

The University of Montevallo

Higher Education Emergency Relief Fund

Program II (CRRSAA)

On December 27, 2020, the President signed the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA). This new law provides the U.S. Department of Education with funds to distribute to institutions of higher education in order to prevent, prepare for, and respond to coronavirus through the Higher Education Emergency Relief Fund (HEERF).

\$1,280,001 - Student Aid Portion Funds CFDA 84.425E – Summary

For Spring 2021 student grants were awarded across four tier levels. The level of award is determined by the exhibited level of need based on Pell Eligibility and unmet need as determined by student's financial aid profile. Note: Allocations for future terms will be determined.

<u>Students</u>	<u>Spring 2021 Allocation CRRSAA HEERF II</u>	<u>Award Amount</u>	<u>Total Distributions</u>
139	Pell Eligible, unmet need \$0-\$1,499	\$200.00	\$27,800
244	Pell Eligible, unmet need \$1,500-\$6,999	\$275.00	\$67,100
140	Pell Eligible, unmet need \$7,000-\$9,999	\$350.00	\$49,000
280	Pell Eligible, unmet need >\$10,000	\$400.00	\$112,000
803	Total CRRSAA HEERF II Spring 2021 Grant Fund Distribution		<u>\$255,900</u>

- 1) **Uses of Student Aid Portion Funds:** Institutions must make financial aid grants to students, which can be used for any component of the student's cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or child care. Unlike the CARES Act, the CRRSAA required that institutions prioritize students who receive Pell Grants and authorizes grants to students exclusively enrolled in distance education.
- 2) **Deadline for Use of Student Aid Portion Funds:** Funds may distributed through mid-January 2022.

Overview Questions (Relevant to Student Aid Portion)

- **What changes did Congress make to the (a)(1) programs from the CARES Act to the CRRSAA?**
 - a. **Expanded the allowable uses of grant funds:** Congress expanded the allowable uses for supplemental awards and new awards made under section 314(a)(1) of the CRRSAA and for unspent CARES Act funds, subject to certain limitations.

- 3) **Uses of Institutional Portion Funds:** Institutional portion funds may 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 HEA that address needs related to coronavirus. Institutional funds may also be used to make additional financial aid grants to students.
- 4) **Periods of Funds Availability:** IHE's have one calendar year from the date of their award to expend funds unless the institution receives a no-cost extension. UM's GAN was dated January 18, 2021, therefore all funds should be expended by January 17, 2022. Funds may be used for pre-award costs incurred on or after March 13, 2020.

Overview Questions (Relevant to Institutional Aid Portion)

- **What changes did Congress make to the (a)(1) programs from the CARES Act to the CRRSAA?**
 - a. **Expanded the allowable uses of grant funds:** Congress expanded the allowable uses for supplemental awards and new awards made under section 314(a)(1) of the CRRSAA and for unspent CARES Act funds, subject to certain limitations.
 - b. **Modified the share of (a)(1) funds that must be can be used for Institutional purposes versus and student financial aid grants:** The CARES Act required that 50 percent of an institution's allocation under section 18004 (a)(1) be used for financial aid grants to students, which was represented by the institution's CARES Act Student Aid Portion award. The CRRSAA requires that an institution receiving funding under section 314(a)(1) provide the "same amount" in financial aid grants to students from the new CRRSAA funds that is was required or which it would have been required to provide under its original CARES Act Student Aid Portion award. Because this law appropriates more funding (approximately \$22 billion instead of \$14 billion) for supplemental and new awards under CRRSAA section 314(a)(1), the Department anticipates that, on average, a large share of (a)(1) allocations will be available for institutional support than under the CARES Act.
- **CRRSAA (a)(1) programs questions:**
 - a. **How has the use of funds changed for institutional uses?** Institutions have expanded flexibility in their use of supplemental Institutional Portion funds (CFDA 84.425F). Under section 18004 (c) of the CARES Act, institutions were required to use their Institutional Portion awards to cover any cost 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 CRRSAA for Institutional Portion awards include:
 - i. Defraying 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).

- ii. 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 – see section below:

Overview Questions (Relevant to Student Aid Portion)

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 CRRSAA, no supplemental Institutional Portion awards or new Institutional Portion awards may be used to fund contractors for the provision of pre-enrollment recruitment activities; marking or recruitment; endowments; capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship; senior administrator or executive salaries, benefits, bonus, contracts, incentives; stock buybacks, shareholder dividends, capital distributions, and stock options; or any other cash or other benefit for a senior administrator or executive.

b. What “student support activities” may CRRSAA funds be used to support?

Section 314(c)(2) allows an institution to spend its CRRSAA funds on student support activities by the HEA, where those student support activities address needs related to the coronavirus. The Department interprets this provision to, among other authorized activities, authorize grantees to use CRRSAA funds to carry out TRIO and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) program activities to the extent that those activities address needs related to the coronavirus. For example, (a)(1) institutional funds may be used to support the transition to virtual activities, purchase PPE, or support other innovative learning methods that would allow an institution to engage in student support activities authorized under the HEA during COVID-19 pandemic.