

**Higher Education Emergency Relief Fund (HEERF)  
Summary of Public Comments on  
Quarterly Budget and Expenditures Report  
Following 60 Day Review Period**

**Section I: Overview**

On September 28, 2020, the U.S. Department of Education (“Department”) published a Notice of Proposed Information Collection Request (Notice) in the Federal Register inviting comments by October 5, 2020 (under emergency processing) and November 27, 2020 (under regular processing), on the proposed Quarterly Budget and Expenditure Reporting under CARES Act Sections 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3) form (hereinafter, the “HEERF Quarterly Budget and Expenditures Report” or the “reporting form”). Thirteen respondents submitted approximately 28 individual comments (i.e., multiple comments from respondents). A majority of the commenters focused their concerns on the different categorizations contained in the reporting form and sought clarifications on certain expenditure options. Some commenters questioned the necessity or burden associated with aggregating data totals and explaining unique expenditure types. The Department reviewed each of these concerns and, where necessary and warranted, made changes to the form and/or instructions.<sup>1</sup> A summary and analysis of the comments as well as information on changes to the proposed HEERF Quarterly Budget and Expenditures Report in response to these comments follows. Suggestions for minor changes (generally those of a technical nature) are not discussed below, but in response to those suggestions, some clarifications and technical alterations have been made in the revised form.

**Section II: Categorization Issues Within the Form**

**Comments:** A respondent requested clarification on where to post their expenditures for the Section 18004(a)(1) Institutional Portion funding stream as it related to campus room/board, food, and other services.

**Discussion:** The Department agreed that it was unclear which category should be used for these purposes in the first iteration of the form.

**Action Taken by ED:** The Department has created a new category in the reporting form addressing these expenditures, specifically.

**Comments:** A respondent cited a previous HEERF FAQ regarding the allowability of room and board refunds for Section 18004(a)(1) Institutional Portion funding. However, the draft template did not appear to allow this expenditure in the corresponding column.

**Discussion:** The Department agreed that it was unclear if this expenditure was allowable in the first iteration of the form.

---

<sup>1</sup> All actions taken by the Department described in this document occurred following the emergency comment period that closed on October 5, 2020. While all comments submitted after that date were reviewed, no additional changes to the collection were made.

**Action Taken by ED:** The Department clarified the confusion with the creation of a new category in the reporting form which was fillable for this funding stream.

**Comments:** A respondent noted that a previous HEERF FAQ had specified that Section 18004(a)(1) Institutional Portion funding was not allowed to be used for replacing lost revenue due to reduced enrollment, but that this category was not grayed out for the corresponding column.

**Discussion:** The Department agreed that the box in question was confusing, as it corresponded to an unallowable expenditure for that funding stream and should be unfillable.

**Action Taken by ED:** The Department grayed out the box in question, clarifying that per previous guidance, the Section 18004(a)(1) Institutional Portion funding stream was not applicable to this type of expenditure.

**Comments:** A respondent requested clarification on whether renting additional instructional equipment and supplies (such as laboratory equipment or computers) to reduce the number of students sharing equipment or supplies during a single class period and to provide time for disinfection between uses was an allowable use of HEERF funds, since the category had originally only mentioned the word “purchasing”.

**Discussion:** The Department agreed the words “renting or leasing” should be added to this category in addition to the word “purchasing.”

**Action Taken by ED:** The Department amended the reporting form by adding in the words “renting or leasing” to the original category consistent with previous guidance.

**Comments:** A respondent requested clarification on whether renting additional equipment or software to enable distance learning or upgrading campus wi-fi access or making wi-fi access available to the public by extending open networks to parking lots or public spaces, etc. was an allowable use of HEERF funds, since the category had originally only mentioned the word “purchasing.”

**Discussion:** The Department agreed the words “renting or leasing” should be added to this category in addition to the word “purchasing.”

**Action Taken by ED:** The Department amended the reporting form by adding in the words “renting or leasing” to the original category consistent with previous guidance.

**Comments:** A respondent requested clarification on the category titled “Purchasing faculty and staff training for online instruction,” specifically wondering if it is possible for institutions to redeploy staff who otherwise would have been furloughed or released for these functions.

**Discussion:** This question relates to Department policy regarding approved uses of HEERF funds and not the form itself or associated burden. Further guidance on this topic may be found in the Frequently Asked Questions section of the [HEERF website](#) or may be obtained by e-mailing HEERF@ed.gov.

**Action Taken by ED:** No action taken.

**Comments:** A respondent cited the need to reword the directions under the “Posting the Form” section of the document to avoid confusion.

**Discussion:** The Department disagrees the instructions on this form contain any ambiguity or that institutions will struggle to understand how the form should be posted on their websites.

**Action Taken by ED:** No action taken.

**Comments:** A respondent cited the need to clarify if the explanatory footnotes provided to help clarify certain reporting categories are based on statute statements or Education Department FAQs, in which case questioned if all pertinent references were included.

**Discussion:** The Department notes in the “Completing the Form” instructions section that we provided the following statement: “Each category is deliberately broad and may not capture specific grant program requirements. Explanatory footnotes help clarify certain reporting categories. While some items in the chart are blocked out, please note that the blocking of such items is consistent with Department guidance and FAQs and is not definitive.” As such, the reporting categories established in this form are consistent with the allowable uses of funds articulated for the HEERF programs in the CARES Act, and also does not supplant any existing guidance documents that the Department has issued regarding the allowable uses of HEERF funds.

**Action Taken by ED:** No action taken.

**Comments:** A respondent recommended removing the Cost of Attendance (COA) reference from Footnote 1. They contend that if ED chooses not to remove this reference, they worry it could be impossible for institutions to differentiate whether HEERF direct grants to students from section 18004(a)(1) went toward eligible COA expenses or other expenses not eligible for inclusion in the COA because there is no requirement to do so.

**Discussion:** The Department notes that this footnote links to the allowable uses of funds under the Section 18004(a)(1) Institutional and Student Aid Portions, and the grants established under Section 18004(a)(2) and Section 18004(a)(3) of the CARES Act for making emergency financial aid grants to students. Section 18004(c), applicable to the Institutional Portion and Student Aid Portion funds, specifies that the emergency financial aid grants to students are “for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student’s cost of attendance, such as food, housing, course materials, technology, health care, and child care).” Sections 18004(a)(2) and (a)(3) specifically note, however, that grants to students under those funding opportunities are “for any component of the student’s cost of attendance (as defined under section 472 of the Higher Education Act), including food, housing, course materials, technology, health care, and child care.” The footnote referenced by the commentor was intended to provide simple, easy to read, helpful guidance on a category covering spending based on three authorities, but due to the limits of the form, was not intended to be definitive, as noted in our form instructions for “Completing the Form.” Further

guidance on this topic as to the requirements for the student aid grants for funding under any of the Section 18004(a)(1) Institutional Portion, Section 18004(a)(1) Student Aid Portion, or the Section 18004(a)(2) or (a)(3) funds may be found in the Frequently Asked Questions section of the [HEERF website](#) or may be obtained by e-mailing HEERF@ed.gov.

**Action Taken by ED:** No action taken.

**Comments:** A respondent suggest amending the reference in Footnote 1 to the June 17 Interim Final Rule (IFR) to refer only to CARES Act Section 18004(c) instead.

**Discussion:** The Department notes the IFR was specifically designed to cover all Higher Education Emergency Relief Fund (HEERF) grant programs, while Section 18004(c) only pertains to the allowable uses of funds under Section 18004(a)(1) of the CARES Act.

**Action Taken by ED:** No action taken.

### **Section III: Relationship to Annual Reporting Form**

**Comments:** A respondent recommended the Department match the “Uses of Funds” totals for the quarterly report with the annual report, even if it is duplicative.

**Discussion:** The Department noted the benefits of aligning the two reporting instruments whenever possible.

**Action Taken by ED:** The Department agreed with the recommendation, and added elements of the quarterly reporting form, where possible, to the current iteration of the annual reporting form.

**Comments:** A respondent requested clarification on why the annual reporting form had not grayed out, as it pertained to Section 18004(a)(1) Institutional Portion funding, the category for replacing lost revenue from non-tuition sources while the quarterly form had.

**Discussion:** The Department agreed that this category was improperly left fillable in the annual report, while the quarterly reporting form had properly grayed out this category for Section 18004(a)(1) Institutional Portion funding.

**Action Taken by ED:** The Department amended the annual reporting form so that this category was grayed out for this particular funding stream, precluding institutions from using this column for these types of expenditures.

**Comments:** A respondent noted institutions posting the first quarterly report must provide cumulative expenditures from the date of their first HEERF award through September 30, 2020 but that it did not align expenditures with the annual reporting periods and will result in reporting expenditures from two annual reporting periods in the quarter ended September 30, 2020.

**Discussion:** The Department agreed that the quarterly report and annual report needed to adhere to the same reporting timelines in order to aggregate meaningful data.

**Action Taken by ED:** The Department adjusted the annual report timeline so that institutions will be reporting from the day they received their HEERF award to December 31<sup>st</sup>, 2020, coinciding with the second quarterly report due date.

#### **Section IV: Undue Burden**

**Comments:** A respondent cited the quarterly report requirement of utilizing the explanatory notes section to report out the details regarding each categorized expenditure was overly burdensome.

**Discussion:** The Department disagrees the explanatory notes section on the form provokes undue burden on institutions and will utilize this section in adjudicating the allowability of an institution's expenditures.

**Action Taken by ED:** No action taken.

**Comments:** A respondent recommended that ED remove Question 9 from the annual data collection entirely, or use the quarterly data submissions to auto-populate annual figures in Question 9 of the annual data collection to avoid the burden of duplicative reporting.

**Discussion:** This comment recommends changes to the annual report, not the quarterly report that is the subject of this information collection request.

**Action Taken by ED:** No action taken.

**Comments:** A respondent suggested that ED autofill a calculated amount for the Total of Quarterly Expenditures line as it does with several fields on the proposed annual data collection to ease burden and reduce the possibility of calculation errors.

**Discussion:** The Department disagreed that the summing of category expenditures to produce a final total provoked undue burden on institutions or invited a concerning possibility of calculation error.

**Action Taken by ED:** No action taken.

**End**