

March 19, 2021

New HEERF Guidance on expenses through the pandemic and calculating lost revenue

The historic passage of the American Rescue Plan – a \$40 billion investment in higher education - is a victory for our nation's students and colleges. Meeting the academic needs of our students, while also ensuring the safety and well-being of all members of the campus community, is a priority for Secretary of Education, Miguel Cardona.

The pandemic has exacerbated the inequities within our educational system, and to repair our schools, leaders need predictable resources. So, in addition to the American Rescue Plan, the U.S. Department of Education is offering more comprehensive guidance and increased flexibility regarding the use of funds received under the Higher Education Emergency Relief Fund (HEERF) grant programs. These updates reflect a change in the Department's prior position which previously only allowed funds received under the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA), to be used for costs incurred on or after December 27, 2020, the date of the enactment of the CRRSAA. Grantees will now have the flexibility to charge costs back to March 13, 2020, the date of declaration of the national emergency.

The Department is also supplementing this change of interpretation with additional guidance on how grantees may calculate and charge "lost revenue" to their HEERF awards, and the release of additional Frequently Asked Questions (FAQs) for the (a)(1) Public and Private Nonprofit Institution Grants, and (a)(4) Proprietary Institution Grant Funds for Students. These updates are as follows:

- [Federal Register Notice of Interpretation \(NOI\)](#). The Department is publishing this notice regarding the allowable time period for which grantees may charge costs and lost revenue to their HEERF grant. That period is from March 13, 2020 onward. The NOI becomes official once it is published in the Federal Register.
- [HEERF Period of Allowable Expenses G5 Notice](#). Along with the Federal Register NOI, above, the attached updated notification details specific, corresponding changes to the Grant Award Notification (GANs) documents to amend the allowable period of expenditures back to March 13, 2020.
- [HEERF Lost Revenue FAQs](#). This new set of FAQs responds to the large number of questions the Department has received from HEERF grantees regarding how institutions may calculate and account for the amount of lost revenue they incurred as a result of COVID-19.
- [Updated FAQs for CRRSAA \(a\)\(1\)](#). These FAQs contain conforming updates to allow for expenditures incurred back to March 13, 2020, as well as the addition of new FAQs including guidance on whether HEERF funds may be used to support non-degree seeking, non-credit, dual enrollment, and continuing education students, among others.

- [Updated FAQs for CRRSAA \(a\)\(4\)](#). As with the (a)(1) FAQs, we have made conforming edits to allow recipients of (a)(4) Proprietary Institution Grant Funds for Students to reimburse themselves for financial aid grants to students made as far back as March 13, 2020, where those grants were not covered with prior CARES Act funds.

This guidance applies to all HEERF grant funds, including unspent CARES Act funds, CRRSAA funds, and ARP funds.

The U.S. Department of Education will remain focused on ensuring college campuses have access to guidance, technical assistance, and examples of best practices to inform their efforts to get students back into classrooms and meet their social, emotional, mental health, and academic needs.

If you have any questions regarding these updates, please contact the Department of Education's HEERF Call Center at (202) 377-3711 or HEERF@ed.gov.