



Tab 15 CRF and GEER Update

Coordinating Board for Higher Education
December 9, 2020

BACKGROUND

On July 9, Governor Parson allocated \$113.6 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for to reimburse public higher education institutions and workforce development for Coronavirus-related expenses. The Governor allocated \$10 million in CARES Act funds to private and independent institutions on October 7. The department was tasked by the Office of Administration (OA) to establish a process by which to administer CARES Act allocations made through the Coronavirus Relief Fund (CRF) and the Governor's Emergency Education Relief (GEER) Fund.

CORONAVIRUS RELIEF FUND

The State of Missouri received approximately \$2 billion through the CRF. The CARES Act specifies that funds provided through the CRF are used to cover only those costs that:

“(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);

“(2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and

“(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.”

These funds must be spent before December 30, 2020. Any unused funds is returned to the U.S. Department of the Treasury.

Institution Funding. Governor Parson provided \$90 million in CRF funds to public higher education institutions, including \$80 million for the safe return to in-person instruction and campus life and \$10 million to support the expansion of remote learning capabilities. The governor also approved \$10 million for private and independent higher education institutions to support any CRF allowable expenditures. Funding for each institution is based on the following models:

Public Institutions

- CRF Safe Return to In-Person Instruction: Each institution can seek reimbursement up to the cap based on its share of the state appropriation for public colleges and universities.
- CRF Expansion of Remoting Learning Capabilities: Each institution can seek reimbursement for expenses up to a cap based on its share of the total number of students, faculty, and staff at all public colleges and universities.

Private and Independent Institutions

Each institution can seek reimbursement up to the cap based on its share of the statewide enrollment among private and independent institutions (considering on-campus students only), Pell enrollment, faculty, and staff.

Workforce Development and Job Center Funding. The governor provided \$9.7 million to support the safe resumption of in-person service at Missouri job centers and to assist unemployed and underemployed Missourians access job training opportunities. Funds were allocated for the following initiatives:

- \$1 million to support Missourians safely resuming in-person job search assistance at job centers across the state. This included purchase of PPE and other safety supplies and job center modifications.
- \$6.7 million for local workforce development boards to assist dislocated workers who were displaced or otherwise affect by COVID-19.
- \$2 million to train Missourians for high-demand positions in information technology through the platforms CompTia and Coursera.

GOVERNOR'S EMERGENCY EDUCATION RELIEF FUND

Missouri received \$54.6 million through the GEER Fund upon completion and approval of a certification and agreement with the U.S. Department of Education (USDE). The certification and agreement with USDE included a description on how the state would use GEER funds and required the state to submit an initial report that details how it will award funds to local education agencies (LEAs), IHEs, or other education-related entities within 45 days of receiving the funds. Missouri submitted that report on July 15.

Maintenance of Effort. GEER funds are subject to a maintenance of effort requirement which stipulates that as a condition of receiving GEER funds “a State must maintain support for elementary and secondary education and State support for higher education (which must include State funding to IHEs and State need-based financial aid, and may not include support for capital projects or for research and development or tuition and fees paid by students) in fiscal years 2020 and 2021 at least at the levels of such support that is the average of such State’s support for elementary and secondary education and for higher education in the three fiscal years preceding March 27, 2020.” The CARES Act gives the U.S. Secretary of Education flexibility to waive the maintenance of effort requirement for “the purpose of relieving fiscal burdens on States that have experienced a precipitous decline in financial resources.” Neither the CARES Act nor USDE define “precipitous decline.” USDE will not consider waiver requests until after September 2021.

Funding. On July 9, Governor Parson allocated \$23.6 million in GEER funds to public higher education institutions and \$1 million for the Fast Track Workforce Incentive Grant program. Allocations of GEER funds are based on a model that takes several factors into consideration, including each institution's share of statewide enrollment, Pell enrollment, and faculty/staff, as well as FY 2020 expenditure restrictions.

While the department encourages all institutions to use their GEER allocation prior to the end of the state’s 2021 fiscal year, according to USDE’s May 2020 GEER FAQ regarding how long GEER funds are available for obligation by subrecipients, an “LEA, IHE, or education-related entity receiving a subgrant from the Governor must obligate the funds by September 30, 2022, which includes the Tydings Period (General Education Provisions Act §421(b)(1)).” However, the GEER fund is an emergency appropriation to address the harm to students and the ongoing functionality of LEAs and IHEs caused by COVID-19. As a result, the Secretary strongly urges LEAs, IHEs and education-related entities to deploy GEER funds quickly.”

CURRENT STATUS

Institutions had until December 1 to use their allocated CRF fund amounts. The target date allowed department staff time to process final payments in order to meet OA’s December 15 deadline. For workforce and job development, the department and local workforce development boards had to meet OA’s November 15 deadline. All unspent CRF funds will be returned to OA to reallocate for other needs across the state.

NEXT STEPS

The department will provide an update on expended fund totals for the CRF and remaining GEER fund balances during the December 9 CBHE meeting. The department is also closely monitoring federal action on any new COVID-19 related funding for higher education and workforce development.

RECOMMENDATION

This is an information item only.

NO ATTACHMENTS