### **MSU CARES4Students Grants - FAQs**

### What are the MSU CARES4Students Grants?

MSU is receiving \$29.8M (and the College of Law, another \$221,124) in federal funds from the Higher Education Emergency Relief Fund established by the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act. The U.S. Department of Education will administer the disbursement of the funds to MSU in two installments of approximately \$15M each — the first of which must be used to provide emergency financial aid grants to students for their expenses related to the disruption of campus operations due to the novel coronavirus, such as food, housing, course materials, technology, health care, and childcare expenses.

# What is the difference between the SOS COVID-19 Fund and the MSU CARES4Students Grants?

The "Support our Spartans Student Emergency Needs Fund for COVID-19" (SOS COVID-19 Fund) is composed of internal and donor funds. The MSU CARES4Students Grants will be made from federal funds provided to MSU from the Higher Education Emergency Relief Fund established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Both funds are available to support students during this pandemic. Each have their own eligibility requirements and application process.

### What guidelines does MSU need to follow to disburse the MSU CARES4Students Grants?

The CARES Act provides institutions with significant discretion on how to award this emergency assistance to students. MSU has developed its own system and process for determining how to allocate these funds. The U.S. Department of Education has encouraged institutions to prioritize students with the greatest need, while at the same time considering a maximum funding threshold for each student to ensure that the student funds are distributed as widely as possible.

### How did MSU receive the funds to make MSU CARES4Students Grants?

To facilitate MSU's receipt of the student funds, President Stanley recently signed a "Funding Certification and Agreement" with the U.S. Department of Education. MSU agreed to use the student funds only for the direct payment of grants to students for their expenses related to the disruption of campus operations due to coronavirus; to comply with certain ongoing reporting obligations regarding its use of the funds; and to distribute all of the student funds within one year of the date of the Funding Certification and Agreement.

### How will the MSU CARES4Students Grants be disbursed?

These grants will be made directly to students for the expenses they incurred related to the disruption of campus operations due to the novel coronavirus, such as food, housing, course materials, technology, healthcare and childcare.

### Will MSU apply MSU CARES4Students Grants to outstanding balances on student accounts?

No; Federal rules do not allow MSU to apply MSU CARES4Students Grants to outstanding balances on student accounts. MSU will make the grants directly to students, and students can use the funds as necessary, given their particular circumstances.

# Can I use the MSU CARES4Students Grants to assist me during the summer of 2020?

Yes; MSU will make grants to students whose circumstances have changed due to the coronavirus and who will have costs resulting from those changes during the summer of 2020. Application review priority will be given to students enrolled during the spring semester of 2020.

# Can I use the MSU CARES4Students Grants to assist me during the fall of 2020?

Yes; MSU will make grants to students whose circumstances have changed due to the coronavirus and who will have costs resulting from those changes during the fall of 2020.

# I am a graduate student. Can I apply for a MSU CARES4Students Grant?

Yes; undergraduate, graduate and professional students currently enrolled at MSU (or the College of Law) may apply for MSU CARES4Students Grants.

# Who is eligible for MSU CARES4Students Grants?

To be eligible for MSU CARES funds, you must

- Be enrolled at MSU
- Be eligible for federal financial aid and have a complete and valid Free Application for Federal Student Aid (FAFSA) on file. Go to <u>www.fafsa.ed.gov</u> to complete a FAFSA.
- Be making Satisfactory Academic Progress. See <a href="https://finaid.msu.edu/sap.asp">https://finaid.msu.edu/sap.asp</a> for details.
- Not have been exclusively enrolled in online or other distance education courses, before MSU moved all coursework to virtual instruction
- Demonstrate a change in your circumstances due to the coronavirus and have costs resulting from those changes for which you need support

# Are international students and DACA students eligible for MSU CARES4Students Grants?

All MSU students deserve our support during this time and we're working hard to make sure that will happen. Unfortunately, Congress put restrictions in place that prohibit MSU from making MSU CARES4Students Grants to our international students and Deferred Action Childhood Arrivals (DACA) students. These students can, however, apply for support through <u>SOS COVID-19 Fund</u>, administered by MSU Student Affairs.

# **Can I still apply for a MSU CARES4Students Grant even though I don't have a FASFA on file?** You can apply for the MSU CARES4Students Grants *after* you apply for financial aid by using the <u>Free Application for Federal Student Aid (FASFA)</u>. The deadline to apply for FASFA for the 2019-20 academic year is June 30, 2020. The FASFA form must be submitted by 11:59 p.m. Central Time. The deadline to apply for the 2020-21 academic year is June 30, 2021 by 11:59 p.m. Central Time. MSU is unable to provide funds to students who do not have a FASFA on file.

### How do I apply for a MSU CARES4Students Grant?

The application can be found in the MSU student portal Stulnfo. (www.stuinfo.msu.edu)

### What will I need to apply?

You can visit <u>StuInfo</u> (<u>www.stuinfo.msu.edu</u>) to apply. Instructions for completing the application are included along with the application link.

In order to apply, you will need to:

- Log into <u>StuInfo</u> using your MSU assigned NetID and Password
- Provide a description of the change in your circumstances that has resulted in the need for emergency assistance (some options will be provided)
- Provide a dollar amount of each relevant cost for which you need support (the more specific you can be, the more likely you are to receive funds)

# How many applications can I submit?

You can only submit one application online. If your circumstances change after you submit your application, you must contact a financial aid advisor by phone at 517-353-5940 to request additional funds.

# Will receipt of a MSU CARES4Students Grant affect my eligibility for Federal financial aid?

Receipt of a MSU CARES4Students Grant should not affect your eligibility for Federal financial aid. The US Secretary of Education has strongly encouraged MSU (and other recipients of funds from the Higher Education Emergency Relief Fund (HEERF)) to make adjustments on a case-by-case basis to exclude individual emergency financial aid grants from the calculation of a student's expected family contribution. The Secretary continues to refine the rules that apply to MSU CARES4Students Grants, so the answer to this question may change; if it does, MSU will update this FAQ accordingly.

# Are MSU CARES4Students Grants taxable?

While the US Secretary of Education has suggested that individual emergency financial aid grants are nontaxable, the answer to this question is not entirely clear. The Secretary has been asked to clarify that individual emergency financial aid grants are in fact nontaxable; if the requested clarification is provided, MSU will update this FAQ accordingly.

# Updated 5/8/2020

In FAQs published by the Internal Revenue Service on 5/7/2020, the US Treasury offered the following clarification on the issue of taxation:

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. This grant is not includible in your gross income.

https://www.irs.gov/newsroom/faqs-higher-education-emergency-relief-fund-and-emergency-financial-aid-grants-under-the-cares-act

This clarification suggests that MSU CARES4Students Grants are not includible in the student recipient's gross income.

### What happens after I apply?

An email will be sent to your MSU email account within 48 hours confirming receipt of your application. Another message will be sent to your MSU email account within one week of receipt indicating a decision about your application. An approved request will appear as a credit on your Account Detail link in <u>Stulnfo</u> within two to three business days after an approval decision.

### How will MSU prioritize applications for MSU CARES4Students Grants?

MSU will process applications in the order they are received. To ensure that the funds are distributed as widely as possible, MSU will adhere to the maximum funding threshold per student suggested by the U.S. Department of Education (\$6,195, the maximum Federal Pell grant for the 2019-2020 academic year). If/when MSU comes close to having used all the funds allocated for MSU CARES4Students Grants, we will begin to prioritize based on financial need.

### I'm going to be a new student in fall, can I apply?

No. Only currently enrolled students can apply. However, you can expect to receive further detail on how to apply at new student orientation. Once enrolled, you can apply in <u>StuInfo</u>.

### If I applied to the SOS COVID-19 Fund, can I also apply to the MSU CARES4Students Grants?

Yes. The Office of Financial Aid and Division of Student Affairs and Services will coordinate with each other on requests. Students will only receive funding support from one of these funds but can apply to both.