

# Higher Education Emergency Relief Funds and Community/Continuing Education

Roxanne Metz and Emmanuel Smith

Saddleback College Office of Grants and Contracts



# Agenda

- Overview of CARES HEERF I
- Overview of CRRSAA HEERF II
- Allowable Uses of Funds
- Relevant Department of Education Guidance
- Required Reporting
- Considerations
- Resources and Discussion

# Coronavirus Aid, Relief, and Economic Security (CARES) Act : HEERF-I

For costs *first incurred on or after March 13, 2020*

Funds are available for *one year from award*

- Student Portion
- Institutional Portion
- Minority Serving Institutions (MSI) Portion

# CARES HEERF I – continued

**Institutional Portion:** to cover any costs that have a clear nexus to significant changes to the delivery of instruction due to the coronavirus.

Allowable costs: Costs related to refunds made to students for housing, food, or other services that Recipient could no longer provide, or for hardware, software, or internet connectivity that Recipient may have purchased on behalf of students or provided to students

**Minority Serving Institutions (MSI) Portion:** to defray expenses incurred by Recipient

Allowable costs: lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll.

# Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act: HEERF II

For obligations *incurred on or after December 27, 2020*

Allowable costs: Defray expenses associated with coronavirus including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll

Expanded flexibility applies to unexpended CARES HEERF I Institutional funds effective December 27, 2020.

Award notices initially indicated the same end date as CARES but institutions can request extended end dates.

*Recipients must, to the greatest extent practicable, continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus pursuant to section 315 of the CRRSAA.*

# Allowable Uses of Funds

Activity	CARES Act	CRRSA Act
Distance Education Technology for Staff and Students	✓	✓
Faculty and Staff Training	✗	✓
Replacement of Lost Revenue	✗	✓
Student Emergency Aid Grants	✓	✓
Continuation of Payroll	✓	✓
Student Support Activities	✓	✓
Marketing/Advertising	✗	✗
Campus Safety and Operations (PPE, Sanitizing)	✗	✓
Administrator Salaries and Benefits	✗	✗

# HEERF Allowability: Salaries and Benefits

Q: Can schools use CARES Act funds under Section 18004(a)(1) (HEERF I Institutional) to pay salaries and benefits for employees that work in the dining halls and dorms and who would have otherwise been paid through student housing fees had COVID-19 not disrupted campus operations?

A: Yes. The Certification and Agreement states: “Recipient retains discretion in determining how to allocate and use the funds provided hereunder, provided that funds will be spent only on those costs for which Recipient has a reasoned basis for concluding such costs have a clear nexus to significant changes to the delivery of instruction due to the coronavirus.” The Department considers institutions to have such a reasoned basis with respect to the salaries and benefits for employees that work in dining halls and dorms and who would have otherwise been paid through student housing fees, had COVID-19 not disrupted campus operations.

*- from CARES Act Supplemental FAQs 6-16-20*



# HEERF Allowability: Lost Revenues

Q: How do recipient of section 18004(a)(2) (HEERF I MSI) and (a)(3) (HEERF I FIPSE) funds document lost revenues? Do lost revenues related only to disruption of instruction? Does lost revenues include revenue lost from cancelled summer camps or unused parking lots?

A: Upon request from the Department, institutions must provide documents demonstrating year-over-year decreases in revenue that are the result of a decline in enrollment, a decline in student fees including housing fees and meal plans, a decline in parking and facilities revenue, or a decline in revenue from summer programs or other activities disrupted by COVID-19. *(from CARES Act Supplemental FAQs 6-16-20)*

A: Institutions must document any offsets in lost revenue by comparing year-to-year revenue and describing how the shortfall in tuition is impacting the institution's budget. The institution must also track how these funds were spent and report those uses accurately in its required quarterly and annual reports. *(from Round 3 HEERF FAQs 10-22-20)*



# HEERF Quarterly Reporting Categories

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable
Providing additional emergency financial aid grants to students. <sup>1</sup>	\$ 0	\$ 0	\$ 0
Providing reimbursements for tuition, housing, room and board, or other fee refunds.	\$ 0	\$ 0	\$ 0
Providing tuition discounts.		\$ 0	\$ 0
Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.	\$ 0	\$ 0	\$ 0
Providing or subsidizing the costs of high-speed internet to students or faculty to transition to an online environment.	\$ 0	\$ 0	\$ 0
Subsidizing off-campus housing costs due to dormitory closures or decisions to limit housing to one student per room; subsidizing housing costs to reduce housing density; paying for hotels or other off-campus housing for students who need to be isolated; paying travel expenses for students who need to leave campus early due to coronavirus infections or campus interruptions.	\$ 0	\$ 0	\$ 0
Subsidizing food service to reduce density in eating facilities, to provide pre-packaged meals, or to add hours to food service operations to accommodate social distancing.	\$ 0	\$ 0	\$ 0
Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.	\$ 0	\$ 0	\$ 0
Campus safety and operations. <sup>2</sup>	\$ 0	\$ 0	\$ 0

# HEERF Quarterly Reporting Categories – continued

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable
Purchasing, leasing, or renting additional instructional equipment and supplies (such as laboratory equipment or computers) to reduce the number of students sharing equipment or supplies during a single class period and to provide time for disinfection between uses.	\$ 0	\$ 0	\$ 0
Replacing lost revenue due to reduced enrollment.		\$ 0	\$ 0
Replacing lost revenue from non-tuition sources (i.e., cancelled ancillary events; disruption of food service, dorms, childcare or other facilities; cancellation of use of campus venues by other organizations, lost parking revenue, etc.). <sup>3</sup>		\$ 0	\$ 0
Purchasing faculty and staff training in online instruction; or paying additional funds to staff who are providing training in addition to their regular job responsibilities.	\$ 0	\$ 0	\$ 0
Purchasing, leasing, or renting additional equipment or software to enable distance learning, or upgrading campus wi-fi access or extending open networks to parking lots or public spaces, etc.	\$ 0	\$ 0	\$ 0
Other Uses of (a)(1) Institutional Portion funds. <sup>4</sup>	\$ 0		
Other Uses of (a)(2) or (a)(3) funds, if applicable. <sup>5</sup>		\$ 0	\$ 0

# Considerations:

- Documentation and Reporting
- One-time savings and one-time expenses
- Continuation of payroll
- Uncertainty about the future (enrollments, additional economic relief funds, the COVID-19 pandemic)
- Covering the cost of large capital investments (e.g. parking, dorms, cafeteria services)
- Continuity of operations
- COVID Block Grants (State and Federal)
- Indirect cost recovery

# Resources:

- CARES Act HEERF I -  
<https://www2.ed.gov/about/offices/list/ope/car esact.html>
- CRRSAA HEERF II –  
<https://www2.ed.gov/about/offices/list/ope/crr saa.html>
- HEERF Reporting -  
<https://www2.ed.gov/about/offices/list/ope/he erfreporting.html>
- NASFAA HEERF I and HEERF II Reference Pages
  - [https://www.nasfaa.org/covid19\\_heerf](https://www.nasfaa.org/covid19_heerf)
  - [https://www.nasfaa.org/heerf\\_ii](https://www.nasfaa.org/heerf_ii)

Discussion:

Higher Education Emergency  
Relief Funds and  
Community/Continuing  
Education

Further questions: email us  
at [scgrants@saddleback.edu](mailto:scgrants@saddleback.edu)

