



CITY OF LAS CRUCES

OPIOID SETTLEMENT GRANT FUND NOTICE OF FUNDING OPPORTUNITY

Funding Opportunity Summary

- **Title:** City of Las Cruces Opioid Settlement Fund – FY2026 Funding Opportunity
- **NOFO Number:** 2026-01
- **Issuing Agency:** City of Las Cruces
- **Funding Instrument:** Sub-awards (grant agreements)
- **Anticipated Total Funds Available:**
 - Total: \$2,000,000
 - Category I – Treatment: up to \$1,500,000
 - Category II – Prevention: up to \$500,000
- **Expected Number of Awards:** Approximately 10
- **Estimated Award Range:** \$200,000 minimum
- **Questions Due Date:** 11:30 a.m. on November 6, 2025
- **Application Due Date:** 5:00 p.m. MDT on Monday, December 8, 2025
- **Period of Performance:** March 1, 2026 – February 29, 2028

APPLICATION SUBMISSION FORMAT:

- 1 application with wet signature on letter preferably in blue ink plus 4 copies
- Applications should not be stapled
- 1 electronic copy of the application packet emailed to grants@lascruces.gov with subject line: “Opioid Settlement Fund Application Submission.” Only the first submission will be accepted. Submission must be date-stamped no later than 5:00 p.m. MDT on Monday, December 8, 2025.

QUESTIONS??

Questions about the content of this NOFO, the application forms, the opioid principles and tools (OSPRI) or eligible services categories must be submitted in writing to grants@lascruces.gov by the due date above. Please use the following in your message subject line: “Questions – Opioid Settlement Fund NOFO.” Responses to questions will be posted within 5 City business days of the deadline at [Opioid Settlement Funds - The City of Las Cruces](#).

Grant Program Overview & Application Instructions

A. Program Background and Purpose

New Mexico is experiencing one of the most severe substance use crises in the nation. In 2021, 1,029 New Mexicans died of drug overdoses—nearly three lives lost every day—and approximately 200,000 residents were living with a substance use disorder. The impact is felt locally: Doña Ana County reported 57 overdose deaths in 2021, a rate of 28.22 deaths per 100,000 population.

The opioid landscape has shifted, with fentanyl and methamphetamine surpassing heroin and prescription opioids as leading drivers of overdose deaths. At the same time, only one-third of New Mexicans with substance use disorders currently receive treatment, due in part to a severe workforce shortage.

In 2021, nationwide settlements were reached to resolve all opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors, McKesson, Cardinal Health, and AmerisourceBergen (“Distributors”) and against manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, “J&J”). These National Settlements have been finalized, and payments have already begun. In all, the Distributors will pay up to \$21 billion over 18 years, and J&J will pay up to an additional \$5 billion over no more than nine years.

In late 2022, agreements were announced with three pharmacy chains – CVS, Walgreens, and Walmart – and two additional manufacturers – Allergan and Teva. In January 2023, each of those pharmacy chains and manufacturers confirmed that a sufficient number of states had agreed to the settlements to move forward. The 2022 National Settlements have now all been finalized.

As part of this process, New Mexico participated in the suit against the pharmaceutical manufacturers, distributors and retailers for their roles in exacerbating the opioid crisis and successfully secured over \$884 million in opioid settlement revenues, with a portion allocated directly to local governments, including the City of Las Cruces.

As enumerated in settlement agreements and in statute (Section 6-4-29 NMSA 1978), revenues must be used to support treatment of opioid use disorders and any co-occurring substance use disorder or mental health conditions through evidence-based or evidence-informed programs or strategies.

The City of Las Cruces Opioid Settlement Fund Notice of Funding Opportunity (NOFO) provides an opportunity to invest local settlement dollars in high-impact strategies that address immediate needs while building long-term resilience in the areas of Prevention and Treatment.

B. Notice of Funding Opportunity Purposes and Goals

This NOFO's objective is to invite eligible applicants to submit proposals for projects that expand treatment capacity, strengthen recovery supports, and reduce risk factors that drive addiction, while ensuring funds are used effectively and in alignment with settlement requirements.

The City of Las Cruces has identified five goals for this funding, shown in Attachment "A" and included below:

- **Goal #1** - Improve access and utilization of Medication for Opioid Use Disorders (MOUD) by engaging people seeking care in high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment.
- **Goal #2** - Improve early identification of Opioid Use Disorder (OUD) by implementing universal screening and referrals in high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment.
- **Goal #3** - Incorporate harm reduction and support services into high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment to people at risk of overdose from OUD or developing OUD.
- **Goal #4** - Create a more comprehensive continuum of care in high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment for OUD.
- **Goal #5** - Prevent the development of OUD, primarily in children and youth, by addressing risk factors.

By targeting these goals, the City of Las Cruces aims to expand treatment capacity, strengthen recovery supports, and reduce risk factors that drive addiction, while ensuring funds are used effectively and in alignment with settlement requirements.

Projects that may be funded under this NOFO are divided into two funding categories (Category I – Treatment and Category II – Prevention). A brief summary of each funding category is provided in Section E.

C. Eligible Applicants

The City of Las Cruces invites proposals from qualified organizations with the demonstrated capacity to implement programs in one or more of the three service categories. Applicants must be legally established entities in good standing and authorized to conduct business in the State of New Mexico. Eligible applicants include:

- Nonprofit organizations with 501(c)(3) status providing health, behavioral health, or social services
- Healthcare providers including clinics, hospitals, emergency departments, federally qualified health centers (FQHCs), behavioral health agencies, and licensed substance use treatment facilities
- Educational institutions and prevention coalitions implement school- or community-based prevention initiatives
- Faith-based organizations that provide secular, evidence-based services in compliance with federal and state requirements
- Tribal governments or tribally operated programs serving Las Cruces residents
- Local government agencies with direct service capacity in the eligible categories

Ineligible Applicants

Those not eligible include, but are not limited to, the following entities:

- Federal governmental entities
- Individuals
- 501(c) 6 organizations
- Any entity that is currently disbarred from entering into a contract with the federal, state or local government

D. Award Information

- Total Funding: \$2,000,000
- Award Range: \$200,000 - \$2,000,000
- Period of Performance: March 1, 2026 – February 29, 2028
- Renewal: Subject to future funding
- Cost Share: This funding opportunity has no cost-sharing requirement, meaning you do not need to contribute matching funds to this project.

- Type of Award: Reimbursement (monthly)
- Number of Awards: Approximately 5 to 10 awards, depending on the amount of funding requested by each applicant and the amount of funding available, will be awarded under this NOFO. Additional awards may be made if additional funding becomes available.

E. Eligible Services by Funding Category & Objective

Applicants may propose projects that address any combination of objectives listed below under Category I and/or Category II. However, if an applicant is proposing a project which includes objectives in both Category I and II, then the applicant must submit one Budget Form and Budget Narrative for each funding Category.

1. Category I - Medication Assisted Treatment (MAT) Objectives

- Expand access to Medication for Opioid Use Disorders (MOUD) by increasing initiation rates in high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment
- Increase the number of providers in high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment authorized to prescribe MOUD
- Improve the coordination and continuity of care during transitions from high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment to community-based programs
- Improve the coordination and continuity of care during transitions from residential treatment or in-patient hospitals to community-based programs

2. Category I - Warm Handoff & Recovery Services Objectives

- Provide warm handoffs from high impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment to recovery and support services in overdose and withdrawal cases
- Improve transitions of care in high impact settings including emergency departments, primary care, and health care clinics like in-patient psychiatric or residential treatment for people receiving treatment for OUD, near-overdose events, or other mental health services
- Enhance coordination within emergency department by strengthening care transitions and increasing warm handoffs to appropriate treatment and support services

3. Category II - Prevention Programs Objectives

- Increase the number of people who are screened for OUD when seeking other types of medical care

- b. Broaden the use of OUD screening tools by increasing the types and number of service settings where it is routinely initiated
- c. Strengthen secondary prevention of OUD by embedding universal screening tools in high-impact settings including emergency departments, primary care, and other health care centers like in-patient psychiatric or residential treatment to detect risky opioid use early and prevent the transition to chronic OUD
- d. Prevent OUD among children and youth involved with the justice system or other care systems for children
- e. Reduce adverse childhood experiences (ACEs) for children and youth
- f. Increase the number of families receiving treatment and support services for children and youth

F. Application Instructions

Each proposal submitted must include a cover letter signed by the authorized official or an individual (e.g., executive director) that has authority to make decisions or take actions on behalf of an organization. This cover letter should not be numbered and will not count toward the page limit.

The full proposal (delineated below) shall be limited to a maximum of 25 consecutively numbered pages. If the application exceeds 25 pages, only the first 25 pages will be evaluated.

The font shall be 12-point Times New Roman. Page size shall be 8½ by 11 inches, including charts, maps, and drawings. Margins should be standard 1-inch margins. Oversized pages will not be accepted.

Applications will be prescreened for compliance to the above page number and formatting limitations. Excess pages will be removed and not considered in the evaluation of the proposed project.

Application Required Components

The application should include the items identified below. To facilitate fair and timely reviews, it is required that application packages be structured in the order presented below. Any application which fails to include these items will be deemed ineligible and may not be considered for funding. Applications will be screened for completeness and compliance with the provisions of this NOFO.

- 1) **Project Summary** - Write a brief summary (not to exceed one page) of your proposed project including its purpose and outcomes. Do not include any proprietary or confidential information. The City of Las Cruces will use this document for information sharing and public information requests if your organization is awarded.

Must include the following:

- The name of your organization
- The names of any subrecipients or sub-awardee organizations, if applicable
- Project goals (See Eligible Services/Categories above)
- Total budget amount (Form “B”)
 - Category I budget amount
 - Category II budget amount
- A description of how you will use funds

2) **Organization Details** – Please provide a brief summary of your organization. This may include your mission statement, the history of your organization, your current programs and activities, and/or a few top accomplishments within the last few years. In addition, please provide the following information about your organization:

- Legal name
- Entity type (e.g., non-profit, healthcare provider, local government, etc.)
- Mailing Address and Physical Address, if different
- Website
- Social Media handles
- Primary Contact name, mailing address, email address and phone
 - This is the contact for all updates and questions about the grant
- Organization TIN/EIN

3) **Project Narrative** - The project narrative is the most important part of your application and should clearly describe your proposed project. You must address the proposed goals, measurable objectives, and milestones, following the instructions in this section.

The project narrative should be as specific as possible given space. We encourage you to use tables, bullet points, and headings to improve readability. Please use the following outline to ensure that all necessary information is provided.

- Project Description

Describe the proposed project, including:

- The target population(s) to be served (e.g., individuals with OUD, youth, families, justice-involved individuals)
- The service category (Medication-Assisted Treatment, Warm Handoff/Recovery, or Prevention)

- The service delivery approach and any evidence-based or evidence-informed models used
- The geographic service area and locations of service delivery
- Any partner agencies or organizations involved and their roles

Identify which Goal(s) identified in the Eligible Services/Categories your project addresses. ***Refer to Section E on pages 5 and 6 of this NOFO and the Johns Hopkins Opioid Settlement Principles Resource and Indicators which can be found at the following web address: <https://opioidprinciples.jhsph.edu/ospri/>.***

For each selected goal:

- Specify the objectives from the City’s Scope of Work that your project will advance
- Identify the performance indicators you will measure (e.g., number and % of individuals screened for OUD, referrals to treatment, follow-up rates, prevention program participation, etc.)
- Describe how data will be collected and reported to the City
- Work Plan and Schedule
 - Present a clear timeline and milestones for the project through February 29, 2028
 - Include major activities such as staffing, program launch, participant engagement, training, data collection, and evaluation
 - Identify key deliverables and completion dates
- Expected Benefits and Impacts
 - Describe the anticipated outcomes of the project for individuals and the community
 - Identify short-term and long-term benefits, such as:
 - Increase in MOUD access and retention
 - Reduction of overdose events or emergency department utilization
 - Increase in screenings or referrals to treatment
 - Enhance the coordination of care and recovery supports
 - Impact of youth prevention or family stabilization services

- Explain how the project contributes to building long-term community resilience and aligns with public health approaches.
- Organizational Capacity
 - Summarize your organization’s experience providing substance use treatment, recovery, or prevention services.
 - Identify key staff and their qualifications.
 - Capacity to serve non-English speaking populations
 - Describe prior experience with data collection and outcome reporting

4) **Budget Request & Budget Narrative** – A budget request and budget narrative for your project are required. A thorough budget narrative will aid the administrative review and processing of a recommended award. Amounts included in a budget and budget narrative are estimates; in the event of an award, payments will be based on actual expenditures. The following is guidance for your use in preparing a thorough budget narrative. The budget narrative provides a discussion of, or explanation for, items included in the budget request.

The total project cost is the sum of all allowable costs. See the following table for an outline of the budget categories, additional explanation for each category follows. Note that not all categories are required, please provide information for all applicable categories. Budget requests must be submitted using the Budget Request Form attached to this NOFO.

BUDGET CATEGORIES	
a.	Personnel
b.	Fringe Benefits
c.	Travel
d.	Equipment
e.	Supplies
f.	Contractual
g.	Other Direct Costs
h.	Total Direct Costs (<i>sum a-g</i>)
i.	Indirect Costs
j.	TOTALS (<i>sum h and i</i>)

- **Personnel** - This category includes salaries and wages of employees of the applicant organization that will be working directly on the project. Generally, salaries of administrative and/or clerical personnel are included as a portion of the stated indirect costs. If these salaries can be adequately documented as direct costs, they can be included in this section; however, a justification should be included in the budget narrative.

All personnel should be identified by position or title only. For all positions, identify the project tasks that will be performed. Compensation rates can be expressed as hourly rates and number of hours or annual salary and percentage effort that will be contributed to each task but must be consistent with your organization's accounting and timekeeping policies. Include estimated hours for compliance with reporting requirements, including the final project report and evaluation. For multi-year projects, identify the level of effort anticipated for each budget year and any estimated increases in compensation rates. Please identify which position will serve as the project director/principal investigator.

- **Fringe Benefits** - Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans. Fringe costs should also include employer contributions required by law such as payroll taxes such as FICA, unemployment, and workers compensation.

Fringe does not include federal income taxes, employee portion FICA, or other such costs. Fringe benefits can be expressed as an hourly rate or percentage of personnel costs. In the narrative, identify the fringe benefit rates/amounts for each position.

- **Travel** - Travel costs are expenses incurred by personnel in the performance of project activities. Costs can be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided that the method used is applied to the entire trip and not to selected days of the trip.

Provide a narrative describing any travel employees are anticipated to complete as part of their duties under this project. Include the purpose of the travel and how it relates to project tasks, the origin and destination of the trip, number of personnel traveling, length of stay and all travel costs including airfare, per diem, lodging, ground transportation, and miscellaneous travel expenses. Identify the basis for rates used, (e.g. GSA Per Diem Rates, published prices) and the total of each planned trip.

- **Equipment** - Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the applicant organization for financial statement purposes, or \$5,000.

If equipment is being requested, itemize all equipment valued at or greater than your organization's capitalization threshold. If your organization's capitalization threshold is greater than \$5,000, identify all equipment valued at or greater than \$5,000. For each item,

identify why it is needed for the completion of the project and how the equipment was priced (published price, quote, etc.).

- **Supplies** - Supplies means all tangible personal property other than those described in the definition of Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by your organization for financial statement purposes or \$5,000, regardless of the length of its useful life.

List all expendable supplies noting their purpose in the project and the basis of cost (e.g. vendor quotes, catalogue prices, prior invoices, etc.). For each item, provide the estimated unit cost, quantity, and total cost. General categories may be used, but if a category is viewed as too general or the associated amount is too high, further itemization will be requested.

- **Contractual** - Include all contracts and subawards. A contract means a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out a project or program under this award.

For each contract, regardless of dollar value, describe the services to be obtained and the applicability or necessity of each to the project. Identify the total estimated cost and the basis(es) used to develop the estimate. If known, identify the recipient of each subaward. Describe the activities to be performed under each subaward, regardless of dollar value, and indicate the applicability or necessity of each to the project.

- **Other Direct Costs** - This category contains items that do not fit into the previous defined categories but are essential for the completion of the project. Examples include, but are not limited to software licensing fees, equipment rentals, etc.
- **Indirect Costs** - Indirect costs, also known as facilities and administrative (F&A) costs, are the overhead expenses of an organization that are necessary for the general operation of the business but cannot be directly tied to a specific grant or project. They cover shared costs such as utilities, rent, administrative support (like accounting and human resources), and maintenance of facilities like offices or buildings.

- 5) **Attachments** - Include any relevant attachments with your proposal. Note that attachments DO NOT COUNT against the 25-page limit. Please clearly separate and identify the section containing attachments for clarity and ease of review.

Acceptable documents include, but are not limited to, medical licensing or credentials, NM Resident or Veteran Preference certificate, an IRS determination letter for 501(c)(3) status, a list of board members, financial statements, resumes of key personnel, letters of support, etc.

G. Review & Selection Criteria

- **Program Design & Alignment (40 pts)**

Proposals will be evaluated on the clarity, feasibility, and strength of the program design, including how well the project aligns with one or more of the City’s three funding categories – Medication-Assisted Treatment, Warm Handoff and Recovery Services, or Prevention Programs – and the thirteen (13) City Opioid Settlement Objectives.

Reviewers will assess whether the proposed activities are evidence-based or evidence-informed, responsive to local needs, and supported by a clear implementation strategy that demonstrates understanding of the population to be served.

- **Organizational Capacity (20 pts)**

Applicants will be scored on their ability to successfully manage and deliver the proposed project. This includes demonstrated experience in providing similar services, staff qualifications and expertise, sound administrative and fiscal processes and systems, and established partnerships or collaborations that enhance service delivery. Reviewers will also consider the organization’s readiness to initiate services within the required timeline.

- **Impact & Outcomes (20 pts)**

Reviewers will assess the extent to which the project identifies measurable outcomes and aligns them with the City’s established performance indicators from the Opioid Settlement Scope of Work (Attachment “A”). Strong proposals will include clear metrics for tracking progress, defined evaluation methods, and a plan for reporting results that demonstrate improvement in treatment access, recovery continuity, harm reduction, or prevention outcomes within the Las Cruces community.

- **Budget & Cost Effectiveness (20 pts)**

Budgets will be evaluated for reasonableness, alignment with proposed activities, and efficient use of funds. Reviewers will consider whether costs are adequately justified, allowable under the funding source, and proportionate to the scale and anticipated impact of the project. Preference will be given to proposals that leverage additional funding sources, demonstrate fiscal responsibility, and maximize the reach of the City’s Opioid Settlement investments.

H. Limitations

We do not allow the following costs as part of the proposal:

- Pre-award costs
- Meeting match requirements for any local, state, or federal awards

- Services, equipment, or supports that are the legal responsibility of another party under federal, state, local, or tribal law, such as vocational rehabilitation or educational services
- Services, equipment, or supports that are the legal responsibility of another party under any civil rights law, such as modifying a workplace or providing accommodations that are obligations under law
- Goods or services not allocable to the project
- Supplanting existing State, local, tribal, or private funding of infrastructure or services, such as staff salaries
- Construction or building expansion, purchasing or significant retrofitting of buildings, cosmetic upgrades, or any other cost that materially increases the value of the capital or useful life of tangible property as a direct cost
- The cost of independent research and development, including their proportionate share of indirect costs
- Funds related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or executive order

I. Award Administration

- **Reporting Requirements**

- Grantee will provide monthly expenditure requests with backup documentation as required by the City
- Grantee will report quarterly to the City on project progress, successes, barriers, lessons learned, future plans, and collaborations as will be described within the agreement
- Grantee will provide to the City a Mid-Project Report on or about March 31, 2027, or upon completion of the project detailing progress towards goals and milestones
- Grantee will provide on an annual basis Conflict of Interest disclosure documentation for all board members and staff that have fiduciary responsibility/authority over the funds awarded
- Grantee will be required to submit a copy of the Sub-recipient's reporting package to the City 30 days after receipt of an auditor's report. Reporting package shall include:
 - Financial statement
 - Schedule of prior year audit findings
 - Auditor's report

- Corrective action plan that addresses each audit finding, if any

- **Monitoring**

- The City will conduct at minimum one site visit at its sole discretion during which a review of documentation, programmatic outcomes, current fund status, and other reasonable requests may occur

- **Payments**

This agreement is reimbursement based. Reimbursements will be made for the approved line items in the Project Budget that align with the Scope of Work. Monthly reimbursement requests/financial reports will be due no later than the 15th day of the month immediately following the month during which it was expended

Opioid Settlement Fund - Grant Application Checklist

Application package must be received no later than 5:00 p.m. MDT on Monday, December 8, 2025

- Cover letter signed by authorized official
- Application (in the following order and limited to 25 pages)
 - Project summary
 - Organization details
 - Project Narrative
 - Project description
 - Work plan & schedule
 - Expected benefits & impacts
 - Organizational capacity
 - Budget request on Form B
 - Budget narrative
- Attachments supporting the application
- Submission details:
 - Hard copy submissions:
 - 1 original application packet with letter signed in blue ink (preferred)
 - 4 copies of application packet
 - Mailed applications must be received by the City prior to the submission deadline
 - Electronic submission
 - Application must be emailed to grants@lascruces.gov with subject line: “Opioid Settlement Fund Application Submission”
 - Please note that the City’s limit for email receipt is 35MB
 - If your submission is more than the limit, please separate your submission and indicate on the subject line “# of # emails”
 - Only the first submission will be accepted
 - Submission must be date-stamped no later than 5:00 p.m. MDT on Monday, December 8, 2025
 - In cases where the electronic and hard copy submissions differ, the hard copy will prevail
- Hard copy submissions must be mailed or hand delivered to the following address:

City of Las Cruces
Attn: Finance Dept/Grants Admin Prog
700 N. Main St., 3rd Floor
Las Cruces, NM 88001-1120

This form does not need to be submitted with the application. It is provided for your reference.