeted insights, please refer to our sector-specific breakdowns available throughout this issue.

THE THEORETICAL PATHWAY TO A FEDERAL BUDGET

To understand the severity of the current funding delays, we must first look at how the modern federal budget process is supposed to work under the mandates set forth by the Congressional Budget Act and Impoundment Control Act of 1974.

The process kicks off each year on the first Monday in February with the President's executive budget request. While such requests under the Trump administration have often generated attention-grabbing headlines about sweeping funding cuts, eliminated grants, and shuttered agencies, it's important to remember that the executive budget created by any Presidential administration is largely a political instrument. It acts as an opening bid that signals the administration's core priorities for the upcoming year. The document itself contains no actual legislative measures to appropriate federal dollars, as the U.S. Constitution places the ultimate power of the purse squarely with Congress.

To exercise that power, the House and Senate Budget Committees come together to create a concurrent budget resolution by April 15th each year. This resolution establishes the nation's overarching spending and revenue targets for the upcoming federal fiscal year. With these top-line limits set, the Appropriations Committees then divide the federal budget into 12 groups, called sub-allocations. Specialized subcommittees then draft the specific funding allotments for each sub-allocation based on close communication with the federal agencies. Once drafts are complete, the 12 groups are then passed individually by both chambers and signed by the President before the new fiscal year begins on October 1st.

While this process feels quite logical and balanced, it operates more like a lab-based experiment - amounting to an idealized set of conditions that rarely stand up in the real world. Since the Congressional Budget Act was passed in 1974, Congress has passed all its appropriation bills on time in only four years: 1977, 1989, 1995, and 1997. The deadline has been missed in every single federal fiscal year since 1997. Such delays are almost guaranteed when Congress is sharply divided on legislative intent and operating with slim voting margins. In the last two decades, building the consensus required for this theoretical pathway has proven nearly impossible to achieve.

THE 2026 MINIBUS MARATHON

When Congress falls behind its own timelines, lawmakers pass stopgap Continuing Resolutions (CRs). These CRs keep the government funded at the previous year's levels - essentially freezing agency budgets and preventing the launch of new programs until a full budget is signed. This temporary measure is often used to buy time for negotiations while allowing government operations to continue and ensuring federal employees are paid. Government shutdowns occur when Congress fails to pass both a federal budget on time and a CR as a stopgap measure.

The 2026 budget cycle began with the longest US federal government shutdown in history, spanning from October 1 to November 12, 2025, due to Congress's inability to approve appropriations legislation for the new fiscal year. Critically, the agreement that finally ended the shutdown in November was not a full budgetary measure for the new year, it was a CR to continue funding the government at previous levels so the debate in Congress could continue.

To make headway in a deeply divided Congress, the House and Senate Budget Committees opted to forgo the traditional Omnibus spending package - a tactic where all 12 appropriation bills are bundled into a single, massive, must-pass piece of legislation. In lieu of an Omnibus, lawmakers utilized a series of "minibus" packages. This action allowed them to approve the budgets for federal agencies that were less controversial - including the Department of Commerce, NASA, and the Department of the Interior - while they continued to negotiate on budgetary matters for USAID, the Department of Education, and others.

As a result, the 2026 budget cycle utilized an iterative minibus strategy, releasing funding in three distinct stages:

- **The First Minibus (November 12, 2025):** The first breakthrough came with H.R. 5371, providing full-year funding for Agriculture, Rural Development, the FDA, Military Construction, Veterans Affairs, and the Legislative Branch.
- **The Second Minibus (January 23, 2026):** Lawmakers passed H.R. 6938, providing full-year appropriations for Commerce, Justice, Science, Energy and Water Development, and the Interior and Environment.
- **The Third Minibus (February 3, 2026):** The final major package, H.R. 7148, was signed into law, covering the Labor, Health, Education, Defense, and Transportation, and Housing efforts.

THE RESULTING ROADBLOCKS (POTHOLES?) FOR GRANTSEEKERS

It is important to note that the federal fiscal year ends on September 30th – regardless of when it officially ‘started’ with Congressional go-ahead. By the time federal grantmakers finally received their budgets in January and February, they had already lost four months of their fiscal year. These agencies are now being forced to compress their typical grant cycles, rushing to draft and publish Notices of Funding Opportunity (NOFOs) based on their current capacity. For grantseekers, this means the standard 60-day application window is being drastically shortened to allow reviewers time to read through and approve applications. Furthermore, applicants must navigate through two different versions of NOFOs, as some agencies released solicitations before their budgets were passed featuring the dreaded “funded subject to federal appropriations” disclaimer. Ultimately, these compressed timelines leave little room for error and significant room for confusion. The frantic pace to meet year-end deadlines frequently forces organizations to choose between submission speed and programmatic accuracy.



REMAINING CHALLENGES IN THE 2026 BUDGET JOURNEY

While the minibuses unlocked many federal grant programs, grantseekers are still navigating three major ongoing disruptions.

The DHS Holdout

At the time of publication, President Trump has signed DHS funding measures into law, ending the record-long partial DHS shutdown of most DHS agencies, including TSA, FEMA, Coast Guard, Secret Services, and CISA through September 30, 2026. This law does not, however, include funding for ICE and Border Patrol/CBP operations.

The Ongoing Executive Order Effect

The administration launched 2025 with sweeping Executive Orders that targeted grant funding in support of Diversity, Equity and Inclusion (DEI), environmental justice, and green infrastructure. These acts by the executive branch caused unprecedented pauses on federal financial assistance in the legislative branch. While federal injunctions have since challenged or blocked several of these freezes, the administration’s intent to modify the grant landscape remains clear. Federal agencies have and still are actively reviewing hundreds of longstanding grant funding programs to ensure alignment with executive priorities. While the number of forecasted grants has increased on federal grant dashboards in recent months, grant programs remain vulnerable to sudden modifications or withdrawal.

The Return of Earmarks

For years, competitive grant pools were protected by the politics of representation. Because Congressionally Directed Spending (earmarks) were largely banned, elected representatives relied on robust, competitive grant programs to ensure federal dollars flowed back to their home districts. These days, earmarks have returned in full force. The Department of Transportation, for example, is distributing over \$2.3 billion to earmarked projects in this cycle, while the Department of Justice’s Byrne Community Project earmarks increased by 54%. As legislators bypass the competitive process to directly fund their own preferred projects, some discretionary grant pools that grantseekers have relied on in the past are shrinking.



STRATEGIC TAKEAWAYS FOR GRANTSEEKERS

Despite the compressed timelines and political uncertainty, grant funding is still flowing. There remain several highly effective ways for grantseekers to navigate this evolving landscape and secure funding for their projects.

1. Audit Your Organization's Grant Risk.

It is important to know how government-based grant funding reaches your organization, and how the government classifies that funding. At the highest level, ensure your leadership and grantseeking team know exactly which of your grants are funded by the federal government. If you receive state funding, check to see if that money originates at the federal level and is simply 'passed-through' to your state. From there, spend time learning which pieces of Congressional legislation drive your most critical funding sources. In the process, be sure to distinguish between discretionary and statutory programs. Discretionary grants must be debated and approved from scratch within the federal budget each year. Because agencies also have significant leeway in choosing awardees and determining project scopes, these funds are more vulnerable to sudden budget cuts or major NOFO rewrites. Conversely, statutory programs lie completely outside of the annual federal budget process. They are established through their own independent legislative packages, and lawmakers simply add funding to them during each budget cycle. Because their existence and structure aren't renegotiated every year, they remain at an overall lower risk of change.

2. Monitor Your Alignment with Federal Agency Changes.

Successful federal grantseeking has always involved adjusting your project scope to fit program requirements, but more work may be needed than before to align your organization with the evolving political climate. Even if the core of your work stays the same, simple steps like updating your terminology to reflect the administration's preferred focus areas can help your application navigate federal review processes. For instance, consider reframing "climate resiliency" as "supply chain hardening," or shifting equity initiatives toward language emphasizing "workforce readiness" or "economic mobility." To stay ahead of these shifts, spend time monitoring press releases from relevant federal agencies and read the Joint Explanatory Statements attached to passed budget bills to understand unpublicized directives.

As you watch these changes take shape in Washington, it is important to acknowledge there may come a time when a grantmaking agency's sweeping changes exceed your organization's interest or capacity to adapt. If contorting your program to fit a newly rewritten federal mandate compromises your core mission, have an honest conversation with your leadership and grantseeking teams about the ongoing pursuit of that specific grant. In these instances, it may be more strategic to step away from that federal program and focus your energy on seeking other public or private funders whose priorities better align with your own.



3. Explore Alternative Funding Sources.

Because the federal funding landscape can be unpredictable, diversifying your grant portfolio is a practical way to prevent sudden gaps in your operating budget. If a federal agency pauses a program or drastically compresses its timeline, having alternative revenue streams already identified will be essential to keeping your projects moving forward. Take some time to consider alternative sources, including:

- **State & Local-Sourced Grants:** Many state and municipal programs, fueled by state tax revenues or localized municipal bonds, remain largely unaffected by federal executive actions and Congressional gridlocks. Consider engaging with your city council or county commissioners to help identify more localized opportunities.
- **Private & Corporate Foundations:** Private philanthropy has a strong history of stepping up to fill the gaps when public funding falls short or experiences delays. Furthermore, corporate foundations - particularly in the security, manufacturing, and technology sectors - often provide grants or in-kind contributions that align well with new national mandates for hard infrastructure and workforce development.
- **Industry Partnerships:** Exploring mutually beneficial public-private partnerships with local businesses and larger corporations can yield significant support. By tapping into corporate social responsibility (CSR) initiatives, your organization can secure funding for innovation and development projects while offering partners a chance to visibly invest in their own communities.

4. Advocate, Engage, and Prepare.

Last, and certainly not least, do not navigate this landscape passively. Consider contacting your Congressional representatives to express concerns about potential program cuts and to advocate for continued funding in critical areas. Research participation in industry coalitions or trade associations to help amplify your voice in broader lobbying efforts. This is also an excellent time to speak with federal Program Officers - reaching out while they are also waiting for finalized directives can be a great way to build foundational relationships.

Because compressed timelines often result in significantly shorter submission windows for Notices of Funding Opportunity (NOFOs), getting a head start is essential. Utilizing this waiting period to build your community partnerships, gather your outcome data, update your federal registrations, and draft your core narratives will ensure your team is positioned for success the moment those competitive cycles finally begin.

From Intent to Impact: A Guide to Writing DEI / EDI Statements That Mean Something

Dr. Liz Shay, Senior Grants Development Consultant

Diversity, Equity, and Inclusion (DEI), also known as Equity, Diversity, and Inclusion (EDI) in Canada (and occasionally with other organizations), is a framework for promoting the full participation and fair treatment of all people. Although race is often at the forefront of current media discussions about DEI / EDI, the framework is focused on a much broader goal of human rights regardless of race, ethnicity, gender, sex, sexual orientation, age, disabilities or abilities, family or caregiving status, educational background, experience in the domain, religion, and more.

Executive Order 14151, issued by President Trump on January 20, 2025, aims to remove all DEI-related programs and preferences from the United States federal government. In practice, this has been complicated to enforce and often directly contradicts legislation, leading to sometimes confusing requirements for grant seekers. The Canadian federal government has taken a different approach, where it is very common for EDI to be embedded in grant programs. Applicants must often include EDI statements in their submissions.

Outside of the federal government, many states, provinces, and territories require DEI / EDI considerations in their funding strategies. Foundations may also include these requirements as part of their grant-making activities as well. In these cases, DEI / EDI statements are often incorporated into application materials to help reviewers better understand how potential projects will address DEI / EDI topics. Developing strong DEI / EDI statements is key to successful grant seeking in these cases and is useful for developing well-rounded projects of all types.



TOP CATEGORIES TO CONSIDER WHEN DEVELOPING DEI / EDI STATEMENTS

DEI / EDI statements should be multifaceted and consider all the components of your project. You should consider everyone involved in the project, both in the design and implementation and the participants. Discuss all five components below as you develop your project plan.

Compliance

Although this is the bare minimum requirement for any DEI / EDI statement, it is important to make clear that you are aware of required activities and policies. Many organizations, including grant funders, have their own policies. For example, the Government of Canada uses its Gender-based Analysis Plus (GBA Plus) framework across its entire organization, with some agencies building additional components on top of this structure. Your organization may also have a policy or a code of conduct that should be referenced and utilized during the creation of the DEI / EDI statement.

As you develop your project plan, consider what activities or project components you will implement to align with these required policies. This process may include considering various DEI / EDI topics now. It may also include explicitly noting how policy frameworks will be used during the implementation process.

Community Involvement

Ultimately, your project is about serving your community. Considering who that community is and who will be most impacted is important. In many cases, marginalized communities see the most effects from things like climate change impacts or utilities projects. Projects have both direct and indirect outcomes for communities, and both are important to discuss.

During your project development process, evaluate your community and your target population, both directly through participants and indirectly through the broader outcomes. Ensure that your plans incorporate these impacted communities into the project design and implementation phases. If you do not already have representatives from that community on your project team, discuss how you will develop those relationships as part of your DEI / EDI statement!

Recruitment of Team Members and Participants

Recruitment processes are often at risk of impacts from unconscious biases. Finding the right people to be both team members and participants in your project may be done through a variety of methods, but it is likely largely driven by processes your organization (or a similar organization) has used in the past. Expanding and updating your approaches to recruitment can open new potential team members and participants and will allow you to develop a more well-rounded group for your project.

During your project design and implementation phases, consider where you are posting information for recruitment, both for team members and project participants. Explore additional places to post information that will reach a more diverse audience. Utilize your network to aid in this outreach process. Once you have your applicant pool, consider your decision-making processes. As much as possible, utilize competency-based, blind review to make sure that you are getting the best team members and participants for the specific project roles. Involve DEI / EDI champions, people with specific interests and knowledge for DEI / EDI topics (and ideally appropriate training), in your decision-making team. They should help ensure that DEI / EDI considerations are taken into account appropriately throughout the hiring or selection processes.

Training for Team Members

Explicit DEI / EDI training for project team members is important to ensure that they have awareness of issues that may arise and are empowered to address them. This training should be done early in their involvement with your organization, and you should have policies and practices in place for furthering knowledge for longer-term team members.

During your project design phase, develop plans to ensure that every team member is trained in the basics of DEI / EDI. They should understand what DEI / EDI is, any organizational or grant maker compliance policies, and unconscious bias training. Determine ways to encourage team members to go beyond this basic understanding and gain the knowledge and skills to be DEI / EDI champions. Develop components where more experienced team members and participants can train newer project colleagues. Also, demonstrate to the grant maker how you will be customizing training across all project topics based on the backgrounds and interests of each team member. If you are training participants, such as in an educational project, incorporate these types of training practices into those project components as well.

Barrier Reduction

Your goal for any initiative is to ensure that all team members and project participants can fully partake in all applicable project components. Barriers to this participation, whether health, family, religious, cultural, or other constraints, should be limited.

Like with other risk assessment items during project design and implementation, consider barriers to participation for team members and participants. In a DEI / EDI statement, discuss how you will reduce those barriers. For example, flexible environments where everyone can participate from anywhere and at any time can reduce conflicts for individuals with competing priorities. Consider the strengths of individuals on your team (and amongst your participants) and incorporate them into their project involvement so that everyone can contribute fully.

IMPORTANCE OF DEI / EDI STATEMENTS

DEI / EDI considerations help to ensure that everyone can participate fully and contribute to projects according to their skills, knowledge, abilities, and situations. Required or optional DEI / EDI statements in grant applications are an opportunity for your organization to demonstrate that you have thought about these topics and ways to address challenges. Even when not required, discuss the topics listed above with your team during every project to make sure that you are maximizing the impact of your project for your entire community.



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US BUDGET SUMMARY

Healthcare

Healthcare grants support the physical and behavioral well-being of communities across the U.S. While private insurance, state budgets, and major entitlement programs, including Medicare and Medicaid, fuel the day-to-day operations of medical facilities, federal discretionary grants are designed to step in where standard revenue cycles fall short. Whether expanding telehealth access in a remote rural hospital or rapidly deploying resources to combat a local substance use crisis, these funds ensure vulnerable populations are not left behind. Ultimately, this grant funding flows beyond traditional hospital walls—empowering a diverse network of state health departments, Federally Qualified Health Centers (FQHCs), and community-based nonprofits to deliver care where it is needed most.

This year, funding for major healthcare and public health initiatives was approved in Congress’s February appropriations. This means grant funding is flowing from the nation’s major health-focused agencies.



MAJOR FUNDERS

Department of Health and Human Services	National Institutes of Health (NIH)
Centers for Disease Control and Prevention (CDC)	National Cancer Institute (NCI)
Health Resources and Services Administration (HRSA)	National Institute of Allergy and Infectious Diseases (NIAID)
Substance Abuse and Mental Health Services Administration (SAMHSA)	National Heart, Lung, and Blood Institute (NHLBI)
	National Institute of General Medical Sciences (NIGMS)



Learn more about the USDA’s efforts to increase telemedicine in rural areas of the United States from our recent webinar — Telehealth Funding Made Simple: A DLT Grant Workshop for Healthcare Organizations

TOP 3 PRIORITIES

The 2026 healthcare funding landscape strikes a balance between responding to immediate behavioral health crises and fortifying long-term, systemic resilience. While top-line budgets for major federal health grantmakers remain robust, the current administration continues to target its allocations toward direct community interventions and rural infrastructure over generalized clinical expansion. For healthcare networks and local health departments, aligning grant proposals with these precise, localized priorities will be the key to securing capital in increasingly competitive cycles.

Expanding Behavioral Health Access:

Mental health and substance use interventions remain a top priority for the Department of Health and Human Services (HHS). The Substance Abuse and Mental Health Services Administration (SAMHSA) received funding boosts specifically for targeted community interventions. This includes a 7% increase for the National Strategy for Suicide Prevention, a 23% increase for Campus Garret Lee Smith grants to support higher education populations, and a 25.4% increase for the American Indian and Alaskan Native Suicide Prevention Initiative.

Bolstering Public Health Infrastructure:

Recognizing the continued need for robust disease tracking and community health resilience, the 2026 budget secures major investments to support local public health departments. A centerpiece of this effort is a \$1.4 billion interdepartmental transfer to the Centers for Disease Control and Prevention (CDC) from the Prevention and Public Health Fund. These dollars will ensure local agencies have the baseline capital needed to maintain immunization programs, chronic disease prevention, and infectious disease surveillance without draining state budgets.

Rolling Out Rural Health Funding:

Maintaining access to high-quality care in remote communities remains a federal focus. While the Rural Health Transformation Program was not passed as a new appropriation in this year’s federal budget, 2026 will see the first rounds of funding from those prior authorizations. When combined with budget increases for the Rural Hospital Stabilization Pilot Program and the Rural Maternity and Obstetrics Management Strategies Program, rural networks have several new grant opportunities to upgrade their telehealth infrastructure and remote patient monitoring capabilities. For a comprehensive guide on navigating and maximizing these specific rural funding streams, turn to our deep dive on the Rural Health Transformation Program on pages 14 and 15.

GRANTS TO WATCH OUT FOR

Program	Snippet
Rural Health Transformation (RHT) Program	Funding to modernize healthcare in rural areas of the U.S. – particularly in strengthening access to care, workforce development, technology, and financial stability for rural providers
Distance Learning and Telemedicine (DLT) Program	Funding to encourage and improve telemedicine and distance learning services in rural areas through the use of telecommunications, computer networks, and related technologies
Innovative Digital Healthcare Solutions to Improve Quality at the Point of Care	Funding for phased exploratory and developmental research projects that test promising digital healthcare interventions intended to improve quality at the point of care
Public Health Emergency Preparedness (PHEP) Cooperative Agreement	Funding for effective public health response to threats and emergencies that stress the public health system and ensure the earliest possible recovery and return of the system to pre-incident levels or improved functioning

Transforming Rural America: The First Wave of a Landmark Federal Investment

Amber Walker, Grants Development Consultant (Healthcare & Human Services)



The Rural Health Transformation Program represents one of the most significant federal investments in the healthcare systems across rural America in history. Introduced in the One Big Beautiful Bill Act (OBBBA) during the summer of 2025. The program allocates a total of \$50 billion over the next five years, with \$10 billion distributed in its first year, FY2026. All fifty states applied and received funding; awards were announced on December 31, 2025. Beginning in early 2026, they adjusted their budgets as needed and began their plans for implementing the initiatives outlined in their applications to the Centers for Medicare and Medicaid Services (the federal agency overseeing the program). The scale of funding varies, with differences of over \$100 million between the smallest (New Jersey) and largest (Texas) state awards. As time has passed throughout spring, the number of states implementing their programs has grown. Many variables exist between each state, including but not limited to their focused initiatives, number of funding opportunities, award amounts, and type of funding (direct allocation or competitive grants).

As of mid-April 2026, more than one-third of states have already released funding opportunities for local applicants. Opportunities have been issued through Requests for Proposals (RFPs), and they vary widely in structure, focus, and eligibility depending on state priorities. This diversity reflects both the

flexibility of the program and the distinct healthcare challenges faced by rural communities in different regions.

Early funding announcements at the individual state levels reveal several trends and emerging priority areas. States are investing heavily in regional partnership grants that encourage collaboration across healthcare providers and community organizations. There is also emphasis on expanding access to dental health services, school and library-based services, improving healthcare delivery in correctional facilities, and upgrading capital infrastructure such as clinics and hospitals. Additionally, funding has been directed toward remote patient monitoring technologies and other telehealth innovations, which are especially critical in rural areas where geographic barriers often limit access to care.

The range of eligible applicants as well as emerging funding trends underscores the program's broad scope. Local health departments, rural hospitals and clinics, nonprofit organizations, correctional facilities, emergency medical services (EMS), tribal health entities, Federally Qualified Health Centers (FQHCs), Certified Community Behavioral Health Clinics (CCBHCs), and other community-based providers have all been included. This wide eligibility is intentional, aiming to foster comprehensive, community-driven solutions that address both clinical care and the social determinants of health for rural populations.

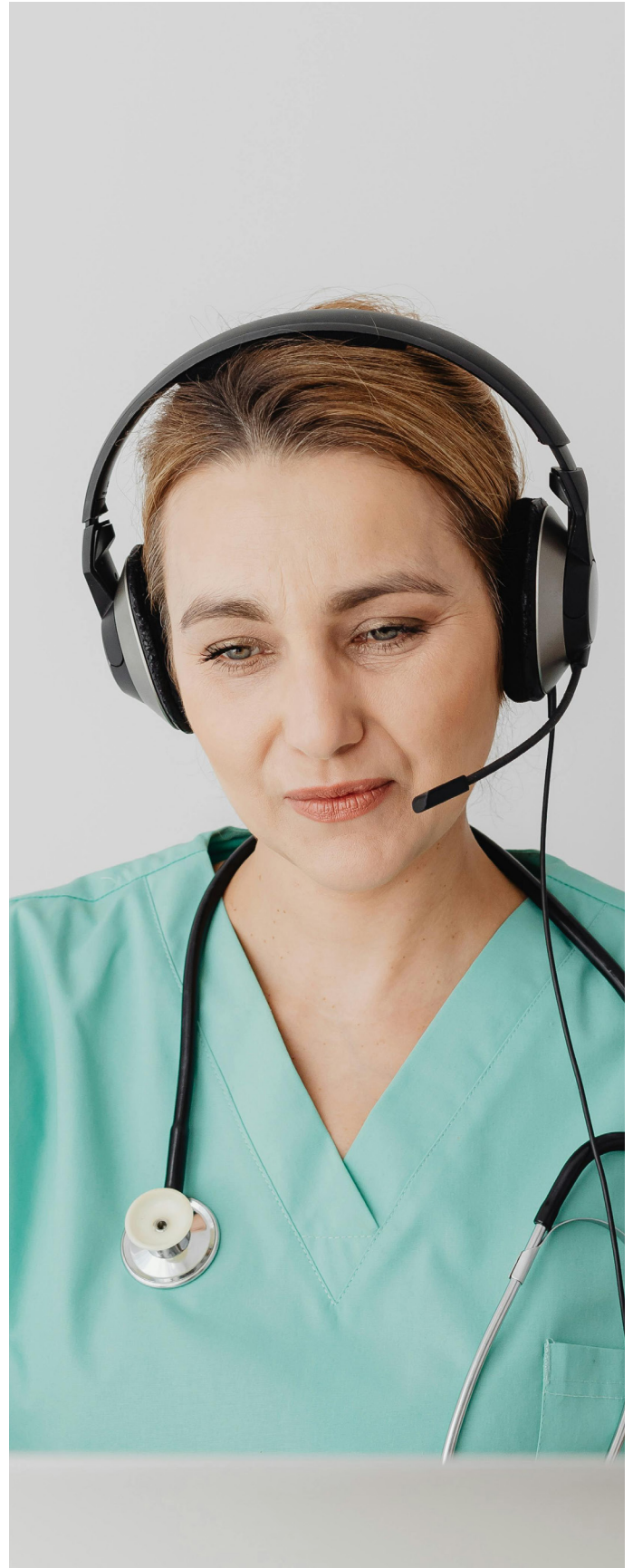
Application timelines have generally been short, requiring organizations to act quickly to develop proposals and form partnerships. Award announcements are also being made on an accelerated schedule, reflecting the federal government's push to move funds into communities as efficiently as possible. First-year funding is required to be obligated by October 2026 and spent by September 2027. This tight turnaround places significant responsibility on both states and local applicants to ensure that projects are ready to be implemented and show results in a relatively short timeframe.

Successful deployment of funds and evidence through reporting that initiatives are being addressed in the early phases will influence future allocations, as demonstrated progress can strengthen or weaken a state's position in subsequent funding cycles. Local applicants and their ability to fulfil their proposal objectives are critical partners in determining the long-term impact of the RHTP program in their states.

For organizations looking to engage with the Rural Health Transformation Program, preparation and awareness are key. Many states have established listservs or email distribution systems to keep stakeholders informed about new funding opportunities, deadlines, and updates. Signing up for these communications is one of the simplest and most effective ways to stay informed. In addition, states are frequently hosting informational webinars to walk potential applicants through upcoming opportunities and application requirements. Attending these sessions can provide valuable insights and help organizations better position themselves for success.

It is also important for prospective applicants to closely monitor their state's official website and review the state's overarching application or strategic plan. These documents outline the specific initiatives and priorities that funding is intended to support. By understanding these goals, organizations can begin to identify and develop project ideas that align closely with state objectives, increasing their chances of securing funding and better preparing them when the application window is shorter than expected.

Finally, if you are interested in RHTP funding, keep the broader timeline in perspective. Year one of funding is only just underway, and a substantial amount of funding remains to be distributed in future cycles through fiscal year 2031. States could potentially receive up to \$800,000,000 more over the course of the project period. Local healthcare providers and other potential applicants who may have missed initial opportunities should not be discouraged. Additional rounds of funding and many more grant opportunities are anticipated to be available between now and the end of the project period in FY31.



US BUDGET SUMMARY

Critical Infrastructure

Federal critical infrastructure grants finance the construction, maintenance, and defense of essential public works across the U.S. While municipal bonds, state highway funds, and ratepayer fees fuel the baseline operations of public utilities and transportation networks, federal discretionary grants provide necessary supplemental capital. These federal dollars tackle a wide array of high-impact projects—from repaving roads and replacing pipes in wastewater networks to modernizing the power grid to handle increased loads and deploying middle- and last-mile broadband to connect unserved areas. Ultimately, this grant funding primarily flows to state, local, and tribal governments, alongside targeted special districts, transit agencies, and port or airport authorities.

This year, funding for critical infrastructure was passed across two consolidated packages in February and just last month, DHS funding measures were signed into law, ending a record-long shutdown of most DHS agencies. This means grants are flowing from the Departments of Transportation, Energy, Interior, Homeland Security, and other major players.



MAJOR FUNDERS

Department of Transportation (USDOT)	Department of Energy (DOE)	Environmental Protection Agency (EPA)	Department of Homeland Security (DHS)
Federal Aviation Administration (FAA) Federal Highway Administration (FHA) Federal Transit Administration (FTA)	Grid Deployment Office (GDO) Office of Electricity (OE) Office of Clean Energy Demonstrations (OCED)	Office of Water (OW) Office of Air and Radiation (OAR) Office of Land and Emergency Management (OLEM)	Federal Emergency Management Agency (FEMA) Cybersecurity and Infrastructure Security Agency (CISA)



Learn more about today’s emergency preparedness and disaster response funding landscape from our recent webinar — From Crisis to Capital: Unlocking Grant Opportunities for Emergency Preparedness and Response

TOP 3 PRIORITIES

Navigating the 2026 infrastructure funding landscape requires a clear understanding of the federal government’s shifting priorities. While baseline capital remains available, the administration is actively pivoting away from generalized economic development and green innovation. Instead, funding continues to be realigned to prioritize car-centric transportation, private development, and supply chain resilience. For municipalities and transit authorities, success in this cycle will depend on framing physical upgrades around domestic security and economic throughput.

Building Hard Infrastructure:

The 2026 budget continues the trend of deprioritizing renewable energy and soft infrastructure, such as zero-emission municipal buses and unspent discretionary funds for electric vehicle charging stations. Instead, funding is being redirected toward hard assets, aviation modernization, and grid reliability. As explored further in our transportation breakdown on page 18, the USDOT’s Bridge Investment Program will see an 87.5% increase to reach \$1.5 billion in available grants. Port infrastructure projects will receive \$550 million, while \$190 million will be appropriated for energy sector cybersecurity and capital equipment alongside funding for the buildout of the physical electrical grid.

Increasing Earmark Spending:

Elected representatives - rather than grant reviewers - are increasingly deciding which infrastructure projects receive federal funding. The US Department of Transportation (USDOT), for example, will distribute more than \$2.3 billion to earmarked projects in this budget cycle - including \$1.5 billion to highway projects, \$542 million to aviation projects, and \$148 million to transit projects. As legislators increase their use of Congressionally-directed spending, the amount of money available in competitive grant pools for infrastructure projects decreases.

Prioritizing National Security:

Infrastructure is increasingly viewed through the lens of homeland security rather than local economic development. While some agencies are actively funding projects that act as a defensive shield - such as a 22.4% increase in USDOT Cyber Initiatives to protect transit hubs - grantseekers must navigate a staggered timeline in 2026. Core preparedness programs, including the State Homeland Security Program (SHSP), the Emergency Management Performance Grant (EMPG), and the Urban Area Security Initiative (UASI), are expected to flow in the summer months now that the DHS budget was signed into law on April 28, 2026.

GRANTS TO WATCH OUT FOR

Program	Snippet
Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program	Funding to support safety enhancements and general improvements to infrastructure for both intercity passenger and freight railroads
WaterSMART Programs	Funding to conserve water, mitigate risk in high water conflict areas, and contribute to water supply reliability in the western states
Speed to Power through Accelerated Reconductoring and other Key Advanced Transmission Technology Upgrades (SPARK)	Funding to accelerate transformative projects that will ensure the reliability of the power sector’s infrastructure
Homeland Security Grant Programs (HSGP)	Suite of grants to prevent, protect against, mitigate, respond to and recover from acts of terrorism and other threats

On the Move: Key Takeaways from the FY26 Transportation Budget

**Amanda Day, Grants Development
Consultant (State & Local Government)**

The 2026 federal budget for the U.S. Department of Transportation (DOT) offers valuable insight for agencies, municipalities, and partners pursuing federal transportation funding. Focus areas this year include aviation modernization, maritime and port investments, and traditional highway and rail maintenance. Many programs continue to be funded under the Infrastructure Investment and Jobs Act (IIJA), signed by the Biden Administration in 2021.

The most significant increase in funding is directed at the Federal Aviation Administration (FAA). A landmark \$22 billion investment has been allocated to air traffic controllers to address staff shortages. An additional \$4 billion is set aside for infrastructure modernization, including facilities and equipment, with \$450 million specifically earmarked for radar modernization to replace aging systems.



Maritime investments are also a strong focus in 2026, highlighting priorities such as national security, supply chain resilience, and global trade. With a stronger focus on national security and global trade, \$1.5 billion was allocated to the Maritime Administration (MARAD). A large share supports the Port Infrastructure Development Program (PIDP). This program funds projects to enhance port capacity, efficiency, and connectivity, while additional investments strengthen maritime security. These efforts are intended to modernize ports, ease congestion, and strengthen the reliability of the nation's freight network.



KEY AVIATION GRANTS:

Airport Improvement Program (AIP)

Airport Terminal Program (ATP)

**Small Community Air Service
Development Program (SCASDP)**



KEY MARITIME AND PORT FUNDING

**Port Infrastructure Development
Program (PIDP)**

Small Shipyard Grant Program

**Better Utilizing Investments to Leverage
Development (BUILD) Grant Program**

Highway safety and infrastructure are also a focus in the federal budget. These programs are key in sustaining, upgrading, and expanding America's transportation system. Funding is available to state, local, and tribal governments to advance major projects such as bridge rehabilitation, highway reconstruction, congestion mitigation, and safety enhancement efforts that are often beyond the budget capacity of individual jurisdictions. These investments help maintain consistent national standards, improve freight and supply chain efficiency, and enhance roadway safety by addressing high-risk corridors and aging infrastructure.



KEY HIGHWAY SAFETY AND INFRASTRUCTURE FUNDING

Accelerated Innovation Deployment (AID) Demonstration

Tribal Transportation Program Safety Funds (TTPSF)

Infrastructure for Rebuilding America (INFRA) Program

Competitive Highway Bridge Program

Additionally, the budget makes substantial investments in the nation's rail system, benefiting both passenger and freight rail. This funding will enhance safety, reliability, and capacity. These efforts aim to improve intercity passenger rail service while also increasing the efficiency and performance of freight corridors that are essential to national supply chains and economic growth.



KEY RAIL GRANT PROGRAMS

Federal-State Partnership for Intercity Passenger Rail Grant Program

Consolidated Rail Infrastructure and Safety Improvements (CRISI)

Amtrak Grants
(Not competitive, but major rail funding)

The Department of Transportation's (DOT) funding for FY26 reflects a continued focus on infrastructure investments, national security, safety improvements, and economic growth. As the Bipartisan Infrastructure Law approaches its September 30, 2026, expiration, the DOT is pivoting toward ensuring the projects already started are completed, while doubling down on the safety of the skies and the resilience of American ports, highways, and rail systems.

EXAMPLES OF BIDEN ERA IIJA FUNDED PROGRAMS

- Rural Surface Transportation Grant Program (RURAL)
- Safe Streets and Roads for All (SS4A)
- National Electric Vehicle Infrastructure (NEVI) Formula Program
- Airport Terminal Program (ATP)
- Bridge Investment Program
- Promoting Resilient Operations for Transformative Efficient and Cost-saving Transportation (PROTECT)

Program Snapshot

Safe Streets and Roads for All (SS4A)



SUMMARY

The purpose of SS4A grants is to improve roadway safety by significantly reducing or eliminating roadway fatalities and serious injuries through safety action plan development and refinement, and implementation focused on all users, including pedestrians, bicyclists, public transportation users, motorists, personal conveyance and micromobility users, and commercial vehicle operators. The program provides funding to develop the tools to help strengthen a community's approach to roadway safety and save lives and is designed to meet the needs of diverse local, Tribal, and regional communities that differ dramatically in size, location, and experience administering Federal funding.

The SS4A program provides funding for two types of grants: Planning and Demonstration Grants and Implementation Grants:

- Planning and Demonstration Grants for comprehensive safety action plans, including supplemental safety planning, and/or safety demonstration activities
 - Planning and Demonstration Grants are used to develop, complete, or supplement a comprehensive safety action plan, as well as carry out demonstration activities that inform an Action Plan.
- Implementation Grants
 - Implementation Grants are used to implement strategies or projects that are consistent with an existing Action Plan and may also bundle funding requests for supplemental planning and demonstration activities that inform an Action Plan

ELIGIBILITY

Eligible applicants are: Metropolitan planning organizations; Counties, cities, towns, and transit agencies or other special districts that are subdivisions of a State; Federally recognized Tribal governments; and Multijurisdictional groups comprised of the aforementioned entities.

DEADLINE

Applications are due by May 26, 2026. Future funding for this program is to be determined.

FOR MORE INFORMATION

<https://www.transportation.gov/grants/SS4A>

Enhancing 911 and PSAP Capabilities Through Grant Funding

Meghan Jacobsen, Grants Development Associate (State & Local Government)



In March of this year, Senators Amy Klobachar (D-Minn.), Tedd Budd (R-N.C.), and Catherine Cortez Masto (D-Nev.) introduced the Next Generation 9-1-1 Act. In the House of Representatives, this act is also led by Representatives Richard Hudson (R-N.C.-09) and Troy Carter (D-La.-02). If passed, this bill will modernize the national emergency response system, as well as coordinate interoperability and improve the security of 911 services throughout the country. These initiatives will improve PSAP cybersecurity while enabling 911 centers to process text, video, and data in emergency situations. This bill proposes the funding of grants to bring about these initiatives beginning in fiscal year 2027 through 2031. Should this bill pass, it will serve as a much-welcome injection of dedicated PSAP/NG911 funding on the federal level – which has been nonexistent since 2018 – to bring 911 centers into the 21st century. While we wait to see how this will play out in Congress, there are other funding options available to PSAPs looking to upgrade and secure their technology to better serve their communities.

SAFE STREETS AND ROADS FOR ALL GRANT (SS4A)

Administered by the Department of Transportation, SS4A, was established to support regional, local, and tribal initiatives to prevent roadway injuries and deaths. Currently, fiscal year 2026 is the last year of funding for this program, and the deadline to apply is May 26th.

This program offers two types of grants: the planning and demonstration grant and the implementation grant. PSAPs are eligible to apply for this grant to develop a post-crash care plan or emergency communications programs, which are eligible activities, if your jurisdiction has a qualified safety action plan.

FEMA GRANTS

The Federal Emergency Management Agency (FEMA) offers multiple grants that may fund 911 center projects. While funded at the federal level, many of these grants are administered on the state level, which means requirements and deadlines will vary by state. Eligibility requirements will also vary by grant program, and PSAPs may need to partner with another governmental agency to receive funding. These grant programs include:

- **Emergency Management Performance Grant (EMPG):** focuses on all-hazards emergency preparedness, including the evolving threats and risks associated with natural disasters. This funding goes to emergency management agencies to provide the resources to implement the National Preparedness System.

- **State Homeland Security Grant Program (SHSP):** supports initiatives to build, sustain, and enhance the capabilities needed to prevent, prepare for, protect against, and respond to acts of terrorism.
- **Urban Areas Security Initiative (UASI):** funds the planning, organization, equipment, training, and exercise needs specific to designated high-threat, high-density Urban Areas.

In addition, there are two more FEMA grants worth mentioning, both of which are administered on the federal level. These include:

- **Port Security Grant Program:** funds maritime security capabilities throughout U.S. ports.
- **Transit Security Grant Program:** strengthens security to address risks associated with potential terrorist attacks and other hazards specific to transportation systems.





COMMUNITY FACILITIES GRANT

If you are in a rural area with a population of 20,000 or less, the Community Facilities program, administered by the USDA Rural Development Agency, funds a plethora of community services in rural areas, including public safety and emergency communications. It is worth noting that priority of these funds goes to populations of less than 5,500 and lower-income communities.

The application process for this grant varies by regional location. You can [find your region's office here](#).

STATE LEVEL GRANTS

There are many states that offer PSAP/911 funding; it is worth doing research to see what funding opportunities your state offers. Examples of state-level 911 funding include:

- Massachusetts PSAP Development and Training Grants
- Arizona 9-1-1 Grant
- New York Next Generation 911 Grant
- Illinois Consolidation and NG9-1-1 Grant Programs
- North Carolina 911 Board PSAP Grant Program

Ultimately, the landscape of 911 funding is shifting toward a more interconnected and technologically advanced future. While the Next Generation 9-1-1 Act proposes a massive move forward for PSAP/911 infrastructure and cybersecurity, it's still unknown how the legislative process will play out on funding. In the meantime, public safety agencies must navigate the patchwork of existing federal and state resources. With a little research, the right project, and partnerships, opportunities to secure funding to modernize emergency communication centers are within reach.

US BUDGET SUMMARY

Nonprofits & Community Services

Federal grants for community development and human services support the underlying infrastructure of the US social safety net. While local tax bases, private philanthropy, and municipal budgets fund the baseline operations of community services, federal discretionary grants provide necessary supplemental capital. These funds finance the construction of affordable housing, facilitate workforce retraining programs, and sustain essential community action initiatives that local municipalities cannot support alone. Ultimately, this capital flows to state and local governments, public housing authorities, and the patchwork quilt of 501(c)(3) organizations that operate these programs on the ground.

This year, funding for major community development and justice initiatives was approved across both the second and third minibuss legislative packages. This means grant funding is securely flowing from the nation’s primary community service agencies.



MAJOR FUNDERS

Department of Housing and Urban Development (HUD)	Department of Labor (DOL)	Department of Health and Human Services (HHS)	Department of Justice (DOJ)
Office of Community Planning and Development (CPD)	Employment and Training Administration (ETA)	Administration for Children and Families (ACF)	Office of Justice Programs (OJP)
Office of Housing (OH)	Women’s Bureau (WB)	Administration for Community Living (ACL)	Office on Violence Against Women (OVW)
Office of Public and Indian Housing (PIH)	Office of Disability Employment Policy (ODEP)	Office of Community Services (OCS)	Office of Community Oriented Policing Services (COPS)



Learn more about high-value funding opportunities, current trends, and the strategies that increase competitiveness for grantseeking nonprofits from our recent webinar — Sustaining Your Mission: Competitive Grants Designed for Nonprofits

TOP 3 PRIORITIES

The 2026 landscape for community services is defined by a sharply divided federal philosophy. While funding for affordable housing and baseline human services remains steady, the administration has drastically altered the trajectory of longstanding, community-based justice initiatives. For nonprofits operating in the criminal justice and violence intervention space, this radical contraction means organizations must fundamentally rethink their programmatic strategies to remain competitive in the current cycle.

Sustaining the Social Safety Net:

Funding for foundational human services and housing remains steady. Agencies like the Department of Housing and Urban Development (HUD) and the Administration for Children and Families (ACF) saw few budgetary disruptions to their funding streams for affordable housing development, homelessness interventions, and Community Action Agencies. Nonprofits providing direct poverty alleviation, emergency housing, and workforce development will find these traditional grant streams reliable in the coming year.

Changing the Priorities of Justice Funding:

Nonprofits operating in criminal justice, reentry, and community violence intervention spaces will face a substantially altered funding landscape in 2026. The Department of Justice (DOJ) 2026 budget heavily prioritizes traditional law enforcement over community-led social justice initiatives. While police-focused programs saw massive increases, including a 176% boost for the Byrne Justice Assistance Grant (JAG) and a 633% increase for COPS Hiring, community alternatives were slashed. Funding for police-based mental health responses was cut by nearly 50%, and programs like LGBT Specific Services and Engaging Men and Youth in Prevention were entirely defunded.

Hardening Community Infrastructure:

Protecting the physical safety of community spaces is an ongoing federal priority through initiatives like the Federal Emergency Management Agency’s (FEMA) Nonprofit Security Grant Program (NSGP). With the recent passing of DHS funding, grantseekers should begin preparing their facility vulnerability assessments now. With the delay in funding, we expect expedited timelines and compressed submission windows.

GRANTS TO WATCH OUT FOR

Program	Snippet
Community Development Block Grant (CDBG) Program	Funding to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services
YouthBuild Grants	Funding for community-based alternative education programs that address affordable housing, leadership development, education, employment opportunities in in-demand industries and apprenticeship pathways
Community Services Block Grant (CSBG)	Funding to lessen poverty in communities, including efforts that address employment, education, better use of available income, housing, nutrition, emergency services and/or health outcomes
Nonprofit Security Grant Program (NSGP)	Funding to support target hardening and other physical security enhancements and activities to nonprofit organizations that are at high risk of terrorist attack

The Criminal Justice Process: From Response to Reentry

Shannon Day, Senior Grants Development Consultant



The criminal justice process is a series of interconnected phases, each with its own unique challenges. In this series, we will break down that process piece by piece. In recognition of April's Second Chance Month, we are starting at the end and working backward, because the ultimate goal for everyone in the field is sustainable crime reduction, which is reached through education, reentry, and recidivism prevention.

At the federal level, there are numerous funding opportunities for state, local, and tribal correctional institutions, nonprofit organizations, and educational entities working towards successful reentry initiatives. The primary source of funding is through the Department of Justice (DOJ), specifically its Second Chance Act suite of grant programs.

The Second Chance Act, first signed into law in 2008 and reauthorized in 2018, mandates grant funding for programs that improve the reentry process. Since 2009, grants have been administered through the Bureau of Justice Assistance (BJA) for adult initiatives and the Office of Juvenile Justice and Delinquency Prevention (OJJDP) for youth initiatives.

While the overarching aim of the Second Chance Act remains unchanged, individual grant programs may vary from year to year. In 2026 (Federal Fiscal Year 2025), grant programs through BJA include:

- **Community-based Reentry** provides funding for nonprofit organizations and tribal governments to provide comprehensive reentry services to individuals who have been incarcerated.

- **Improving Reentry Education & Employment Outcomes** provides funding for nonprofit organizations, educational institutions, and state, local, and tribal governments to expand education and employment programs that serve individuals during incarceration and throughout their period of reentry into the community.
- **Pay for Success** provides funding for state, local, and tribal governments to enter into or convert to performance- and outcomes-based contracts for reentry services.
- **Family-based Substance Use Disorder Treatment** provides funding for nonprofit organizations and state, local, and tribal governments to deliver treatment and recovery support services for parents with substance use disorder (SUD) who have minor children or are pregnant, and are under correctional control in a facility or community-based setting.
- **Smart Reentry Demonstration** provides funding for state, local, and tribal governments to implement comprehensive, collaborative reentry strategies to increase the likelihood of successful reentry for adults leaving prison, jail, or supervision, and establish or expand a program or service to reduce recidivism.
- **Strengthening Community Supervision Agency Operations** provides funding for state, local, and tribal community supervision agencies to develop more effective probation and parole programs and improve supervision outcomes by strengthening operations to prevent recidivism and reduce violent crime.

In 2026 (Federal Fiscal Year 2025), grant programs through OJJDP include:

- **Youth Reentry** provides funding for states, local, and tribal governments in partnership with federal corrections and supervision agencies, service providers, and community-based organizations to provide comprehensive reentry services for moderate- to high-risk youth before, during, and after release from confinement, and support transitional services to assist youth to reenter the community successfully.
- **Addressing the Needs of Incarcerated Parents and Their Minor Children** provides funding for state, local, and tribal governments to develop or expand programs in juvenile and adult detention or correctional facilities to respond to the needs of incarcerated parents and their children to reduce the likelihood of antisocial behaviors, future involvement in the juvenile justice system, and recidivism; and support responsible parenting that leads to healthy child development, resiliency, and improved interactions among incarcerated parents and their minor children, family, and community members.

Second Chance Act programs are an excellent starting point for grant research, but they are not the only source. Diversifying your search beyond these programs will uncover additional resources to support successful reintegration and recidivism reduction. There may be other opportunities through the DOJ, like the **Comprehensive Opioid, Stimulant, and Substance Use Site-based Program (COSSUP)**, which can help provide treatment and recovery support services for individuals with SUD in correctional settings and upon reentry.

Beyond the DOJ, other federal agencies provide grant funding opportunities. The United States Department of Agriculture (USDA) **Distance Learning and Telemedicine (DLT) Grant Program** can help state correctional institutions provide education, training, and healthcare resources for inmates in rural hubs and end-user sites and the Department of Labor (DOL) **Reentry Employment in Trades, Manufacturing, Apprenticeship & Training (RESTART)** supports the advancement of workforce readiness skills and the attainment of employment for youth, young adult, and adult ex-offenders.

Reintegration is a collaborative, long-term endeavor. Beyond simply reducing recidivism, the objective is to empower individuals with the skills and knowledge necessary to mentor others and break the cycle of incarceration at its source.

In our next installment, we will move inside the courthouse to examine funding opportunities available to prosecutors, defense counsel, and the courts.



US BUDGET SUMMARY

Education

Federal education grants support learners through their entire educational journey—from early childhood interventions and K-12 classrooms through advanced university research and workforce credentialing. While local taxes, state governments, and student tuitions fuel the baseline operations of educational institutions, federal dollars act as a critical supplement. These funds support disadvantaged student populations and finance specialized national initiatives that local budgets cannot fully support. Ultimately, such funding flows to state education agencies (SEAs), local districts, higher education institutions, charter networks, and specialized nonprofits.

This year, funding for education and workforce development initiatives was approved in the third spending minibuss. This means grants are flowing from the Departments of Education, Labor, and other major players.



MAJOR FUNDERS

US Department of Education (USED)	US Department of Labor
USED Office of Postsecondary Education	Employment and Training Administration (ETA)
USED Office of Elementary and Secondary Education	Office of Apprenticeship (OA)
	Women's Bureau (WB)



Learn more about the NSF's efforts to strengthen STEM teaching and learning at two- and four-year institutions from our recent webinar — Improving Undergraduate STEM Education (IUSE): Strategies to Strengthen Your Proposal

TOP 3 PRIORITIES

Pursuing federal education dollars in 2026 will demand a targeted approach from schools and universities. While the administration is maintaining core spending programs for student equity, it continues to pull back on discretionary grants designed for educational innovation. As top-line budgets for experimental initiatives tighten, education leaders must pivot their grant strategies to focus on foundational learning, workforce readiness, and immediate outcomes.

Preserving Core Formulas:

The final 2026 budget largely rejected calls for deep cuts to federal education funding, opting instead to sustain the formula funding institutions rely on to support their vulnerable students from preschool to post-secondary. In the K-12 landscape, Title I programs will be funded at levels comparable to previous years, while IDEA Part B formula funds received a 6.8% increase to reach \$15.19 billion. At the post-secondary level, equity remains a focus, with Minority-Serving Institutions (MSIs) and Tribally Controlled Colleges and Universities (TCUs) seeing across-the-board funding boosts. For a comprehensive breakdown of exactly how these formula funds are shaping the year ahead, see our full analysis of the Department of Education budget on pages 36 and 37.

Targeting Workforce Pathways and School Choice:

The administration continues to favor school choice and targeted skills training over traditional educational pathways. In K-12, the budget sustained the Charter Schools and Magnet Schools Assistance programs, echoing federal preferences for open enrollment and the empowerment of parental rights in educational placement. In higher education, the focus pivots toward employer-aligned skills across multiple agencies; the Department of Labor’s regional Targeted Worker Training program saw a 10% funding increase, mirroring the Department of Education’s \$13.95 million allocation for Tribally Controlled Postsecondary Career and Technical Education.

Pulling Back on Innovation:

Across the entire education spectrum, the 2026 budget signals a distinct pullback on funding for experimental, field-initiated practices. This trend crosses agency lines: the National Science Foundation’s STEM Education allocation fell nearly 20% to \$938 million, mirroring the Department of Education’s 9.3% cut to the Education Innovation and Research (EIR) program - the federal government’s primary vehicle for scaling new K-12 models and ed-tech - alongside a 70% reduction to its Fund for the Improvement of Postsecondary Education (FIPSE) Research and Development Infrastructure Grants.

GRANTS TO WATCH OUT FOR

Program	Snippet
21st Century Community Learning Centers (CCLC)	Funding for after school and summer learning programs, particularly in low-performing schools
Charter School Program (CSP)	Funding for planning, design, and initial implementation of charter schools
Title III: Strengthening Institutions Program (SIP)	Funding for campus services and infrastructure at institutions who serve financially needy students
Strengthening Community Colleges Training Grants	Funding to increase capacity at community colleges to meet regional labor needs in high-demand fields
Improving Undergraduate STEM Education (IUSE)	Funding for innovative approaches to undergraduate STEM learning environments

A Look at the Childcare and Early Learning Grant Funding Landscape

**Sandy Trowbridge, Grants Development
Associate (Education)**

Childcare and early learning grant programs broadly aim to promote positive child development while strengthening parents' workforce participation and economic security. In the United States, services for children from birth to age five are delivered through a mix of federal, state, and privately funded programs. Federal funding represents the largest share of public investment, with approximately \$31 billion allocated annually, compared to about \$13 billion in state spending on similar programs, with additional foundation funding varying significantly by region and year. While program models and requirements vary, common funding priorities include expanding access to affordable, high-quality care; strengthening the early childhood workforce; promoting parental choice; improving program quality; supporting systems building and cross-sector coordination; strengthening transitions between early learning and K-12 systems; and promoting positive child development outcomes. The sections below provide an overview of the major childcare and early learning funding streams across federal, state, and local levels.

FEDERAL FUNDING

The **Child Care and Development Block Grant (CCDBG)**, administered by the U.S. Department of Health and Human Services, is a formula-based block grant program that provides states, territories, and Tribal entities with funding to operate childcare subsidy programs for low-income families with children under age 13 and to support childcare quality improvement initiatives. A substantial share of CCDBG funding is used to provide childcare subsidies (typically delivered through voucher-based systems) that enable families to choose from among eligible providers. The program also includes a required set-aside for quality improvement activities, which states may administer directly or through contracts with qualified entities.



The **Preschool Development Grant Birth through Five (PDG B-5)**, administered jointly by the U.S. Department of Health and Human Services and the U.S. Department of Education, is a competitive grant program awarded to states to strengthen and better coordinate early childhood systems serving children from birth through age five. An initial Planning Grant (typically one year) supports statewide needs assessments and strategic planning to improve system alignment, expand access, strengthen transitions across learning settings, and enhance overall program quality. States may then apply for a Renewal Grant (typically three years) to implement the strategies identified during the planning phase. States are encouraged to use a portion of grant funds to award subgrants aligned with their PDG B-5 strategic priorities.

The **Individuals with Disabilities Education Act (IDEA)**, administered by the U.S. Department of Education, provides formula-based funding to states to support early intervention and special education services for young children with disabilities. IDEA Part C funds early intervention services for infants and toddlers from birth through age three, while IDEA Part B, Section 619, supports special education services for children ages three to five. States pass these funds through to local entities to deliver services. Under Part C, this often occurs through contracts, grants, or interagency agreements with early intervention providers and partner agencies. Under Part B, funds are typically sub-granted by formula to local education agencies, which are then responsible for ensuring the provision of special education services.

The **Maternal, Infant, and Early Childhood Home Visiting (MIECHV)** program, administered by the U.S. Department of Health and Human Services, provides formula-based funding to states, territories, and Tribal entities to support voluntary, evidence-based home visiting services for pregnant women and families with young children. States are required to conduct statewide needs assessments, implement federally approved evidence-based models, and meet performance benchmarks. Funds are typically passed through to local implementing agencies, which are often selected through competitive processes, to deliver services aligned with identified community needs.

Temporary Assistance for Needy Families (TANF), administered by the U.S. Department of Health and Human Services, is a formula-based block grant that provides states with broad discretion to fund a range of activities aligned with its statutory purposes, including promoting work and supporting family stability. States may use TANF funds to support childcare and early learning initiatives through multiple mechanisms, including direct services, contracts with providers, and interagency transfers—most commonly to the Child Care and Development Block Grant (CCDBG). Funding structures, allowable uses, and the extent of TANF investment in early childhood services vary across states.

Head Start, Early Head Start, and Early Head Start-Child Care Partnerships (EHS-CCP), administered by the U.S. Department of Health and Human Services, represents one of the largest federal early childhood funding programs that awards competitive grants directly to local entities rather than to states. Public or private organizations may apply for funding to deliver comprehensive early childhood services (including early learning, health, nutrition, and family support). Early Head



Start serves pregnant women and children from birth to age three, while Head Start serves children ages three through five. Through Early Head Start-Child Care Partnerships (EHS-CCP), Early Head Start grantees partner with center- and home-based childcare providers (often those serving children receiving childcare subsidies) to expand access to infant and toddler care and support providers in meeting Head Start standards while delivering comprehensive, wraparound services.

The **Child Care Access Means Parents in School (CCAMPIS)** program, administered by the U.S. Department of Education, is a competitive grant program that awards funding directly to institutions of higher education. CCAMPIS supports childcare services for low-income student parents, defined as those eligible to receive Pell Grants. Institutions may use funds to provide campus-based or community-based childcare services, either directly or through contracts with eligible providers.

With the exception of Head Start and CCAMPIS, most federal early childhood funding is allocated to states rather than directly to local entities. State agencies then distribute these funds through a combination of subgrants, contracts, and interagency agreements, with significant variation in structures, timelines, and award sizes across states. As a result, local entities typically access federal childcare and early learning funding indirectly by monitoring and responding to opportunities issued by their respective state lead agencies (such as their departments of education, health and human services, workforce development, or similar).

STATE AND LOCAL FUNDING

In addition to federal pass-through funding, many states and localities administer funding streams that can further support early childhood initiatives (often derived from voter-approved revenues, dedicated taxes on certain sectors, or settlement funds). These funding sources are typically managed outside of traditional federal early childhood programs and are often shaped by state or local priorities. For example, **First 5 California** (funded through tobacco tax revenues) supports a statewide network of county commissions that invest in early childhood systems at the local level. County First 5 agencies typically issue competitive funding opportunities focused on building needed services and support for young children and families in the region. Similarly, programs such as the **Fund for a Resilient Nevada** (funded through opioid settlement dollars), supports a broad range of behavioral health and family support strategies, with some funds supporting efforts to expand access to childcare and related services for families engaged in treatment and recovery. Together, these examples highlight how states and localities may braid funding from diverse sources to address early childhood needs. For grantseekers, this underscores the importance of looking beyond traditional education and human services agencies to identify nontraditional funding opportunities aligned with their early care and learning needs.

FOUNDATION FUNDING

In addition to public funding streams, foundation support plays an important complementary role in the early childhood funding ecosystem. National funders such as the **W.K. Kellogg Foundation** and the **Caplan Foundation for Early Childhood** invest in early childhood care and education systems, with funding priorities often focused on equity, family engagement, and systems-level improvement. Beyond national funders, a wide range of local and regional foundations provide geographically targeted grants aligned with local needs. For grantseekers, identifying and engaging with local and regional foundation funders can be an effective strategy to supplement public funding streams.

Find foundation funding in your area easily using [Grants Office Communities](#). Search thousands of grant opportunities with a FREE 2-week trial.

ACCESSING CHILDCARE AND EARLY LEARNING GRANT FUNDING

Accessing childcare and early learning grant funding requires a proactive and strategic approach, particularly given the extent to which federal resources flow through state intermediaries. A key step is consistently tracking state-administered pass-through funding by monitoring your relevant state agencies (such as your departments of education, health and human services, and workforce development) for open grant solicitations, while also subscribing to relevant state agency listservs and funding newsletters to ensure you stay abreast of funding opportunities as they are released. Consider also using tools such as Google Alerts to help identify more nontraditional funding streams aligned with your project needs (such as the funding derived from taxes and settlement funds discussed above, often administered through less obvious agencies).

Equally important is intentionally building and sustaining relationships with state and local actors involved in funding design and implementation, including state agency administrators, intermediary organizations, local and regional foundation funders, and other community-based partners. Strong partnerships can significantly enhance your competitive positioning, particularly when aligned with entities such as local school districts, childcare resource and referral (CCR&R) agencies, workforce development boards, and other organizations engaged in coordinated early childhood systems work. Take time to intentionally build your network and explore opportunities to partner with local entities in your area doing similar work.

Finally, establishing visibility and credibility within the childcare and early learning field is also essential. This can include participating in cross-sector working groups and professional associations, presenting at industry events, maintaining an active and informative online presence, and publishing data-driven insights and program outcomes. Over time, these intentional efforts help build a network of trusted relationships that help ensure that you are both made aware of funding opportunities as they are released, as well as ensure that you are well-positioned to establish strong proposal partnerships that will make your grant applications all the more competitive.

Program Snapshot

W.K. Kellogg Foundation

SUMMARY

The W.K. Kellogg Foundation focuses on strengthening the systems that support children, families, and communities so that children can thrive in equitable and supportive environments. Its work emphasizes the interconnected nature of early childhood development, family economic stability, and broader community well-being, with a focus on racial equity and racial healing. The Foundation organizes its priorities around five interconnected focus areas:

1. Strong and equitable food systems: promoting equitable access to healthy, sustainable food sources
2. Health and health equity: advancing health equity and access to care
3. Early care and education: strengthening high-quality early care and learning systems
4. Jobs and family economic security: supporting good jobs and workforce pathways for parents
5. Promise of an equitable future: advancing systems that promote inclusive opportunity for children and families

The Foundation's award amounts are determined by the scope and nature of each project request (recent awards have ranged from \$5,000 to \$1,000,000).

ELIGIBILITY

Non-profit organizations in the United States are eligible to apply. Within the United States, some emphasis is placed on projects within Michigan, Mississippi, New Mexico, and New Orleans.

DEADLINE

Letters of Intent (LOIs) may be submitted at any time through the foundation's online grant portal.

FOR MORE INFORMATION

<https://www.wkcf.org/grantseekers/>



Funding School Safety Initiatives Through Foundations

Sam Rawdon, Grants Development Associate (K-12 Education)

Foundation funding has become an increasingly valuable resource for advancing school safety efforts, particularly for initiatives that may not align neatly with the strict parameters of government programs. While federal funding frequently emphasizes standardized equipment or large-scale infrastructure investments, foundations often support a more comprehensive and student-centered view of safety. This broader approach can include investments in mental health services, school climate and culture initiatives, and innovative technologies that contribute to a safer and more supportive learning environment. As a result, districts have greater flexibility to pursue solutions that address both the physical and emotional dimensions of school safety.

FLEXIBILITY TO MEET LOCAL NEEDS

A primary advantage of foundation funding is its flexibility. Many foundations encourage applicants to design solutions that reflect their unique challenges and priorities, rather than conforming to rigid funding categories. This may involve modernizing surveillance systems, strengthening access control, expanding counseling services, or implementing proactive violence prevention programs. Such flexibility enables schools to develop cohesive, multi-layered safety strategies that are tailored to their specific environments, rather than relying on fragmented funding sources with narrowly defined uses.

STREAMLINED APPLICATIONS AND ADDED SUPPORT

In addition, foundation applications are often more streamlined and accessible. Although still competitive, they typically require less extensive documentation and offer shorter timelines than federal grants. For districts with limited administrative capacity, this can significantly lower the barrier to entry and increase the likelihood of pursuing funding opportunities. Moreover, some foundations go beyond financial support by offering technical assistance, proposal guidance, or capacity-building resources, helping applicants strengthen both their submissions and long-term implementation efforts.

SUPPORTING INNOVATION IN SCHOOL SAFETY

Foundations are also well-positioned to support innovative and emerging practices in school safety. Initiatives such as anonymous reporting tools, restorative justice programs, student engagement platforms, and integrated safety systems that combine physical security with behavioral threat assessment are often strong candidates for funding. These forward-thinking approaches may be more difficult to fund through traditional government channels, which often prioritize established or prescriptive models. By contrast, foundations are frequently more willing to invest in pilot programs or scalable innovations that can serve as models for broader adoption.

LEVERAGING CORPORATE FOUNDATION PARTNERSHIPS

Corporate foundations can be particularly valuable partners for technology-driven safety initiatives. Organizations within the security, telecommunications, and technology sectors often provide grants or in-kind contributions aligned with their areas of expertise. This support may include discounted equipment, software solutions, or implementation assistance, allowing schools to stretch their budgets further. In many cases, these partnerships also bring industry knowledge and technical insight that can strengthen project design and execution.

DEMONSTRATING NEED AND MEASURING IMPACT

To be competitive, applicants must clearly articulate both the need for funding and the anticipated impact of their proposed initiatives. Strong proposals typically incorporate data such as incident reports, school climate survey results, or identified vulnerabilities, paired with a well-defined implementation plan. Equally important is demonstrating measurable outcomes (e.g., improved perceptions of safety, reductions in incidents, or increased access to student support services) to show that the investment will produce meaningful and sustainable results.

FOUNDATIONS AS A STRATEGIC FUNDING ALTERNATIVE

While federal and state funding opportunities remain important components of school safety financing, foundations offer a compelling and often more accessible alternative. Their flexibility, streamlined processes, and openness to innovation make them a critical resource for districts seeking to enhance safety in a thoughtful and comprehensive way. For schools facing capacity constraints, foundation funding can provide a practical pathway to implement impactful solutions and create safer, more supportive learning environments.

Program Snapshot

School Violence Prevention Program

SUMMARY

Provides funding to school districts, law enforcement agencies, and state and local governments to enhance safety and security on school campuses. Support is directed toward evidence-based, comprehensive approaches that combine technology, coordination, and prevention strategies.

Funds may be used for a range of safety initiatives, including:

- Purchasing and installing technology to enable rapid communication with law enforcement during emergencies.
- Strengthening partnerships and coordination with local law enforcement agencies.
- Implementing physical security measures such as metal detectors, locks, lighting, and other deterrents.
- Providing training for law enforcement personnel focused on school violence prevention.
- Supporting additional security enhancements identified by the COPS Office Director as significantly improving school safety.

Approximately \$73 million was available in FY2025, with comparable funding levels expected for FY2026.

ELIGIBILITY

Eligible applicants include states, local governments, Indian tribes, and public agencies, including:

- School districts, including public charter schools and single-school districts
- School boards
- Local law enforcement agencies

DEADLINE

The most recent application deadline was June 26, 2025. Similar timelines are expected each year, with a new funding opportunity anticipated to be announced in April.

FOR MORE INFORMATION

<https://communities.grantsoffice.com/s/grant/a0B0b00000MdE4VEAV/cops-school-violence-prevention-program-svpp>

<https://cops.usdoj.gov/svpp>



Understanding the FY2026 Department of Education Budget

Christina Fernandez, Grants Development Consultant (Education)

On February 3, 2026, Congress finalized the Fiscal Year 2026 budget for the U.S. Department of Education, approving approximately \$79 billion in discretionary funding. This level exceeds the Administration's original request of \$66.7 billion and aligns closely with FY2024 funding levels. At a glance, this signals stability across key education programs including school improvement, special education, career and technical education, and institutional aid. However, a closer review reveals more targeted adjustments that reflect evolving federal priorities. For grant professionals and education leaders, understanding both the stability and the nuance within this budget is essential to navigating the current funding landscape and identifying opportunities in the year ahead.

K-12 FUNDING

Title I funding, a cornerstone of federal support for low-income students, remains largely unchanged, preserving over \$6.4 billion for Basic Grants and just over \$5.28 billion for Targeted and EFIG allocations. This stability reflects its entrenched role in federal education policy and its broad bipartisan support. A degree of predictability is essential for this funding stream, as districts heavily rely on these funds for planning school-wide programs and targeted support for their students. Similarly, 21st Century Community Learning Centers, Student Support and Academic Enrichment Grants (Title IV-A), English Language Acquisition (Title III), and several Innovation and Improvement programs (including Charter Schools, Magnet Schools, SEED, and Arts in Education) held steady.

The formula funds that saw the largest increase were Grants to States for special education (IDEA- B), followed by Rural Education (Title V-B). The IDEA Part B funding bucket, which increased by \$980 million, bringing the new total for state grants to \$15.2 billion (a 6.9% jump). The REAP program saw a modest increase of \$5 million. These increases align with broader federal interests surrounding special education and prioritizing rural students, suggesting continued opportunity for applicants serving these populations.



However, not all programs saw growth. The Education Innovation and Research (EIR) program experienced a 9% reduction (\$24 million). For grant seekers, this likely translates to increased competition or a continued preference for mid-phase and expansion grants over early-stage pilots.

One of the most notable developments in FY2026 is the return of congressionally directed spending (earmarks) in K-12 education. Their absence in FY2025 was the result of a compromise in the long-term continuing resolution, which funded the government through September 30, 2025, and forced the Department to prioritize formula-driven and competitive national grants over local projects. These funds highlight localized priorities and provide insight into emerging trends. The top funding themes included:

- STEM and STEAM Education — \$21.97M
- Career and Workforce Development — \$13.67M
- Arts and Music Education — \$7.35M
- Literacy and Civics Education — \$7.31M
- Out-of-School and Afterschool Programs — \$6.46M

Geographically, Maryland received the highest level of K-12 earmark funding, followed by New York, Hawaii, and Rhode Island, with a three-way tie among Alaska, New Jersey, and New Mexico. About \$100 million went towards directed spending projects.

HIGHER EDUCATION FUNDING

In higher education, the FY2026 budget reflects measured growth across most programs, particularly those authorized under Title III of the Higher Education Act (HEA). Most notably, Minority-Serving Institution (MSI) programs saw increases of at least 1.2%, and TCUs saw an increase of 3.8% (for a new total of \$53.8 million). This is notable given earlier signals that suggested potential reductions in statutory higher education programs. Another area in which Tribally controlled institutions saw an increase in funding was through the Tribally Controlled Postsecondary Career and Technical Education Program. A total of \$14 million is available for this program, which is meant to support these institutions so that they can provide workforce pathways to their students.

However, not all programs experienced growth. The Strengthening Institutions Program (SIP)—a key Title III, Part A initiative—saw an 8.92% decrease (for a new total of \$102 million), potentially limiting new awards or reducing award sizes for eligible institutions.

A more dramatic shift occurred within the Fund for the Improvement of Postsecondary Education (FIPSE). The HBCU, TCU, and MSI Research and Development Infrastructure Grants program was reduced by \$35 million (70%). While significant, this reduction aligns with the program's original design as a pilot initiative, meaning fluctuations were anticipated. Additionally, many FIPSE programs do not operate on annual competition cycles, so year-to-year funding levels often reflect timing rather than long-term policy changes.

Another notable adjustment is the \$50 million reduction for Howard University Hospital, which reflects the end of prior supplemental funding for capital construction rather than a withdrawal of ongoing support.

As in K–12, earmarks returned to higher education funding, with South Carolina receiving the largest share, followed by Kansas, Maine, Michigan, and New York. The top funding trends for higher education projects included;

- Equipment and infrastructure- \$97.7M
- STEM and Technical Education - \$51M
- Workforce and Career Training- \$39.1M
- Health and Nursing Education - \$23M
- Other/ General Higher Education Improvements- \$8.6M

A total of \$224.4 million was dedicated to earmarks, which is half of what they received when they were funded in FY24. Earmarks represent both opportunity and competition, as they can bring new funding opportunities for some while also redirecting dollars away from competitive grant pools.



LOOKING AHEAD: FY2027 BUDGET REQUEST AND EMERGING PRIORITIES

While FY2026 implementation is still underway, the Administration has begun to request a FY2027 budget for the Department of Education. They have proposed \$75.7 billion, which is a decrease from FY2026 enacted levels. While presidential budget requests are not binding, they provide important insight into future priorities that may shape upcoming grant competitions.

The request introduces a new initiative referred to as the Make Education Great Again (MEGA) Grants Program, which is requesting a \$2 billion investment. The MEGA program is meant to consolidate and replace 17 existing formula and competitive K–12 grant programs with the overall goal being to streamline federal support and empower states to determine their needs. We see a similar theme in special education funding. The FY2027 request includes a \$538 million increase for IDEA Grants to States, but it also proposes consolidating six separate IDEA programs into that larger funding stream. While this would expand overall funding for special education at the state level, it also reflects a broader effort to simplify federal program structures and shift decision-making authority closer to state entities.

Funding for career and technical education and adult education programs are not included within the Department of Education's proposed budget. Instead, funding has been requested under the Department of Labor to reflect their evolving interagency partnership. This is an area of concern given that the FY26 appropriations language was very clear in that Department of Education cannot transfer its core responsibilities to other federal agencies without explicit approval. Additionally, there is broader concern that distributing responsibilities across multiple agencies could introduce inefficiencies, increase administrative costs, and delay the delivery of funds to states and local recipients.

In higher education, the FY2027 request signals more substantial changes. It calls for the elimination of several longstanding programs, including the Strengthening Institutions Program (SIP), the Minority Science and Engineering Improvement Program, International Education and Foreign Language Studies programs, the Federal TRIO programs, and the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). Overall, the Administration has proposed approximately \$697 million for higher education programs, with the majority of funding concentrated within Title III of the Higher Education Act.

Throughout the entire request, there is one reoccurring theme: returning education to the states. This has already been a competitive preference priority in several Department of



Education grant programs and can expect it will continue to be throughout this administration. For grant professionals, this shift may require a more strategic focus on aligning with state-level priorities and strengthening partnerships at the state and regional level.

While administrations can propose budgets and signal priorities, Congress ultimately controls federal appropriations. Significant structural changes to the Department of Education—or dramatic shifts in funding—would require legislative action. As a result, most changes in the near term are likely to be incremental rather than transformative. For K–12 districts, higher education institutions, and grant professionals alike, the current landscape underscores the importance of aligning proposals with demonstrated federal priorities, monitoring competition cycles, and leveraging both formula and discretionary funding streams. Those who can interpret not just the numbers—but the intent behind them—will be best positioned to compete effectively in the year ahead.

Program Snapshot

Innovative Approaches to Literacy (IAL)

SUMMARY

The Innovative Approaches to Literacy (IAL) program supports high-quality initiatives aimed at developing and strengthening literacy skills for children from birth through 12th grade, particularly in high-need local educational agencies (LEAs) and schools. The Department prioritizes innovative efforts that expand literacy opportunities in low-income communities. These efforts may include enhancing school library programs by providing professional development for librarians, as well as access to books and up-to-date materials in high-need schools. The program also supports early literacy services, such as pediatric literacy initiatives where medical providers use well-child visits to equip parents with developmentally appropriate books and guidance to encourage reading aloud from infancy. In addition, IAL promotes the regular distribution of high-quality books to children and adolescents in low-income communities to increase reading motivation, improve performance, and encourage more frequent reading.

In FY 2026, IAL has two absolute priorities and two competitive preference priorities.

- **Absolute Priority #1:** Projects, Carried Out in Coordination With School Libraries, for Book Distribution, Childhood Literacy Activities, or Both
- **Absolute Priority #2:** Returning Education to the States
- **Competitive Preference Priority 1** - Serving Rural Local Educational Agencies (LEAs).
- **Competitive Preference Priority 2** - Meaningful Learning Opportunities for Students

ELIGIBILITY

Eligible applicants include:

- An LEA in which 20 percent or more of the students served by the LEA are from families with an income below the poverty line (as defined in section 8101(41) of the ESEA).;
- Consortium of high-need LEAs (as described above);
- The Bureau of Indian Education;
- An eligible national nonprofit organization that serves children and students within the attendance boundaries of one or more eligible LEAs

DEADLINE

Applications are due by June 9, 2026. Future funding for this program is to be determined.

FOR MORE INFORMATION

<https://www.ed.gov/grants-and-programs/grants-birth-grade-12/well-rounded-education-grants/innovative-approaches-literacy-84215g#home>



US BUDGET SUMMARY

Research & Innovation

Federal funding for research and innovation overlays nearly every sector of the American economy. From municipal energy grids to university laboratories to manufacturing floors, federal grants serve as vital seed capital that drives technological advancement and the nation's global competitiveness. While the National Science Foundation (NSF), National Institutes of Health (NIH), and Department of Defense (DOD) are consistently among the largest funders of academic research, other federal agencies like the Departments of Energy (DOE) and Commerce (DOC) play equally critical roles in transitioning experimental science into applied commercial capabilities.

This year, funding for research initiatives was approved across both the second and third spending minibuses. This means grant funding is flowing from most major players. However, at the time of publication, the Department of Homeland Security has not secured a final budget for its Science and Technology Directorate (S&T) or the Cybersecurity and Infrastructure Security Agency (CISA) – creating delays for new grant activities in advanced border control, new first responder technologies, and cybersecurity innovation.



MAJOR FUNDERS

<u>National Institutes of Health (NIH)</u>	<u>Department of Energy (DOE)</u>	<u>Department of Commerce (DOC)</u>
<u>National Cancer Institute (NCI)</u>	<u>Office of Science (SC)</u>	<u>National Institute of Standards and Technology (NIST)</u>
<u>National Institute of Allergy and Infectious Diseases (NIAID)</u>	<u>Office of Energy Efficiency and Renewable Energy (EERE)</u>	<u>National Oceanic and Atmospheric Administration (NOAA)</u>
<u>National Heart, Lung, and Blood Institute (NHLBI)</u>	<u>Advanced Research Projects Agency-Energy (ARPA-E)</u>	<u>Economic Development Administration (EDA)</u>
<u>National Institute of General Medical Sciences (NIGMS)</u>		



See the basics of the NSF's grant platform – Research.gov – in our recent hands-on webinar — Getting Started with Research.gov: Preparing and Managing NSF Proposals

TOP 3 PRIORITIES

Securing federal research dollars in 2026 will be a highly competitive endeavor. As the current administration aligns research funding with its identified priorities, namely supply chain resilience and national security, traditional scientific exploration will continue to feel the squeeze. This contraction is already having a tangible impact on the academic community, with the National Science Foundation funding 2,200 fewer awards this past year than in previous cycles (see page 42).

Shifting Administrative Priorities:

The federal government is aggressively steering research dollars to match new geopolitical and domestic agendas, favoring projects that yield immediate supply chain, cybersecurity, and defense benefits. Agencies like the Department of Energy (DOE) dropped funding for wind and solar power research, pivoting instead to advanced manufacturing and a 10% funding boost (\$190 million) to secure energy sector infrastructure and cybersecurity. US military research reflects a similar pivot; while the Department of Defense (DOD) saw massive cuts to traditional University Research Initiatives, its highly specialized grants saw growth - including a 10.8% increase for Space Force Defense Research Sciences and a \$6.3 million boost for Artificial Intelligence and Machine Learning Basic Research.

Squeezing Basic Research & Facility Funding:

Across multiple agencies, broad exploratory research and facility construction pools are tightening. The National Science Foundation (NSF) absorbed a 3% overall budget reduction, including a steep 20% cut to its STEM Education allocation, bringing it down to \$938 million. Similarly, the Department of Commerce (DOC) cut \$40 million from its National Institute of Standards and Technology's (NIST) research facility construction budget.

Scrutinizing Indirect Research Costs:

The broader scientific community recently secured a massive legal victory regarding Facilities and Administrative (F&A) costs. After a coordinated administrative effort to cap indirect research cost reimbursements at 15% across the NIH, DOE, NSF, and DOD, higher education institutions successfully challenged the policy in federal court. Consequently, Congress explicitly directs federal agencies to continue honoring established Negotiated Indirect Cost Rate Agreements (NICRAs). However, while the immediate legal threat has passed, federal scrutiny on university overhead remains. Grantseekers should expect continued pressure to justify F&A costs and prepare for policymakers to explore new, standardized models for research funding in future budget cycles.

GRANTS TO WATCH OUT FOR

Program	Snippet
Regional Innovation Engines (NSF Engines) Program	Funding for technology-driven research and innovation projects that serve the region's and nation's economic needs and strengthen national competitiveness and security
Army Defense University Research Initiative (DURIP)	Funding for basic research in science and engineering at U.S. institutions of higher education that is of potential interest to the Department of Defense
Regional Technology Innovation Hubs	Funding develops clusters of businesses, communities, colleges and universities, and workers focused on accelerating innovation and technology deployment throughout the country
Major Research Instrumentation Program (MRI)	Funding assists the development or acquisition of multi-user research instruments that enable the advancement of science and engineering at universities and research organizations

Staying Competitive: How Funding has Changed at the National Science Foundation in the Past Year

Marc Smithers, Grants Development Associate (Higher Education)



As the grant funding environment continues to adjust under the current federal administration, one agency that has seen outsized attention for contraction of available funding has been the National Science Foundation (NSF). The agency, founded in 1950, is one of the largest funders of non-medical scientific research, [awarding \\$8.6 billion over 8,378 projects in 2025](#). As the current administration has worked to reduce federal spending in a number of areas, one of the agencies targeted most heavily is the NSF. The past two budget requests from the executive branch included drastic cuts to NSF funding, proposing a \$5 billion reduction in fiscal year (FY) 2026 and another [\\$4.8 billion reduction for next year's FY 2027 budget](#). Budgetary requests like this can dominate headlines to such an extent that grantseekers have a hard time knowing what has actually been enacted and what strategies they should employ in the changing landscape. Let's look deeper then, beyond the news stories and into the actual budget, considering what impacts have been seen in NSF decisions, and what actionable steps grantseekers can take with this information.

CONTRACTION, NOT DECIMATION

Though the initial NSF figures proposed for the FY 2026 budget were staggering, the actual cuts enacted with the passage of H.R.6983 in January of 2026 were modest. The total appropriation for the NSF went from \$9.06 billion to \$8.75 billion, a reduction of about 3% overall. While this reduction has certainly had effects on the operations of the agency, it is important to consider

that the overall impact has not been as drastic or immediate as advertised, nor does it show a willingness within Congress to gut scientific research entirely. Funding for Research and Related Activities remained stable, and no directorate within the agency received more than a 5% reduction in its funding levels from the previous year. For the most part, the NSF is currently operating at relatively similar funding levels as in previous years.

These changes have had notable impacts, however, of which grantseekers should be aware. Most importantly, the NSF funded fewer awards in the past year, from 10,592 in 2024 to 8,378 awards in 2025. This drop is especially concerning, considering that the agency received 3,000 more proposals in 2025 than the previous year, decreasing their funding rate to 19% of all reviewed applications, down from 26% in 2024. Unsurprisingly, then, grant cycles are becoming more competitive as funds have been contracted, and this trend is expected to continue.

Another area affected by these cuts is the STEM Education efforts of the NSF, which saw a decrease in funding of almost 20%, down to \$938 million. Some popular programs saw their budgets remain flat, such as the Advanced Technological Education (ATE) or Historically Black Colleges and Universities (HBCU) Programs, or even slightly increased, such as the Tribal Colleges and Universities Program (TCUP), receiving a 21% increase. Overall, though, STEM Education programs received less funding, and these impacts will likely affect the agency's ability to open new programs or fund other programs to similar levels as in previous years.

ACTION STEPS TO TAKE

In an environment of increased competition and uncertainty, it is more important than ever for grantseekers to plan ahead, stay informed, and gather resources.

Plan Ahead

Do not wait for programs to open. Develop core components of proposals, such as rough project narratives, intellectual merit statements, and partnership frameworks, now. Build internal project development timelines that are aligned with previous program cycles so that there is adequate time for the needed collaboration, review, and refinement processes that will ensure you are developing a competitive proposal.

Stay Informed

Regularly monitor the agency's website. Sign up for any listservs offered so you can track new solicitations or press releases. Pay attention to any shifts in language that may signal changes in an agency's priorities, as this will give you an idea of what reviewers will be looking for in their decision-making.

Gather Resources

Gather a dedicated grantseeking team early, ensuring that internal stakeholders are engaged from the start and institutional leaders are supportive along the way. Proactively collect and organize data, such as student outcomes or research literature, so that when opportunities are announced, you will be ready to respond with evidence rather than quickly gather it reactively.

While these action steps are no less applicable for proposals submitted for less competitive programs, they are especially important in a landscape as fluid and uncertain as the current NSF funding environment. Ensuring that you are well informed about its state of funding and how this may impact programs going forward is the best way to stay competitive in the coming years.





Grants Office in the Community

NORTHEAST CHILD ABUSE CONFERENCE IN ROCHESTER, NEW YORK

Grants Office was proud to be a sponsor of The Child Advocacy Center of Greater Rochester's 2026 Northeast Child Abuse Conference and we were excited to be there to support such an important initiative.

[Learn More](#)

From Tech Wish List to Fundable Education Project: What Canadian Funders Want to See

Sid Aubeeluck, Grants Development Associate (Canada)



Across primary and secondary schools, colleges, polytechnics, and universities, institutional ambitions continue to grow while internal cost pressures tighten available resources. As operating and modernization expenses increase, core funding often struggles to keep pace with evolving infrastructure and technology needs, prompting institutions to look outward. Competitive grant funding has become an essential lever, but securing it requires more than listing technological needs.

One important insight to remember is that grants are not general funding. Whether offered by governments or foundations, they are designed to support defined projects that align with a funder's mission and priorities, with clear expectations around objectives, timelines, and measurable outcomes. As a result, success depends less on presenting technology needs as a "wish list" and more on framing a structured, outcome-driven initiative that clearly connects to what the funder is trying to achieve.

Grant funders are focused on impact and alignment. Proposals that centre on broad "technology upgrades" are often deprioritized in favour of initiatives that clearly reflect strategic priorities such as workforce development, digital transformation, equity, or sustainability. This is where framing becomes critical. The same underlying need can be positioned in very different ways. Purchasing classroom technology, for example, becomes far more compelling when framed as advancing digital learning equity and access. Upgrading Wi-Fi infrastructure can be positioned as enabling resilient, campus-wide hybrid learning. New computer labs are not just equipment purchases but investments in hands-on training capacity that

support in-demand digital skills development and strengthen workforce readiness. In each case, the emphasis moves from inputs to outcomes.

Understanding what costs are eligible is another key factor. Funders typically distinguish between capital and operating expenses, and this distinction can determine whether a project is viable. Capital costs, such as hardware, infrastructure, and equipment, are more commonly supported, particularly when they contribute to funded program outcomes and long-term institutional capacity. Operating costs, including staffing, subscriptions, and maintenance, tend to face tighter scrutiny and are often capped, phased, or limited to short-term support within the lifecycle of a project. This is why routine or "business-as-usual" IT spending, such as standard refresh cycles or ongoing system support, is rarely funded on its own. To be considered, these costs usually need to be embedded within a broader transformation, where they are directly enabling innovation, improving efficiency, or unlocking new capabilities for the education institution. In practice, eligibility is less about the cost category in isolation and more about how convincingly the expense is linked to measurable change and sustained institutional impact.

Ultimately, moving from a tech wish list to a fundable project requires a shift in perspective. It is not about what an institution wants to buy, but about what it aims to achieve. Projects that demonstrate clear impact, align with funder priorities, and present a compelling case for long-term value are the ones that stand out in a competitive funding landscape.

SME Grant Financing in Canada: A Practical Guide to Unlocking Growth Capital

Sid Aubeeluck, Grants Development Associate (Canada)



INTRODUCTION

Canadian small and medium-sized enterprises (SMEs) are a core pillar of the national economy, accounting for the majority of businesses and a significant share of private-sector employment. Yet, as operating costs rise and barriers to entry increase, whether through technology investment, global competition, or regulatory complexity, many organizations are in need of additional resources to remain competitive and pursue growth. This is where grant funding plays a critical role.

WHAT CANADIAN BUSINESS GRANTS TYPICALLY SUPPORT

Unlike loans or equity financing, grants provide non-repayable or partially reimbursable funding to support specific business initiatives. However, private-sector grant funding in Canada is highly targeted. Most programs are designed to support technology adoption, research and development, commercialization, and export growth. Funding requests must be tied to a clearly defined project with measurable outcomes, rather than general business operations. Grants can range from modest contributions in the tens of thousands to multi-million-dollar investments, depending on the program and scope of the

initiative. Some are provided upfront, while others operate on a reimbursable basis, requiring businesses to incur expenses before receiving funding. Importantly, grants are not intended to support ongoing operational costs such as core equipment purchases unrelated to innovation, routine salaries, or overhead.

In practice, this framework is expressed through several key programs that shape SME funding across the country.

CANEXPORT

The CanExport SMEs program, delivered by the Trade Commissioner Service, is designed to help Canadian companies expand into new international markets. It supports a range of export development activities if applicants can demonstrate clear economic benefit to Canada and establish that their product or service has a strong Canadian origin. The program is competitive, funding roughly 40 percent of applicants each year, and requires a well-defined market entry strategy. Companies can request between \$10,000 and \$50,000 in funding, covering up to half of total project costs, with eligible expenses including travel, participation in trade events, market research, and adaptation of marketing materials for foreign markets. Funding may be provided either upfront or on a reimbursement basis, depending on the project.

INDUSTRIAL RESEARCH ASSISTANCE PROGRAM (IRAP)

The National Research Council of Canada Industrial Research Assistance Program (IRAP) represents one of the most significant sources of innovation funding for Canadian SMEs. Unlike more transactional grant programs, IRAP combines financial support with advisory services, connecting companies to technical and business expertise across the country. Its primary focus is on helping SMEs develop and commercialize new technologies, making it particularly relevant for companies engaged in research and development. Funding levels can vary widely, from approximately \$50,000 to several million dollars per project. The application process is more involved and relationship-driven, requiring detailed business and technical documentation as well as ongoing engagement with an Industrial Technology Advisor.

REGIONAL ECONOMIC DEVELOPMENT FUNDING

At a regional level, Canada's economic development strategy is supported through Regional Development Agencies, such as the Federal Economic Development Agency for Southern Ontario (FedDev). These agencies provide funding tailored to regional priorities, with a strong emphasis on business scale-up, productivity improvements, and economic impact.

In Ontario, the Federal Economic Development Agency for Southern Ontario (FedDev) delivers targeted funding to support business growth, innovation, and competitiveness across the region. Eligible applicants are typically incorporated, for-profit businesses operating in Southern Ontario with the capacity to deliver on growth-oriented projects and demonstrate financial ability to contribute their share of costs. Programs are designed to support initiatives that drive productivity improvements, technology adoption, commercialization, and market expansion, with a clear focus on generating measurable economic outcomes such as job creation and increased competitiveness. Funding is typically provided as both repayable and non-repayable contributions, with project support ranging from \$125,000 to \$10 million and covering up to 50% of eligible costs, requiring applicants to secure matching investment from other sources.

CONCLUSION

Taken together, these programs show that Canada's SME funding landscape is structured and highly competitive. While funding is available on a meaningful scale, it is awarded based on clear alignment with program objectives and well-defined, outcome-driven projects. For SMEs, success depends less on identifying funding sources and more on positioning initiatives in terms of innovation, growth, and measurable impact. When framed effectively, grants become a strategic lever for scaling operations and strengthening long-term competitiveness.

Interested in exploring any of these funding opportunities and considering an application? Our team is happy to support you in building a strong submission. To learn more and discuss your project, please reach out to CanadaHelpdesk@grantsoffice.com to schedule a free introductory consultation.



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Improving Undergraduate STEM Education (IUSE): Strategies to Strengthen Your Proposal

A Grants Office Production

About: Join Grants Office for an in-depth webinar on IUSE programs – two federal funding opportunities from the National Science Foundation that supports evidence-based approaches to strengthen STEM teaching and learning at two- and four-year institutions. Designed for faculty, department chairs, research administrators, and institutional leaders preparing to pursue IUSE funding. You'll leave with clear next steps, proposal planning insights, and actionable guidance to help your institution submit a competitive application.

[Access HERE](#)

Getting Started with Research.gov: Preparing and Managing NSF Proposals

A Grants Office Production

About: New to NSF proposal systems and Research.gov, previously used FastLane, or need a refresher? The Grants Office invites you to a hands-on webinar covering the basics of preparing, submitting, and managing proposals through Research.gov. This session is designed to help applicants confidently navigate the system and successfully submit proposals to the National Science Foundation (NSF).

[Access HERE](#)

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Secured School Safety Grants (SSSG): How to Apply and Win Funding

A Grants Office Production

Date: May 7, 2026

About: Looking to secure funding through the Secured School Safety Grant Program? Grants Office invites you to a hands-on webinar covering the basics of preparing, submitting, and managing applications for this important school safety funding opportunity. This session is designed to help applicants confidently navigate the process and successfully apply for funding to support safer school environments.

[Register HERE](#)

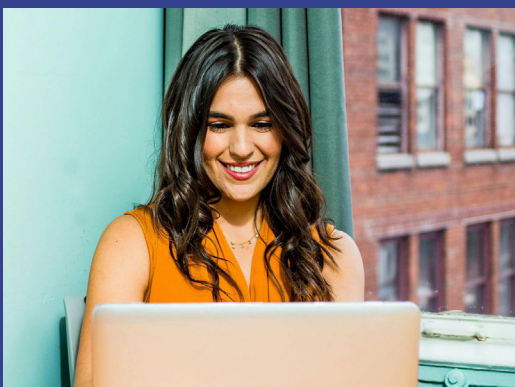
Mastering Indirect Costs: Advanced Strategies for Cost Recovery and Compliance

A Grants Office Production

Date: May 26, 2026

About: Designed for experienced grantseekers, this advanced webinar focuses on strategic approaches to maximizing indirect cost recovery while maintaining compliance and competitiveness. Rather than covering introductory concepts, this session explores how to position, justify, and optimize indirect cost rates across diverse funding environments to strengthen long-term financial sustainability.

[Register HERE](#)



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