

CARES Act Emergency Student Aid Update June 24, 2020

At the May 27, 2020 meeting of the Valencia District Board of Trustees, the Board authorized the College to disburse CARES Act emergency student aid funds in accordance with the [plan presented](#). The Board further authorized the College to adjust the disbursement plan in a compliant manner as necessary or appropriate in the event new official guidance was issued with respect to CARES Act emergency student aid disbursements.

Round One

As outlined in the plan presented to the Board, the college identified students who were registered in at least one course in Spring 2020 and/or were registered in at least one full-term, H1, or TWJ course in Summer 2020 (courses that started on May 4, 2020), who were classified as degree- or certificate-seeking, who had a valid 2019-20 FAFSA on file that successfully matched against citizenship databases, and who were not enrolled in an exclusively online program, as being eligible for CARES Act emergency student aid funds in Round One. The college sent an email to such eligible students on June 1, 2020, with information about how to access a CARES Act emergency grant aid application.

The due date for Round One applications was June 15, 2020; 17,083 students submitted an application certifying that they incurred eligible expenses directly related to the disruption of campus operations related to COVID- 19 and had need in at least one of the areas outlined in the CARES Act (food, housing, technology, health care, course materials, or childcare). Each eligible student who submitted an application between June 1 and June 15, 2020, received an emergency grant of \$750; a total of \$12,812,250 of emergency aid was disbursed.

New Interim Final Rule Issued June 17, 2020

The United States Department of Education issued an interim final rule on June 17, 2020, once again changing the requirements for students to be eligible to receive CARES Act emergency grants. The new interim rule specifies that students must be, or could be, eligible under Section 484 of the Higher Education Act of 1965 (HEA) to participate in programs under Title IV of HEA in order to be eligible to receive a CARES Act emergency grant.

The United States Department of Education has clarified that it will not enforce this new eligibility interpretation against funds distributed prior to June 17, 2020; all aid to students who applied in Round One was disbursed on or before June 16, 2020.

Nevertheless, this new rule will require the College to alter its plans for Round Two, as it will render several thousand students ineligible to receive a CARES Act emergency grant, largely due to their not meeting Satisfactory Academic Progress standards, as required by Section 484 of HEA. The College plans to issue applications for CARES Act emergency aid to students who are eligible under the new interim rule and who did not receive emergency aid in Round One; the college will accept completed applications between July 1 to July 15, 2020. The College will collaborate with the Valencia Foundation to make emergency aid available to degree- and certificate-seeking students who did not receive emergency aid in Round One and who will not be eligible to receive a CARES Act emergency grant under the new rule.

Background

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is recently enacted federal legislation which provides a variety of financial support opportunities to eligible individuals and businesses affected by the COVID-19 pandemic. The CARES Act established and funded the Higher Education Emergency Relief Fund (HEERF) to provide emergency funding to higher education institutions. A portion of each institution's HEERF allocation must be directly awarded to students in the form of emergency financial aid grants to help cover expenses incurred that were related to the disruption of campus operations due to the COVID-19 crisis. Valencia College will receive a total of \$27.6 million from the U.S. Department of Education, provided under Section 18004(a)(1) of the CARES Act. Of that amount, at least 50% (or \$13.8 million) will be used for emergency student aid.

In designing the disbursement plan and in actually distributing these funds, Valencia has followed, and will follow, the requirements of the CARES Act, and the regulations, requirements, instructions and the evolving guidance provided by the U.S. Department of Education (ED), Federal Student Aid, the Certification and Agreement completed by Valencia, the April 9, 2020 letter of Secretary DeVos, and ED's April 21, 2020 Frequently Asked Questions document. Please note that ED's guidance shifted on May 21, when it suddenly and unexpectedly announced that its prior "[g]uidance documents represent the ED's current thinking on a topic. They do not create or confer any rights for or on any person and do not impose any requirements beyond those required under applicable law and regulations. Guidance documents lack the force and effect of law." On June 17, 2020, ED issued a new interim rule, once again changing the requirements for students to be eligible to receive CARES Act emergency aid.