

**Coronavirus Relief for Higher Education**

Since the March 2020[[1]](#footnote-1) declaration of a national emergency due to the COVID-19 pandemic, Congress has enacted three laws that provide resources for individuals, businesses, and state and local governments, including K-12 and higher education entities. The pandemic has hit the higher education sector of the economy especially hard: the U.S. Department of Labor estimated that more than 650,000 higher education jobs were lost during the pandemic through February 2021.[[2]](#footnote-2)

This toolkit summarizes the higher education provisions of these laws, provides links to the U.S. Department of Education’s (ED) guidance on how institutions are to use the funds, and includes answers to frequently asked questions, a bargaining checklist and considerations, and a template for requesting financial information from a college or university.

Coronavirus relief Acts include: [the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020](https://www.congress.gov/116/bills/hr748/BILLS-116hr748enr.pdf), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) of 2020 (Division M of the [Consolidated Appropriations Act of 2021](https://www.congress.gov/116/bills/hr133/BILLS-116hr133enr.pdf)), and the [American Rescue Plan Act](https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf) (ARPA) of 2021. Among their numerous provisions, each legislation has provided substantial funding to higher education students and institutions through the Higher Education Emergency Relief Fund established by the Education Stabilization Fund under the CARES Act as illustrated in Figure 1.

Figure 1: *Congressional Appropriations by Act into the Higher Education Emergency Relief Fund*

**The Coronavirus Aid, Relief, and Economic Security (CARES) Act, 2020**

The Coronavirus Aid, Relief, and Economic Security (CARES) Actwas signed into law on March 27, 2020. The Act provided $2.2 trillion in economic stimulus through one-time cash payments to individuals, increased unemployment benefits, forgivable loans to small businesses, loans for corporations, payments for hospitals and public health, and for K-12 and higher education.

Funds for higher education were provided through the Education Stabilization Fund (ESF). Under Section 18001 of the Act, the Secretary of Education was first required to reserve up to 0.5% for the outlying areas on the basis of their respective needs[[3]](#footnote-3); 0.5% for programs operated or funded by the Bureau of Indian Education; and 1% for competitive grants to the states with the highest coronavirus burden to support activities under the ESF.

Following that, the Secretary was required to provide the remainder of the funds to three emergency education relief funds: The Governor’s Emergency Relief Fund, the Elementary and Secondary School Emergency Relief Fund, and the Higher Education Emergency Relief Fund. The first and third of these relief funds are summarized below, which may be expended on purposes of higher education.

***Governor’s Emergency Relief Fund (§18002, 9.8% or $2.953 billion)***

These funds were to be used to provide emergency support through grants to institutions of higher education serving students within the state that the governor determined to have been most significantly impacted by the pandemic. The funds were appropriated to support the ability of these institutions to continue to provide educational services and support the on-going functions of the institutions. The Fund also provided support to education-related entities that the governor deemed essential for carrying out emergency educational services to students for authorized activities in section 18003 of the law. Any funds not used within one year were to be returned to the Secretary and reallocated to the other states.

***Higher Education Emergency Relief Fund (§18004, 46.3% or $13.953 billion)***

These funds were to be used to cover any costs associated with changes to the delivery of instruction due to the pandemic so long as those costs did not include payments to contractors for the provision to pre-enrollment recruitment activities; endowments; or capital outlays associated with athletic facilities, sectarian instruction or religious worship. Institutions must use at a minimum 50% of funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to the pandemic (including eligible expenses under a student’s cost of attendance such as food, housing, course materials, technology, health care and child care).

Within this section of the law, 90% of the funds were allocated directly to the institutions through the Title IV distribution system. Institutional amounts were calculated using 75% of full-time equivalent (FTE) enrollment of Pell students at an institution, while 25% were calculated using FTE enrollment of non-Pell students.[[4]](#footnote-4) Of the remaining 10% of funds, 7.5% was earmarked for minority-serving institutions (MSI)[[5]](#footnote-5) and 2.5% for institutions which the Secretary determined had the greatest unmet needs related to coronavirus. Institutions receiving funds under the Higher Education Emergency Relief Fund were to report their use of funds to the federal government.

**Funding Guidance and Financial Reporting Requirements**

On June 22, 2020, the Financial Accounting Standards Board (FASB) released a staff Q&A on the application of the U.S. GAAP Financial Reporting Taxonomy for COVID-19 pandemic and relief disclosures.[[6]](#footnote-6) This guidance was expected to be adopted by private higher education institutions beginning with their FY2021 financial reports. If the institution’s financial statements include a separate note on COVID-19, that note should end with “COVID-19” to alert readers to its application.

The Governmental Accounting Standards Board (GASB) released Technical Bulletin No. 2020-1 which contained guidance to public institutions for higher education (IHE) for applying existing standards to transactions related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and outflows incurred in response to the coronavirus.[[7]](#footnote-7) In it, the GASB interprets how six prior statements should be applied to funds received by institutions from the CARES Act. This guidance is expected to be adopted by public higher education institutions beginning with their FY2021 financial reports.

On September 28, 2020, the U.S. Department of Education (ED) released details for institutional reporting under the Higher Education Emergency Relief Fund (HEERF) of the CARES Act. In the guidance, higher education institutions were to provide their first quarterly reports detailing how they used funds by October 30 for the period between the date of their first HEERF award and September 30. Thereafter, these reports were due quarterly and posted no later than 10 days after the next calendar quarter begins. According to the ED, “This form must be conspicuously posted on the institution’s primary website on the same page the reports of the IHE’s activities as to the emergency financial aid grants to students made with funds from the IHE’s allocation under Section 18004(a)(1) of the CARES Act (Student Aid Portion) are posted.”[[8]](#footnote-8) Each institution’s final report detailing expenditures from March 13 through December 31, 2020 were due to the ED on February 8, 2021.

Institutions generally must expend their HEERF funds within one year from the date when the Department processed the most recent obligation of funds for each specific grant. Thus, institutions that received a supplemental award under CRRSAA have one year to spend all remaining CARES funds and new CRRSAA funds for each grant. No-cost extensions up to one year are also available under certain circumstances. Institutions may contact their assigned grant program officer identified on the grant award notification (GAN) for more details on requesting an extension. (Added March 19, 2021).

**NOTE:** In Section 18006 of the ESF portion of the CARES Act, the law states that a higher education institution receiving funds under this Fund shall, to the greatest extent practicable, “***continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus.”*** (Emphasis added.)

**Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), 2021**

The second bill passed by Congress to address the consequences of the pandemic was signed into law on December 27, 2020, as Consolidated Appropriations Act (Public Law 116-260). This legislation provided $1.4 trillion in federal spending through the annual appropriations cycle and $900 billion in COVID-19 relief funding;of the emergency relief, $22.7 billion was set aside for Higher Education Emergency Relief Fund (HEERF II) under the Education Stabilization Fund.

Eighty-nine percent (89%) was directed to institutions of higher education; 7.5% to Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), and other minority serving institutions (MSIs); 3% for emergency student aid at for-profit institutions; and 0.5% for grants through the Fund for the Improvement of Postsecondary Education (FIPSE) to institutions particularly impacted by the pandemic or disadvantaged by the formula for student aid. The Act also forgives an estimated $1.3 billion in existing HBCU Capital Financing Loans.[[9]](#footnote-9)

The law made several changes to the allocation formula to address headcount concerns, and simplified the Free Application for Federal Student Aid (FAFSA) form used to obtain federal support for higher education. One of those allocation changes involved the CARES Act.

For this iteration of HEERF, CRRSAA required that institutions allocate at a minimum the same amount of funding in financial aid grants to students as what they allocated under CARES. Since CRRSAA provided more funding than CARES, the portion colleges and universities can spend on institutional aid was likely greater than previously. Similar to CARES, institutional funds could be used for a wide range of purposes, including replacing lost revenue or paying for new expenses.

**NOTE**: CRRSAA appropriated funds towards the Education Stabilization Fund (ESF) under authorization guidelines created under CARES.  Thus, these funds are still subject to the “continued payment” clause, requiring that a higher ed institution shall, to the greatest extent practicable, “***continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus.”*** (Emphasis added.)

Awards under the CRRSAA might have been delayed or subject to drawdown restrictions for institutions of higher educations that failed to meet the reporting requirements of CARES.

**American Rescue Plan Act (ARPA) of 2021**

The third bill was signed into law on March 11, 2021, one year from the date when the World Health Organization (WHO) declared the coronavirus a global pandemic. It provided $1.9 trillion in relief funding through a number of programs including direct payments to Americans, expanded unemployment benefits and the child tax credit, vaccine distribution, and $350 billion in direct aid for state, local, and tribal governments to offset revenue losses and bolster economic recovery.

ARPA appropriated $39.6 billion to the Higher Education Emergency Relief Fund (HEERF III) under the Education Stabilization Fund with the same terms and conditions of section 314 of the CRRSAA with minor changes.

**NOTE:** ARPA appropriated funds towards the Education Stabilization Fund (ESF) under authorization guidelines created under CARES. Thus, these funds are still subject to the “continued payment” clause, requiring that a higher education institution shall, to the greatest extent practicable, “***continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus.”*** (Emphasis added.)

Information on institutional allocations are not available from the U.S. Department of Education at this time, but various higher education trade associations have provided estimates and other resources, including:

* The Association of Public and Land-Grant Universities [website](https://app.powerbi.com/view?r=eyJrIjoiMGYzZTFlZTctYmRkYy00M2MwLWEzZDAtYTA3ODQ0ZmJmZDQ2IiwidCI6IjQ0NjhhZWU2LTQwNDItNDkyNC05ODVhLTk4N2EyYmIxNGUyMCIsImMiOjF9&mkt_tok=eyJpIjoiTlRBd01qRmxNelV4TVRKayIsInQiOiI4amwrMDNuWXdYelZoREpGRzVvb3RDOWVxN0Z0bnB4bGpPb0dIZnNWRndXeFRTaWZWTFNmR2tsczhcL09SbGZmbkJyXC81cU1aZzN2T3YreXlNOTBhYzdGRFR6UWROOHl5MnBiRWgxckEzeEJcL0x1OW9jMEs3V1hYU2NLM1NhY2R1MiJ9).
* The American Council on Education <https://www.acenet.edu/Documents/ARP-HEERF3-Nonprofit-Institutions.pdf>
* The National Association of Student Financial Aid Administrators has prepared a comparison chart of HEERF provisions: <https://www.nasfaa.org/uploads/documents/HEERF_Funds_Comparison_Chart.pdf>

**Funding Guidance and Institutional Allocations**

In addition to the information provided above, the ED has provided guidance to higher education institutions in their use of all of these funds, including links to allocation tables that identify the amounts that each institution has or will receive through each Act. Information on how institutions can spend the money provided in each fund is provided at the sites noted below.

***The Coronavirus Aid, Relief, and Economic Security (CARES) Act***

* [CARES Act: Governor’s Emergency Education Relief Fund](https://oese.ed.gov/offices/education-stabilization-fund/governors-emergency-education-relief-fund/)
* [CARES Act: Higher Education Emergency Relief Fund](https://www2.ed.gov/about/offices/list/ope/caresact.html)
* [CARES Act HEERF Rollup FAQ](https://www2.ed.gov/about/offices/list/ope/heerffaqsoct2020rollup.pdf)
* [HEERF Grant Program Auditing Requirements](https://www2.ed.gov/about/offices/list/ope/heerfauditletter.pdf)

***Consolidated Appropriations Act, 2021***

* [CRRSAA: Higher Education Emergency Relief Fund](https://www2.ed.gov/about/offices/list/ope/crrsaa.html)
* HEERF II: [Student Aid Portion for Public and Nonprofit Institutions (a)(1)](https://www2.ed.gov/about/offices/list/ope/heerfiistudent.html)
* HEERF II: [Institutional Portion for Public and Nonprofit Institutions (a)(1)](https://www2.ed.gov/about/offices/list/ope/heerfiiinstitutional.html)
* Institutional allocations: <https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf>
* [CRRSAA HEERF II FAQ](https://www2.ed.gov/about/offices/list/ope/faqsfora4crrsaaheerfii.pdf)
* [HEERF Grant Program Auditing Requirements](https://www2.ed.gov/about/offices/list/ope/heerfauditletter.pdf)
* [HEERF Guidance on Expenses and Calculating Lost Revenue](https://www2.ed.gov/about/offices/list/ope/g5updateletter31921.pdf)

***American Rescue Plan Act, 2021***

Not yet available on U.S. Department of Education website. See ARPA section above.

**Frequently Asked Questions**

1. **How much flexibility do higher education institutions have in how they spend these funds?**

Congress appropriated these funds to enable higher education institutions, students, staff and faculty with relief from the consequences of the COVID-19 pandemic. The three laws provide great flexibility for higher education institutions:

* They can provide refunds to students for room and board, tuition, and other fees as a result of significant changes to the delivery of instruction, and may reimburse themselves for such refunds made on or after the President’s emergency declaration on March 13, 2020.
* They may use the funds for the recipient’s institutional costs to purchase equipment or software, pay for online licensing fees, or pay for internet service to enable students to transition to distance learning as such costs are associated with a significant change in the delivery of instruction due to the coronavirus.
* Institutions can use CARES funds to pay salaries and benefits for employees that worked in the dining halls and dorms who would have otherwise been paid through student housing fees had COVID-19 not disrupted campus operations.
1. **How can I find out how much money has been allocated to my college or university under the CARES Act?**

The ED tracks how recipients have spent money from the CARES Act on its [website](https://covid-relief-data.ed.gov/). Of the $3.8 billion awarded, $1.7 billion had been spent by the states and institutions of higher education by November 30, 2020 (the latest data available as of the date of this document’s development).

To identify how a higher education institution expended its funds, take the following steps: Using your computer’s internet browser, navigate to <https://covid-relief-data.ed.gov/>. Click on the appropriate state. The three main programs of the Education Stabilization Fund in the CARES Act are listed in order. Scroll down to the ‘HEER’ link in purple. A summary is offered first, then grantees are listed below. Enter the name of the institution for which you are interested in searching. Once it appears, click on the eye button on the far right, and the institution’s latest expenditure summary will be provided.

All data on COVID-19-related funds is available at that website (<https://covid-relief-data.ed.gov/>). While visitors to the site cannot see how each institution answered each of ED’s questions regarding the funds, they can see how much money the institution was awarded and how much it has spent.

1. **How can colleges and universities spend CARES money?**

While the text and links above address these things generally, a good way to find out exactly where an institution spent its funds is by requesting a copy of its final report when writing the chief financial officer (see the checklist below).

Some of the ways in which the funds can be spent include the following:

* Providing additional emergency financial aid grants to students.
* Providing reimbursements for tuition, housing, room and board, or other fee refunds.
* Providing tuition discounts.
* Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.
* Providing or subsidizing the costs of high-speed internet to students or faculty to transition to an online environment.
* 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.
* 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.
* Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.
* Campus safety and operations.
* 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.
* Replacing lost revenue due to reduced enrollment.
* 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.).
* 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.
* 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.

Institutions have one calendar year from the date of their award to expend funds unless the institution receives a no-cost extension.

1. **How can I find out how much money has been allocated to my college or university under the CRRSAA?**

The U.S. Department of Education(ED) has posted the institutional allocations at: <https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf>. The reporting requirements for this Act, however, were not yet available as of the date of this guidance.

1. **How can colleges and universities spend the money appropriated to them under the CRRSAA?**

Institutions have expanded flexibility in their use of supplemental institutional portion funds. Under section 18004(c) of the CARES Act, institutions were required to use their institutional portion awards to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus and/or for additional emergency financial aid grants, subject to certain limitations.

 In contrast, allowable uses under the Coronavirus Response and Relief Supplemental Appropriations Act for Institutional Portion awards include:

* Defraying expenses associated with coronavirus including:
	+ lost revenue
	+ reimbursement for expenses already incurred as of March 13, 2020
	+ technology costs associated with a transition to distance education
	+ faculty and staff trainings, e.g., regarding COVID-19 prevention protocols, online technologies
	+ payroll
* Carrying out student support activities authorized by the Higher Education Act of 1965, as amended (HEA), that address needs related to coronavirus; and
* Making additional financial aid grants to students (as described in Question 8).

Similar to what was required for Institutional Portion awards under Section 18004 of the CARES Act and the department’s certification and agreement for those funds, under Section 314(d)(3) of the Consolidated Appropriations Act of 2021, no supplemental institutional portion awards or new institutional portion awards may be used to fund contractors for the provision of pre-enrollment recruitment activities; marketing or recruitment; endowments; capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship; senior administrator or executive salaries, benefits, bonuses, contracts, incentives; stock buybacks, shareholder dividends, capital distributions, and stock options; or any other cash or other benefit for a senior administrator or executive.

**NOTE:** The expanded use of funds authority under the CRRSAA also applies to unexpended CARES Act funds.

Public and private non-profit IHEs that already have approved CARES Act HEERF awards are not required to submit a new or revised application to receive additional funding under the CRRSAA. Public and private nonprofit IHEs that did not receive HEERF student portion and/or institutional portion awards under the CARES Act, as well as proprietary institutions, may apply for funding under the CRRSAA via Grants.gov.

Institutions have one calendar year from the date of their award to expend funds unless they receive a no-cost extension.

1. **What are the differences between the Higher Education Emergency Relief Fund in CARES and the Consolidated Appropriations Act of 2021?**

The ED provided an excellent summary of the similarities and differences between the Higher Education Emergency Relief Fund in CARES and the Consolidated Appropriations Act of 2021; it is available on their [website](https://www2.ed.gov/about/offices/list/ope/factsheetheerfii.pdf). The institutional portion of each fund are particularly important in the collective bargaining context. The main difference here is the use of funds under both Acts.

Under the CARES Act, the institutional portion of funds may be used for those costs that have a clear connection to significant changes to the delivery of instruction due to the pandemic. Institutions with funds from the institutional portion of the CARES Act that were not spent by December 27, 2020 may use those funds in the same way they are allowed to use their institutional portion funds under the CRRSAA, Division M of the Consolidated Appropriations Act of 2021.

Under that Act, the institutional portion of funds can be used to 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), and to carry out student support activities authorized by the Higher Education Act (HEA) that address needs related to the pandemic. Institutional funds may also be used to make additional financial aid grants to students.

1. **How can I find out how much money has been allocated to my college or university under the American Rescue Plan Act (ARPA)?**

As of April 14, the U.S. Department of Education has not posted any information about institutional allocations under ARPA on their website. Various higher education trade associations have calculated estimates and posted these on their websites, e.g., the Association of Public & Land-Grant Universities at its [website](https://app.powerbi.com/view?r=eyJrIjoiMGYzZTFlZTctYmRkYy00M2MwLWEzZDAtYTA3ODQ0ZmJmZDQ2IiwidCI6IjQ0NjhhZWU2LTQwNDItNDkyNC05ODVhLTk4N2EyYmIxNGUyMCIsImMiOjF9&mkt_tok=eyJpIjoiTlRBd01qRmxNelV4TVRKayIsInQiOiI4amwrMDNuWXdYelZoREpGRzVvb3RDOWVxN0Z0bnB4bGpPb0dIZnNWRndXeFRTaWZWTFNmR2tsczhcL09SbGZmbkJyXC81cU1aZzN2T3YreXlNOTBhYzdGRFR6UWROOHl5MnBiRWgxckEzeEJcL0x1OW9jMEs3V1hYU2NLM1NhY2R1MiJ9). These estimates do not include separate allocations for MSIs.

1. **How long do our institutions have access to the individual Coronavirus funding allocations?**

Institutions are given one year (exactly 365 days) from the date of receiving their HEERF grants to spend those dollars. If the funds are not spent within that year, the funds may be reclaimed by the U.S. Department of Education.

Additionally, the deadline is set at one year from when the most recent obligation of funds was disbursed. Thus, any remaining funds from CARES or CRRSAA may be used to supplement ARPA funds and must be spent within one year from when the institution received the ARPA funds.  Under certain circumstances, institutions may ask for an extension granted by the U.S. Department of Education, but those circumstances and examples are not specified in ED Guidance. ARPA funds remain available until September 30, 2023, meaning that if an institution receives ARPA funds on September 30, 2023, it may use any Coronavirus funds until September 30, 2024, barring any additional time extensions.

1. **Where is the Congressional intent language that indicates that the HEERF I, II, and III funds should be used to help avoid furloughs?**

The “continued payment to employees” provision can be found under Sec. 18006 of the CARES Act.  It is not found under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) under HEERF II or the American Rescue Plan under HEERF III.  This is because HEERF and the Education Stabilization Fund were created under the CARES Act, and both the CRRSAA and ARPA appropriate dollars to the already created program.

1. **Given Section 18006 of the CARES Act, can employers take HEERF funds and still eliminate jobs and RIF employees?**

Unfortunately, yes. In Section 18006 of the ESF portion of the CARES Act, the law states that a higher education institution receiving funds under this Fund shall**, to the greatest extent practicable**, “continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus.” (Emphasis added.)

Locals will need to organize and bargain to pressure employers to use Institutional Portion funds from HEERF to keep employees on the payroll and/or to recall laid off employees.

1. **How long do the states have to sustain the maintenance of effort funding to the institutions?**

To satisfy the maintenance of effort requirement, states must maintain support for elementary, secondary, and higher education funding in FY2020 and FY2021.  The level of support must be the average provided in fiscal years 2017-2019.

Additionally, the deadline is set at one year from when the most recent obligation of funds was disbursed. Thus, any remaining funds from CARES or CRRSAA may be used to supplement ARPA funds and must be spent within one year from when the institution received the ARPA funds.  Under certain circumstances, institutions may ask for an extension granted by the U.S. Department of Education, but those circumstances and examples are not specified in ED Guidance. ARPA funds remain available until September 30, 2023, meaning that if an institution receives ARPA funds on September 30, 2023, it may use any Coronavirus funds until September 30, 2024, barring any additional time extensions.

1. **What does “payroll” entail? Does it differ from the usual payroll expense?**

Coronavirus funds can be spent for current payroll expenses as well as for new or additional payroll expenses related to operating due to the pandemic. Administrators may object to using Coronavirus funds since they are not “recurring,” but these funds are available for multiple academic years (2019-2020 through part or all of 2023-24).

1. **Can my institution take its Coronavirus relief funding and choose not to spend it?**

Institutions are given one year (exactly 365 days) from the date of receiving their HEERF grants to spend those dollars. If those funds are not spent, the funds will be reclaimed by the U.S. Department of Education.

In addition, an institution must file reports to the U.S. Department of Education (ED) that detail how they’ve spent these funds, and reports of what institutions have spent are posted on the ED website. Institutions must also post their reports on their own institution’s website. Institutional accounting of Coronavirus funds will begin to appear in audited financial statements for FY2019-2020.

1. **What are “lost revenues?”**

Guidance from the U.S. Department of Education generally refers to “lost revenue” as those revenues an institution of higher education otherwise expected but were reduced or eliminated, as a result of the novel coronavirus 2019 (COVID-19) pandemic.

Specifically, institutions can use their institutional portion of Coronavirus relief funds to recoup “lost revenue,” e.g., to recoup refunds they have issued to students for unused housing, meal programs, tuition, activities fees.

Refer to the Department’s [FAQ/Guidance document](https://www2.ed.gov/about/offices/list/ope/heerflostrevenuefaqs.pdf) on lost revenue for more detailed information.

**Checklist for Bargaining & Organizing**

**Coronavirus Relief Funds**

There is a lot of coronavirus relief money going directly to colleges and universities in two categories: for students and for the institutions. The allocation and use of those funds can be bargained, e.g., payroll, technology, training, and PPE related to COVID. And even the student-directed funds can be part of a Bargaining for the Common Good strategy if there are priorities campus and community allies are advocating that are eligible for these funds.

* **Steps 1-3**: Identify the total sum of money that the institution has received thus far from the three Acts.
* **Step 4**: Verify the receipt and expenditure levels with the financial leader of the institution.
* **Step 5**: Use this information for bargaining and organizing strategies, including communications to your bargaining unit or local chapter’s members and to the campus and broader community.

**□ 1.** **Identify the amount received and spent by the institution in CARES Act funding**.

Using your computer’s internet browser, navigate to <https://covid-relief-data.ed.gov/>. Using your computer mouse, click on your state. The three main funds of the Education Stabilization Fund in the CARES Act are listed in order (ESSER, GEER, and HEER). The first two (ESSER and GEER) will contain the date the funds were awarded, the amount of the award, and the total spent to date.

The third (HEER) identifies the total funds awarded and the amount that went to each program. A second box is located under the first box for each fund. It contains a list of sub-grantees (the organizations that received funds from that program). Scroll down to the ‘HEER’ link in purple. In the space marked ‘Filter…’, use your mouse to click on that word and enter the name of the institution you are interested in searching on. Once it appears, click on the view button (it looks like a human eye) on the far right, and the institution’s latest expenditure summary will be provided.

Filters can be tricky. If your institution does not appear, type slowly and suggestions will appear. For example, a state’s agricultural and mechanical university might not appear because it has been shorted to A&M. Record the total funds awarded by program and the total funds spent by program. Note the date of the report.

**□ 2**. **Identify the amount received and spent by the institution through the Coronavirus Response and Relief Supplemental Appropriations Act.**

CRRSAA allocations to institutions under Section 314(a)(1) are available on the ED [website](https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf). The CRRSA Act set an additional $1 billion aside for specific types of higher education institutions.

Note that if the institution of interest is an HBCU, additional funding was provided through Section 314(a)(2); HBCU allocations are available on the ED [website](https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf). If the institution is designated as a different kind of Minority-Serving Institution such as a Tribally-Controlled College and University, or participates in the Strengthening Institutions Program, it received additional funding under Section 18004(a)(2). To find out the funding that was provided to each institution, look up the formula allocation in the link provided at that [site](https://www2.ed.gov/about/offices/list/ope/heerfmsi.html).[[10]](#footnote-10)

This step will not address the HBCU Capital Financing Loan forgiveness provision of the Act. To do that, you will need to review the institution’s latest published financial statements. Typically, these are enclosed within its annual financial audit which is available on the institution’s website or through the state or commonwealth office responsible for conducting audits of higher education institutions. These loans are identified by name, and enumerated in the notes to

the financial statements. A list of HBCU Capital Financing Program recipients is available [here](https://www2.ed.gov/programs/hbcucapfinance/awards.html).[[11]](#footnote-11)

**□ 3**. **Identify the amount received and spent by the institution through the American Rescue Plan Act of 2021.**

Preliminary estimates of the HEERF allocation under ARPA have been made by the Association of Public & Land-Grant Universities at its [website](https://app.powerbi.com/view?r=eyJrIjoiMGYzZTFlZTctYmRkYy00M2MwLWEzZDAtYTA3ODQ0ZmJmZDQ2IiwidCI6IjQ0NjhhZWU2LTQwNDItNDkyNC05ODVhLTk4N2EyYmIxNGUyMCIsImMiOjF9&mkt_tok=eyJpIjoiTlRBd01qRmxNelV4TVRKayIsInQiOiI4amwrMDNuWXdYelZoREpGRzVvb3RDOWVxN0Z0bnB4bGpPb0dIZnNWRndXeFRTaWZWTFNmR2tsczhcL09SbGZmbkJyXC81cU1aZzN2T3YreXlNOTBhYzdGRFR6UWROOHl5MnBiRWgxckEzeEJcL0x1OW9jMEs3V1hYU2NLM1NhY2R1MiJ9). Or check out the estimates calculated by the American Council on Education here: <https://www.acenet.edu/Documents/ARP-HEERF3-Nonprofit-Institutions.pdf>

**□ 4. Write to the institution’s chief financial officer to verify funding received and spent from the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act, and the American Rescue Plan Act of 2021.**

While government reporting and audited financial statements are reliable sources of information, they may not be timely. To get the latest information you will have to write to the administration asking for an accounting of funds. Make sure that you ask for the amounts received and spent by fund. That will help identify where they may be reported given the FASB and GASB guidance noted above.

**□ 5. Use the data gathered from steps 1 through 3 and verified in step 4 to develop your organizing and bargaining strategies, including communications to your bargaining unit or local chapter’s members and to the campus and larger community.**

**NOTE:** It is important to remember that the funding received from all of this coronavirus relief legislation is meant to defray expenses associated with the effects of the pandemic. When an institution states that it is cutting services or staff due to the effects of the pandemic, it is incumbent upon the Association to see whether those reductions are warranted by the financial impact of the pandemic ***after*** federal assistance is taken into account.

**Bargaining and Advocacy Considerations for**

**Higher Education Local Associations in**

**Bargaining and Nonbargaining States**

*Higher Education Locals should consider engaging in bargaining regarding the following allowable uses of funding relating to the Higher Education Emergency Relief Fund (HEERF) which provides nearly $40 billion in grants to institutions of higher education in the American Rescue Plan alone.*

* Negotiate the allocation of funding for faculty and staff trainings and salaries as well as technology costs associated with distance education which are allowable uses for defraying costs for the institution.
* Create a joint labor-management committee to create and implement a plan to engage in evidence-based practices to mitigate COVID-19 and conduct outreach to students regarding the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or other changes in financial circumstances.
* Create a joint labor/management committee to ensure the implementation of the following:
* 7.5 percent of HEERF is specifically dedicated for Historically Black Colleges and Universities, Tribal Colleges and Universities, Minority-Serving Institutions, and other under-resourced institutions.
* Allocations per institution are determined by the number of Pell Grant recipients by full-time enrollment.
* Institutions are required to allocate at a minimum the same amount of funding in financial aid grants to students, as what was allocated under CARES Act.
* Public and private non-profit institutions receiving new HEERF allocations will be required to spend at least 50 percent of such allocations on emergency financial aid grants to students.
* For-profit institutions and institutions receiving allocations due to the enrollment of students exclusively online will have to spend 100 percent of such allocations on student aid.
* Engage in Bargaining for the Common Good campaign advocacy to ensure that Higher Education institutions, separate from HEERF, do their part to help states and communities to:
* Utilize the additional $21.55 billion in Emergency Rental Assistance to augment the $25 billion to states from December 2020 to help families pay rent and utilities and stay in their homes.
* Appropriate the provided $5 billion from ARP to help communities offer support services and safe, socially distant housing to protect the health of individuals and families experiencing homelessness and to and help control transmission of coronavirus.

**TEMPLATE FOR REQUESTING INFORMATION ABOUT CORONAVIRUS FUNDING**

**(**NOTE: Language about Minority-Serving Institutions, including HBCUs, may not be applicable to your institution, so delete those sections.]

NAME of CFO or other administrator

INSTITUTION

ADDRESS

CITY, STATE ZIP

Sent via email [email address of administrator]

DATE

[NAME OF ADMINISTRATOR]:

I am writing you today to verify the sum of federal funding that the [NAME OF HIGHER ED INSTITUTION] has received under three laws: the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Division M of the Consolidated Appropriations Act (the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA)), and the American Rescue Plan Act (ARPA) of 2021. Additionally, I am requesting a detailed record of how any Institutional Portion funds received have been spent to date.

As you know, the CARES Act was signed into law on March 27, 2020. Funds for higher education were provided through the Education Stabilization Fund (ESF) and two other funds, the Governor’s Emergency Relief Fund (GEERF) and the Higher Education Emergency Relief Fund (HEERF). The receipt of GEERF and HEERF funds by institution is tracked through the ESF portion of the ED website. As of November 30, 2020 (the latest data available), the U.S. Department of Education (ED) website [INSERT here the URL of your institution by searching the ED website <https://covid-relief-data.ed.gov/>] indicates that [NAME OF HIGHER ED INSTITUTION] did/did not receive any funding through GEERF, but has been awarded $[AMOUNT] under HEERF.[[12]](#footnote-12) While $[AMOUNT] of that sum is set aside for students, the University received $[AMOUNT for its institutional portion and $[AMOUNT] as an HBCU/MSI.

The CRRSAA was signed into law on December 27, 2020 as Division M of the Consolidated Appropriations Act. Funds for higher education were provided through the Higher Education Emergency Relief Fund (HEERF II) and several smaller funds that addressed the needs of Historically Black Colleges and Universities (HBCU), Hispanic Serving institutions and other Minority Serving Institutions; for-profit institutions; and the Fund for the Improvement of Postsecondary Education (FIPSE). The Act also forgave an estimated $1.3 billion in existing HBCU Capital Financing Loans.

HEERF II allocations for higher education institutions under CRRSAA section 314(a)(1) are provided [online](https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf).[[13]](#footnote-13) The ED indicates that [NAME OF HIGHER ED INSTITUTION] has been awarded $[AMOUNT] in HEERF II funding, of which the College/University received $[AMOUNT] for the institutional portion. HBCU funding was also provided through Section 214(a)(2) of the Act. According to the [ED](https://www2.ed.gov/about/offices/list/ope/heerfiihbcuallocations.pdf), [NAME OF HBCU] was awarded an additional $[AMOUNT] through the Act.[[14]](#footnote-14)

The American Rescue Plan was signed into law on March 11, 2021. It provided $39.6 billion to the U.S. Department of Education for providing allocations to institutions of higher education with the same terms and conditions of section 314 of the CRRSAA with minor changes (HEERF III). While an accounting of institutional allocations is unavailable as of today through the ED, the Association of Public and Land-Grant Universities estimates that [NAME OF HIGHER ED INSTITUTION] will receive $[AMOUNT] from the Act, $[AMOUNT] as a HEERF allocation for which 50% of funds are for student grants, and $[AMOUNT] as a HEERF allocation for which 100% of funds are for student grants.

Please verify the funds received by source from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Division M of the Consolidated Appropriations Act (the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA)), and the American Rescue Plan Act (ARPA) of 2021 as well as any expenditures to date of the Institutional Portion funds received under these three laws.

Thank you in advance for providing this information on behalf of the College/University.

Yours truly,

YOUR NAME, TITLE
UNION LOCAL

1. “Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak,” Proclamation 9994 of March 13, 2020, Federal Register Vol. 85, No. 53 at 15337-38. [↑](#footnote-ref-1)
2. Bauman, D. (2021, February 5). A brutal tally: Higher Ed lost 650,000 jobs last year. The Chronicle of Higher Education. <https://www.chronicle.com/> [↑](#footnote-ref-2)
3. The outlying areas include the US Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa. [↑](#footnote-ref-3)
4. By using FTE rather than headcount, critics of the law indicated that this lowered the aid that could go to two-year community and technical colleges and minority-serving institutions (MSI). [↑](#footnote-ref-4)
5. See footnote 11 for a description of MSI. [↑](#footnote-ref-5)
6. FASB Staff Q&A: Topic: Application of the taxonomy for COVID-19 pandemic and relief disclosures. Available at <https://www.fasb.org/home> [↑](#footnote-ref-6)
7. GASB Technical Bulletin No. 2020-1. Available at <https://www.gasb.org/home> [↑](#footnote-ref-7)
8. “On each form, fill out the institution of higher education (IHE or institution) name, the date of the report, the appropriate quarter the report covers (September 30, December 31, March 31, June 30), the total amount of funds awarded by the Department (including reserve funds if awarded), and check the box if the report is a “final report.” In the chart, an institution must specify the amount of expended CARES Act funds for each funding category: Sections 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3), if applicable. Section 18004(a)(2) funds includes CFDAs 84.425J (Historically Black Colleges and Universities (HBCUs)), 84.425K (Tribally Controlled Colleges and Universities (TCCUs)), 84.425L (Minority Serving Institutions (MSIs)), 84.425M (Strengthening Institutions Program (SIP)); Section 18004(a)(3) funds are for CFDA 84.425N (Fund for the Improvement of Postsecondary Education (FIPSE) Formula Grant).” ([ED](https://www2.ed.gov/about/offices/list/ope/heerf-quarterly-reporting-v131.pdf))

Note that other provisions regarding regulatory flexibilities granted under CARES are provided under Title III, Part IV, §§ 3503-3519. [↑](#footnote-ref-8)
9. As of 2020, 113 HBCU Capital Finance loans have been made to 50 HBCUs with 87 loans outstanding at 45 colleges and universities. The ED provides a listing at its internet [site](https://www2.ed.gov/programs/hbcucapfinance/awards.html). [↑](#footnote-ref-9)
10. *Minority Serving Institutions (MSI*) include institutions that would be eligible to participate in the following programs: Predominantly Black Institutions, Alaska Native and Native Hawaiian-Serving Institutions, Asian American and Native American Pacific Islander-Serving Institutions, Native American-Serving Nontribal Institutions, Developing Hispanic-Serving Institutions Program, and Promoting Postbaccalaureate Opportunities for Hispanic Americans. *Strengthening Institutions* include institutions that are not participating in the other MSI programs but have at least 50 percent of their degree students receiving need-based assistance under Title IV of the Higher Education Act or have a substantial number of enrolled students receiving Pell Grants, and have low educational and general expenditures. [↑](#footnote-ref-10)
11. Given the provisions of the law, each HBCU that had taken a loan through the program may receive a substantial financial impact on or about March 27, 2021, when the 90-day provision in the law expires. Information on HBCU Capital Finance loans can be found in the notes to the financial statements in an institution’s annual financial audit. Unlike other CARES Act and Consolidated Appropriations Act of 2021 funding, the forgiveness of an HBCU Capital Finance loan has a collateral effect on an institution. Not only is the outstanding principal and interest of the loan forgiven, but many institutions had to secure the loan by pledging other income to cover the annual payments each year. This opportunity cost of the loan renders that money available to the institution as well as the loan forgiveness. Given the fact that 45 HBCUs still have 87 loans outstanding, this provision in the law provides a good opportunity for HBCU institutions to improve their ability to meet their mission. [↑](#footnote-ref-11)
12. <https://covid-relief-data.ed.gov/profile/entity/623751831> [↑](#footnote-ref-12)
13. <https://www2.ed.gov/about/offices/list/ope/314a1allocationtableheerfii.pdf> [↑](#footnote-ref-13)
14. <https://www2.ed.gov/about/offices/list/ope/heerfiihbcuallocations.pdf> [↑](#footnote-ref-14)