

# College Emergency Aid

## The Safety Net That Proves its Value for Today's Students

### Introduction

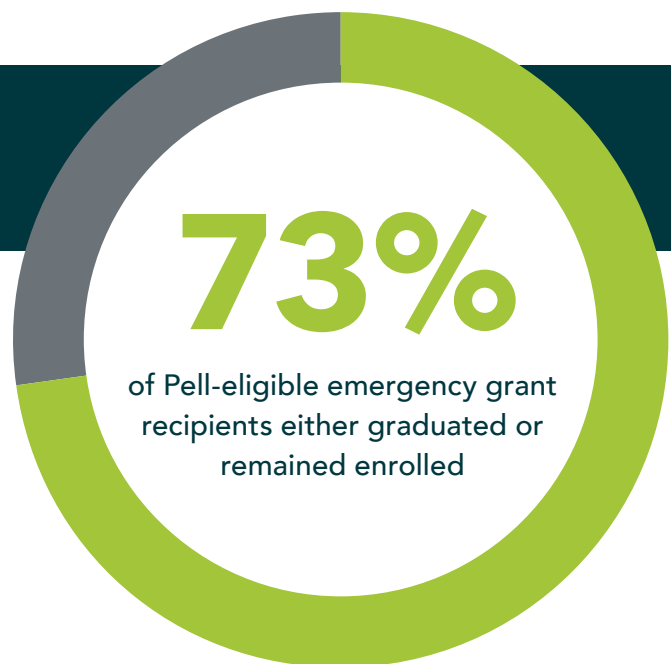
Today's students seek higher education to attain a credential that can lead to increased earnings and provide a better life for themselves and their families. However, students face many financial challenges while pursuing their education along with rising costs. While federal need-based financial aid programs such as Pell Grants are critical supports for students to afford postsecondary education, they were never designed to cover coinciding college

costs like living expenses, let alone, unexpected financial setbacks that arise during the course of a program, like car repairs or employer layoffs. Suffering from an emergency expense as a student can often disrupt their education and force them to pause or end their academic journey altogether. Emergency aid is a critical and proven tool that can support students through these temporary, unanticipated expenses and enable them to complete their education.



### A Closer Look at Emergency Aid

An analysis of a three-year emergency aid program at Wisconsin community colleges found that 73% of Pell-eligible emergency grant recipients either graduated or remained enrolled. In comparison, the National Center for Education Statistics reported just a 59% retention rate for all students at public two-year institutions.<sup>1</sup>



<sup>1</sup> Great Lakes. "2012-2015 Emergency Grant: Closing Report and Best Practices." February 2016.



## What Schools Are Already Doing to Support Students

Long before the COVID-19 pandemic, higher education institutions acknowledged the importance of emergency aid and basic need supports as important tools to ensure students are able to stay enrolled and on a path to completion. Programs look different at each institution and may take the form of:

- Unrestricted and restricted grants — support students who experience unexpected hardships
- Campus vouchers — cover materials such as books or meals from the dining hall
- Emergency loans — address hardship related to the timing of a student’s financial aid disbursement; funds are returned once disbursement challenges are resolved
- Completion scholarships — cover outstanding balances for students close to graduation
- Food pantries — address food insecurity and increase basic needs access for students and their families and dependents
- Basic need centers – provide centralized, on-campus locations where students can access free or reduced-cost community resources, including food and housing assistance, transit support, child care, and finances.

These resources — which typically are funded by endowments, college foundations, or other private sources — are undoubtedly helpful in supporting students in meeting their basic needs and any emergencies that arise. However, for most institutions with such programs, the need for emergency grant aid is often greater than the resources they have available. Also, many schools that serve a disproportionate number of low-income students with the fewest resources, such as community colleges, Historically Black Colleges and Universities (HBCUs), and minority-serving institutions (MSIs), do not have the funds to establish an emergency aid program on their own.





## An Unprecedented and Impactful Experiment That Proved Its Own Worth

The coronavirus pandemic prompted federal lawmakers to take unprecedented steps to support postsecondary students through the Higher Education Emergency Relief Fund (HEERF). During 2020 and 2021, the federal government provided \$77 billion to institutions of higher education (IHEs), of which 50% was designated to be used for emergency financial aid grants to students. The grants assisted millions of students throughout the national emergency, allowing many to continue their education and navigate the financial shock of the pandemic.

The temporary HEERF-supported emergency aid program serves as a framework for policymakers to develop a permanent, sustainable program to support today's students in precarious financial situations as they invest in one of the best ways to obtain financial security for years to come. With the implementation of this one-time program now in the rearview mirror, data has been released that can inform best practices for both policymakers and institutions.



## Lessons Learned from HEERF

A recent survey<sup>2</sup> of students who received emergency aid through HEERF shared the following lessons about how they used their funds and how it impacted their studies.

### Met Basic Needs

The majority of student recipients used HEERF funds to cover critical basic needs such as:

61%



Food

50%



Housing



Transportation

<sup>2</sup> National Association of Student Financial Aid Administrators (NASFAA), National Association of Student Personnel Administrators, and HCM Strategists. "Evaluating Student and Institutional Experiences With HEERF." September 2022.

## Helped students finish their classes

Students used funds for upcoming expenses including:

# ~1/3



**Tuition, Technology Devices,  
Internet Expenses**

# 57%



**Books**

**Reduced student debt:** students felt they borrowed less in student loans than they would have if they had not received emergency aid.

# 41%



**Felt They Borrowed Less**

**Provided a bridge to bring students current on bills:** students reported using HEERF funds for past-due institutional balances, personal expenses, medical expenses, or cell phone costs.

# 1 in 5



**Paid Bills**

# 33%

of students also indicated they enrolled in more classes than they would have if they had not received emergency aid.

# 67%

of Pell Grant recipients reported using their HEERF grants on food.

## “A Simple Process”

Congress created HEERF using funds outside of existing Title IV student aid programs, which allowed institutions to aid students without requiring an application like the Free Application for Federal Student Aid (FAFSA). Initially, students had to meet Title IV eligibility requirements to receive emergency funds, but the government eventually expanded access to students who may not have been eligible for federal financial aid. The expanded relief effort also steered financial support to students enrolled in non-credit courses, who may have fallen short of meeting satisfactory academic progress (SAP), and undocumented students with Deferred Action for Childhood Arrivals (DACA) status.<sup>3</sup>

In the same survey referenced above, two-thirds of higher education practitioners who distributed HEERF dollars to students provided lessons on how to structure a future federal emergency aid program:

- **Unburdened by Title IV aid parameters:** 48% of respondents indicated emergency grants should be a non-Title IV aid program, allowing grant funds to cover student expenses that are not permitted in the cost of attendance, such as medical expenses. Avoiding Title IV parameters also enabled institutions to get funds to students quickly in the least burdensome way, without requiring them to submit a FAFSA or another application.



- **Simple reporting requirements:** 79% of practitioners recommended more practical reporting requirements that balance the important need for timely federal oversight with the realities of an institution’s limited capacity to distribute funds while simultaneously collecting detailed data.
- **Flexible eligibility criteria:** 70% of practitioners wished Congress had provided clearer legislative language on the intent for student eligibility criteria to ensure that funds go to the most financially vulnerable students, including those who may not typically qualify for Title IV student aid, such as DACA, undocumented, and international students. Initially the U.S. Department of Education (ED) limited aid to a narrower group of students than Congress potentially intended.

<sup>3</sup> NASFAA, Higher Education Emergency Relief Funds Comparison Chart. May 2021.



# Creating a Permanent Emergency Aid Program for Today's Students

As the cost of postsecondary education continues to rise, federal policymakers should develop and support policies that ensure students can stay enrolled, earn a postsecondary credential, and become strong contributors to the American workforce. A permanent federal emergency aid program is a worthwhile solution for helping students cover unanticipated expenses that arise during their program of study.

While the HEERF grant aid program originated from new, one-time appropriations, policymakers can look to transform existing funding streams to finance a future emergency aid program, such as the Federal Supplemental Educational Opportunity Grant.<sup>4</sup> A strong federal investment in an emergency aid program informed by the lessons learned from pandemic higher education relief funds that helped millions of students stay enrolled proves how a little help goes a long way in supporting the needs of today's students.

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## Acknowledgments

Today's Students Coalition (TSC) sits at the heart of a diverse group of the nation's leading policy and advocacy member organizations, affiliates, and student advocates united for impact on federal policy changes that better serve today's students. The Coalition is dedicated to forging the future of higher education through bipartisan initiatives focused on the needs of learners who are working adults, parenting students, military-connected, and first-generation students.

Policy positions of TSC represent the prevailing viewpoints of its membership and

do not necessarily reflect the viewpoints and perspectives of all individual members.

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TSC would also like to acknowledge the dedication and determination of those at the heart of all our work — today's students.

To learn more about TSC's work, visit [www.todaysstudents.org](http://www.todaysstudents.org).

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<sup>4</sup> McKibben, Bryce. "Making College Financial Aid Flexible and Responsive: The Case for Further Federal Investment in Emergency Grants." The Hope Center for College, Community, and Justice. August 2023.