HEERF II FAQs

Q&A from Baker Tilly's interactive webinar

On March 18, Baker Tilly hosted a webinar for higher education institutions on the second Higher Education Emergency Relief Fund (HEERF II). This FAQ was developed in response to the questions we received, and will continue to be updated with new information and guidance for colleges and universities as available.

Accounting treatment

Q: How do we account for HEERF II funds in our financial statements?

A: Account for HEERF II in the financial statements the same as HEERF I and the relevant contribution standard (ASU No. 2018-08). Meet barriers before recognition.

Allocation

Q: For the HEERF II funds, is there a requirement for the match between the institutional portion and the emergency student aid portion? Our institutional portion was significantly higher than the emergency student aid portion.

A: The timing of the use of the funds during the period of performance (one year from the Grant Award Notification [GAN] date) does not have to be on a pro-rata basis, but rather the split between the two must align with the allocation at the end of that one-year period. For accounting and financial reporting purposes, there are limitations, however, on the extent of revenue that can be recognized in the financials in line with the conditional contribution guidance.

Allowable expenses

Q: Is there a list of allowable expenses that can be covered by HEERF?

A: No. There is not a list, but the Department of Education's (ED) FAQ document states "allowable uses under the CRRSAA for institutional portion awards include:

- 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);
- Carrying out student support activities authorized by the Higher Education Act of 1965 (HEA) that address needs related to coronavirus; and
- Making additional financial aid grants to students."

Q: What are some prohibited expenses?

A: Payments for recruitment contractors, marketing, recruiting, endowment expenses, capital outlays associated with athletics-related facilities, secretarial instruction or religious workshop, senior administrator or executive salaries, benefits, bonuses, contracts, incentives or any other cash or benefit for a senior administrator or executive.

Compliance

Q: Where can a copy of the compliance supplement be obtained for HEERF II?

A: There is no compliance supplement for HEERF II at this time. HEERF I requirements can be found at https://www.whitehouse.gov/wp-content/uploads/2020/12/2020-Compliance-Supplement-Addendum_Final.pdf

Drawdowns

Q: Institutions are required to complete the first drawdown by April 15, 2021. We still have an unspent HEERF I. Are we required to spend HEERF I before drawing down HEERF II?

A: No. There is no requirement to spend HEERF I before drawing HEERF II.

Q: We are hearing that institutions plan to draw down $1 by April 15 to be in compliance. Is this true?

A: Institutions have 90 days to draw down "some" of the allocation for both the student and institutional portion, but have one year to use the full amount.

Q: We are getting close to the 90 days. Is there an estimate of when guidance will be finalized as to whether the timing of the draw must be within the 90 days or if institutions have up to a year, especially considering there is currently no clear guidance on the lost revenue calculation?

A: Institutions have 90 days to draw down "some" of the allocation for both the student and institutional portion, but have one year to use the full amount.

Q: Must an institution draw down student emergency grant funds before or at the same time as the institutional funds, or can an institution draw down the institutional funds first?

A: The order of the drawdown does not matter. Institutions have 90 days to draw down "some" of the allocation for both student and institutional portions but have one year to use the full amount. Accounting treatment for revenue recognition may be affected by the timing/order of drawdowns, but if the expenses have been incurred in either category, the funds can be drawn down.

Q: If we draw down institutional funds due to loss of revenue, can these funds trigger a profit?

A: The expectation is that the funding would not result in a profit; however, it would be important to articulate the various factors that would be contributing to that result (perhaps a large non-recurring gift that was received but not anticipated).

Expenses

Q: What is the guidance about setting up a fund with institutional portion funds to use specifically to clear up student account balances?

A: Institutional funds can be used to provide additional emergency grants to students.

Q: For the institutional portion, can institutions cover expenses directly related to COVID-19 that were incurred between August and Dec. 27, 2020? That would be a timeframe that the HEERF I left off for institutions, and there would be no double-dipping in this timeframe.

A: This was clarified by ED on March 19, 2021. Institutions can apply HEERF II funds back to lost revenue beginning in March 2020. For example, this could relate to room and board refunds that were not already covered with HEERF I funds.

Q: Can an institution use their portion to cover the cost of COVID-19 testing for students in the spring semester?

A: Yes, as long as no other public funds were already used to cover these costs.

Form 1098-T

Q: Will we be required to report the HEERF funds on the 1098-T? If so, will it be just Box 5 (Scholarships & Grants) or both Box 1 (Payments Received) & Box 5?

A: The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) includes an expansion of the grant provision permitting institutions to apply the emergency grants to a student's account, only after receiving written (or electronic) affirmative consent from the student that grants could potentially be payments for qualified tuition and related expenses (QTRE). Student grants made from the second round of federal aid contained in the CRRSAA may need to be reported on the Form 1098-T, according to a notice published by the IRS on Jan. 19, 2021. The notice states that there is no requirement to report those amounts on the Form 1099-MISC; however, it states that "the waiver does not apply to the requirement to file and furnish Form 1098-T, Tuition Statement, with respect to any payments received for qualified tuition and related expenses, including qualified tuition and related expenses paid with grants described in this notice." Until further guidance is received, campus administrators should track amounts of student emergency grants applied to student account balances.

Q: What are the tax implications for funds given to students?

A: We are awaiting final guidance, but there is a possibility that funds applied directly to a student's account will be reported on Form 1098-T, so institutions should track these types of funds used for QTRE.

Q: If we treat HEERF II like HEERF I and just send it to the student, will it NOT be on a Form 1098-T?

A: Correct, if you are not applying to account balances, our understanding is the grants to students will not be included on Form 1098-T. The current guidance indicates 1098-T reporting may only be applicable if a student opts to apply against an account balance.

Q: If we have awarded funds for tuition and it is coded to apply to Form 1098-T, and the policy changes, how do we address that change after awarding funds?

A: Until the IRS publishes clearer guidance, campus administrators should track amounts of student emergency grants distributed this year. You may have to work with your software to determine how to reverse any coding as needed.

Q: Would all payments under HERFF II be reportable on the Form 1098-T or just payment students give permission to be allocated to prior balances?

A: Payments to students who opted to apply funds to their student account balance should be tracked for potential 1098-T reporting. 1098-T reporting would be applicable for students who give permission to apply funds to an outstanding account balance.

Q: Do student emergency funds awarded to students and applied to their tuition need to be reported on the Form 1098-T?

A: It is possible that funds applied directly to a student's account will be reported on Form 1098-T. Institutions should track these types of funds used for QTRE.

HEERF I VS HEERF II

Q: What are the differences between HEERF I and HEERF II?

A: The National Association of Student Financial Aid Admissions (NASFAA) developed a helpful comparison chart. Some differences include: allocations; expanded allocation formula; HEERF II requirement to prioritize students with greatest need; institutional portion under HEERF I required a clear nexus to significant change in the delivery of instruction due to coronavirus while HEERF II provides additional allowances; no student eligibility requirements in HEERF II; and HEERF II allows distance students.

Indirect costs

Q: What is the application of indirect cost rate?

A: Indirect costs may be charged only to institutional portion awards, both new and supplemental, and may not be charged to any student portion grant awards because the student allocation represents an amount of funds that must be distributed to students. Generally, this indirect cost rate will be the on-campus rate specified in an institution's negotiated indirect cost rate agreement. If an institution 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 10%.

Q: What is the process for applying an indirect cost rate multiplier to reimbursements?

A: Indirect cost rates (or the 10% de minimis rate) can be applied to the institutional portion, but not the student portion. It is important to consider which indirect costs may have already been applied to other grants in order to avoid potential double-dipping.

Q: For the institutional portion, can an institution charge its negotiated indirect cost rate to charges it deems eligible?

A: Yes. ED's FAQs indicate that the existing negotiated rate may be used for the institutional share.

Institutional share of lost revenue

Q: What is the definition of lost revenue and how should an institution support it?

A: Upon request from the ED, institutions must provide documents demonstrating year-over-year decreases in revenue that are the result of a decline in enrollment, a decline in student fees including housing fees and meal plans, a decline in parking and facilities revenue or a decline in revenue from summer programs or other activities disrupted by COVID-19.

Q: Can the institutional portion of HEERF II be used to offset lost revenue from campus closure in March 2020?

A: This was clarified by ED on March 19, 2021. Institutions can apply HEERF II funds back to lost revenue beginning in March 2020.

Q: What are recommended methods for calculating loss of revenue?

A: Compare year-over-year actual revenue to lost room and board revenue if students were not on campus and/or lost tuition revenue, and document how the shortfall is affecting the institution's budget. While institutions of higher education (IHEs) wait for guidance, we recommend institutions begin the process by listing out all revenue streams and involve other departments to see if there were revenue generating activities that could not be held (i.e., sporting events, summer camps, facilities rentals, theatre performances, etc.). Once you have a list, begin an analysis to serve as support for lost revenue. Compare like reporting periods and provide dollar impact and student/attendee impact where available. Additionally, prepare a list of unreimbursed expenses prior to Dec. 27, 2020 in addition to expenses after that date and expected future cash outlays. This will help from a preparation standpoint once the ED issues more direct guidance.

Q: How does an institution substantiate lost revenues/expenses related to lost revenues? Is there an update on conflicting guidance between "prior expenses" and "expenses incurred on or after Dec. 27, 2020"?

A: FAQ #12 from ED addresses this question. There is not a need to assign specific costs/expenses to the lost revenue.

Q: What is the eligible timeframe for the institutional share of funds for lost revenue before Dec 27, 2020?

A: This was clarified by ED on March 19, 2021. Institutions can apply HEERF II funds back to lost revenue beginning in March 2020.

Q: What are qualified expenses for the HEERF II institutional funds?

A: Lost revenue, reimbursement for expenses already incurred, technology costs associated with transition to distance education, faculty and staff trainings, payroll, carry out of student support activities authorized by HEA (but note that this has been removed under the American Rescue Plan Act of 2021 [ARP]) and to make additional financial aid grants to students. NASFAA provided guidance received from the ED that payroll includes employee salaries and benefits. With regard to payroll, the costs are to be associated with the impact of the pandemic. An example of that may be the hiring of additional information technology support to facilitate the transition to distance learning.

Lost revenue

Q: What is the appropriate internal control documentation related to the student allocation methodology, as well as expenses and lost revenue calculations for the institutional portion?

A: An institution should have a designated person(s) to be familiar with the various requirements and allowed uses for each type of the HEERF funds, and to keep up-to-date on new guidance when published. Additionally, institutions should have a documented methodology for using the student and institutional portions of the funds, follow that methodology and include some documented controls around review and approval, which could be at the individual student grant, refund or expense level, or could be done in aggregate. For lost revenue calculations, the institution should review the new lost revenue guidance published by ED on March 19, 2021, and document the methodology, calculations, etc. All relevant documentation to support the institution’s uses of the funds should be saved.

Q: Looking at revenue replacement, we have our students on campus but needed to reduce the available housing. Is this a legitimate use of funds for revenue reduction? Board reduction would follow along the same train of thought.

A: Yes, room and board reductions associated with COVID-19, such as for reduced capacity on campus for social distancing is an allowable source of lost revenue for HEERF grants. Institutions should be aware that ED specified that lost housing revenue due to previously planned remodeling, etc., would not be directly attributable to COVID-19. For board revenue, it is advised to also factor in the associated expense reductions.

Q: Will revenue be looked at on an accrual basis? We bill spring tuition in December, but it technically applies to January – May.

A: This was clarified by ED on March 19, 2021 indicating that there would not be such a timing issue.

Q: What documentation is required for the institutional portion of HEERF II in order to document lost revenues such as room and board?

A: This was clarified by ED on March 19, 2021.

Q: We have lost revenue from room and board for the spring semester. Is that considered "lost revenue" for which we can reimburse our institution from the institutional funds?

A: Yes. See clarified guidance from ED issued March 19, 2021.

Q: Can institutions use the institutional funds as lost revenue if we typically receive funding that is typical but not guaranteed each year for scheduled maintenance?

A: This likely would depend on the source and nature of the funding. FAQ #4 in ED's March 19, 2021 communication calls out those that are explicitly prohibited. For example, those fees related specifically to athletic facilities are to be excluded.

Q: What is the guidance on institutions using HEERF II funds toward lost revenues experienced by its hotels, athletic facilities, etc., due to the coronavirus?

A: ED provided guidance on March 19, 2021 on auxiliary service sources of revenues that are allowable, including: for cancelled ancillary events, use of facilities or venues, including external events such as weddings, receptions, or conferences (other than facilities associated with sectarian instruction or religious worship), parking revenue, etc. Institutions should also be aware of some specifics that ED also included on non-reimbursable expenses.

Q: Is loss of contributed revenue something that might qualify as lost revenue? Individual donations?

A: No. This was clarified by ED on March 19, 2021. You can apply HEERF II funds back to lost revenue beginning in March 2020. ED's guidance notes potential sources of lost revenue that are not reimbursable under the HEERF grants, and this includes contributions or donations to the institution.

Q: Can institutions use the HEERF II institution funds to reimburse the institution for the student use fees (e.g., student center) we refunded after Dec. 27, 2020?

A: Yes, if the refunds were related to disruption of campus activities due to COVID-19.

Q: Can we compare pre-COVID-19 revenue to post-COVID-19 revenue when determining lost revenue considering ED urged institutions to maintain 100% employment for as long as practicable?

A: Yes. See clarified guidance from ED issued March 19, 2021.

Q: Is the calculation of lost revenue only based on revenue or should it be net revenue based, too? That is to mean that although we lost revenue, for certain activities, we also incurred fewer expenses.

A: It would seem that the intent behind the lost revenue component is that institutions would also look to the extent of variable cost savings that were incurred in connection with no longer providing such services.

Q: Does the Dec. 27, 2020 date for student aid apply to the institution portion as well? Can the lost revenue be for FY21 only or can it be used in FY22?

A: ED clarified on March 19, 2021 that institutions can apply HEERF II funds back to lost revenue beginning March 13, 2020 (previously the date was Dec. 27, 2020), and this applies to both the student and institutional portions. For the HEERF II funds, institutions have one calendar year from the date of their award to expend funds unless they receive an extension. ED noted that institutions charge the lost revenue to the grant at the end of the period used to estimate the lost revenue and the example provided was *"if an institution calculated lost revenue on the basis of its institutional fiscal year (FY) and used FY July 1, 2020 – June 30, 2021, it would charge the HEERF grant award for the lost revenue on or after the last day of the estimation period, June 30, 2021.*"

Q: What is timeframe for eligible lost revenue and expenditures?

A: ED clarified on March 19, 2021 that institutions can apply HEERF II funds back to lost revenue beginning March 13, 2020.

Q: What is the definition of lost revenue?

A: ED provided the following definition in the lost revenue FAQs issued March 19, 2021: "*Lost revenue refers to those revenues an institution of higher education (institution) otherwise expected but were reduced or eliminated as a result of the novel coronavirus 2019 (COVID-19) pandemic. As such, lost revenues can only be estimated.*"

Q: What are some recommended methods for calculating loss of revenue?

A: ED provided several examples for calculating lost revenue in the lost revenue FAQs issued March 19, 2021: These include:

- A year-over-year comparison using the prior year
- A semester-over-semester comparison using the prior year semester (i.e., fall 2019 compared to fall 2020 or summer term 2019 compared to summer term 2020)
- A comparison using a three- or five-year combined average revenue as baseline revenue
- A comparison to previously budgeted revenue or projected revenue for the period
- A comparison with a baseline year of a fiscal year prior to the March 13, 2020 national emergency declaration, such as the fiscal year from July 1, 2018 – June 30, 2019

Q: What impact do reductions in state funding have on the determination of lost revenue? In regard to loss revenue, can state funding be considered "revenue" for this purpose?

A: FAQ #4 in ED's March 19, 2021 communication describes various revenue sources that are to not be included for which there is not anything specific to state funding, other than a reference to any revenue used for certain capital outlays. If a position can be taken and appropriately supported that there was a direct reduction in state funding tied to the pandemic impact, then it is possible that ED would consider that to be an appropriate use of the funds.

Q: I can identify the lost revenue, but how does an institution translate that to identified expenses that can be charged to the funds?

A: The lost revenue is considered to be the "expense" and therefore it would not be necessary to attach particular expenses paid to those amounts being claimed for lost revenue.

Miscellaneous

Q: Do institutions have a CARES Act committee to adjudicate distribution of the funds?

A: Many institutions have developed their allocation plans through a committee structure, or by otherwise bringing together viewpoints across campus, including finance, financial aid, academics and student success representatives.

Q: Do auditors look at disclosures on institutions' CARES Act websites?

A: Yes. When auditing the HEERF funds, we as auditors do review the institution's CARES Act website for the required reporting.

Q: Can institutions use funds for expenses incurred in summer and/or fall 2020? Will international students be eligible for student portion?

A: This was clarified by ED on March 19, 2021. You can apply HEERF II funds back to lost revenue beginning in March 2020.

Q: Are the "procurement" standards applicable to possible use of the institutional portion internal standards of the institution or federal procurement standards? How likely is it that institutions can consider the expenses as emergency?

A: Institutional standards should align with procurement standards under Uniform Guidance. If considered an emergency, then documentation should be maintained to support the emergency situation and bypass of procurement requirements.

Q: What are the tips for adding value by looking at specific risks encountered?

A: Documentation is key. Maintain documentation of any processes/approvals, keep meeting minutes and engage your board. A leading practice is working with your external auditor to review plans and/or provide outside commentary or suggestions. Make sure copies of any required reporting is maintained, including documentation for date posted.

Q: Have institutions found that the initial student response was lighter than expected?

A: Some institutions found that student response (e.g., requests or applications) to HEERF I funding was lower than anticipated, resulting in less than the total amount of funds being distributed. These institutions often went through a second round of requesting applications, or in some cases provided funds to certain subsets of students in order to maximize use of the student share funds per ED guidance.

Payroll

Q: What exactly is allowable under payroll expenses?

A: Need to make a reasonable connection to COVID-19. For example, salaries/benefits were paid due to COVID-19 (i.e. testing, nursing, cleaning, virtual adjuncts) they are allowable. FAQ #10 from the Department of Ed also indicates which are NOT allowable

Q: What exactly does payroll include, payroll for anyone?

A: Under HEERF I, the use of funds for payroll had to be more clearly aligned with significant change to the delivery of instruction due to coronavirus, therefore excluding employees that worked in dining halls, dorms, etc. Effective with the enactment of CRRSAA, HEERF II funds may be more broadly used to defray payroll and benefit costs associated with the coronavirus. Prior to the CRRSAA, as a condition of receiving HEERF I funds (student or institutional share), the institution agreed that it would pay all of its employees and contractors to the greatest extent practicable during the period of any disruptions or closures related to COVID-19. This is still a condition for spending HEERF II student and institutional funds.

FAQ #10 indicates that no supplemental institutional portion awards or new institutional portion awards may be used to fund contractors for the provision of pre-enrollment recruitment activities; marketing or recruitment; endowments; capital outlays associated with facilities related to athletics, sectarian instruction or religious worship; senior administrator or executive salaries, benefits, bonuses, contracts, incentives; stock buybacks, shareholder dividends, capital distributions and stock options; or any other cash or other benefit for a senior administrator or executive.

Q: Can we use the institutional portion to cover faculty and staff payroll that doesn't fit into the bucket noted above, even if we were not closed?

A: An institution will need to make a reasonable connection to COVID-19 for payroll expenses. For example, salaries/benefits that were paid due to COVID-19 (i.e., testing, nursing, cleaning, virtual adjuncts) are allowable. FAQ #10 from ED also indicates which payroll expenses are not allowable.

Q: Is there clarification on what payroll/benefits qualify? Is it only those that provide services related to online learning?

A: For payroll and benefit costs, until further clarification is received from ED, our understanding is that the costs should be able to be tied to COVID-19 somehow, using a reasonable basis. For example: testing, nurses, cleaning, virtual adjuncts or if the associated revenue stream(s) that would have covered the salary and benefit costs has been significant affected such as dining hall or housekeeping.

Q: What constitutes "employee benefit costs" for which recipients of HEERF I and II funds can be reimbursed?

A: If an institution can make the connection that those salaries/benefits were paid due to COVID-19 (i.e. testing, nursing, cleaning and virtual adjuncts) or if the revenue stream that would have covered the salaries (i.e. dining hall or housekeeping) went away due to COVID-19, they are allowable. The institution should be able to tie the reimbursement back to COVID-19 using a "reasonable basis."

Period of performance

Q: If an institution's budget for next fiscal year includes costs related to specific equipment and/or personnel cost attributable to the pandemic (e.g., counseling services), can the institution apply the CRRSAA funding (if any remains) to next fiscal year (after June 2021)?

A: The HEERF II funds under the CRRSAA are to be used within one year of the grant award agreement.

Q: For HEERF I, is there a deadline for when items purchased can be used? For example, an institution is currently purchasing software needed for distance learning that will be used this summer. Would that be an allowable expense?

A: Yes, but the costs need to be incurred within the institution's grant award period.

Q: Has ED clarified the allowance for HEERF II funding for student need for expenses incurred prior to Dec. 27, 2020?

A: This was clarified by ED on March 19, 2021. Institutions can apply HEERF II funds back to eligible expenses beginning in March 2020.

Reporting requirements

Q: Should institutions report on the HEERF II funds on a quarterly basis, even though there is no clear guidance?

A: Over-reporting is generally not a bad idea, but until more guidance is released on reporting, institutions are not out of compliance if they choose not to report.

Q: What reporting obligations will institutions have to satisfy as a result of HEERF II?

A: Specific requirements have not been released. It's likely safe to assume similar reporting requirements to HEERF I will be required for HEERF II, including separate reporting for student and institutional portions. CRRSAA language reads that "*recipients must promptly and timely report to the Department on the use of funds no later than six (6) months after the date of this award in a manner to be specified.*"

Q: The Quarterly Budget and Expenditure Reporting document was developed under the CARES Act. Is any form available for HEERF II under CRRSAA? What are the reporting requirements for HEERF II?

A: The reporting requirements have not been explicitly determined yet, however the expectation is that they will be similar to HEERF I.

Q: Is it correct for an institution to over-write the required disclosures of the student portion of HEERF I each quarter? Should institutions just be adding new sections each quarter when we are updating them?

A: Institutions should maintain evidence or documentation that the prior quarters were posted on a timely basis, but don't necessarily need to keep all information "live" on the website.

Revenue recognition

Q: When should an institution recognize institutional revenue (i.e., when drawing funds down form G-5)?

A: Recognize revenue under the contribution standard similar to HEERF I, once barriers have been met (i.e., costs incurred, student portion paid).

Student accounts

Q: Can an institution provide student funds to those who left the institution with pending balances because they could not pay and continue at school?

A: Yes. Institutions may choose to make financial aid grants to students who have left school for any reason during the period of the national emergency, beginning on March 13, 2020, the date of the declaration of the national emergency. Affirmative consent is needed to apply to account balances. See the ED's FAQs #26 for more information.

Q: In regards to getting permission to have funds applied to a student account, do institutions need specific permission or would an overall permission be acceptable? For example, if a university has a permission that allows them to use Title IV aid to pay charges on an account

A: Given ED's clear guidance that students must have the ability to determine how the student share funds are spent, it is recommended that institutions receive explicit approval from students in order to apply funds to the student account. It is not recommended to automatically apply student share funds to the student account.

Q: Student awards can be applied to charges posted prior to Dec. 27, 2020. Does that extend to paying balances from prior terms (e.g., summer or fall 2020)?

A: Yes, charges associated on or after March 13, 2020, the day the national emergency was declared, are considered allowable.

Q: Are bursars normally directing the distribution?

A: We have seen distribution handled through both the bursar and/or financial aid.

Q: Are the majority of funds being distributed via ACH?

A: We have seen physical checks, ACH and application to student accounts (with permission).

Q: Are there any limitations if a student opts to allow the institution to use their HEERF II grant to pay an outstanding balance? If so, what types of charges can these grants be used to pay off?

A: Student grants can be used for **any component of the student's cost of attendance (COA)** or for emergency costs that arise due to the coronavirus, such as tuition, food, housing, healthcare (including mental healthcare) or child care.

Q: How should exceptional need be defined?

A: ED gives the example of Pell-eligible, but leaves it up to each individual institution to define and document. As long as the institution’s approach is reasonable and documented, they should be safe.

Q: Do you have to allow students to use to satisfy outstanding balance?

A: No.

Q: Are DACA students eligible?

A: There is still no guidance from ED to clarify whether or not undocumented, DACA or international students may receive funds.

Q: Is there guidance on student eligibility, citizenship and/or how to verify eligibility without a FAFSA on file?

A: Under CRRSAA, no student eligibility requirements are identified. Further, there is currently no guidance from ED to clarify whether or not undocumented, DACA or international students may receive funds.

Timing

Q: What is the timeframe for eligible lost revenue and expenditures? Can CRRSAA funds be spent during the entire project period or must they be used on expenses incurred after Dec. 27, 2020?

A: This was clarified by ED March 19, 2021. Institutions can apply HEERF II funds back to lost revenue and eligible expenditures beginning in March 2020.

ED sources

[Higher Education Emergency Relief Fund (HEERF) II Public and Private Nonprofit Institution (a)(1) Programs (CFDAs 84.425E and 84.425F) Frequently Asked Questions], Published January 14, 2021

[Higher Education Emergency Relief Fund (HEERF) II Public and Private Nonprofit Institution (a)(1) Programs (CFDA 84.425E and 84.425F) Frequently Asked Questions], Published January 14, 2021, Updated March 19, 2021

[Higher Education Emergency Relief Fund (HEERF I, II, and III) Lost Revenue Frequently Asked Questions], Published March 19, 2021

[Higher Education Emergency Relief Fund Frequently Asked Questions about the Emergency Financial Aid Grants to Students under Section 18004 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act]