

Memorandum

Subject Proposal for the merger of emergency funds (v.7)
Date 24 January 2024
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Rationale

EUR currently has two emergency funds:

1. the EUR social emergency fund;
2. the ad hoc emergency fund for students affected by wars or natural disasters, in cooperation with the Erasmus Trust Fund (hereinafter: the crisis emergency fund).

Both funds provide support to students in acute temporary financial distress that hinders their study progress. Both provide a similar amount of compensation, and the assessment is based on nearly the same criteria.

Accordingly, we wish to merge both funds into a single emergency fund, the *EUR Emergency Fund*. This is intended to be available permanently to students in acute (individual) financial distress, and in addition may be considered specifically for use in case of an acute crisis (war/natural disaster). Components of the fund can be earmarked.¹

Purpose

Combining these funds contributes to an adequate financial support structure for EUR students, with the aim of promoting equal opportunities and access to education. We list some of the advantages below.

1. efficiency and simplification: by integrating both funds into one entity, we reduce the complexity and administrative burden of managing two separate funds. This is also clearer for students;
2. adequate access to financial aid: the EUR Emergency Fund is designed to be available immediately to students in acute financial distress, not only as per current practice with the EUR social emergency fund, but also especially in specific crisis situations such as wars or natural disasters. This ensures targeted spending of available funds when warranted. The possibility for fundraising remains (as in the current crisis emergency fund's cooperation with the ETF with regard to the Ukraine war);
3. improved transparency and clarity: the merged fund streamlines evaluation criteria and procedures, leading to greater transparency and clarity for applicants. Students know better what to expect when applying for financial aid;
4. easy collaboration: merging the funds will require new working arrangements within E&S, reducing the role and administrative burden for the Erasmus Trust Fund (ETF).

New agreements

A successful merger of the emergency funds depends on a number of conditions and working arrangements. Having consulted the colleagues involved, we propose the following.

¹ We undertake that any earmarked budget not fully spent will be added to the general emergency fund.

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1. Both donations and loans can be provided
The EUR social emergency fund provides loans, while the crisis emergency fund (through the ETF) provides donations. The aim is for the merged emergency fund to provide donations in principle, but to retain the alternative of providing a loan. Experience has shown that loans provided by the social emergency fund are rarely (able to be) repaid. As a result, they are in time necessarily converted into donations. In addition, providing donations is in line with the practice of the crisis emergency fund, which is currently still channelled through the ETF. Counsellors would like to retain the option of providing loans, as they, sometimes together with the student, can assess how the student is best helped. According to the EUR treasury statute, EUR is allowed to grant interest-free loans.² Under the same conditions, EUR may provide donations to third parties.
2. Head of student services is authorised to make decisions
We propose that the head of Student Services, advised by the counsellors, be given the authority to decide on *all* EUR Emergency Fund applications. In addition, we propose to continue using the EUR Emergency Fund under the current Emergency Fund WBS (30081000.002.002).³ Should external funds come in (through the ETF), they will be added to this budget, optionally earmarked. All applications are processed through the following route: counsellors (advice and request), head of Student Services (decides) and Finance (disbursement).
3. The emergency fund is replenished from an earmarked item,⁴ and not (or no longer) from its own interest income, as was once intended. We propose a floor of €150K.

Current svz social emergency fund

According to a 2011 memorandum on student funds (there does not appear to be more recent documentation)⁵, the EUR social emergency fund is intended to exist on its own interest income, with interest accruing annually. The budget is sporadically supplemented (ad hoc) with external funding, such as from the Ministry of Education, Culture and Science in 2021, to be spent on the specific target group of Ukrainian students. Such a donation is earmarked as such within the EUR social emergency fund. Over the past five years, there has only been a single addition to the social emergency fund: €70k was added in 2021 in view of the COVID-19 pandemic. No further own interest income has been added. The available budget is currently around 300K. Of this, over 200K comes from the social emergency fund and about 90K from the crisis emergency fund.

Current svz crisis emergency fund

The crisis emergency fund was created in partnership with the ETF at the outbreak of war in Ukraine. The ETF started a fundraising campaign, which resulted in an earmarked budget to be spent on this specific target group. Later, following the earthquakes in Turkey and

² Email Simona Thalen (CPC), 25 January 2023: *Under the Regulation on Investment and Lending and the EUR treasury statute, EUR is not allowed to grant loans to third parties. Exceptions can be made if such a loan is needed for the institution to perform its statutory task and if the loan conforms with the organisation's purpose. Emergency fund loans to students may be eligible for such exceptions.*

³ On the advice of the E&S controller

⁴ CPC will announce which item this will be.

⁵ Memorandum on the Transfer of funds, cash and carillonneur by Erasmus Sport to EUR (2011)

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Syria, this fund, and with it the remaining budget, was transformed into a more general 'emergency fund for students affected by wars or natural disasters'.

Recommendation

In merging the two emergency funds, we propose a floor amount of €150K, to be replenished from an earmarked item as needed. As we currently have €300K to spend, we expect replenishment will not be needed for the time being. The fund can also be supplemented with temporary, earmarked (external) funding, such as from a fundraising campaign.

The €150K floor is based on the experience of recent years. This shows us that:

- the social emergency fund is not used often (except in 2020 due to the pandemic).
- a fundraiser in connection with the war in Ukraine raised €136K. Most of this was spent on Ukrainian students, followed by those affected by the earthquake in Turkey and Syria.

With a base amount of €150K, the EUR Emergency Fund has a good buffer that allows us to support students in financial distress, even if a crisis of similar magnitude to Ukraine were to occur.

	EUR social emergency fund	Crisis fund
2018	- €300	In 2022, a total of €252,349 became available in view of the war in Ukraine, of which €168,349 was raised by the ETF and €84,000 came from the ministry of Education, Culture and Science. Of the total amount, €54,000 remained in 2023, which was spent on those affected by the earthquake in Turkey and Syria.
2019	- €750	
2020	- €128,750 (COVID-19)	
2021	- €1,000	
2022	- €1,050	
2023	- €3,542	

Emergency funds disbursements

Regarding the replenishment of the emergency fund, CPC informs:

- In view of the disbursements in recent years, we do not expect a replenishment in the next few years.
- In case of emergencies, replenishment from external sources may be possible (e.g., a fundraising campaign by the ETF).
- When replenishment is needed, the amount will be limited based on regular expenditures from the emergency fund (in the absence of emergencies).
- Future replenishments are to come from central EUR funding (as this is not expected for several years, we do not name any more specific sources).

4. E&S manages the joint EUR Emergency Fund

In merging the two emergency funds, it is desirable for a single party, E&S, to manage the fund. The ETF supports this plan, as it means a reduction in administrative burden for them. However, E&S does coordinate the assessment criteria, donation/loan agreements and fund deployment with the ETF, as in some cases it is the ETF funds that are provided. In the latter case, the ETF will also cosign the donation agreements.

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5. The EUR Emergency Fund will be linked to the Acute Crisis Areas Protocol

We propose to link the EUR Emergency Fund to the Acute Crisis Areas Protocol. If the crisis protocol's assessment framework shows that the protocol applies, the Core Team will also determine whether there is cause to open the EUR Emergency Fund to students financially affected by the acute crises in question. In addition, the EUR Emergency Fund is continuously available for cases that do not arise from an acute crisis or a (natural) disaster. More information is provided under communication.

6. The same assessment criteria are used as for the EUR social emergency fund, with counsellors estimating the applicable duration and amount

The (merged) EUR Emergency Fund is intended for students who, while enrolled at EUR (i.e., not prospective students or alumni), encounter financial difficulties due to special, unforeseen, temporary circumstances and can be assisted with a small loan or donation. The financial distress must have arisen unexpectedly and during the study period (after the start of a programme). The fund does not cover the payment of tuition fees or books. The same applies to funds coming from the ETF.

We propose linking the amount of the donation or loan to the maximum loan at the Education Executive Agency (DUO): a basic grant for students living away from home, with additional loans and grants. This amounts to a maximum of 1,410 euros. Students receive a maximum of 1,410 euros depending on their situation. Based on a substantiated, realistic budget, the counsellors estimate what amount the student is eligible for and for how long. We suggest not mentioning the maximum amount on the website to avoid giving students the impression they are entitled to it.

Students complete a budget form with their application stating:

- the reason for the application;
- their types of income (e.g. a student loan, care allowance, parents or work),
- their expenses (rent, travel, studies, healthcare, etc.).

The application form should be updated jointly by the counsellors and the ETF. The proposal is for the counsellors to carry out all assessments, but to do so based on shared principles.

7. A central web page will be set up with all information about the EUR Emergency Fund, including when students can submit an application.

On a central web page about the EUR Acute Crisis Areas Protocol, information will be added about the EUR Emergency Fund when it is made available for a specific situation. This way, the same web page can always be linked to and can easily be brought to the attention of a specific target group when a crisis occurs. In such cases, specific communication is needed.

The Acute Crisis Areas Protocol will include a provision that, when it is triggered (based on the assessment framework), the Core Team will also decide whether to make the EUR Emergency Fund available.

In addition, we recommend being (and remaining) transparent to students about the source of funds. Utrecht University, for instance, has [a page](#) where the use of the emergency budget is discussed in detail, including the differences with the profiling fund.



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We think this sets a good example for our own page on the EUR emergency fund, to be developed.

Coordination

The content of this memorandum has been coordinated with the following colleagues and updated with their input each time:

- Rianne Nieuwdorp, E&S policy officer (30 October 2023);
- Jenny Dijkstra, counsellor (9 November 2023);
- Steve Borremans, E&S controller (15 November 2023);
- Joop Mattijsse, head of E&S Student Affairs (22 November 2023);
- Margot Bleeker and Renate Buijze, Erasmus Trust Fund (20 December 2023);
- E&S MT (18 January 2024);
- Simona Thalen, CPC (24 January 2024).