



# Town Hall

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## ARPA Allocations

# Department of Education Updates

- What's New?
  - Allocation table
  - FAQ
  - Voluntary return of funds form
  - Quarterly reporting form for institutional share
  - Works in conjunction with previous guidance

# Emergency Grants to Students



- All student who are/were enrolled on or after March 13, 2020, are eligible for grants from the HEERF
  - Regardless of whether they completed a FAFSA or are/were Title IV-eligible
  - Includes international and DACA students, among others
- Prioritize students with exceptional need; document process
- Uncashed grant checks
  - Redistribute to other students within HEERF grant performance period
  - Can't use grants to recover stop-payment fees
- Again emphasizes: not taxable income; doesn't count towards Expected Family Contribution

# IRS HEERF Guidance



## New Guidance Regarding 1098-T Reportability

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Reiterates that students do not need to report the grants as income, and that the emergency grants are not taxable to the student.

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Since the grants are not considered income to students, they should not be reported on Forms 1099- MISC.

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Institutions were not required to report emergency grants on the 2020 Form 1098-T.

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New guidance clarifies that there is no special requirement to report student emergency grants on the 2021 Form 1098-T.

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Institutions should report payments received for qualified tuition and related expenses—which may or may not be paid for with student emergency grants—as they normally would in Box 1 of the form. Emergency grants to students should not be reported in Box 5.

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# New ARPA Guidance

## Institutional Share



- Reiterates much of ED's earlier guidance
- “Minor remodeling expenses” and purchases are allowed
  - You can upgrade your HVAC and lease/purchase some items to aid in virus mitigation
- Lost revenue discharge of student debt: use for students who may be experiencing enrollment holds, transcript withholding, or other particular hardships related to unpaid balances
- Large drawdown? You may get an email.
- Drawdown within 90 days, minimize time between drawdown and expenditures
- One-year spend period

# New ARPA Guidance

## New Required Use of Funds



- Mandated by legislation
  - “implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines”
  - “conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances.”
- Guidance offers a lot of best practice advice, while providing some flexibility
- Documentation required for both (guidance specifies how)
- Use the Cost Principles in 200 CFR part 200 subpart E to guide their decisions on what constitutes a reasonable and necessary portion of HEERF grant funds to commit to implementing these two required grant activities.

# New ARPA Guidance

## Information for Use of Funds and Reporting



### Lost revenue

<u>Academic Sources</u>	<u>Auxiliary sources</u>	
Tuition, fees and institutional charges	Cancelled ancillary events	Bookstore
Room and board	Disruption of food services	Parking
Enrollment declines	Dormitory services	Leases
Supported research	Childcare services	Royalties
Summer terms and camps	Use of facilities or venues	Other operating

### Examples for discussion

#### Discharging students' unpaid balances or debt

- Enrolled students on 3/13/20
- Holds for transcript, enrollment, transfer

#### Tuition – due to overall enrollment declines

#### **All lost revenue sources** – gross – without regard to

- Expense savings
- Related operating expenses

# New ARPA Guidance

## Information for Use of Funds and Reporting



### Expenses associated with coronavirus

Reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, payroll and benefits

Additional emergency financial grants to students

### Examples for discussion

#### Payroll and benefits

- (1) newly associated with coronavirus, incurred on or after March 13, 2020
- (2) New or repurposed staff
- (3) Additional work or overtime

**Minor remodeling:** Installation or renovation of an HVAC system: helps with air filtration to prevent the spread of COVID-19

**Tuition discounts** – institutional aid – (a)(1) – results from direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to changed student / family circumstances



# New ARPA Guidance

## Reporting/Misc.



- Guidance on how to close out a HEERF grant
- Guidance on general audit requirements
  - Single audit / major program / first year
- Guidance on indirect costs and other grant management miscellany
  - Recipient may charge indirect costs to supplemental funds made available under this award consistent with its negotiated indirect cost rate agreement.
  - If Recipient does not have a current negotiated indirect cost rate with its cognizant agency for indirect costs, it may appropriately charge the de minimis rate of ten percent of Modified Total Direct Costs (MTDC) under 2 CFR § 200.414.

# New ARPA Guidance

## Reporting/Misc.



- New quarterly reporting form for the institutional share, for the quarter, not cumulative
- First two 2021 calendar quarters are due July 10

Category
Providing additional emergency financial aid grants to students. <sup>1</sup>
Providing reimbursements for tuition, housing, room and board, or other fee refunds.
<b>Providing tuition discounts.</b>
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.
<b>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.</b>
<b>Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.</b>

<b>Campus safety and operations.<sup>2</sup></b>
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 class period and to provide time for disinfection between uses.
<b>Replacing lost revenue from academic sources.<sup>3</sup></b>
<b>Replacing lost revenue from auxiliary services sources</b> (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.). <sup>3</sup>
Purchasing faculty and staff training in online instruction; <b>or paying additional funds to staff who are providing training</b> in addition to their regular job responsibilities.
<b>Purchasing, leasing, or renting additional equipment</b> or software to enable distance learning, or upgrading campus wi-fi access or extending open networks to parking lots or public spaces, etc.
<b>Other Uses</b> of (a)(1) Institutional Portion funds. <sup>4</sup>
<b>Other Uses</b> of (a)(2) or (a)(3) funds, if applicable. <sup>5</sup>
<b>Quarterly Expenditures for Each Program</b>
<b>Total of Quarterly Expenditures</b>

# Check out the NACUBO HEERF Resource Center!

Our latest analysis

COVID-19 Accounting Tutorials

COVID-19 Town Halls

Department of Education Guidance

[HEERF Resource Center](#)

# Q&A

# Upcoming Events



- Revisiting Your Strategic Plan Post-Pandemic (May 27 a 1 p.m. Eastern)
- The Equity Lens: Exploring Systems and Processes with Underrepresented Students in Mind (June 3 at 1 p.m. Eastern)
- Responsibility Center Management...Light (June 7 at 1 p.m. Eastern)
- Moving From Reflection Towards Change: A Shift to Social Justice Informed Practice (June 8 at 1 p.m. Eastern)
- New Business Officers Program (July 8-9, 15-16)
- Visit the NACUBO website for all details! (Under the Professional Development tab)

Thank you!

