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

### **CARES Act – Stimulus Bill**

- \$30.135B available for K-12 and Higher Education
- \$30.135B 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 to all Qualifying Institutions (with a 75% based on Pell FTE and 25% on non-Pell FTE)
    - That \$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 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 ED 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)
    - \$349M will flow through Title VII Funds for the Improvement of Postsecondary for implementation of innovative educational reform ideas, evaluates how well they work, and shares findings with the larger education community.

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

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.

Note: Institutions are working on their student allocation methodology currently and we will update you when we receive information on average funding per student.

		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
Grambling State University	\$7,010,388	\$3,505,194
Louisiana Delta Community College	\$2,963,756	\$1,481,878
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
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
Northshore Technical Community College	\$2,051,300	\$1,025,650
Northwest Louisiana Technical College	\$1,136,669	\$568,335
Northwestern State University of Louisiana	\$5,647,034	\$2,823,517
Nunez Community College	\$1,561,099	\$780 <i>,</i> 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
Southeastern Louisiana University	\$10,580,284	\$5,290,142
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
Southern University Law Center**	\$0	\$0
SOWELA Technical Community College	\$2,493,383	\$1,246,692
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
Grand Total	\$147,140,866	\$73,570,433

<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 Law Center has the same institution ID number as Southern University - BR.

## **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 -147.1M for public institutions based on U.S. DOE information released on April 9th.
  - a. Does not include separate MSI/HBCU institution amounts
  - b. Private institutions and proprietary schools are receiving approx. \$39M.

### **Higher Education Emergency Relief Fund – How were funds allocated?**

The allocated 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 students to satisfy a student's outstanding account balance or future account balance. The

Department 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; 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, which may include distributing the funds to all students or only to students who demonstrate significant need.

Louisiana institutions are working on their methodology currently and we will provide average allocation amounts to you once we receive them.

### 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 their portion of the funds.

### **Other Resources**

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

Grants may be used to:

- 1) Provide emergency support through grants to local educational agencies that the State educational agency deems have been most significantly impacted by coronavirus to support the ability of such local educational agencies to continue to provide educational services to their students and to support the on-going 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 on-going 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 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 the U.S. DOE on Tuesday, April 22<sup>nd</sup>. The application prioritizes the increased the delivery of online courses and also correspondence courses.

## When will the additional funds for MSIs/HBCUs be available and how much will they receive?

These amounts are unknown at this time. In the email received last week, U.S. DOE stated those amounts would be known within 1-2 weeks. Based on previous year federal appropriations, it is estimated that LA public HBCUs and MSIs may receive approximately \$39M.