

BACKGROUND

The American Recovery Plan (ARP) of 2021 (Public Law 117-2, signed into law on March 11, 2021) provided \$44B in financial support for colleges and universities, also known as Higher Education Emergency Relief Funds III (HEERF III). UC campuses qualified for \$689.5M in support, \$344.8M of which must be used for emergency grants to students. See Table 1 below.

Table 1: Shares of ARP/HEERF III Funding

	Total Award	Minimum Amount for Student Aid Portion
Berkeley	\$80,479,536	\$40,240,730
Davis	90,932,018	45,467,657
Irvine	96,416,507	48,216,328
Los Angeles	93,156,124	46,579,028
Merced	35,386,162	17,693,081
Riverside	81,467,469	40,740,127
San Diego	91,774,980	45,889,163
San Francisco	2,090,925	1,045,463
Santa Barbara	67,082,400	33,544,300
Santa Cruz	50,729,466	25,365,358
TOTAL	689,515,587	344,781,235

The Department of Education released revised HEERF emergency grants released [here](#) on May 11, 2021, which largely inform the UCOP guidance.

University of California Office of the President Guidance as of May 24, 2021

The UC Office of the President issued the following guidance for the financial aid portion of the ARP. This document reflects the University's current understanding of federal intent.

The UC Office of the President will help coordinate the sharing of information between campuses and with outside stakeholders. UCOP will not be involved in the allocation of the funding, which will come from the US Department of Education. Campuses are encouraged to work with the Office of the President on summarizing their spending plans, as well as on future reporting requirements to ensure systemwide coordination for both state and federal policymakers.

Principles for Emergency Grant Plans

- Ensuring that students can continue to make progress towards graduation despite financial and other challenges created by the COVID-19 pandemic should be the overarching goal of campuses' plans.

- As with prior HEERF grants, the campus Financial Aid Office will be in the best position to administer the student emergency grant portion in compliance with existing and forthcoming regulations.
- UC Financial Aid Offices are requested to consult with other key leaders on campus, including the Graduate Division, Basic Needs Centers and campus Associated Students, as they develop their process and plans, although not on individual awarding decisions.
- Campuses continue to make myriad decisions about COVID-19 and therefore need flexibility as they develop their local emergency grant funding to meet the needs of their students. In general, the plans should reflect the following principles:
 - Efficient Delivery: Campuses should minimize barriers for students to qualify for emergency grants. For example, campuses can rely on a FAFSA as evidence of their need for emergency grant support.
 - Equity: Campuses are also encouraged to prioritize students with demonstrated financial need and provide additional support to groups that may require exceptional assistance (e.g., parenting students). See below.
 - Direct Emergency Grant Payments: The Department's guidance is clear that funds should be delivered directly to students, not to pay for past due bills, to reimburse prior expenditures by the campus (e.g., to pay back the campus for purchased laptops), or to replace lost wages.
 - Beyond the Cost of Attendance: The Department also has made it clear that this funding can be made available to students without regard to the normal total cost of attendance limits.
 - Disaster Emergency Relief: The IRS released guidance in late 2020 clarifying that the payments of disaster relief are not reportable on the 1098-T.

Emphasis on Exceptional Financial Need

The guidance from the Department of Education places an emphasis on the needs faced by recipients. Below is Question 7, Page 7 of the Q & A:

*As under the CRRSAA, institutions are directed with the ARP funds to **prioritize students with exceptional need, such as students who receive Pell Grants or are undergraduates with extraordinary financial circumstances** in awarding emergency financial aid grants to students.*

Beyond Pell eligibility, other types of exceptional need could include students who may be eligible for other federal or state need-based aid or have faced significant unexpected

expenses, such as the loss of employment (either for themselves or their families), reduced income, or food or housing insecurity. [emphasis added]

The Office of the President recommends that campuses require CRRSAA recipients either file a FAFSA or California Dream Act Application or develop a robust alternative means of confirming that a student has extraordinary financial need.

Undocumented and International Students

On May 11, 2021, the Department of Education released revised guidance that pertains to all HEERF funds [here](#). Of particular note, the Department clarified that all students are eligible for emergency grants:

8. Question: May undocumented students and international students receive HEERF?

Answer: Yes. The Department's final rule on student eligibility for HEERF states that all students who are or were enrolled in an institution of higher education during the COVID-19 national emergency are eligible for emergency financial aid grants from the HEERF, regardless of whether they completed a FAFSA or are eligible for Title IV. That includes citizens, permanent residents, refugees, asylum seekers, Deferred Action for Childhood Arrival (DACA) recipients, other DREAMers, and similar undocumented students.

Prior UCOP guidance encouraged campuses to find alternative fund sources to support undocumented and international students given the Department's reluctance to clarify their eligibility before the May 11 release.

Given the new guidance, UCOP encourages campuses to provide equivalent HEERF support to California's undocumented students, particularly those with demonstrated financial need through the California Dream Act Application.

UCOP strongly recommends that campuses develop an alternative means to assess the financial need of any international students before providing a HEERF emergency grant. For example, campuses could require that international students provide a written narrative with documentation of their financial challenges, including how their circumstances may have changed since filing their I-20. Alternatively, campuses could ask international students to fill out the equivalent of a FAFSA, e.g., using online need analysis calculators.

Furthermore, as the Department emphasizes, priority should be given to domestic students. As the May 11 guidance expands,

International students may also receive HEERF. However, as noted in Questions 11 and 12, institutions must ensure that funds go to students who have exceptional need. The Department encourages institutions to prioritize domestic students, especially undergraduates, in allocating this funding. This includes citizens, permanent

residents, refugees, asylum seekers, DACA recipients, other DREAMers, and similar undocumented students. [emphasis added]

Communicating Emergency Grant Eligibility

The Department of Education guidance states that “Institutions may not... condition the receipt of emergency financial aid grants to students on continued or future enrollment in the institution.” Furthermore, in the answer to Question 17, they make it clear that the emergency grants are not to be included as part of a student’s regular financial aid package:

17. Question: Can institutions include the amount of a HEERF student emergency financial aid grant in students’ financial aid award package?

Answer: No, these emergency financial aid grants are not financial aid. As always, students have discretion about how they receive their grants, and institutions must receive affirmative written consent from students before using emergency financial aid grants to satisfy a student’s outstanding account balance. Additionally, as described in Question 27, institutions may not use HEERF grant funds to advertise or recruit students by promoting the opportunity to receive a student emergency financial aid grant.

UCOP will work with campuses to analyze guidance from national associations and the Department to refine how to communicate the availability of these grants to new and continuing students.