

# **Report on Awards, Expenditures, and Uses of Federal Funds Related to the Coronavirus Pandemic**

**In response to Section 63, Special Provisions Relating  
Only to State Agencies of Higher Education, of the  
Fiscal Years 2022-23 General Appropriations Act**

**January 2022**

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## Texas Higher Education Coordinating Board



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### Agency Mission

The mission of the Texas Higher Education Coordinating Board (THECB) is to provide leadership and coordination for Texas higher education and to promote access, affordability, quality, success, and cost efficiency through *60x30TX*, resulting in a globally competitive workforce that positions Texas as an international leader.

### Agency Vision

The THECB will be recognized as an international leader in developing and implementing innovative higher education policy to accomplish our mission.

### Agency Philosophy

The THECB will promote access to and success in quality higher education across the state with the conviction that access and success without quality is mediocrity and that quality without access and success is unacceptable.

The THECB's core values are:

**Accountability:** We hold ourselves responsible for our actions and welcome every opportunity to educate stakeholders about our policies, decisions, and aspirations.

**Efficiency:** We accomplish our work using resources in the most effective manner.

**Collaboration:** We develop partnerships that result in student success and a highly qualified, globally competent workforce.

**Excellence:** We strive for excellence in all our endeavors.

The Texas Higher Education Coordinating Board does not discriminate on the basis of race, color, national origin, gender, religion, age, or disability in employment or the provision of services.

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## Executive Summary

General Appropriations Act, Senate Bill 1, Article III, 87th Texas Legislature, Regular Session, added a new section, Section 63, which included a new legislative reporting requirement for institutions of higher education related to federal funds received for the COVID-19 pandemic from state or federal agencies:

***Sec. 63. Information Related to the Coronavirus Pandemic.*** *Each institution of higher education that has received federal funds related to the coronavirus pandemic from a state or federal agency shall report the amount of the awards, expenditures, and uses of those funds to the Higher Education Coordinating Board. The agency shall report the information collected to the Governor, Legislative Budget Board, and any appropriate standing committee in the Legislature in January and July of each fiscal year. The format and content of the report shall be specified by the Legislative Budget Board in consultation with the Higher Education Coordinating Board.*

To meet this legislative requirement, the Legislative Budget Board, in consultation with the Texas Higher Education Coordinating Board and institutions of higher education, developed a collection for information on awards, expenditures, and uses of funds in Fiscal Years 2020 and 2021. Future collections will occur every six months and data will be updated for each subsequent report. As this is the first time this data is being collected, the Coordinating Board and Legislative Budget Board will continue to work with institutions of higher education to evaluate and refine data reporting procedures.

## Introduction

### Data Collection Overview

In response to a new legislative requirement introduced by General Appropriations Act, Senate Bill 1, Article III, Section 63, 87th Texas Legislature, Regular Session, institutions of higher education submitted data to the Texas Higher Education Coordinating Board. The survey was divided between awards and uses of federal COVID-19-related funding. General academic institutions, health-related institutions, state and technical colleges, community colleges, system agencies, and system offices are subject to the collection.

The initial collection requested information on awards, expenditures, and uses of the federal funding in Fiscal Years 2020 and 2021. Additionally, the collection also requested data on funds obligated as of the end of state fiscal year 2021.

The awards section of the collection asked institutions to report how much funding was awarded under major pieces of COVID-19-related federal legislation. This included the following federal coronavirus pandemic-related legislation:

- Coronavirus Aid, Relief, and Economic Security Act;
- Coronavirus Response and Relief Supplemental Appropriations Act;
- American Rescue Plan Act;
- Coronavirus Preparedness and Response Supplemental Appropriations Act;
- Paycheck Protection Program and Healthcare Enhancement Act;
- Other legislation not specified previously; and
- Pass-through funds received from other state or local entities or through Federal Emergency Management Agency (FEMA) reimbursements.

In the Uses section, institutions were asked to report on expenditures and obligations of the funding using similar categories to federal reporting requirements. These sections are:

- **Student Financial Support Services** — includes subcategories for emergency financial aid grants to students; reimbursements for tuition, housing, room and board, or other fee refunds; tuition discounts; covering the cost of providing additional technology hardware to students or technology fees; providing for high-speed internet to students; subsidizing housing costs for students; clearing student debt and/or covering student unpaid or outstanding balances to the institution.
- **Faculty/Staff Support & Instruction Delivery** — includes subcategories related to faculty and staff training, equipment, and technology to facilitate remote instruction.
- **Campus Safety and Operations** — includes subcategories related to managing the spread of COVID-19.
- **Lost Revenue Replacement** — includes subcategories for lost revenue from academic sources; lost revenue from auxiliary services sources (e.g., canceled ancillary events); and lost revenue from patient services.
- **Research** — includes expenditures used to support research activities.

- **Pass-Through Funds** — includes expenditures passed through to other state or local entities.
- **Governor’s Emergency Education Relief Fund (GEER)** — includes subcategories for financial aid, reskilling and upskilling grants, and online learning. Future reporting will include additional GEER funding subcategories.
- **Other** — includes items that did not fit into other categories.

Additionally, institutions were asked to provide data on the number of students aided with financial support services. Due to differences among institutions and data systems, institutions were unable to provide this data consistently and reported the number of students aided as either duplicated or unduplicated. A duplicated student count reports each instance a student received a type of aid across semesters within a fiscal year. An unduplicated student count reports a student once in each state fiscal year, regardless of the number of academic semesters that student received a particular type of aid. Institutions have been requested to provide only unduplicated counts.

### **Overview of Major Federal Acts**

Institutions of higher education (IHEs) received federal appropriations related to the COVID-19 pandemic primarily through three federal pieces of legislation: the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act, and the American Rescue Plan Act. Two funding streams provided in the legislation, the Higher Education Emergency Relief Funds (HEERF) and the Governor’s Emergency Education Relief Fund, comprise the majority of federal funds received by institutions. Institutions may have also been eligible for certain funds provided through the Paycheck Protection Program and Health Care Enhancement Act. Some institutions may have been eligible for federal funds provided through other funding streams as well.

### **HEERF and GEER AWARDS**

Although there were some differences in how HEERF awards were distributed across the three primary pieces of federal legislation, each act allocated funds through four main purposes: emergency student aid, institutional support, additional support for Historically Black Colleges and Universities and Minority Serving Institutions, and supplementary funds for institutions with the greatest unmet need. Funds were awarded primarily based on the number of full-time Pell Grant recipients and non-Pell Grant recipients, and the number of students already enrolled online pre-pandemic. GEER awards passed through from the Office of the Governor to the Texas Higher Education Coordinating Board, which distributed funds to institutions through various programs.

The CARES Act distributed money to institutions of higher education primarily through the Higher Education Emergency Relief Fund. Apart from certain subpart programs, institutions were required to spend at least 50% (the Student Portion) of their first allocation of HEERF funds (HEERF I) on emergency aid grants for students. The major categories within HEERF I were:

1. **Student Portion:** restricted to the provision of emergency aid grants to students for the purpose of expenses related to disruption caused by the coronavirus. Eligible



expenses include “cost of attendance,” room and board, educational resources, technology, healthcare, and childcare.<sup>1</sup>

2. **Institutional Portion:** restricted to expenses related to changes to the delivery of instruction related to the coronavirus pandemic and, with certain restrictions, lost revenue. Institutions may also use these funds to make additional emergency aid awards to students beyond those required in the Student Portion.
3. **Historically Black Colleges and Universities:** may be used for lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll. The U.S. Secretary of Education awarded these funds based on eligibility requirements tied to the definition of historically black universities established in the federal Higher Education Act of 1965.
4. **Minority Serving Institutions:** awarded by the federal Secretary of Education to institutions that are eligible to receive funds under certain other programs for the benefit of certain ethnic or racial groups.<sup>2</sup>
5. **Strengthening Institutions Program:** awarded on application by the federal Secretary of Education to institutions that are not eligible for grants under certain other programs.
6. **Fund for the Improvement of Postsecondary Education:** funds for institutions that received less than \$500,000 under other HEERF I programs to increase their allocation to \$500,000.
7. **Institutional Resilience and Expanded Postsecondary Opportunity (IREPO):** competitive grant program administered by the U.S. Secretary of Education with the aim of improving operations post-COVID.

The CARES Act also included the first of two allocations of GEER funds to governors of states to make subgrants to educational entities and institutions to prevent, prepare for, or respond to COVID-19. This legislation required that governors award the funds within one year of receiving them and that the state maintain support for elementary, secondary, and higher education at least at the average of the preceding three fiscal years.

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was passed after the CARES Act and included the HEERF II allocation of funds. The primary restriction on the use of these funds was to spend the same amount of their main allocation on student emergency aid grants as they had under HEERF I (the Student Portion). Any remaining funds from the primary allocation are considered the Institutional Portion. HEERF II included the same categories of funding as HEERF I, except that IREPO grants were not funded.

CRRSAA also included the second and final allocations of GEER funds. Higher education provisions relating to GEER were similar to the previous round.

The American Rescue Plan Act (ARPA) included the third and final allocation of funds through HEERF (i.e., “HEERF III”). The funding structure was nearly identical to the HEERF II allocation. The legislation once again required that at least 50% of funding provided to public and nonprofit institutions be allocated to students for emergency aid.

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<sup>1</sup> Section 18004(c) of the CARES Act

<sup>2</sup> [arpa2newca.pdf \(ed.gov\)](#)

## **Provider Relief Fund**

Health-related institutions of higher education may also have been eligible for Provider Relief Funds allocated through the CARES Act, CRRSAA, ARPA, and the Paycheck Protection Program and Health Care Enhancement Act. This fund serves eligible providers with healthcare-related expenses and lost revenues attributed to COVID-19, including providers who provided diagnostic services, testing, or care for individuals with possible or actual cases of COVID-19.

These payments may be pre-payments, prospective payments, or retrospective payments, and providers may use them to prevent, prepare for, and respond to coronavirus. Additionally, funds may be used for related expenses or lost revenues attributable to coronavirus. Funds may not be used in circumstances where another source has reimbursed or is otherwise obligated to reimburse the expenses or revenue losses. Other restrictions not listed here may also apply.

## **Other Coronavirus Related Stimulus Funds**

Finally, certain institutions were eligible for and received funds through a number of other federal programs, including but not limited to the following:

- Women, Infants, and Children program
- Small Business Development Center program
- Institute of Museum and Library Sciences program
- Registered Nurses in Primary Care program
- Public Assistance program (through FEMA)
- Emergency Management Program (through FEMA)
- Crisis Counseling program
- Telehealth Resource Centers program
- Promotion of Humanities program
- Child Care Development Block Grant program
- Head Start program
- Community Health Centers program (through the Department of Health and Human Services)
- Economic Adjustment Assistance program (through US Department of Commerce)
- Area Health Education Centers program
- Centers of Excellence programs
- Geriatrics Workforce Enhancement program (through the Health Resources and Services Administration)
- Ryan White HIV/AIDS Part D program (through the Health Resources and Services Administration)
- Center for Disease Control grant programs
- Hospital Preparedness program
- Grants-in-Aid to Airports program

Each of these programs has specific guidance set by the administering agency, and allowable purposes will vary.

## Overview of Federal Awards to All Sectors

According to institutional reporting, public institutions of higher education were awarded \$6,541.5 million in federal funds in Fiscal Years 2020 and 2021. Institutions have expended or obligated \$3,855.0 million, or 58.9%, of the amounts awarded. Funds were primarily awarded through the CARES Act, CRRSAA, and ARPA. Public Health-Related Institutions received funds through a wider variety of federal programs. Table 1 summarizes amounts awarded to the IHEs in Fiscal Years 2020 and 2021.

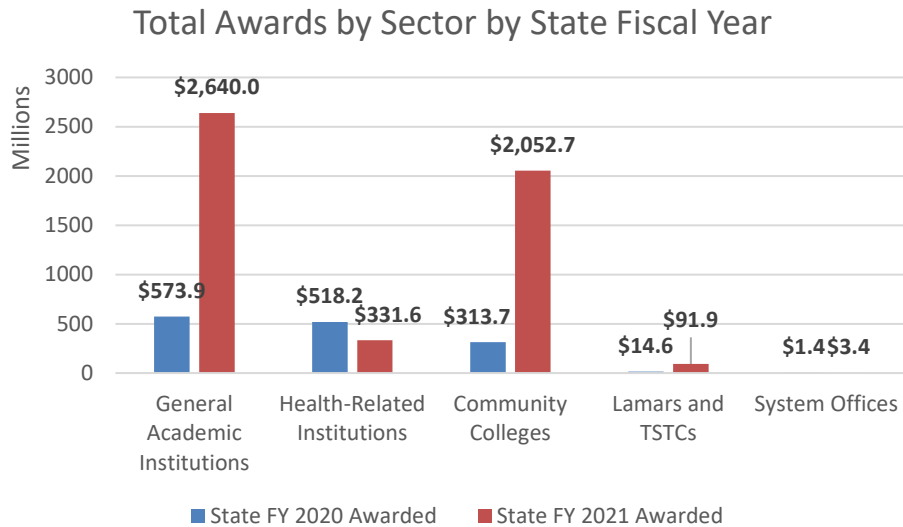
**Table 1. Total Awards by Sector**

Federal Act Awards	GAIs	HRIs	CCs	TSTCs-Lamars	System Offices	Total
CARES	\$684.4	\$772.3	\$455.1	\$20.1	\$1.4	<b>\$1,932.9</b>
CRRSAA	\$914.0	\$11.8	\$726.1	\$31.4	\$1.2	<b>\$1,684.8</b>
ARPA	\$1,610.5	\$24.5	\$1,182.2	\$55.0	\$2.2	<b>\$2,874.5</b>
CPRSAA	\$0.0	\$8.2	\$0.0	\$0.0	\$0.0	<b>\$8.2</b>
PPPHCEA	\$0.0	\$0.3	\$0.0	\$0.0	\$0.0	<b>\$0.3</b>
Other	\$0.0	\$20.4	\$0.9	\$0.0	\$0.0	<b>\$21.2</b>
Pass-Through Total Received	\$5.0	\$12.4	\$2.1	\$0.1	\$0.0	<b>\$19.6</b>
<b>Totals</b>	<b>\$3,213.9</b>	<b>\$849.8</b>	<b>\$2,366.4</b>	<b>\$106.5</b>	<b>\$4.8</b>	<b>\$6,541.5</b>

\* figures in millions.

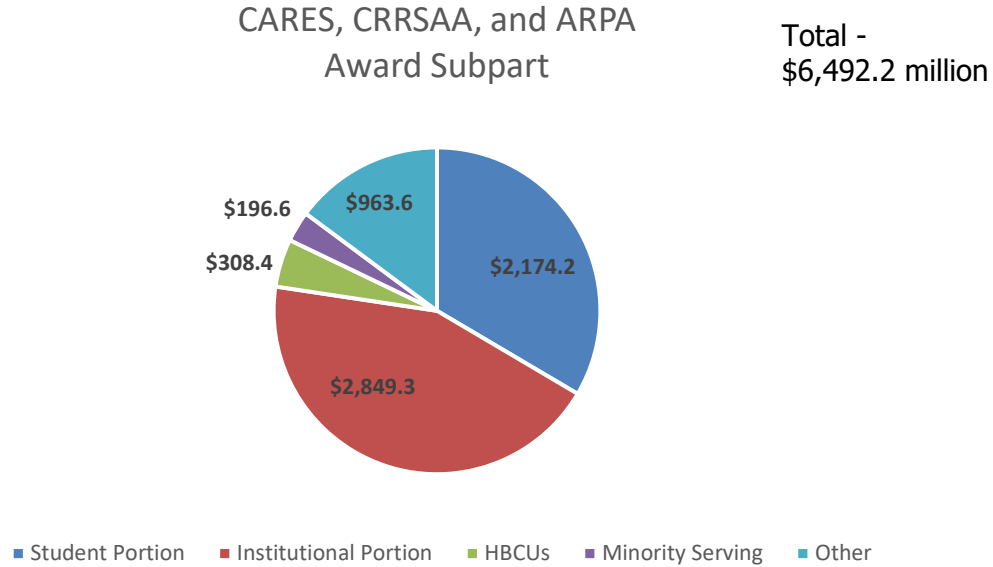
Figure 1 shows the total awards to each sector of higher education in Fiscal Year 2020 and Fiscal Year 2021. A total \$1,421.8 million was awarded in state Fiscal Year 2020 and \$5,119.6 million in state Fiscal Year 2021.

**Figure 1. Total Awards by State Fiscal Year by Sector**



The CARES Act, CRRSAA, and ARPA were similarly structured based on the subparts of funding provided to higher education. These three acts distributed a total of \$6,492.2 million. Figure 2 displays how funds were awarded to institutions according to the primary subparts.

**Figure 2. Awards from CARES Act, CRRSAA, and ARPA by Subpart**



## Overview of Expenditures and Uses of Federal Funds

Institutions of higher education reported expenditures of \$3,855.0 million in federal funds. Expenditures include funds reported spent in Fiscal Years 2020 and 2021, as well as amounts obligated as of the end of fiscal year 2021. Figure 3 compares the total amount of awards to expenditures for each sector.

**Figure 3. Total Awards and Expenditures by Sector**

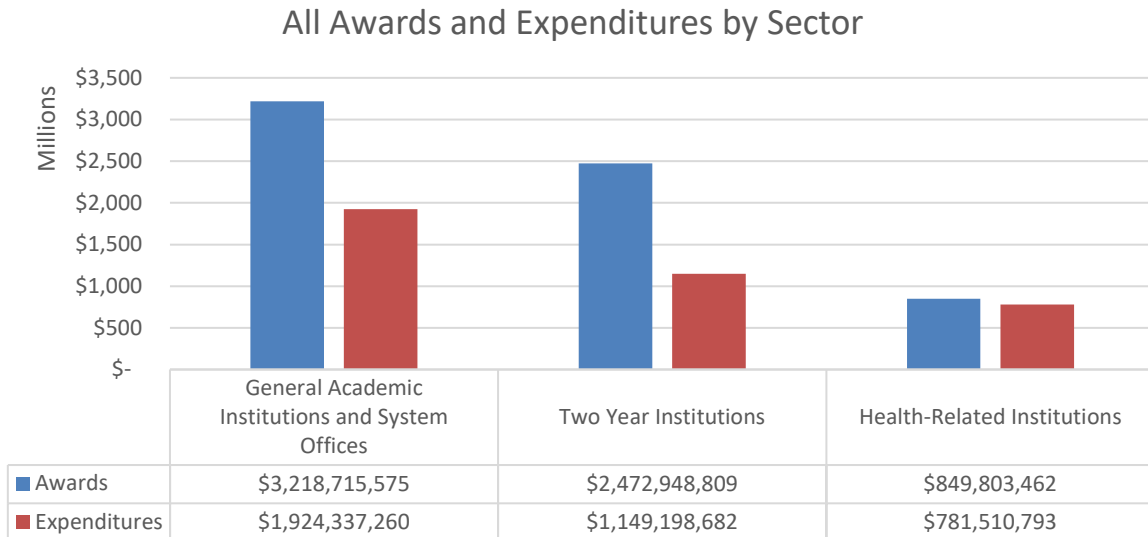
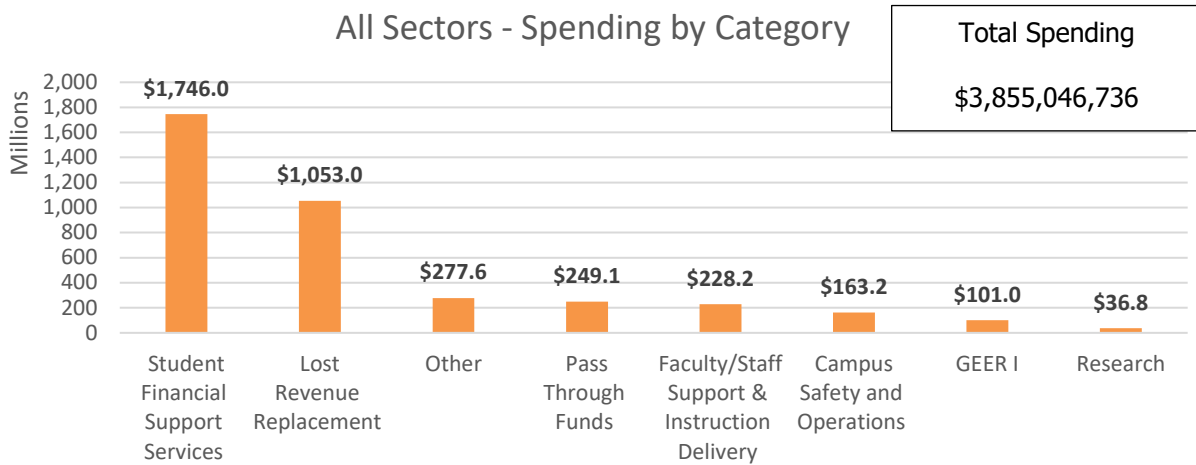


Figure 4 breaks down total spending by category. The greatest share of spending was on Student Financial Support Services (45.3%), followed by Lost Revenue Replacement (27.3%). All other categories were less than 10% of spending.

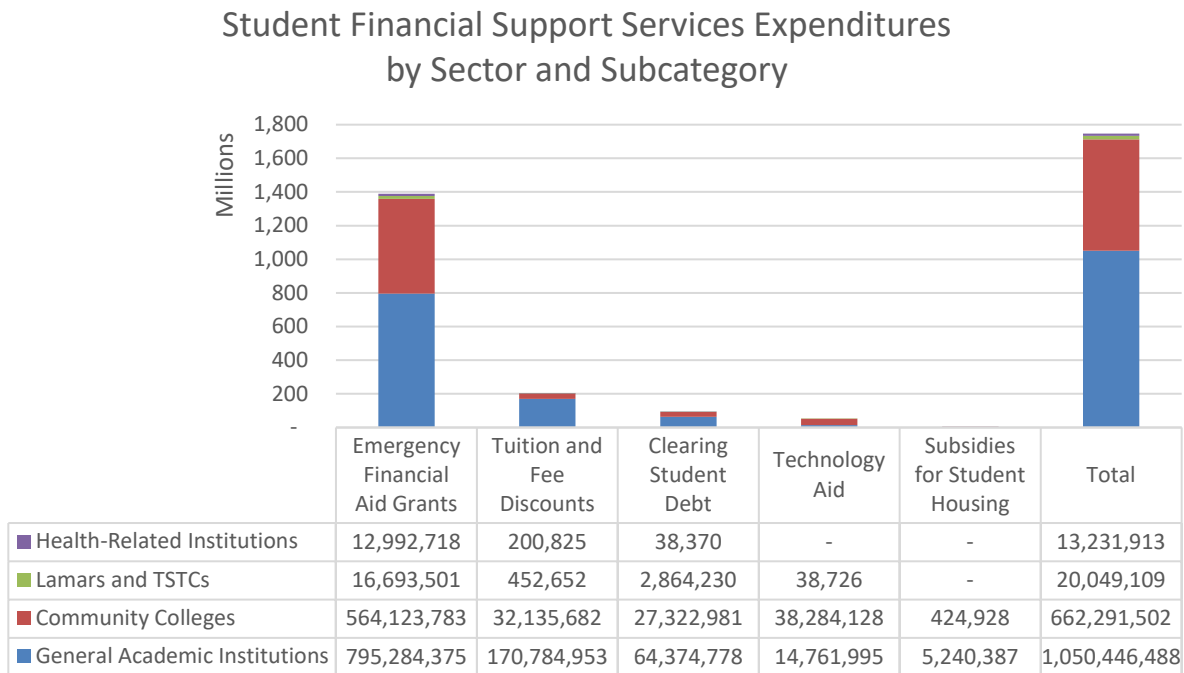
**Figure 4. All Spending by Collection Category**



Of the \$1.7 billion expended on Student Financial Support Services, \$1.4 billion (79.5%) of these funds were on emergency financial aid grants for students. Emergency financial aid grants made up 36% of total federal aid spending.

In Figure 5, certain subcategories of expenditures were grouped together for ease of analysis. For reference, Tuition and Fee Discounts includes any tuition discounts, as well as reimbursements for tuition, housing, room and board, or other fee refunds. Technology Aid includes expenditures to cover the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees and providing or subsidizing the costs of high-speed internet. Subsidies for Student Housing includes expenditures related to subsidizing off-campus housing costs, paying for hotels or other off-campus housing for students or paying travel expenses for students who needed to leave campus early due to coronavirus infections or campus interruptions.

**Figure 5. All Sectors – Student Financial Aid Spending by Collection Subcategory**



The data collection also included reporting on the number of students aided by relevant subcategories of student financial support services. For example, General Academic Institutions reported 586,074 students aided with emergency financial aid grants; however, due to the duplication of student counts, this figure is not precise.

Institutions reported expending \$1,053.0 million for the purpose of replacing lost revenue. Funds can only be spent on lost revenue replacement under certain guidance provided by the federal government. In general, the Lost Revenue Replacement category provides for reimbursement of revenues that an institution expected to receive but did not because of the coronavirus pandemic. Table 2 displays amounts reimbursed for institutions for lost revenue by sector and category.

**Table 2. Reporting of Federal Funds for Reimbursement as Lost Revenue, by Category, Fiscal Years 2020-21**

<b>Sector</b>	<b>Academic</b>	<b>Auxiliary</b>	<b>Patient Services</b>
<b>General Academic Institutions</b>	\$209,856,233	\$205,829,558	\$2,396,181
<b>Health-Related Institutions</b>	\$757,996	\$459,500	\$410,536,304
<b>Community Colleges</b>	\$171,709,762	\$42,396,343	\$1,937,622
<b>Lamars and TSTCs</b>	\$0	\$7,145,613	\$0
<b>Total</b>	\$382,323,991	\$255,831,014	\$414,870,107

The Governor’s Emergency Education Relief Fund I (GEER I), funded by the CARES Act, was divided into four programs: Grant Support, Emergency Educational Aid, Reskilling and Upskilling, and Online Learning Support.

Grant Support funds were restricted to funding preexisting grant programs operated by the state of Texas, specifically Toward Excellence, Access, and Success (TEXAS) Grants, Texas Equal Opportunity Grants, and Tuition Equalization Grants. Emergency Educational Aid Funding is a new grant program to support students impacted by the COVID-19 pandemic to attain a postsecondary credential. Reskilling and Upskilling is a new program to support students that have stopped out or who need additional training to return to the workforce. Online Learning Support is a new program to help institutions enhance the quality of their online instruction. Online Learning Support funds have designated awardees, but most institutions have not received funds from this program.

Reported data on student counts for GEER I programs is also a blend of duplicated and unduplicated counts. Approximately 15,920 students received Grant Support, 41,314 students received Emergency Educational Aid, and 1,798 students received Reskilling and Upskilling funds through GEER I.

**Table 3. Expended Funds of GEER I**

<b>Sector</b>	<b>Grant Support</b>	<b>Emergency Educational Aid</b>	<b>Reskilling and Upskilling</b>	<b>Online Learning Support</b>
<b>General Academic Institutions</b>	\$42,792,316	\$41,485,481	\$4,488,714	\$114,562
<b>Health-Related Institutions</b>	\$41,464	\$37,479	\$0	\$0
<b>Community Colleges</b>	\$4,393,994	\$4,300,181	\$2,408,901	\$5,000
<b>Lamars and TSTCs</b>	\$375,967	\$363,295	\$169,682	\$0
<b>Total</b>	\$47,603,741	\$46,186,436	\$7,067,297	\$119,562

\*Amounts are the sum of expended and obligated figures.

## Texas Department of Emergency Management

The Texas Department of Emergency Management (TDEM), part of the Texas A&M University System since 2020, received federal appropriations related to the COVID-19 pandemic primarily through the CARES Act and ARPA as directed by the Federal Emergency Management Agency. The majority of funds received by the agency were passed through from the Office of the Governor to be distributed or spent for recovery and support efforts. Programs supported by COVID Relief funding through TDEM include the following:

1. **Public Assistance:** Category B Emergency Protective Measures through FEMA. This program may include the purchase of PPE, state operating costs, testing, alternate care site operations, vaccines, and food bank support.
2. **Crisis Counseling:** grant program for the Texas Health and Human Services Commission funded through TDEM with funds from FEMA.
3. **Emergency Management Performance Grant COVID-19 Supplemental(EMPG-s):** grant program funded by FEMA to assist states, territories, tribes, and local governments with public health and emergency

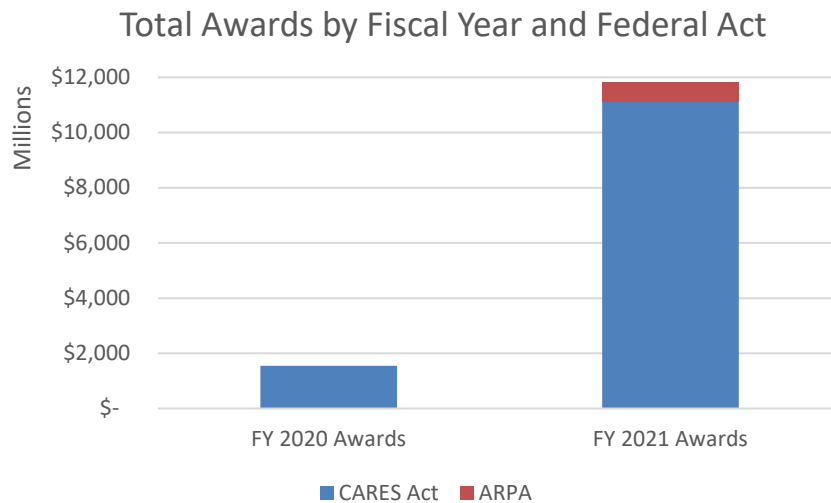


management activities supporting the prevention of, preparation for, and response to the coronavirus pandemic. TDEM uses these funds primarily for COVID-19 warehouse expenditures.

4. **Coronavirus Relief Fund (CRF):** funds received by the state of Texas from the federal government, a portion of which was allocated to TDEM by the Office of the Governor for relief efforts.
  - a. **CRF – Local:** funding allocated by the Office of the Governor to TDEM for distribution to municipalities and counties not receiving funds directly from the U.S. Treasury.
  - b. **CRF – Local Education Agencies:** funding to support local independent school districts.
5. **Coronavirus Local Fiscal Recovery Fund:** funds received by the state of Texas and allocated through the Office of the Governor to TDEM to support local entities with populations under 50,000.

TDEM received \$1.5 billion through the CARES Act in FY 2020, of which \$833.1 million was appropriated to the state of Texas and allocated to TDEM by the Office of the Governor, and \$11.1 billion in FY 2021, \$450 million of which again passed through the Office of the Governor. TDEM also received \$693.1 million through ARPA in FY 2021, all of which was appropriated to the state of Texas and allocated to TDEM by the Office of the Governor, bringing the 2021 awarded total to \$11.8 billion. Figure 6 shows the total awards by fiscal year and by the federal act appropriating the funds.

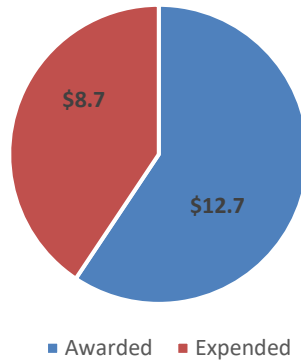
**Figure 6. Total Awards by Fiscal Year and Federal Act**



Of the \$1.5 billion awarded in FY 2020, \$1.3 billion has been expended or distributed to other entities; of the \$11.8 billion awarded in FY 2021, approximately \$8 billion has been expended or distributed to other entities. TDEM expects to expend or distribute the remaining \$4.1 billion as it continues to support state and local COVID-19 mitigation efforts. Figure 7 shows the total amounts awarded and expended by TDEM.

**Figure 7. Total Amounts Awarded and Expended**

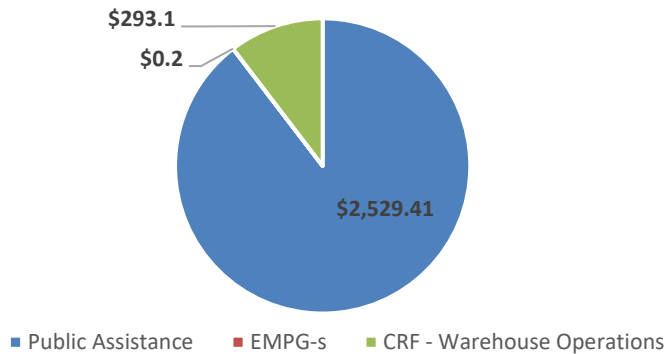
CARES Act - Awarded and Expended  
(in billions)



Approximately \$2.8 billion has been expended directly by TDEM to fund the agency’s emergency response activities, while approximately \$6.4 billion has passed through TDEM to other state and local entities. Public assistance has consumed the majority of spending, both direct and pass-through, including support for food banks, purchasing of PPE, testing, care site coordination, vaccines, and antibody treatment centers. Figures 8 and 9 show a breakdown of expenditures for both agency emergency response services and pass-through funds.

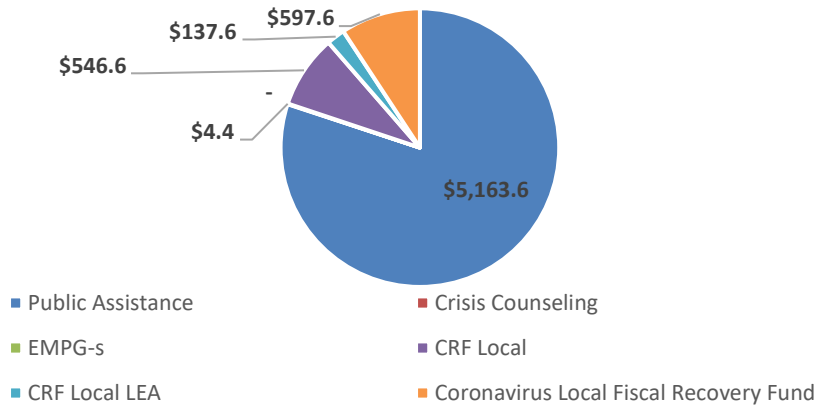
**Figure 8. Agency Emergency Response Service Expenditures**

Agency Emergency Response Services  
Expenditures  
(in millions)



**Figure 9. Pass-Through Funds to State and Local Entities**

Pass-Through Funds to State and Local Entities  
(in millions)



The data collections and summary files for each sector can be found at the following link:  
<https://www.highered.texas.gov/institutional-resources-programs/funding-facilities/section-63-report/>



This document is available on the Texas Higher Education Coordinating Board website:  
<http://highered.texas.gov>.

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