Quarterly Budget and Expenditure Reporting under CARES Act Sections 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3), if applicable

Institution Name: Messenger College Inc. **Date of Report**: 01/06/2021 **Covering Quarter Ending:** 12/31/2020

Total Amount of Funds Awarded: Section (a)(1) Institutional Portion: $ 20,879 Section (a)(2): $ 0 Section (a)(3): $ 458,241 **Final Report?** ☐

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable	Explanatory Notes
Providing additional emergency financial aid grants to students.[1]	$ 0	$ 0	$ 0	
Providing reimbursements for tuition, housing, room and board, or other fee refunds.	$ 0	$ 0	$ 0	
Providing tuition discounts.		$ 0	$ 0	
Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.	$ 0	$ 0	$ 0	
Providing or subsidizing the costs of high-speed internet to students or faculty to transition to an online environment.	$ 0	$ 0	$ 0	
Subsidizing off-campus housing costs due to dormitory closures or decisions to limit housing to one student per room; subsidizing housing costs to reduce housing density; paying for hotels or other off-campus housing for students who need to be isolated; paying travel expenses for students who need to leave campus early due to coronavirus infections or campus interruptions.	$ 0	$ 0	$ 0	
Subsidizing food service to reduce density in eating facilities, to provide pre-packaged meals, or to add hours to food service operations to accommodate social distancing.	$ 0	$ 0	$ 0	
Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.	$ 0	$ 0	$ 0	
Campus safety and operations.[2]	$ 19	$ 0	$ 0	

[1] To support any element of the cost of attendance (as defined under Section 472 of the Higher Education Act of 1965, as amended (HEA)) per Section 18004(c) of the CARES Act and the Interim Final Rule published in the *Federal Register* on June 17, 2020 (85 FR 36494). Community Colleges in California, all public institutions in Washington State, and all institutions in Massachusetts have different requirements due to recent U.S. District Court actions. Please discuss with legal counsel. HEERF litigation updates can be found here.

[2] Including costs or expenses related to the disinfecting and cleaning of dorms and other campus facilities, purchases of personal protective equipment (PPE), purchases of cleaning supplies, adding personnel to increase the frequency of cleaning, the reconfiguration of facilities to promote social distancing, etc.

Category	Amount in (a)(1) institutional dollars	Amount in (a)(2) dollars, if applicable	Amount in (a)(3) dollars, if applicable	Explanatory Notes
Purchasing, leasing, or renting additional instructional equipment and supplies (such as laboratory equipment or computers) to reduce the number of students sharing equipment or supplies during a single class period and to provide time for disinfection between uses.	$ 0	$ 0	$ 0	
Replacing lost revenue due to reduced enrollment.		$ 0	$ 0	
Replacing lost revenue from non-tuition sources (i.e., cancelled ancillary events; disruption of food service, dorms, childcare or other facilities; cancellation of use of campus venues by other organizations, lost parking revenue, etc.).[3]		$ 0	$ 0	
Purchasing faculty and staff training in online instruction; or paying additional funds to staff who are providing training in addition to their regular job responsibilities.	$ 0	$ 0	$ 0	
Purchasing, leasing, or renting additional equipment or software to enable distance learning, or upgrading campus wi-fi access or extending open networks to parking lots or public spaces, etc.	$ 4,644	$ 0	$ 22,974	Purchased 360 degree cameras for classrooms/meeting rooms for use with Zoom. Upgraded campus wi-fi access due to poor connectivity and slow speeds due to increase in usage to support students in quarantine.
Other Uses of (a)(1) Institutional Portion funds.[4]	$ 0			
Other Uses of (a)(2) or (a)(3) funds, if applicable.[5]		$ 0	$ 11,112	**Revised to reallocate funds drawn down 10/30/20 for loss of revenue from contributions, which was prohibited in the HEERF Lost Revenue FAQ published 3/19/21. These funds are from non-executive payroll expenses incurred 10/1/21-10/30/21. Please see attached additional documentation.
Quarterly Expenditures for each Program	$ 4,663	$ 0	$ 34,086	
Total of Quarterly Expenditures	$ 38,749			

[3] Including continuance of pay (salary and benefits) to workers who would otherwise support the work or activities of ancillary enterprises (e.g., bookstore workers, foodservice workers, venue staff, etc.).

[4] Please post additional documentation as appropriate and briefly explain in the "Explanatory Notes" section. Please note that costs for Section 18004(a)(1) Institutional Portion funds may only be used "to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus, so long as such costs do not include payment to contractors for the provision of pre-enrollment recruitment activities; endowments; or capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship."

[5] Please post additional documentation as appropriate and briefly explain in the "Explanatory Notes" section. Please note that costs for Sections 18004(a)(2) and (a)(3) funds may only be used "to defray expenses, including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, payroll incurred by institutions of higher education and for grants to students for any component of the student's cost of attendance (as defined under section 472 of the HEA), including food, housing, course materials, technology, health care, and child care."

Form Instructions

Completing the Form: On each form, fill out the institution of higher education (IHE or institution) name, the date of the report, the appropriate quarter the report covers (September 30, December 31, March 31, June 30), the total amount of funds awarded by the Department (including reserve funds if awarded), and check the box if the report is a "final report." In the chart, an institution must specify the amount of expended CARES Act funds for each funding category: Sections 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3), if applicable. Section 18004(a)(2) funds includes CFDAs 84.425J (Historically Black Colleges and Universities (HBCUs)), 84.425K (Tribally Controlled Colleges and Universities (TCCUs)), 84.425L (Minority Serving Institutions (MSIs)), 84.425M (Strengthening Institutions Program (SIP)); Section 18004(a)(3) funds are for CFDA 84.425N (Fund for the Improvement of Postsecondary Education (FIPSE) Formula Grant). Each category is deliberately broad and may not capture specific grant program requirements. Explanatory footnotes help clarify certain reporting categories. While some items in the chart are blocked out, please note that the blocking of such items is consistent with Department guidance and FAQs and is not definitive. Provide brief explanatory notes for how funds were expended, including the title and brief description of each project or activity in which funds were expended. Do not include personally identifiable information (PII). Calculate the amount of the Section 18004(a)(1) Institutional Portion (referred to as "(a)(1) institutional" in the chart), Section 18004(a)(2) (referred to as "(a)(2)" in the chart), and Section 18004(a)(3) (referred to as "(a)(3)" in the chart) funds in the "Quarterly Expenditures for each Program" row, and the grand total of all three in the "Total of Quarterly Expenditures" row. Round expenditures to the nearest dollar.

Posting the Form: This form must be conspicuously posted on the institution's primary website on the same page the reports of the IHE's activities as to the emergency financial aid grants to students made with funds from the IHE's allocation under Section 18004(a)(1) of the CARES Act (Student Aid Portion) are posted. It may be posted in an HTML webpage format or as a link to a PDF. A new separate form must be posted covering each quarterly reporting period (September 30, December 31, March 31, June 30), concluding after either (1) posting the quarterly report ending September 30, 2022 or (2) when an institution has expended and liquidated all (a)(1) Institutional Portion, (a)(2), and (a)(3) funds and checks the "final report" box. IHEs must post this quarterly report form no later than 10 days after the end of each calendar quarter (October 10, January 10, April 10, July 10) apart from the first report, which is due October 30, 2020. For the first report using this form, institutions must provide their cumulative expenditures from the date of their first HEERF award through September 30, 2020. Each quarterly report must be separately maintained on an IHE's website or in a PDF document linked directly from the IHE's CARES Act reporting webpage. Reports must be maintained for at least three years after the submission of the final report per 2 CFR § 200.333. Any changes or updates after initial posting must be conspicuously noted after initial posting and the date of the change must be noted in the "Date of Report" line.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995 (PRA), no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0849. Public reporting burden for this collection of information is estimated to average 2 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Under the PRA, participants are required to respond to this collection to obtain or retain benefit. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this individual collection, or if you have comments or concerns regarding the status of your individual form, application, or survey, please contact: Jack Cox, U.S. Department of Education, 400 Maryland Avenue, SW, Washington, DC 20202.

Additional Documentation for (a)(3) Other Uses of Funds, If Applicable:

On October 30, 2020, Messenger College (MC) drew down $58,821 for contribution revenue reduction and reported it in the 3rd Quarter 2020 report, as the loss was due to the cancellation of its annual fund drive and meetings being held on-line vs. in person in which an offering is usually taken to support operations, which were in the 2nd & 3rd quarters of 2020. It had been included on the Budget and Expenditure Reporting under Section 18004(a)(3) form submitted to the Department of Education on 8/27/20 regarding the proposed use of the funds. It was our understanding that this was an allowable use of the funds. On March 19, 2021, the Department published an FAQ on HEERF Lost Revenue, in which it stated that funds could not be used for lost revenue from contributions or donations to the institution.

As MC had not previously requested reimbursement for payroll expenses (which had also been included on the form submitted for the proposed use of funds), MC has chosen to reallocate the $58,821 originally drawn down for a loss of contribution revenue to reimbursement of payroll expenses for non-executive salaries, as follows:

3/13-4/14/20 Payrolls:
Faculty – FT & Adjunct $9,375
Support Staff – FT & PT $10,200
Total: $19,575

7/18-9/30/20 Payrolls:
Faculty – FT & Adjunct $12,500
Support Staff – FT & PT $15,634
Total: $28,134

10/1-10/30/20 Payrolls:
Faculty – FT & Adjunct $8,425
Support Staff – FT & PT $6,934
Total: $15,359 (MC will only use $11,112 of this total)

Total: $63,068 (MC will only use $58,821 of this total)

Note: $47,709 is included in the 3rd Quarter 2020 report and $11,112 is included in the 4th Quarter 2020. However, all funds were drawn down on 10/30/2020.