



# Proposal for the Creation of a Staff Emergency Fund

SUBMITTED BY THE EMPLOYEE RELATIONS COMMITTEE TO THE STAFF COUNCIL FOR  
DISCUSSION AND APPROVAL

Authors | Staff Council Employee Relations Committee | March 9, 2020

## Charge

To research the feasibility of and the steps necessary for the creation and maintenance of a Staff Emergency Fund (SEF), for the purpose of providing limited financial assistance to ISU staff members facing immediate and temporary financial hardships.

### BACKGROUND

- There are currently no existing programs to provide recourse for ISU staff beset by sudden hardship.
- According to the publicly available Staff Compensation Plan, many full-time, benefits-eligible staff remain at compensation levels which leave them vulnerable to such an unexpected financial hardship.
- Human Resources is not currently able to offer help to ISU employees in such a situation, but will direct inquiries toward outside resources such as shelters, food banks, etc.
- Funds exist which have been donated to ISU that have been earmarked for a Staff Emergency Fund should one be created.

### RATIONALE

- To the extent that funding permits, the SEF will provide ISU staff with a level of protection against emergency hardship.
- The benefits to the staff person in the midst of such an emergency are obvious, but the existence of such a fund may also serve to reduce financial stress and increase morale.
- Staff Emergency Funds, dependent on donations, have been created and maintained successfully at many other universities, including, but not limited to: Indiana University Southeast, University of Illinois, and University of Texas.
- Creation and maintenance of the SEF will provide a high-visibility and high-impact project to point to for staff to see how Staff Council can benefit them.
- By increasing the quality of life of ISU employees, and especially those employees the most vulnerable to financial hardship, the SEF will support Goal 5 of the ISU Strategic Plan.

### RECOMMENDATIONS

1. Employee Relations recommends the creation of a Staff Emergency Fund, seeded with initial contributions and supported by donations (especially from ISU staff employees) as well as potential matching funds from business partners and vendors.
2. This fund will require the creation of an SEF Committee within Staff Council, led by the Chair of the Staff Council or designee, to review applications and award funds as appropriate.
3. Employee Relations recommends utilizing University Advancement for management and distribution of the funds.
4. Awarded funds will be paid through ISU payroll and subject to taxes.
5. The SEF will award up to \$1,000 to qualifying applicants.
6. Awardees will not be required to repay awards but will be encouraged to volunteer for council events and guided about how they can contribute toward the fund once they are able.
7. Funding means by which employees and others may donate to the fund:
  - payroll deductions
  - one-time donations
  - Engage the Staff Council Public Relations Committee to host a fundraiser event similar to those they host for Habitat for Humanity and the Staff Council Scholarship fund.

8. Eligibility for an SEF award will be limited to:
  - a. Active, non-faculty, benefits-eligible full-time staff members;
  - b. With a temporary financial hardship due to unforeseeable emergency;
  - c. Who have not received an SEF award within the rolling two year time frame
  - d. One employee per household for every rolling two-year time frame.
  - e. And who have examined alternative resources which were unavailable or insufficient to meet their current need.
9. Examples of emergencies meeting the above definition include: natural disaster, domestic violence, death of immediate family member, fire, sudden and serious illness, critical injury.
10. Awards would not be available for events such as: legal fees or fines, debt consolidation, litigation, non-emergency large purchases, credit card payments or chronic debt, elective surgery, routine child care costs, vacation, non-emergency moving expenses, tax payments, etc.
11. Awards are intended for those who were able to manage their financial situations prior to the emergency in question. It will not be feasible for the SEF to meaningfully assist in situations of longer term financial hardship.
12. Valid requests may exceed available funds, in which case the SEF committee will need to allocate awards based on the immediacy or the extent of the emergency situation. The fund may especially be insufficient in cases of widespread disaster or community crisis. In addition, aid is administered on a first come, first served basis. Should there be no funding available then an appointed representative from the Staff Council will inform the ISU community via the Staff Council website, Staff Council Newsletter, and other media outlets.
13. Application process:
  - a. Applications will be submitted directly to the chairperson of Staff Council, or to a new or existing position on the executive committee designated for this purpose. The receiver of the application will anonymize the application materials and distribute them to the SEF committee for consideration.
  - b. A secure method of submitting and housing supporting financial documents will need to be developed or obtained.
  - c. After a decision to award has been made, the Staff Council Chair or designee will contact ISU Foundation for a payment from the account to be dispersed to the recipient.
  - d. This committee will need to be able to deliberate on an emergency time frame, to allow the funds to be dispersed at a rate where they can provide the intended assistance.
  - e. Committee members will be required to understand the confidentiality of the documents and cases they will be requested to handle.