



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF POSTSECONDARY EDUCATION

May 11, 2021

Dear College and University Presidents:

The U.S. Department of Education (Department) is committed to supporting our nation's students and institutions of higher education (IHEs) with the \$39.6 billion provided through the American Rescue Plan (ARP) Act's Higher Education Emergency Relief Fund (HEERF). These funds support students and institutions towards recovery efforts so that we can emerge from this pandemic even stronger.

Today, the Department is making available approximately \$36 billion in emergency aid to public and private nonprofit institutions and \$396 million to students at proprietary institutions. These funds – available to over 5,000 IHEs – more than double the emergency relief aid available to students and institutions already authorized under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) relief legislation.

The methodology used for calculating ARP allocations is available on the Department's [HEERF III ARP website](#). Allocations to institutions are based on a formula that includes (on both a headcount and FTE basis) the relative shares of Federal Pell Grant recipients, 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. Institutions that received awards under CRRSAA do not need to apply for funding, as these institutions will receive their ARP grant funding through a supplemental award. Proprietary institutions will receive supplemental awards upon receipt of the Required Proprietary Institution Certification form.

This letter outlines key expectations and requirements for relief funds under the ARP. Additional information regarding HEERF III is provided in the recently released HEERF III Frequently Asked Questions FAQs.

**(a)(1) and (a)(4) Supplemental Awards under the ARP**

The ARP requires that institutions prioritize students with exceptional need, such as students who receive Pell Grants or undergraduates with extraordinary financial circumstances. Institutions are expected to establish a transparent process for assessing need. Beyond Pell eligibility, other ways of prioritizing 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, reduced income, or food or housing insecurity. 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, regardless of whether they completed a FAFSA or are eligible for Title IV.

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[www.ed.gov](http://www.ed.gov)

Public and private nonprofit institutions and proprietary institutions must use their student awards for emergency financial aid grants to students. The Secretary strongly encourages public and private nonprofit institutions to also use their institutional award to make additional financial aid grants to students. Institutions can also use their funds for a variety of institutional costs connected to the pandemic, including lost revenue, reimbursement for eligible expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll costs associated with the pandemic.

Public and private nonprofit institutions must also use a portion of their institutional award, if not committed entirely to financial aid grants for students, to (a) implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines, such as [CDC guidelines](#); and (b) conduct 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.

Generally, as in the CARES Act and CRRSAA, institutions must not use any grant funds for the provision of pre-enrollment recruitment activities; marketing or recruitment; endowments; capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship; senior administrator or executive salaries or other benefits; or construction (except minor remodeling).

More examples of allowable expenses and other requirements can be found in guidance documents, such as our HEERF III Frequently Asked Questions FAQs and [Lost Revenue FAQs](#) documents.

- **Public and Private Nonprofit IHEs that previously received awards for either the Student Aid Portion (ALN 84.425E) or the Institutional Portion (ALN 84.425F) will automatically be eligible for an ARP allocation under those grants.** Any IHE that already has approved CARES Act or CRRSAA HEERF grant awards for the Student Aid Portion or Institutional Portion will receive this supplemental funding to existing grant awards. Over the next few weeks, the Department will automatically process these ARP supplements. However, please note that the new ARP funds are subject to a different agreement than the original CARES Act and CRRSAA Certification and Agreements. As such, we have included language in the Grant Award Notification (GAN) stipulating that drawing down any amount of these supplemental funds constitutes your institution's acceptance of the new Supplemental Agreement for this program.
- **Proprietary IHE's that previously received awards for the Student Aid Portion (ALN 84.245Q) must submit the Required Proprietary Institution Certification form by August 11, 2021 to receive their supplemental award.** To assist with management and oversight of HEERF funds, these forms must be signed by the proprietary institution's President or CEO and any owners with at least 25% ownership in the institution. Once that certification document has been completed, institutions must email it to [HEERFARP4@ed.gov](mailto:HEERFARP4@ed.gov). Then, your institution will receive a supplemental award. Proprietary institutions must submit the form by August 11, 2021 as specified in

our ARP (a)(4) NIA published in the *Federal Register* here. After that date, the Department may choose to redistribute funds to proprietary institutions by re-running the appropriate HEERF distribution formulas and making additional supplemental awards to those proprietary institutions that submitted completed forms.

- **Any IHEs that have received the Student Portion (ALN 84.425E or ALN 84.245Q) or Institutional Portion (ALN 84.425F) allocations may voluntarily decline a portion of their awards or their full awards by August 11, 2021.** Any institution, such as those with high endowment per student ratios or that have received significant philanthropic support during the pandemic, may choose to decline its full award or a portion of its award so those funds can be redistributed by formula to institutions with greater need. IHEs may submit the Voluntary Decline of HEERF Grant Funds form to [HEERFRefund@ed.gov](mailto:HEERFRefund@ed.gov).
- **IHEs that have not previously received awards for one or either the Student Portion (ALN 84.425E or ALN 84.245Q) or the Institutional Portion (ALN 84.425F) will need to apply.** The *Federal Register* notice inviting applications (NIA) for ARP (a)(1) can be found here and (a)(4) can be found here. Applications must be submitted by August 11, 2021. To register to use Grants.gov, [please visit their “How to Apply for Grants” webpage here](#), or contact their Applicant Support helpdesk at 1-800-518-4726 or [support@grants.gov](mailto:support@grants.gov). More information about how to apply is available on our [HEERF III ARP website](#).

For transparency and reporting purposes, institutions must continue to publish quarterly on their institutional websites and submit annually to the Department certain reporting requirements. Institutions can find more details on changes to the quarterly reporting form in our HEERF III FAQs (Question 36). Additionally, the Department continues to update its [interactive Education Stabilization Fund online portal](#) to provide HEERF grant funding transparency to the public.

Additionally, as you receive your HEERF institutional funds, I want to remind you of new opportunities to further support your students and institutions:

- Use 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. Our updated guidance and final rule allow 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. The Department’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. For more details about student eligibility requirements, please see the final rule and FAQs here.
- Retention and reengagement of students: Institutions can also use their funds to help retain students by providing additional 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.

- 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, such as CDC [guidelines](#). Institutions can use funds to help detect coronavirus transmission, spread awareness and build confidence in getting vaccinated, and set up vaccination sites on or off campus, among other things.

More information on these expectations is included in the HEERF III Frequently Asked Questions FAQs. If you have any questions regarding these announcements and updates, please contact the Department's HEERF Call Center at (202) 377-3711 or [HEERF@ed.gov](mailto:HEERF@ed.gov).

Sincerely,

A handwritten signature in cursive script that reads "Michelle A. Cooper".

Michelle Asha Cooper, Ph.D.  
Acting Assistant Secretary for  
Postsecondary Education