

# 2012-2015 Emergency Grant

Closing Report and Best Practices | February, 2016

# A Case for Emergency Grants

College has never been so important for students and their families. Obtaining a postsecondary credential is now the central pathway to economic security, and so more high school graduates than ever before are enrolling in college.

Unfortunately, the college prices they confront have never been so high. Expenses associated with tuition, fees, books, supplies, transportation, medical care, and living costs add up fast, and even at public 2-year and 4-year colleges and universities they far outstrip students' available resources. Financial aid is provided to some students but it often falls short—many students with financial need are ineligible, and the money provided is often far too little, far too late. As a result, confronted with bills for rent or car repairs that they cannot cover, even the most devoted and talented students may have to leave school to focus on work.

Our research at the Wisconsin HOPE Lab suggests that emergency grant aid programs have the potential to effectively address this challenge, helping keep students in college. In surveys across Wisconsin and at community colleges around the nation, we find large numbers of undergraduates struggling with hunger and even homelessness. Students indicate that just-in-time financial assistance provided by trustworthy service providers at their colleges is needed and welcomed. We also find that improving students' financial positions in college leads to higher graduation rates. By complementing the existing financial aid system, and helping to compensate for some of its key weaknesses, emergency grants can help ensure that students have their basic needs met so that they can focus on their education.

## **Sara Goldrick-Rab**

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# The \$500 Fix

At Ascendium we're focused on helping low-income, first-generation and students of color complete college degrees and certifications. Traditionally, these students have the most to gain from earning a credential, but face the steepest challenges in getting there.

Sometimes these students need large scale interventions to assist them. Other times only a small boost.

So in 2012 Ascendium committed nearly \$1,500,000 to fund our first ever emergency grant program. Over the three year grant period, each of the 16 colleges in the Wisconsin Technical College System (WTCS) received funds to award to their students and to cover administrative costs. The amount available for student grants was supplemented by an institutional match of up to 25% of the grant amount provided by Ascendium.

We hoped to find out one thing: would making small grants to students facing unforeseen financial emergencies reduce the number of students who drop out?

In the process of helping nearly 2,700 students over the past three years we answered our initial question, and learned a lot more.

We learned the need is real.

While the story of every student helped is unique, there was a common theme: vulnerability. The threat that this could be the expense to derail their dreams.

These are not typically large expenses. But even so, they can still put low-income students in a serious bind—having to choose between staying in college or paying their bills. Through this program, WTCS colleges were able to provide relief with grants averaging around \$500.

- An accounting major thought he'd have to put his education on hold after a house fire devastated his family. He received a grant to purchase clothing and household items to replace what they had lost, and help him focus on his coursework rather than the bills to be paid. Now he has an associate's degree and an accounting job.
- A single mother urgently needed to move her daughters out of an unsafe neighborhood, and moving expenses exceeded her budget. A grant covered her utilities bill and kept her on track to earn her associate's degree—and now she dreams of completing her four-year degree.
- During her first semester on campus, a mother's young son became very ill. She spent her utilities budget to cover an ambulance ride and hospital stay, gas money went for antibiotics. She paid the bills with a grant, finished up her general education credits, and will soon begin the physical therapy assistant program.
- A single-income family got behind on rent when the husband and wife both needed car repairs at the same time. The wife received an emergency grant to cover their rent payment. Soon after she completed the respiratory therapy program and the family relocated to begin her new career.

## We learned the results are encouraging.

School-reported data indicates that over the three years of our emergency grant program, 73% of Pell-eligible emergency grant recipients either graduated or remained enrolled. By comparison, the National Center for Education Statistics reports a 59% retention rate for all students at public two-year institutions.

And beyond the numbers, college administrators attest to successes of emergency grants on their campuses:

“The emergency grants we made were vital to keeping our most at-risk students enrolled during a time of crisis. As a small, rural college, reliable transportation is critical to our students’ success. More than 63% of the grants we made allowed students to make essential car repairs and receive transportation assistance. If our college hadn’t been able to meet the immediate needs of these students, I have no doubt that many of them would have dropped out.”

BARB TUCKER, Director of Institutional Advancement, Southwest Wisconsin Technical College

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“I have students tell me, ‘This has made the difference between me coming to class Monday or not.’ Many of our students have obstacles coming to college, even before they step foot in the front door. Every hurdle mounts up, so if we can just keep their path a little more clear, we just see greater student success.”

ALIESHA CROWE, Executive Director, Chippewa Valley Technical College  
Foundation & Alumni Association

Perhaps most importantly, we learned what makes a successful program.

For colleges looking to start a new program—or improve an existing one—here are Best Practices shared by our schools.

## Key to it all is creating institution-wide support:

Set the expectation across campus that the program is a priority and mobilize a team that can efficiently work across department lines to provide assistance as quickly as possible—to keep a student enrolled and progressing toward degree completion.

- 1 Actively promote the availability of emergency grants.** Advertise it in places where students will hear about it: orientation, intranet, social media, student services. Remember: being conservative and withholding funds over concern of “opening the floodgates” defeats the purpose of the program.
- 2 Train faculty on the program and its benefits.** Coach them to identify and refer students they believe are at risk of dropping out due to a financial emergency.
- 3 Promote an affirming message to students.** Let them know it’s “OK” to apply for an emergency grant, and train staff to be sensitive to students feeling self-conscious asking for help.
- 4 Agree on a definition of “financial emergency.”** Build in flexibility where appropriate, so all applications are consistently and objectively reviewed.
- 5 Identify the root cause of a financial emergency.** Ask why students are short on money to pay the bill they present. For example, a student may need help paying a utility bill (which may be deemed ineligible because it is not an “unforeseen” expense) because they had a flat tire the week before and now lack money to cover the utility bill. Approving payment of the utility bill would get them back on track.
- 6 Coordinate seamless collaboration between student services, financial aid and business offices.** All three are critical to the process: from determining student eligibility, to reviewing applications, to paying the emergency expenses.
- 7 Make the intake process timely.** Promptly determine student eligibility and then approve or decline applications within a day or two of receipt.
- 8 Streamline administrative functions for responsiveness.** As an example, the business office should issue checks within 48 hours of an application being approved, even if this results in a change in the standard check issuing policy.
- 9 Address chronic financial emergencies.** For issues like homelessness and hunger direct students to services that can provide long-term support.
- 10 Develop detailed training documentation.** In the event of staff turnover this helps assure uninterrupted program continuation.
- 11 Fundraise actively to assure program sustainability.** Good news: We’ve heard from many colleges that raising funds for emergency grants is the easiest “ask” they’ve made. Donors easily understand the need and enthusiastically lend their support.
- 12 Connect with other colleges offering emergency grant programs.** Participating colleges told us repeatedly that sharing ideas with colleagues at other schools was key to promoting innovative thinking on their own campuses.

# Acknowledgements

Lastly, we wish to acknowledge the 16 colleges of the WTCS for championing our emergency grant program on their campuses and for being tireless advocates for the success of their students. Thanks to their thoughtful feedback over the past three years—via focus groups, webinars and one-on-one meetings—we’ve learned a lot. And we look forward to our findings helping colleges across the country.

## Wisconsin Technical College System

<b>Blackhawk Technical College</b> Janesville, WI	<b>Moraine Park Technical College</b> Fond du Lac, WI
<b>Chippewa Valley Technical College</b> Eau Claire, WI	<b>Nicolet Area Technical College</b> Rhinelander, WI
<b>Fox Valley Technical College</b> Appleton, WI	<b>Northcentral Technical College</b> Wausau, WI
<b>Gateway Technical College</b> Kenosha, WI	<b>Northeast Wisconsin Technical College</b> Green Bay, WI
<b>Lakeshore Technical College</b> Cleveland, WI	<b>Southwest Wisconsin Technical College</b> Fennimore, WI
<b>Madison College</b> Madison, WI	<b>Waukesha County Technical College</b> Pewaukee, WI
<b>Mid-State Technical College</b> Wisconsin Rapids, WI	<b>Western Technical College</b> La Crosse, WI
<b>Milwaukee Area Technical College</b> Milwaukee, WI	<b>Wisconsin Indianhead Technical College</b> Shell Lake, WI

## About Ascendium:

Elevating opportunity through  
the power of higher education since 1967

Ascendium Education Group (formerly Great Lakes Higher Education Corporation & Affiliates) is the nation's largest federal student loan guarantor as well as a leading higher education philanthropy and provider of student success services for postsecondary institutions. Founded in 1967, Ascendium provides information, tools and counseling to millions of borrowers nationwide, helping them avoid the consequences of default and keeping the door to re-enrollment open. Ascendium's philanthropy program funds initiatives aimed at exploring, validating and scaling evidence-based strategies for overcoming systemic obstacles to completion of postsecondary education, particularly for students from historically underserved populations. All of Ascendium's operations are grounded in the belief that every individual has potential to contribute meaningfully to their community and society. We work to unleash that potential through the power of higher education, and to eliminate barriers that stand in the way of its fulfillment.

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