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### **Higher Education Overview - CARES Act**

### CARES Act - Stimulus Bill

- \$30.75B Education Stabilization Fund
  - o 1% (\$307.5M) for USDOE to provide grants to states with highest coronavirus burden
    - \$127.5M of the funds are available for the Reimagining Workforce Preparation Grant
- \$30.135B available for K-12 and Higher Education and is divided on a percentage basis
  - o 9.8% to Governors Must submit to USDOE and subject to maint. of effort
  - o 43.9% to K-12
  - o 46.3% to higher education Not subject to maintenance of effort
- \$14B is available to Higher Education (receives 46.3% of \$30.135B)
  - 90% of \$14B \$12.56B to all Qualifying Institutions (with 75% based on Pell FTE and 25% on non-Pell FTE)
    - This \$12.56B is available for both institutions and students, with no less than 50% of funds allocated to students
      - \$6.28B minimum amount to students
      - \$6.28B maximum amount to institutions
    - The funding will flow through the Federal Grant Distribution System DIRECTLY to institutions
  - 7.5% of \$13.95B to Minority-Serving Institution (MSI)
    - \$1.05B HBCUs and other MSIs can utilize these funds Funding to these institutions will be awarded by U.S DOE in the same proportion as the fiscal year 2020 appropriations package
  - 2.5% of \$13.95B to Title VII Fund for the Improvement of Postsecondary Education (FIPSE)
    - \$321M will be used to fund institutions that received less than \$500,000 from the funds listed above
    - \$16M will be available for the competitive grant program under FIPSE

## <u>Louisiana Public Higher Education Allocation of CARES Act</u> (Higher Ed Emergency Relief Fund = \$147.1M)

Based on information provided by U.S. DOE on Thursday, April 9<sup>th</sup>, the institutional allocation for public Louisiana institutions is below. As stipulated in the Act, no less than 50% of the funds received by an institution will be allocated to students.

		Minimum
	DOE	Allocation to
Institution	Allocation	Students
Baton Rouge Community College	\$6,420,025	\$3,210,013
Bossier Parish Community College	\$3,915,911	\$1,957,956
Central Louisiana Technical Community College	\$1,462,721	\$731,361
Delgado Community College	\$11,310,381	\$5,655,191
Fletcher Technical Community College	\$1,375,120	\$687,560
Louisiana Delta Community College	\$2,963,756	\$1,481,878
Northshore Technical Community College	\$2,051,300	\$1,025,650
Northwest Louisiana Technical College	\$1,136,669	\$568,335
Nunez Community College	\$1,561,099	\$780,550
River Parishes Community College	\$963,683	\$481,842
South Central Louisiana Technical College*	\$0	\$0
South Louisiana Community College	\$5,645,949	\$2,822,975
SOWELA Technical Community College	\$2,493,383	\$1,246,692
Louisiana State University and A & M College	\$18,882,288	\$9,441,144
Louisiana State University HSC - New Orleans	\$1,391,236	\$695,618
Louisiana State University HSC-Shreveport	\$316,992	\$158,496
Louisiana State University-Alexandria	\$1,998,555	\$999,278
Louisiana State University-Eunice	\$2,060,199	\$1,030,100
Louisiana State University-Shreveport	\$1,825,886	\$912,943
Grambling State University	\$7,010,388	\$3,505,194
Louisiana Tech University	\$7,094,887	\$3,547,444
McNeese State University	\$5,456,361	\$2,728,181
Nicholls State University	\$5,057,520	\$2,528,760
Northwestern State University of Louisiana	\$5,647,034	\$2,823,517
Southeastern Louisiana University	\$10,580,284	\$5,290,142
University of Louisiana at Lafayette	\$12,686,007	\$6,343,004
University of Louisiana at Monroe	\$5,777,764	\$2,888,882
University of New Orleans	\$5,581,887	\$2,790,944
Southern University and A & M College**	\$9,396,803	\$4,698,402
Southern University at New Orleans	\$2,481,663	\$1,240,832
Southern University at Shreveport	\$2,595,115	\$1,297,558
Grand Total	\$147,140,866	\$73,570,433
*South Central I A Technical College no longer exists and was split between		

<sup>\*</sup>South Central LA Technical College no longer exists and was split between Fletcher TCC, River Parishes CC, and South LA CC.

<sup>\*\*</sup>Southern University - BR and Southern University Law Center have the same institution ID number.

# Minority Serving Institution Portion of CARES Act Louisiana Public Higher Education Allocation (MSI Allocation = \$39.4M)

Based on information provided by U.S. DOE on Thursday, April 30<sup>th</sup>, the institutional allocation for public Louisiana institutions is below.

	DOE	
Institution	Allocation	
Baton Rouge Community College	\$411,933	
Bossier Parish Community College	\$189,948	
Central Louisiana Technical Community College	\$71,750	
Delgado Community College	\$716,518	
Fletcher Technical Community College	\$66,937	
Louisiana Delta Community College	\$143,748	
Northshore Technical Community College	\$100,609	
Northwest Louisiana Technical College	\$72,199	
Nunez Community College	\$76,017	
South Louisiana Community College	\$371,441	
SOWELA Technical Community College	\$121,475	
Louisiana State University-Alexandria	\$97,538	
Louisiana State University-Eunice	\$100,407	
Louisiana State University-Shreveport	\$89,314	
Grambling State University	\$9,854,862	
McNeese State University	\$268,069	
Nicholls State University	\$247,710	
Northwestern State University	\$275,646	
Southeastern Louisiana University	\$519,358	
University of Louisiana at Lafayette	\$623,129	
University of New Orleans	\$274,114	
Southern University and A & M College*	\$18,132,717	
Southern University at New Orleans	\$3,300,516	
Southern University at Shreveport	\$3,360,433	
Grand Total	\$39,486,388	
*Southern University - BR and Southern University Law Center		
have the same institution ID number.		

### **CARES Act Questions and Answers**

### How much funding is Louisiana receiving?

Louisiana will be receiving funds from two separate funds detailed in the CARES Act.

- 1. Governor's Emergency Education Relief Fund projected \$50.3M
- 2. Higher Education Emergency Relief Fund \$186.8M
  - a. \$147.1M for public institutions based on U.S. DOE information released on April 9<sup>th</sup>
  - b. \$39.4M for public MSI/HBCU institutions based on U.S. DOE information released on April 30<sup>th</sup>.
  - c. \$183,000 from FIPSE for LSU HSC-Shreveport to increase its CARES Act award to \$500,000.

Note: Louisiana private institutions and proprietary schools are receiving approx. \$49M from all CARES Act sources.

### Higher Education Emergency Relief Fund (HEERF) – How were funds allocated?

The allocation is based on two formula factors:

- 1) 75% of the funds will be awarded based on each institution's share of full-time equivalent (FTE) enrollment of Pell Grant recipients who were not enrolled exclusively in distance education prior to the coronavirus emergency, and
- 2) 25% of the funds will be awarded based on each institution's share of FTE enrollment of students who were not Pell Grant recipients and who were not enrolled exclusively in distance education prior to the coronavirus emergency.

The first factor primarily allocates funds based on undergraduate enrollment since Pell Grant eligibility is limited to undergraduates and students in postbaccalaureate teacher education programs. The second factor allocates funds based on undergraduate and graduate enrollment.

#### **Higher Education Emergency Relief Fund – What are the fund uses?**

An institution of higher education receiving funds under this section may use the funds received to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus, so long as such costs do not include payment to contractors for the provision of preenrollment recruitment activities; endowments; or capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship.

Institutions of higher education shall use no less than 50 percent of such funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care).

#### How do institutions access the funds?

In order to access these funds, all institutions must sign and return the Certificate of Funding and Agreement acknowledging the terms and conditions of the funding. After the U.S. Department of Education has received the certificate, institutions may draw down their emergency assistance funds using the Department's G5 system.

### Can institutions use student funds to reimburse themselves for refunds or deduct the student funds for outstanding or overdue student fee bills?

No. The CARES Act requires institutions to provide the emergency financial aid grants to students. The institutions may not use the student portion of the emergency financial aid grants to satisfy a student's outstanding account balance or future account balance. U.S. DOE notes that the student may use his or her emergency financial aid grant for expenses related to the disruption of campus operations due to coronavirus. Also note that students may utilize their portion of funds towards prior and future balances only if they elect to do so.

### What students are eligible to receive funds?

Based on guidance issued U.S. DOE on April 22<sup>nd</sup>, only students who are Title IV eligible may receive CARES Act funds. The criteria to participate include but are not limited to the following: U.S. citizenship or eligible noncitizen status; a valid Social Security number; registration with Selective Service (if the student is male); and a high school diploma, GED, or completion of high school in an approved homeschool setting.

#### How much will each student receive?

The CARES Act provides institutions with significant discretion on how to award this emergency assistance to students. This means that each institution may develop its own system and process for determining how to allocate these funds based on the eligible students mentioned in the previous answer.

Board of Regents will post information regarding student distributions on our COVID-19 Information page as it is released by each system.

### Have institutions received their portion of the funds?

No. Funds were first made available to make awards to students. The institutions were able to begin applying for the institution portion of the fund on Tuesday, April 22<sup>nd</sup>. As of Friday, April 24<sup>th</sup>, no institution has received its portion of the funds.

### Can institutions use institution portion funds to reimburse themselves for refunds paid to students?

Yes. Institutions may use the institution portion of the funds to provide refunds to students for room and board, tuition, and other fees as a result of significant changes to the delivery of instruction, including interruptions in instruction due to the coronavirus. Institutions also may reimburse themselves for refunds previously made to students on or after March 13, 2020, if those refunds were necessitated by significant changes to the delivery of instruction, including interruptions in instruction, due to the coronavirus.

May institutions use the funds for Recipient's Institutional Costs to purchase or reimburse for laptops, hotspots, or other information technology equipment and software to enable students to participate in distance learning as a result of a significant change to the delivery of instruction due to the coronavirus?

Yes. Institutions may use the institution portion funds 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. Additionally, institutions that purchased computers or other equipment to donate or provide to student after the Proclamation of National Emergency may reimburse themselves for such computers or other equipment from the institution portion funds.

# Can institutions use the institution portion funds to pay an online program management (OPM) for costs of transitioning on-campus students to distance learning due to the coronavirus?

Yes. Institutions may use the institution portion funds to pay a per-student fee to a third-party service provider, including an OPM, for each additional student using the distance learning platform, learning management system, online resources, or other support services.

### May institutions use the funds for Recipient's Institutional Costs to make additional emergency financial aid grants to students?

Yes. Institutions may use the institution portion funds to make additional emergency financial aid grants to students. Guidance provided for the student portion of funds must be followed.

### What data will U.S. DOE require institutions to report after disbursement of the institution portion of funds?

The institution should be prepared to report the use of the funds, accounting for the amount of reimbursements to the institution for costs related to refunds made to students for housing, food, or other services that institution could no longer provide, and describing any internal controls institution has in place to ensure that funds were used for allowable purposes and in accordance with cash management principles. U.S. DOE will publish a notice in the Federal Register to provide instructions to institutions on these reporting requirements. U.S. DOE encourages institutions to keep detailed records of how they are expending all funds received under the HEERF.

### Minority Serving Institution allocation from HEERF – What are the fund uses?

An institution of higher education receiving funds under this section may use the funds received to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus, so long as such costs do not include payment to contractors for the provision of preenrollment recruitment activities; endowments; or capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship.

Institutions of higher education may also use the funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to the coronavirus (including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care).

The U.S. DOE Secretary has encouraged institutions receiving these funds to use as much of these funds as possible to give grants to students.

### What institutions are eligible for Minority Serving Institutions funds?

Eligibility for minority serving institutions is defined in the Higher Education Act of 1965 and through the Federal programs funded during FY20. These programs include the following:

Strengthening Historically Black Colleges and Universities Program

Strengthening Historically Black Graduate Institutions Program

Master's Degree Programs at Historically Black Colleges and Universities Program

**Predominantly Black Institutions Program - Formula Grants** 

**Strengthening Institutions Program** 

American Indian Tribally Controlled Colleges and Universities Program

Alaska Native and Native Hawaiian Serving Institutions Program

Asian American- and Pacific Islander serving Institutions Program

Native American Serving Nontribal Institutions Program

Developing Hispanic Serving Institutions Program

Promoting Postbaccalaureate Opportunities for Hispanic Americans Program

Bolded programs are those in which Louisiana institutions participate.

### How were the Minority Serving Institutions funds allocated?

The CARES Act stipulated that the \$1.05B must be allocated across these programs proportionally based on the allocations these programs received in the Further Consolidated Appropriations Act, 2020.

### Are any public institutions eligible for funds from the Fund for the Improvement of Postsecondary Education?

Yes. The LSU Health Science Center in Shreveport is the only public institution that will be eligible to receive funds. The institution will receive \$183,000 to increase its award from CARES Act to \$500,000.

### **Other Resources**

### Governor's Emergency Education Relief Fund – What are the fund uses?

Grants may be used to:

- Provide emergency support through grants to local educational agencies that the state educational agency deems have been most significantly impacted by the coronavirus to support the ability of such local educational agencies to continue to provide educational services to their students and to support the ongoing functionality of the local educational agency;
- 2) Provide emergency support through grants to institutions of higher education serving students within the state that the Governor determines have been most significantly impacted by coronavirus to support the ability of such institutions to continue to provide educational services and support the ongoing functionality of the institution; and
- 3) Provide support to any other institution of higher education, local educational agency, or education related entity within the state that the Governor deems essential for carrying out emergency educational services to students for authorized activities described in the Elementary and Secondary Education Act of 1965 or the Higher Education Act, the provision of child care and early childhood education, social and emotional support, and

the protection of education-related jobs.

### Has the Governor applied for the Governor's Emergency Education Relief Fund?

Yes, the Governor's Office submitted an application to U.S. DOE on Tuesday, April 22<sup>nd</sup>. The application prioritizes the increased the delivery of online courses and also correspondence courses.

### **Education Stabilization Fund Discretionary Grants – What are the grants?**

Congress has set aside 1% of the \$30.75B allotted to the Education Stabilization Fund through the CARES Act for grants to states with the highest coronavirus burden. On April 27<sup>th</sup>, 2020, U.S. DOE announced it will make these grants available to states most affected by coronavirus through two separate grant competitions, Education Stabilization Fund-Rethink K12 Education Models Grants and Education Stabilization Fund-Reimagining Workforce Preparation Grants.

The Education Stabilization Fund-Reimagining Workforce Preparation Grants provide support to help states leverage the power of entrepreneurship to create new educational opportunities and pathways that help citizens return to work, small businesses recover, and new entrepreneurs thrive. These programs also build new capacity within the state to offer short-term postsecondary programs that are responsive to the needs of individuals to more rapidly adapt and evolve to ever changing workplace and community needs.

### When can states apply for these grants?

Application packages for these competitions will be available within two weeks. Applicants will then have 60 days to apply.