

Higher Education Relief Fund Grant Program Webinar

April 14, 2020

UPDATED APRIL 20, 2020

IMPORTANT NOTE: SCHOOLS ARE ENCOURAGED TO MONITOR THE USDE WEBSITE FOR ANY ADDITIONAL GUIDANCE THAT MAY BE RELEASED REGARDING USE OF CARES ACT FUNDING. USDE GUIDANCE CHANGES FREQUENTLY AND THE INFORMATION IN THIS DOCUMENT IS ONLY CURRENT AS OF APRIL 20, 2020. SCHOOLS SHOULD CONSULT THE US DEPARTMENT OF EDUCATION, THEIR LEGAL COUNSEL, TITLE IV PROCESSOR, ACCOUNTANT, AND OTHER PROFESSIONALS PRIOR TO DISBURSING FUNDS TO STUDENTS.

- 1) Will the funds be available for all students, not just ones that are PELL eligible?

Currently, we are aware of no restriction on distribution of student funds that would limit funds to Pell eligible students.

- 2) How do we determine how to distribute the grant?

It is up to your institution to decide on how you want to distribute the funds to your students. Our recommendation is to even distribute funds to all currently enrolled students so long as the school has made a determination of how the need of such students has been established. If you do decide to distribute funds methodically, you should have proper documentation on what formula was used to make that decision.

- 3) Can we give the \$ to students via direct deposit or prepaid card or must be check? can we post credit to ledger?

There is nothing in the statute or Department guidance to date that would prohibit use of EFT or prepaid cards, in addition to check, to distribute student funds. Best practices would be to post to separate ledger entirely, and if you do use a student account ledger, that you do not allow the student funds to create a credit balance.

- 4) We have a Main location with 3 branches. How will we know what funds go to which location

A single pot of money will be distributed and it is up to the institution to determine, based on student enrollment, how to distribute those funds to the students.

- 5) I can't for the life of me figure out how to upload the certificate on grants.gov

Use the web fillable form, it is easier than filling out the PDF

- 6) Do we put our 50% grant allocation on the form, not the total allocation?

Yes. This first distribution is just for the student funds, which is 50% of your Higher Education Emergency Relief Act funds.

- 7) Do we have to create an account on Grants.gov or can we follow another pathway on the website without creating an account? Do we have to apply for grants.gov account and fill out the Federal application?

Only way to apply is on grants.gov

- 8) If we get this money and a student drops, do we have to give it back

The statute and ED's guidance to date does not require a school to return student emergency funds to a student who later drops.

- 9) Is it possible to split up the student disbursements to the students in two phases; 1/2 down and 1/2 in the fall?

It is allowable. Institutions have up to a year to distribute funds from the date the Certification and Agreement is signed. However, we recommend distributing as soon as possible. Also, each distribution should be based on a clear policy as to how the student group eligible demonstrates need.

- 10) What about if we are closed, it says that our staff have to be working. Should we not apply

You can apply, but be prepared with a document that describes what specific orders you are under and explain why employees are furloughed or laid off so that you can demonstrate you retained employees and contractors to the greatest extent possible.

- 11) Can we apply now, but wait to use it after we are back open

We do not recommend using money later and making available to students who are not currently enrolled, as it will become harder for the school over time to demonstrate that those students have an immediate need for the funds. Creating a discretionary application process where some emergency funds remain available for students who can demonstrate need may be one way to address needs that surface after a first allocation is made.

- 12) Are there any guidelines for safe opening of schools while maintaining social distancing?

Other than the White House guidance issued to states last week, ED and CDC have yet to release any such guidance. We are mindful of this issue and expect AACS to provide guidance to schools in the near future.

- 13) Are the webforms in the workspace or separate?

Properly populate and assign tasks in workspaces in grants.gov then grant.gov will populate the appropriate web forums to complete

14) Can a student graduate with on Distance Learning?

The answer will depend on the school's state licensing board, state education agency, and accreditor.

15) Will we have to ensure students use the funds for the required categories?

Your institution doesn't have to guarantee it but having students sign an agreement is a good tool or having them apply and specify their needs.

16) Does the payment directly to students have to be in the form of cash, or can it be, for instance, laptops because of distance learning coming to the forefront during these times?

The payment has to be given directly to the student. The institution cannot determine how the student uses the money. The school should not use the money to buy supplies for students. It must be given to them in a cash equivalent form, such as a check.

17) If the funds get used quickly, will schools be required to report after the 30 days if there are no longer funds being used for students and if so is the reporting for a year?

Reporting should not be necessary after all funds are distributed but we will have to see what ED requires in further guidance.

18) if the school chooses not to request the 50% allocation for students, will that prevent the school from receiving the other 50% allocated for the school?

The Department has strongly encouraged schools to make these funds available to students, but we are not aware of any penalty for not disbursing the student funds or any prohibition on a school receiving the institutional portion.

19) We have 2 campuses, each with its own OPEID. "Do we do 2 certifications & 2 apps?

Yes?

20) We are a smaller school. We normally write checks to students. Can we set up one time credit cards without following special cash management regulations?

EFT transfer or checks are the cleanest way to disburse funds. We assume you mean debit cards, and the Department has not issued any guidance about that.

21) what about students that graduated during COVID? We had two students graduate within the last 2 weeks? Should they be included/excluded

The school has discretion to determine need, but arguably these students had COVID-19 related expenses and can be included in the distribution.

22) If the school mails checks and if it is returned and we are unable to reach the student, should we redistribute or place it as unclaimed property through the state?

You should have a policy to cancel checks after a certain period, such as 60-90 days so that you can track these unused funds held in trust for students. The funds can go back into a student emergency relief fund and be re-allocated to others.

23) Will this grant allocation affect our normal 19-20 PELL grants that we have already determined students qualify for via the FAFSA?

No, these student funds are to be explicitly excluded from EFC calculations. ED has also encouraged schools to exercise professional judgment when packaging students to include expenses that may have been incurred due to COVID-19.

24) In the guidance it says that institutions are encouraged to gift funds they don't need to another institution - can it be a non-Title IV institution?

No guidance has been given but we believe only Title IV eligible institutions that were eligible for their own HEERF allocation would be able to receive funds from another institution.

25) Is funds divided up by Duns #

By OPE ID.

26) If a school has multiple OPEID#s, do the funds get lumped together or should they stay separate, then distributed

We recommend that the school keep the student funds separated by OPE ID, in separate operating accounts for each.

27) how do I find the allocation list?

It accessible via IFAP, at the COVID-19 site.

28) How would you recommend that a student sign that they have received the funds when we must maintain social distancing?

Use electronic application or certification if possible.

29) If we have staff members that are currently enrolled in the program, are there any registrations that we should have for staff members?

Staff members who are also enrolled as students should be treated as all other students for purposes of the distribution.

30) If we divide funds evenly, would it make sense to give students in a longer program a higher amount? Cosmetology vs. Esthetics/Massage?

Schools have broad discretion as to how they distribute the funds, but the important point is for the school to be able to document that the student funds were distributed based on need for permitted uses of the funds by students. This can be done via a student certification form or application form, or a school's determination of how much various groups of students should receive. There should be a defensible, reasonable justification for how the school determined relative need within the groups.

31) The second half of funds to go to school?

Yes, the remaining 50% of the Higher Education Relief Act monies by statute are allocated to institutions for their use but will be limited to specific uses according to guidance issued by the Department. Please be aware that we have yet to learn whether ED will treat any of the institutional (as opposed to student) funds as Title IV monies for 90/10 purposes.

32) What if a student withdraws and doesn't come back from LOA after school re opens

Unless the Department indicates otherwise, we believe schools have the flexibility to award student funds to students who are on an LOA and who can demonstrate financial need for the funds within the limitations of the use of student funds. If a student does not return from LOA, we do not believe the school is required to have the student return those funds to the institution or ED.

33) Do you have any sample of the acknowledgement letter that an institution can send to students?

Due to the conditions contained in the Certification and Agreement with the Department, we are working with schools on a case-by-case basis to develop appropriate internal policies and student certification forms. We encourage schools not to finalize any policy or forms until ED releases the next set of guidance regarding use of student funds.

34) Is the money we are receiving count against 90/10 calcs?

Because the student funds are not Title IV funds, the prevailing view of auditors is that the funds would not be included in the 90/10 calculation at all.