

# TMCF UPDATE: SUPPORTING HBCUs THROUGH THE COVID-19 CRISIS

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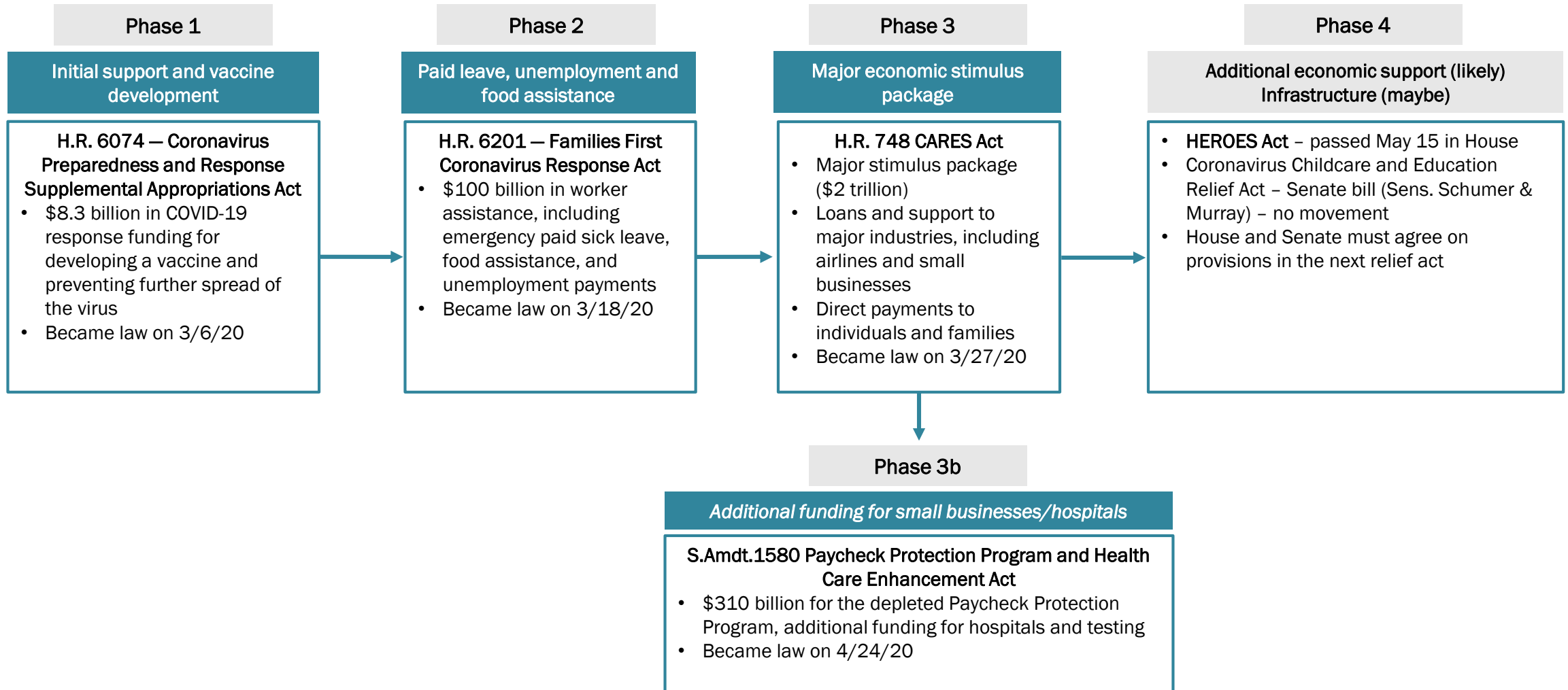
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# CONGRESSIONAL RESPONSE TO THE CORONAVIRUS

# Congress's three-phase response to the coronavirus crisis and potential next steps



# CARES Act

## Higher Education Provisions

# The Phase 3 stimulus package included over \$30 billion in education funding

Highlight of major funding provisions:

**\$13.5 B**

for **public K-12 schools**, with at least 90% of that earmarked for school districts through the Title I aid formula

**\$14.25 B**

for support to **higher education institutions**

**\$3 B**

for **governors to use at their discretion** through a flexible funding formula for K-12 and/or higher education



## Student loans

- **Suspends federal student loan payments** without interest through September 30
- **Suspends wage garnishment or tax refund reduction** for those who have defaulted on federal student aid loans
- Does not include debt forgiveness
- The bill **will not impact privately held student loans** (approximately 12% of all loans in 2018-2019)



## Accountability

- The bill gives Secretary Betsy DeVos authority to **grant relief from certain accountability statutes** under ESSA
- The bill requires her to report to Congress within 30 days about **recommendations to grant schools limited flexibility from other education laws**, including the Individuals with Disabilities Education Act

## The Coronavirus Aid, Relief, and Economic Security (CARES) Act includes much needed relief for your respective institutions and students

*All institutions of higher education (IHE) will receive funds from the larger, approximate **\$12.6 billion** higher education portion of the relief package.*



**\$6.3 Billion**  
for Schools



**\$6.3 Billion**  
for Students

## Advocacy Work



We joined together with our other colleagues representing other minority-serving institutions to advocate for **\$1.5 billion** in H.R. 748, the **Coronavirus Aid, Relief, and Economic Security (CARES) Act**.



Fortunately, due to our advocacy, we were able to secure **\$1.046 billion** for these institutions. In pertinent part, the bill directs the Secretary of Education to allocate “proportionally to such programs based on the relative share of funding appropriated to such programs in the Further Consolidated Appropriations Act, 2020” (Public Law 116–25).

## Breakdown of HBCU programs

HBCUs received an **overall total of \$576,587,269.14** from the **\$1.046 billion** allocated to all HBCUs and minority-serving institutions. The following break down for each program is as follows:



**\$446,828,972.63**  
for the Strengthening  
HBCU program



**\$116,154,604.13**  
for the HBGI program



**\$13,603,692.38**  
for the HBCU Masters  
program



## Total Amount of Funding for TMCF Member Schools



Total HERF Funding

\$256,911,981



Total HBCU  
Emergency Funding

\$427,399,094



Total Funding

\$684,311,075

## Allowable Uses of HBCU Emergency Funding

The Department of Education encourages our schools to use these funds to:



Provide emergency grants to students during this challenging time



Expand remote learning programs and build IT capacity



Cover the cost of technology associated with a transition to distance education



Grants to cover the costs of attendance for eligible students, and faculty and staff trainings



Cover operational costs, such as lost revenue, reimbursements for prior expenses, and payroll

# Next Steps

# The Health & Economic Recovery Omnibus Emergency Solutions (HEROES) Act

Passed the House of Representatives on May 15<sup>th</sup>



**\$1.7 billion** in direct aid to HBCUs, PBIs and other MSIs



**\$500 billion** in state aid that could mitigate massive funding cuts to state-level postsecondary education



Will not see a vote in the Senate

## Coronavirus Childcare and Education Relief Act

Introduced by Senate Minority Leader Chuck Schumer (D-NY) and Senate Committee on Health, Education, Labor and Pensions Ranking Member Patty Murray (D-WA)

- \$130 billion for students and higher education
  - 90% (\$117 billion) divided between all schools via formulas based upon Pell-eligible students and total student head count
  - 1% for colleges who exclusively serve online students
  - 1.5% allocated for for-profit institutions
  - 7.5% HBCUs and MSIs (\$9.75 billion total)
- The 2.5% allocated in the CARES Act for the Secretary's discretion has not been allocated yet - this bill will reallocate those funds to HBCUs and MSIs - by formula for HBCUs and grant application for PBIs
- Removes penalties on endowment challenge grant program and removes cap on Capital Finance Loan deferments
- Makes investments in TRIO programs - \$450 million
- \$4 billion to colleges via E-RATE for colleges to help students access broadband
- Will not see a vote in the Senate

## Expect News Soon



Majority Leader Mitch McConnell (R-SC) has indicated that he expects a deal by the end of July



Sen. Tim Scott (R-SC) led a Republican letter to show support for HBCUs at the urging of TMCF

# Call to Action!!

## Call your Senator and Congressperson today!

# TMCF SUPPORT FOR HBCU COVID-19 RESPONSE



## Current TMCF Support for COVID-19 response

- Retain **consulting group** to stabilize targeted schools and plan Fall 2020 reopening
  - Cohort 1: 16 schools, deep consulting on finance, management, enrollment, retention, modeling
  - Cohort 2: 19 schools, peer-to-peer support, materials developed via Cohort 1 engagement
- EFI engaging in **joint procurement opportunity** in testing, contact tracing, PPE purchasing, technology
  - Areas of need identified by schools
  - Testing for America, CINQ (public health management), MITRE (The Artificial University – to model outbreak scenarios)
- COVID-19 Emergency Scholarships, Mental Health Support via META

## Future TMCF Member-School Support

- Create member-school platform for:
  - Sharing capacity building support
  - Hosting future peer-to-peer meetings to share best practices
  - Facilitate more joint purchasing opportunities
- Expand support for member-schools in finance, enrollment, retention, modeling, planning, and management

# Questions and Answers



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