

Region 1: COVID-19 Long-Term Recovery Task Force

December 2020

### **New England Higher Education Sector Overview**

- The New England Commission on Higher Education accredits over 250 public and private colleges and universities in New England with 37 (18 public) in Connecticut, 26 (13 public) in Maine, 99 (30 public) in Massachusetts, 20 (11 public) in New Hampshire, 12 (3 public) in Rhode Island, and 17 (4 public) in Vermont.
- These schools are in 119 different cities and towns, giving the region the largest concentration of higher education institutions of any area in the United States.
- The economies of New England's cities and towns, and of the public and private higher education institutions within them, are more interdependent than in any other part of the United States. Colleges
- In 2020, nearly 800,000 undergraduates are enrolled in New England's higher education institutions, with about 60% from within the state of the college, and 25% from outside the region.
- Another 200,000 graduate and professional students are also enrolled in New England's higher education institutions.
- The communities most dependent on higher education tend to be smaller towns, with average population levels of fewer than 23,000 residents – in those towns, the institution, generally a small, private non-profit college, is usually the largest employer in town.
- The higher education sector has fueled the region's innovation economy and its world-renowned leadership in health research and medical innovation.

# **COVID-19 Impact on Higher Education:**

A Crisis is unfolding in the Higher Education Sector:

- Colleges and universities are facing higher costs of operations due to additional costs associated with hybrid/online learning, safety and other protocols required in a Covid environment
- Sources of previous income have waned due to lower enrollments and the transition to hybrid/online learning as well as decreased secondary sources of revenue due to postponed or cancelled sports and other revenue generating activities has for higher education institutions
- New costs have risen from COVID management including on-campus testing, proper PPE for staff, cleaning, and many other new expenses incurred to support social distancing in classrooms, in housing and other living, learning and recreational spaces on campuses
- In New England cities and towns whose economics are heavily reliant on higher education, 45% of wages and 38% of jobs are directly derived from the local colleges/universities. The negative impacts are felt by the health sector; housing markets; retail, dining, and hospitality; the gig economy; and construction.
- Costs associated with maintaining the current workforce have increased, alongside the costs of COVIDspecific workforce training
- The prospect of an indefinite number of semesters at a net deficit has created an immense amount of
  pressure for both staff and alumni alike, with the future of the higher education industry being uncertain
  effectively.
- In rural areas, broadband dispersion has not kept pace with the requirements of facilitating on-line learning. This technological gap has exacerbated gaps in race and class, yet it is clear that on-line learning is now a permanent fixture on campuses as budget concerns drive schools to innovate.
- No college has ever faced such a difficult set of logistical, financial, managerial and communications challenges with so many uncertainties in such limited time.

 Colleges and universities are integral to New England's economic recovery from COVID-19 and are major players in local economies through direct investment and ancillary economic impacts.

#### **Related News Articles:**

#### Storm clouds on the horizon

The early returns on fiscal 2020 confirm schools lost hundreds of millions of dollars in revenue in the spring. The fall is shaping up to be even tougher.

The Business Journals found a decline in auxiliary revenue for a group of colleges and universities of 13%. This loss in revenue stems mostly from the lack of room and board proceeds stemming from transitions to remote learning and cancellations related to athletics. Many have resorted to drastic changes to their current curriculums and staffing, and communities surrounding these institutions are also being affected. While FY2020 has proven to be difficult, FY2021 is expected to be worse for higher education institutions.

#### Four Ways COVID-19 Is Hurting Higher Education And Why That Matters

The ongoing pandemic has strongly affected higher education and put institutions in a dire financial situation. Forbes highlights four main ways that this is happening, and they boil down to increased costs of operation and decreased sources of income. Schools that have transferred to more online-based models have to maintain staffing salaries with a reduced income from auxiliary sources such as room & board, and those that have reopened face higher costs with PPE and testing needs. While the CARES Act seeks to aid education institutions, the funding has so far not been enough for many colleges and universities.

# <u>Drop in community college enrollment and lower occupancy of university dorms fueling \$69M deficit at Connecticut's state colleges and universities</u>

"Because of enrollment declines, fewer students in residence halls and on campuses, and unforeseen expenses, all related to COVID-19, our budgets are strained to dangerous levels" wrote Mark Ojakian, president of the Connecticut State Colleges and Universities system. As colleges face stricter budgets and severely decreased funding, many are looking at drastic operations revamps, such as Connecticut community colleges seeking to integrate into a single collective institution – a costly and difficult process. To balance out the lack of funds, institutions are cutting back spending in departments such as IT, an often vital resource for many staff and students.

#### FEMA's Role:

FEMA Region I established the COVID-19 Long-Term Recovery Task Force under the <u>National Disaster</u> <u>Recovery Framework</u> (NDRF), which promotes effective recovery from large-scale incidents and enables orchestrated support to impacted states, tribes and local jurisdictions. The NDRF focuses on how best to restore, redevelop and revitalize the health, social, economic, natural and environmental fabric of the community as well as build a more resilient nation.

This COVID-19 Long-Term Recovery Task Force works in tandem, but separately from other FEMA Short-Term Recovery Support programs such as Public Assistance and Individual Assistance. The Long-Term Recovery Task Force coordinates access to funding from federal agencies but does not provide direct funding.

#### **About this Resource Guide:**

This Resource Guide has been developed to provide businesses and individuals who work in Higher Education (and related industries) in New England with a summary of federal agency partners, how they might be able to assist, and the resources available (funding and technical assistance) to support a resilient recovery.

#### **Resource Guide Intended Audiences:**

This Resource Guide is meant to provide useful information and resources for the following members of the Higher Education Sector. (list is representative, not comprehensive)

### State Agencies and Bodies:

- State Emergency Management Agency
- State Economic Development Agency
- State Departments of Education

#### Sub-Sector Overview

## **Key Industry Members:**

- Public universities and colleges
- Private universities and colleges
- Community colleges

# Individuals/Others affected:

- Professors and teachers
- University operations staff
- Coaches/athletics department trainers
- On campus retail outlets
- Dining hall/kitchen operators
- Owners/operators of off-campus businesses
- Outsourced restaurants/eateries

# **Federal Agency Partner Overview:**

This next section of the Resource Guide gives a description of the key federal agency partners that can support long-term recovery for the agriculture sector. Included are examples of how to engage with these agencies, what types of programs and support can be leveraged for recovery, along with helpful links and regional contact information.

## Department of Education/Office of Postsecondary Education

The Department of Education (ED) oversees all public education institutions including universities and colleges. More directly monitored through the Office of Postsecondary Education, the needs of higher education institutions are directly tended to by the ED.

### Support Links:

CARES Act: Higher Education Emergency Relief Fund

Congress set aside approximately \$14.25 billion of the \$30.75 billion allotted to the Education Stabilization Fund through the CARES Act for the Higher Education Emergency Relief Fund (HEERF). The Department will award these grants to institutions of higher education (IHE) based on a formula stipulated in the legislation.

#### The GEER Fund

The GEER Fund allows Governors to use funding to support Institutes of Higher Education. GEER is administered by the Office of Elementary and Secondary Education. Here is a link to the webpage, which includes FAQs, links to the original submissions and initial reports

Fact Sheet Regarding Contracted Services Not Performed Due to COVID-19

In some limited circumstances, grant funds may be used to cover the costs of contracted services that were cancelled or otherwise not performed due to the COVID-19 pandemic if the contractor was ready and able to perform such services at the time.

Higher Education Emergency Relief Fund (HEERF) FAQ Fact Sheet

The U.S. Department of Education's Office of Postsecondary Education presented an overview of thehttps://oese.ed.gov/governors-emergency-education-relief-fund/ Higher Education Emergency Relief Fund during a webinar on October 14th. The webinar delivered valuable content with the following focus:

- Clarification of lost revenue allowable and unallowable costs
- Overview of the HEERF reporting requirements
- Instructions and clarifying points to the new reporting form—quarterly public posting for (a)(1) institutional portion, (a)(2), and (a)(3) funds.
- Description of the Department's efforts to collect publicly reported HEERF grant information
- To watch a replay of the webinar, please use the following link: <a href="https://mediasite.ed.gov/webcast/Play/e125773d112c4ae5bf85802">https://mediasite.ed.gov/webcast/Play/e125773d112c4ae5bf85802</a> 36cd6efe91d.
- Please visit the <u>HEERF website</u> for the latest HEERF Updates.

#### **Economic Development Administration**

EDA has a long history of successfully supporting disaster recovery and resiliency efforts. EDA's role in disaster recovery is to facilitate the timely and effective delivery of Federal economic development assistance to support long-term community economic recovery planning and project implementation, redevelopment and resiliency. EDA is uniquely positioned to coordinate regional disaster recovery efforts in partnership with its extensive network of Economic Development Districts (EDDs), University Centers, institutions of higher education and other partners in designated impact areas.

## Types of support:

- Financial support available through the CARES Act
- Grants for institutions in need of developmental assistance
- Resource guides on available assistance

#### Related links:

#### CARES Act FAQ

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides the U.S. Department of Commerce Economic Development Administration (EDA) with \$1.5 billion for economic development assistance programs

EDA UNIVERSITY CENTER COVID-19 RESOURCES

In response to the coronavirus pandemic, many EDA University Centers have developed websites specific to COVID-19 impacts and resources available to their service areas. As vital partners to EDA, these UCs are providing valuable technical assistance to their regions, serving as a great resource for their communities as they work to respond to and recover from the impacts of the coronavirus pandemic.

SCOPE OF WORK FOR UNIVERSITY CENTER GRANTEES

Under this EDA's CARES Act Recovery Assistance letter invitation for application, current recipients of EDA University Center (UC) Grants may apply for funding under one or more of the following Scope of Work elements that have been pre-approved by EDA. An EDA Award to a UC grantee must support authorized activities to prevent, prepare for, and respond to the coronavirus (COVID-19) pandemic, or respond to economic injury as a result of coronavirus.

SPRINT Challenge

EDA is excited to announce the FY 2020 Scaling Pandemic Resilience Through Innovation and Technology (SPRINT) Challenge. EDA is seeking applications from eligible organizations working to rapidly address the economic, health, and safety risks caused by the coronavirus pandemic

## **Department of Health and Human Services**

The mission of the U.S. Department of Health and Human Services (HHS) is to enhance the health and well-being of all Americans, by providing for effective health and human services and by fostering sound, sustained advances in the sciences underlying medicine, public health, and social services.

#### Types of support:

- COVID-19 Resource Guide for Colleges/Universities (CDC)
- Grants and Business Contacts

# Small Business Administration (SBA)

The <u>U.S. Small Business Administration</u> (SBA) helps small business owners and entrepreneurs pursue the American dream. The SBA is the only cabinet-level federal agency fully dedicated to small business and provides counseling, capital, and contracting expertise as the nation's only go-to resource and voice for small businesses.

The US Small Business Administration has been key in providing businesses with the funds they need to keep operating even with increased overhead costs and an unstable clientele. As hosts to multiple non-institutional small businesses (such as eateries and bookstores), colleges and universities may aid their smaller businesses by informing them of their options with regards to additional sources of aid.

### Types of support:

- Current SBA loan forgiveness
- Economic Injury Disaster Loans

#### Related links:

- <u>Economic Injury Disaster Loan program (EIDL)</u> EIDL is designed to provide economic relief to businesses that
  are currently experiencing a temporary loss of revenue. EIDL proceeds can be used to cover a wide array of
  working capital and normal operating expenses, such as continuation to health care benefits, rent, utilities, and
  fixed debt payments.
- Boots to Business (B2B) Funding Opportunity This funding opportunity is addressed exclusively to Boots to Business (B2B) grantees. Through this program, the SBA supports your organization for a period of 5 years.
- Federal and State Technology (FAST) Partnership Program This is a one year funding opportunity for organizations to organizations to execute state/regional programs that increase the number of SBIR (innovation)/STTR (research and development) proposals; increase the number of SBIR/STTR awards; and better prepare SBIR/STTR awardees for commercial success.
- Veterans Business Outreach Centers The <u>Veterans Business Outreach Centers</u> Cooperative Agreement
  provides quality counseling assistance and training events, particularly B2B events to transitioning
  service personnel and spouses of veterans, veteran and service-disabled small business owners and
  entrepreneurs.
- Service-Disabled Veteran Entrepreneurship Training Program (SDVETP) This Cooperative Agreement aims to support organizations that currently deliver entrepreneurship training programs to service-disabled veteran entrepreneurs who aspire to be small business owners or currently own a small business.
- **SCORE** This is a funding opportunity for a current recipient of an SBA SCORE award. To be eligible, you must be a current recipient of SBA funding to SCORE. For-profit businesses are not eligible for this award.

• State Trade Expansion Program (STEP) The purpose of this Funding Opportunity is to invite proposals for funding from eligible state entities interested in and capable of providing assistance and guidance to eligible small business concerns to increase the number of such firms that export and the value of small business exports.

# Department of Labor (DOL)

The <u>US Department of Labor's</u> mission is to foster, promote, and develop the welfare of the wage earners, job seekers, and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights.

#### Types of Support:

Occupational Safety and Health Administration (OSHA)

Workplace Safety: The Occupational Safety and Health Administration (OSHA) has resources to help employers and workers prepare for and respond to coronavirus in the workplace.

- OSHA Guidance on Preparing Workplaces for COVID-19 Developed in collaboration with the U.S.
  Department of Health and Human Services to help employers respond in the event of coronavirus in the workplace.
- <u>Unemployment Insurance Flexibilities</u>

The Employment and Training Administration announced new guidance outlining state flexibilities in administering their unemployment insurance programs to assist Americans affected by the COVID-19 outbreak.

• <u>COVID-19 Webpage</u> – Provides infection prevention information specifically for employers and workers. Wages, Hours and Leave:

The Wage and Hour Division is providing <u>information on common issues employers and workers face when</u> <u>responding to COVID-19</u>, including the effects on wages and hours worked under the Fair Labor Standards Act and job-protected leave under the Family and Medical Leave Act.

Short Term Compensation: Short-Time Compensation (STC), also known as work sharing or shared -work program, is an alternative to layoffs for employers experiencing a reduction in available work. STC preserves employees' jobs and employers' trained workforces during times of lowered economic activity. STC allows employers to reduce hours of work for employees rather than laying-off some employees while others continue to work full time. Those employees experiencing a reduction in hours can collect a percentage of their unemployment compensation (UC) benefits to replace a portion of their lost wages. STC cushions the adverse effect of the reduction in business activity on workers by averting layoffs and ensures that these workers will be available to resume prior employment levels when business demand increases. Twenty-seven states have active STC programs, including CT, RI, MA, NH, and ME.

Support for Dislocated Workers and States: The Employment and Training Administration announced the <u>availability of up to \$100 million in National Health Emergency Dislocated Worker Grants to help states</u>, territories, and tribal governments respond to the workforce-related impacts of COVID-19.

#### **Additional Resources:**

#### **Testing for America**

Testing For America (TFA) is a non-profit established by leading academics, engineers and entrepreneurs working pro bono to solve the testing crisis and to help permanently and safely return Americans to schools, work and

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society. They recognize the critical need to open schools and universities and use their expertise to facilitate reopening in the safest way possible through abundant COVID-19 testing.

# National Conference of State Legislatures

The National Conference of State Legislatures (NCSL) has put out a <u>comprehensive guide on the COVID-19</u> <u>situation with regards to the higher education sectors</u>. This guide features a breakdown of current concerns, challenges, and available resources.

#### **Resource Contact Information:**

### **FEMA Region 1**

Jim McPherson, Federal Disaster Recovery Coordinator <u>james.mcpherson@fema.dhs.gov</u>

Bob Fogel, Deputy Federal Disaster Recovery Coordinator.

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Cassandra Thomas, Federal Disaster Recovery Officer <u>cassandra.a.thomas@fema.dhs.gov</u>

Dr. Christopher Zevitas, FEMA Liaison for CT <a href="mailto:chris.zevitas@dot.gov">chris.zevitas@dot.gov</a>

Dr. Josh Laufer, FEMA Liaison for MA & VT <u>i.laufer@northeastern.edu</u>

Katherine Buckingham, FEMA Liaison for Tribes <u>katherine.buckingham@dot.gov</u>

Jack Lovett, FEMA Liaison for ME and RI *j.lovett@northeastern.edu* 

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#### **Federal Agency Coordinators**

#### EDA:

Please refer to the Regional Office Section on the website below to find the state by state contact, <a href="https://eda.gov/contact/">https://eda.gov/contact/</a>

### DOL:

Peter Steele, Regional Representative Phone: (617) 794-4521 steele.peter.a@dol.gov

#### SBA:

Wendell Davis, Regional Administrator Wendell.davis@sba.gov

#### HHS:

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