

North Carolina Community Colleges and the CARES Act Student Emergency Aid



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In Collaboration With:

EdNC

College of Education
Belk Center for Community College
Leadership and Research

About this Report

This report explores how North Carolina Community Colleges used the student emergency grant portion of their funding from the CARES Act. It examines colleges' planning process for using the funds, how many students were helped, and what student needs still remain. The report serves as a tool for community college leaders in determining how to use their remaining CARES Act funds and how to meet their students' needs going forward.

About the Belk Center for Community College Leadership and Research

With a \$10.86 million grant from the John M. Belk Endowment, the NC State College of Education established the Belk Center for Community College Leadership and Research to enhance and strengthen its support of community colleges in North Carolina. The Belk Center seeks to develop and sustain exceptional community college leaders who are committed to advancing college access, the social and economic mobility of their colleges' students, and the economic competitiveness of their regions. The Center conducts and disseminates research to address current and emerging student success challenges facing community college leaders and policymakers in North Carolina and beyond.

About EdNC

EducationNC (EdNC) works to expand educational opportunities for all children in North Carolina, increase their academic attainment, and improve the performance of the state's public schools. It provides residents and policymakers with nonpartisan data, research, news, information, and analysis about the major trends, issues, and challenges bearing on education. It gathers and disseminates information employing the most effective means of communication, primarily through the Internet. In addition to the content distributed, EdNC encourages an active and connected community of those interested in education policy and practice throughout the state.

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INTRODUCTION

In response to the impact of a global pandemic on local communities, including education entities, the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. The Act provided funding to higher education institutions to create emergency grants to students “for expenses related to disruptions to their educations due to the COVID-19 outbreak, including things like course materials and technology as well as food, housing, health care, and childcare.”¹

The funding formula laid out in the CARES Act is based on the institutions’ full-time equivalent enrollment (FTE).² The funding formula based 75% of the allocation on institutions’ FTE enrollment of Pell Grant recipients and 25% on FTE enrollment of students who were not Pell recipients. **Some community college leaders** have stated that community colleges, which serve a higher proportion of part-time students, were not supported equitably by this funding formula.

The CARES Act also restricted grants to students who were not enrolled exclusively in remote courses before the coronavirus crisis. However, students who were previously taking courses online may still experience disruptions to their education due to the pandemic or have needs that fall under the eligible expenses included in the CARES Act.

The Department of Education caused additional controversy when it released guidance shortly after the CARES Act was passed which further restricted the students who were eligible to receive funding. The guidance limited the funding to students who were or could be eligible to receive aid from federal Title IV financial aid programs. This excluded undocumented and international students, students who were not making satisfactory academic progress, and students who were not enrolled in an eligible academic program.

Despite these restrictions, higher education institutions were otherwise given great flexibility in deciding how to distribute the grants. How the CARES Act funding is and was distributed by higher education institutions varies across the country and even within our state. The Belk Center for Community Leadership and Research is committed to equipping exceptional community college leaders with resources as they address urgent needs. As NC Community Colleges continue to face uncharted territory, this report provides an overview of how the CARES Act student emergency funding was distributed by North Carolina’s Community Colleges in an effort to provide a comprehensive reference point for decision-makers. This report includes an examination of colleges’ planning processes for using the CARES Act student emergency funds,

¹ U.S. Department of Education. (2020, April 9). Secretary DeVos Rapidly Delivers More Than \$6 Billion in Emergency Cash Grants for College Students Impacted by Coronavirus Outbreak [Press Release]. <https://www.ed.gov/news/press-releases/secretary-devos-rapidly-delivers-more-6-billion-emergency-cash-grants-college-students-impacted-coronavirus-outbreak>

² Full-time equivalent enrollment is a calculation based on the sum of the credit hour load of all full-time and part-time students divided by the number of hours in a full-time course load.

describes their methods of distribution, identifies how many students were helped, and assesses what needs students still have. This report serves as a resource for colleges in determining how to use remaining CARES Act funds and understanding what additional aid is needed for students.

DATA & METHODS

In July 2020, the Belk Center worked with EdNC to identify and contact Public Information Officers at each of the 58 NC Community Colleges. The Belk Center requested documentation that summarized the planning process for aid distribution, application forms, and outcomes data. There was also an opportunity to gather perspectives on their college's planning process for distributing the funds and on students with unmet needs, including those who were not eligible for emergency grant funding under the CARES Act.

Public Information Officers at 26 institutions offered information on their college's planning process, and 33 provided insights on their students' unmet needs. These comments were used to identify both common themes and unique strategies for developing funding formulas and identifying and addressing students' unmet needs. This report also uses data from federally mandated public reporting to analyze how the funds are being spent and how many students received a grant. Fifty-four colleges had started distribution of their funds at the time data was collected and issued these federal reports. The following overview summarizes key takeaways from the data gathered.

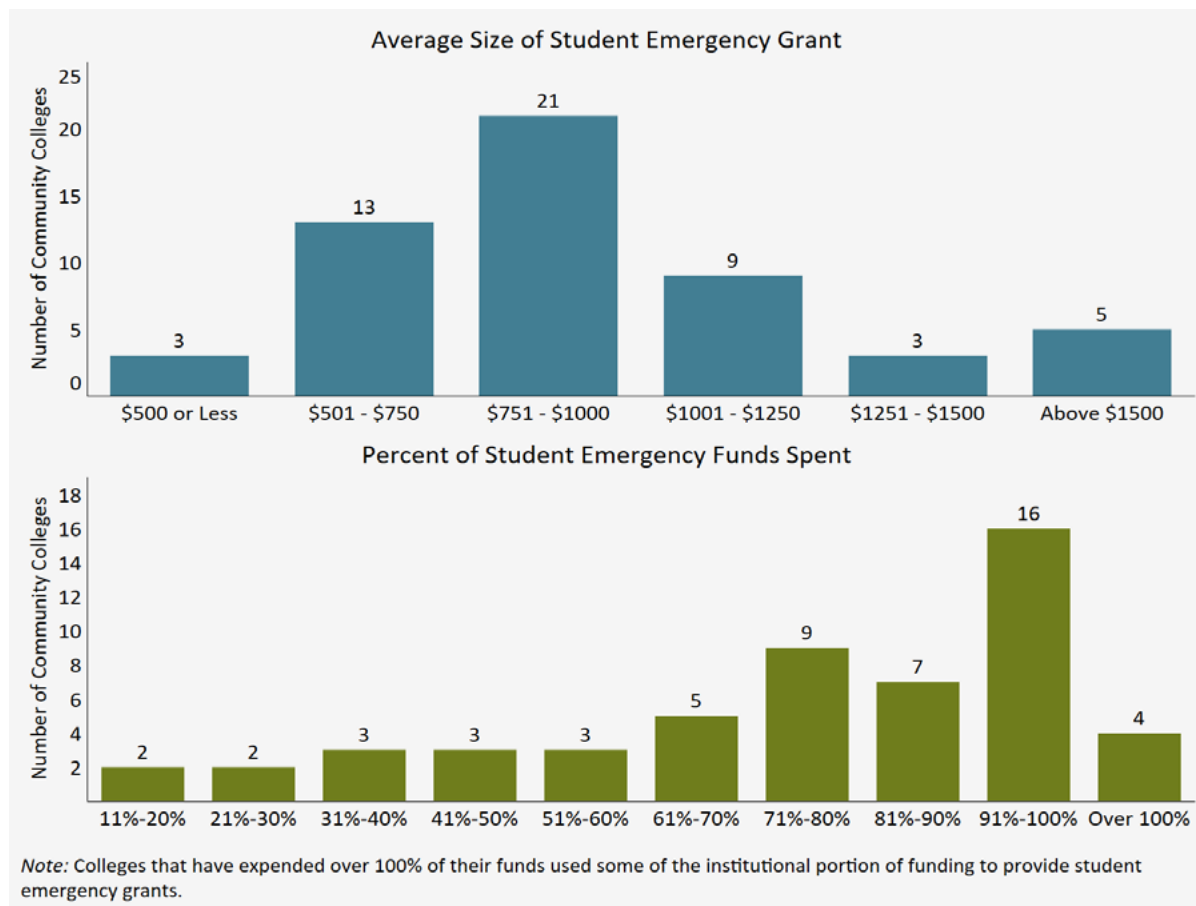
HOW WAS THE FUNDING USED BY NORTH CAROLINA'S COMMUNITY COLLEGES?

North Carolina's Community Colleges received more than \$60 million for student emergency grants. Allocations ranged from slightly over \$100,000 to more than \$5 million. Almost 52,000 community college students in North Carolina have received a grant so far, and 73% of the student emergency grant funds have been spent.

The average grant that students received was \$948 (see Figure 1). Among the students who were eligible for CARES Act grants, 62% had received a grant at the time the Belk Center collected data (based on the colleges' estimates of the number of eligible students).

“This report serves as a resource for colleges in determining how to use remaining CARES Act funds and understanding what additional aid is needed for students.”

Figure 1. Number of Community Colleges by Average Grant Size and Percent of Funds Spent



While the demographics of the recipients may change as more aid is granted, 18 community colleges provided some demographic information on their current recipients. Including demographic data with distribution trends is a key marker for ensuring the aid is distributed equitably. Demographic information will assist college leaders who are trying to determine whether they are equitably meeting students' needs.

On average, 69% of recipients were female.³ This is slightly higher than the percentage of students overall who are women at those community colleges. Recipients were also more likely to be over 24 years old than the general student population.⁴ Black students were also more likely to receive a grant relative to the student population at colleges that reported data⁵, as were students who were enrolled full-time (see Figure 2).⁶

The larger portion of full-time students is unsurprising given the stipulation that funds must go towards emergencies caused by "disruptions to campus operations" when campuses shut down and moved to remote classes. Emergencies related to eligible expenses (food, housing, course materials, technology, health care, and childcare) may have affected both part-time and full-time students in similar ways. However, full-time students' emergency financial situations may be more likely to be caused by disruptions to campus operations. In addition, as will be discussed below, many colleges based their funding formulas at least in part on credit hours. This may mean that part-time students are being underserved, because, on average, 67% of the student population at North Carolina's Community Colleges is part-time.

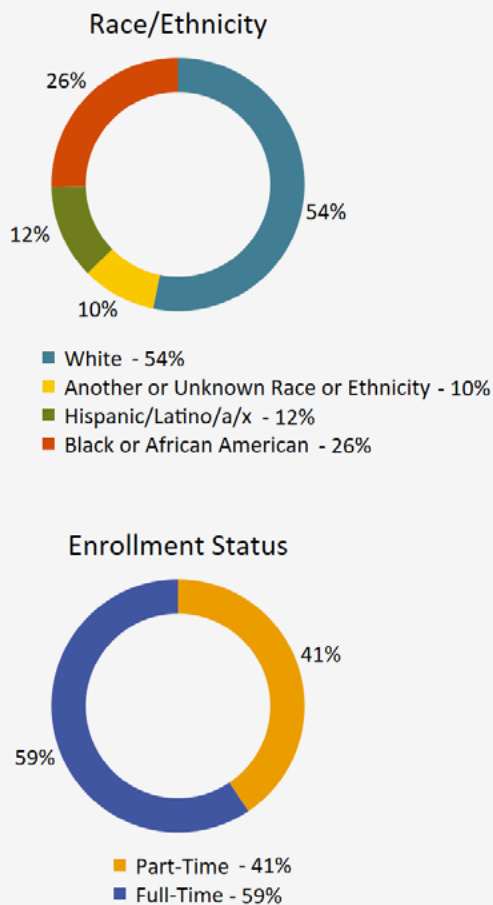
3 Gender data based on 12 community colleges

4 Age data based on 13 community colleges

5 Race/Ethnicity data based on 17 community colleges

6 Enrollment status data based on 14 community colleges

Figure 2. Grant Recipients by Race/Ethnicity and Enrollment Status



Note: Percentages may not sum to 100% due to rounding. All percentages are the average of the percentage at each institution.

Planning process.

For community colleges that shared comments on their planning process, a common theme was the multiple and often contradictory considerations decision-makers juggled as they determined when the funds would be distributed and which students would receive them.

Among the factors respondents took into consideration during the planning process were ensuring grants were received in a timely fashion and retaining some funds for future use (the CARES Act allows colleges a year to expend all funding). Colleges also considered students' most pressing needs, which students were the most likely to withdraw, which students were the most impacted by moving to remote instruction, and what student needs might remain after distributing the grants. Decision-makers at the colleges faced many competing priorities; college leaders considered numerous factors in deciding how to distribute the funds, but there was no consensus on which of these factors was a top priority across the colleges.

"It was important for us to get the emergency funds directly into the hands of eligible students as quickly as possible. The model we chose allowed us to accomplish this goal while simultaneously giving the institution more time to reflect on the future financial needs of all students who were adversely affected by the COVID-19 crisis."

"We [decided we] would retain a small amount of the funds to use during the Summer or Fall terms as any new circumstances warranted their use."

"The funding formula was based on identification of factors that were most likely to have impacted eligible students affected by the pandemic and the consequent disruptions to campus operations. Factors taken into consideration included: enrollment status (half-time or more), work-life balance affected by courses being moved online, delay to program completion due to withdrawals related to COVID-19."

Most colleges formed ad hoc committees and/or involved executive leadership in the decision-making process. They also included subject matter experts in the planning process, primarily from financial aid, finance and operations, and student services departments. In addition, a wide variety of other departments were involved in decision-making, highlighting the importance placed on developing an effective funding formula and distribution method. A few institutions also used outside resources, including recommendations from peer institutions, community partners, or an outside consultant.

Some institutions included departments in planning discussions to address specific goals, such as:

- **Targeting outreach to students about the emergency grants:**
 - » Marketing and Communications
 - » Student Engagement
- **Preemptively addressing students' unmet needs:**
 - » College Foundation
 - » Development
 - » Community Partners
- **Gaining a better understanding of students' instructional needs:**
 - » Technology Support
 - » Instructional Services
 - » Career Technologies Program



PRACTICE IN FOCUS

Alamance Community College included their Single Stop Coordinator in their planning committee, and later used Single Stop as a resource to assist students who had continued unmet needs after receiving a CARES Act grant.

Funding formulas.

Colleges' decisions about their formulas for determining how much aid each student received reflected the competing priorities they faced in the planning process. Most colleges (31) distributed their grants in one phase, while others had multiple phases (24) where they changed their eligibility criteria or their funding formula (see Figure 3).

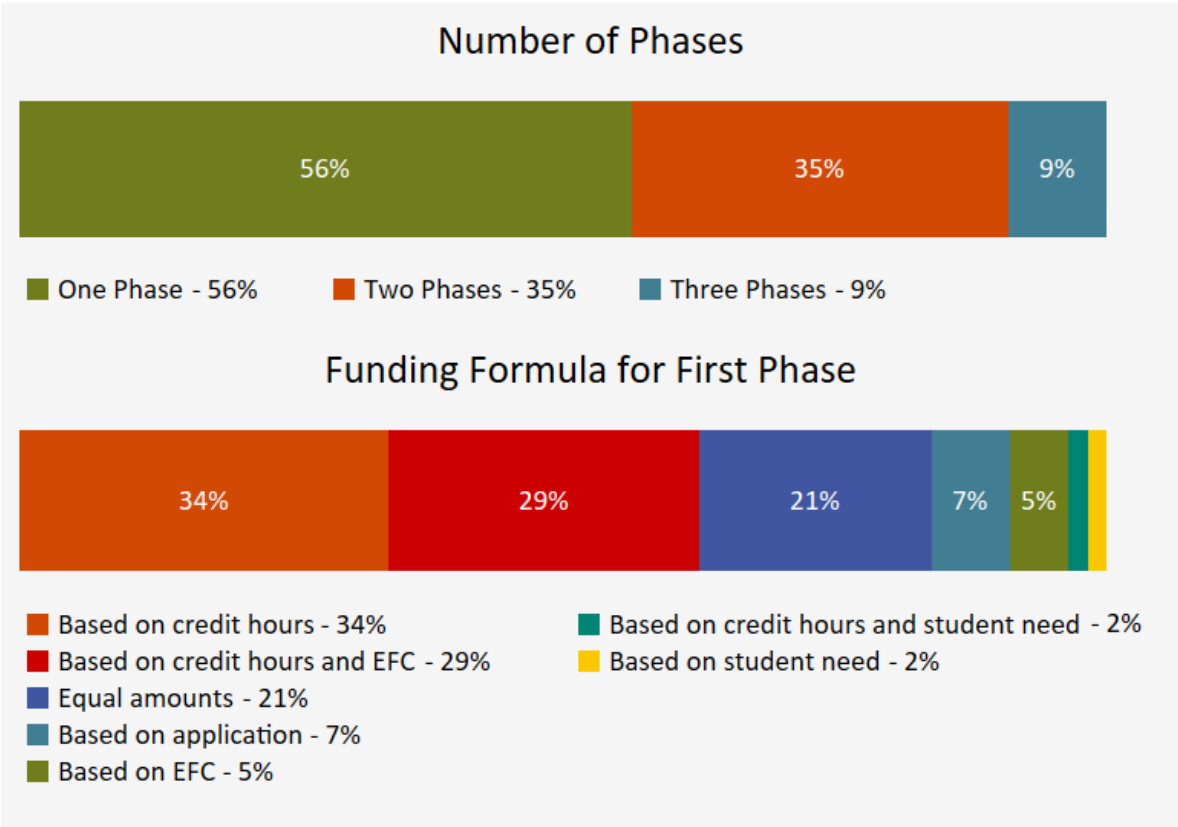
The most common funding formula was based on credit hours (see Figure 3). Credit hour formulas either classified students as full-time (12 or more hours) or part-time (12 or fewer hours) or further broke down part-time into $\frac{3}{4}$ -time, half-time, or less than half-time enrollment. Students with higher credit loads received larger grants. Formulas based on credit hours were most likely very popular because a student's credit hours are the closest reflection of how much they were affected by disruptions to campus operations.

Some colleges used a combination formula based on both credit hours and students’ expected family contribution (EFC) from their FAFSA (the Free Application for Federal Student Aid). This allowed colleges to target students with more need, but colleges that required a FAFSA expended their funds more slowly. This is most likely due to the time required for potentially eligible students who had not already completed a FAFSA to complete it. Using the third most common approach, 12 colleges distributed grants in equal amounts to all their eligible students, which allowed them to get funds to their students more quickly. However, the grants were not targeted at students with the most need, and those colleges have fewer remaining funds to support students as the pandemic continues.

Of the 24 colleges that used multiple phases, 10 maintained the same funding formula to give an additional grant to students. Other colleges combined multiple approaches to both send out grants quickly and serve the neediest students. For example, 6 of the colleges that used a credit hour and/or expected family contribution (EFC) based formula later used an application. This allowed them to send out grants more quickly during their first phase and more accurately assess student need during later phases. This was emphasized in one of the comments received on the planning process:

“Central Piedmont will award funds two ways – formula and application. This dual approach ensures that Central Piedmont maximizes awards to all students that meet the eligibility criteria, while targeting funding to students with greater financial need regardless of the reason for their need.”

Figure 3. Number of Funding Phases and Funding Formulas Used by Community Colleges



PRACTICE IN FOCUS

Some colleges used unique funding formulas. Alamance Community College used an application during their first phase, to target the neediest students first. The college then switched to a formula to ensure that all eligible students received some aid. Wilson Community College gave all students the same base amount, but also estimated additional needs if students' had dependents or experienced a COVID-related delay in completion. The college determined that students experienced a delay in completion if they had dropped a course needed to complete their program due to COVID. Southwestern Community College focused on students in Health Sciences fields who had to make up clinical hours from Spring semester during the summer in order to take their licensure examinations. These students would have graduated at the end of Spring semester and entered the workforce, and SCC used a portion of the funds to assist them with the unexpected expense of being in college months longer than anticipated.

Applications and FAFSA.

Most colleges (77%, or 43 colleges) required some form of application (see Figure 4). These applications were used to confirm students' eligibility and were sometimes also used to determine the size of the grant each student received. Most applications were short, and for 10 colleges', the application was only a form certifying eligibility. Certifications had questions regarding eligibility criteria for Title IV aid programs and the CARES Act, such as:

- » Have you completed a 2019-20 FAFSA?
- » Were you registered for one or more face-to-face or hybrid courses that were changed to remote and/or online instruction during the Spring 2020 semester?
- » Check the appropriate boxes to describe the financial need related to the impact of the Coronavirus. (Options included: Food, Housing, Utilities, Course Materials, Healthcare, Childcare, Technology, Transportation, Tuition, Fees, Other)

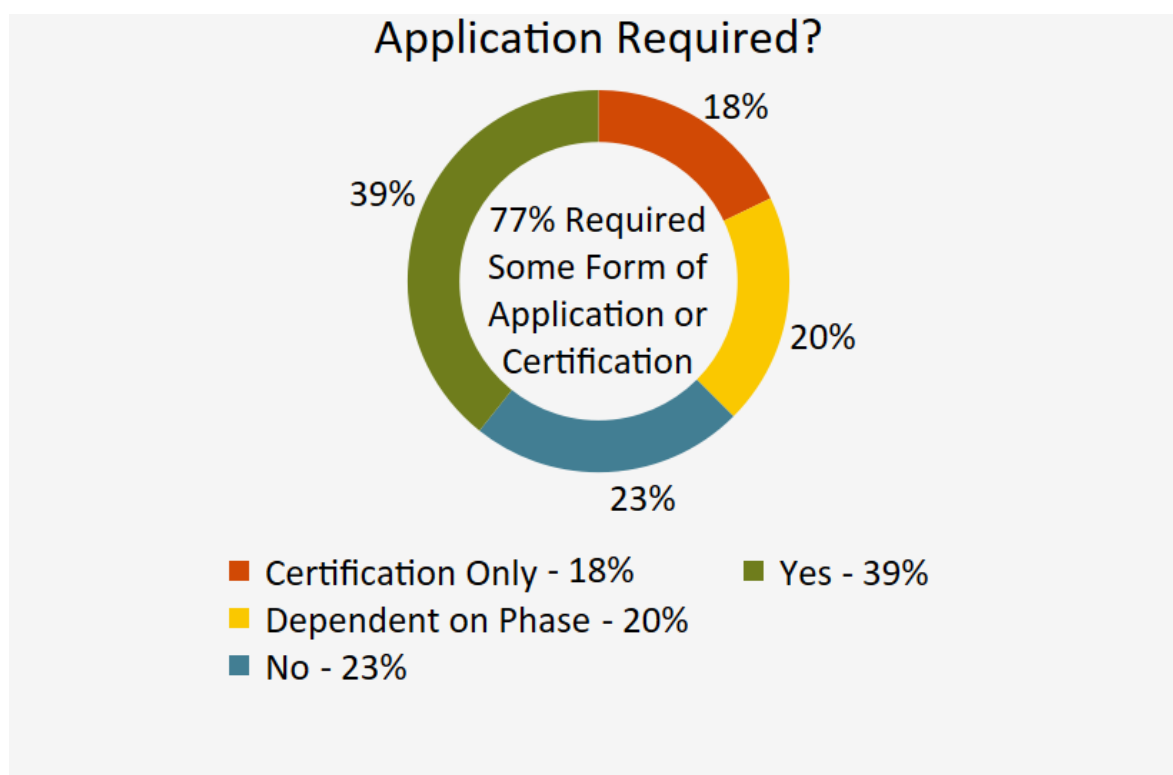
Applications usually included questions regarding eligibility and also required students to provide more information on their financial need, and had additional questions such as:

- » Please provide a brief, but specific, explanation and justification of why you need financial support.
- » Please attach any supporting documentation that you have for your expense (bills, notices, letters).



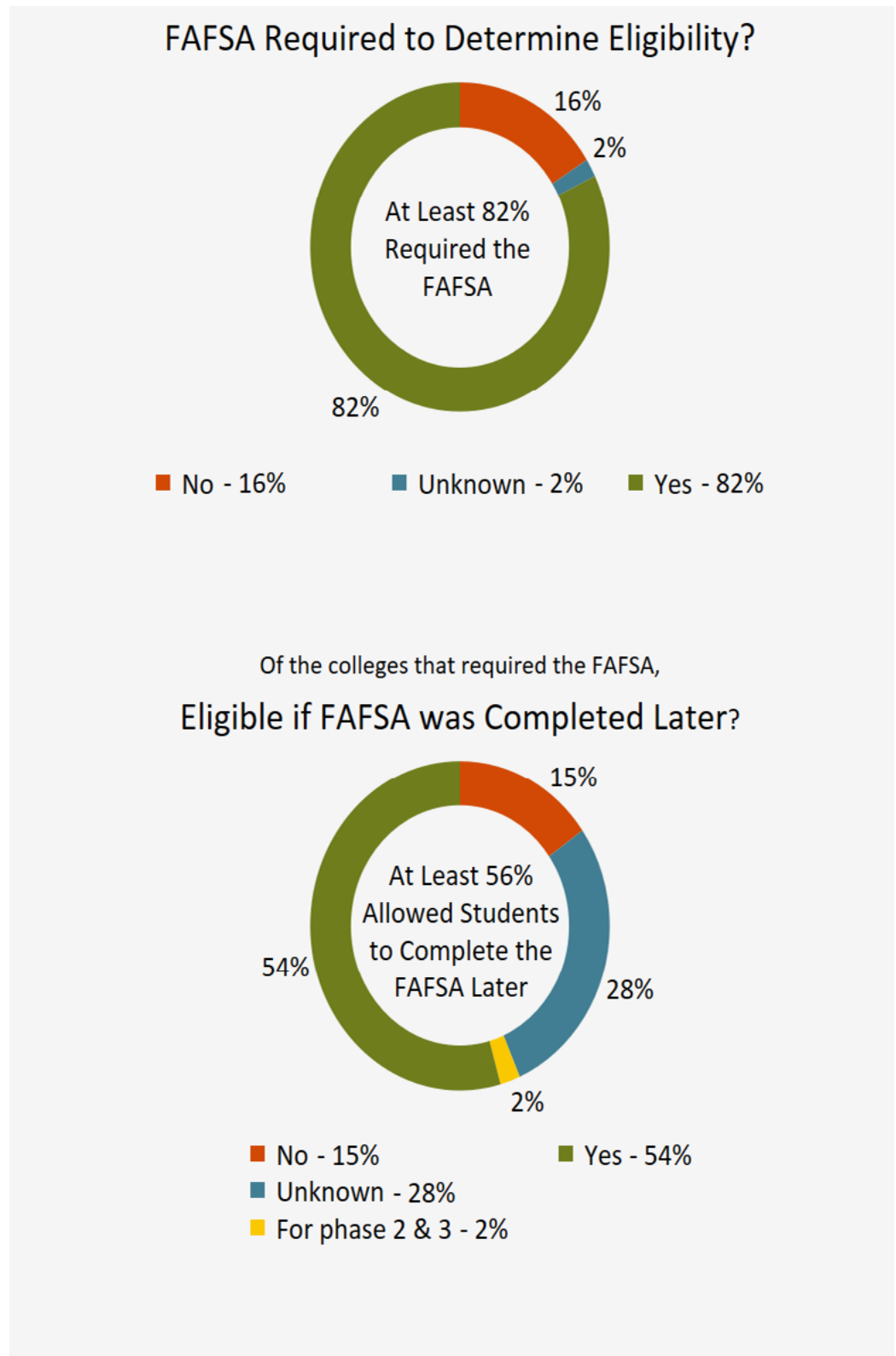
Some colleges used their applications to target their aid, and students received larger grants. However, fewer students at those colleges received funds. Colleges that only required an application for certain phases or did not require an application were able to serve more students, but with smaller grants.

Figure 4. Application Required by College to Receive Funding



Under the Department of Education's guidelines, colleges were required to confirm that students were or could be eligible to receive Title IV aid before issuing CARES Act grants to them. Colleges had to decide whether or not to use the FAFSA or other documentation to determine if students were eligible. Requiring the FAFSA might exclude some potentially eligible students, but colleges might not have had the time or data to determine eligibility themselves. Colleges that required the FAFSA could also allow students to complete the FAFSA later (either after some grants had already been distributed or in a later phase), but that might affect how quickly they could distribute grants.

Figure 5. FAFSA Required by College to Receive Funding



UNMET NEEDS

For the community colleges that provided information on their knowledge of students' continuing unmet needs, lack of eligibility for the CARES Act aid emerged as a major reason students still had unmet needs. Many students' emergencies were unrelated to the campus disruption, such as job loss or furlough. Students who were taking all of their classes remotely before the start of the pandemic were also often mentioned as an underserved group.

"Based on federal guidance, we know that there were many students who did not qualify because they were online only, DACA or undocumented, or because they did not file a FAFSA."

"A number of students requested funds whose "emergencies" were related to their own or a family job loss, child care expenses, or other issues not related directly to the College's disruptions caused by COVID-19 adjustments. Those students did not qualify for CARES/HEERF student emergency grants."

The biggest challenges students faced besides job loss were in the same categories as the CARES Act's eligible expenses, lack of technology and internet access, housing and utilities costs, food insecurity, medical needs, and childcare. Many colleges were able to offer an additional grant or non-financial support (hotspots, technology loans, and food) from another source of funding. The funding most often came from the college's foundation, but some colleges relied on new private gifts, community partners, or [Finish Line Grants](#).

"The largest non-monetary need noted was access to a location that had steady internet functionality as some students lived in areas where connection was either slow or non-existent."

"Students are struggling with unemployment or having their employers reduce the number of hours they are able to work. Applications indicated that students are struggling with housing instability, hunger, tuition payments, utilities, and technology."

"Additional needs were technology (lack of computer or internet access), food expenses and living expenses, some students became homeless during the pandemic."

PRACTICE IN FOCUS

In order to offer students more flexibility, Gaston College used CARES Act institutional funds to develop a condensed semester program called GC Express. The program allows a small cohort of students to complete online classes in five week blocks for the Fall 2020 semester. CARES Act Funds will be used to provide GC Express students with a \$1,700 direct grant and a laptop.

CONCLUSION

North Carolina's Community Colleges faced many competing priorities as they assessed how to use their student emergency grant funding from the CARES Act. Both the comments shared by the community colleges and the analysis of the financial data revealed that decision-makers also chose to focus on different goals based on their students' needs. The following recommendations can be used by colleges in distributing their remaining CARES Act funds, creating more student emergency grants from the institutional funds from the CARES Act, or deciding how to use future sources of funding to support students during the pandemic. In sharing the following recommendations, we acknowledge that not all recommendations will apply to all colleges, based on what their priorities are.

Recommendations

- » Consider including a wide variety of departments at the college in the planning process, including departments that can assist with reaching out to students about grants, planning for additional support or resources for students, or understanding students' instructional needs in a remote environment.
- » Identify and work with community partners that may be able to provide additional financial and/or non-financial support to students. Colleges can also refer students directly to community partners where they can receive support.
- » For colleges concerned about issuing grants as quickly as possible, distributing grants in equal amounts or using a simple formula based on credit hours would be the most efficient route. Distributing grants without requiring an application or using a short certification would ensure quick distribution as well.
- » Applications can be useful in targeting aid to the neediest students or ensuring that students' specific needs are addressed.
- » A multi-phase approach allows colleges to both ensure that all eligible students receive some aid and the neediest students receive additional aid, such as:
 - » Combining equal amounts or a simple formula in the first phase with an application in another phase.
 - » Reversing the order of the dual approach by using an application first and then moving to a formula-based approach to ensure that the neediest students receive aid first.