

Secretary DeVos Releases First Tranche of Relief Funds for US College Students

On April 9, 2020, US Secretary of Education Betsy DeVos released US\$6.28 billion in direct emergency financial aid grants to college students. The funds represent 50% of the nearly US\$14 billion in funding provided to institutions of higher education in the recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (H.R. 748). The legislation requires institutions of higher education to use at least half of those funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to the coronavirus disease 2019 (COVID-19). According to the legislation, these expenses include eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, healthcare and child care. Following are additional details on how these funds are allocated and access requirements.

The CARES Act established formulas for the distribution of funds. The Department of Education (the Department) issued documentations on [allocations for each institution](#) and [methodology for calculating the allocations](#).

In order to access these funds, each higher education institution must first submit to the Department a signed [certification](#) affirming the funds will be distributed in accordance with applicable law. The institutions are required to distribute the cash grants directly to the students, and are prohibited to use the funds to reimburse institutional costs associated with refunds previously issued to the students. It is up to the individual institution to determine how the aid will be allocated among the students. The Department plans to make recommendations on how to structure the aid program in order to ensure students with the greatest needs are prioritized. Questions concerning the aid program should be submitted to HEERF@ed.gov.

According to a [letter](#) from Secretary DeVos to college and university presidents on funding allocation, the Department is still working to allocate the remaining funding that is reserved for institutional use, and the Department will provide details on how institutions may apply for this institutional funding, as well as for other emergency funding, in the coming days. For more information on the full allocation of funds directed by the CARES Act for education, please see [our analysis](#).

Our team will provide further updates on the release of the remaining Department stimulus funding in the coming days. Please [subscribe here](#) if you are interested in receiving future US education policy updates.

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