

# Chronicle of Higher Education

## When \$300 Would Keep a Student From Dropping Out

By Scott Carlson JULY 06, 2016

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*Derek Davis, Portland Press Herald via Getty Images*

*About 74 percent of colleges surveyed by Naspaa — Student Affairs Administrators in Higher Education reported offering some kind of emergency financial aid. For administrators, the many types of such aid present challenges, and sometimes thorny questions, like whether items from a food pantry should be counted as aid toward a student's total cost of attendance. Above, an official at Southern Maine Community College waits for visitors to a food pantry there.*

In Susan Warfield's world, keeping a student enrolled at the University of Minnesota-Twin Cities is often the result of a serendipitous encounter, a run-in with a someone in tears at a moment of crisis.

Not long ago, in a lounge for low-income students who are parents, Ms. Warfield encountered a young woman sitting at a computer who had pulled up the form to withdraw from the university. Ms. Warfield, who directs the student-parent center, asked what was going on, and the student tearfully explained that her laptop had been stolen. With no money to replace it, she'd decided she should quit. She was about to click the button to submit the form when Ms. Warfield stopped her.

Hold on, she told the student. Her office might be able to help.

The little pot of money that Ms. Warfield can dip into in cases like these is generally known as emergency aid. It paid for a new laptop for that young woman, who continued at the 50,000-student university. It has also gone to car repairs, medical expenses, an overdue utility bill — anything that could knock a low-income student [off the path to graduation](#). Often the grant is just a few hundred bucks.

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"It's amazing how many emergency needs are just small amounts of money that will keep a student in college," Ms. Warfield says. "It never ceases to blow my mind." But that emergency aid seems harder to distribute these days — because of limits on the funds and federal rules on financial aid, administrators say. And the [demand is only growing](#), as more low-income and first-generation students enter college. Any student who already has a financial-aid package that meets his or her total cost of attendance can't accept emergency aid. But the neediest students, with no backup sources of income, are often the ones who get derailed by an unexpected financial burden.

"More and more, those are the students who need our emergency grant money," Ms. Warfield says.

Some of those challenges are outlined in a [new report on emergency financial aid](#) released on Wednesday by Naspa — Student Affairs Administrators in Higher Education. The result of the most extensive study of such programs to date, the report

describes the various types of aid offered at hundreds of colleges: emergency loans, food pantries, campus vouchers, completion scholarships, and restricted and unrestricted grants. Of more than 700 institutions responding to a survey, 74 percent — most commonly public four-year colleges — offer some kind of emergency aid.

While the assistance is new on some campuses, 64 percent of colleges offering such aid said they had done so for at least five years.

"This is something that has been going on largely without major oversight," says Amelia Parnell, vice president for research and policy at Naspaa and a co-author of the report. To people administering the programs, the rules can be ambiguous. Should items from a food pantry, for example, count as aid against a student's cost of attendance?

"What we have here is an unclear set of boundaries," Ms. Parnell says. "As we start to uncover more and more work in the area of emergency aid, we are starting to illuminate more places where people need guidance."

### What's an 'Emergency'?

How emergency aid is distributed — and how effective it is — are areas ripe for exploration, says Justin Draeger, president of the National Association of Student Financial Aid Administrators.

"Everyone is just trying to get a handle on how this works," he says. "There are rudimentary things that people are trying to figure out, like what constitutes an emergency." In-kind donations of food or clothes, he notes, would not count toward a student's total cost of attendance.

Naspaa's report and Ms. Parnell herself offer several recommendations for colleges and policy makers: Higher education should figure out what "emergency aid" means, and when to apply it. Colleges need more clarity on relevant federal regulations. And administrators should come up with a set of best practices, including for fund raising and distribution. Colleges could also better use data to identify students most in need.

The report also recommends automating some of the emergency-aid process, so administrators can more efficiently serve more students. For now, emergency aid on many campuses is highly personal and random, like Ms. Warfield's experience with the student whose laptop was stolen.

Many of those recommendations echo a study released in December by the [Wisconsin HOPE Lab](#), at the University of Wisconsin at Madison. Sara Goldrick-Rab, who

founded the HOPE Lab and is now a professor of higher-education policy and sociology [at Temple University](#), says the Naspa report offers valuable information on the number and scope of emergency-aid programs out there.

But should vouchers, completion scholarships, and food pantries be counted as "emergency aid"? Such programs are intended to avoid true emergencies, Ms. Goldrick-Rab says. "The hardest thing about this is how do you assess what is a true emergency," she says, "and how do you go through this very discretionary process of allocating aid?" To her, assistance from food pantries especially should not have been included in the report; doing so, she says, starts to put that kind of assistance in the same categories as others that are counted against a student's total cost of attendance. According to the Naspa report, two-thirds of colleges that offer emergency aid "seldom" or "never" deny it because of resource constraints — a finding Ms. Goldrick-Rab questions. Colleges don't know what the real demand for emergency aid is, she says, and needy students are often reluctant to talk about their hardships.

As both Naspa's and the HOPE Lab's reports point out, students are most likely to find out about emergency aid through word of mouth. Colleges usually don't promote their services widely, and that seems to be intentional, as there might not be enough money to go around. Ms. Warfield has about \$10,000 a year to distribute.

The emergency-aid fund is mentioned in a brochure in Ms. Warfield's office and, because there's enough available right now, in an orientation for students who are parents. But in at least half of cases, the money is distributed through a personal connection — following a support-group meeting, for example: "We'll say, 'You might not know this,'" Ms. Warfield says, "but we have some money.'"

## Barriers: Money and Rules

Beyond marketing, the Naspa report identifies two main barriers to colleges that want to give out more emergency aid.

The first is a lack of money. Following the recession, Ms. Warfield's sources dried up, but a few years ago, she opened an envelope that looked like a bank statement, and a \$10,000 check fell out, from an anonymous source. Other small donors have helped. The HOPE Lab report suggests that emergency-aid programs are appealing to donors, and the Naspa report recommends relying more on alumni.

Federal rules on financial aid are a more confounding barrier, with nearly 40 percent of colleges in the Naspa survey reporting that limits on aid prevent them from giving needy students more money. Campus officials say that the U.S. Department of

Education should clarify the rules by providing more guidance on helping students in tough situations.

Financial-aid administrators calculate a total cost of attendance for students based on their tuition, where they live, what they must spend on food and transportation, and other costs. The problem, experts say, is that the formulas were designed for affluent students, who have different considerations and needs.

"It has been a cookie-cutter, one-size-fits-all policy based on a standard middle-class family, and that hasn't changed for a very long time," says Sarah Bauder, a former financial-aid director at the University of Maryland at College Park who is now a program director focused on low-income students at the Bill & Melinda Gates Foundation. Low-income students are often supporting other family members, she says. They also have a harder time with the one-time fees that colleges impose. Financial-aid formulas don't necessarily take those kinds of things into account.

The regulatory environment has made financial-aid officers skittish about emergency aid. Program reviews and audits, Ms. Bauder says, "have made administrators reticent to even go near the edge of regulatory language." Financial-aid offices need more guidance and more leeway, she says, in making decisions about emergency aid.

"Emergencies are really a professional judgment," Ms. Bauder says. "What administrators do is they take the letter of the law and not the essence of the law. The government wants people to graduate — that is the essence of the law."

But for now, at least, without further guidance, administrators must follow the existing rules.

"The saddest thing in the world is when someone needs the money, and I look at their financial aid, and we can't give it to them," Ms. Warfield says. If that student went to a pastor for help, it might never be reported. More-affluent students may turn to relatives for a little extra help now and then, and no one ever knows.

"I can't meet a student out in the parking lot and give them a check," Ms. Warfield says. "We are bound by those guidelines."

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