PRINCIPLES FOR PANDEMIC RELIEF
Maximizing the Impact of Higher Education Emergency Relief Funds (HEERF) for Students

Policy Brief no. 2 - June 8, 2021

In response to the COVID-19 pandemic, Congress allocated three rounds of financial relief, generally referred to as the Higher Education Emergency Relief Fund to support students and institutions of higher education during the ongoing pandemic. The latest round of funding comes with significant improvements that make it easier to direct funds to all students with financial need. Additionally, the U.S. Department of Education (ED) issued guidance that will allow institutions to distribute aid and address costs and lost revenue incurred from the pandemic.

The Hope Center has developed this guide to provide institutions with support and guidance around how to deliver these funds in ways that address basic needs insecurity and reach marginalized, minoritized, and low-income students.[1] We focus on key areas for consideration, including:

- HEERF Funding, Background, and New Expanded Eligibility
- Assessing Need and Identifying Recipients
- Prioritizing Students and Bringing Students Back
- Timing and Outreach Strategies
- Creating a Culture of Caring for Students

THE HIGHER EDUCATION EMERGENCY RELIEF FUND BACKGROUND AND NEW EXPANDED ELIGIBILITY

HEERF Funding History and Allocations

Through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and now the American Rescue Plan (ARP) Act, Congress and the Department of Education have allocated nearly $78 billion to support higher education through the Higher Education Emergency Relief Fund (referred to as HEERF I, II, and III, respectively).[2]

A substantial portion of each round of HEERF funding has been earmarked for emergency grant aid. Half of the $14 billion awarded through HEERF I was required to be allocated to direct emergency grants to students. While HEERF II allocated a larger pot of money–nearly $22 billion–than had been available through HEERF I, institutions were only required to spend the same amount on direct aid to students as they did under HEERF I. An additional $40 billion has been released through HEERF III, which restored the requirement that institutions use half of the funding for emergency aid, with the other half able to be used for institutional costs and lost revenues related to the pandemic.

New Guidance Expands Eligibility to More Students

Initially, HEERF I emergency aid funds could only be allocated to students who were eligible for Title IV financial aid. While HEERF II guidance provided institutions with greater flexibility in awarding financial aid when compared to HEERF I, HEERF III guidance published in May 2021 marks a significant and welcome shift in terms of ensuring all students, including those who are not are eligible for federal financial aid, have their education supported.

Specifically, students who are eligible for HEERF aid includes:

- Undocumented students and Deferred Action for Childhood Arrivals (DACA) recipients
- Those unable to fill out a Free Application for Federal Student Aid (FAFSA)
- Those enrolled in dual-enrollment programs
- Non-degree seeking, non-credit, and continuing education students
- Students who have left school anytime, and for any reason, since March 13, 2020.

Through current guidance and clarifications issued in March, ED has also clarified how best to use funds to help students stay enrolled and meet their basic needs.

Emergency Aid is not Title IV Aid

The Department of Education has now made clear that funds received through HEERF are separate from Title IV financial aid and are meant to provide students with maximum allowable discretion on how they use their funds. This allows institutions to focus on addressing basic needs insecurity whether or not those needs are considered a part of a student's cost of attendance. ED has explicitly stated that funds can be allocated to students who have experienced *"significant unexpected expenses, such as the loss of employment (either for themselves or their families), reduced income, or food or housing insecurity."* Funds can be used for any component of a student's cost of attendance or for emergency costs such as food, housing, health care (including mental health care), or childcare.

Students can also apply additional emergency aid dollars to discharge student debt or unpaid account balances. The Department of Education recommends that institutions use the institutional (or non-emergency aid) portion of HEERF funds to discharge student debts, so students can access transcripts, re-enroll, or even transfer to another institution.

HOW TO ASSESS NEED AND IDENTIFY RECIPIENTS

Federal relief funds are designed to address expenses associated with a student's ability to attend college, including—food, housing, course materials, technology, health care, and child-care expenses, or for "any emergency costs that arise due to the coronavirus."

Institutions are encouraged to prioritize funds for students with the greatest financial need while also recognizing that relying on a student's FAFSA is often an insufficient proxy for this purpose. Institutions should, if possible, avoid using FAFSA data or solely targeting Pell Grant recipients for emergency aid.

The Expected Family Contribution (EFC) generated by the FAFSA underrepresents a substantial amount of need and thus may miss many students who need relief. Students' financial situations have changed dramatically since the ongoing pandemic, meaning FAFSA data may also be outdated or irrelevant. Further, many students, including undocumented, LGBTQIA, first-generation, and low-income students may not have a FAFSA on file, and student need extends well beyond those who receive Pell Grants.

In terms of identifying recipients and distributing funds, a universal distribution of funds may be appropriate in contexts where need is widespread and acute among students. In these circumstances a rationing mechanism would be required to spread funds over time and target them to students who will most benefit from them. Institutions have several options for deciding which students to prioritize for support:

- **Most Effective: An application that assesses whether the student is facing *conditions* or *circumstances* that necessitates additional supports due to the pandemic.** *This is our preferred option.* #RealCollege surveys and a wide body of research provide insights into what could be assessed and prioritized. Consider which students are enduring food or housing insecurity, or have children, are from minoritized communities, or are LGBTQIA or system impacted. The application used by Edquity is an excellent example.[3]

- **Moderately Effective: An application asking students to check off the problems they have faced due to the pandemic**. This may be a common approach, but it is likely that some students will be unsure whether or not their problem was caused by the pandemic, and *miss out on support.*

- **Least Effective: An independent complex application process to gather students' current financial circumstances.** This is *inadvisable,* as it will create administrative hassles that keep many students from the support they badly need.

For example, several schools including Dallas College and Compton College partnered with Edquity, an emergency aid company, for support. Edquity uses an evidence-based approach to rationing funds aligned with evidence like that from the *New England Journal of Medicine*: "In the face of time pressure and limited information, random selection is preferable to trying to make finer-grained prognostic judgments within a group of roughly similar patients."

This approach is preferable to a "first-come, first-served" model, which exacerbates existing financial and educational inequities. Instead, prioritize and randomize when the supply of funds is inadequate to serve all similarly prioritized people. New preliminary evidence from the emergency aid program at Compton College that partnered with Edquity suggests that students who receive timely emergency aid are more likely to persist and graduate at higher rates than students who do not receive emergency aid.

We encourage institutions to trust a student's ability to self-identify what expenses they must cover to maintain their enrollment. For example, Amarillo College and the Alamo College District use an application where students are asked to self-report their level of hardship, while Dallas College, Western Governors University, and others use a research-driven short application provided by Edquity that assesses a student's material conditions.

PRIORITIZING STUDENTS AND BRINGING STUDENTS BACK

Based on our research, we recommend using an emergency aid application that assesses whether the student is facing conditions or circumstances that make campus supports important and closures due to the pandemic especially problematic. Our #RealCollege surveys, along with a growing body of other research, provide insights into what could be assessed and prioritized. Pay close attention to the following groups of students who may be particularly impacted by campus closures or other disruptions, including:

- Students who are enduring food or housing insecurity
- Parenting students and those caring for family
- Students from minoritized communities
- LGBTQIA students
- System-impacted students

Many students have stopped attending college as a result of the pandemic. Many of those students might be in a position to re-enroll if colleges can assist them with their basic needs, or by clearing an institutional bill.[4] Institutions are encouraged to use the institutional portion of their HEERF allocation to re-engage and re-enroll students who may have dropped out for any reason since the onset of the pandemic in March 2020.

Funding may be used for academic, mental health, and other supports that help students stay enrolled or other activities that may smooth the transition back to school for students who have left. Federal relief funds may not be used for advertising or marketing, nor made a condition of enrollment. We encourage institutions to leverage this opportunity to expand or create programs that improve basic needs such as food, housing, and childcare that support students' ability to focus on learning.

Helping students re-enroll is in the best interests of students and institutions. Now is the time to reach out to those students, re-engage them, support their basic needs, and get them back into classes. Led by President Keith Curry, Compton College is considering multiple creative options for re-engaging their students and getting them re-enrolled.

Cancelling Institutional Debt

Additionally, institutions are strongly encouraged to cancel institutional debts or unpaid account balances for students who may have faced financial difficulty during the pandemic, either by "discharging the complete balance of the debt as lost revenue and reimbursing themselves through their HEERF institutional grants or by providing additional emergency financial grants to students."

Delaware State University, for example, announced that it would use HEERF III funds to cancel over $700,000 in student debt for over 200 recent graduates who faced financial hardship due to COVID-19. Elizabeth City State University announced that it would wipe out all institutional debts for those who had an outstanding balance on student accounts between fall of 2020 and spring of 2021. Evidence also suggests that institutional debt forgiveness programs that encourage re-enrollment are successful at reengaging students and are beneficial to institutional bottom lines as well.

TIMING AND OUTREACH STRATEGIES

With the release of HEERF III funds in May, and given the ongoing vaccination efforts and discussions about reopening campuses, institutions will need to consider whether and how long to stretch federal relief dollars. Institutions should consider how to cut checks in a way that maximizes the impact of the aid while also enhancing equity. Given the pandemic's trajectory so far, it seems likely that students will be facing emergency financial challenges well into the 2021-2022 academic year, and reaching out to students who have dropped out since March of 2020 may require additional time and effort.

In addition, students who apply first are not necessarily the most in need. In fact, students who apply for support earlier are often those already-advantaged by "college knowledge." We recommend an approach that focuses on substantial outreach, securing widespread and diverse applications before allocating resources. Our guide to emergency aid distribution has more suggestions on this.

It is also crucial to find ways to get aid to students quickly and efficiently. Our research on institutional responses to the pandemic indicates that, unfortunately, students waited up to 13 days to receive emergency aid under HEERF I, even though the optimal timeline is 2 days. Fortunately, institutions can use the institutional portion of HEERF II and HEERF III funds to improve the equitable impact of emergency aid design and delivery. We also recommend connecting students with existing public benefit programs such as SNAP and other supports to help leverage the cash aid provided by HEERF emergency grants.

In designing the approach, institutions should examine their communities' economic and health contexts along with enrollment. Dr. DeRionne Pollard, President of Montgomery College, urges college leaders to pay attention to which groups are not represented, especially students who have historically been marginalized.

> "We found that there were populations of students who we were not served, one group would be black male students. We saw that while they continue to have some of the lowest academic achievement metrics at Montgomery College. We found that we did not have adequate representation of those students as it came to them, receiving resources from our emergency funding."

Rates of COVID infection and unemployment are much higher for minoritized communities, and enrollment declines are most pronounced for those students and male students in particular. Even as economic conditions improve, these groups will likely still face substantial need, and institutions should target these groups if such trends apply in the relevant community.

During the HEERF I distribution, we observed much greater use of technology for outreach and we recommend that universal approaches to messaging continue, with continued recognition that some groups of students may need additional outreach, as noted above. Share information about support on social media and websites, integrate it into the Learning Management System, and use direct emails and texts.

CREATING A CULTURE OF CARING FOR STUDENTS

Even before the pandemic many students faced significant challenges and barriers accessing and completing college. While the distribution of federal dollars requires meeting standards for compliance it is essential those requirements do not supersede a focus on care. We recommend the following:

- **Make it clear that support, both on and off-campus, is available to your community of students.** Post information widely about the availability of federal, state, and institutional funds to address student basic needs and financial hardship.

- **Reach out about financial aid appeals.** The American Rescue Plan Act requires institutions receiving HEERF III funds to inform students about their ability to appeal if their financial circumstances have changed. In the May 2021 guidance, ED clarified that institutions must directly communicate to students through email, phone, in-person, or other means. It is not sufficient to post opportunities to receive financial aid adjustments via the school website. This outreach should make it more likely that those who have been most affected by the pandemic will take advantage of the financial aid appeals process, and may receive additional Title IV aid in addition to HEERF funding.

- **Perform regular and comprehensive outreach.** Include information about available support in the syllabus and use other tools such as short surveys and strategic emails to check in on students regularly.

Russell Lowery-Hart of Amarillo College spoke to how an all-hands-on-deck approach showed students that they were cared for while CARES was being distributed:

> "Every employee had five to ten students they were assigned to check in on every week to make sure employees understood *what* was available to them was just as important as how it was communicated to our students because they're the glue. Our employees are what glued our students to these resources."

MAXIMIZING RELIEF FOR #REALCOLLEGE STUDENTS

Through the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act, and now the American Rescue Plan Act, Congress has helped address the unimaginable pain and disruption of the COVID-19 pandemic. The Department of Education has issued guidance that allows for more students to see relief and allows institutions to ensure all students are recognized and valued. We look forward to helping institutions maximize these funds in ways reach marginalized, minoritized, low-income students, parenting-students, and others.

Moving forward, we encourage ED and Congress to work together on other proven strategies to support and invest in #RealCollege students. For more on the Hope Center's policy and advocacy work, including our 2021 federal policy agenda, please visit: https://hope4college.com/realcollege-policy-and-advocacy/

Authorship: [Eddy Conroy](#), [Sara Goldrick-Rab](#), [Carrie Welton](#), and [Mark Huelsman](#). For questions or support related to this brief you may email Carrie Welton, Director of Policy & Advocacy, at [carrie.welton@temple.edu](#).

NOTES

[1] Last spring, The Hope Center issued recommendations for [emergency grant programs](#) that use philanthropic and/or institutional dollars; this guide offers additional guidance for distributing HEERF II dollars. We draw on our latest research on emergency aid, conducted during the pandemic, in shaping this guidance. We also draw on the wisdom of college leaders, including those who participated in our [recent webinar on Scaling Emergency Aid](#): Russell Lowery-Hart, President of Amarillo College; Keith Curry, President of Compton College; Pyeper Wilkins Vice Chancellor of Workforce and Advancement at Dallas College, and DeRionne Pollard, President of Montgomery College.

[2] For the purposes of this guide, we will broadly refer to funds distributed through the three rounds of relief funding as "HEERF" except when detailing or specifying changes, requirements, or observations from a specific allocation in HEERF I, II, and III.

[3] Disclosure: In addition to serving as Founding Director of the Hope Center, Dr. Goldrick-Rab also created the FAST Fund, a faculty-run emergency aid program operated by the nonprofit Believe in Students, and she is Chief Strategy Officer at Edquity, a private company also distributing emergency aid. Edquity's approach to emergency aid uses an algorithm that Dr. Goldrick-Rab developed based on her research. She is a paid consultant and holds stock in the company.

[4] Institutions need written consent from the student to use HEERF funds to clear an outstanding account balance.

For **College, Community,** and **Justice**

HOPE4COLLEGE.COM

FOR COLLEGE,
COMMUNITY,
AND JUSTICE