

# Examining the Effects of Cash Transfer Programs on Hurricane Helene Recovery Efforts

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## OVERVIEW & BACKGROUND

In the aftermath of Hurricane Helene in 2024, communities across North Carolina experienced widespread destruction. Homes, infrastructure, and local economies were destroyed. Flooding, destroyed roads, and power outages disrupted the lives of residents. Recovery efforts were often inefficient, and many organizations relied on cash assistance to fill these gaps.

There has been little documentation of these direct cash transfer programs and how they aided recipients in their recovery. This project seeks to document the various cash assistance initiatives implemented across Western North Carolina. Our team spent months researching various programs through non-profits, local government contacts, and social media/go-fund-me initiatives. We then constructed an IRB-approved survey that recorded data on the amount of funding distributed, eligibility criteria, and the effects of these transfers on overall recovery. By capturing these efforts, this research aims to inspire more evidence-based research on cash transfer programs that will ultimately strengthen policy for future recovery efforts.

## QUESTIONS & METHODS

### 1. Focus & Questions:

- We focused on evaluating the quality and effectiveness of cash aid distribution in Western North Carolina following Hurricane Helene.

Our guiding questions include:

- o Which key organizations and agencies distributed money in response to Hurricane Helene?
- o How did they make these distributions?
- o What did the aid consist of?
- o How did the form of aid (cash vs in-kind) compare in usefulness?
- o Can direct cash assistance improve the efficiency and effectiveness of disaster response in the future?

### 2. Empirical Process

- We began by conducting background research on the topic to fully understand the dire situation in Western North Carolina. From there, we determined the core questions we needed to answer in our own research: What is happening on the ground, who was most affected, and where the gaps and opportunities exist regarding aid. Next, we built a detailed survey that combined quantitative measures with qualitative anecdotes to capture the patterns and experiences of

cash relief distribution that took place. Appalachian State University disseminated the survey across a large cohort of distributors in the region to ensure wide representation, then created a data book based on responses and analyzed the data to draw conclusions about cash assistance.

## KEY FINDINGS

### I. Origin of Distribution and Targets

Most direct cash transfers in Western North Carolina were distributed through established organizations, with **67% (6 of 9)** respondents operating through professional nonprofits and **22% (2 of 9)** acting as individual initiatives, while one respondent (**11%**) reported distributing aid through a church-based supply center. Programs primarily targeted vulnerable households, with **67%** focusing on low-income families and individuals and **33%** extending assistance to small businesses in addition to households. The number of households served varied widely, ranging from **12 to approximately 1,500**, though most programs reported assisting around **100 households**, reflecting largely community-level distribution efforts. Funding sources were overwhelmingly private, with **89% (8 of 9)** relying on private donations, collectively distributing **over \$5 million** across reported programs. Limited but strategic partnerships, including collaboration with local churches and the American Red Cross, supported distribution logistics. Respondents expressed strong confidence in targeting effectiveness, with all reporting agreement levels between **7 and 10** that aid reached the intended recipients, suggesting high perceived accuracy in directing cash assistance to those most affected.

### II. Usefulness of Cash Assistance

Our survey results indicated that **75% of respondents** rated cash assistance as **very or extremely useful**, showcasing a strong perceived effectiveness. Respondents mention that the cash assistance allowed affected families to pay vendors and contractors to cover essential expenses, purchase generators for electricity, water access, and generally allow to be utilized for a range of specific individual needs. Among these needs, a large portion of our respondents (**3 of 9**) believed that the cash was utilized primarily to purchase gas for transportation.

Most respondents (**6 of 9**) further reported that cash assistance proved to be a fast and efficient way to distribute aid, with a primary advantage of easily scaling and a lower administrative burden. For example, one of our respondents was able to distribute cash aid to ~100 households through distributing applications such as Venmo, checks, and direct deposits, highlighting the scalability of cash assistance.

Regarding cash assistance drawbacks, **5 of 9** of our respondents reported difficulties tracking or reporting cash usage, including whether the cash was distributed equally and ensuring that it was able to target specific critical needs for families. In addition, many respondents reported that the main challenges included road blockings and limited availability of open stores (**3 of 9**), making purchases of items like food unavailable near the beginning. Among our questions of what needs

were the most difficult to meet, **4 of 9** mention that housing was difficult to cover, along with transportation and road repairs (**2 of 9**), both of which were difficult to mitigate with just cash assistance.

### **III. Comparing Cash Assistance to In-Kind Aid**

Cash assistance proved highly effective in meeting households' immediate financial needs after Hurricane Helene, with 75% of respondents rating it very or extremely useful, as previously noted. Cash allows families to prioritize urgent expenses (mortgages, contractor fees, or debt) on their own terms, while also reducing logistical burdens for donors. As one participant noted, "All grants have limitations, whereas cash is direct, fast, and not limited in use."

However, in-kind aid remains critical when infrastructure and markets are disrupted. Even with cash, survivors cannot purchase essentials if stores are closed or supply chains are broken. In these cases, items like generators, food, and clean water ensure survival. Survey data show **75%** of respondents said **in-kind aid aligned very or extremely well** with recipient needs. Participants highlighted that "many families needed to replace everything in their home; more needed to replace everything in their fridge." The immense scope of this need meant that all forms of aid, in-kind and cash, were useful.

Together, cash and in-kind aid are complementary: cash provides flexibility and speed, while in-kind aid meets immediate, tangible needs when the economy is stalled.

## **RECOMMENDATIONS**

Based on this data and related analyses, we offer the following selected recommendations:

### **1) Adopt cash-first funding models as the framework for disaster response.**

Seventy-five percent of program respondents rated direct cash assistance as "very useful" compared to other forms of aid, and 67% expressed a preference for cash-leaning approaches in future disasters. In rural areas, cash transfers proved especially effective, where speed and flexibility were essential to meeting needs. Agencies should establish cash disbursement as the primary mechanism of disaster relief, with in-kind aid deployed as a targeted complement.

### **2) Channel federal disaster funding directly to community organizations.**

In the absence of timely federal relief after Hurricane Helene, local nonprofits, churches, and grassroots organizers stepped in to distribute over \$5 million in aid. Program distributors rated their own targeting confidence between 7 and 10 out of 10, suggesting that community-level organizations can distribute resources with precision. Federal agencies should establish direct grant pathways to community organizations, empowering local leaders to administer relief programs with effectiveness that federal systems have historically failed to provide.

### **3) Build public-private partnerships into the disaster response systems**

Eighty-nine percent of the programs in our sample relied primarily on private donations, revealing the critical role that private funding plays in community-administered disaster relief. Federal and state agencies should formalize coordination with philanthropic organizations and

nonprofit networks — sharing data and co-funding programs — so that responses are effectively resourced from the start.