

Emergency Relief Fund for the Most Vulnerable and Disenfranchised: Evidence from CUNY, the Public University System in New York City

1. Motivation and Problem Under Study

Worldwide, the COVID-19 pandemic has disrupted the educational careers of students. Closing college campuses and moving learning online has disrupted the educational careers of students and raised significant concerns about those students who depend on college housing, meal plans, jobs, and other support to stay safe and secure. Moreover, the pandemic has suddenly changed the economic environment many students depend on in maintaining the financial support for their studies. Jobs and internships ensuring the financial well-being during their studies have vanished overnight. In addition, the grim labor-market prospects have halted graduates' career prospects and professional dreams.

As working-class neighborhoods in New York City's outer boroughs have become the epicenter of the COVID-19 outbreak, many in those dense, lower-income areas have been struggling due to lack of resources or because of the emotional impacts of isolation. The unsettling and difficult health and economic implications of this crisis appear to be disproportionately felt by the most vulnerable people in these communities. *At the City University of New York (CUNY), the public university system in New York city* (NYC), 38 percent of students reported having lost their job due to the COVID-19 pandemic, of which two thirds had worked at least 21 hours per week pre-COVID-19, and one fifth at least 35 hours per week. When asked about need for support or assistance since the COVID-19 pandemic began, 90 percent of CUNY students indicated increased need in food, childcare, housing, and utilities. However, because of tidal explosion of unemployment claims (1.6 million in NY state in mid-March alone), NY state unemployment system was overwhelmed causing major delays in unemployment insurance payments.

To assist students who were coping with the severe economic fallout of this extraordinary public health emergency, CUNY responded by rapidly providing adequate technology, supplies, and in some cases, basic needs such as shelter and food for those students most in need. In addition, to provide rapid-response financial support to the most vulnerable and disenfranchised students and to help ensure that they could remain in school and complete their degrees, *an unprecedented emergency relief fund amounting to over \$3 million US dollars* was built from generous donations from several foundations.

This fund, named *the Chancellor's Emergency Relief (CER) fund*, was distributed starting the week of April 20th 2020 via *one-time individual grants of \$500 each to 6,000 qualifying students*. The recipients were *chosen by lottery from a pool of 19,168 students who were eligible and had applied to the grant*. To be eligible students had to: (1) seek a degree at CUNY during school year 2019-2020, and (2) belong to one of the following groups: *undocumented or low-income students*.¹ Eligible students amounted to about 25,000 students or 9 percent of CUNY's undergraduate and graduate student population of 275,000 students. Close to 77 percent of the eligible students (19,168 students) applied for the CER grant.

This project aims at analyzing how the COVID-19 pandemic and the subsequent city's shutdown has impacted the educational careers and economic wellbeing of the student population of CUNY in the epicenter of the United States' outbreak. We propose a threefold project consisting of:

- 1. COVID-19 Consequences on Students' Economic Well-Being and Academic Performance.** Combining originally collected survey data with academic administrative records, we propose to document the financial and personal burdens faced by CUNY students during the pandemic, and trace the mid- and long-run consequences of the pandemic on these students' economic well-being and academic performance. Special attention will be given to CUNY's most vulnerable and

¹ In the case of low-income students, eligibility is determined by being within 12 credits of earning an undergraduate degree, and having an Expected Family Contribution of zero on their federal financial aid application (FAFSA). Undocumented students could be seeking an undergraduate or graduate degree.

disenfranchised students: undocumented and low-income students, who were also eligible to receive the *Chancellor's Emergency Relief (CER) grant* of \$500.

2. ***Causal Impact of the Chancellor's Emergency Relief (CER) Grants.*** Using academic administrative records, we will exploit the randomization in the distribution of the *CER grant* to evaluate the impact these grants have on the academic continuity and performance, college completion, as well as housing and food security, of CUNY's most vulnerable and disenfranchised students.
3. ***COVID-19 and the Transformation of Neighborhoods and Communities.*** Third, using in-depth group interviews, we will explore how COVID-19 has affected CUNY students' communities. Post-pandemic qualitative data will be compared to pre-pandemic qualitative data, collected during 2019 by the co-PI Professor Rafael de Balanzó Joue. Topics explored will include mobility, housing, racial/ethnic disparities/discrimination, food security, and social safety networks.

The analysis will focus in both the short-, medium- and long-term effects, covering the period spanning from summer 2020 to spring 2022. The CUNY student population arguably is a population of specific interest given its social and economic vulnerability and ethnic diversity. Overall, we plan to cover ***a population of 275,000 students at CUNY's 25 campuses located across all five NYC boroughs.*** The university has one of the most diverse student bodies in the United States. Both Black and Hispanic students make up for about a quarter of the student population and students originate from about 150 countries. Their economic fragility is signaled by over half of the students receiving the Federal Pell Grant and close to two thirds working to sustain themselves or their families. The median household income is about \$40,000 a year and 38 percent are from families earning less than \$20,000. We want to stress that the high economic vulnerability and diversity of CUNY, while making it a specifically interesting setting to analyze, does not impair the external validity of lessons learned about student behavior, as extensively analyzed by Marx and Turner (2018) by comparing Pell-eligible students of CUNY with a representative sample from the National Postsecondary Student Aid Study.

2. Literature Review

By describing the immediate, medium- and long-run effects of the pandemic on financial and personal well-being as well as educational performance, we connect to a well-developed literature that documented the ***effect of crises on student well-being***, such as violent conflicts (Brück et al. 2019), natural disasters (Sacerdote 2012) or financial crises (Oreopoulos et al. 2012). We add to this literature a timely perspective on the arguably most severe disruption of educational careers that has been observed in recent history.

By estimating the causal effect of the emergency grant, we additionally contribute to the literature on the ***effectiveness on student grants*** as a measure to increase students' well-being and educational performance. In general, financial aid can affect both college enrollment and graduation. Aid eligibility has been shown to increase undergraduate and graduate degree completion (Page et al. 2019, Castleman & Long 2016, Fack & Grenet 2015, Dynarski 2003), to shorten time to degree (Denning 2019) and to raise longer-run annual earnings (Bettinger et al. 2019). Student aid can act as a powerful substitute for paid work (Brotton et al. 2016). Denning et al. (2019) show that financial aid, despite being a costly policy measure, is cost-effective. Despite this ample evidence on grant efficiency in general, we are not aware of any impact evaluation of emergency funds, such like the Dreamkeepers or Angel fund program—see Geckeler et al. (2008) for descriptive analysis and lessons learned on the Dreamkeeper and Angel fund emergency financial aid programs.

3. Data and Proposed Research Methods

By focusing on both the individual and its community, we will get a better understanding of the short-, medium- and long-term social and economic consequences of COVID-19 on a frequently

underserved and vulnerable population. The inter-disciplinary project, rich in *original data collection*, will combine *descriptive methods, a randomized field experiment, and in-depth qualitative interviews*. While the descriptive analysis will enable us to compare the effects of COVID-19 on the economic wellbeing and academic performance of students, and compare differential effect of COVID-19 based on students' undocumented and poverty status; the randomly-designed analysis will give us *causal estimates of the Chancellor's Emergency Relief Grants* on students' academic continuity, performance and completion; and the qualitative analysis will allow us to fine-tune pre-conceived notions and identify potential *mechanisms*. Appendix Table A.1 summarizes the key research elements for the proposed project.

3.1. The Survey

The first part of the project entails a series of *large-scale follow-up surveys* that will cover the *entire student population of CUNY to understand the impact of the pandemic on student financial and personal well-being as well as student coping behavior*. The surveys will be administered via email, sent from an official email address of the CUNY administration. For the full project, we aim at combining data of three survey waves, fielded in fall 2020, and spring 2021 and 2022. Appendix Table A.2 summarizes the risk assessment and preliminary work. The first survey will cover the *immediate experience of students during the COVID-19 pandemic and the associated NYC lockdown*. We will ask students about own financial and personal well-being and specifically focus on their financial situation, both retrospectively and during the lockdown. This will entail detailed income measures including eligibility and receipt of student relief aid. Further, we will elicit *expectation measures on how students believe the lockdown to affect their own educational progress and economic well-being*. The second survey will focus on *middle-run changes in personal and financial student well-being as well as the labor-market situation of students who depend on paid work*. We expect this period to be vital as we will have more clarity on whether the public health crisis has ignited a financial and economic crisis or has, instead, vanish, allowing the labor market to recover. Therefore, a focus of this questionnaire will also be put on *student's expectations on graduation probabilities, labor market prospects, and job choice after graduation*. *Beyond repeating modules on financial and personal well-being and economic expectations*, we will use the third survey to gain additional *insight into how the COVID-19 crisis has changed the academic environment* (such as the higher usage of distance learning and digital environments) and in how far students believe to benefit from these changes. *The responses to all three surveys will be merged to the administrative student records of CUNY*. The combination of survey responses with the administrative data will allow us to track students above and beyond the topics covered by the survey by observing *their full academic career* (including grades, credits, and major choice) *from their early college experience up until graduation*. It will further enable us to analyze in how far survey response is selective with regard to student demographics and student performance. We have already signed the *De-Identified Data Transfer Agreement* with the *Office of Institutional Research & Assessment* at CUNY to have access to students' de-identified academic administrative records. We also received *IRB approval* (IRB File #2020-0475) to conduct the survey, collect the de-identify academic records, and merge both data sources using students' CUNY ID. Both documents are attached at the end of this proposal.

3.2. The Experiment

The second part of the project will utilize the lottery-based provision of a part of relief aid offered (the CER grant) to the most vulnerable and disenfranchised CUNY student population to *estimate causal effects of this aid on students' financial and personal well-being, academic success and students' expectations*. As explained above, out of about 19,168 eligible students who applied for the CER grant, 6,000 recipients were randomly drawn by a lottery. *The analysis will cover the universe of eligible students, namely 25,000 students*. The lottery-based assignment of payments alleviates concerns about selection into relief receipt based on observable and unobservable characteristics and allows to estimate the *causal impact of the aid receipt* on the aforementioned outcomes. While external validity is initially restricted to eligible students who applied to the CER grant only, we will further use the extensive information provided by survey

responses and administrative data for a model-based extrapolation of the experimental effects to a broader population. The main hypotheses and the detailed research design will be worked out and pre-registered at the American Economic Association RCT Registry before data sources are merged.

3.3. The Resilient Thinking Approach

We will conduct *seven qualitative in-depth semi-structured group interviews*: three of these group interviews were conducted before the coronavirus pandemic at Queens College (one of the four-year colleges in the CUNY system) during the fall 2019. The other four will be conducted, also at Queens College, at four different points in time between fall 2020 and spring 2022. Each time, between 20 and 30 students from different majors, racial, ethnic and religious backgrounds, and graduating years will be invited to participate. They will be interviewed in a discussion setting in the presence of the session moderator (the co-PI Rafael de Balanzó Joue) and, generally, these discussions will last for 90 minutes. These interviews will collect information on students' perceptions of their community's *challenges before and after COVID-19*. Among the community's challenges discussed are those related to mobility, housing, racial/ethnic disparities/discrimination, food security, and social safety networks. Post-pandemic qualitative data will be compared to pre-pandemic qualitative data to identify how COVID-19 has modified student's perceptions, needs, challenges and priorities within their community. In addition to providing insight on the mechanisms driving our findings, these qualitative in-depth group interviews will generate important information on the key challenges that New York city needs to address as a consequence of the coronavirus pandemic using *the resilient thinking approach*. This novel approach in social sciences² focuses on bottom-up and multi-governance participatory process. It allows the researcher to observe how interacting systems of people and nature cope and continue to develop in the face of disturbances and uncertainty caused by a crisis such as the coronavirus pandemic. The timeline is described in an attached separate document attached.

4. Dissemination and Team's Qualifications and Responsibilities

To maximize the outreach and impact of our results, we will adopt a range of different approaches. We emphasize that while academic excellence and publication at a high level is a key aim, the nature of the research is inherently policy-orientated. As a result, our aim is to reach both the academic audience but also stakeholders and policy makers in the realm of tertiary education. We describe some of our strategies to these joint aims in Appendix Table A.3. The research team consists of two principal investigators, Núria Rodríguez-Planas (CUNY, and IZA) and Rafael de Balanzó Joue (Urban Resilience Thinking Institute, and CUNY). **Professor Rodríguez-Planas** will be responsible for ensuring the project's success in the design and fielding of the surveys, methodology development and design, data management, data analysis and writing of reports, policy briefs, and the academic paper on the evaluation of the COVID-19 Emergency Relief Fund. Most importantly, the research team will be strengthened by the participation of the **Office of Research, Evaluation, and Program Support (REPS)** in the central Office of Academic Affairs at CUNY. REPS has agreed to provide support with extraction and management of student-level educational administrative data, survey administration, data analysis, and contributing to the writing of policy briefs or reports (see supporting documents and Appendix Table A.2). Requested funds to cover graduate student will mainly support data collection by REPS. **Professor Rafael De Balanzó Joue** (Civil Engineer Ph.D. in Sustainability) will lead the in-depth group interviews. His ample experience applying the *Resilient Thinking Approach* to urban design and planning participatory processes and facilitating community engagement in different communities will guarantee the success of the qualitative analysis. To bridge the quantitative and qualitative analyses, he will collaborate closely with Professor Núria Rodríguez-Planas. He will also receive the support of a junior researcher with mixed-methods expertise from REPS. Both professors have co-authored and published an article together focusing applying the resilient thinking approach to analyze urban planning cycles in the city of Barcelona.

² See Berkes (2007), Fazey (2010), Berbés-Blázquez et al. (2014), De Balanzó Joue & Rodríguez-Planas (2018) and Elmqvist et al. (2019) for discussions on resilient thinking and different applications in a variety of fields.

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