

memo

To: Executive Cabinet
From: Sarah C. Schrader, Ed.D., VPCAS
Date: March 14, 2021
Re: Higher Education Emergency Relief (HEERF) III Spending Plan

On March 11th, 2021, the President signed the \$1.9 trillion American Rescue Plan into law. The stimulus has allocated \$39.6 billion to the Higher Education Emergency Relief Fund of which the California Community College system is to receive over \$2.3 billion in one-time resources. Similar to the HEERF II funds, the college allocations are based on FTE and headcount of Pell recipients and overall total number of students.

On March 12th, 2021, the California Community College Chancellor's Office (CCCCO) sent out a memo with the allocations for each college. Modesto Junior College is slated to receive an estimated \$36,120,000. HEERF III requires that institutions allocate at least 50% of these dollars to students in the form of emergency grants; therefore, \$18,060,000 is to be allocated directly to students for emergency financial aid.

Of the student portion of the allocation, MJC is required to conduct outreach to students about the opportunity to appeal for more financial aid due to the recent unemployment of a family member or other special circumstances. Like the CARES Act, the provisions of this stimulus bill do not appear to restrict a college's ability to provide aid to students based on immigration status and each institution may develop its own system and process for determining how to allocate the funds.

The college has until September 30, 2023 to complete the performance of the grant and to use the funds for the allowable uses identified below:

- Defraying expenses associated with coronavirus
- Increased costs from declining enrollment and efforts to mitigate the decline
- Student support activities authorized by HEA that address needs related to COVID-19
- Closures of revenue-producing services and facilities
- COVID-19 testing, vaccination, PPE, and classroom retrofits
- Providing financial aid grants to students
- Indirect costs consistent with its negotiated indirect cost rate agreement **and** a reasonable direct administrative costs to funds made available under this award.

A key difference from the previous relief measure is that the American Rescue Plan requires colleges to spend a portion of their HEERF III funds implementing evidence-based practices to monitor and suppress the coronavirus in accordance with public

health guidelines. The bill does not indicate the amount that needs to be set aside for this, leaving the discretion up to the college.

As more information is provided from the CCCCCO and conversations take place across the campus, this memo will be updated and distributed to the campus community.

Thank you.