

The purpose of Army Emergency Relief (AER), is to provide financial assistance to Soldiers, Retirees, Survivors, and immediate Family Members when they are experiencing difficulties due to an unforeseen emergency. Although operating as a private nonprofit corporation it is the U.S. Army's own emergency financial assistance organization and exists solely for "Helping the Army take care of its own". AER can be an important tool for Commanders and Leaders in exercising their responsibilities for the care and welfare of Soldiers. However, to effectively utilize AER Leaders must understand how AER is structured, operates, and its unique relationship with the Army. This insight into AER operations will ensure Leaders are able to maximize the potential of AER policies and programs to the benefit of their Soldiers and Family members.



AER Mission and Operations

Mission:

" To collect and hold funds and to relieve distress of personnel of the Army of the United States and their dependents"

- Certificate of Incorporation, 5 February 1942

Operations:

- Private, not for profit, charitable organization
- Headquarters in Alexandria, VA (21 employees)
- Operational requirements implemented at 80 installations world-wide (300 government employees)

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Army Emergency Relief (AER) is a private, nonprofit organization that was created to help relieve distress of Soldiers and their family members who experience financial emergencies. Established in 1942, AER has assisted more than 3.6 million Soldiers and Family members dispersing in excess of \$1.5B. In 2013, AER assisted over 53,000 Soldiers, Retirees and their eligible Family members, providing approximately \$74M in non-interest bearing loans and grants. Each year AER will assist approximately 10% of the Army.

AER operates under a two tier system. Approximately 85% of AER funds provided to Soldiers are distributed through the AER sections located on Army Installations. These local offices operate under the guidance and overall supervision of Garrison Commanders. AER empowers Garrison Commanders and Installation AER Officers to make decisions on individual requests for assistance up to \$3,500. This flexibility enables Commanders and local AER Sections to respond to Soldiers on a case by case basis and is a key reason for AER success in responding to Soldiers needs. The majority of remaining AER cases are processed at HQ AER located in Alexandria, VA.



AER Eligibility and Access

Eligibility:

- Active duty Soldiers and family members
- Army National Guard and Army Reserve Soldiers on active duty over 30 days and their family members
- Retirees and family members
- Surviving Spouses and Orphans
 - GRANTS

Access:

- Army Installations - 80 locations worldwide
- Thru other Military Aid Societies - 270 locations worldwide
- The American Red Cross – Four Emergency Communication Centers (After Duty Hours 1-877-272-7337)

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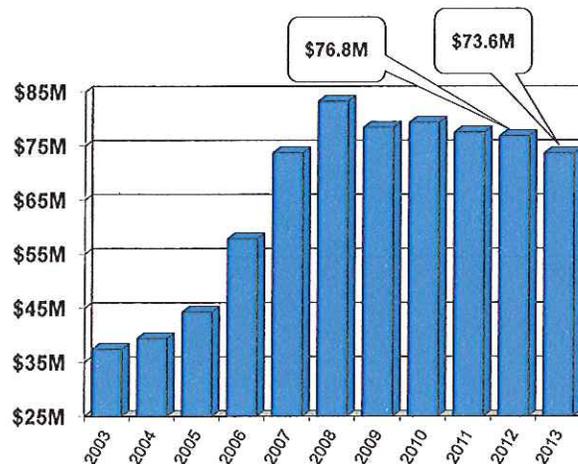
To be eligible for assistance from Army Emergency Relief, an individual must be on Active duty or retired from the Army. In addition to Regular Army Soldiers, Army National Guard and Army Reserve Soldiers are eligible when they are ordered to active duty under Title 10, United States Code for greater than 30 consecutive days. A Soldier in any of these categories becomes eligible on the first day of active duty. Retired Soldiers remain eligible for assistance from Army Emergency Relief throughout their lifetime. Retirees include those individuals who retire for longevity, medically retire and gray area retirees (Reserve components) who at age 60 start to receive retired Army pay. Disabled American Veterans (DAV), gray area retirees not yet age 60, and Reserve component Soldiers on weekend or annual training are Not eligible for assistance from Army Emergency Relief. Eligible family members include the spouse, unmarried children under 21 (or under 23 if attending college full time), unmarried children over 21 who are incapable of self support, step-children, adopted children, wards and any dependent parent approved by Department of the Army. Assistance for family members must be approved by the Soldier or retiree. In the absence of the Soldier or retiree, the spouse may request assistance using a valid Special Power of Attorney (SPOA) which authorizes the spouse to borrow money in the Soldier's or retiree's name. If there is no valid Special Power of Attorney, the spouse may request the Soldier, or retiree, be contacted through the American Red Cross for concurrence. Surviving spouses of Soldiers who died on active duty, or after retiring, remain eligible for assistance provided they do not remarry. Orphans remain eligible until age 21 (or 23 if attending college full time). Most financial assistance to Surviving spouses and orphans is provided at the time of death of the Soldier, or retiree, and is given as a grant. However, they may request assistance at a later time should they encounter an unforeseen emergency.



Emergency Financial Assistance Interest Free Loans and Grants

9 New Categories of Assistance :

- Advanced Travel Funds
- Repair of HVAC
- Purchase/Repair of Stoves and Refrigerator
- Child Car Seats
- Cranial Helmets
- Rental Vehicles
- Replacement Vehicles
- Furniture
- Dental Care for Dependents



Since 2009 AER has provided \$385M in assistance of which \$38M (10%) in grants
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Army Emergency Relief has disbursed over \$1.5B in emergency financial assistance since being incorporated in 1942. As you can see from this slide, approximately 385 million of that assistance has been in just the past 5 years indicating that the need for AER is greater than ever. Historically, the majority of assistance, approximately 91 %, is provided in the form of interest free loans with repayment helping to fund future assistance. When making the decision on a loan versus a grant, the caseworker looks at the total situation; what the request is for, the financial situation of the Soldier and the reason the Soldier does not have funds to use for this purpose. Soldiers are usually able to repay their assistance and prefer to do so. All loans from Army Emergency Relief are interest free. If repayment of a loan will cause a Soldier extreme hardship , the caseworker may consider issuing the assistance as a grant with no repayment required, or combination of a part-loan, part-grant when the Soldier's situation precludes repayment of the entire amount but partial repayments can be made without undue hardship. An additional loan option is to delay the start of repayments if the Soldier's financial problems are temporary. Grants are not given for expenses which will be reimbursed by other means such as insurance, social security, veteran's benefits or other government program. As indicated previously, any assistance to Survivors is as a grant. Each case is considered on its own merit. No two persons are exactly alike just as no two situations are identical. An emergency is a condition that arises suddenly, is unforeseen and urgent and requires immediate attention. Emergency financial assistance is provided under many types of conditions or situations. Usually they involve obligations for everyday essentials that are beyond the individual's ability to meet, much as you see listed here. This list is not all-inclusive nor does Army Emergency Relief limit itself to just these areas of assistance. Army Emergency Relief caseworkers have considerable latitude in considering cases with the main purpose being to alleviate distress. The objective of Army Emergency Relief is to meet every valid emergency financial need of Soldiers and their dependents. Funds are not provided to maintain a standard of living beyond the Soldier's financial means. Additionally, AER funds are always given to meet a valid need, never as a convenience or to express sympathy.



Exception to Policy

- AER Regulation (AR 930-4) provides regulation guidance but does not cover all situations
- Exception to Policy Authorities
 - Garrison Commander
 - Staff at Headquarters AER
- Criteria
 - Best interests of US Army and Soldier
- Director, AER reserves authority to make exceptions to eligibility

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There are always situations that are unique or require special consideration. These type cases may necessitate consideration as an exception to policy. The regulation that governs financial assistance from Army Emergency Relief, AR 930-4, outlines several types of circumstances for which AER does not provide funds. Some of those categories are: Legal fees, fines and court costs, overdrawn bank accounts, divorces and marriages. However, there are times when situations are so exceptional and warrant approval, when determined to be in the best interests of the Soldier and the Army. Each case is evaluated on its own merit and no two cases are exactly the same. While AER funds cannot be used to help a Soldier pay a speeding ticket there may be occasions when a ticket not being paid results in a Soldier's arrest. This situation can be compounded when the Soldier is a single parent or is preparing to deploy. For this reason, the Garrison Commander has been granted special authority to approve exceptions to policy for up to \$3500 in all circumstances except when the request is based on eligibility, or the Soldier is requesting an abortion (this can never be authorized using AER funds). Requests for assistance submitted by Soldiers who are not eligible may be forwarded to the Director of Army Emergency Relief. These requests will be considered only under extreme hardship and must be fully documented and endorsed by the Garrison Commander.



Other Programs that Take Care of Soldiers/Families

Commander's Referral Program

- Company Commander/First Sergeant can approve interest free loans up to \$1,500.
- Win – Win situation.
- Considerable flexibility given Chain of Command.
- 41% of all assistance in 2013 to Active Duty Soldiers Army-Wide.
 - Are your Platoon Sergeants and Squad Leaders using the program to help Soldiers?
- Key is proper emphasis and utilization by the Unit Leaders.
- Chain of Command can directly respond to financial needs of Soldiers.
- Recognized by GAO study as an effective means to combat pay day lenders.

"The Commander's Referral program is an incredible tool.....It empowers the chain of command and helps protect the Soldier!"

- Company Commander, Fort Hood

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The Commanders Referral program was implemented in an effort to be more germane to the existing needs of today's Soldiers, as well as simplify and expedite the process while extending flexibility to Company/Battery Commanders and First Sergeants. Under this program, you as a Company Commander or First Sergeant are the approving authority for providing up to \$1500 in AER assistance. Instead of recommending approval, you may issue a loan and then send the Soldier directly to the AER Office to pick up the funds.

This program is limited to loans only and the Soldier must be able to repay by allotment. A Soldier can receive two loans per year under this program, but in order to receive assistance any prior Commanders' Referral loans must be paid off. Nearly one third of all assistance given by Army Emergency Relief to active duty Soldiers comes from this program. Not only does this provide quick access to solve the financial distress that Soldier's are experiencing but it also gives the chain of command the means in which to make an immediate impact in the quality of life for their Soldiers. This is a win/win scenario. Soldiers view you as a leader having the tool to solve their problems instead of sending them outside the chain of command. One of the benefits of this program is that you as the approving authority have the flexibility to ask for as much, or as little, information you feel appropriate to render a decision.

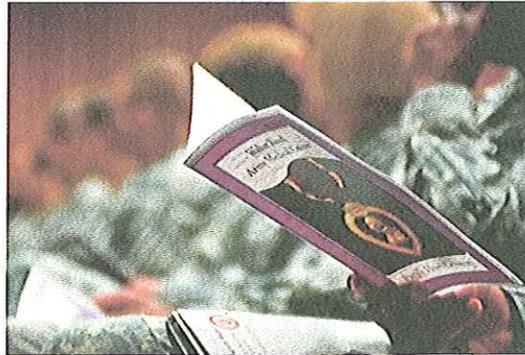
Assistance under this program is issued for only authorized categories of assistance such as car repairs, rent, emergency travel, utility payments and non receipt of pay.



Other Programs that Take Care of Soldiers/Families

Wounded Warriors Comfort Grants:

- \$500 grant (check or debit card) provided to Soldiers medically evacuated from theater of combat and hospitalized in an in-patient status.
- Can be used for any need.
- Issued at either Landstuhl; Andrews AFB; Walter Reed or Brook Army Medical Center.
- When visiting hospitalized Soldiers, ask if they received the grant.
- To date, AER provided Comfort Grants to approximately 15K Soldiers totaling \$3M.



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The Wounded Warrior Comfort Grant Program was implemented in March 2003 in response to Soldiers who were medically evacuated from Iraq and Afghanistan without their clothing, money or other personal items. The purpose of the grant was to help relieve distress and to aid in the Soldier's recovery while hospitalized. On 1 August 2011, the grant was raised from \$200 to \$500. To be eligible a Soldier must have been medically evacuated from a designated Hostile Fire area and be treated on an in-patient status at a designated Medical Treatment Facility (MTF).

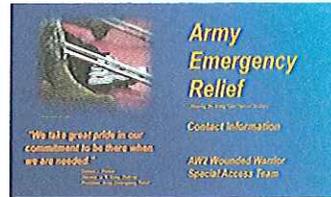
Currently, the majority of wounded Soldiers requiring medical evacuation are flown from the war zone directly to Landstuhl, Germany, and then on to the United States, often to Joint Base Andrews where they will receive care at Walter Reed National Military Medical Center, Bethesda, Maryland. Wounded Warrior Comfort Grants are issued at Joint Base Andrews by the Medical Evacuation CONUS Hospital's Team (MECH Team) or by the AER Section at Walter Reed.



Other Programs that Take Care of Soldiers/Families

AW2 Wounded Warrior Special Access Program

- In coordination with Warrior Transition Command, AER established special access for AW2 Soldiers to request assistance.
- AW2 Wounded Warriors call or E-mail direct to HQAER.
- Requests processed and funds provided by EFT within 24 to 48 hours.
- To date AER has processed approximately 741 applications disbursing in excess of \$1.4M:
 - \$447K Loans (30%)
 - \$1M Grants (70%)



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In March 2012, in conjunction with the Warrior Transition Command, AER created the AW2 Special Access Cell that provides financial assistance to Army Wounded Warriors (AW2) who are medically retired and their immediate family members. Many of these service members relocate to locations where they have no military support network and experience up to a 90-120 gap in pay between their retirement date and the date that they start to receive their DFAS and VA entitlements.

AER eligibility for this program applies to Retirees who are enrolled in the Army Wounded Warrior Program, including those in the AW2 Program who have been placed on the Temporary Disabled Retired List (TDRL) or the Permanent Disabled Retired List (PDRL) for medical reasons.

An AW2 Assistance application consisting of the AER Form 700-1 and AER 57R, Budget Planning Sheet, may be submitted by email to assistance@aerhq.org or via phone by contacting the HQ AER Assistance Section at 703-325-0333.

Active Duty Soldiers enrolled in the AW2 Program can be serviced by the local AER Section at their respective installation.



Other Programs that Take Care of Soldiers/Families

Survivor Assistance

- Surviving Spouses provided assistance in form of grants
 - Applies to widows of active and retired Soldiers
- Monthly financial stipend for the most destitute.



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AER provides financial assistance to survivors (spouses and orphans) of active duty and retired personnel. Identifying spouses and orphans of Soldiers who died on active duty or in retirement and who need financial assistance is an important part of the Army Emergency Relief (AER) mission. Casualty Assistance Officers and Survivor Outreach Services personnel are excellent sources of information for Survivors. Casualty Area Commands distribute AER information sheets to Survivors of deceased Soldiers informing them of available AER assistance and whom to contact. AER Sections and American Red Cross Call Centers are the principal points of contact for Survivors regarding AER assistance. Initial requests received at HQ AER normally will be referred to the AER Section that in the closest proximity to help the Survivor. AER assistance is provided in the form of grants to all Survivors. Normally, assistance is provided for basic living expenses which includes food, rent, and utilities, for the first three months after a service member's or retiree's death or until the survivor starts receiving government benefits. However, Survivors remain eligible provided they do not remarry and may request AER assistance at any time to meet an unforeseen emergency. Orphans remain eligible after age 21 as long as they are full time students and remain eligible until age 23. All Survivor assistance requests are approved by Headquarters Army Emergency Relief. In extreme, or exceptional circumstances, when surviving spouses have a continuing situation of inadequate income to meet basic needs, a monthly allowance may be provided to supplement income. This monthly allowance is only approved for up to 12 months at a time. Assistance is meant to provide a solution to temporary problems until various entitlements commence or other arrangements are made. When a Soldier dies, AER will declare all outstanding loans uncollectible in order to spare the Survivor any further hardship or concern.



Education Program

MG James Ursano Children's Scholarship

- Scholarship application window: 1 Jan – 1 May
- Provides tuition and fees for undergraduate education.
- Eligibility: Children of Active Duty Soldiers and Retirees attending college full time.

Spouse Scholarship

- Scholarship application window: 1 Jan – 1 May
- Tuition and fees for undergraduate education.
- Eligibility: Spouses of Active Duty Soldiers and Retirees attending college full or part time.

Items needed to apply:

- AER Online Application (available 1 Jan – 1 May)
- Free Application for Student Aid (FAFSA)
- Transcripts
- Title 10 Orders (Reserve and National Guard)

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AER offers two scholarship programs:

Spouse Education Assistance Program provides scholarships for Spouses of Army Soldiers. Funds are available for Spouses pursuing their first undergraduate degree at an accredited college or university. Recipients may be enrolled part-time or full-time. Recipients are eligible to receive the scholarship for up to 4 years of full-time or up to 8 years of part-time enrollment. Funds may be used for tuition, fees, books, supplies, ESL and GED classes, CLEP and TOEFL tests, and DANTES programs.

MG James Ursano Scholarship Program

provides scholarships for Children of Army Soldiers. Funds are available for Children who are pursuing their first undergraduate degree at an accredited college or university. Recipients must be enrolled full-time for the entire academic year and are eligible to receive the scholarship for up to 4 years. Funds may be used for tuition, fees, books, supplies, and room and board.



Policy Changes in 2013/2014

- Extended direct access for AER assistance to all **Sergeant First Class (5.3% of Active Duty cases)** (No Unit Commander/First Sergeant Review required) – effective 1 October 2013
- Extended direct access for AER assistance to all **Sergeant and above (31.1% of Active Duty cases)** (no Unit Commander/First Sergeant Review required) - effective 1 January 2014
- AER Officer will contact Chain of Command if high risk behavior detected.

NOTE: Private – Specialist (61.7% of Active Duty cases) and any Soldier that the Unit Commander and First Sergeant deems appropriate to review AER applications will still be required to do so. Unit Commanders can coordinate this action with the AER Officer and the Soldier's record will be flagged requiring the Commander's review.

In 2013 the Director, Army Emergency Relief directed the Assistance Chief to conduct an AER Worldwide assessment of AER mission effectiveness, to identify areas of concern and solicit recommendations for improvement.

During the assessment period AER visited 21 Army Installations and conducted Group Interviews and Surveys with over 2,000 randomly selected Soldiers (Private thru Colonel).

One of the most significant findings as a result of feedback received from Soldiers and Leaders is that some Soldiers are reluctant to use AER due to the requirement to go through their immediate Commander and First Sergeant. Their concerns were as follows:

- 1) **Pride:** Embarrassed to admit need for financial help.
- 2) **Confidentiality:** Do not want Company/Battery personnel to know and discuss openly.
- 3) **Fear:** Risk potential for future promotion and selection for leadership and approval for Security clearances.
- 4) **Stigma:** Soldiers who experience a financial difficulty, equates to a "Problem Soldier" who can't be trusted to manage personal affairs and other tasks.

As a result of this wide-spread perception the AER Board of Managers with concurrence of the Sergeant Major of the Army (SMA) approved the following policy changes as it relates to direct access to AER for Soldiers in the ranks of Sergeant and above.



"Alternatives"

- **Pay Day Loans:**
 - \$1 per day per \$100 borrowed = APR 360%
 - \$25 for 15 days = APR 600%
- **Pawn Shop Loans:**
 - \$12 per \$100 per month = APR 144% (VA)
 - \$25 per \$100 per month = APR 300% (FL)
- 2006 Defense Authorization Bill places cap on Payday Loans at 36%



Pay day loans and Car Title loans are the two most common types of loans that service members use in order to overcome a financial situation or financial stress. Commanders must ensure Soldiers understand that utilizing these types of loan will only aggravate their situation. These types of loans are extremely expensive. For example, Per \$100 borrowed, you may end up paying as much as \$1.00 per day which equals an APR of 360%; or could result in a Soldier paying \$25.00 a day for 15 days which is an APR of 600%. As you can see, these types of loans are not a Soldiers best financial course of action and can easily compound their financial difficulties. Soldiers must be cautious and understand the disadvantages of utilizing these types of services. The best place to obtain information regarding financial assistance is from a financial advisor within your local Army Community Services office. These financial advisors will assist Soldiers on financial budgeting and also refers them to an AER section where they can apply for an interest free loan. Army Emergency Relief can offer an interest free loan; a grant or a combination of both in which the repayment plan will be established within the Soldier's budget. There is no limitation on how much, or how many times, Soldiers may request assistance from Army Emergency Relief as long as a valid need exists and the amount of the request is reasonable.



Summary

- **AER is a tool for you and your subordinate leaders to take care of Soldiers and their Families.**
- **Many different categories of assistance.**
- **Many different programs to help:**
 - **Soldiers – Commander's Referral Program**
 - **Wounded Warriors – Wounded Warrior Comfort Grants**
 - **AW2 Soldiers – AW2 Special Access Cell**
 - **Spouses - Surviving Spouses**
- **New policy extends AER access.**
- **It is O.K. for Soldiers to ask for assistance.**
- **Spread the message throughout your company.**



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QUESTIONS?

