

Frequently Asked Questions

Using American Rescue Plan and Other Pandemic Relief Funds to Provide Incentives to Students to Get the COVID-19 Vaccination

Listed below are some frequently asked questions about acceptable uses of American Rescue Plan (ARP) funds under the U.S. Department of the Treasury's Coronavirus State and Local Fiscal Recovery Funds and the U.S. Department of Education's Education Stabilization Fund¹ to support COVID-19 vaccinations for students.

Other than statutory and regulatory requirements included in the document, the contents of this guidance do not have the force and effect of law and are not meant to bind the public. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

State and Local Fiscal Recovery Funds

May recipients use funds from the Coronavirus State and Local Fiscal Recovery Funds administered by the U.S. Department of the Treasury to pay for vaccine incentive programs (e.g., cash or in-kind transfers, lottery programs, or other incentives for individuals who get vaccinated)?

Yes, under the U.S. Department of the Treasury's Coronavirus State and Local Fiscal Recovery Funds interim final rule published in the *Federal Register* on May 17, 2021 (86 FR 26786), recipients may use Coronavirus State and Local Fiscal Recovery Funds to respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs. See 31 CFR 35.6(b)(1)(i). The cost of programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit.

Elementary and Secondary School Emergency Relief (ESSER) and Governor's Emergency Education Relief (GEER) Funds

May a local educational agency (LEA) use ESSER or GEER funds to provide incentives to students and members of their households to get vaccinated against COVID-19?

Yes, an LEA may use ESSER (ESSER I, ESSER II, or ARP ESSER) or GEER (GEER I or GEER II) funds to provide reasonable incentives to students, consistent with state parent or guardian medical consent laws, , and their household members to get vaccinated. Providing reasonable incentives to students, including those enrolled in pre-kindergarten and K-12 (if

¹ The Education Stabilization Fund includes Elementary and Secondary School Emergency Relief (ESSER), Governor's Emergency Education Relief (GEER), and Higher Education Emergency Relief (HEER) funds awarded under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (ESSER I, GEER I, and HEER I); the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 (ESSER II, GEER II, and HEER II); and the ARP Act (ARP ESSER and HEER III).

eligible for vaccination), and their household members to get vaccinated against COVID-19 is allowable because it is a strategy that an LEA may implement in alignment with the Centers for Disease Control and Prevention (CDC) guidance on vaccinations, increase vaccination rates in the community and therefore bolster public health, and reduce risk of transmission and serious disease as students and staff return to or continue in-person instruction

To the extent practicable, LEAs should provide information about vaccination incentives written in a language that parents can understand or, if it is not practicable to provide written translations to a parent with limited English proficiency, be orally translated for such parent. In addition, LEAs should provide the information using auxiliary aids and services and in an alternative format accessible to a parent who is an individual with a disability covered under Section 504 of the Rehabilitation Act of 1973.

Any incentives that an LEA provides with ESSER and GEER funds must meet the requirements in 2 CFR Part 200, including the requirement that the amount of the incentive be reasonable and may not violate any other applicable laws or requirements (e.g., incentives may not involve alcohol per 2 CFR § 200.423). For example, an LEA might host a drawing in which all vaccinated students are entered to win a prize such as a new tablet, a reasonable cash award, college scholarship money, or new school supplies and books. Similarly, an LEA might give each vaccinated student a nominal gift card or any other allowable incentive that is reasonable in size and scope and likely to lead to an increase in the rate of vaccinations.

GEER I and GEER II funds may also support COVID-19 vaccination efforts, when available for younger children, in state and local public pre-kindergarten programs that may include programs located in schools or community-based pre-kindergarten/early childhood education settings.

Additional information on allowable uses of ESSER and GEER funds may be found in the Department's [Frequently Asked Questions document on Elementary and Secondary School Emergency Relief Programs and Governor's Emergency Education Relief Programs](#). For example, FAQ B-3 addresses the use of funds to provide COVID-19 vaccinations to teachers, staff, and eligible students.

Higher Education Emergency Relief Funds (HEERF)

May an institution of higher education (IHE) use its HEERF institutional grant funds (issued under the CARES Act, the CRRSA Act, or the ARP Act) to provide incentives to students, faculty, and staff of the institution to get vaccinated against COVID-19?

Yes, an IHE may use HEERF institutional grant funds to provide reasonable incentives to current students, faculty, and staff of the institution to get vaccinated against COVID-19. Specifically, CRRSA Act section 314(c)(1), applicable to the CARES Act, the CRRSA Act, and the ARP Act, allows institutions to “defray expenses associated with coronavirus.” Providing incentives to current students, faculty, and staff to get vaccinated against COVID-19 is allowable both as a direct expense that the institution is incurring associated with COVID-19 and as a risk mitigation strategy to prevent the greater institutional expenses that would occur because of a COVID-19 outbreak on campus.

Incentives to get the vaccine could include paid for time off or sick leave for employees, vaccination paraphernalia, tuition discounting, and other monetary incentives that are expected to spread awareness or build confidence in getting vaccinated, among other examples.

Any vaccine incentive program funded in whole or in part using HEERF grant funds must:

- Provide incentives reasonably proportional to the expected public health benefit (i.e., incentives expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would) consistent with the cost principles of the Uniform Guidance in [2 CFR part 200, subpart E](#).
- Include only allowable incentives under all applicable laws (e.g., incentives may not involve alcohol per [2 CFR § 200.423](#)).
- Be offered only to currently enrolled students or institutional faculty and staff. While institutions of higher education may host vaccination sites that are open to the public and local community, HEERF dollars cannot be used as incentives for individuals that are not current students, faculty, or staff. If an institution seeks to provide incentives to those outside of its IHE community, it should consider whether such expenses may be allowable using state, local, or other federal funds.
- Not be used to recruit, advertise, or market the vaccine incentive program to prospective or unenrolled students and not be used to incentivize current or future enrollment decisions. See CRRSA Act section 314(d)(3).
- Only use HEERF institutional funds under the (a)(1), (a)(2), or (a)(3) programs and not use any HEERF grant funds that must be used to make emergency financial aid grants to students (i.e., Assistance Listing Numbers (ALNs) 84.425E and 84.425Q).
- Retain documentation to demonstrate how the vaccine incentive program is reasonably proportional to the expected public health benefit consistent with ARP section 2003(5)(a) and [2 CFR § 200.334](#).
- Take reasonable steps to provide meaningful access to its program for limited English proficient individuals, by providing access to translated documents, interpreter services, or information in the individual's primary language.

Additional information on allowable uses of HEERF grant funds may be found in the Department's [HEERF III ARP Frequently Asked Questions Document](#). For example, section D of the FAQ Document describes the requirement for IHEs to spend a portion of their HEERF grant funds to "implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines."