



GOVERNMENT OF PUERTO RICO

DEPARTMENT OF EDUCATION
Technical Education Program

January 10, 2022

QUARTERLY BUDGET AND EXPENDITURE REPORT AS OF DECEMBER 31, 2021 OF THE FEDERAL AWARD RECEIVED BY THE PRDE FOR EDUCATION STABILIZATION UNDER THE CARES ACT OF 2020: HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF) - EMERGENCY FINANCIAL AID GRANTS TO STUDENTS

The Puerto Rico Department of Education (PRDE) received an award for Education Stabilization under the Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES Act): Higher Education Emergency Relief Fund - Emergency Financial Aid Grants to Students on May 3rd, 2020 in the amount of **\$1,657,969.00**. This amount represents the 50% of the total amount of the authorized award that PRDE received for institutions of higher education under Section 18004(a)(1) of the CARES Act. These specific funds were awarded exclusively to provide Emergency Financial Aid Grants students for expenses related to the disruption of campus operations due to coronavirus.

On April 16, 2020, the PRDE signed and returned to the USDE the required Funding Certification and Agreement. In this document the PRDE assured the intention to use no less than 50 percent of the funds received under Section 18004(a)(1) of the CARES Act to provide Emergency Financial Aid Grants to students. Accordingly, all of the funds received under the *CARES ACT: Higher Education Emergency Relief Fund - Emergency Financial Aid Grants to Students* were used for emergency financial aid grants to students (\$1,657,969.00). In addition, the agreement required the PRDE to comply with Section 18004(e) of the CARES Act by submitting an initial report (the “30-day Fund Report”) to the Secretary, thirty (30) days from the date of the institution’s Certification and Agreement to the Department. This report was updated by the PRDE every forty-five (45) days, as required also by Section 18004(e) of the CARES Act. However, the USDE published the new reporting requirements related to the CARES funds and established that reports from this program will be required on a quarterly basis. These must be published no later than 10 days after the end of a quarter and the next report is due on or before January 10, 2022 (which must include the expenses of the quarter from October 1st to December 31st, 2021. This report may be a cumulative total of expenditures.).

Accordingly, the PRDE has made available the following information as of December 31st, 2021, to comply with the reporting requirements of the HEERF Emergency Financial Aid Grants to Students Program and for the purpose of providing the ninth update to the first report prepared and

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published on May 15, 2020. The first update to this report was prepared and published on June 26, 2020. The second update to this report was prepared and published on August 10, 2020. The third update to this report was prepared and published on September 23, 2020. The fourth update to this report was prepared and published on October 21, 2020. The fifth update to this report was prepared and published on January 7, 2021. The sixth update to this report was prepared and published on April 9, 2021. The seventh update to this report was prepared and published on July 8, 2021. The eighth update to this report was prepared and published on October 8, 2021.

Initially, the PRDE identified one thousand three hundred nineteen (1,319) students eligible to participate in programs under Section 484 of the Title IV of the Higher Education Act of 1965 and thus eligible to receive Emergency Financial Aid Grants to students under Section 18004(a)(1) of the CARES Act, following the eligibility specifications that govern this statute. However, the PRDE identified sixty-two (62) additional students for a total of one thousand three hundred eighty-one (1,381) eligible students.

The PRDE continued its efforts to identify students who may be eligible to participate in the program and two (2) additional students were identified, for a total of one thousand three hundred and eighty-three (1,383) eligible students. Since most of the funds from this grant had already been distributed among the 1,381 previously identified students, in order to make the payment to these 2 additional students for the same amount as the payments made to the other students, PRDE used an amount of \$1,631.64 from the federal grant received under the Higher Education Emergency Relief Fund - Portion of Funds for Institutions Program. The institutions provided to all eligible students the list of eligible expenses under a student's cost of attendance such as food, housing, course materials, technology, health care and childcare to provide guidance to students on the allowable uses of these funds.

Grants to students were issued in various rounds to the eligible participants. As of the date of this report, PRDE issued grant payments to all of the one thousand three hundred and eighty-three (1,383) eligible students for a total disbursement amount of **\$1,659,600.64** (\$1,657,969 from this grant + \$1,631.64 from the institutional portion). These payments were issued by electronic transfers and checks through the PRDE Financial System and each student received \$1,200.00 dollars.

SUPPLEMENTAL FUNDS (JANUARY 2021):

On January 19, 2021, PRDE received the first supplemental federal grant under this program in the amount of **\$1,657,969.00**, for a total grant of **\$3,315,938.00**. Similarly, these funds were awarded exclusively to provide additional emergency financial aid grants to students for expenses related to the disruption of operations of higher education institutions due to the coronavirus emergency. To distribute these funds, PRDE used the same criteria utilized to distribute the grant award received on May 3, 2020, and which are mentioned later in this report. PRDE identified nine hundred and ninety-one (991) students eligible to participate in this supplemental award. The institutions provided to all eligible students the list of eligible expenses under a student's cost of attendance such as food, housing, course materials, technology, health care and childcare to provide guidance to students on the allowable uses of these supplementary funds.

As of the date of this report, PRDE issued grant payments to nine hundred eight nine (989) eligible students for a total disbursement of **\$1,654,606.89**. These payments were issued by electronic transfers through PRDE's Financial System and each student received \$1,673.01 dollars. Regarding the two (2) pending supplemental grant payments for the total amount of \$3,346.02, the PRDE was unable to issue these payments for the following reasons:

- one of the students was identified as ineligible to receive this grant, and
- due to lack of bank information needed to issue the payment to the second student. PRDE tried to contact the student on several occasions to obtain this information, but the efforts were unsuccessful.

The remaining funds from these two (2) students were reserved for redistribution to eligible students (in conjunction with supplemental funds received in May 2021, as mentioned later in this document). Therefore, PRDE issued the corresponding grant payments from this supplemental grant award to all the eligible students.

SUPPLEMENTAL FUNDS (MAY 2021):

On May 14, 2021, PRDE received a second supplemental federal grant under this program in the amount of **\$5,030,119.00**, for a total grant of **\$8,346,057.00**. Similarly, these funds were awarded exclusively to provide additional emergency financial aid grants to students for expenses related to the disruption of operations of higher education institutions due to the coronavirus emergency. Initially, PRDE identified nine hundred twenty-two (922) students eligible to participate in this supplemental grant. However, during the distribution process the PRDE identified that two (2) students were not eligible, therefore, the total number of eligible students was nine hundred and twenty (920). The institutions provided to all eligible students the list of eligible expenses under a student's cost of attendance such as food, housing, course materials, technology, health care and childcare to provide guidance to students on the allowable uses of these supplementary funds.

Similarly, the institutions provided guidance to the students regarding the possibility of using a portion of the grant to be awarded to each student to cover their tuition costs debts. The institutions provided each student with an official document for providing their consent for using this option.

As of the date of this report, PRDE issued grant payments to nine hundred seventeen (917) eligible students for a total disbursement of **\$4,945,813.56** (net amount disbursed to students after deducting tuition costs to students who provided their consent) and each student received \$5,463.21 dollars. These payments were issued by electronic transfers through PRDE's Financial System. PRDE is in the process of issuing pending payments to three (3) students.

The funds corresponding to the two (2) students who were found to be ineligible will be redistributed equally among the nine hundred twenty (920) eligible students. PRDE is in the process of redistributing these funds.

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The criteria used to process eligible students' payments of these awards were the following:

1. Students should be eligible for the Pell Grant, regardless of whether they are using their scholarship.¹
2. Grant payments were distributed to students affected by the coronavirus COVID-19 emergency, and who were not exclusively enrolled in distance education courses prior to the emergency.²
3. Students must have been active in any of the post-secondary institutes ascribed to the PRDE and comply with the following:
 - a. Students are enrolled in one of PRDE's institutions that have federal accreditation according to the Program Participation Agreement: four campuses of the Instituto Tecnológico de Puerto Rico (Guayama, Manatí, Ponce and San Juan campuses)³, the Escuela de Troquelaría y Herramientaje and the Puerto Rico Aviation Maintenance Institute.
 - b. An active student is defined as anyone who had an active enrollment at the time the COVID19 emergency was declared.⁴
 - c. The student has complied with the distance education alternative established by the PRDE and with the public policy related to attendance.
 - d. The student is not a candidate for a total administrative withdrawal.
4. Other eligibility criteria that were considered to exclude students from receiving the award were:
 - a. Student that has some debt with the USDE in Pell Grant, unpaid student loans, overpayment, among others (Default Codes: 2 – 8).
 - b. Students not registered with the selective military service.
 - c. Students that have not responded to V4 and V5 of the Verification audit.
5. One hundred ten (110) students were excluded from receiving the initial financial aid of \$1,200 since they did not meet the above criteria. Twenty-two (22) students were excluded from receiving the supplemental financial aid of \$1,673.01 as they did not meet the above criteria. Two (2) students were excluded from receiving the supplemental financial aid of \$5,463.21 as they did not meet the above criteria.

For questions or concerns, please send us an email to incentivocares@itec.pr. These will be answered as soon as possible.

¹ This criterion was not used in the process of distributing the supplemental grant awards received on January 19, 2021 and May 14, 2021, as established by the regulations for these grants.

² Under the supplemental grant awards received on January 19, 2021 and May 14, 2021, a student enrolled full-time in distance education courses may be eligible for this supplemental award. However, this modality is not used by the post-secondary institutions ascribed to the PRDE.

³ The Ponce campus closed operations during the month of June 2021. Most of the students from this campus transferred to the Guayama campus.

⁴ In the case of the supplemental awards, the student must have been active at the time these funds were distributed.