



# CACUBO

CACUBO Webinar Series on:  
***HEERF Reporting & Lessons Learned***

April 28, 2022

We will begin shortly. Thanks for joining!

*Please consider attending the CACUBO Accounting and Business Operations Workshop, May 16-17 in Louisville. This conference provides professional development opportunities for accountants, administrators and staff of all levels, in addition to providing 12 hours of CPE credits.*



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- This is the 20<sup>th</sup> monthly webinar CACUBO has hosted since the pandemic began. Hard copies and recordings of these presentations can be found on the CACUBO website.
- Today, we will hear from panelists who will provide us an update on the accounting for and processing of Higher Education Emergency Relief Fund (HEERF), specifically discussing the annual and quarterly reporting and a discussion of lessons learned.
- This webinar is eligible for CPE. If you are interested in receiving CPE credit for this webinar, please e-mail me (Marty Mickey) at [mmickey@nl.edu](mailto:mmickey@nl.edu) now. During the webinar, there will be three check in questions for you to answer. **In order to receive CPE, you must answer all three of these questions.**
- We will send out a survey afterwards to solicit thoughts and topics for future webinars.
- If you would be willing to present in a future webinar, please e-mail me at [mmickey@nl.edu](mailto:mmickey@nl.edu).

### **DISCLAIMER**

**The interpretations and thoughts contained herein are those of the speakers presenting and are subject to change and may or may not be appropriate for your institution. Consultation should be held with your own CPA firm to validate the position you are taking in a certain area.**

### **QUESTIONS**

**We have a lot of material to cover and will try to get to questions at the end. Please refrain from entering questions initially as we may cover the topic you have a question on in the presentation. For those questions we don't get to, we will try to provide a written follow up later.**

### **COPIES OF WEBINAR**

**We will make copies of these slides and a recording of the webinar available on the CACUBO website in a few days.**



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## Today's Presenters

### Speakers

- Ryan Engelstad, Baker Tilly
- Rebecca Weiss, Baker Tilly
- Lois Tatro, Wichita State University
- Marty Mickey, National Louis University



# Agenda

- ▶ Guidance for completing the Calendar Year 2021 Annual Report required under HEERF
- ▶ Q&A for the annual report
- ▶ Grant close out process
- ▶ HEERF quarterly reporting requirements
- ▶ Lessons learned and reminders



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# First Polling Question

**What is the status of your Institution regarding the completion of the current annual HEERF reporting (CY2021)?**

- 1. Completed**
- 2. In process**
- 3. Not started**



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# HEERF Reporting – Annual Report

Calendar year 2021 annual reporting opened on April 11<sup>th</sup> and closes May 6<sup>th</sup>. All institutions are required to report using the reporting portal:

<https://covid-relief-data.ed.gov/authentication/login>

- ▶ Questions marked with an asterisk(\*)
  - ▶ Institutions can complete these questions in current annual report (2022) or wait and complete in 2023.
  - ▶ Institutions may consider waiting on some of these to see any additional guidance the Department of Education (ED) may release
- ▶ For question 2, if you DID expend all of your HEERF I, II, III funds prior to the end of 2021, but you elect to NOT answer the questions with (\*), question 2 can still be answered “YES”. You will still need to finalize your second annual report in early 2023.

**Institutions must provide complete answers to each question. However, for the second annual report covering January 1, 2021-December 31, 2021, institutions have the option of taking more time to submit answers to questions marked with an asterisk(\*). Institutions can submit answers to questions marked with an asterisk in early 2022 as part of the second annual report (in alignment with the table above) OR in early 2023 as part of the third annual reporting process. Starting with the third annual report, institutions must provide answers to all questions including those marked with an asterisk per the reporting schedule in the table above.**

# HEERF Reporting – Annual Report (continued)

## ► New items include:

- Q4 - Guidance specifies you should arrive at these answers thru collaboration with Faculty, Staff, other Departments, such as HR.

4) How has HEERF helped your institution and your students?

Statement	Scale Response
a.) HEERF enabled my institution to continue offering planned programs (i.e., programs of study listed in our course catalog) that were at risk of discontinuation due to pandemic-related factors.	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information
b.) HEERF enabled my institution to keep student net prices <sup>4</sup> similar to pre-pandemic levels	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information
c.) HEERF enabled my institution to keep students enrolled by providing them with electronic devices and Internet access.	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information
d.) HEERF enabled my institution to keep students enrolled who were at risk of dropping out due to pandemic-related factors by providing direct financial support to students.	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information
e.) HEERF enabled my institution to keep faculty, staff, employees, and contractors at full salary levels who were at risk of unemployment due to pandemic-related factors.	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information
f.) HEERF enabled my institution to purchase COVID tests, health screening, and the healthcare needed to help students and faculty.	Strongly disagree, Disagree, Neutral, Agree, Strongly agree, Not applicable, Unable to determine with available information

- Q5c - Did your institution use a specific methodology to calculate award amounts that is captured in a flowchart, set of equations, a formula, or other documentation? \_\_\_\_ (Y/N).

- If yes, *i) (Upload PDF/MS Word document instructions, directions, or guidance. Include screenshots of relevant websites)*

- Q6 – How did your institution distribute the emergency financial aid grants to students?

- May want to indicate “other” if provided to students’ accounts



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# HEERF Reporting – Annual Report (continued)

- ▶ **New items include:**
- ▶ Q8 – Emergency Financial Aid Grants Awarded to Students (direct grants and amounts reimbursed) *(and not reported as lost revenue)*
  - ▶ Uses a variety of different table formats requesting information on total students enrolled *(Full time/Part time, Pell, no Pell, IPEDS categories)* and then all of that information for each type of HEERF funds *(student (a)(1), institutional portion (a)(1), (a)(2), (a)(3) and (a)(4))* that were disbursed to students as:
    - ▶ Direct Emergency Financial Aid Grants, or
    - ▶ What was the amount used to cover a student’s outstanding account balance for costs such as debt forgiveness, room, board, tuition, or fees? If funds were not used for this purpose, report \$0.
      - ▶ This is only an option for (a)(1) institutional, and (a)(2) and (a)(3)
      - ▶ Will populate into Q9b) which further notes “upon receiving affirmative written consent from student to do so”. We discussed this with NACUBO and collectively we believe the intent here is to only report when grants were given to students, and they opted to have them applied to their account balances (student authorization)
      - ▶ Q9 will ask for other uses of (a)(1) institutional, and (a)(2) and (a)(3) funds including lost revenue



# HEERF Reporting – Annual Report (continued)

		Emergency Financial Aid Grants Awarded to Students (direct grants and amounts reimbursed)						
Q8 a)		All students	Undergraduates <sup>6</sup>				Graduates	
			Full-time students <sup>7</sup>		Part-time students		Full-time students	Part-time students
			Pell grant recipient <sup>8</sup>	Non-Pell grant recipient <sup>9</sup>	Pell grant recipient	Non-Pell grant recipient		
Number of Students	How many students were enrolled? (unduplicated count for the reporting period)	<autofill: sum of #s in row>						
Number of HEERF Student Recipients – Emergency Grants to Students (unduplicated)	How many students received HEERF emergency financial aid grants? (unduplicated across all HEERF sections)	<autofill: sum of #s in row>						
HEERF (a)(1) Student Aid	What was the amount disbursed directly to students as Emergency Financial Aid Grants?	<autofill: sum of #s in row>						
HEERF (a)(1) Institutional Portion Amount Disbursed	What was the amount disbursed <i>directly</i> to students as Emergency Financial Aid Grants?	<autofill: sum of #s in row>						
	What was the amount used to cover a student's outstanding account balance for costs such as debt forgiveness, room, board, tuition, or fees? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						
<SKIP LOGIC for those who did not receive these funds> HEERF (a)(2) Amount Disbursed (HBCUs, TCUs, MSIs, and SIP)	What was the amount disbursed <i>directly</i> to students as Emergency Financial Aid Grants? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						
	What was the amount used to cover a student's outstanding account balance for costs such as debt forgiveness, room, board, tuition, or fees? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						
<SKIP LOGIC for those who did not receive these funds>	What was the amount disbursed <i>directly</i> to students as Emergency Financial Aid Grants? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						
	What was the amount used to cover a student's outstanding account balance for costs such as debt forgiveness, room, board, tuition, or fees? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						
HEERF (a)(3) Amount Disbursed (FIPSE & SAIHE) <sup>10</sup>	What was the amount used to cover a student's outstanding account balance for costs such as debt forgiveness, room, board, tuition, or fees? If funds were not used for this purpose, report \$0.	<autofill: sum of #s in row>						

# HEERF Reporting – Annual Report (continued)

► **New items include (continued):**

- Q8b - Among the students enrolled in your institution, how many (and what %) were NOT Title IV eligible<sup>11</sup> throughout their enrollment during the reporting period?
- Q8c - Among students who received emergency financial aid grants, how many (and what %) were NOT Title IV eligible throughout their enrollment during the reporting period?
- Q8d - What number of students were enrolled, what number received emergency grants, and how much grant aid did the students receive by IPEDS race/ethnicity categories (shown below), then also (Q8e) by IPEDS gender categories and IPEDS age categories?

Race/Ethnicity (IPEDS categories)	Enrolled student count (unduplicated)	Number of students who received at least one Emergency Financial Aid Grant (unduplicated)	What was the total amount of Emergency Financial Aid Grants disbursed to students through all HEERF funds?	Average HEERF Amount Awarded
American Indian or Alaska Native				<autofill>
Asian				<autofill>
Black or African American				<autofill>
Hispanic/Latino				<autofill>
Native Hawaiian or Other				<autofill>

# HEERF Reporting – Annual Report (continued)

▶ **New items include (*continued*):**

▶ Q9 - Institutional expenditures

9) Institutional expenditures

a) Has your institution designated HEERF program funds for a specific purpose or budget objective in future calendar years (for example, operation and maintenance of plant, academic programs, residential programs, future institutional aid)? \_\_ (Y/N)

1. If no, are HEERF program funds being reserved for use as needed? \_\_ (Y/N)

i. If no HEERF program funds are being reserved, please explain your institution's approach: \_\_\_\_\_  
(1,000 characters maximum)

2. If yes, provide the amount designated for a specific purpose or budget objective by calendar year and HEERF program fund:

HEERF program fund	Calendar year 2022	Calendar year 2023
(a)(1) Institutional Portion		
(a)(2)- HBCUs, TCCUs, MSIs, SIP		
(a)(3)- FIPSE and SAIHE		

▶ Q9a – discuss Yes vs. No

▶ We discussed this with NACUBO and the thought is that this question is specifically about funds for lost revenue as noted in their [April 18 comments](#) back to ED on the proposed changes to the quarterly reporting form and this question



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# HEERF Reporting – Annual Report

## (continued)

▶ **New items include (*continued*):**

▶ Q9 - Institutional expenditures (continued)

▶ Table Q9b uses different categories for reporting expenditures than quarterly reports (related to proposed quarterly report changes by ED not yet in effect):

- ▶ Covering student outstanding account balances for costs such as debt forgiveness, room, board, tuition, or fees (upon receiving affirmative written consent from students to do so).” *Will come from Q8a)*
- ▶ Indirect cost recovery/facilities and administrative costs charged on the grants. *Quarterly report included didn’t address separately*

### Quarterly Report

Category
Providing additional emergency financial aid grants to students. <sup>1</sup>
Providing reimbursements for tuition, housing, room and board, or other fee refunds.
Providing tuition discounts.
Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.

### Annual Report

Category
Providing additional emergency financial aid grants to students. <sup>13</sup>
Covering student outstanding account balances for costs such as debt forgiveness, room, board, tuition, or fees (upon receiving affirmative written consent from students to do so).
Indirect cost recovery/facilities and administrative costs charged on the grants.
Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.



# HEERF Reporting – Annual Report

(continued)

Q9b)

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable
Providing additional emergency financial aid grants to students. <sup>13</sup>	<autofill from Q8>	<autofill from Q8>	<autofill from Q8>
Covering student outstanding account balances for costs such as debt forgiveness, room, board, tuition, or fees (upon receiving affirmative written consent from students to do so).	<autofill from Q8>	<autofill from Q8>	<autofill from Q8>
Indirect cost recovery/facilities and administrative costs charged on the grants.			
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.			
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.			
Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.			
Campus safety and operations. <sup>14</sup>			

# HEERF Reporting – Annual Report (continued)

## ▶ New items include (*continued*):

### ▶ Q9 - Institutional expenditures (continued)

- ▶ Table 9b) also includes the two new required uses
  - ▶ Implementing evidence-based practices to monitor and suppress coronavirus (*will be discussed more later in presentation*)
  - ▶ Conducting direct outreach to financial aid applicants
- ▶ Lost revenue – will also need to break this down further in 9c)
  - ▶ Institutional portion funds applied to student account balances (bad debts) would likely go here
- ▶ If your institution had refunds (room & board, parking, etc. – likely most were in 2020 when campuses were initially shut down but could have had some in 2021 as well) may consider reporting those in “other” and explaining.
  - ▶ This will keep refunds separate from lost revenue and bad debt discharge
- ▶ Consider how items were reported for quarterly reporting and what seems most accurate for the annual report.
- ▶ Institutions should do a “good faith effort” and document internally and in case asked by ED why they put items in which category
- ▶ NACUBO plans to release annual report tutorial soon



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# HEERF Reporting – Annual Report (continued)

## Q9b) (continued)

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable	Explanatory Notes
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 single class period and to provide time for disinfection between uses.				
Purchasing faculty and staff training in online instruction; or paying additional funds to staff who are providing training in addition to their regular job responsibilities.				
Purchasing, leasing, or renting additional equipment or software to enable distance learning, or upgrading campus wi-fi access or extending open networks to parking lots or public spaces, etc.				
Implementing evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines. <sup>15</sup>				
Conducting 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, described in section 479A of the Higher Education Act of 1965.				
Replacing lost revenue from all sources. <sup>16</sup>				
Other Uses of (a)(1) Institutional Portion funds.				
Other uses of (a)(2) or (a)(3) funds, if applicable.				
<b>Annual Institutional Expenditures for each Program</b>	<autofill>	<autofill>	<autofill>	
<b>Total of Institutional Annual Expenditures</b>	<autofill>			



# HEERF

## Reporting – Annual Report (continued)



- ▶ **New items include**  
*(continued):*
- ▶ Institutional expenditures Q9c
  - ▶ If reported \$\$ for lost revenue, complete this table indicating source of lost revenue

Source of Lost Revenue	Estimated Amount
Academic sources	
Unpaid student accounts receivable or other student account debts (including tuition, fees, and institutional charges)	
Room and board	
Enrollment declines, including reduced tuition, fees, and institutional charges	
Supported research	
Summer terms and camps	
Auxiliary services sources	
Cancelled ancillary events	
Disruption of food service	
Dormitory services	
Childcare services	
Use of facilities or venues, including external events such as weddings, receptions, or conferences (other than facilities associated with sectarian instruction or religious worship)	
Bookstore revenue	
Parking revenue	
Lease revenue	
Royalties	
Other operating revenue	
<b>Total (a)(1) lost revenue funds</b>	<autofill from Q9b>
<b>Total (a)(2) lost revenue funds</b>	<autofill from Q9b>
<b>Total (a)(3) lost revenue funds</b>	<autofill from Q9b>
<b>TOTAL LOST REVENUE HEERF</b>	<autofill from Q9b> <sup>18</sup>

# HEERF Reporting – Annual Report (continued)

- ▶ **New items include (*continued*):**
- ▶ Q10 - Tables for information on students at the institution using IPEDS categories/definitions
  - ▶ Reporting year (2021) - Provide the unduplicated count of students who were enrolled at least once as a degree/certificate seeking student within the reporting period and their enrollment status at the end reporting period. The three statuses (completed, withdrawn, and still enrolled) need to add up to the total number of students enrolled.
  - ▶ Q10 b/c - Also, tables for calendar year 2020 and 2019 data. These tables provides a historical comparison point for the current reporting period and since it is historical information it does not have to be updated on an annual basis.
  - ▶ The live annual report seems to indicate academic level is required to be reported for 2021, 2020 and 2019. Other information has \* and the Institutions can submit responses in the early 2023 data collection process (this differed from draft clean copy of annual report)
- ▶ Q11 - Provide the number of full-time equivalent (FTE) positions as of the listed reporting dates by IPEDS categories (now includes instructional and non instructional, and is as of November vs. last year was as of September)
  - ▶ May want to consider how student workers (including graduate student teaching assistants) are considered for other reporting (IPEDS, PPP loans, etc.) – and document in preparation/review notes what the Institution decided
- ▶ Q12 - Did your institution receive approval from your primary accreditor to offer distance education after the start of the national emergency?



# HEERF Reporting – Annual Report (continued)

## ► Tips & Tricks:

- Be sure to read the footnotes and tickmarks on the annual report (and quarterly reports) that ED has included – these often clarify questions.
- Much of the new information is using IPEDS categories and definitions – therefore:
  - Ensure you use those definitions (i.e., ‘full time’ as defined by IPEDS as it may differ from how your institution defines it, and ‘graduates’ are students enrolled in graduate programs)
  - Recommend involving the person(s) at the institution that does the normal IPEDS surveys reporting each year as they can assist and make sure the information reported will align and not conflict with other IPEDS surveys
  - May have some IPEDS disconnect on questions (i.e., some question ask for degree seeking and others don’t) - again we recommend institutions document internally about the data they put in the annual report in case questions arise from ED
- Reminder – if you are reporting funds applied directly to a student’s account balance (Q8a)) then Institutions should have obtained prior student authorization
- Report only expenses for the year, and the amounts reported for each period should agree to the draws in G5 for the year. *NOTE: We have seen institutions getting comments back from ED when quarterly reporting amounts reported do not align to G5 draws so this could come up for annual reporting as well*
- Ensure that the total number of students and HEERF grants paid, and also lost revenue, are consistent within the various questions/tables requesting this information
- Use the “business rules” that is available to help resolve errors on the annual report
- Keep documentation handy as you compile your annual report. Save it for the reviewer, your auditor, and ED if requested.



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# Second Polling Question

**After going through the annual report, I now have:**

1. No questions.
2. So many questions!
3. Anxiety! I need to start looking at the annual report



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## ▶ Q&A on Annual reporting



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# Grant Closeout Process

- ▶ [ARP FAQ #51](#) My institution has expended all the funds associated with one of its HEERF grants and is preparing to close out this grant. What must we do?
- ▶ Institutions that are winding down their HEERF grants must do the following to comply with the close out requirements
  - ▶ Contact the ED Program Contact listed in Box 3 of your GAN.
  - ▶ Ensure that they have liquidated remaining funds for expenditures incurred during the grant period of performance. Per recent changes to the Uniform Guidance, institutions now have 120 calendar days to liquidate all financial obligations incurred under the award after the period of performance.
  - ▶ Ensure that all quarterly reporting is properly publicly posted online and submitted to the Department as required by the HEERF Quarterly Reporting requirements (please see Question 36). Additionally, public quarterly reports should remain online for a period of at least three years after the submission of the last quarterly or annual performance report.
  - ▶ Submit the annual performance report covering the last period of grant performance when the Department opens the system for annual performance reporting (*as noted earlier in the slides, the 2021 annual reporting is due by May 6, 2022*).
  - ▶ Maintain all grant financial records, supporting documents, statistical records, and all other entity records pertinent to the HEERF grant award for a period of three years from the date of submission of the last quarterly or annual performance report
  - ▶ Submit all required audits as described in Question 38 and the Department's [HEERF Grant Program Auditing Requirements Letter](#) (issued on March 8, 2021).



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# Grant Closeout Process (continued)

- ▶ Institutional reporting - final report
  - ▶ When your institution has expended and liquidated all (a)(1), (a)(2), and (a)(3) institutional funding from HEERF I, II, and III, you should check the final report box. Once you have checked this box and submitted the report, you do not need to complete any other quarterly reports. You still need to complete the annual report.



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# Third Polling Question

**Has your Institution used all of the HEERF grant funds?**

1. Yes, and we have completed the close out
2. Yes, but still need to do the close out
3. No



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# HEERF II & III Quarterly Reporting

## ▶ Quarterly Reports

- ▶ In 2021, ED confirmed that institutions were required to post quarterly reports for HEERF II and III funds to their websites by the 10<sup>th</sup> day following the end of each calendar quarter, as had been that case for HEERF I funds:
  - ▶ [Quarterly Institutional Public Reporting Form](#) (was updated September 21, 2021), and
  - ▶ [Quarterly Student Public Reports](#) (notice May 13, 2021, no form, requirement is “in a format and location that is easily accessible to the public”)
  - ▶ ED also encourages Institutions to provide a PDF copy and links to HEERFReporting@ed.gov and copy your Program Specialist.
- ▶ Institutions must post their two separate reports (institutional and student) for each quarter until they expend all HEERF grant funds
  - ▶ including the quarterly reports from previous quarters if not already posted on the institution’s website
- ▶ *Can quarterly reports be cumulative across multiple HEERF funds? That is, can one quarterly report be posted that includes cumulative HEERF I, II, and III funds in the same report?*
  - ▶ Quarterly reports can be cumulative (include HEERF I, II and III) but only report amounts expended for the quarter



# HEERF II & III Quarterly Reporting (continued)

- ▶ **Quarterly Reporting Tips – posted by ED in November 2021**
  - ▶ *Do I need to report if I didn't spend any funds this quarter?*
    - ▶ Yes. Even if your institution has not drawn down or disbursed any funds, you are still required to post a report for that quarter
  - ▶ *If we find a mistake in our reports, can we revise our submissions?*
    - ▶ Yes. Institutions may revise their quarterly reports. Any changes or updates after initial posting must be conspicuously noted and the date of the change must be noted in the “Date of Report” line. Institutions must post the revised report to your website.
  - ▶ *When do we check “final report”? Do we need to submit any additional quarterly reports?*
    - ▶ When your institution has expended and liquidated all (a)(1), (a)(2), and (a)(3) institutional funding from HEERF I, II, and III, you should check the final report box.
    - ▶ Once you have checked this box and submitted the report, you do not need to complete any other quarterly reports. You still need to complete the annual report.



# HEERF II & III Quarterly Reporting (continued)

## ▶ Institutional portion quarterly reporting

- ▶ Updated institutional quarterly reporting forms include HEERF I, II and III and (a)(1) institutional, (a)(2) HBCUs, TCCUs, MSIs, SIP, and (a)(3) ALN, FIPSE and SAIHE
  - ▶ Award numbers and total amount of funds awarded

Total Amount of Funds Awarded: Section (a)(1) Institutional Portion: \$ 0 Section (a)(2): \_\_\_\_\_ Section (a)(3): \$ 0 Final Report?

- ▶ Columns for each type of funds (a)(1), (a)(2) and (a)(3)
- ▶ Rows to report the dollars spent for each category (use)
- ▶ Report only expenses for the quarter, and the funds should have been drawn down from G5 and disbursed (used) within the quarter. *NOTE: We have seen institutions getting comments back from ED when amounts reported do not align to G5 draws.*
- ▶ ED noted in their [November 2021 webinar](#)
  - ▶ *Even if your institution has not drawn down or disbursed any funds, you are still required to submit a report for that quarter. You should indicate \$0 for all boxes, and you should include the reason(s) in the “explanatory notes” section of the form as to why you have not drawn down funds.*
  - ▶ *You should maintain all quarterly reports related to HEERF on your website for a period of 3 years following the end of the performance period.*
  - ▶ *ED also noted that they have assigned program specialists reviewing Institution’s websites and downloading reports – reminder to make them easy to find and clearly labeled*



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# HEERF II & III Quarterly Reporting (continued)

## ▶ Student portion reporting

- ▶ No form, post on institution's website
- ▶ Reminder to include all 7 required elements
  - ▶ An acknowledgement that the institution signed and returned to the Department the Certification and Agreement and the assurance that the institution has used the applicable amount of funds designated under the CRRSAA and ARP (a)(1) and (a)(4) programs to provide Emergency Financial Aid Grants to Students.
  - ▶ Total amount of funds that the institution will receive or has received from the Department pursuant to the institution's Certification and Agreement for Emergency Financial Aid Grants
  - ▶ Total amount of Emergency Financial Aid Grants distributed to students as of the date of submission (i.e., as of the initial report and every calendar quarter thereafter).
  - ▶ Estimated total number of students at the institution that are eligible to receive Emergency Grants.
  - ▶ Total number of students who have received an Emergency Grant.
  - ▶ Documentation on the method(s) used by the institution to determine which students receive Emergency Grants and how much they received.
  - ▶ Any instructions, directions, or guidance provided by the institution to students concerning the Emergency Grants.



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# HEERF II & III Quarterly Reporting (continued)

## ▶ Student portion reporting (continued)

- ▶ The Department of Education [quarterly reporting webinar from November 2021](#) included the following fictitious report that they noted meets all the requirements

### **The Federal Emergency Grants for Fall 2021**

The Department of Education University (DOEU) was signed & returned a Certification & Agreement with the Department of Education to accept allocated funds from the [American Rescue Plan \(ARP\)](#), Public Law 117-2. The ARP established and funded the Higher Education Emergency Relief Fund III (HEERF III) to provide emergency financial aid grants. These critical funds help eligible DOEU students cover expenses related to unanticipated travel, additional technology requirements, or other needs related to an emergency situation.

### **Federal Emergency Aid Grant Reporting:**

As of June 10, 2021, the DOEU received \$43,290,168 for students to fund the Federal Emergency Financial Aid Grants. The estimated total number of students potentially eligible to be considered to receive Emergency Financial Aid Grants in quarter 3 was 50,201. As of October 6, 2021, \$29,127,239.16 in HEERF funds has been disbursed to 30,983 unduplicated students.

Information on the <https://www.doeu.edu/heerf/student>

### **Federal Emergency Aid Grant Criteria and Eligibility:**

- DOEU initially made federal HEERF III funds available to undergraduate, graduate and professional, online, non-degree, and withdrawn students that had submitted a FAFSA. For these students, grant awards were tiered based on the student's EFC. Students received an email with the link to the Federal Emergency Aid Certification Form that had to be completed.
- Federal HEERF III funds were then made available through an online Federal Emergency Aid Application to the following groups of students:
  - DOEU enrolled students who have not submitted a FAFSA,
  - International students, and
  - DACA students

These students must have completed an online Federal Emergency Aid Grant Application to be considered for an award. Award amounts were based on emergency costs that arise due to coronavirus or eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and childcare. Students must provide documentation of the amounts of these expenses to be considered for the additional funding. This request can include expenses incurred back to March of 2020 if not already reimbursed in a previous award. The maximum award amount was \$1000.

# Lessons Learned and Reminders

- ▶ What auditors are seeing as potential findings
- ▶ Reminder to include and document usage of the two new required uses for the HEERF III institutional portion
- ▶ Other reminders from ED's FAQs
- ▶ What should we know/keep for audits



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# What auditors are seeing as potential findings

- ▶ Institutions not keeping support showing when quarterly reports were posted to the website to show they were timely
  - ▶ If revising quarterly reports, not keeping both the original and revised reports and support for when posted to the website
- ▶ Missing quarterly institutional or student reports from websites (*ED's presentation/FAQs speak to keeping all historical reports posted*)
  - ▶ Quarterly reports still required even if no expenditures in that quarter (ED FAQs/Reporting Tips - <https://covid-relief-data.ed.gov/grantee-help/beerf/faq>)
- ▶ Data in the annual and quarterly reports that does not agree back to G5 and/or supporting documentation (*i.e., listing of student grants or expenses, etc.*)
- ▶ Not having a review process in place for reports (*should have a preparer and reviewer, evidence of review is always good to save*)
- ▶ (a)(1) Institutional or (a)(2) or (a)(3) portion funds used for expenses and then procurement requirements not met (quote/bid requirements, checking for suspension/disbarment before contracting, etc.)



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# Reminder on Two Required Uses for the HEERF III Institutional Portion

- ▶ Any institution that receives an ARP (a)(1) Institutional Portion award (both supplemental awards and new awards) or ARP (a)(2) or (a)(3) award must implement the two required activities (below) as part of the implementation of its HEERF III grant, provided it has not allocated its entire institutional portion to emergency financial aid grants for students.
  - ▶ Conduct direct outreach to financial aid applicants
  - ▶ Practices to monitor and suppress coronavirus
- ▶ Must use a “portion” of funds – no specific threshold set
- ▶ Institutions should document how they implemented these two required activities
  - ▶ (1) the strategies used to monitor and suppress COVID-19, (2) the evidence to support those strategies, (3) how those strategies were in accordance with public health guidelines, (4) the manner and extent of the direct outreach the institution conducted to financial aid applicants, and (5) how the amount of the HEERF grant spent on these two required activities was reasonable and necessary given the unique needs and circumstances of the institution





# Reminder on Two Required Uses for the HEERF III Institutional Portion (continued)

- ▶ Direct outreach to financial aid applicants could include, but is not limited to, any of the following:
  - ▶ Email to students who receive financial aid,
  - ▶ Mail to students who receive financial aid,
  - ▶ Phone or voice communication,
  - ▶ Webinar invitations, and
  - ▶ In-person interviews or meetings



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# Reminder on Two Required Uses for the HEERF III Institutional Portion (continued)

- ▶ Practices to monitor and suppress Coronavirus
- ▶ *Covid-19 mitigation* - According to a recent survey of college presidents conducted by the American Council on Education, nearly 90 percent of institutions used HEERF to:
  - ▶ Purchase COVID-19 tests
  - ▶ Conduct health screening
  - ▶ Meet other urgent health needs
  - ▶ Implement testing and contact tracing
  - ▶ Purchase PPE, HVAC, and other ventilation system improvements to prevent the spread of COVID-19
  - ▶ Provide vaccine clinics and incentives



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# Other Reminders from ED's FAQs

- ▶ [ED's FAQs \(https://covid-relief-data.ed.gov/grantee-help/heerf/faq\)](https://covid-relief-data.ed.gov/grantee-help/heerf/faq)
- ▶ Use funds within the specified time frames after drawing down from G5
  - ▶ Emergency grants to students used within fifteen calendar days
  - ▶ Institutional portion funds used within three calendar days
- ▶ Institutions generally must expend their HEERF grant funds within one year from the date when the Department processed the most recent obligation of funds for each specific grant.
  - ▶ Institutions that received a supplemental award under ARP have one year to spend all remaining CRRSAA, CARES, and new ARP funds for each grant from the date their ARP supplemental award is made. The specific period of performance will be indicated in Box 6 of your institution's GAN.
  - ▶ No-cost extensions (NCEs) of up to 12 months are available. NCEs extend a grant's period of performance. NCEs may not be exercised merely for the purpose of using unobligated balances
  - ▶ NEW – On, April 4, 2022, ED provided an automatic extension for all open HEERF grants with a balance greater than \$1,000 through June 30, 2023
    - ▶ <https://www.federalregister.gov/documents/2022/04/04/2022-07053/notice-of-automatic-extension-of-performance-period-for-all-open-grants-issued-under-the-higher>



# What Should We Know/Keep for Audits

- ▶ Reminder to keep reports and all documentation for a period of 3 years from the last date of annual or quarterly report submission
- ▶ ED ARP FAQs #38: Depending on the type of institution and the amount of HEERF or federal grant funds expended, your institution may be required to have the HEERF grant programs (HEERF I, HEERF II, and HEERF III) audited, or be subject to audit, for several institutional fiscal years - see also [March 8, 2021 letter](#)
- ▶ Also, the [second year HEERF auditing requirements letter](#) dated March 23, 2022
  - ▶ Single audits of public and private non-profit institutions if expend \$750,000 or more during a fiscal year in federal awards - including Title IV and HEERF
    - ▶ HEERF/Education Stabilization Funds (ESF) are deemed higher risk by the 2021 compliance supplement and based on the Department's interpretation of the instructions provided in Appendix IV - must be audited as a major program when a Type A (large program) since is 100% COVID-19 funding.
  - ▶ Proprietary institutions if it 1) expends \$500,000 or more in HEERF funds during a fiscal year, 2) was on the HCM 1 or 2 lists, or 3) expects to close or has closed



# What Should We Know/Keep for Audits (continued)

- ▶ Reminder that ED's auditors and your auditors may both be looking at the Institution's website to view the quarterly student and institutional reporting
- ▶ Auditors may request:
  - ▶ G5 draw downs of HEERF funds (summary and detail by date)
  - ▶ Grant award notifications
  - ▶ Quarterly reports and evidence of the date the quarterly reports were posted to the Institution's website
  - ▶ Detail listings of student grants (by student and date) - and also support for the number of eligible students from the quarterly reports
  - ▶ Student grant methodology, who prepare/who reviewed, communications to students, application (if used), etc.
  - ▶ Detail listing of institutional expenses
    - ▶ Support for procurement requirements - checking for suspension/disbarment, # of bids required, etc.
    - ▶ Ensuring costs were allowable (based on allowable uses in Ed's FAQs)
  - ▶ Support for amounts claimed as lost revenue - budget and actual results and comparison to prior period(s)
  - ▶ Support for other uses of funds (if used to pay student account balances including student approval, etc.)
  - ▶ Support for the two new required uses of HEERF III institutional portion funds



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# Fourth Polling Question

**Has your institution expended funds for the two required uses for the HEERF III institutional portion?**

- 1. Yes**
- 2. No**
- 3. What two required uses?**



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# Thank you for attending!

## Q&A

*Please consider attending the CACUBO Accounting and Business Operations Workshop, May 16-17 in Louisville. This conference provides professional development opportunities for accountants, administrators and staff of all levels, in addition to providing 12 hours of CPE credits.*



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