

BOARD OF HIGHER EDUCATION

REQUEST FOR BOARD ACTION

NO.: BHE 22-41

BOARD DATE: March 22, 2022

**APPROVAL OF THE FY2022 AMERICAN RESCUE PLAN ACT (ARPA) FUNDING
FORMULA ALLOCATIONS FOR THE COMMUNITY COLLEGES AND STATE
UNIVERSITIES**

MOVED: The Board of Higher Education hereby approves the Community College and State University American Rescue Plan Act (ARPA) funding formula allocations for FY2022 (Attachments A and B).

VOTED: Motion approved and advanced to the full BHE by the Executive Committee on 3/14/2022; and adopted by the BHE on 3/22/2022.

Authority: M.G.L. c. 15A, § 9(dd); Section 2A of Chapter 102 of the Acts of 2021 (Line item 1599-2056).

Contact: Joe Wallerstein, Interim Deputy Commissioner for Administration and Finance

BACKGROUND

"An Act Relative to Immediate COVID-19 Recovery Need" (H.4269) appropriated Federal American Rescue Plan Act (ARPA) funds to mitigate the impact of the 2019 novel corona virus pandemic and fund campus maintenance projects at Massachusetts State Universities (\$30M) and Community Colleges (\$15M). The bill required funds to be distributed via the Department's two performance-based formula funding line items, (7066-1400 and 7100-4000 of the FY22 Budget).

Under Massachusetts General Law, the Board of Higher Education is charged with developing funding formulas for the community colleges and state universities. M.G.L. c. 15A, § 9(dd). Consistent with that charge, the Department, in collaboration with representatives from the State University and Community College CFOs and President's Office, developed methodologies to apportion the ARPA funds.

The recommended methodology for the Community Colleges allocates 60% (\$9M) of their funding to equal base allocations of \$600K per institution for each of the 15 Community Colleges. The remaining 40% (\$6M) is to be distributed via the FY22 Community College funding formula adopted by the Board of Higher Education (*BHE 22-37*). The amounts to be awarded via the performance-based funding formula range between \$247-636K per Community College.

The recommended methodology for the State Universities allocates 30% (\$9M) of their funding to equal base allocations of \$1M per institution for each of the 9 State Universities. The remaining 70% (\$21M) is to be distributed via the State University funding formula adopted by the Board of Higher Education (*BHE 22-37*). The State Universities further have a set a minimum performance-based award of \$1M. The amounts to be awarded via the performance-based funding formula range between \$1M-4.1M per State University.