EDUCATION STABILIZATION FUND (ESF)

Relief for Higher Education Institutions

Congress has passed several rounds of financial assistance and relief in response to the COVID-19 pandemic, including most recently the *American Rescue Plan*. The *American Rescue Plan* includes the following assistance for colleges and universities.

*** WHAT IS NEW IN THE AMERICAN RESCUE PLAN ***

The *American Rescue Plan* provides for more than \$39 billion to support colleges and universities and to help students cope with the financial strain caused by the COVID-19 pandemic. At least half of the funds received by colleges and universities must be used for direct financial assistance to students. Details are below.

In addition to the *American Rescue Plan*, you may be eligible for ongoing relief provided by the *Families First Coronavirus Response Act* ("Families First"), the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (COVID relief law).

HIGHER EDUCATION EMERGENCY RELIEF FUND

Under the *American Rescue Plan*, the Congress appropriated an additional \$39.5 billion for colleges and universities to ensure learning continues for students during the COVID-19 pandemic. This replenishes the Education Emergency Relief Fund (HEERF) established under the *CARES Act*, and it is in addition to the \$21.2 billion added to the HEERF in the COVID relief law.

Public and private nonprofit colleges and universities that already have approved HEERF awards under the *CARES Act* or COVID relief law are not required to submit a new or revised application to receive additional funding. Public and private nonprofit colleges and universities that did not receive HEERF Student Portion and/or Institutional Portion awards under the CARES Act, as well as proprietary institutions, may apply for funding under the COVID relief law and the *American Rescue Plan* via Grants.gov.

In addition, the *American Rescue Plan* included a maintenance of effort (MOE) requirement as a condition for receiving funding. States must maintain support for elementary and secondary education, and state support for higher education in fiscal years (FY) 2022 and 2023 at least at the levels of such support that is the average of such state's support for elementary and secondary education and for higher education provided in FYs 2017, 2018, and 2019. Additional information on the MOE can be found here.

Allocation to Hawaii

Hawaii will receive an estimated \$98,240,867 through the HEERF. Hawaii will receive an estimated \$60,709,519 in additional funding for Hawaii for the Minority-Serving Institution set

aside to support Native Hawaiian-Serving and Asian American Pacific Islander-Serving Institutions.

Previously, Hawaii received \$58,207,401 through the COVID relief law. Each institution of higher education must apply for both student aid and institutional portion of the fund. Institutions must complete and submit the COVID relief law HEERF Certification and Agreement Student's Portion before submitting the COVID relief law HEERF Certification and Agreement for the Institution's Allocation of HEER Funds. Additional information can be found here.

Allocations under the CARES Act to Hawaii can be found in Table 1 and <u>here</u>. Allocations under the COVID relief law to Hawaii can be found in Table 2 (and <u>here</u>) and Table 3 (and <u>here</u>). The certification and agreement form for the student aid portion can be found <u>here</u>.

Use of Funds

An institution of higher education may use funds to:

- Cover any costs associated with the delivery of instruction;
 - This includes expanding remote learning, building IT capacity and support, and training faculty and staff in remote learning.
 - This excludes payment to contractors for pre-enrollment recruitment, endowments, or capital outlays associated with athletics, sectarian instruction, or religious worship.
 - Funds may be used to expand support for students, including eligible expenses under a student's cost of attendance, such as course materials, technology, healthcare, childcare, food, and housing.
- Use no less than 50% of the funds to provide emergency financial aid grants for expenses related to the disruption of campus operations;
 - This includes the cost of attendance such as food, housing, course materials, technology health care, and child care.
 - o In order to access the funds, the Department must receive a signed certification from the higher education institution affirming they will distribute the funds in accordance with applicable law. The college or university will then determine which students will receive the cash grants.

Table 1: Allocations to Hawaii Colleges and Universities under CARES Act

Hawaii Institution of Higher Education	Total HEERF Allocation	Minimum Allocation for Emergency Grants to Students
Brigham Young University – Hawaii	\$2,306,881	\$1,153,441
Chaminade University	\$1,482,800	\$741,400
Hawaii Community College	\$1,147,226	\$573,613
Hawaii Institute of Hair Design	\$163,841	\$81,921
Hawaii Medical College	\$690,676	\$345,338
Hawaii Pacific University	\$1,879,700	\$939,850

Honolulu Community College	\$1,107,387	\$553,694
Ibs School Of Cosmetology And Massage	\$67,672	\$33,836
Institute of Clinical Acupuncture & Oriental Medicine	\$14,549	\$7,275
Kapiolani Community College	\$2,022,941	\$1,011,471
Kauai Community College	\$535,684	\$267,842
Leeward Community College	\$2,067,889	\$1,033,945
Mauna Loa Helicopters	\$6,110	\$3,055
Pacific Rim Christian University	\$156,569	\$78,285
Paul Mitchell the School – Honolulu	\$237,042	\$118,521
Remington College – Honolulu Campus ⁱ	\$624,000	\$312,000
University of Hawaii, Hilo	\$2,994,725	\$1,497,363
University of Hawaii, Manoa	\$11,009,867	\$5,504,934
University of Hawaii, Maui College	\$1,187,907	\$593,954
University of Hawaii, West Oahu	\$1,395,000	\$697,500
University of Phoenix – Hawaii ⁱⁱ	\$311,000	\$155,500
Windward Community College	\$551,098	\$275,549

Table 2: Allocations to Hawaii Colleges and Universities under COVID relief law

	CARES Act Minimum	Total Allocation Under	Minimum Allocation for Student	Maximum Amount for
Total HEERF	Amount for Emergency Grants to	relief law Section	Aid Portion (CFDA	Institutional Portion (CFDA
Allocation	Students	314(a)(1)	84.425E)	84.425F)
\$3,626,535	\$1,153,441	\$21,476	\$1,153,441	\$2,473,094
				\$1,912,500
,		·		
\$2,574,000	\$573,613	\$82,218	\$573,613	\$2,000,387
\$3,322,635	\$939,850	\$61,453	\$939,850	\$2,382,785
\$2,568,029	\$553.694	\$44.122	\$553,694	\$2,014,335
,	,	·	,	
\$4,484,284	\$1,011,471	\$110,230	\$1,011,471	\$3,472,813
\$1,285,285	\$267,842	\$12,195	\$267,842	\$1,017,443
\$4,835,134	\$1,033,945	\$175,137	\$1,033,945	\$3,801,189
				\$188,074
	HEERF Allocation \$3,626,535 \$2,653,900 \$2,574,000 \$3,322,635 \$2,568,029 \$4,484,284	Act Minimum Amount for Emergency Grants to Students \$3,626,535 \$1,153,441 \$2,653,900 \$741,400 \$2,574,000 \$573,613 \$3,322,635 \$939,850 \$2,568,029 \$553,694 \$4,484,284 \$1,011,471 \$1,285,285 \$267,842 \$4,835,134 \$1,033,945	Act Minimum Amount for Emergency HEERF AllocationAllocation Emergency Grants to StudentsAllocation\$3,626,535\$1,153,441\$21,476\$2,653,900\$741,400\$78,741\$2,574,000\$573,613\$82,218\$3,322,635\$939,850\$61,453\$2,568,029\$553,694\$44,122\$4,484,284\$1,011,471\$110,230\$1,285,285\$267,842\$12,195\$4,835,134\$1,033,945\$175,137	Act Minimum Amount for Total HEERF Allocation Act Emergency Grants to Students Allocation COVID Felief law Section (CFDA 314(a)(1) Portion (CFDA 84.425E) \$3,626,535 \$1,153,441 \$21,476 \$1,153,441 \$2,653,900 \$741,400 \$78,741 \$741,400 \$2,574,000 \$573,613 \$82,218 \$573,613 \$3,322,635 \$939,850 \$61,453 \$939,850 \$2,568,029 \$553,694 \$44,122 \$553,694 \$4,484,284 \$1,011,471 \$110,230 \$1,011,471 \$1,285,285 \$267,842 \$12,195 \$267,842 \$4,835,134 \$1,033,945 \$175,137 \$1,033,945

University of					
Hawaii, Hilo	\$5,063,323	\$1,497,363	\$57,856	\$1,497,363	\$3,565,960
University of					
Hawaii, Manoa	\$17,701,585	\$5,504,934	\$63,894	\$5,504,934	\$12,196,651
University of					
Hawaii, Maui					
College	\$2,668,102	\$593,954	\$69,110	\$593,954	\$2,074,148
University of					
Hawaii, West Oahu	\$2,916,448	\$697,500	\$169,989	\$697,500	\$2,218,948
Windward					
Community College	\$1,432,714	\$275,549	\$67,037	\$275,549	\$1,157,165
Total Allocations to					
Hawaii Colleges					
and Universities	\$55,398,333	\$14,922,841	\$427,886		

Table 3: Allocations to Hawaii Proprietary Institutions under COVID relief law

Table 3. Anocations to Hawai	-	Total Allocation		Minimum
		Under COVID	Total	Allocation for
		relief law	Allocation	Emergency
Hawaii Institution of	Total	Section	Under	Grants to
Higher Education	Awards	314(a)(4)	CARES	Students
Hawaii Institute of Hair				
Design	\$247,627	\$83,786	\$163,841	\$81,921
Hawaii Medical College	\$1,169,800	\$479,124	\$690,676	\$345,338
Ibs School Of Cosmetology				
And Massage	\$53,914	\$53,914	\$67,672	\$33,836
Institute of Clinical				
Acupuncture & Oriental				
Medicine	\$32,774	\$18,225	\$14,549	\$7,275
Mauna Loa Helicopters	\$14,519	\$8,409	\$6,110	\$3,055
Paul Mitchell the School –				
Honolulu	\$355,434	\$118,392	\$237,042	\$118,521
Remington College –				
Honolulu Campus ⁱⁱⁱ	\$624,000		\$624,000	\$312,000
University of Phoenix –				
Hawaii ^{iv}	\$311,000		\$311,000	\$155,500
Total Allocations to Hawaii				
Proprietary Institutions	\$2,809,069	\$761,850	\$2,114,890	

GOVERNOR'S EMERGENCY EDUCATION RELIEF FUND

The Congress appropriated an additional \$1.3 billion under the COVID relief law to be used to supplement the Governor's Emergency Education Fund Relief (GEERF) awarded to each state with an approved GEERF application under the CARES Act. Additional information about the GEERF can be found here.

Allocation to Hawaii

Previously, Hawaii received \$14,270,980 through the COVID relief law. The allocation under the CARES Act to Hawaii can be found here. The allocation under the COVID relief law can be found here.

Use of Funds

A governor may use the funds to:

- Provide grants to local education agencies most impacted by coronavirus to support the on-going functionality of the local education agency;
- Provide grants to institutions of higher educations the governor determines to be the most impacted by coronavirus; and
- Provide support to any other higher education institution, local education agency, or education related entity the governor deems essential for carrying out emergency educational services, the provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs.

CAMPUS-BASED AID WAIVERS

The CARES Act provided authority to the U.S. Department of Education (ED) to provide a number of flexibilities for institutions of higher education. ED will:

- Waive the institutional matching requirement for higher education campus-based aid programs and allow institutions to transfer unused work-study funds to be used for Supplemental Education Opportunity Grants (SEOG);
- Allow institutions of higher education to award additional funds as emergency grant aid to students impacted by COVID-19;
 - o Allow unused work-study funds to be transferred to SEOG;
 - Allow institutions to waive need-based calculations in deciding how to disperse funds;
- Allow institutions to issue Federal Work Study payments to students who are unable to work due to work-place closures as a lump sum or in payments similar to paychecks;
- Waive the requirement that institutions calculate the amount of grant or loan assistance the institution must return to the U.S. Department of Education in the case of students who dropped out of school as a result of COVID-19;
- Allow currently allowable uses of funds for TRIO, GEAR UP, and MSI programs to be modified upon request, and offer flexibility to redeploy resources to devote to COVID-19 efforts.

ⁱ ED provided national allocations, but not campus breakdowns. Preliminary estimates are from the American Council on Education: https://www.nasfaa.org/uploads/documents/ACE Preliminary Analysis COVID Stimulus.pdf.

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iv Ibid.