

U.S. Department of Education Makes Available \$36 Billion in American Rescue Plan Funds to Support Students and Institutions

The U.S. Department of Education (ED) announced more than \$36 billion in emergency grants today provided under the American Rescue Plan (ARP) Act for postsecondary education. These grants will help over 5,000 institutions of higher education (institutions), including HBCUs, TCCUs, and HSIs, provide emergency financial aid to millions of students and ensure learning continues during the COVID-19 national emergency. Emergency funds provided by ARP more than double the emergency relief aid available to students and institutions already authorized under the Coronavirus Aid, Relief, and Economic Security Act (CARES) and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) relief legislation. This funding is provided by the ARP's Higher Education Emergency Relief Fund (HEERF III), with a new formula requiring approximately half of the funding to be used by each institution to provide direct relief to students.

"These funds are critical to ensuring that all of our nation's students – particularly those disproportionately impacted by the COVID-19 pandemic – have the opportunity to enroll, continue their education, graduate, and pursue their careers," said U.S. Secretary of Education Miguel Cardona. "With this action, thousands of institutions will be able to provide direct relief to students who need it most, so we can make sure that we not only recover from the pandemic, but also build back even stronger than before."

Today's announcement will enable institutions to equitably expand opportunity by targeting resources to all students with exceptional financial need. It also reflects ED's broader commitment to providing support, resources, and guidance to institutions, students, and communities throughout the pandemic. The previous rounds of relief funding have already made direct impacts on millions of students across the country by providing emergency financial aid to students impacted by the pandemic, assistance with distance education and technology upgrades, and mental health and student support services, among other uses.

ARP will make critical investments into many of our nation's most under-resourced institutions educating students most acutely affected by the pandemic, including more than \$10 billion to community colleges, more than \$2.6 billion to Historically Black Colleges and Universities (HBCUs), approximately \$190 million to Tribally Controlled Colleges and Universities (TCCUs), and more than \$6 billion to minority-serving institutions such as Hispanic-serving institutions (HSIs) and Asian American and Native American Pacific Islander-serving institutions (AANAPISIs), more than doubling the funding available to these institutions under CARES and CRRSAA.

To help institutions quickly and effectively utilize the ARP funds to support their students and communities, ED also released [new guidance](#) today detailing how institutions can use these funds to, among other things, support vulnerable students, monitor and suppress the coronavirus, and reengage students whose education was disrupted by the pandemic.

Ways the funding can be used to have the greatest impact on students and communities include:

- **Using emergency financial grants to support students with exceptional needs:** While the pandemic has affected all students, it has hit some students and their families especially hard and has exacerbated inequities within our educational system. ED has released [a final rule](#) that allows institutions to provide emergency aid to all students. The ARP requires that institutions prioritize students with exceptional need, such as students who receive Pell Grants or undergraduates with extraordinary financial circumstances. ED's guidance clarifies that institutions can consider a variety of factors when assessing need, such as a student's eligibility for other federal or state need-based aid, significant unexpected expenses, loss of employment, reduced income, or food or housing insecurity. Institutions can also consider the needs of students who did not complete a Free Application for Federal Student Aid (FAFSA). For more details about student eligibility requirements, please see the final rule [here](#) and additional guidance [here](#).
 - **Examples of institutions using relief funds to support students with exceptional needs:**
 - San Joaquin Delta College (HSI in Stockton, California) has already earmarked \$6.2 million of their ARP allocation to provide direct grants to over 4,100 students that have shown the highest need for financial support.
 - Fisk University (HBCU in Nashville, Tennessee) distributed over \$500,000 to 100% of their students eligible for emergency aid from previous relief packages.
 - Diné College (TCCU in Tsaile, Arizona) distributed more than \$600,000 in emergency funding to students from previous relief packages.
 - Northern Virginia Community College (Annandale, Virginia) used 25% of CARES Institutional funds for emergency grants.
- **Retention and reengagement of students:** Institutions can also use their funds to help retain students by providing academic or mental health support systems for students. Additionally, institutions can reengage students by discharging student debts at their institution accrued during the pandemic so students can re-enroll, continue their education, or obtain their official transcript to continue their education, transfer to another postsecondary institution, and/or secure employment.
 - **Examples of institutions using relief funding to retain and reengage students:**
 - Foothills-De Anza Community College (Los Altos Hills, California) established a Mental Wellness Ambassador program aimed at promoting mental health services, reducing stigma surrounding mental health disorders, creating community, and fostering an inclusive and non-judgmental campus culture, using previous rounds of relief funding.
 - Blackfeet Community College (TCCU in Browning, Montana) purchased 500 laptops, using previous relief funding to create a loaner program to allow students to remain enrolled and engaged with their academic studies.
 - Alcorn State University (HBCU in Alcorn, Mississippi) used previous relief funds to provide enhanced virtual academic support services.

- **Prevent and mitigate the spread of COVID-19, including efforts to vaccinate students and campus communities:** Public and private nonprofit institutions must also use a portion of their Institutional award to implement evidence-based practices to monitor and suppress coronavirus in accordance with the [public health guidelines](#). Institutions can use funds to help detect coronavirus transmission, such as funding the costs associated with diagnostic or screening testing strategy, setting up testing sites, purchasing tests, and hiring additional personnel to administer tests. Institutions can also work to prevent the spread of the virus by using institutional funds to spread awareness and build confidence in getting vaccinated, and to set up vaccination sites on or off campus, including costs of bringing sites to rural and satellite locations. Additionally, HEERF institutional funds can be used to reduce barriers to vaccination, such as paid time off for staff to get the vaccine and costs associated with vaccination efforts.
 - **Examples of institutions using relief funds to prevent and mitigate the spread of COVID-19:**
 - Alabama State University (HBCU in Montgomery, Alabama) used prior relief funds to prioritize the health and safety of its students, faculty, and staff through the purchase of personal protective equipment (PPE).
 - Mountain View College (HSI in Dallas, Texas) has used prior relief funds for PPE masks and enhanced weekly cleanings.

Public and private nonprofit schools can also use the institutional portion of their awards to cover a variety of institutional costs, including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll. Public and private nonprofit institutions must also use a portion of their institutional award to conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to recent unemployment of a family member or of the independent student. Proprietary schools must use their awards exclusively to provide financial aid grants to students. Institutions can learn more about allowable uses and limitation in our [FAQs](#).

Allocations to institutions are based on a formula that includes the relative shares of Federal Pell Grant recipients (on both a headcount and full-time equivalent basis), the relative shares of non-Pell Grant recipients, and the relative shares of Federal Pell recipients exclusively enrolled in distance education prior to the coronavirus emergency.

For more information on HEERF III and the ARP, including allocations of ARP funding to institutions, please visit our [website](#).