



Tab 23

American Rescue Plan Act – Higher Education and Workforce Development Proposals

Coordinating Board for Higher Education
September 15, 2021

BACKGROUND

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) into law. ARPA provides over \$1.9 trillion in relief aid to respond to the COVID-19 pandemic, following nearly \$4 trillion in COVID-19 relief in 2020. Among other targeted relief provisions for individuals and businesses struggling due to the pandemic, ARPA provides critical funding directly to higher education institutions through the Higher Education Emergency Relief Fund (HEERF) as well as to state and local governments.

ARPA contains two funds that will create opportunities for Missouri to respond to the health and economic impacts of COVID-19 through investments in higher education and workforce development: the Coronavirus State Fiscal Recovery Fund and the Coronavirus Capital Projects Fund.

Coronavirus State Fiscal Recovery Fund. The state of Missouri will receive about \$2.8 billion to stabilize the state budget, make new investments, and fund key priorities in response to the pandemic. The fund will be administered by the U.S. Department of the Treasury and its allowable uses will be described by an administrative rule. The administrative rule for the fund is not yet final, but the interim final rule outlines the following allowable uses:

1. Respond to COVID-19 and its negative economic impacts
2. Provide government services to the extent of the reduction in revenue (i.e., property or income tax) due to the public health emergency
3. Invest in water, sewer, or broadband infrastructure
4. Provide premium pay for eligible workers performing essential work during the pandemic

In addition to the \$2.8 billion the state will receive, local governments will receive about \$2.4 billion. This is also in addition to the money the state, local governments, and individual institutions received through the CARES Act, which includes \$3 billion in Elementary & Secondary School Emergency Relief (ESSER) funds.

Coronavirus Capital Projects Fund. The state of Missouri will also receive an estimated \$100 million to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to COVID-19. States are awaiting guidance on how the U.S. Department of the Treasury will administer this programs. Treasury has not yet promulgated a rule or issued a frequently-asked-questions document for this fund.

CURRENT STATUS

Governor Parson's staff is considering needs that could potentially be addressed with ARPA funds. DHEWD will work with the Governor's Office throughout the fall and early winter to identify opportunities to accelerate the state's response to COVID-19 through higher education and workforce development. The information provided here represents the department's initial thoughts on potential investments. Staff will likely present additional or refined proposals in the future.

Based on information currently available, the department plans to discuss the following with the Governor's Office:

Potential Investments in Public Colleges and Universities

1. **COVID-necessitated capital improvements.** ARPA funds can potentially be used to make capital improvements at public colleges and universities that will reduce the risk of COVID spread, including improving ventilation systems, expanding mental health and healthcare capacity, and pandemic operational needs. These projects will also reduce the institutions' deferred maintenance backlog and allow them to complete critical maintenance and repair projects. Currently identified upcoming maintenance and repair projects total just over \$1 billion.

The department plans to propose that up to \$250 million be allocated a grant program that will address these needs. Institutions' maximum award amounts would be determined using a formula based on full-time student enrollment, with additional weighting for students who receive Pell Grant awards. The formula is detailed in Attachment A. All proposals that meet the grant criteria would be funded.

2. **COVID recovery workforce and education initiatives.** The interim final administrative rule allows funds to be used to address educational disparities, support students who have been affected by disruptions that resulted from COVID-19, and provide opportunities for those who experienced job loss or disruption as a result of COVID-19. ARPA also authorizes spending for activities that cannot be accomplished in Missouri with the state's current workforce.

The department plans to propose that up to \$250 million be allocated to a grant program that will address these needs. As with the capital improvements proposal, institutions' maximum award amounts would be determined using a formula based on full-time student enrollment, with additional weighting for students who receive Pell Grant awards. All proposals that meet the grant criteria would be funded. Funds would be used to:

- Support students who have been affected by COVID-19 disruptions
- Address educational disparities
- Provide opportunities to un- and under-employed Missourians
- Establish, expand, or enhance specific programs that will educate the workforce the state needs to respond to the short- and long-term impacts of COVID and the resulting economic impact, including:
 - i. Healthcare and public health
 - ii. Manufacturing, transportation, logistics, and supply chain management
 - iii. Mental healthcare
 - iv. Law enforcement and public safety programs that include evidence-based violence prevention programs
 - v. Education and education support services
 - vi. Data science
 - vii. Science and research
 - viii. Construction trades, HVAC installation, and lead remediation

- ix. Other areas clearly linked to activities in the ARPA rule in which Missouri or a local area faces ongoing workforce shortages

Although the Governor's Office is aware of these potential proposals, staff have not indicated whether they support the concepts or the dollar amounts suggested. The Governor might choose one category or another, recommend funding for one or both at a lower level, or take another approach.

Other Potential Investments in Higher Education

Most of the current discussion around ARPA funds is focused on state-funded entities, such as departments of state government and public higher education institutions. There may be an opportunity in the future to make proposals that include other kinds of organizations, such as private colleges and universities and non-profits. Department staff will continue to engage the board and the Presidential Advisory Committee as the conversation continues to unfold.

Department Needs

Department staff may also propose that ARPA funds be allocated to several projects that will increase efficiency by automating manual processes, improve service to the public, and enhance the department's ability to accomplish its mission. Those potential proposals are detailed in Attachment B.

RECOMMENDATION

Staff recommend that the Coordinating Board:

- Authorize the Commissioner of Higher Education to discuss potential investments in higher education and workforce development with the Governor's Office and other decision-makers, including the proposals detailed in this board item;
- Direct the Commissioner to continue to identify opportunities to make additional proposals as appropriate; and
- Keep the board and Presidential Advisory Committee apprised of ongoing discussions.

ATTACHMENTS

- A. Potential Maximum Amount Determination Model for Public College and University ARPA Grant Programs
- B. Potential DHEWD ARPA Proposal for Department Activities and Expenses

Tab 23 Attachment A
Potential Maximum Amount Determination Model

COVID-Necessitated General CI Projects

Allocation Model

DHEWD will recommend funding for all institutions based on a percent of core funding.

Please note that these numbers are provided for illustrative purposes only and are subject to final review by DHEWD budget/fiscal staff.

Total Funding **\$250,000,000**

| Institution | Maximum Funding |
|-------------------------------------|-----------------|
| Crowder College | \$5,601,631 |
| East Central College | \$4,436,233 |
| Jefferson College | \$5,002,916 |
| Metropolitan Community College | \$13,039,088 |
| Mineral Area College | \$4,691,311 |
| Moberly Area Community College | \$6,202,009 |
| North Central Missouri College | \$3,618,365 |
| Ozarks Technical Community College | \$12,293,250 |
| St. Charles Community College | \$6,878,449 |
| St. Louis Community College | \$13,566,534 |
| State Fair Community College | \$5,599,594 |
| Three Rivers College | \$5,541,391 |
| State Technical College of Missouri | \$4,406,265 |
| Harris-Stowe State University | \$6,131,044 |
| Lincoln University | \$5,084,270 |
| Missouri Southern State University | \$7,666,044 |
| Missouri State University | \$25,132,208 |
| Missouri Western State University | \$6,637,170 |
| Northwest Missouri State University | \$9,367,050 |
| Southeast Missouri State University | \$12,262,520 |
| Truman State University | \$6,239,361 |
| University of Central Missouri | \$11,599,811 |
| University of Missouri System | \$69,003,490 |

\$250,000,000

Preliminary COVID Workforce & Education Initiatives Allocation Model

DHEWD will recommend funding up to an amount established by a formula based on FTE enrollment, with weighting for Pell-eligible students.

Please note that these numbers are provided for illustrative purposes only and are subject to final review by DHEWD budget/fiscal staff.

Total Funding **\$250,000,000**

| Institution | Maximum Funding |
|-------------------------------------|-----------------|
| Crowder College | \$5,601,631 |
| East Central College | \$4,436,233 |
| Jefferson College | \$5,002,916 |
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| University of Missouri System | \$69,003,490 |
| | \$250,000,000 |

Data Used for Per-FTE Allocation Model (with FTE Weighting)

| Institution Name | Fall 2020 FTE | Percent of Statewide FTE | SFA1920 Total number of undergraduates - financial aid cohort | SFA1920 Number of undergraduate students awarded Pell grants | Percent of Undergraduate Students Awarded Pell Grants | Pell Index |
|-------------------------------------|----------------|--------------------------|--|---|---|--------------|
| Crowder College | 2,678 | 1.7% | 4,401 | 1,549 | 35% | 0.46 |
| East Central College | 1,642 | 1.1% | 2,649 | 1,010 | 38% | 0.50 |
| Jefferson College | 2,430 | 1.6% | 4,196 | 1,284 | 31% | 0.40 |
| Metropolitan Community College | 8,530 | 5.6% | 15,770 | 5,050 | 32% | 0.42 |
| Mineral Area College | 1,732 | 1.1% | 2,640 | 1,059 | 40% | 0.53 |
| Moberly Area Community College | 3,139 | 2.0% | 4,849 | 1,697 | 35% | 0.46 |
| North Central Missouri College | 1,014 | 0.7% | 1,746 | 661 | 38% | 0.50 |
| Ozarks Technical Community College | 7,428 | 4.8% | 11,762 | 5,107 | 43% | 0.57 |
| St. Charles Community College | 4,223 | 2.7% | 6,383 | 1,453 | 23% | 0.30 |
| St. Louis Community College | 8,935 | 5.8% | 17,294 | 5,576 | 32% | 0.42 |
| State Fair Community College | 2,500 | 1.6% | 4,288 | 1,646 | 38% | 0.51 |
| Three Rivers College | 1,926 | 1.3% | 2,967 | 1,484 | 50% | 0.66 |
| State Technical College of Missouri | 1,866 | 1.2% | 1,724 | 557 | 32% | 0.43 |
| Harris-Stowe State University | 1,179 | 0.8% | 1,630 | 1,237 | 76% | 1.00 |
| Lincoln University | 1,575 | 1.0% | 2,323 | 1,166 | 50% | 0.66 |
| Missouri Southern State University | 3,875 | 2.5% | 5,475 | 2,378 | 43% | 0.57 |
| Missouri State University | 18,098 | 11.8% | 21,752 | 5,618 | 26% | 0.34 |
| Missouri Western State University | 3,579 | 2.3% | 5,367 | 1,754 | 33% | 0.43 |
| Northwest Missouri State University | 5,781 | 3.8% | 5,710 | 1,749 | 31% | 0.40 |
| Southeast Missouri State University | 7,969 | 5.2% | 9,524 | 2,992 | 31% | 0.41 |
| Truman State University | 3,944 | 2.6% | 4,939 | 915 | 19% | 0.24 |
| University of Central Missouri | 7,566 | 4.9% | 8,904 | 2,558 | 29% | 0.38 |
| University of Missouri System | 51,961 | 33.8% | 53,370 | 11,809 | 22% | 0.29 |
| TOTAL | 153,570 | 100.0% | 199,663 | 60,309 | | 10.88 |

| | Percent Allocated Based on FTE | Amount Allocated Based on FTE | Percent Allocated Based on Pell Index | Amount Allocated Based on Pell Index |
|------------------------------------|--------------------------------|-------------------------------|---------------------------------------|--------------------------------------|
| Workforce/Educ | 80% | \$ 200,000,000 | 20% | \$ 50,000,000 |
| General COVID Capital Improvements | 80% | \$ 200,000,000 | 20% | \$ 50,000,000 |

**Tab 23 Attachment B
Potential DHEWD ARPA Proposal for Department Activities and Expenses**

| NAME/DESCRIPTION/COMMENTS | TOTAL PROJECT COST |
|---|---------------------|
| <p>Improve Citizen-Facing Platforms: Job Center Connect</p> <p>The case management system DHEWD's Office of Workforce Development uses is inefficient, outdated, and not user-friendly. It was not built to meet the needs of a growing number of Missourians who need to access services online. A new system is a critical need for Missouri and Job Centers of the Future. The requested funding will cover the purchase and installation of the new system, training, and framework for omni-channel access to public workforce development system resources.</p> | <p>\$ 5,000,000</p> |
| <p>Improve Citizen-Facing Platforms: DHEWD Website Enhancements</p> <p>These funds will allow DHEWD to develop and launch chatbots for each of the DHEWD, Journey to College, Jobs.Mo.Gov, and MERIC websites; integrate program inventory into the Fast Track webpage on the DHEWD website; add the search option to the Jobs.Mo.Gov website; and revamp the look and feel of the MERIC site to better reflect the DHEWD brand. It will also allow DHEWD to incorporate the new search options to the College and Degree Search, including Fast Track, WIOA, and A+ eligible programs and institutions.</p> | <p>\$ 400,000</p> |
| <p>Improve Citizen-Facing Platforms: MoJobs Modules</p> <p>Adding modules in the MoJobs system will eliminate the need for some custom ITSD work such as Consumer Reports for ETPS; Data Assistant for the import and export of data from the Workforce Information Database (WID); Survey Module to develop questionnaires for job seekers and employers; and the Mobile Application module for an enhanced mobile experience for job seekers.</p> | <p>\$ 125,000</p> |
| <p>Improve Citizen-Facing Platforms: Missouri Eligible Training Provider System (ETPS)</p> <p>These funds would allow DHEWD to collect additional data elements in the Eligible Training Provider System that tells job-seekers where they can get training. The project will provide additional reporting capacity and meet federal reporting mandates.</p> | <p>\$ 30,000</p> |
| <p>Improve Citizen-Facing Platforms: MoSCORES Redesign</p> <p>Missouri has a best-in-the-nation data system called MoSCORES, which provides citizens with information about the career outcomes of college graduates and certificate recipients. MoSCORES has great information, but it could be more visually engaging, include better reporting features, and benefit from other fixes and enhancements. The project cost includes 1,500 hours x \$100 = \$150,000.</p> | <p>\$ 150,000</p> |
| <p>Improve Citizen-Facing Platforms: Additional Universe-Building and Reports with Catch Intelligence</p> <p>These funds will strengthen DHEWD's ability to provide citizens with information about the economy, education, and the labor market. Project costs includes 200 hours x \$100 = \$20,000. Will require partnership with OA-ITSD.</p> | <p>\$ 20,000</p> |
| <p>Improve Citizen-Facing Platforms: Additional WLDS Data Integration</p> <p>The funds would support continued work to get DHEWD and partner data into workforce longitudinal data warehouse to further integrate data from DESE and Mental Health. Project cost is based on 500 hours x \$100 = \$50,000.</p> | <p>\$ 50,000</p> |
| <p>Process Automation: Comprehensive Review/Program Inventory</p> <p>These funds would allow DHEWD to automate inefficient manual processes associated with its academic program inventory system. Requires partnership with OA-ITSD.</p> | <p>\$ 150,000</p> |

| NAME/DESCRIPTION/COMMENTS | TOTAL PROJECT COST |
|--|--------------------|
| <p>Process Automation: Fast Track Administrative System</p> <p>The automated Fast Track administrative system includes a student facing component, contained in the DHEWD Student Portal, and an administrative component, that provides information to postsecondary institutions and DHEWD staff necessary to administer the program. This request would allow the DHEWD and ITSD to complete the remaining components of that system. While much of the needed functionality is currently developed, this funding would allow the remaining development and testing to be completed. This would allow the system to be fully functional and provide the support necessary to adequately administer a grant that converts to a loan program.</p> | <p>\$ 750,000</p> |
| <p>Process Automation: Fiscal</p> <p>These funds will allow DHEWD to transition to automate fiscal processes that are currently manual.</p> | <p>\$ 250,000</p> |
| <p>Process Automation: Core 42</p> <p>DHEWD's CORE 42 system allows students to transfer from institution to institution without losing college credit. The system is currently primarily manual, which is inefficient and results in delays that cost students time, money, and college credit. Enhancements to the system that supports Core 42 will allow for seamless transfer options for students and more efficient operations at the department and with our partner institutions. Requires partnership with OA-ITSD.</p> <p>SB 997 (2016) established the Higher Education Core Transfer Curriculum Act (CORE 42), which directs the CBHE to develop a standard core transfer curriculum and a common course numbering equivalency matrix for lower-division general education courses to be adopted by all public institutions of higher education.</p> <p>Along with 27 public institutions, there are 4 independent institutions participating CORE 42 in the 2019-2020 academic year, and more are anticipated. The anticipated number of approved courses for academic year 2019-2020 is over 3,000. It currently takes one staff member around 20 minutes to complete a review, and there is not a staff member dedicated to this work full-time. Automation will allow for reviews to be done more efficiently.</p> <p>Two products demonstrated to DHEWD were the Transfer Equivalency System and Transferology, priced at \$185K and \$145K respectively. Neither system met identified needs, but DHEWD expects that OA ITSD or a bid process could result in a product that will interface well with DHEWD systems already in place for the average cost of the two identified options.</p> | <p>\$ 500,000</p> |
| <p>Process Automation: Enhanced Missouri Student Achievement Study (EMSAS) Course and Student Transfer Reporting</p> <p>These funds would allow DHEWD to build reports into EMSAS to collect and validate course and student reporting. Files are currently collected via file transfer protocol and must be checked and aggregated manually. This investment would produce more accurate data on remedial and co-requisite courses, dual credit/dual enrollment, gateway courses, and Core 42 completion. Project cost is based on \$85,000 development plus \$15-18,000 additional annual maintenance.</p> | <p>\$ 85,000</p> |

| NAME/DESCRIPTION/COMMENTS | TOTAL PROJECT COST |
|--|--------------------|
| <p>Process Automation: Program Inventory Redesign</p> <p>DHEWD needs to re-design its program inventory maintenance systems based on WDQI needs analysis work. The project would include streamlining reporting to ETPS, proprietary school certification, and ETPS to simplify reporting for institutions and training providers and staff maintenance. It would also eliminate manual program data loads into MoSCORES/WLDS. The project cost includes 2,500 hours x \$100 = \$250,000. Requires partnership with OA-ITSD.</p> | \$ 250,000 |
| <p>Process Automation: Streamline Data Connection Between Workforce Information Database (WID) and MERIC Website</p> <p>These funds would allow DHEWD to restore functionality from previous .NET connection that would allow a user to create a custom region for data in the web interface and streamline the backend transfer of data from the WID to the production environment to the web service interface. This process is currently prone to data disagreement between WID and website.</p> | \$ 100,000 |
| <p>Process Automation: Upgrade Edvera for NC-SARA</p> <p>NC-SARA is a national initiative that improves the quality and efficiency of cross-state education delivery. These funds would allow DHEWD to automate processes that are currently manual.</p> | \$ 5,000 |
| <p>MoEASE Communities</p> <p>DHEWD and DESE will bring education partners to develop, launch, and evaluate projects to increase student success and close equity gaps. DESE and DHEWD will provide support, regular meetings and check-ins, and project management skills to the participants. The requested funds will be used to make grants to to education partners.</p> | \$ 903,600 |
| <p>Outreach: ReturnStrong Outreach Campaign</p> <p>An unprecedented number of Missourians remain underemployed or unemployed and need help accessing skills, training, and education and getting back to work. To increase awareness of career assistance and training services, Missouri need a sustained outreach campaign. Following the model from ShowMe Strong in 2020, continuation of the ReturnStrong campaign is critical to the success of meeting our goals of helping Missourians skill up and get back to work. Project cost includes funding for a five-year outreach campaign @ \$150,000/year.</p> | \$ 750,000 |
| <p>Outreach: Increase FAFSA Filing</p> <p>These funds would allow DHEWD to host FAFSA filing events in partnership with financial aid officers, counselors, and others. Depending on the timeline, implementation could begin during summer 2021 to reach Class of 2021 high school seniors and potentially Class of 2020 high school seniors who took a gap year due to COVID-19. FAFSA filing is down nationwide, including in Missouri - which is usually a good indicator of college enrollment for fall. By helping students complete the FAFSA, they can better understand their options for the future.</p> | \$ 50,000 |
| <p>Outreach: Raise Awareness of Options and Connect Missourians with DHEWD Services</p> <p>These funds will allow DHEWD to implement and launch a paid awareness campaign to reach Missourians of all ages. The campaign will provide messages that promote the importance of obtaining a credential after high school, the five pathways to postsecondary success, job center services, apprenticeship and work-based training programs, as well as traditional paths like associate and bachelor's degrees. The project cost includes two years at \$150,000 per year.</p> | \$ 300,000 |

| NAME/DESCRIPTION/COMMENTS | TOTAL PROJECT COST |
|---|--------------------|
| <p>Outreach: State Financial Aid and Journey to College Campaign</p> <p>These funds would allow DHEWD to develop social media, TV ads, radio ads, and Google ads to raise awareness about the state financial aid programs available to high school students and adults. They would also allow DHEWD to promote the Journey to College website and resources available to students and families so they can make more informed decisions about their futures.</p> | \$ 150,000 |
| <p>Guided Pathways</p> <p>These funds will allow DHEWD to launch a campaign to provide students with information about the importance of getting on a career path early, taking key gateway courses within the first year, and meeting regularly with their advisors. Funds will also support development of a toolkit for institutions to use and training materials for advisors. Funds will cover expenses such as hiring a videographer and printing materials, as well as the cost of potential convenings and bringing in content/policy experts for development workshops.</p> | \$ 20,000 |
| <p>Workforce Development: Job Services on Campuses</p> <p>Students graduating from college in the next three years may face unusual difficulty finding jobs because of disrupted educational plans, lost opportunities for internships, and other COVID-related challenges. This funding will help students find jobs using job center resources to shorten the time between graduation and employment. The project cost includes grants of \$50,000 to each institution (27 institutions) per year for up to three years. Grants can be used for costs related to expanding campus career center facilities to include job center resources.</p> | \$ 4,050,000 |
| <p>Dual Credit in High-Need High Schools</p> <p>This partnership between DESE and DHEWD would bring dual credit to high schools that normally would not have access to it. The request will pay the costs of the courses to higher education institutions so there is no cost to high schools or students for the courses. Each course is estimated to cost \$20,000, with two courses anticipated a year to start. Total cost is for three years.</p> | \$ 120,000 |
| <p>Facilities Van</p> <p>Since the arrival of the COVID-19 pandemic, the demand placed on Office Service Unit's resources has been significant. Virtual services are possible because the OSU Network Infrastructure Technicians have created phone system modifications and rerouted or installed new internet lines. Because of this, customers can receive services over internet and/or phone and staff were able to work from home during the most dangerous times of the pandemic. To keep this business model working, a great deal of on-site maintenance and troubleshooting is needed. To make this work to its fullest potential, the department needs to purchase an additional work van. Having a designated vehicle to keep tools and supplies enhances the mobility and efficiency of the technicians. It will also be another way to deliver PPE and COVID supplies to the job centers if and when those are needed.</p> | \$ 30,000 |
| <p>Modernize Missouri Job Centers</p> <p>Missouri Job Centers must modernize to better serve job seekers and employers in the new era. Adaptive technology to service Missourians with disabilities, virtual delivery of services, updated facilities with modern equipment and technologies, and consistent branding is necessary to cultivate a human-centered design approach to Missouri's Job Center network. The project cost includes \$100,000 for each of Missouri's 27 job centers.</p> | \$ 2,700,000 |

| NAME/DESCRIPTION/COMMENTS | TOTAL PROJECT COST |
|---------------------------|-----------------------|
| TOTAL | \$ 16,938,600 |