



GEER Fund FAQ

1. Question A-8 of the Department of Education's GEER Fund FAQ states that a Governor or an eligible entity may use GEER funds for any allowable expenditure incurred on or after March 13, 2020, the date the President declared the national emergency due to COVID-19. Would expenditures incurred after March 13, 2020 but prior to the beginning of the grant term be eligible for GEER funding?

Yes. Allowable expenditures incurred after March 13, 2020, the date in which the United States President declared the national emergency due to COVID-19, would be eligible.

2. Is payment of an outstanding prior term balance for a low income, first generation or underrepresented student who is unable to pay due to COVID-19 (caregiver and/or student employment loss for example) an eligible expense?

Yes, but only if the balance was incurred during the Spring 2020 or Summer 2020 academic terms. Colleges should retain adequate documentation to support this activity for audit purposes.

3. Can the GEERs funds be used for COVID-19 screening and safety enhancements on campus be an allowable use of the funds?

Yes. These are necessary to support the ongoing functionality of the institution's operations during COVID-19 and therefore are eligible expenditures.

4. Can the funds be used for technology expenses for remote learning that would benefit all students, regardless of income and need?

GEER funds should be used to support efforts to enroll and retain low income, underrepresented, and first generation students that might otherwise not enroll or return due to the pandemic, including by closing digital equity gaps. However, expending these funds in a way that targets these students, but also benefits all students, would be allowable.

5. Many institutions have significantly reduced enrollment for the coming year due to COVID-19. Can the funds be used to pay for advertising and recruitment expenses?

The focus should be on recruitment and retention, not advertising; however, advertising would count as a recruitment expense if used for recruitment purposes.

6. Are lost revenues as a result of closure or reduced enrollment allowable expenditures to support the institution?

No. Lost revenues as a result of closure or reduced enrollment are not allowable uses of funds.

7. Are indirect costs allowable for Illinois' GEER grants?

All funds must be used by institutions for direct services. Indirect costs are not an allowable cost.

8. Can a list of allowable examples of expenditures be provided so that colleges preparing their planning document and budget can gain a better understanding of what types of expenditures are allowable for GEER grants?

Please reference the [GEER Fund FAQs](#) A-16 and A-17 for a list of items which are eligible expenditures under the GEER Fund. In addition, GEER Fund expenditures must follow section 18002(c)(2) of the CARES Act and meet the criteria of "support[ing] the ability of [IHEs] to continue to provide educational services and support[ing] the on-going functionality of the institution."

9. Can GEER funds be used for DACA students?

While the Department of Education issued an [interim final rule](#) excluding DACA recipients under sections 180004(a)(2), (a)(3), and (c) of the CARES ACT, GEER funding stem from Section 18002 of the Act, so our interpretation would be that DACA students could be served with GEER funds. However, it is incumbent upon colleges to do their own legal analysis of this issue as the ability to serve DACA students continues to be an ongoing debate in the CARES Act (e.g. preliminary injunctions issued in other states). To our knowledge, no rulings have been made related to GEER funding and DACA students.

10. If scholarships are awarded to low-income students under GEER funds, are they required to be reported on form 1098 to the student?

The IRS issued guidance that emergency financial aid grants under the CARES Act for unexpected expenses, unmet financial need, or expenses related to the disruption of campus operations on account of the COVID-19 pandemic, such as unexpected expenses for food, housing, course materials, technology, health care, or childcare, are qualified disaster relief payments under section 139 of the Internal Revenue Code and therefore are not includible in a student's gross income.

The National Association of College and University Business Officers (NACUBO) still recommends that institutions report the amounts for the emergency grants to students in Box 5 on IRS Form 1098-T, as the grants were administered and

processed by the institution. The taxability of a grant does not impact 1098-T reporting requirements under IRS regulations. IRS regulations refer to “the amount of any scholarships or grants for the payment of the individual’s costs of attendance that the institution administered and processed during the calendar year. While the CARES Act emergency grants are not *required* to go towards cost of attendance, the grants *may* be used by students for such costs, as reported by NASFAA. Because institutions simply will not know for sure that grant aid will not be used for costs of attendance, a conservative compliance approach is to include the emergency grants in Box 5.

Because the GEER Funds were granted under the CARES Act, it is recommended that the same process be followed for financial aid given to students and report the scholarships on Form 1098-T.

11. Can GEER funds be used to support GED students?
Students pursuing a GED would be eligible for GEER funds unless there are any restrictions on funds being used for students who are taking less than a particular number of credits.

12. Can GEER funds be used to support out of state students who are taking online classes?
GEER funds cannot be used for out-of-state students. The Illinois GEER Certification states that the funds can be used "to provide emergency support through grants to institutions of higher education (IHEs) serving students within the State that the Governor determines to have been most significantly impacted by COVID-19 to support the ability of institutions to continue to provide educational services and support the on-going functionality of the institution."

13. Can direct cash payments be sent to students
GOMB will not allow direct cash payments to students under this grant. Supportive services need to be paid on behalf of the student.