

**Higher Education Emergency Relief Fund (HEERF)
Improper Payments Information Form
Summary of Public Comments Following 60 Day Review Period**

Summary:

On January 14, 2021, the Department of Education (Department) published a Notice of Proposed Emergency Information Collection Request (Notice) in the Federal Register inviting comments by March 15, 2021, on the Higher Education Emergency Relief Fund (HEERF) Improper Payments Information Form. Two comments were submitted, one of which provided substantive feedback on four aspects of the collection.

Comments (all from same commenter):

1. The form directions indicate that “Grantees that have returned HEERF funds to their G5 grant account (1) in an amount over \$1,000, and (2) outside of a specified window after a drawdown are required to complete this form and return it to the Department of Education.” However, the form and its accompanying supporting statement do not indicate what the specified window is. We request that ED include the specified window in the directions.
2. Related, we request that ED include instructions, or a link to instructions, for how institutions should calculate their interest owed that makes clear which dates should be used in the calculation.
3. The form includes an option for Student Financial Aid Grant Refunds in the “Reason(s) for Refund” list, but an ED official from the previous administration indicated in a January, 2021 webinar that the Uniform Guidance does not apply to student grants. We ask that ED clarify in the directions whether funds drawn down for student grants, whether from the student share or institutional share, are subject to the requirement to repay interest and, if so, which dates institutions should use to calculate interest to be repaid.
4. An ED official from the prior administration indicated in the same aforementioned webinar that institutions would not be penalized for not having repaid interest on improper HEERF payments if those improper payments took place before ED notified institutions of the requirement to return funds. We ask that ED confirm this, and provide the exact date prior to which institutions could be assured to be exempt from penalty.

Response:

The Department has reviewed the comments. As a result, the Department will include additional instructions as applicable to provide clarity for those institutions of higher education (IHEs) that are not familiar with the improper payment process. Improper payments must be returned

anytime during the grant award performance period, which is usually one year. Funds should be returned for any of the categories identified on the form and whenever an institution earns over \$500 for funds in an interest bearing account. The date interest should be calculated is based upon the date the funds were drawn down as applicable. When the Department includes additional instructions, we will reiterate information about Federal payment to grant awards, which is also available in 2 CFR §200.305. Improper payment requirements apply to both the student and institutional HEERF categories. Lastly, the Department will honor the initial commitment of not penalizing IHEs for the interest earned prior to notification of the requirement.