Delivering Emergency Aid Services During COVID-19

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C O M P A N Y

Webinar Overview

- The CARES Act: What We Know and Considerations

- An Overview of Emergency Aid Programs

- Current Practices for Creating and Operating EA Programs

- Overview of EA Administration and Post-Award Process

- Anticipated Hurdles to Implementation of EA Programs

- Resources and References

- Summary of Shared Practices
  and Questions

Trellis Company and Emergency Aid Programs

- Trellis started an emergency aid program in 2017

- The program currently supports 27 MSI's across Alabama, Georgia, Louisiana, Oklahoma, and Texas

- Structure provides for student aid and institutional capacity building funds

- Technical assistance is provided to campuses to support the implementation

CARES Act: Sec 3504 – SEOG as E-Aid

(a) IN GENERAL.—Notwithstanding section 413B of the Higher Education Act of 1965 (20 U.S.C. 1070b–1), an institution of higher education may reserve any amount of an institution's allocation under subpart 3 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C.1070b et seq.) for a fiscal year to award, in such fiscal year, emergency financial aid grants to assist undergraduate or graduate students for unexpected expenses and unmet financial need as the result of a qualifying emergency.

• Much further defined than other areas

CARES Act – Higher Education Relief Fund

- Institutions of higher education shall use no less than 50 percent of such funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care).

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CARES Act: Emergency Stabilization Fund

- What we (think) we know:
  - Approx. $14 billion for institutions
  - Approx. $7 billion for students
  - Anticipated distribution via Title IV systems
  - Not included in need analysis
- Still awaiting significant administrative guidance on:
  - What is an allowable expense
  - How should the money be distributed
  - When will the money be distributed (both to IHE and students)
  - What reporting / tracking is required

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CARES Act – Additional Resources

- Resources / Further Technical Support:
  - NASFAA Webinar: LINK
  - ACE Projections: LINK

NASPA Classification of Emergency Aid Programs

- **Campus vouchers:** Cover materials from the bookstore or meals from the dining hall; few barriers to distribution

- **Completion scholarships:** Cover outstanding balances for students poised to graduate or continue to the next semester

- **Emergency loans:** Address hardship related to the timing of a student's financial aid disbursement

- **Food pantries:** Address food insecurity on campus

- **Restricted grants:** Support students who experience unexpected hardship; typically require that students meet certain academic or other requirements

- **Unrestricted grants:** Support students who experience unexpected hardship; typically awarded without restrictions

Source: (Kruger et al., 2016)

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Popularity of Emergency Aid Programs

- All information from NASPA's 2016 EA Report

- Of two- and four-year institutions (n=439)
    - Emergency loans: 67%
    - Unrestricted grants: 54%
    - Campus vouchers: 47%
    - Restricted grants: 47%
    - Food pantries: 45%
    - Completion scholarships: 33%

Sources: (Kruger et al., 2016)

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In Focus: Grant Programs

- **Restricted Grant Programs**: Support students who experience unexpected hardship; typically require that students meet certain academic or other requirements ([Kruger et al., 2016](#))

- **Unrestricted Grant Programs:** Support students who experience unexpected hardship; typically awarded without restrictions ([Kruger et al., 2016](#))

- **Payment Mechanisms:** In the context of emergency aid programs, these can either be paid directly to the student or directly to the vendor

Administrative Challenges: Emergency Aid

- Decentralized offerings

- Unclear guidance

- Slow decision making and distribution

- Varying levels of campus commitment

- Unclear funding sources

- No checks and balances

Considerations for Development or Growth

- Define Campus Stakeholders

- Define Hierarchy of Needs on Campus

- Develop Distribution Mechanisms

Define Campus Stakeholders

- Who needs to be involved

- **Primary Stakeholders**: These stakeholders are actively involved in program development, administration, and review.

- **Secondary Stakeholders**: These stakeholders are campus partners that are often engaged in program promotion, referrals, and support

Stakeholder: Student Affairs / Dean of Students

- Normally the primary holder of the fund

- Staff often make up the application review / approval process

- Often is a referral channel for students to the program

- Publicize the program and make sure entire campus (all faculty, staff, organizations, etc.) knows about it and how to access it

Stakeholder: IT Support

- Online application development and routing

- Records retention

- Collaboration tools for application review / approval

- Decision about current systems or new builds

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Stakeholder: Business Office

- Required for payment processing

- Often has a role in records retention

- May need to process vendor forms (depending on program structure)

- Secure W9 from "preferred vendors"

- Set up a campus P-card(s)

- Disbursement method(s) to students

- Be prepared to pay quickly

Stakeholder: Financial Aid

- Involvement can be dependent on campus perspective of the resource

- May be required to deliver need analysis support after June 30

- Often is a referral channel for students to the program

- Can be viewed as a part of institutional aid strategy

- Look for other untapped sources of federal aid student may be eligible for

- Conduct transfers from SEOG to e-aid

Stakeholder: Registrar

- Provide enrollment status validation for students
- Provide on-going assessment information on continuous enrollment

Secondary Stakeholders

- Faculty

- Institutional Development

- Bursar

- Academic Advisors

- Residence Hall Staff
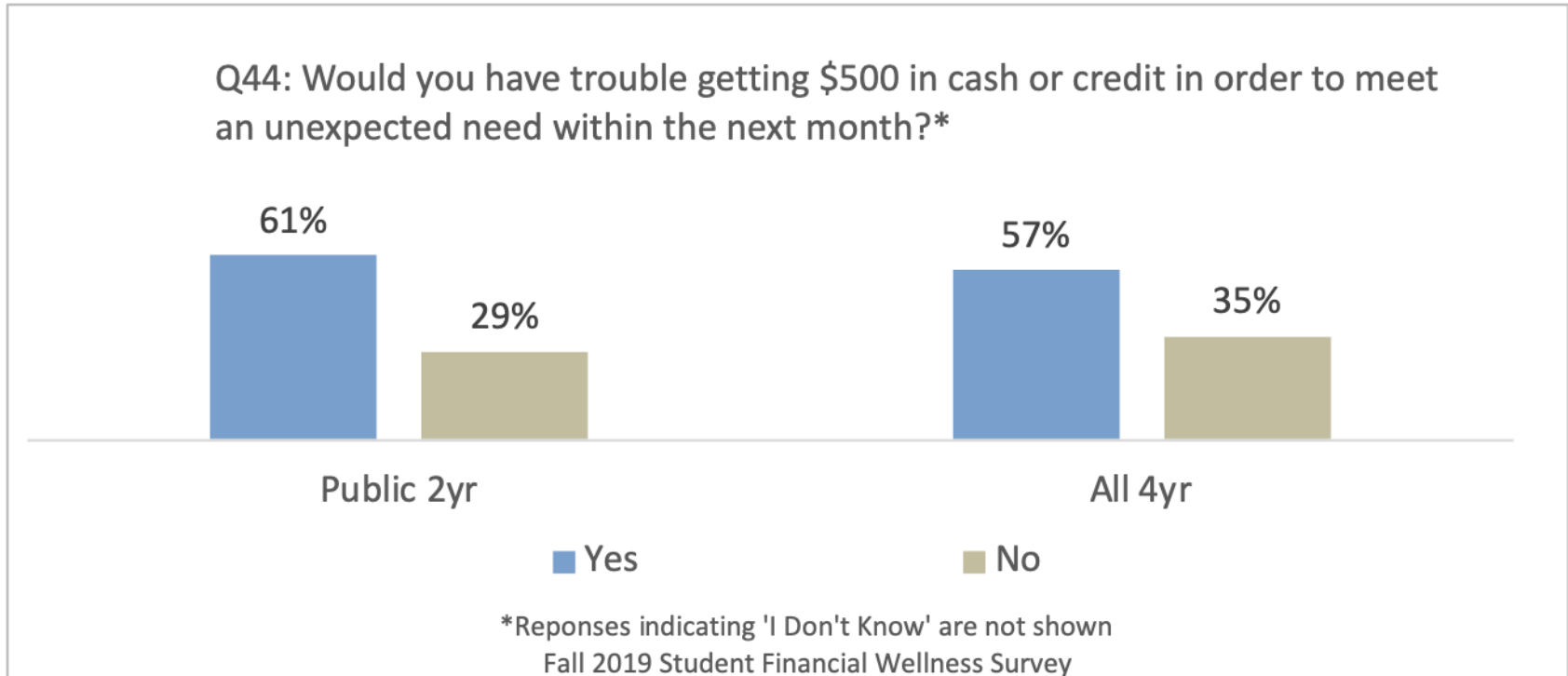
- Institutional Research / Effectiveness

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Understanding the Needs

- Emergency is broadly defined through COA in the statute

- Each campus has different prioritization of needs

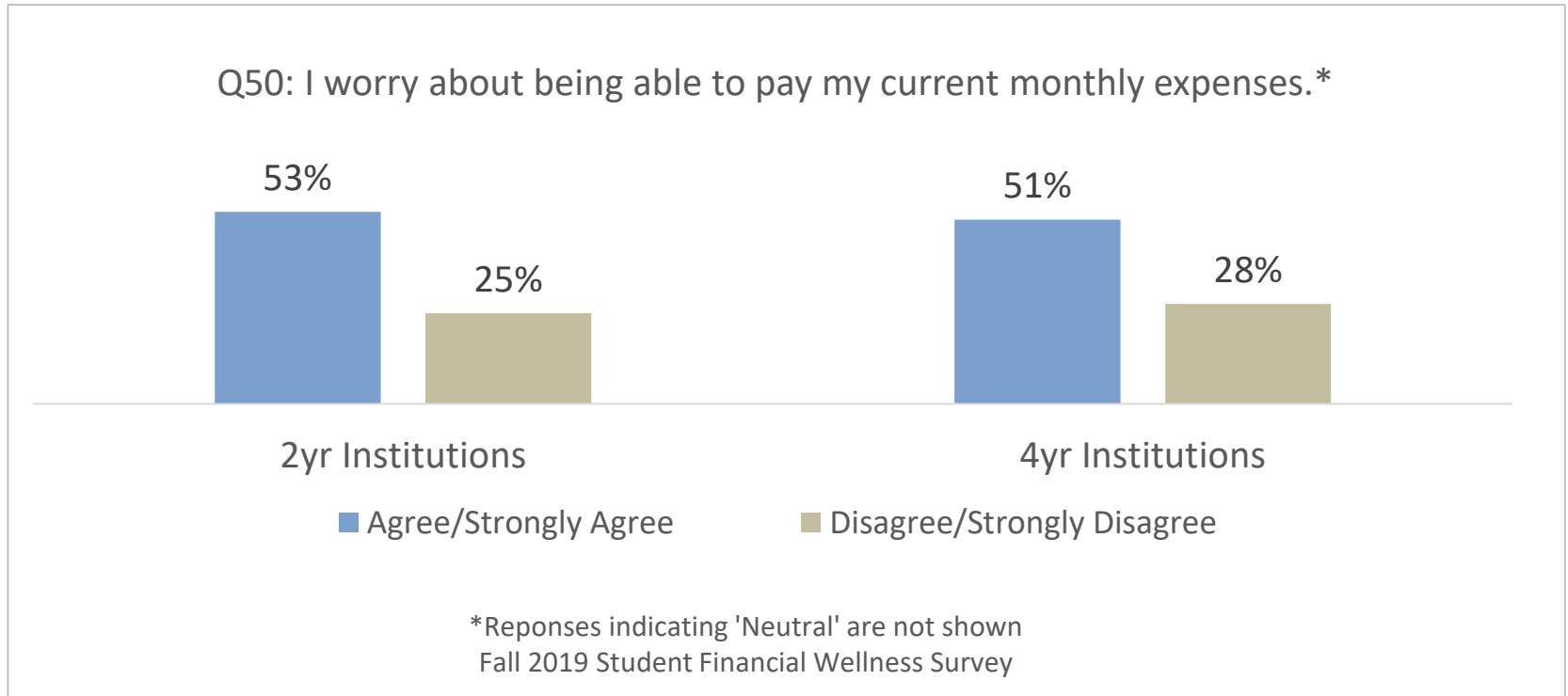- Think about prioritization of need buckets (based on student conversations if possible)

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Student Financial Security

Q44: Would you have trouble getting $500 in cash or credit in order to meet an unexpected need within the next month?*

Public 2yr
- Yes: 61%
- No: 29%

All 4yr
- Yes: 57%
- No: 35%

■ Yes   ■ No

*Reponses indicating 'I Don't Know' are not shown
Fall 2019 Student Financial Wellness Survey

- Students' finances appear precarious, susceptible to unexpected expenses. 61 percent of respondents at 2yr institutions – and 57 percent of respondents at 4yr institutions – indicated they would have trouble getting $500 in cash or credit for an emergency.
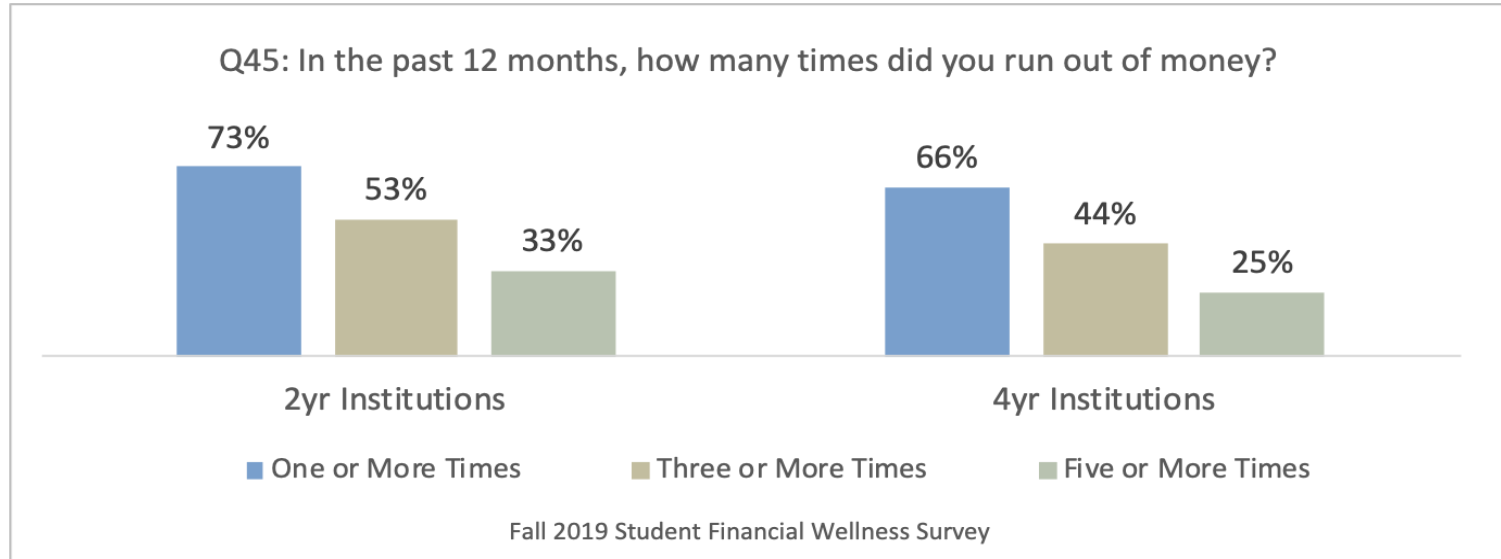
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Student Financial Security

Q50: I worry about being able to pay my current monthly expenses.*

53%

25%

51%

28%

2yr Institutions

4yr Institutions

■ Agree/Strongly Agree   ■ Disagree/Strongly Disagree

*Reponses indicating 'Neutral' are not shown
Fall 2019 Student Financial Wellness Survey

- Students worry about ongoing expenses. More than half of respondents at 2yr institutions (53 percent) and 4yr institutions (51 percent) worry to some degree about paying for their current monthly expenses.

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Student Financial Security

Q45: In the past 12 months, how many times did you run out of money?

2yr Institutions
- One or More Times: 73%
- Three or More Times: 53%
- Five or More Times: 33%

4yr Institutions
- One or More Times: 66%
- Three or More Times: 44%
- Five or More Times: 25%

Fall 2019 Student Financial Wellness Survey

- Running out of money at some point in a year is common among college students, but nearly half face the brink an unsettling number of times.
  - More than half of respondents (53 percent) at 2yr institutions – and 44 percent of respondents at 4yr institutions – reported running out of money three or more times.
  - A third of respondents at 2yr institutions –and a quarter of respondents at 4yr institutions reported running out of money five or more times.

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Understanding the Application Process

- Increasing the requirements increases the friction

- Requirements can be key to document collection, records retention, and assessment

- Important to understand what is needed to keep friction limited, which should increase utilization

- In a COVID-19 environment, how will students submit documents and applications?

Assessing Applications

- Assuming limited resources, prioritization becomes an essential conversation

- Many campuses have enacted decision-making by committee, while others assess based on an automated rubric

- Avoid being paralyzed by a scarcity mindset that can lead to under distribution

- Provide clear guidelines to students to reduce uncertainty, appeals, and perceived unfairness

Disbursement and Record Retention

- Think about the campus capabilities and the various disbursement models:
    - Direct to student
    - Direct to vendor

- Provide mechanisms for timely disbursements
    - Current Campus Systems:
    - Third Party:
    - What information do you have on non Title IV?

- Be clear and build in expectations of reporting into the application and disbursement process

Controls

- Controls are essential to program success

- Provide a clear pathway for award approval and require necessary approvals for disbursement

- Regularly report on activity and assess student enrollment validity

Program Visibility

- Promotion is even more important in a COVID-19 environment

- How will you get the information to the students that need it most?

- Campus stakeholders (word of mouth) can be key to reaching out to students

- Designate a campus point person for these efforts

- Create hotlines / email addresses to respond to questions

Step-by-Step: Creating an EA Program

1. Identify professionals to administer the program and a committee to make decisions

2. Define 'emergency' and how students document it

3. Create clear, simple student application emergency type and dollar amount need—capture data the Department will potentially require in reporting

4. Create a system of disbursement—distribute quickly!

5. Make the program extremely visible for all campus

6. Develop a data collection system to be able to report on how you award funds

Immediate Actions for Campus

- Develop a list of campus stakeholders to engage
- Explore mechanisms for online application and distribution
- Develop awarding criteria and explore campus-based data that would be helpful
- Look for SSO integration to reduce friction
- Appoint a point person and develop contact channels
- Assess the relevant approval bodies (have multiple) and develop a series of controls
- Develop a promotion plan

Anticipated Hurdles to Implementation of EA Programs

- How long may students wait between submission of application to reception of emergency funds?

- How will you analyze data and review applications to assess student need and optimize emergency funds? Will you award multiple payments for one student if the need is demonstrated?

- How will you document the process to understand workflow?

- How will you collaborate with other stakeholders (faculty, staff, other departments) on campus to amplify messaging and help with implementation?

- How will you continue to connect with students once you distribute the emergency funds?

- How will you provide other financial wellness programming to help students' long term stability?

Summary of Shared Practices and Questions

Resources

- U.S. Senate CARES Act, Full Text: https://www.congress.gov/bill/116th-congress/senate-bill/3548/text

- U.S. Department of Education Strategy on Emergency Aid Programs: https://www.ed.gov/emergency-financial-aid-programs

- NASFAA's COVID-19 Follow Up Webinar: https://www.nasfaa.org/covid19_followup_webinar

- NASFAA's COVID-19 Guidance: https://www.nasfaa.org/covid19

- NASPA's Landscape Analysis of Emergency Aid Programs, 2016: https://www.naspa.org/images/uploads/main/Emergency_Aid_Report.pdf

- Advancing Student Retention in College: https://studentarc.org/

- Trellis Company Student Financial Wellness Survey, Fall 2018 Semester Results: https://www.trelliscompany.org/wp-content/uploads/2019/06/Fall-2018-SFWS-Report.pdf

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