



May 26, 2021

**TO:** THE DISTRICT BOARD OF TRUSTEES OF VALENCIA COLLEGE

**FROM:** SANFORD C. SHUGART  
President

**RE:** EXPENDITURE OF INSTITUTIONAL FUNDS UNDER THE HIGHER EDUCATION EMERGENCY RELIEF FUNDS III (HEERF III) AUTHORIZED BY THE AMERICAN RESCUE PLAN ACT OF 2021 (ARP)

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (ARP). In total, the ARP authorized approximately \$39.6 billion for HEERF III in support for education. This represents the third stream of funding appropriated for HEERF to prevent, prepare for and respond to Coronavirus. As part of the \$39.6 billion, Valencia College has been awarded \$102,448,723.

A portion of each institution's HEERF III funds are deemed "Institutional Portion" funds, which can be used to defray expenses associated with Coronavirus (including lost revenue, reimbursement for expenses already incurred, and technology costs associated with a transition to distance education, faculty and staff trainings, and payroll). Schools are also encouraged to use Institutional Portion funds to the award additional financial aid grants to students.

In addition to the above, the ARP has two new *required* uses of HEERF III Institutional Portion funds. Specifically, schools must use a portion of their Institutional Portion funds to (a) implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines and (b) conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances, described in section 479A of the HEA (20 USC § 1087tt).

In the planning, allocation, and distribution of HEERF III funds available through the ARP, Valencia College will follow the requirements and guidance provided by the U.S. Department of Education, as it has previously done with the HEERF I (CARES Act) and HEERF II (CRRSAA) funds.

All financial activities will utilize customary and required transaction monitoring and financial reporting, and will adhere to federal procurement requirements as well as established internal procurement policies and procedures. Procurement transactions that are normally brought to the Valencia College Board of Trustees, as required by law and College policy, will continue to follow our normal protocols. Valencia College's internal auditor will provide control assessments. The College will continue consulting with outside counsel with expertise in federal funding matters as deemed necessary and appropriate. As deemed appropriate for select projects, the College will obtain a formal written legal opinion from outside counsel affirming the College's compliance with the requirements of the law and related official guidance. Finally, similar to CARES and CRRSAA, ARP expenditure updates will be provided throughout the year to the District Board of Trustees.

RECOMMENDED ACTION:

The President recommends that the District Board of Trustees of Valencia College authorize the College to disburse ARP / HEERF III institutional funds in accordance with the funds disbursement plan as presented, and that the Board further authorize the College to adjust the funds disbursement plan in a compliant manner as necessary or appropriate in the event new regulations or official guidance is issued with respect to ARP disbursements or to fulfill complete utilization of allowed funding in a compliant manner.



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President