

# Staff Council

## Proposal: Establishing a Staff Emergency Fund

### PURPOSE

To establish a University of Pitt Staff Emergency Fund that provides limited financial assistance (up to \$500) on a rolling basis to staff members of the Pitt community (at all 5 campuses) who are experiencing a temporary hardship due to a significant life event.

### JUSTIFICATION

*The Federal Reserve has reported that 40 percent of American families do not have sufficient savings to deal with a \$400 emergency expense — and that was before the historic wave of unemployment and economic fallout related to the pandemic.<sup>1</sup>*

We are asking the University of Pittsburgh to establish a staff emergency fund (SEF) now as the financial constraints and safety nets of many of our Pitt Community are strained even more due to COVID-19. Additionally, many other Universities and private employers have well established funds for staff so launching one at Pitt is a critical piece to build our foundational strength. The Staff Emergency Fund (SEF) should not replace good, strong policies addressing pay, paid sick time, family leave, etc. for employees, but enhance these fundamental policies and provide an additional support opportunity to our Pitt staff for years to come.

We are not the first University Staff Council to seek to establish this type of fund. See reference links below of other Universities.

#### Staff Councils:

- <https://www.luc.edu/staffcouncil/programs/loyolaemployeeemergencyfund/>
- <https://staff.tamu.edu/our-programs/staff-emergency-fund/>

#### Other Universities:

- [https://www.levistrauss.com/wp-content/uploads/2020/04/2020416-RTF-HARDSHIP-PLAYBOOK\\_F.pdf](https://www.levistrauss.com/wp-content/uploads/2020/04/2020416-RTF-HARDSHIP-PLAYBOOK_F.pdf)
- <https://hr.ucdavis.edu/emergency-fund/apply>
- <https://hr.mit.edu/worklife/hardship-fund>
- <https://voice.vumc.org/employee-hardship-fund-work/>
- <https://hr.utexas.edu/current/services/staff-emergency-fund>

### SOURCE

The source of the fund would be established through giving by staff (via one time or automatic payroll deductions) and/or one-time donations. The Staff Council would support this effort through the External Relations Committee and need to work with both Human Resources and Philanthropic and Alumni Engagement. The longer term goal would be to ultimately raise enough money for an endowed account.

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<sup>1</sup> Harvard Business Review | <https://hbr.org/2020/05/every-company-should-have-an-employee-hardship-fund>

## A HARDSHIP IS DEFINED AS

Experiencing a temporary financial hardship, defined as one caused by a time-limited, specific event. This includes, but is not limited to:

- Death of a family member
- Natural disaster (fire/flooding/tornado/hurricane, etc.)
- Serious illness or critical injury

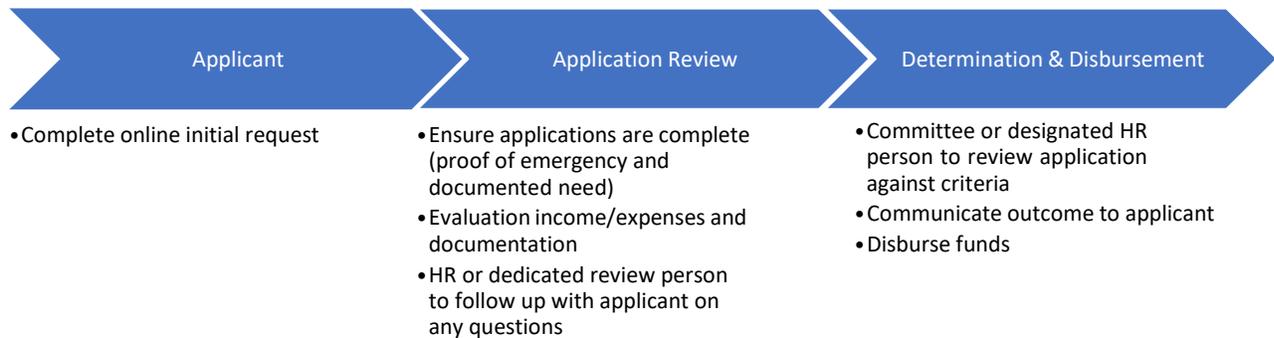
## APPLICANT ELIGIBILITY

- Applicant refers to the individual seeking assistance for their temporary financial hardship. An application may not be submitted on behalf of someone else, regardless of the circumstances.
- Applicant must be in an active, benefit-eligible, non-faculty, University staff position at any of the University of Pittsburgh's five campuses.
- Applicant must have completed their provisional period at Pitt.
- Applicant must not have received a SEF grant within the past two years.
- Applicant must be experiencing a temporary financial hardship as defined above.

## APPLICATION DOCUMENTATION AND UNDERSTANDING

- Documentation supporting the temporary financial hardship and the specific event is required for every application. Assistance will not be provided without supporting documentation.
- Emergency funding is not guaranteed and is based on demonstrated need, short-term nature of the financial hardship, application approval, and the availability of funds.
- Given the limited amount of funds, all requests cannot be approved even though there may be a clear need for assistance. This fund may be insufficient in the case of widespread disasters, community crisis, or federally declared emergencies.
- Assistance is limited to a maximum of \$500 per employee, per distribution.

## PROPOSED GRANT PROCESS



## IMPLEMENTATION CONSIDERATIONS

### ENSURE EMPATHY IS AT THE FOREFRONT

- To ask for assistance, a person must be in a position of stress and uncertainty. Also, many people will have feelings of shame in asking for help. It is important to acknowledge this and ensure those working with applicants provide respect and dignity first. Similarly, we must ensure the application process and determination of support are clear and consistently applied. This will lessen anxieties, build trust, and ensure as equitable of a determination as we can for each applicant.

### BE NEEDS DRIVEN AND RESPONSIVE

- Process and procedure for the SEF is important but so is the speed and efficiency of getting funds into the hands of those that need it. A balance between both efficiency and protocol are necessary.

### APPLICATION REVIEW

- Who will review the confidential application information will need to be determined. Some organizations have HR review and work with applicants for confidentiality.
- Should the SEF applications be reviewed by one-person in HR or a committee of people?
- How will confidentiality be handled in the case of committee review?

### TAX IMPLICATIONS

- What are the tax impacts of an emergency grant on the applicant?
- What are the IRS rules of hardship funds on the University? Some organizations make this a separate nonprofit entity for IRS reasons.
- What are the tax impacts on donations to this fund?

### AVAILABILITY OF OTHER RESOURCES

- If the SEF is established, ensure the webpage contains other resources to assist the applicant in their time of need.