University of Southern Maine

CARES Act Funding Under Section 18004(a)(1) – Higher Education Emergency Relief
Fund 50% for Student Aid

Quarterly Report

Sponsor: U.S. Department of Education

Award Number: P425E203250

Award Amount: $2,308,123

Report Period: 1/1/2021 thru 3/31/2021

Report Date: 4/9/2021

Source and Purpose of Funds

The University of Southern Maine (USM) received the above award from the CARES Act passed by Congress on March 27, 2020, to provide emergency financial aid grants to eligible students for their expenses related to the disruption of our campus operations due to coronavirus.

On April 22, 2020, USM submitted the required Certification and Agreement to the U.S. Department of Education (U.S. DOE) committing to use these funds to provide emergency aid directly to our eligible students.

Eligibility Requirements

Consistent with the guidance from the U.S. DOE, eligible students include all students who were enrolled at USM on March 13, 2020, and are eligible to participate in programs under Section 484 in Title IV of the Higher Education Act of 1965 (HEA), with the following exceptions:

- Non-degree seeking students
- International or DACA students
- Employees receiving UMS Employee Tuition benefits
- Early College students
- Students enrolled in exclusively online programs as of March 13, 2020.

Students who did not have a FAFSA on file with the university were able to complete a self-certification form, attesting under the penalty of perjury to meeting the requirements of Section 484 of the HEA.

Distribution Plan

Of USM's $2.3 million award, $35,481 was automatically allocated to the University of Maine School of Law ("Maine Law"), a separate and distinct part of USM. Maine Law's distribution plan and disbursement amounts are addressed in a separate section below.
Consistent with the other institutions within the University of Maine System, of which USM is a part, and in acknowledgement that every one of our students experienced disruption when COVID-19 forced all courses to be transitioned to online delivery, USM will automatically distribute approximately 85 percent of these funds to all eligible students. Award amounts will be tiered as follows based on the number of credit hours in which the student is enrolled as of March 13, 2020:

<table>
<thead>
<tr>
<th>Credit Hours</th>
<th>Undergraduate</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>.1 – 5.99</td>
<td>$170</td>
<td>$270</td>
</tr>
<tr>
<td>6 – 11.99</td>
<td>$270</td>
<td>$370</td>
</tr>
<tr>
<td>12+</td>
<td>$370</td>
<td>$370</td>
</tr>
</tbody>
</table>

The remaining approximately 15 percent of the CARES student aid is being made available by application to eligible students who self-identify with additional need as a result of the disruption to campus operations caused by COVID-19. As we communicated to our students on May 4, 2020, eligible students were allowed to apply for those funds via a webform.

USM will supplement its emergency grant funds with a portion of CARES dollars intended for institutional relief and as part of the Strengthening Institutions Program.

All distributions to students will be made via direct deposit or check. Because the IRS considers the CARES student funds as a “qualified disaster relief payment,” they are not considered taxable income.

## Disbursements To-Date

<table>
<thead>
<tr>
<th>Distribution Type</th>
<th>Number of Eligible Students</th>
<th>Number of Students To Which Aid Has Been Distributed</th>
<th>Total Amount of Aid That Has Been Distributed</th>
<th>Amount of Funds Remaining for Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automatic</td>
<td>5,692</td>
<td>4,971</td>
<td>$1,726,660</td>
<td>$0</td>
</tr>
<tr>
<td>Application</td>
<td>5,692</td>
<td>955</td>
<td>$539,792</td>
<td>$6,190</td>
</tr>
<tr>
<td>Total</td>
<td>5,692</td>
<td></td>
<td>$2,266,452</td>
<td>$6,190</td>
</tr>
</tbody>
</table>

## Maine Law’s Distribution Plan

Maine Law received $35,481 from the total USM award and automatically distributed $150 per student to all eligible students. Maine Law also supplemented its student funds with funds from the institutional portion of the CARES Act. These funds have been used to award emergency grants to students on a case-by-case basis.
<table>
<thead>
<tr>
<th>Distribution Type</th>
<th>Number of Eligible Students</th>
<th>Number of Students To Which Aid Has Been Distributed</th>
<th>Total Amount of Aid That Has Been Distributed</th>
<th>Amount of Funds Remaining for Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automatic</td>
<td>238</td>
<td>212</td>
<td>$31,800</td>
<td>$0</td>
</tr>
<tr>
<td>Application</td>
<td>238</td>
<td>1</td>
<td>$3,681</td>
<td>$0</td>
</tr>
<tr>
<td>Total</td>
<td>238</td>
<td></td>
<td>$35,481</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Communications to Students**

Below are all communications from the University of Maine System or USM to students concerning the emergency financial aid grants provided through the CARES Act.

https://www.maine.edu/health-advisory/community-guidance/students/

**CARES Act Distribution to Students Expected Week of May 4 (04/24/2020)**

The University of Maine System’s universities have been allocated **$17.2 million** in funding through the federal CARES Act, which was supported by Maine’s Congressional Delegation. The Act requires that half of these dollars ($8.63 million) go directly to students to cover emergency expenses arising from the disruption in campus operations.

UMS universities will begin distributing CARES Act funds to eligible students starting the week of May 4. Federal guidance precludes the distribution of CARES Act funds to international students, DACA students, and students exclusively enrolled in online programs as of March 13, 2020.

**Hybrid Allocation for Distribution**

**85% for Direct Disbursement Based on Credit Hours:** University of Maine System universities will distribute 85% of each university’s allocation directly to undergraduate and graduate students based on the number of credit hours a student is taking in the current semester. For the purpose of payments students will be grouped in three tiers:

- Tier 1: 0.1 – 5.99 credit hours
- Tier 2: 6- 11.99 credit hours
- Tier 3: 12-plus credit hours

Non-degree students, employees receiving UMS Employee tuition benefits, and Early College students will NOT be eligible for CARES Act payments. Payments to students will vary based on university allocations and tier-level. Many students will receive a payment of a few hundred dollars.

**15% for Student Emergencies:** UMS universities will set aside 15% of the available CARES Act funding for emergency payments to meet critical student needs. Students will be able to apply on their respective campuses for emergency funds until the resources are expended.
Maine Law: The University of Maine School of Law will distribute 52% of its CARES Act student funding directly to students and use the remainder of the student resources to support emergency fund requests.

Direct Deposit: Students are urged to sign up for Direct Deposit immediately to expedite disbursements and receipt of payments. Students can visit this resource guide for instructions on how to sign up for Direct Deposit.

CARES Act Distribution Concludes Payments to Students: The University of Maine System has previously paid more than $12.7 million in student Room and Board adjustments and refunds back to its residential students. The universities have also maintained commitments to pay nearly 5,000 federal work study and non-federal work study students through the semester. The CARES Act direct payments to students concludes planned reimbursements and/or payments for students for the spring 2020 semester.

(Last reviewed/updated: 04/24/2020)

https://usm.maine.edu/president/coronavirus

May 4, 2020, 6:19 p.m. — USM President's Update on CARES Act Funds for Students

Dear USM Undergraduate and Graduate Students,

I write with important information about pandemic-related federal funding — direct grants of money — that will soon be available to many University of Southern Maine (USM) students.

USM is slated to receive approximately $4.8 million of the $14 billion that the federal CARES Act makes available for institutions of higher education all across the U.S. As the CARES Act requires that universities and colleges allocate half of their primary CARES Act funds directly to students, USM will disburse approximately $2.3 million in the form of direct aid grants to students. Additionally, $228,000 in secondary CARES funding was awarded to USM late last week — half of this funding will also go to emergency support for students.

Based on a formula announced last week by the University of Maine System, 85 percent of those funds will be awarded starting this week to USM degree-seeking students, who

A) Have already met Title IV federal aid eligibility by having a completed FAFSA on file

or

B) Can self-certify that they meet eligibility requirements by completing a system form that will be posted later this week in MaineStreet Student Center and held open until May 31.

Eligible students will receive approximately $170, $270, or $370, depending on the number of credit hours for which they were enrolled in the 2020 spring semester.
In compliance with federal and university system guidelines, international, DACA, non-degree, early college, and university employee students, as well as students who were enrolled in all-online programs prior to the pandemic, are not eligible for this CARES Act assistance.

We encourage students who are not eligible for CARES Act dollars but still have financial need to apply for assistance through USM’s Student Emergency Fund, which has already provided students nearly $50,000 in emergency financial support, with grants averaging $500 per student.

Per the University System formula, USM will transfer the remaining 15 percent of CARES Act funds (approximately $460,000) to an emergency relief fund for eligible students experiencing significant need due to the COVID-19 pandemic.

In the coming days, you will receive additional information on the application process for emergency funds from the Financial-Aid and Student Accounts Offices. Secure messages to students with further guidance will be posted later this week in the MaineStreet Message Center. Students seeking emergency assistance will be asked to complete a short application form describing the basis and amount of need. A panel of staff and faculty will review the first round of applications as early as May 11, and on a recurring weekly basis, until funds are exhausted.

The remaining half of USM’s CARES Act funds — approximately $2.3 million — are provided for institutional aid, including COVID-19-related expenses incurred by the university, and the U.S. Department of Education gives institutions of higher education broad discretion to allocate those funds.

Based on our mission to be Student Focused Every Day, USM already dispersed $1.6 million to reimburse the room and board refunds early this Spring, and the remainder is allocated to classroom technology enhancements and other remote-learning investments for the benefit of delivering enhanced instruction to students on an intermodal basis.

Please do not hesitate to contact me with questions or input regarding the allocation of CARES Act funds. As discussed above, we are deeply committed to disbursing these funds in an equitable and timely manner. It is important to me that we communicate with you as transparently as possible about how we will use and disburse these funds. And, while USM must operate within the parameters of federal law, it is my belief that we can and we will meet the greatest need possible for our community.

I wish you all the best for success in the coming week. Stay safe and healthy, and be well.

Sincerely,
Glenn Cummings
President


**CARES Act – Law School Distribution Plan**

May 5, 2020
The University of Maine School of Law received $35,481 from the University of Southern Maine. Maine Law automatically distributed $150 per student to all eligible students. Maine Law also supplemented its student funds with funds from the institutional portion of the CARES Act. These funds have been used to award emergency grants to students on a case-by-case basis.