

HEERF III – American Rescue Plan

Frequently Asked Questions:

1. Is emergency aid granted to students due to COVID taxable?

A. No. Emergency financial aid grants made by a federal agency, state, Indian tribe, higher education institution or scholarship-granting organization (including a tribal organization) to a student because of an event related to the COVID-19 pandemic are not included in the student's gross income.

Also, students should not reduce an amount of qualified tuition and related expenses by the amount of an emergency financial aid grant. If students used any portion of the grants to pay for qualified tuition and related expenses on or before December 31, 2020, they may be eligible to claim a tuition and fees deduction or the American Opportunity Credit or Lifetime Learning Credit on their 2020 tax return. See [Higher Education Emergency Grants Frequently Asked Questions](#).

2. What is HEERF III?

A. The American Rescue Plan (ARP) included additional COVID-19 relief for institutions of higher education. This new COVID stimulus bill included \$40 billion, available through September 30, 2023, for higher education institutions and students, using the same Higher Education Emergency Relief Fund (HEERF) model established in the Coronavirus Aid, Relief and Economic Security (CARES) Act.

3. When will HEERF III be available to students?

A. The Department of Education (ED) has not released details about when funds will be made available to institutions. Guidance is also being sought regarding distribution requirements and student eligibility.

4. Will Amherst College be accepting funds from HEERF III?

A. Amherst College accepted federally allocated resources for the benefit of students as part of the CARES Act, HEERF II and plans to do the same for HEERF III.

5. What are the allowable uses for HEERF III funds?

A. Institutions may award student grants for:

- Any component of their cost of attendance
- Emergency costs that arise due to coronavirus, such as: tuition; food; housing; health care (including mental); child care

6. What options exist if financial strain is occurring now?

A. Amherst College began distribution of HEERF II funds in mid-February to pre-identified students with high levels of financial need. Funds that remain from this allocation are being distributed by application through the [Student Emergency Fund](#). Students requests and will be considered based on fund availability and for emergency needs related to student educational and living costs. The maximum grant amount awarded under the CARES Act was \$3,000 and that will be the basis applied to HEERF II.

7. Will HEERF III funds be issued to assist with summer expenses?

A. Past funding required that students be enrolled in an academic term in order to receive funds. This likely precludes distribution of funds during a period in which Amherst does not have course enrollment.

8. What planning should occur based on financial aid for the 2021-22 academic year?

A. Financial aid packages will incorporate a minimum summer savings contribution (\$2,200 for most upper-level students) and a student employment allowance of \$2,400. Students should be planning now for refunds that are lower than they were during the past year and balances due to the college that will be higher.