



**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**



Employment First State for Individuals with Disabilities

ROY COOPER  
GOVERNOR

CHARLES PERUSSE  
STATE BUDGET DIRECTOR

August 15, 2022

Mr. William S. Carver  
Interim President  
NC Community College System  
200 West Jones Street  
Raleigh, NC 27603

Dear Mr. Carver,

North Carolina received \$84.8 million in Emergency Assistance to Non-Public Schools (EANS) funding under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), 2021, Pub. L. No. 116-260 (EANS I) and another \$82.9 million under the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (EANS II). Both EANS I and EANS II are administered at the federal level by the U.S. Department of Education and were designed to provide services or assistance to eligible non-public schools. CRRSA required any unobligated funds remaining six months after receipt to be returned to the Governor for authorized uses under the Governor's Emergency Education Relief (GEER) II Fund through the full period of availability.

The Governor is directing \$3,750,000 of EANS I funding to the North Carolina Community College System (NCCCS) to fund Finish Line Grants that provide emergency financial assistance to students that are more than halfway to completing a degree or credential at a North Carolina community college.

On behalf of the Governor and the North Carolina Pandemic Recovery Office (NCPRO), which is administering these funds, we look forward to partnering with you to support students through the current challenges facing our state. This document provides further guidance on allowable uses of these funds, reporting, and related program details.

**Award Information**

Primary Award Recipient: Office of the Governor

Unique Entity Identifier (UEI): QLXXU1SV4MM8

FAIN: S425R210042

CDFA: 84.425R

Federal Award Date: February 26, 2021

### **Subaward Program Information**

Subrecipient: North Carolina Community College System

Total subaward: \$3,750,000

Subaward number: 20-04

Program Title: Finish Line Grants

Purpose: The purpose of the Finish Line Grants subaward is to meet unanticipated emergency financial needs for students that are more than halfway to completing a degree or credential at a North Carolina community college.

Period of Performance: 7/1/2022 – 9/30/2023

### **Use of Funds**

The Governor is awarding these funds to North Carolina Community College System (Subrecipient) to provide resources to eligible community colleges (Colleges) to help students complete their degrees or credentials when their education has been or is at risk of being interrupted by the pandemic and its lingering effects. This subaward is comprised of two components:

- I. **Emergency grants to students:** NCCCS must grant a minimum of \$3,113,500 to colleges for emergency financial assistance grants to eligible students that may help cover the cost of:
  - a. Transportation (bus pass, gasoline, or auto repairs for example)
  - b. Childcare or dependent care
  - c. Housing assistance
  - d. Utility bills (including internet)
  - e. Medical needs
  - f. Accommodations for individuals with disabilities
  - g. Assistance with tuition, fees, or books\*
  
- II. **Program Support:** NCCCS and/or colleges may use up to \$524,000 for student outreach, marketing, program implementation, and grant administration. This portion may be used to contract with vendors, support personnel costs, or subgrant to a related entity to ensure program success in compliance with applicable state and federal procurement policies.

These funds are intended to be additive and may not be used to supplant existing funding. Expenditures must be incurred between July 1, 2022, and September 30, 2023.

\* If the student's unanticipated hardship has negatively impacted the student's ability to pay for tuition, fees, or books, then the Subrecipient, and Colleges, may approve the use of a Finish Line Grant for tuition, fees, or books; however, it is not the intent of Finish Line Grants to function as scholarships for tuition, fees, or books.

### **Student Eligibility and Awards**

Students must be:

- enrolled in a North Carolina Community College System Institution,
- in good academic standing, and
- have completed at least 50% of their degree or credential.

The maximum grant per student per semester is \$1,000.

These funds are intended to be additive and may not be used to supplant other aid awarded to students.

No funds may be used toward executive compensation.

Please also refer to GEER program guidance issued by the U.S. Department of Education.

#### Institutional Eligibility and Allocation Method

All NC community colleges are eligible to receive EANS funds under this subaward. Funds will be made available to colleges based on the number of full-time equivalent (FTE) students they enroll, with a minimum amount of \$20,000 per college. Decisions about student eligibility for emergency aid funding will be made by each college following guidance provided by the North Carolina Community College System Office.

#### Administrative Costs

Subrecipient may charge as an expense up to \$112,500 of the \$3,750,000 to effectively administer the program consistent with cost principles in 2 C.F.R. part 200, subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Administrative costs include direct costs involved in the proper and efficient performance and administration of this Federal grant. There is no indirect cost rate for this grant. Therefore, direct costs must be substantiated by documentation.

#### Term

EANS I funds must be obligated by September 30, 2023.<sup>1</sup> Under this subaward, Subrecipient must obligate funds by June 30, 2023, unless an extension is provided in accordance with terms of the Certification and Agreement. At the end of each State fiscal year (June 30), NCPRO may request from Subrecipient a report on unused funds, including any allocated to sub-Subrecipients, at the end of each fiscal year to determine whether any such funds will be reallocated.

#### **Application, Compliance, and Accounting**

##### Application for Funds

Subrecipient will submit a Certification and Agreement and be responsible for ensuring compliance with the terms of the grant.

##### Compliance

Funds are subject to reporting requirements provided in related federal laws, guidance from the U.S. Department of Education, and the Federal Funding Accountability and Transparency Act. Entities receiving GEER and EANS funds must comply with the provisions of all applicable acts, regulations, and assurances; the provisions of the Education Department General Administrative Regulations in 34 CFR parts 75, 76, 77, 81, 82, 84, 86, 97, 98, and 99; the OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted and amended as regulations of the Department in 2 CFR part 3485; and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended as regulations of the Department in 2 CFR part 3474. Subawards using EANS funds are subject to 2 CFR § 200.322, a new regulation that establishes domestic preferences for procurements under Federal grants that are subject to the Uniform Guidance.

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<sup>1</sup> September 30, 2022, as specified in CRRSA Act, plus 12 months, as provided under the Tydings Amendment of the General Education Provisions Act.

Accounting and Disbursement

Upon receipt of the Certification and Agreement form, NCPRO will reach out to schedule a meeting to advise on accounting structure and determine a disbursement and reporting schedule that best meets program requirements and supports sub-Subrecipient needs. These funds must be accounted for separately from all other funding sources, including other federal COVID-19 relief funds (i.e., GEER I, Coronavirus Relief Funds, State Fiscal Recovery Funds, etc.).

GEER funds are subject to the federal Cash Management Improvement Act. Accordingly, it is the strong preference of NCPRO to provide GEER and EANS funds on a reimbursement basis as to minimize the amount of time between drawdown and expenditure of these federal funds. The reports and disbursements are expected to run monthly. An alternative disbursement and reporting schedule may be agreed to by Subrecipient and NCPRO, provided that the alternative schedule complies with applicable federal and state policies and guidance.

Reporting

Unless otherwise agreed upon, Subrecipient will submit a report to the North Carolina Pandemic Recovery Office (NCPRO) on the 20<sup>th</sup> day of each month using reporting templates provided. Instructions and reporting templates will be provided by NCPRO with further logistical information.

In addition to financial reporting, the Subrecipient must report the following:

- Total amount of funds received
- Total amount of funds spent
- Place of service
- Number of education-related jobs created or retained as a result of the grant, if applicable
- Number of grants awarded
- Number of students served

NCPRO may request additional forms of reports on a less frequent basis as determined necessary to understand and describe the impact and success of the EANS-funded programs and comply with any additional federal or state reporting requirements that arise. At the end of each fiscal year, NCPRO may request a report from subrecipient and/or any sub-subrecipients on unused funds to determine whether any such funds will be reallocated.

Communication

Please direct questions to [GEERfund@osbm.nc.gov](mailto:GEERfund@osbm.nc.gov), which is monitored regularly by relevant program, accounting, and reporting staff.

