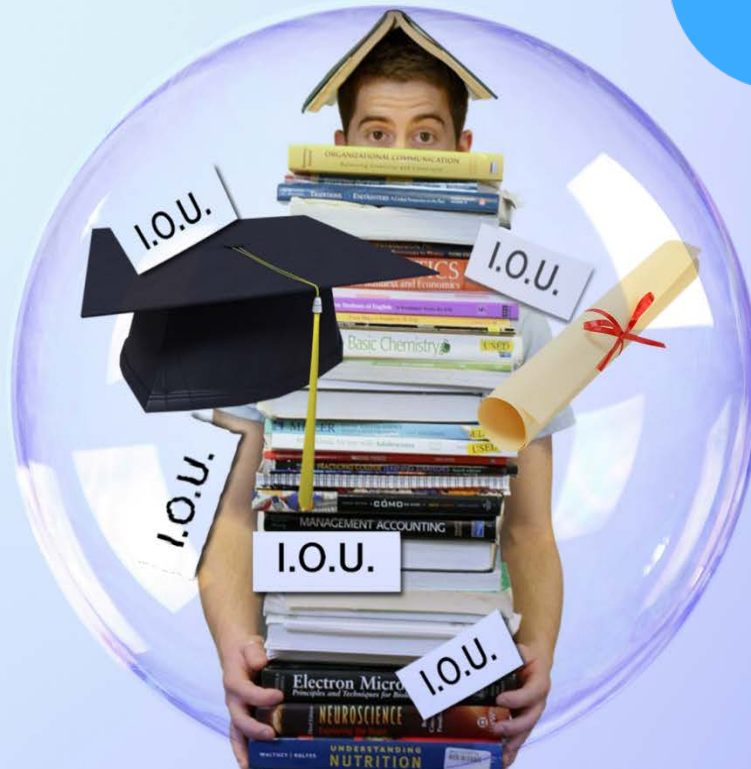# An Examination of College & University Emergency Loan and Gift Programs

By Ben Falter & Amanda Turnley
HECMA Strategic Operations Committee

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CASE MANAGERS
ASSOCIATION

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Introduction

While attending college students often experience unforeseen situations that have a financial impact, such as a loss of income or change in living situation. These situational economic crises can often be 'make or break' for students who do not have enough of a fiscal safety net in place directly from their own savings, current loan offers, or through their family. It is at times like these that case managers often are involved and helping guide students to on-campus resources that might provide interim support to help them so they can continue to focus on their educational journey without delay.

Institutions of Higher Education (IHEs) are lending a new focus to assisting students in economic crisis, creating new and adjusting existing Programs so that students can maintain student status and make it through the situation vs having to drop out for the term and/or not graduate. Case managers have been pivotal at many of institutions in helping with such Programs and in some cases is a formal part of case management roles. For this reason members of the HECMA Strategic Operations Committee wanted to survey the field to establish common practice for those institutions which are looking to perform a self-review or start a new Program.

Survey Implementation & Limitations

The data from this report came from a survey sent by the HECMA Strategic Operations Committee. Survey results were analyzed by Amanda Turnley of Emerson College & Ben Falter of San José State University. Special thanks to Paul Tongsri to spearheaded the survey implementation. The survey sent on the HECMA listserv was open from February 23rd-March 9th and was distributed on Qualtrics from North Carolina State University. The survey garnered 88 Respondents with 80 completing the full survey. When reviewing the results please keep in mind that the survey was distributed to members of HECMA to discuss the offerings they provide in relation to Gift & fund Programs. The survey was limited in scope in that only IHE that are members of HECMA had the opportunity to participate, and there may be HECMA membership who might not be aware of such campus Programs on their campuses.

Opportunities for the Future

In looking at this survey, we recognize potential enhancements for future analysis, including investigating more thoroughly into how money is given to students and how IHE track data around usage of these programs. HECMA values feedback of its members and if you have thoughts or ideas about this report or future implementation, please submit your feedback to HECMA's Operations and Strategic Planning Chair at operations@hecma.org.

Suggested Citation

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Emergency Loan Programs

For the implementation of this survey, a Loan Program was defined as an emergency fund Program in which participants are provided money and must pay back the amount provided (sometimes with interest). The term 'Loan Program' in this report refers to those emergency Loan Programs. We asked questions ranging from the offices associated with the administration of the Programs to average loan amounts, repayment terms/fees, and the role of the case manager in the process.

Office and Role

The most common office for Loan Programs to be housed in was a Financial Aid or Scholarship Office (45.7% of responses) with the next most common office being a Non-Clinical Case Management or Dean of Students Office (34.3%) of responses. Given that these are both offices focused on supporting students and providing resources for students, it is recommended that an office of one of these types manage a Loan Program.

A majority of respondents were not managing the process and just referring students to the Program (67.6% of responses) with the next most common role being overseeing the entire Loan Program process (referring students to the Program, administering and making decisions) (29.7% of responses).

A correlation that we found was that the vast majority (93.6%) of the respondents who indicated that Loan Program was housed in the Financial Aid or Scholarship Office also were not managing the process, only referring students to the Program. Alternately, of the respondents who indicated that the Loan Program was housed in a Non-Clinical Case management or Dean of Students Office, they also were mostly managing the full process of referring students, administering and making decisions (91.7%).

> ✓ **Recommendation:**
>
> *Either a Financial Aid/Scholarship Office or a Case Management/Dean of Students Office should house a Loan Program. Both of these offices should work closely together for the Program to be successful.*

Case Manager Role in Loan Programs

- Referral
- Refer and Administrator
- Refer, Administer and Decision Making

30%
3%
67%
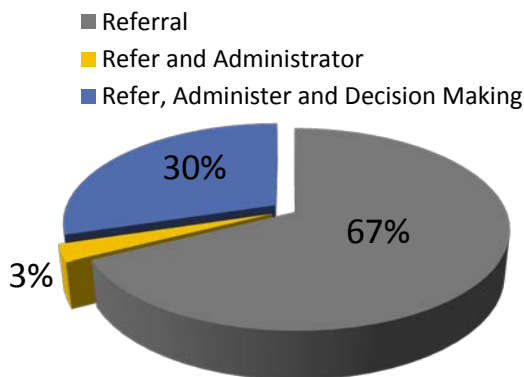
Based on this data we recommend that Loan Programs be fully managed by a Case Manager if the Program is housed in the Non-Clinical Case Management or the Dean of Students Office. In this situation we recommend that the Case Manager work closely with the Financial Aid/Scholarship Office in order to understand the intricacies of how the financial side of the loan might work. If the Program is housed in the Financial Aid or Scholarship Office, it is recommended that Case Managers serve in a referral capacity only. In this scenario we recommend that the Case Manager work closely with the Financial Aid/Scholarship office to ensure their understanding of the holistic nature of what the student might be experiencing when financial decisions are made.

How Much and How Often

While the requests for funding from students vary depending on individual circumstances, we see that there is a consensus in terms of the median amount institutions are providing as part of their Loan Programs. Respondents shared their IHE provides loans as small as $50 and some up to $20,000. More than half of respondents (53.3%) indicated that the maximum amount of a Loan that a student could receive is $500; which is a good benchmark point to consider when starting a Loan Program.

$500 Median Loan Amount

$50 $500 $700 $1,360 $2,000 $20,000
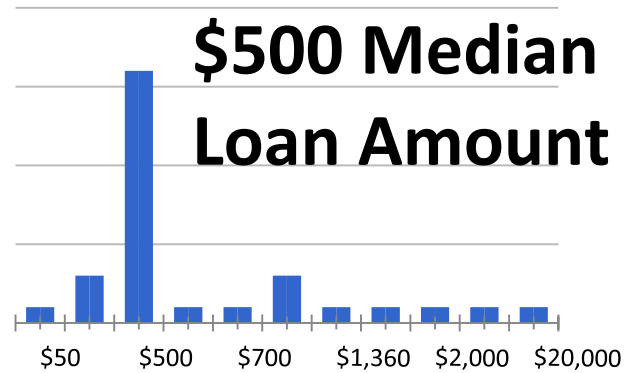
The responses were fairly split regarding how frequently students could request loans, between one time per academic term and no limit.

How Often a Student Can Request Funds

Other 11%

One time per academic term 41%

No Limit 48%
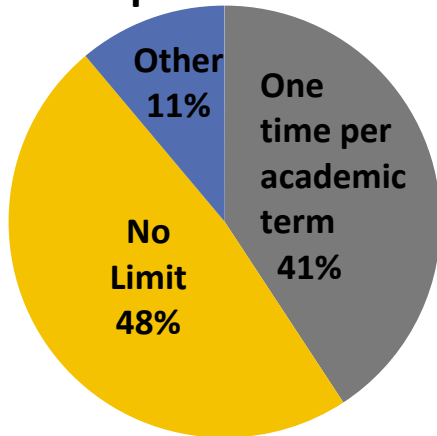
The most common responses regarding length of time for repayment of loans were either one month (34.4%) or until the end of the semester in which the loan is disbursed (31.3%).

The data did indicate a general correlation that the more students were permitted to borrow as a Loan, the longer they had to pay back the loan.

While some institutions do charge interest (1-2%) or have administration fees ($15-25) associated with the Loan Programs the majority (80.0%) do not.
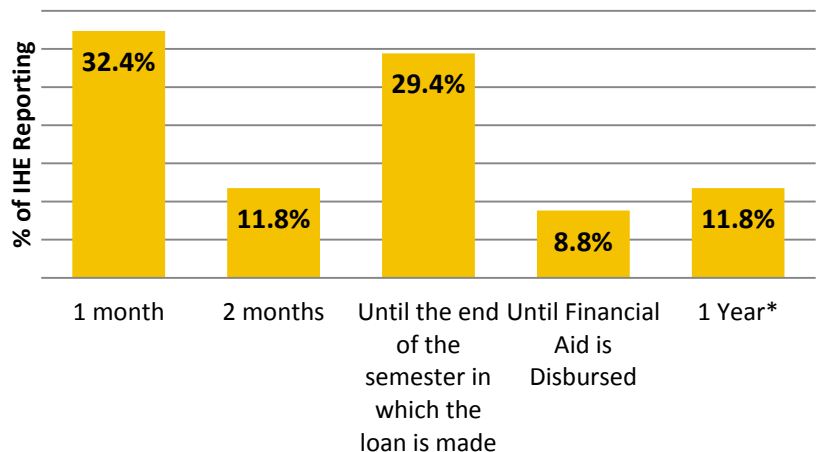
✔ **Recommendation:**

$500 is a good starting amount as a loan maximum. Consider amount of the loan when thinking about the loan repayment period.

Loan Repayment Period

% of IHE Reporting

32.4%	11.8%	29.4%	8.8%	11.8%
1 month	2 months	Until the end of the semester in which the loan is made	Until Financial Aid is Disbursed	1 Year*

Emergency Gift Programs

For the implementation of this survey, a Gift Program was defined as an emergency fund Program in which participants are granted money which they are not expected to pay back. The term 'Gift Program' in this report refers to those emergency Gift Programs. Our survey asked similar questions of Gift Programs as the loans and expanded into the review process for such requests, documentation requirements, sponsorship, advertisement, permitted/restricted uses of the funds, and additional CM services.
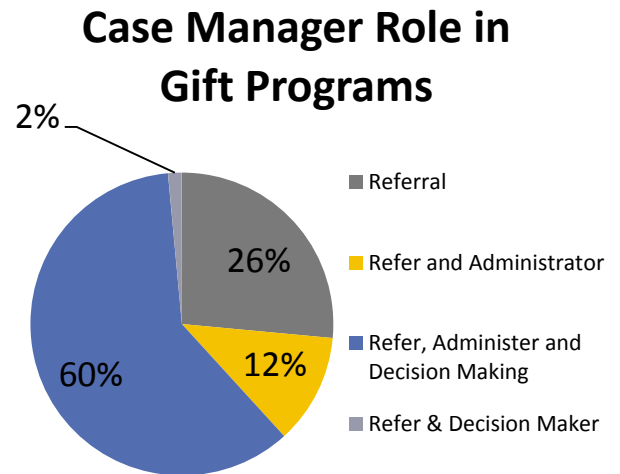
Office and Role

When we asked what office administers the Gift Program we see that the role of case managers is integral. With 70.59% of respondents sharing that Non-Clinical Case Management or Dean of Students Office administered the Gift Program. Financial Aid or Scholarship Office (7.35%), Development or Fundraising Office (5.88%) also had multiple responses.

The role the case manager plays in the Gift Program appears to be substantial. In 60.3% of the cases we see they help with the full implementation from referral, decision making and administration.

Case Manager Role in Gift Programs

- Referral
- Refer and Administrator
- Refer, Administer and Decision Making
- Refer & Decision Maker

2%
26%
12%
60%

✔ *Recommendation:*

Case Managers should usually be a part of the decision making process in Gift Programs if possible.

The second highest percentage is of those CMs who only refer to the Program. We would encourage IHEs to examine the structure of their Program, and if a CM is not part of the decision making process to review whether adding a CM perspective to decision making might be helpful.

How Much, Advertising and Process

Gift Programs have varied amounts ranging from $50 to $20,000 with the most prevalent being a $500 amount (32.1%).

Median Gift Amount of $500

32.1% giving $500

| $0 | $50 | $150 | $200 | $250 | $300 | $400 | $500 | $600 | $750 | $800 | 1000 | 1500 | 2000 | 2500 | 4000 | 5000 | 20000 |
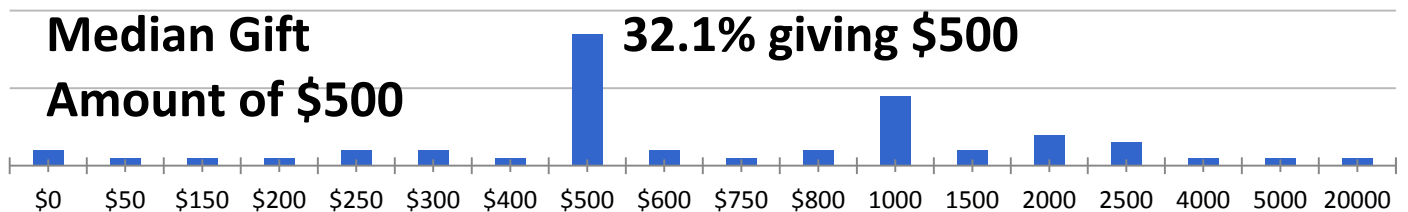
Advertisement of Gift Programs varied greatly; which has obvious implications for students ability to have knowledge of and be able to access funds. Our survey found that just over a 1/3 (32.4%) of responding institutions have a widely advertised (to students and staff) Gift Program; with a 1/4 (25.0%) advertised just to staff, and a large portion (42.6%) of IHE who have chosen to have only select offices be aware of the Program.

Advertising Model of Gift Programs

- Widely Advertised- both students & staff — 32%
- Advertised to staff — 25%
- Not advertised widely - only select offices are aware it exists — 43%
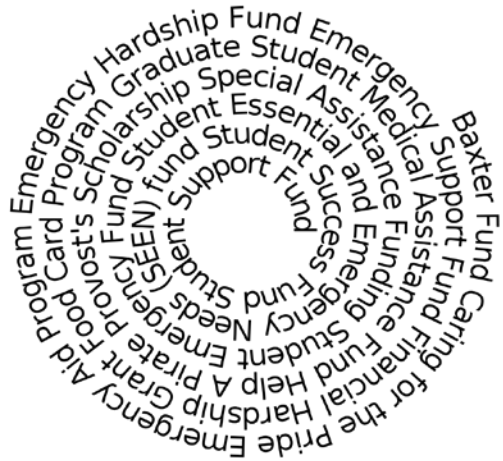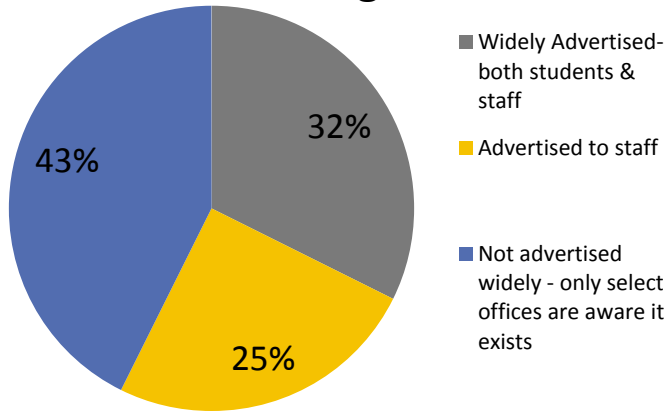
Institutional specific names were common for such Gift Programs. We found the most common name (49.38%) being "Student Emergency Fund" and many funds containing the words Support, Emergency, Success, Caring, Hardship, Assistance, and Scholarship.

Once a student is aware of the opportunity for such Gift Program funding IHE have different methods for the process to move forward. Some are more formal than others, may involve in person discussions, online submissions, etc. The chart here shows that there is not majority in any particular set of procedures. Written applications (such as an online form) were part of the process for 43.64% of the respondents. Meeting with a designated staff member (such as a case manager) to evaluate their individual financial needs was true for 47.27% of respondents. Allowing for verbal only requests are not recommended as it could lack documentation or lead to questions of consistency.

✓ *Recommendation:*

Process should include at least a written application and/or meeting. Record-keeping and consistency are important!

Required Steps to Obtain Gift Funds

Note: Individuals coulds select all that apply. Results do not equal 100%

Verbal Request	Written Application	Verbal Request & Meeting	Written Application & Meeting	Meeting	Verbal Request, Written Application & Meeting
0.91%	14.55%	4.55%	26.36%	12.73%	2.73%
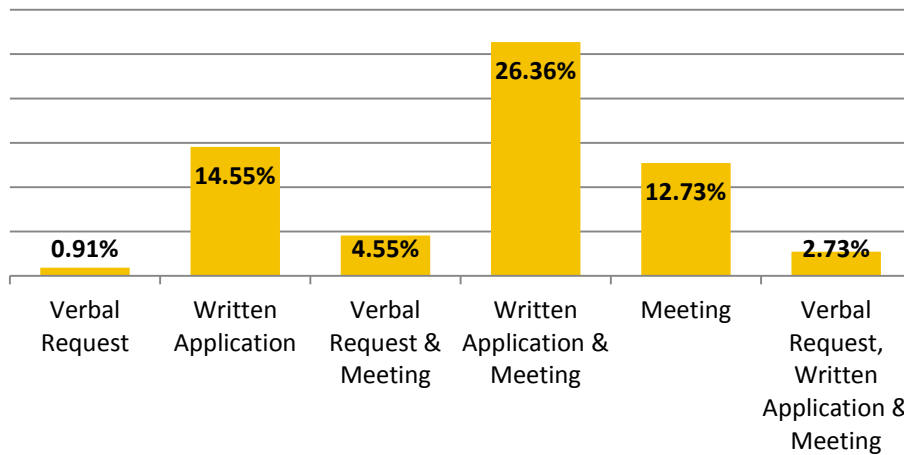
Seven IHEs reported that they required referrals or "sponsorships" by a staff member for a student requesting an Emergency Gift. In all of these instances, the school either only advertised the Program to staff or to select offices only, and only one of the seven IHEs had a public website for their Program. While this is a small sample size, we infer that at these institutions students are

only made aware of the Program through staff, and thus these staff are providing the "referrals." It is unknown whether this means a formal "letter of support" or just a verbal referral.

We asked respondents if students are required to provide specific documentation for the costs to be funded through the Gift Program (e.g. receipts, estimates, etc.) to which 44.1% said yes, 22.1% said maybe and 33.8% said no. There are a variety of reasons that IHE may purposely choose to ask for documentation and why they do not.   Documentation can help provide validity to the situation (showing an estimate of repairs on a vehicle/apartment/house, police report with a listing of stolen/damaged items, medical bill, etc.). Some documentation is designed to verify the appropriate use of the funding (receipt for rent/deposit paid, new laptop, textbooks, etc.).   Further, some institutions do not ask students for verification documentation as they are directly providing the funding to the source (placing additional funds on a student account, paying for the books directly in the bookstore, writing a check to the landlord, etc.). At least one IHE purposely pads the Gift funding allotment to help with other mitigating factors so that it gives the students a little more to work with (i.e. moving their back account beyond $0 and actually into the black); for them to ask for verification of usage documentation would then highlight that aspect.

Additional Services Offered to Students via Gift Program
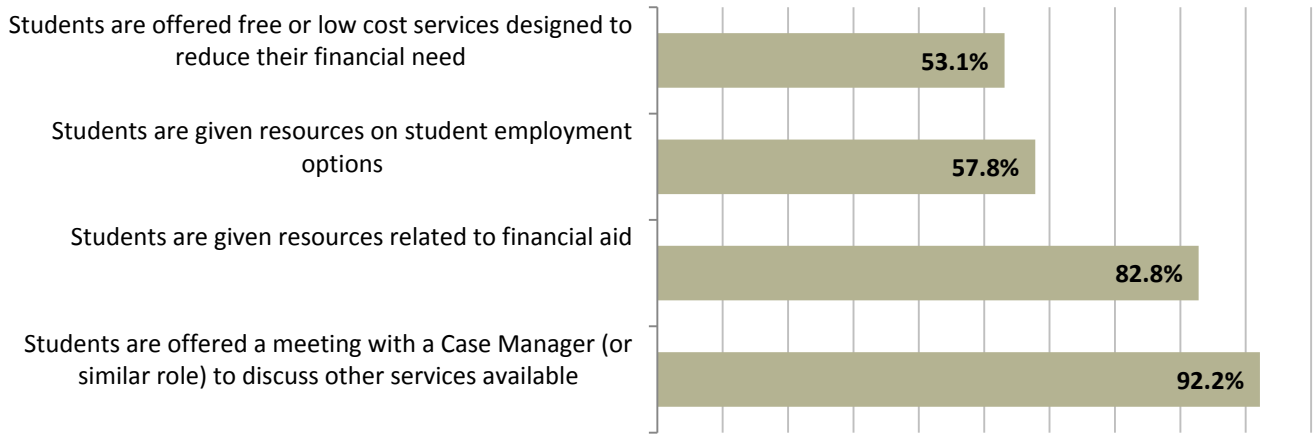
A case manager's integration into offering additional services appears to be vital; the vast majority (92.2%) respondents show that students are offered a meeting with a CM. Looking at previous statistics from this report we can understand that the CM might have already been working on those conversations with students which lead to them being considered for the Gift Program. Likewise 82.8% of students are given resources related to financial aid (this could be workshops, FA reviews, etc.). Discussion of student employment (57.8%) and offering free or low cost services to reduce financial need (53.1%) are also common.

Obstacles

Obstacles IHE when attempting to use Gift Programs

Note: Individuals coulds select all that apply. Results do not equal 100%

61.3%	19.4%	50.0%	21.0%	9.7%	8.1%
Funds for certain purposes count against a student's financial aid package (i.e. future financial aid might be reduced by the amount gifted)	Funds are prohibited from being used to pay for "cost of attendance" needs (books, fees, rent, etc.)	Inadequate funds or lack of sustainable revenue source for future gifts	Lack of access to or relationship with potential donors (or development office)	Lack of support from other units on campus for use of funds	Lack of overall institutional support

The chart above outlines the responses to what obstacles might exist for IHE when attempting to use Gift Programs. As you can see 50.0% cite inadequate funding or a sustainable source to fund such Programs; 61.3% show that funding might count against a student's financial aid package. Respondents also shared that internal Program or external grant funding requirements (such as 2.0 GPA to apply) might be cyclical factor as many students in need have a low GPA and poverty/financial need is often a contributing factor.

Reasons for Use

Often Gift Programs prescribe what types of things the funds can be used for. Our survey outlined a number of items to find out what were the most frequent things that were Prioritized, Not Prioritized but allowed, and what funds could not be used for. The following chart outlines the responses in order from most frequently listed as prioritized to most frequently listed as not able to be used.

Prioritized Use of Funding

■ Prioritized ■ Not Prioritized (but allowed for funding) ■ Funds cannot be used for this purpose

100% 90% 80% 70% 60% 50% 40% 30% 20% 10% 0%

Food
Essential utilities (electric, gas, water)
Housing costs
Replacing belongings due to theft, fire, natural disaster
Mental Health costs
Medical costs
Travel home after sudden incident (e.g. death, illness)
Academic supplies (e.g. books, technology)
Safety and security needs (e.g. changing locks)
Prescription medicine costs
Travel to medical care
Travel to mental health care
Travel to obtain food
Health insurance
Tuition
Replacing belongings unrelated to damage or theft
Legal counselor or fees
Student fees
Campus club or organization costs (fees, etc.)
Non-essential utilities (internet, cable)
Parking fees
Non-essential travel costs
Study abroad costs
Entertainment or recreation costs

Websites

Respondents shared that only 43.2% of IHE had websites summarizing their Loan Programs; and only 34.8% summarizing their Gift Programs. We did not directly ask why people choose to have or not have a website, but recognize there could be multiple reasons from lack of resources to create, the Loan/Gift Programs might be more ad hoc and there hasn't yet been formalized language to post, or the difficulty in finding the proper balance of word choice (i.e. these are Programs for students in unforeseen situations vs free money offers).

It is recommended to have some level of transparency about the offerings and process listed on your website and/or in other institutional apps.

Notable websites

The following websites were reviewed and give a good starting place if you are looking to give more clarity on your institution's website about the procedures and options available for student surrounding emergency funds & gifts.

- http://fdltcc.edu/emergency-aid-program (Fond du Lac Tribal and Community College)
- https://bamacares.sa.ua.edu (University of Alabama)
- https://www.albany.edu/studentaffairs/emergencyfund.shtml (University at Albany)
- https://odos.unc.edu/student-support/student-emergency-fund (UNC Chapel Hill)
- https://dos.uiowa.edu/assistance/student-support-initiatives   (University of Iowa)
- https://www.grinnell.edu/about/offices-services/student-affairs/student-assistance/emergency-fund (Grinnell College)
- https://deanofstudents.boisestate.edu/student-emergency-fund (Boise State University)
- http://louisville.edu/dos/help/studentemergencyfund (University of Louisville)

✔️ *Recommendations:*

- **Transparency/ Advertise -** Ensure that your Gift & Loan program options are listed on institutional websites & apps, linked from appropriate offices.
- **Simple Short URLs -** Have your IT department create a redirect link so it you can advertise with a simple address like sjhu.edu/emergencyfunds or sjhu.edu/emergencyassistance/ vs http://www.sjhu.edu/student_services/dos/emergency_funds.html
- **Process Description -** Gives students an understanding of the steps and timeline of the process.
- **Online Submissions -** The ability to complete a brief online request form directly. The ability to attach documentation is helpful here as well.
- **Funding Usage -** Describe examples of success stories and appropriate request categories. Also, if you have areas you absolutely cannot consider share some of those.
- **Opportunities to Donate -** Consider providing a means or contact information for those who would like to contribute funding for your Gift Programs.

Additional Resources to learn more

- https://www.naspa.org/rpi/reports/landscape-analysis-of-emergency-aid-programs - Landscape Analysis of Emergency Aid Programs
- https://scholarshipamerica.org/dreamkeepers/ - a handful of schools ran their Programs through this organization, so we thought it was worth noting. We have no information on how effective this organization is or aspects of how it works.

Conclusion

In our role as Case Managers we are typically working with students who are navigating a difficult time in their life, and sometimes an unforeseen financial crisis may be a part of that challenge. As we help students navigate resources of support, it is clear that having a way to assist students financially, whether through a Loan or Gift Program is not only impactful but can be critical to some students' ability to continue their college career. While as we saw through this survey there are many different approaches to these Programs, we encourage IHEs who may not have a financial hardship emergency funding Program to consider starting one in order to further your ability to assist students in need.

Appendix A: Loans & Gifts Compared

For those interested in having a view of some of the gathered statistics between both Loan and Gift Programs offered this appendix will display some of the commonalities and differences.

Office Administering the Loan and Gift Programs

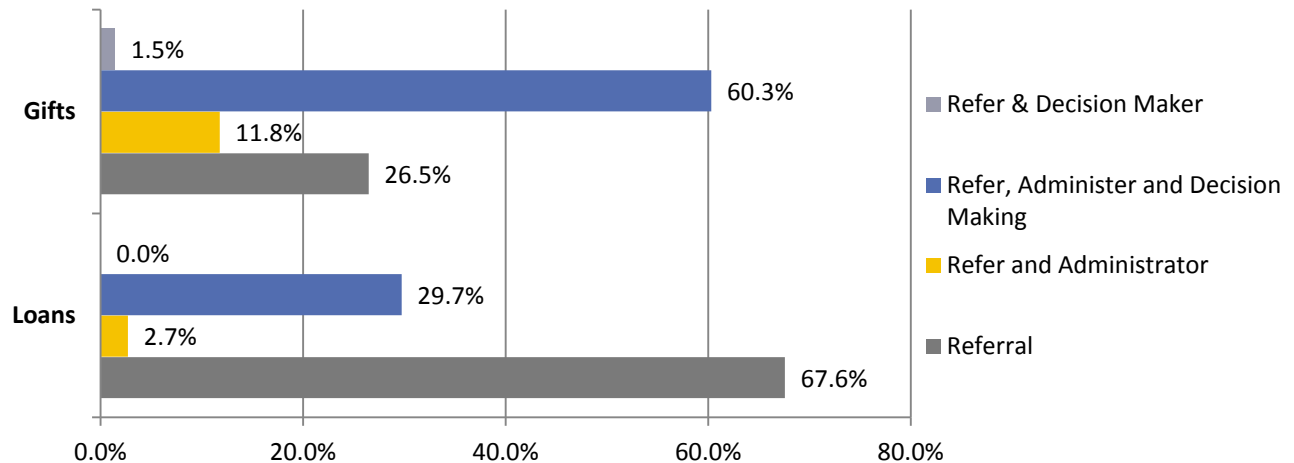- Cashier's Office or Bursar Office
- Development or Fundraising Office
- Financial Aid or Scholarship Office
- Non-Clinical Case Management or Dean of Students Office
- Office or unit dedicated to supporting students in financial need
- Student Involvment/Development

Loans: Cashier's Office or Bursar Office 11.4%, Development or Fundraising Office 2.9%, Financial Aid or Scholarship Office 45.7%, Non-Clinical Case Management or Dean of Students Office 34.3%, Office or unit dedicated to supporting students in financial need 0.0%, Student Involvment/Development 5.7%

Gifts: Cashier's Office or Bursar Office 1.6%, Development or Fundraising Office 6.5%, Financial Aid or Scholarship Office 8.1%, Non-Clinical Case Management or Dean of Students Office 77.4%, Office or unit dedicated to supporting students in financial need 3.2%, Student Involvment/Development 3.2%

Case Manager Role in Loan and Gift Programs

Legend:
- Refer & Decision Maker
- Refer, Administer and Decision Making
- Refer and Administrator
- Referral

Gifts: Refer & Decision Maker 1.5%, Refer, Administer and Decision Making 60.3%, Refer and Administrator 11.8%, Referral 26.5%

Loans: Refer & Decision Maker 0.0%, Refer, Administer and Decision Making 29.7%, Refer and Administrator 2.7%, Referral 67.6%

Frequency student can use Loan and Gift Programs

Legend:
- Yes - one time use per academic term (gray)
- No Limit (yellow)
- Other (blue)
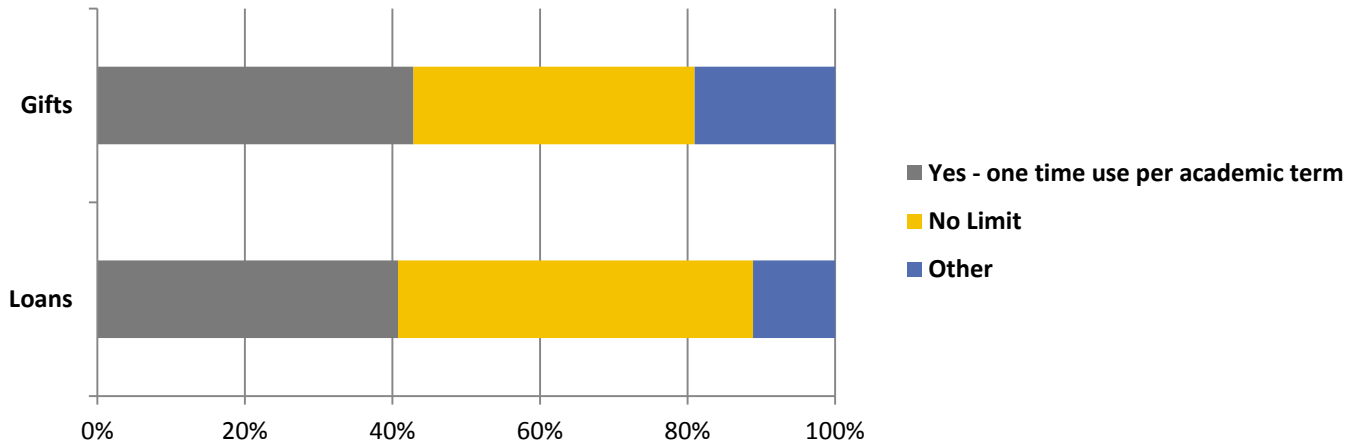
Types of Gift & Loan Programs at IHE

Y-axis: # of Respondent IHE

	Public 4-year institution	Private 4-year institution	Community College	Vocational or Trade School
Gift & Loan Programs	14	6	1	1
Gift Program	29	12	4	
Loan Program	8	5		