

Higher Education Emergency Relief Fund (HEERF)

# 2023 HEERF UPDATES

##### March 7 & 9, 2023

**Presented by:**

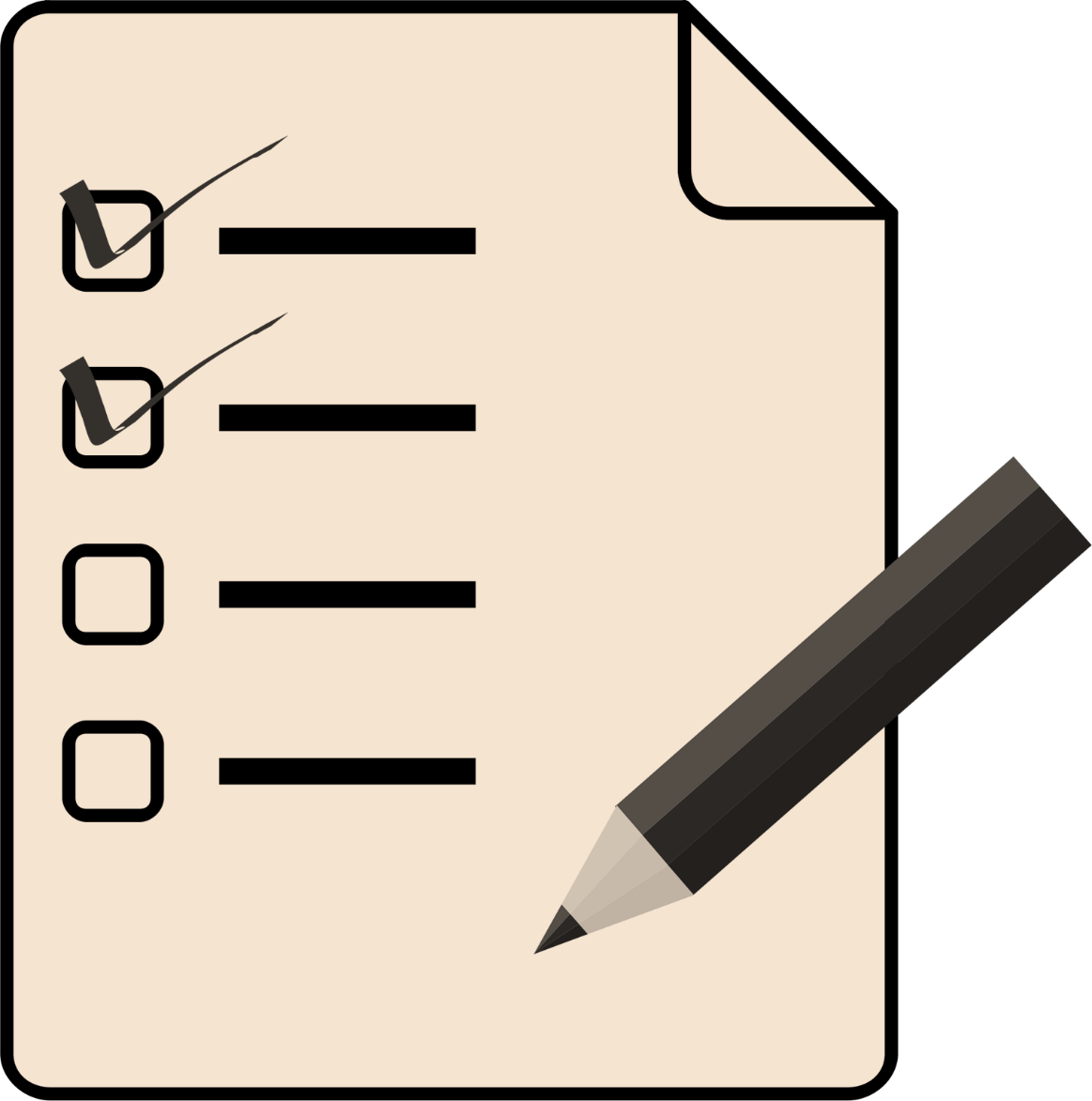
Karen Epps, Program Director

|  |  |
| --- | --- |
| Kenneth Anthony  Di Hu  Brandon Mitchell | Willette Brown-Fatoyinbo  Ylang Ylang Taitt  Carrie Wood |

## Agenda

|  |  |
| --- | --- |
| 1. | Introduction |
| 2. | ESF Improper Payment Study |
| 3. | HEERF No Cost Extensions |
| 4. | HEERF Closeout Process |
| 5. | 2023 HEERF Updates |
|  |  |
| 6. | Q&A |
| 7. | Final Thoughts |

Higher Education Emergency Relief Fund (HEERF)



**2023 HEERF UPDATES**

# Quick Poll #1



Higher Education Emergency Relief Fund (HEERF)

**ESF Improper Payment Study**

**Presented by:**

Ylang Ylang Taitt

## Agenda

|  |  |
| --- | --- |
| 1. | ESF IP Assessment Team |
| 2. | A-123, Appendix C Overview |
| 3. | Historical Data |
| 4. | PIIA Non-compliance Guidance |
| 5. | Historical Testing Results |
| 6. | Upcoming Activities |
| 7. | Overall Tasks and Timeline |
| 8. | Support Needed |
| 9. | Testing Documentation |
| 10. | Points of Contact |

### ESF IP Assessment Team

* Financial Data Integrity and Controls Division (FDICD)

Carolyn Dempster, Director Thomas Gaither, ESF Lead

* A-123C Team

Ylang Ylang (Lang) Taitt, Project Lead Jon Dolloff, Project Director Kristopher White, Lead Tester

*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*



### Purpose



To walk through timeline and expectations as it is related to HEERF grantees.

Grantee Selection

* + As a HEERF grantee you could be selected for this assessment.
  + If a grantee is selected for this study, it is legislatively required that they be reviewed by OMB.
  + Selected grantees' cooperation with the study is imperative.

What Grantees Should Expect Moving Forward

* + Selected Grantees will be invited to attend a Webinar on **March 22nd.**
  + The webinar will:
    - Outline next steps within the study and what is required from grantees.
    - Provide HEERF grantees with resources needed to provide the requested documentation for the PIIA Assessment
  + Cooperation and communication with FDICD and the A-123C team will be expected.

*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

### A-123C Overview

Appendix C to OMB Circular A-123, *Requirements for Payment Integrity Improvement,* implements the requirements for Payment Integrity Information Act of 2019 (PIIA) A-123C establishes the following:

|  |  |
| --- | --- |
| **Improper payments (IP):** Payments the government makes to the wrong person, in the wrong amount, or for the wrong reason. They are payments that should not have been made or that were made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. | **Unknown Payments (UP)**: If a program cannot discern whether a payment is proper or improper, the payment is considered an UP. If a program is still conducting research or going through the review of a payment at the time that the program must finish their sampling and report its results, the payment will be considered an UP for reporting purposes that year. |

To effectively prevent an IP or a UP from occurring, agencies must properly identify the reasons their programs are at risk of IPs. Agencies must identify the root cause of any IPs and UPs. A root cause is something that leads directly to an IP/UP and if corrected would prevent an IP/UP.

The Department of Education is required to produce a statistically valid estimate of the improper payments and unknown payments for the ESF program.

### 2022 Historical Data



* + Per the OMB Memorandum M-21-19, programs that are likely to have an annual amount of IP plus an annual UP above the statutory threshold are referred to as being in Phase 2.
  + In FY22, The ESF program was considered a Phase 2 Program and underwent an IP and UP estimate that resulted in a rate that exceeded the OMB threshold for IP and non-compliance with PIIA.
  + The ESF Program will remain in Phase 2 in FY24 if the IP and UP estimate is greater than the $100,000,000 threshold.

*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

### Testing Results



|  |  |  |
| --- | --- | --- |
| **FY22 Sample** | | |
| **Total Sample Size:** | $49,280,547,764.93 | |
| **FY22 Extrapolated Results by Type** | | |
|  | Dollars | Rate |
| **Improper Payments (IP)** | **$15,038,036.86** | **0.03%** |
| Statutory Requirements of Program Were Not Met | $15,036,867.20 | 0.03% |
| Failure to Access Data/Information (Overpayment) | $1,169.66 | 0.00% |
| **Unknown Payments (UP)** | **$5,941,381,169.24** | **12.06%** |
|  |  |  |
| **Total IP + UP** | **$5,956,419,206.10** | **12.09%** |

*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

### PIIA Non-Compliance Guidance

* For programs that are not compliant for two consecutive fiscal years, the agency shall propose to the Director of OMB in its next Budget submission, additional program integrity proposals that would help the program come into compliance.
* For programs that are not compliant for three consecutive fiscal years, within 30 days of the determination of non-compliance, the agency will submit to the appropriate authorizing and appropriations committees of Congress, the OMB, and the Comptroller General of the United States a report containing specific data outlined in the PIIA Guidance.
* For programs that are not compliant for four or more consecutive fiscal years, within 30 days of the determination of non-compliance, the agency will submit to the appropriate authorizing and appropriations committees of Congress and the OMB, a report outlined in the PIIA Guidance.



*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

### Overall Tasks and Timeline for ESF

March



**Select Samples**

**Conduct Testing**

**Develop IP Rates**

**CAPs and Reporting**

* + The samples will be selected using the Sampling and Estimation Methodology Plan.
  + The A-123C Team will provide support and training to SEAs regarding the required documentation.
* The A-123C Team will obtain the supporting documentation for each payment.
* The A-123C Team will conduct testing of the selected samples.
* A statistically valid estimate will be calculated and outlined in a Final Report.
* A-123C Team will communicate results to stakeholders.
* Corrective Action Plan will be developed.
* OMB Data Call.

March – July July – August August - September

*OFO-OFM/Financial Data Integrity and Controls*

### Upcoming Activities



* ESF Grantee Kick-Off Webinar
  + In depth explanation of sampling methodology and timeline for the overall assessment.
* Documentation requests will go out to the IHEs for stage 1 and stage 2 data
* Documentation Review with IHEs
  + A-123C team will provide support to IHEs regarding required documentation.
* Testing begins
  + A-123C Team will collaborate with the POCs to discuss any recurring themes within received documentation and potential IPs to identify and address issues early.

*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

**Annual Review** March 7, 2023

### Support Needed

ED is asking for support with the following:



Attending ESF Kick-Off Webinar

Providing Randomly Selected Payment Data

Providing Supporting Documentation for Selected Payments

### Testing Documentation

For FY23 testing, the A-123C Team will request the following documentation from HEERF grantees:

* + - Certification and Agreement
    - Reimbursement Requests
    - Expenditure Reports
    - Signed Authorizations
    - Supporting Documentation (invoices, purchase orders, contracts, General Ledger, etc.)



*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

### Points of Contact



*OFO-OFM/Financial Data Integrity and Controls Division (FDICD)*

|  |  |
| --- | --- |
| **Financial Data Integrity Control Division (FDICD):** | |
| **Carolyn Dempster** FDICD Director [Carolyn.Dempster@ed.gov](mailto:Carolyn.Dempster@ed.gov) | **Thomas Gaither**  ESF Lead [Thomas.Gaither@ed.gov](mailto:Thomas.Gaither@ed.gov) |

|  |  |
| --- | --- |
| **A-123C Team:** |  |
| **Primary POC: Ylang Ylang Taitt** Project Team Lead  [YlangYlang.Taitt@ed.gov](mailto:YlangYlang.Taitt@ed.gov) | **Secondary POC: Jon Dolloff** Project Director  [Jonathan.Dolloff@ed.gov](mailto:Jonathan.Dolloff@ed.gov) |



Higher Education Emergency Relief Fund (HEERF)

**HEERF No Cost**

**Extension (NCE) Requests**

**HEERF Timeline**

MARCH 2020 (CARES ACT)

The Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) provided emergency aid to help institutions of higher education **prepare, prevent**, and **respond to** coronavirus through the HEERF

MARCH 2021 (ARP)

The American Rescue Plan Act of 2021 (ARP) added a third layer of emergency aid to help institutions of higher education **prepare, prevent**, and **respond to** coronavirus through the HEERF

Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) offered a second round of funding to help institutions of higher education **prepare**, **prevent,** and **respond to** coronavirus through the HEERF

DECEMBER 2020 (CRRSAA)

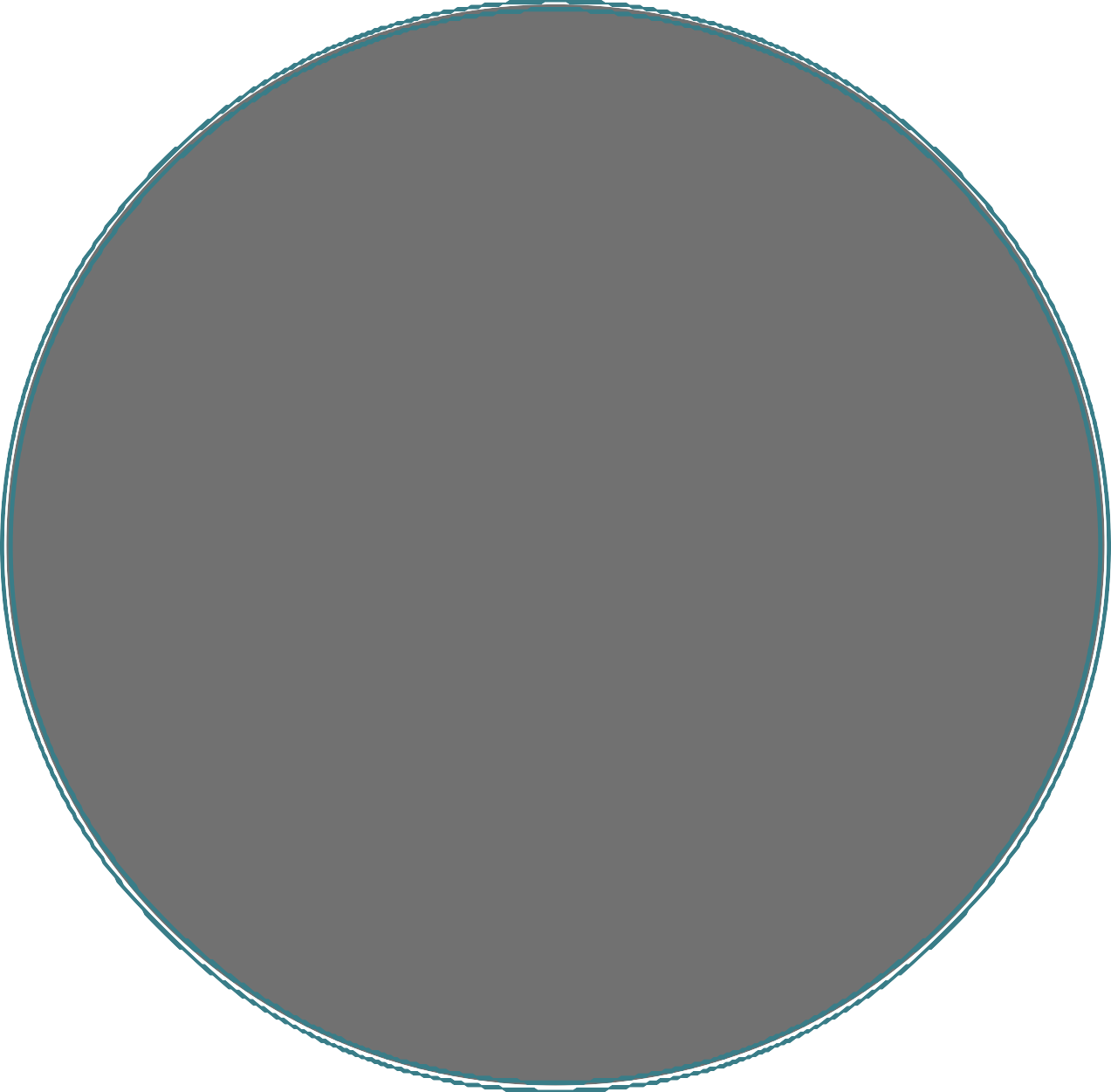
All open HEERF awards, with a balance of $1000 or more, received an automatic extension of the **PERFORMANCE PERIOD** through **JUNE 2023**

APRIL 2022

**HEERF Timeline**

MARCH 2023 – WE ARE HERE

Many HEERF grantees continue to plan, program, and drawdown emergency funds to address student and institutional needs in relation to COVID-19



HEERF award budget/ performance period ends June 30, 2023

JUNE 2023

***“How do I request a no cost extension (NCE)?”***

## NCE Request Process

##### STEP 1:

STEP 2:

* Submit a request to the assigned HEERF Program Specialist.

The written request must include the following details:

* + Name of institution
  + PR Award number
  + **“Focus on Four**” items
* HEERF Program Specialists will email a confirmation upon receipt, review the request, and render a determination within 30 days.

## “Focus on Four”

HEERF NCE requests must include the FOUR focus areas detailed below:



**PROJECT SCOPE**

Submit a **detailed narrative to clearly** explain the need for a NCE

**COST**

**Provide award balance details** and how IHE will spend remaining funds

**TIME**

Offer a **realistic timeline** for completion

**COVID-19**

Explain how the expenses connect to **prepare, prevent, and respond to coronavirus**

## NCE Takeaways

* HEERF NCE request submission dates:

**April 2023 – June 20, 2023.**

* HEERF grantees are **strongly encouraged** to drawdown and spend remaining emergency dollars, for allowable expenses, on or before **JUNE 30, 2023.**
* Eligible HEERF grantees may request a **one-time NCE;** however, this one-time extension must not be exercised merely for the purpose of using unobligated balances.

## NCE Takeaways

* Plan and submit the NCE request within the **submission period.**

 HEERF NCE request submission dates:

April 3, 2023 – June 20, 2023.

* HEERF program specialists can only discuss award details with **authorized contacts.** The team will not accept NCE request from third-party vendors and/or other institutional personnel who are not listed on the GAN.
* IREPO and SSARP grantees must contact their program specialist for NCE guidance on **discretionary HEERF awards**.

## NCE Resources

HEERF PROGRAM GUIDANCE:



American Rescue Plan (HEERF III)

[http://www2.ed.gov/about/ offices/list/ope/arpfaq.pdf](http://www2.ed.gov/about/offices/list/ope/arpfaq.pdf)

FEDERAL REGISTER:

Notice of Automatic Extension of Performance Period for All Open Grants Issued Under the Higher Education Emergency Relief Fund (2022)

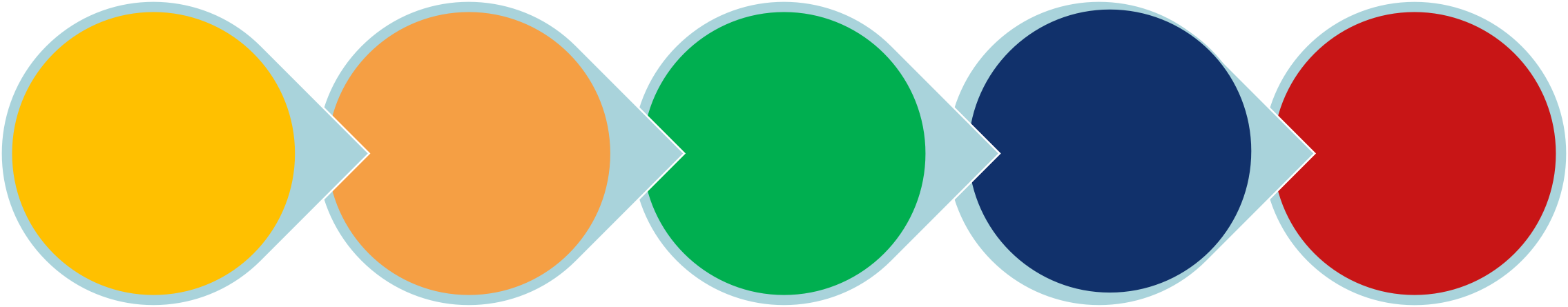
<https://www.federalregister.gov/d/2022-07053>

UNIFORM GUIDANCE:

Revision of Budget and Program Plans

[https://www.ecfr.gov/current/title-2/subtitle- A/chapter-II/part-200/subpart-D/section- 200.308#p-200.308(e)(2)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.308p-200.308(e)(2))

## HEERF Grant Life Cycle



OPEN

LIQUIDATION

SUSPENSION

MANUAL CLOSEOUT

CLOSED

**HEERF Grant Life Cycle**

|  |  |  |
| --- | --- | --- |
| **Grant Status** | **Allowable Actions by Grantee** | **Grant Phrase Timeline** |
| **Open** | G5 drawdowns for expenses incurred prior to the budget performance period end date. | Confirm budget performance period end  date from latest GAN. |
| **Liquidation** | Drawdown for expenses incurred prior to end date; settlement of final HEERF quarterly and annual reports. | 120 days immediately following budget performance period end date. |
| **Suspension** | Limited access for financial adjustments as applicable. | 90 days immediately following the Liquidation phase. |
| **Manual Closeout** | No access to G5 for financial transactions. | Program Specialist may contact grantees  during closeout phrases to aid in closing award in good standing. |
| **Closed** | Final stage in grant life cycle. Closing in compliance is the goal! |  |

**Closeout in Compliance**

**Liquidate**

**Expenses**

**Complete drawdowns** for all allowable HEERF incurred expenditures

**HEERF**

**Quarterly Reports**

**Confirm final record** of **HEERF**

**expenditures** with published HEERF quarterly reports

**HEERF Annual Reports**

**Submit HEERF annual reports** for last period of the grant performance



**HEERF Audits**

**Comply with HEERF Audit** IHEs that expend

$750,000+

-OR-

Proprietary IHEs

$500,000+

-OR- IHES on HCM

-OR-

Closing

**HEERF Record**

**Retention**

**Maintain all records for three years** from date of submission of last quarterly or annual report.

**Award Closeout Takeaways**

###### Prepare

* Review ARP FAQ important closeout topics: HEERF Quarterly Reports, HEERF Annual Reports, HEERF Record Retention & HEERF Audits**.**

###### Respond

* Proactively respond to all requests from your ERU Program Specialist or Dept of Education affiliates.

###### Ask Questions

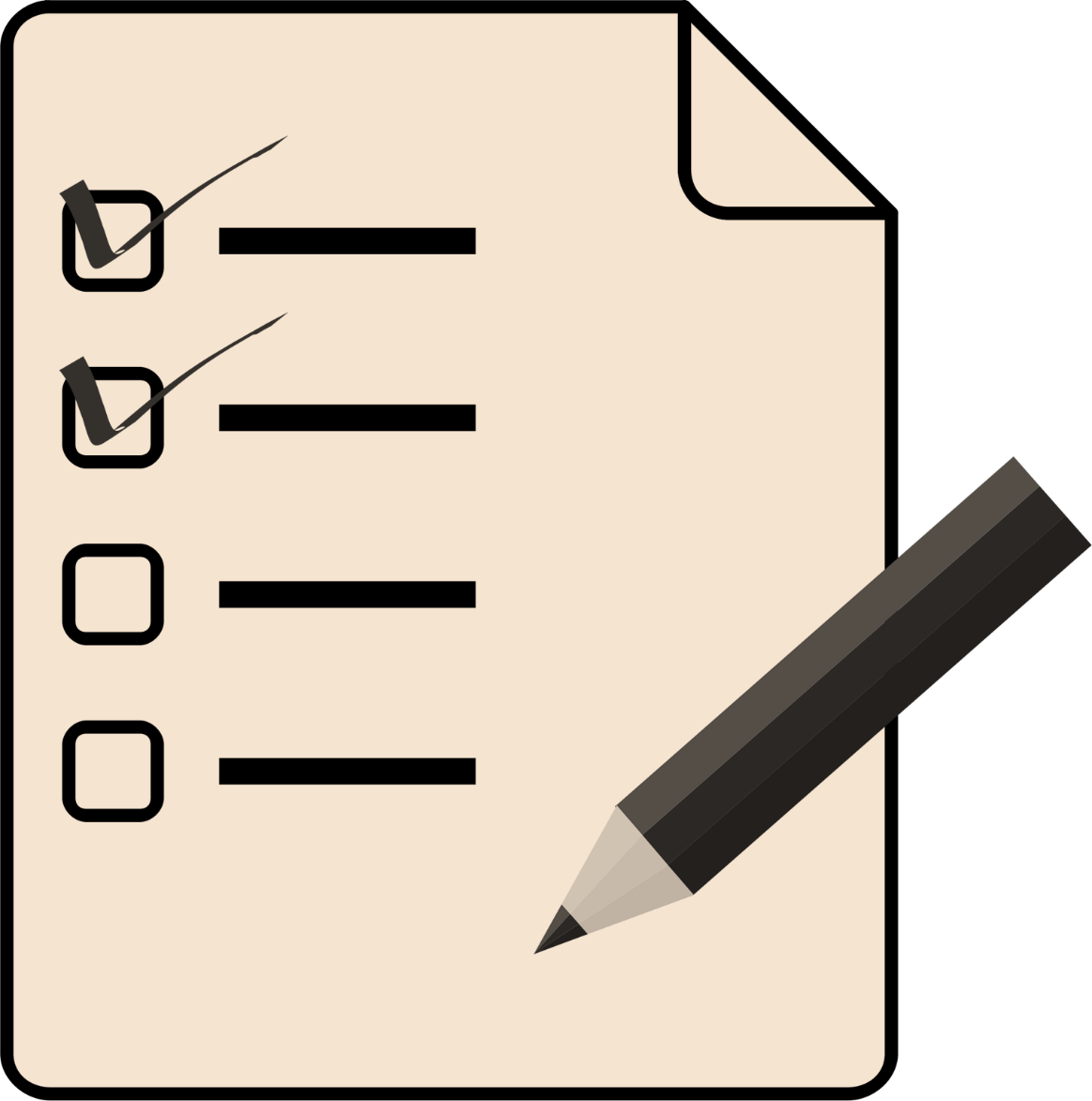
* Email your assigned ERU Program Specialist or [HEERF@ed.gov](mailto:HEERF@ed.gov) for any questions regarding the HEERF.

## Award Closeout Resources

|  |  |  |
| --- | --- | --- |
| Handbook for Formula Grant Process  [https://www2.ed.gov/policy/gen/leg/](https://www2.ed.gov/policy/gen/leg/foia/acsods1102.pdf) [foia/acsods1102.pdf](https://www2.ed.gov/policy/gen/leg/foia/acsods1102.pdf) | Handbook for Discretionary Grant Process  [https://www2.ed.gov/policy/gen/leg](https://www2.ed.gov/policy/gen/leg/foia/foia-hb-01.pdf)  [/foia/foia-hb-01.pdf](https://www2.ed.gov/policy/gen/leg/foia/foia-hb-01.pdf) | GRANTS 101: Post Award Phase  [https://www.grants.gov/learn-grants/grants-101/](https://www.grants.gov/learn-grants/grants-101/post-award-phase.html) [post-award-phase.html](https://www.grants.gov/learn-grants/grants-101/post-award-phase.html) |
|  |  |  |

|  |  |
| --- | --- |
| UNIFORM GUIDANCE:  Closeout  [https://www.ecfr.gov/current/title-2/subtitle- A/chapter-II/part-200/subpart-D/subject-group- ECFR682eb6fbfabcde2](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR682eb6fbfabcde2) | UNIFORM GUIDANCE:  Subpart F - Audit Requirements  [https://www.ecfr.gov/current/title-2/subtitle- A/chapter-II/part-200/subpart-F](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-F) |
|  |  |

Higher Education Emergency Relief Fund (HEERF)



**2023 HEERF UPDATES**

# Quick Poll #2



Higher Education Emergency Relief Fund (HEERF)

## 2023 HEERF Updates



**Login.gov**

**May 22, 2023**

**G5 Transitions to G6**



### Education Stabilization Fund (ESF) HEERF Y3 Annual Reporting Portal

YR3 HEERF Annual Report Submission Dates:

March 6, 2023 – March 24, 2023

Visit the ESF Helpdesk for more information:

<https://covid-relief-data.ed.gov/grantee-help>

**Submission Deadline:**

**June 30, 2023**

**HEERF (a)(2) Prior Approval Form for Construction, Renovation,**

**and Real Property Projects**

**Let’s Connect: HEERF Team**

|  |  |  |
| --- | --- | --- |
| **ERU Program Specialist** | **Email Address** | **Assigned State or Territory** |
| Katrina Jackson | [Katrina.Jackson@ed.gov](mailto:Katrina.Jackson@ed.gov) | AL, MO, VA & VT |
| Kenneth Anthony | [Kenneth.Anthony@ed.gov](mailto:Kenneth.anthony@ed.gov) | IA, NJ & RI |
| Kissy Chapman-Thaw | [Kissy.Chapman-Thaw@ed.gov](mailto:Kissy.Chapman-Thaw@ed.gov) | IL, IN, NY & PA |
| Leslie Jackson | [Leslie.Jackson@ed.gov](mailto:Leslie.Jackson@ed.gov) | AK, ID, OR & WA |
| Monique Hart | [Monique.Hart@ed.gov](mailto:Monique.Hart@ed.gov) | MA, NH |
| Noorullah Ahmadzai | [Noorullah.Ahmadzai@ed.gov](mailto:Noorullah.Ahmadzai@ed.gov) | CA |
| Sephora Crane | [Sephora.Crane@ed.gov](mailto:Sephora.crane@ed.gov) | FL |
| Shana Jackson | [Shana.Jackson@ed.gov](mailto:Shana.Jackson@ed.gov) | CO, TN & UT |
| Tanyelle Richardson | [Tanyelle.Richardson@ed.gov](mailto:Tanyelle.Richardson@ed.gov) | NM |
| Willette Fatoyinbo | [Willette.Fatoyinbo@ed.gov](mailto:Willette.Fatoyinbo@ed.gov) | GU, DC & IREPO |

|  |  |  |
| --- | --- | --- |
| **ERU Program Specialist** | **Email Address** | **Assigned State or Territory** |
| Brandon Mitchell | [Brandon.Mitchell@ed.gov](mailto:Brandon.Mitchell@ed.gov) | MS, GA & SC |
| Brian Freeman | [Brian.Freeman@ed.gov](mailto:Brian.Freeman@ed.gov) | TX |
| Caroline Wood | [Caroline.Wood@ed.gov](mailto:Caroline.wood@ed.gov) | OH & MI |
| Claudette Washington | [Claudette.Washington@ed.gov](mailto:Claudette.Washington@ed.gov) | AR & OK |
| Di Hu | [Di.Hu@ed.gov](mailto:Di.Hu@ed.gov) | AS, CT, KS, MH, FM, MN, MP, PW, NE & VI |
| Frank DeLeon | [Frank.Deleon@ed.gov](mailto:Frank.Deleon@ed.gov) | PR, WI & WV |
| Idil Ahmed | [Idil.Ahmed@ed.gov](mailto:Idil.Ahmed@ed.gov) | DE, NC, SAIHE  Program, SSARP Program |
| Julandah Young | [Julandah.Young@ed.gov](mailto:Julandah.Young@ed.gov) | KY, MD, MT, ND, SD & WV |
| Kamal Kelley | [Kamal.Kelley@ed.gov](mailto:Kamal.Kelley@ed.gov) | AZ, HI, LA, ME & NV |



Higher Education Emergency Relief Fund (HEERF)

## HEERF Q&A



Higher Education Emergency Relief Fund (HEERF)

#### SCENARIO #1:

We reached a zero balance in 2022; submitted our 2020 and 2021 annual report; completed an audit; and marked our last quarterly report as final. ***What’s next?***



Higher Education Emergency Relief Fund (HEERF)

#### SCENARIO #2:

We have a large balance remaining on our HEERF student award and plan to save the amount for new students for the Fall semester. ***What’s next?***



Higher Education Emergency Relief Fund (HEERF)

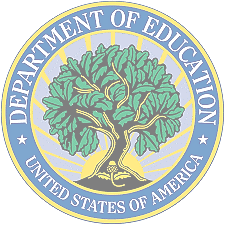
#### SCENARIO #3:

In March 2023, my office ordered medical supplies for the nursing program. The delivery date has been pushed back several times. A recent notice confirmed delivery in late July 2023. We will draw down funds to pay the invoice in early August 2023 and will not submit a NCE request. ***What’s next?***



Higher Education Emergency Relief Fund (HEERF)

## HEERF Q&A



**Thank You**