



## ***Coronavirus Relief Fund (CRF) – Higher Education***

### **Frequently Asked Questions about the Coronavirus Relief Fund (CRF) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act**

The CRF, authorized by the CARES Act, must cover necessary, immediate expenditures incurred due to COVID-19. A wide variety of expenditures related to the higher education enterprise are eligible for funding, including those associated with preventing the spread of COVID-19 (e.g., expenses associated with social distancing) and technological improvements to facilitate transitions to online learning. These FAQs address only CRF funds used to aid eligible institutions of higher education (IHEs) in Tennessee.

#### **1) Is my IHE eligible for the CRF grant?**

All regionally-accredited public and private, nonprofit IHEs who are both eligible for Title IV funding and domiciled in Tennessee may apply for the CRF. The Tennessee Higher Education Commission (THEC) will request Notices of Intent (NOIs) to identify eligible IHEs.

#### **2) How can my IHE apply for the CRF grant?**

The Tennessee Higher Education Commission (THEC) will request Notices of Intent (NOIs) to identify eligible IHEs. THEC will distribute the request for NOIs to IHEs who may be eligible and will post the NOI on the THEC website. IHEs must submit an NOI via a form found at <https://www.tn.gov/thec/crf> by July 17, 2020 to be eligible for the CRF.

The NOI will require an IHE to provide information demonstrating eligibility, identify which initiative(s) the IHE intends to fund, and a short statement outlining the IHE's plans for the funds. Private IHEs must also provide their Edison Vendor ID number for purposes of contract planning and in the case that they are not registered in Edison, initiate that process immediately. Only IHEs that submit a complete NOI by July 17, 2020 will be eligible to receive CRF allocations.

Once all NOIs are submitted, THEC will confirm or deny eligibility and provide an approximate dollar amount for which IHEs must then submit a written proposal. The written proposal will include:

- a narrative outlining how CRF funds will be used to support one or both allowable initiatives, including specific documentation related to each initiative;
- a breakdown of how the funds will be spent; and,
- how the funds will be successfully expended within the contract time frame.

### **3) How much funding will my IHE receive?**

The amount for which each IHE is eligible is dependent upon the number of IHEs who successfully apply for CRF and will be determined using a formula weighting IHEs' proportionate share of low-income students. For IHEs who award Pell Grants, THEC will use the number of Pell Grant recipients at the IHE to determine the IHEs' proportionate share of low-income students. For IHEs who do not award Pell Grants, THEC will use the verifiable number of students who have an Expected Family Contribution (EFC) below the threshold that would make the student eligible for a Pell Grant as an undergraduate student at an IHE that awards Pell Grants.

THEC will use the Integrated Postsecondary Education Database System (IPEDs) to determine the number of Pell Grant recipients per IHE, will allow IHEs who did not submit Pell Grant data to IPEDs to confirm number of recipients through the NOI process, and will allow IHEs who do not award Pell Grants to confirm the verifiable number of students who have an EFC below a required threshold to confirm number of students through the NOI process.

As the most recently available Pell Grant data on IPEDs is from the 2017-18 academic year, THEC will require IHEs who do not award Pell Grants to confirm the number of students enrolled in the 2017-18 academic year with an EFC less than or equal to \$5,328—the threshold used to determine Pell Grant eligibility in the 2017-18 academic year. Similarly, IHEs who did not submit Pell Grant data to IPEDs must submit with their NOI the number of Pell Grant recipients enrolled at the IHE in the 2017-18 academic year.

**4) What are allowable expenditures with the CRF grant?**

Eligible IHEs may spend CRF grants to support direct expenses related to minimizing COVID-19 spread. These expenses include those used to ensure social distancing on campus and those used to help an IHE transition learning online in order to suspend physical operations due to further COVID-19 outbreaks.

With regards to social distancing expenses, IHEs may adapt classroom configurations to ensure classes are taught in a socially distanced manner. Similarly, residential IHEs may incur costs to provide student housing that complies with COVID-19 health precautions. IHEs may use their CRF allocation for classroom and/or residential modifications as both qualify as public safety measures undertaken in response to COVID-19. Funds may be used to offset physical plant costs and to subsidize non-executive payroll expenses for faculty and staff whose services are substantially dedicated to mitigating the COVID-19 public health emergency.

To support transitions to online learning, IHEs can use the CRF to expand and support online instruction, increase students' access to technology (e.g., supplying laptop computers, Wi-Fi hotspots, and digital subscriptions), and subsidize payroll expenses for new personnel or extended duties of existing non-executive personnel.

**5) Can IHEs use the CRF grant to reimburse for purchases prior to executing the contract for the CRF related to the defined initiatives?**

No. IHEs cannot use the CRF grant to reimburse itself for any costs or expenses accrued prior to completing the certification or grant contract.

**6) How will THEC disburse the CRF grant to my IHE?**

THEC will initiate grant contracts with participating public and private, nonprofit institutions.

**7) How long does my IHE have to expend its CRF grant?**

IHEs have until November 15, 2020 to expend all funds.

**8) What are the reporting requirements?**

IHEs will be required to submit three status reports on funds expended, including a narrative on the progress of proposed initiatives and any documentation requested demonstrating costs as compliant with federal guidance, no later than September 1, October 1, and November 1, 2020. IHEs will also be required to submit a final report on funds expended, including a summative narrative on the initiatives' components and any documentation requested demonstrating costs as compliant with federal guidance, no later than December 1, 2020.

**9) Does "expend" mean the funds must be encumbered by Nov 15<sup>th</sup> or to have been paid out by Nov 15<sup>th</sup>?**

All supplies, equipment, or physical items must be received during the contract term to be allowable. Only services rendered during the contract term are allowable. The one exception is for annual licenses, such as software licenses, which must be paid during the grant term, even though the license is good for a year.

**10) We would like to have items in time for classes to start. Would this be acceptable for the CARES funds?**

Expenses are only allowable for items received after the execution of the grant, regardless of when your campus opens. All supplies, equipment, or physical items must be received during the contract term to be allowable. In this example, if you purchase masks for campus opening on August 3, but your contract is not executed until August 15, the masks would not be allowable.

**11) Who can IHEs contact with additional questions related to the CRF grant?**

Submit general inquiries to THEC at [THEC.CRF@tn.gov](mailto:THEC.CRF@tn.gov). Information related to the CRF can be found at <https://www.tn.gov/thec/crf>.