

# CENTER FOR SOCIAL POLICY

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## Metropolitan Boston Housing Partnership's Family Self-Sufficiency Program Evaluation, July 1, 2010 – June 30, 2015

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## Table of Contents

<b>Executive Summary.....</b>	<b>2</b>
<b>Introduction.....</b>	<b>10</b>
<b>Overview of the Report.....</b>	<b>11</b>
<b>Data Sources and Methodology .....</b>	<b>12</b>
<b>Primary Data Sources .....</b>	<b>13</b>
<b>Evaluation Findings .....</b>	<b>14</b>
<b>Outcomes for MBHP’s FSS Program Compared to National Results .....</b>	<b>14</b>
<b>How FSS Graduates Spend their Escrow and the Impact it has on their Lives .....</b>	<b>16</b>
<b>Successes and Challenges for the FSS Program – A Comparison of Graduates and Terminations .....</b>	<b>20</b>
<b>Partnerships.....</b>	<b>30</b>
<b>FSS Fairmount Initiative Goals and Outcomes .....</b>	<b>34</b>
<b>The Social Impact of TBF’s Grant.....</b>	<b>37</b>
<b>Conclusion and Policy Recommendations.....</b>	<b>39</b>
<b>Next Steps for Graduates.....</b>	<b>39</b>
<b>Addressing Challenges to Success in the FSS Program .....</b>	<b>40</b>
<b>Partnerships.....</b>	<b>41</b>
<b>Investing in the Expansion of the FSS Program .....</b>	<b>41</b>
<b>Appendix A .....</b>	<b>42</b>
<b>Appendix B.....</b>	<b>45</b>
<b>Appendix C.....</b>	<b>46</b>

## Executive Summary

Housing policy is the cornerstone of a broader social agenda that supports economic security. Stable housing keeps families together, improves child well-being, and enables people the opportunity to pursue their goals. Strong housing policy coupled with a broad social agenda that includes the provision of high quality healthcare services, access to educational opportunities, the time and resources to care for family members and the availability of suitable employment options all contribute to economic security for individuals and families.<sup>1</sup> The Section 8 Housing Choice Voucher Program (HCVP), which was launched in the 1970's, is the primary form of federal housing assistance which is administered locally or regionally by housing agencies. Section 8 vouchers reduce homelessness for low-income families and individuals. In the U.S., there are about 2.1 million households with a Section 8 voucher, with 47% of those households including children.<sup>2</sup>

In 1990, the U.S. Department of Housing and Urban Development (HUD) established the Family Self-Sufficiency (FSS) program for HCVP participants (as well as residents in public housing).<sup>3</sup> The FSS program is designed to help HCVP participants set goals for economic advancement, connect to community services, pursue educational opportunities, and improve their employment situation. The FSS program provides a financial incentive to advance. As a participant's earned income increases, their rent responsibilities under the Section 8 voucher increases. To counterbalance the disincentive of having to pay higher rent, the FSS program saves the additional amount paid in rent each month into an escrow account. Upon completing the FSS program, graduates receive a lump sum payment (up to \$25,000) from their escrow account to use as they choose. Overall, the FSS program allows low-income families and individuals to maintain stable, affordable housing while they pursue new goals to improve their economic security.

The Metropolitan Boston Housing Partnership (MBHP) operates in the Greater Boston region and administers the Housing Choice Voucher and FSS programs under contract with the Massachusetts Department of Housing and Community Development (DHCD) – a statewide housing authority. A few FSS graduates are able to buy their own home or otherwise leave Section 8. Many graduates finish their undergraduate degrees, receive promotions at work or advance into a new field of employment. Most graduates are able to significantly improve their personal financial situation by developing a budget, paying down debt and improving their credit score. However, utilization of the FSS program at MBHP (as well as nation-wide) has been low.

In 2010, MBHP received a 5-year, \$500,000 grant from the Boston Foundation. This grant assisted MBHP in expanding enrollment in the FSS program with a specific focus on Boston's neighborhoods situated in the Fairmount Corridor. The grant also helped leverage federal dollars to maximize income for Boston residents with Section 8 vouchers. During the grant period, July 1, 2010 to June 30, 2015, the Center for Social Policy was selected as an evaluation and learning partner for the grant. The evaluation and learning process has contributed to a deeper understanding of how the FSS program works, for whom, and under what conditions, and it has led to a number of policy recommendations that could strengthen the landscape of services that are designed to help individuals and families achieve economic security.

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<sup>1</sup> Bratt, R. G. (2006). 18 Housing and Economic Security. *A right to housing: Foundation for a new social agenda*, 399.

<sup>2</sup> Center on Budget and Policy Priorities. (2015). "Policy Basics: The Housing Choice Voucher Program" at <http://www.cbpp.org/research/housing/policy-basics-the-housing-choice-voucher-program>, accessed 10/30/15.

<sup>3</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research. (2004). "Evaluation of the Family Self-Sufficiency Program." April 2004.

The overall goals for the evaluation were to provide decision makers at MBHP and TBF with useful information about how the program works for different participants, whether or not program participation leads to graduates moving off of Section 8, and the results of expanding enrollment in the program.

### Overview of the Report

The final report on MBHP's FSS evaluation aims to improve our collective understanding of how the FSS program works, who benefits from the program and how they benefit, and the circumstances that are associated with success. The research findings are divided into five sections:

- A comparison of MBHP's FSS program outcomes to the national average
- A description of how FSS graduates spend their escrow savings
- A comparison of FSS graduates with those who terminate from the program
- Mini-case examples on MBHP partnerships
- An assessment of goals and outcomes for MBHP under the TBF grant

### Methodology

The Center for Social Policy used a developmental evaluation framework<sup>4</sup> to design our research on the Family Self-Sufficiency program at the Metropolitan Boston Housing Partnership. We investigated a series of questions developed in collaboration with key decision makers at MBHP and we tracked their progress towards the goals they set under the grant from the Boston Foundation. CSP worked together with MBHP to develop the research questions, establish priorities for data collection, synthesize the research findings and develop policy recommendations. This work has resulted in three reports, an evaluation brief<sup>5</sup>, an interim report<sup>6</sup>, and now a final report.

### Evaluation Findings

The findings for the final evaluation report are divided into five sections. The main findings are outlined below.

#### *Outcomes for MBHP's FSS Program Compared to National Results*

This comparison shows that MBHP exceeds the national average on almost every count. This includes higher enrollment rates (14% vs. 5%), higher levels of escrow accumulation (\$13,598 vs. \$5,607), and lower termination rates in the program (17% vs. 37%). Overall our research shows that MBHP outperforms the national average on almost every measure (except for earned income at graduation). They are enrolling and retaining a greater proportion of HCVP participants and graduates are saving substantially more escrow, despite the fact that they earn less than the national average at graduation. **This success makes MBHP's FSS program a powerful example for assessing the opportunities and challenges low-income participants face when trying to advance in the labor market.**

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<sup>4</sup> Patton, Michael Quinn. (2011). *Developmental Evaluation: Applying Complexity Concepts to Enhance Innovation and Use*. The Guilford Press: New York, NY.

<sup>5</sup> Holgate, Brandynn, Donna Haig Friedman, Julia Tripp, Priyanka Kabir and Tim Davis. (2014). "Metropolitan Boston Housing Partnership's Family Self-Sufficiency Program: Evaluation Brief." February, 2014.

<sup>6</sup> Holgate, Brandynn, Priyanka Kabir, Joseli Alonzo, Wendel Mirabel, Julia Tripp, and Donna Haig Friedman. (2014). "Metropolitan Boston Housing Partnership's Family Self-Sufficiency Program: Interim Report." November, 2014.

### *How FSS Graduates Spend their Escrow and the Impact it has on their Lives*

A participant of the Family Self-Sufficiency program is someone who seeks to establish an escrow account with multiple preset goals that they would like to accomplish in the five year time frame of the program. These goals include, for example, advancing education, seeking a promotion at work, establishing a budget, or improving ones credit score. A FSS graduate is a participant who has accomplished all of their goals. Additionally, a graduate would receive the money that accumulated in their escrow account as their earnings increased. The majority of FSS graduates established their escrow accounts within one or two years of starting the FSS program.

According to our survey of 20 graduates in 2014, graduates used their escrow to pay down debt, travel to see family, and purchase a vehicle and other items needed like clothing and furniture. **Eighty percent of graduates used all or some portion of their escrow savings to pay down debt.**

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*“I went down there to my FSS advisor and he handed me that check and I opened that envelope. I could have laid out on the floor, because there’s no way that I would ever be able to save that much money (FSS Graduate, 2013).”*

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Graduates, who were surveyed six months to one year after graduating, were asked what had changed for them. They reported no change with respect to their family composition and their housing situation, which is a reflection of stability. **After graduation, three graduates (20%) went back to school, two of which are currently enrolled in school and one has recently completed a degree. Half of the graduates who responded to the survey reported that they had a savings account and two graduates are actively looking for home ownership opportunities. All survey respondents have continued to hold Section 8 vouchers.**

**The successes of the FSS program are evident, especially with respect to stability and improved financial circumstances, but graduates want more.** We learned from the survey and graduate dinner panel on April 16, 2015, as well as from our longitudinal interviews with FSS participants that many successful **program graduates would like to or have re-enrolled for a second round in the FSS program.** For these families and individuals, the first round in the FSS program has allowed them the opportunity to pay down debt and establish a savings account, thereby allowing them to use a second round through the FSS program as an opportunity to prepare for home buying. However, several graduates are cognizant of the \$25,000 cap set on the accumulated escrow and know that they are near that limit. **For all graduates, we estimated that less than 20% of FSS graduates move off the Section 8 program.**

### *Successes and Challenges for the FSS Program –A Comparison of Graduates and Terminations*

After understanding what success looks like in the FSS program, we provide an assessment of the challenges that FSS participants face including structural barriers in the labor market, personal barriers to competitive employment, limited options for financing educational pursuits, and social isolation.

We compared graduates and terminations using the available administrative data from the FSS program between July 2010 and January 2015. **Overall, we found that differences in gender, disability status, employment status and use of formal financial services were statistically significant between the two groups:**

- Men are more likely to terminate than graduate from the FSS program.
- Heads of household with a documented disability are also more likely to terminate from the FSS program than graduate.

Overall, combining previous research from the interim report with the analysis of graduates and terminations presented in the final report, we are able to point to some determinants of success as well as list out some serious challenges that people face.

**Determinants of success:**

- Participants with a strong work history stand to benefit the most from a program like FSS.
- Participants who improve their education by getting a degree or certificate are able to use that to advance economically.
- Most FSS graduates and their families are in good health. If they do have any chronic health concerns they are well-managed.
- Participants with strong social support networks are better positioned than others to balance the significant responsibilities associated with raising a family, furthering their education and working.

**Challenges faced by FSS participants:**

- Even the most successful participants face structural barriers in the labor market including low wages, a lack of career ladders and discrimination.
- There is a lack of successful strategies available in the community that help individuals with substantial barriers to employment find work.
- Finding ways to finance education for low-income adults is challenging. Financial aid is available for students in good standing, but student loans are an often used strategy.
- Access to and utilization of high-quality health and behavioral health services in the community poses another challenge. Individuals with chronic health issues are not succeeding in the job market and they are often isolated.
- There is no clear evidence that social capital (measured as community involvement) is related to economic advancement for FSS participants, but there is evidence that isolation negatively impacts outcomes.

*Partnerships*

A key component to the FSS program is the establishment of partnerships with community-based, nonprofit and government organizations. These partnerships contribute to a broad network of referrals for services participants need; they have provided opportunities for MBHP to co-locate its services in the community, and have contributed to program improvements. **In this report, we take a more in-depth look at two of the more well-established partnerships that FSS has helped create.** The first partnership that we examine is with Compass Working Capital. Compass is now the main gateway into MBHP's FSS program. This partnership has changed the way that participants are recruited and enrolled and has improved participant's access to financial management services. The second partnership is with CONNECT in Chelsea. MBHP co-locates its services at CONNECT, allowing HCVP participants to meet with their caseworkers in the community where they live. This has not only helped FSS recruit participants, but it also improves access to the broad range of services offered by CONNECT which is associated with better participant outcomes.

- Although enrollment of minorities has always been high under MBHP's FSS model, **Compass has enrolled an even higher percentage of minorities**. Ninety-six percent of Compass enrollees are minorities. The other change is that **Compass is more likely to enroll participants who are employed**.
- **Moving to the Compass FSS model has meant continued strong recruitment and enrollment in the program**. Average annual enrollment between FY 2011 and FY 2014 was 79 new participants, Compass surpassed that to enroll 84 new participants in FY 2015.
- **In the past year, approximately 15% to 25% of new applicants that are recruited through co-locations with partners have come through the CONNECT co-location**. Currently, there are 11 FSS participants that also participate in CONNECT Services.
- **The one important difference between FSS participants that work with CONNECT and those that do not, is they are significantly less likely to terminate from the program**.

#### *FSS Fairmount Initiative Goals and Outcomes*

During the grant period (July 1, 2010 through June 30, 2015), MBHP increased escrow disbursements in the Fairmount Corridor. **During the course of the grant FSS participants living in the Fairmount Corridor received a total of \$822,412 in escrow payments**. A number of FSS participants increased their earned income. In the Fairmount Corridor, **participants accumulated a total of \$2,766,118<sup>7</sup> in estimated annual earnings during the grant**. MBHP enrolled 401 new participants over the course of the grant. **The FSS program grew from 216 active participants to 325**. MBHP has also helped connect residents in the Fairmount Corridor neighborhoods to services in their community.

The full benefit of TBF's grant on accumulated escrow for FSS participants cannot be measured until FY 2020. That will be the point in time where new participants that enrolled during the expansion (between FY 2011 and FY 2015) have had a chance to graduate. We can provide a preliminary estimate of the full benefit of TBF's grant if we assume that retention rates stay constant and the trends in escrow accumulation continue, the program expansion under the TBF grant will result in approximately \$700,000 of additional accumulated escrow. **Meaning that if conditions stay the same, we can expect that for every \$1 granted by TBF, FSS participants will have accumulated \$1.40 in additional escrow, 90% of which will be paid out to program graduates**.

#### *Conclusion and Policy Recommendations*

**Overall, MBHP's FSS program has increased its enrollment well above the national average. Yet, this has meant that 85% of non-senior and non-disabled heads of household are not enrolled in the FSS program. We do not have definitive evidence, but we have an indication that individuals and families do not enroll in the FSS program if they perceive a lack of opportunity in the labor market. With our five years of data on the FSS program, we can estimate that a little more than half of the FSS participants ultimately graduate from the program. These graduates have met the goals they set out for themselves and almost all have accumulated escrow that they received. About 19% of graduates move off of Section 8 and into their own housing arrangement.**

In addition, MBHP has continued to develop its partnerships in the community which strengthen the FSS program. The five-year \$500,000 grant from the Boston Foundation has led to an expansion in the FSS

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<sup>7</sup> This total accounts for increased earnings for those participants who increased their earnings. FSS participants who saw their annual earnings decline or stay the same are not included in this measure.

program and increased support for the Fairmount Corridor neighborhoods. **We predict that over time, the TBF grant will result in about \$630,000 in escrow payments to graduates.**

We provide some final policy recommendations related to next steps for FSS graduates, challenges participants face with respect to economic security, strengthening partnerships, and strategies for supporting FSS programs.

#### *Next Steps for FSS Graduates*

Achieving self-sufficiency, where it is defined as being able to support yourself and family without a housing subsidy, takes longer than 5 years and requires more than \$25,000 for most of the participants. **FSS program graduates should be encouraged to re-enroll in the program and the \$25,000 cap should be re-evaluated** as it puts significant restrictions on some of the most successful participants. If the \$25,000 cap cannot be re-evaluated, there needs to be public support to develop services for graduates who are ready to take the next step towards economic security. **This includes services that help them continue to advance their education and their children's education, develop adequate savings that provide for a safety net, and address structural barriers in the labor market (e.g. low wages, lack of career ladders, and discrimination).** There needs to be **more public outreach and education on student loans.** This includes educating students about the value of an education and how it translates into increased earnings; the way in which student loans work and what they are good for; and the many repayment and loan forgiveness programs that are available to help graduates manage debt.

#### *Addressing Challenges to Success in the FSS Program*

All FSS participants by definition have a housing subsidy that provides them with a safety net which hopefully allows them to make the next step towards economic security. That next step is primarily achieved through stable employment and advancement in the labor market. However, the FSS program is not a labor market intervention. Improving outcomes for many FSS participants who are not able to successfully graduate means improving employment outcomes for chronically underemployed or unemployed workers. With respect to the labor market, the FSS program is only an incentive to engage in the labor market. People who do not respond to this incentive are not in a position to compete for mainstream employment opportunities due to health problems, family circumstances, or a lack of credentials.

In light of the challenges that FSS participants face, here is a list of possible policy proposals that can help low-income families and individuals advance economically:

- There are changes being made to the minimum wage over the next couple of years, but there still needs to be **more advocacy and political commitment for increasing wages to a level that is livable** and meets the needs of Boston's families.
- Raise awareness in the business community about **best practices in developing career ladders** for employees.
- Create additional policy support for the workforce development system to **engage employers that provide good working conditions.** For example, set a high bar on working conditions for employers that apply for training funds.
- **Invest more in public and community-based programs for individuals who want to work** but have substantial barriers to employment. This includes transitional employment, supported employment, alternative staffing, and social enterprise.

- **Improve the utility of high quality healthcare providers in the community** that operate under the newer “Patient-Centered Medical Home” model that prioritizes patient education, outreach, follow up and access to community resources.
- Create more **community-based choices to address the behavioral health needs** for individuals who are socially isolated and unable to secure employment.

### *Programmatic Practices*

In addition to policies that address the challenges to success in the FSS participants, program graduates, CSP’s constituent advisors, and members of the Emerging Leaders team at UMass Boston,<sup>8</sup> provide the following recommendations for FSS and similar programs:

- Expand the Family Self-Sufficiency model to state rental voucher programs
- Provide transparent program processes for solving conflicts between participants and staff
- Build community and expand the networks of program participants and graduates
- Educate employers about the challenges faced by low-income workers
- Develop real linkages to training opportunities that lead to good paying jobs
- Conduct more research to understand why overall participation levels in these programs are low
- Provide follow up coaching after the program ends
- Institute mechanisms that will ensure that participants are properly educated about how the escrow account works
- Include the voice of participants and graduates when designing programs
- Consider disbursing escrow amounts over time to help individuals pay down debt or finance education
- Re-invest forfeited escrow to help program participants achieve their goals
- Eliminate escrow caps from the programs

### *Partnerships*

A core component of the HUD FSS model is the requirement of the housing agency to develop a network of partnerships with local government agencies, non-profits, and community based organizations. These partnerships have remained an under-studied aspect of the program. MBHP has used partnerships to improve program and individual outcomes. **More policy work needs to be done broadly that connects the many and varied services designed to help low income families and individuals achieve economic security.** It is not necessarily efficient for the housing agency alone to develop partnerships. State and municipal governments that contract program services out to non-profit organizations could do more as a convener to develop the network of non-profit and community based organizations that provide assistance to individuals and families. **Of particular importance for government agencies would be to help convene a network for frontline staff whose job it is to connect program participants to a range of services in the community.**

### *Investing in the Expansion of the FSS Program*

The grant from the Boston Foundation provided a great boost to the FSS program and helped leverage federal dollars for local communities. We predict that the grant will more than pay for itself in escrow

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<sup>8</sup> On January 21, 2016, CSP’s Constituent Advisory Group (comprised of community residents and aspiring leaders with the lived experience of poverty) and the Emerging Leaders 2015-2016 team from the Center for Collaborative Leadership at the College of Management, UMass Boston, collaborated to review the FSS Final Report and make and/or amend current recommendations to enhance the outcomes of the Family Self Sufficiency (FSS) program.

disbursements to graduates. Expanding the FSS program encourages more people to set advancement goals and work towards those goals. **Investments like these, coupled with the policy recommendations above could help low-income families and individuals improve their economic security.**

## Introduction

Housing policy is the cornerstone of a broader social agenda that supports economic security. Stable housing keeps families together, improves child well-being, and enables people the opportunity to pursue their goals. Strong housing policy coupled with a broad social agenda that includes the provision of high quality healthcare services, access to educational opportunities, the time and resources to care for family members and the availability of suitable employment options all contribute to economic security for individuals and families.<sup>9</sup>

The Section 8 Housing Choice Voucher Program (HCVP), which was launched in the 1970's, is the primary form of federal housing assistance which is administered locally or regionally by housing agencies. Section 8 vouchers reduce homelessness for low-income families and individuals. In the U.S., there are about 2.1 million households with a Section 8 voucher, with 47% of those households including children.<sup>10</sup>

In 1990, the U.S. Department of Housing and Urban Development (HUD) established the Family Self-Sufficiency (FSS) program for HCVP participants (as well as residents in public housing).<sup>11</sup> The FSS program is designed to help HCVP participants set goals for economic advancement, connect to community services, pursue educational opportunities, and improve their employment situation. Participants enroll in the FSS program for five to seven years, are assigned to an advisor and work towards their goals. The FSS program provides a financial incentive to advance. As a participant's earned income increases, their rent responsibilities under the Section 8 voucher increases. To counterbalance the disincentive of having to pay higher rent, the FSS program saves the additional amount paid in rent each month into an escrow account. Upon completing the FSS program, graduates receive a lump sum payment (up to \$25,000) from their escrow account to use as they choose. The goal of the FSS program is to reduce participant's reliance on housing subsidies and other public benefits.<sup>12</sup> Overall, the FSS program allows low-income families and individuals to maintain stable, affordable housing while they pursue new goals to improve their economic security.

The Metropolitan Boston Housing Partnership (MBHP) operates in the Greater Boston region and administers the Housing Choice Voucher and FSS programs under contract with the Massachusetts Department of Housing and Community Development (DHCD) – a statewide housing authority. Currently, there are approximately 2,245 non-senior/non-disabled households that are good candidates for the FSS program. MBHP's FSS program began in the 1990's. During the period of time covered by the grant (July 1, 2010 through June 30, 2015), 139 participants have graduated from the program. The accomplishments of graduates are many. A few graduates are able to buy their own home or otherwise leave Section 8. Many graduates finish their undergraduate degrees, receive promotions at work or advance into a new field of employment. Most graduates are able to significantly improve their personal financial situation by developing a budget, paying down debt and improving their credit score. However, utilization of the FSS program at MBHP (as well as nation-wide) has been low. For example, at MBHP in

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<sup>9</sup> Bratt, R. G. (2006). 18 Housing and Economic Security. *A right to housing: Foundation for a new social agenda*, 399.

<sup>10</sup> Center on Budget and Policy Priorities. (2015). "Policy Basics: The Housing Choice Voucher Program" at <http://www.cbpp.org/research/housing/policy-basics-the-housing-choice-voucher-program>, accessed 10/30/15.

<sup>11</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research. (2004). "Evaluation of the Family Self-Sufficiency Program." April 2004.

<sup>12</sup> U.S. Department of Housing and Urban Development, Office of Public Housing and Voucher Programs and Office of Public Housing Investments. (2014). "Fact Sheet: Family Self-Sufficiency (FSS) Program." January 2014.

recent years the enrollment rate has been about 15%. For example, out of 457 people that applied to the program over a sample two year period, only 67 actually enrolled and signed a contract of participation.

In 2010, MBHP received a 5-year, \$500,000 grant from the Boston Foundation. This grant assisted MBHP in expanding enrollment in the FSS program with a specific focus on Boston's neighborhoods situated in the Fairmount Corridor. The grant also helped leverage federal dollars to maximize income for Boston residents with Section 8 vouchers. During the grant period, July 1, 2010 to June 30, 2015, the Center for Social Policy was selected as an evaluation and learning partner for the grant. The evaluation and learning process has contributed to a deeper understanding of how the FSS program works, for whom, and under what conditions, and it has led to a number of policy recommendations that could strengthen the landscape of services that are designed to help individuals and families achieve economic security. The overall goals for the evaluation were to provide decision makers at MBHP and TBF with useful information about how the program works for different participants, whether or not program participation leads to graduates moving off of Section 8, and the results of expanding enrollment in the program.

### Overview of the Report

The final report on MBHP's FSS evaluation aims to improve our collective understanding of how the FSS program works, who benefits from the program and how they benefit, and the circumstances that are associated with success. The evaluation also provides an assessment of the challenges that FSS participants face in achieving economic security, the limits of the FSS program in addressing these challenges and the possible policy solutions that would improve the economic prospects for individuals and families holding housing vouchers.

The final report is structured to include an overview of data sources and methodologies for the evaluation, research findings in five key areas, and a conclusion and set of policy recommendations to support economic advancement and the FSS program. The research findings are divided into five sections:

- ***A comparison of MBHP's FSS program outcomes to the national average:*** This comparison shows that MBHP exceeds the national average on almost every count, including enrollment rates, level of escrow accumulation, and retention in the program. This makes MBHP a powerful example in understanding both the possibilities for success and the challenges in achieving economic security.
- ***A description of how FSS graduates spend their escrow savings:*** Many FSS graduates use their escrow to improve their financial circumstances by paying down debt. A small percentage of FSS graduates leave the Section 8 program and a few graduates are able to buy a home. This section provides a picture of success for the FSS program and how it impacts the lives of graduates.
- ***A comparison of FSS graduates with those who terminate from the program:*** After understanding what success looks like in the FSS program, we are then able to provide an assessment of the challenges the FSS participants face including structural barriers in the labor market, personal barriers to competitive employment, limited options for financing educational pursuits, and social isolation.
- ***Mini-case examples on MBHP partnerships:*** A key component to the FSS program is the establishment of partnerships with community-based, nonprofit and government organizations. These partnerships contribute to a broad network of referrals for services participants need ;

they have provided opportunities for MBHP to co-locate its services in the community; and have contributed to program improvements.

- ***An assessment of goals and outcomes for MBHP under the TBF grant:*** MBHP increased escrow disbursements and total earned income in the Fairmount Corridor. It also increased its enrollment in the FSS program from 216 to 325 and helped connect residents in the Fairmount Corridor neighborhoods to services in their community. This section provides a social impact measure that relates TBF's grant dollars to additional escrow disbursements for graduates.

## Data Sources and Methodology

The Center for Social Policy used a developmental evaluation framework<sup>13</sup> to design our research on the Family Self-Sufficiency program at the Metropolitan Boston Housing Partnership. We investigated a series of questions developed in collaboration with key decision makers at MBHP and we tracked their progress towards the goals they set under the grant from the Boston Foundation. CSP worked together with MBHP to develop the research questions, establish priorities for data collection, synthesize the research findings and develop policy recommendations. This work has resulted in three reports, an evaluation brief<sup>14</sup>, an interim report<sup>15</sup>, and now a final report.

Other researchers have conducted both a retrospective<sup>16</sup> and prospective<sup>17</sup> analysis of the FSS program at the national level. The retrospective analysis found that FSS participants as whole increased their earnings and reduced their reliance on Transitional Assistance for Needy Families (TANF) benefits when compared to a similar group of non-FSS participants. The prospective study found that there were substantial benefits for graduates of the FSS program (especially with respect to escrow savings); FSS graduates had stronger work histories and higher educational attainment than those participants that terminated from the program, and about one-half of all terminations were due to the participant not being in compliance with the program.

With those research findings in mind, we set out to find out how MBHP's FSS program outcomes compared to the national average and what happens to graduates after they leave the FSS program. We have also observed (as has previous research) that utilization of the FSS program appears to be low and only a small number of graduates are able to buy a home or leave Section 8 after completing the program. Given these concerns, we investigated the systemic challenges that FSS participants face when trying to advance economically. Instead of trying to identify program deficits within the FSS model, we sought to better understand the broader system that either enables or disables a participant in achieving economic security. Also, a key component of the FSS program model is partnerships which has

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<sup>13</sup> Patton, Michael Quinn. (2011). *Developmental Evaluation: Applying Complexity Concepts to Enhance Innovation and Use*. The Guilford Press: New York, NY.

<sup>14</sup> Holgate, Brandynn, Donna Haig Friedman, Julia Tripp, Priyanka Kabir and Tim Davis. (2014). "Metropolitan Boston Housing Partnership's Family Self-Sufficiency Program: Evaluation Brief." February, 2014.

<sup>15</sup> Holgate, Brandynn, Priyanka Kabir, Joseli Alonzo, Wendel Mirabel, Julia Tripp, and Donna Haig Friedman. (2014). "Metropolitan Boston Housing Partnership's Family Self-Sufficiency Program: Interim Report." November, 2014.

<sup>16</sup> Ficke, Robert C. and Andrea Piesse. (2004). "Evaluation of the Family Self-Sufficiency Program: Retrospective Analysis, 1996 to 2000." Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research. April 2004.

<sup>17</sup> de Silva, Lalith, Imesh Wijewardena, Michelle Wood, and Bulbul Kaul. (2011). "Evaluation of the Family Self-Sufficiency Program: Prospective Study." Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research. February 2011.

remained an under-studied aspect. The success of FSS programs relies on a system of community partnerships that result in a broad network of referral sources for participants, easier access to services, and enhancements to the basic FSS model. We document the emergence of two important FSS partnerships in this report. Lastly, we tracked MBHP's progress towards its goals under the TBF grant. To accomplish this research we employed a mixed methods approach. We conducted quantitative analysis using administrative data and surveys whenever possible. We gleaned qualitative learnings from interviews and participant observation that enriches our findings and provides additional detail about how the FSS program works for participants in different circumstances. As appropriate, we triangulate our data across multiple sources to establish valid and reliable results.

### Primary Data Sources

- CSP collected administrative data on a semi-annual basis from MBHP starting in June 2010 and ending in July 2015. This data includes information on demographics, household characteristics, and income for 579 participants. Additional data on graduates (n=130) and terminations (n=196) was collected for the fiscal years 2009-14.
- MBHP conducted a quarterly survey of FSS participants from June 2012 through July 2015. From this survey, CSP received data on changes in participant income, financial management activities, educational attainment, and community involvement for 444 participants.
- CSP conducted longitudinal interviews with a stratified random sample of 21 FSS participants. These interviews were conducted annually between 2013 and 2015. These interviews collected data on participant progress in the program, changes in their lives, and their perspectives on the FSS program and economic advancement.
- MBHP conducted a survey of program graduates about one year after graduation in 2014. Out of 33 possible graduates, we received responses from 20. CSP received data on any changes in the person's life since graduating from the FSS program and information on how the graduate used their escrow disbursement.
- CSP conducted a survey on social supports and problem solving capacity with the sample of 21 FSS participants involved in the longitudinal interviews.
- CSP conducted interviews with FSS advisors in 2013 to learn how the program operates and how advisors work with participants.
- CSP conducted a partnership survey in 2014. Out of 20 partners,<sup>18</sup> we received responses from 8 organizations (a 40% response rate). CSP also met with staff at two of MBHP's partner organizations—Compass Capital and CONNECT. CSP collected data on how the organizations interact with FSS, the usefulness of the partnership and its challenges. CSP researchers also attended quarterly Program Coordinator Committee meetings to share information with partners.
- CSP researchers attended graduation events to learn more about participant accomplishments. CSP researchers participated in the Graduate Dinner Panel in April 2015 to share and discuss research findings with 10 FSS graduates.

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<sup>18</sup> MBHP's FSS partners include community development organizations, local non-profits that provide a range of support services, and workforce development programs.

## Evaluation Findings

The findings from the evaluation are divided across five sections. The first section reports on the comparison between MBHP's FSS program outcomes and the national average. The second section provides the results from the survey of graduates, including a description of how graduates spent their escrow. The third section provides a comparison between FSS graduates and those that terminate or withdraw from the program, including identifying some determinates of success as well as common challenges that participants face. The fourth section covers partnerships. This includes an initial analysis of the Compass Working Capital partnership and a description of MBHP's co-location strategy with CONNECT in Chelsea. The last section provides a description of the goals MBHP accomplished under the TBF grant and the social impact measure of that grant.

### Outcomes for MBHP's FSS Program Compared to National Results

This section of the report is based on a set of data that has been compiled by the staff of the Center for Social Policy (CSP) at the University of Massachusetts Boston in its evaluation work with the Metropolitan Boston Housing Partnership (MBHP). The goal here is to use descriptive statistics to compare MBHP's FSS results, with the outcomes from a broad study conducted at the national level by the U.S. Department of Housing and Urban Development (HUD).<sup>19</sup> As part of the evaluation of MBHP's FSS program, CSP created a sample, drawing on the data of 41 fourth-year participants to compare with the sample of 181 fourth-year participants in the HUD evaluation. Overall, such a sample was selected because it helps assess the participants' standings in terms of their movement in achieving goals before the five-year limit.

Overall, MBHP's FSS program compares very favorably to the national average. **MBHP stands out particularly with respect to its enrollment rate, the amount of escrow that graduates receive, and its retention rate. MBHP also has participants that are more likely to pursue education efforts while enrolled in the program and they have more successful job searches (see Table 1).**

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<sup>19</sup> Ficke, Robert C. and Andrea Piesse. (2004). "Evaluation of the Family Self-Sufficiency Program: Retrospective Analysis, 1996 to 2000." Prepared for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research. April 2004.

Table 1: Comparison of MBHP FSS Participants with the National Sample after being Enrolled for Four Years

Measure for Comparison	MBHP's FSS Participants	National Sample
<b>Enrollment</b>		
Enrollment as a percent of eligible HCVP participants	14%	5%
<b>Interim Milestones</b>		
Enrolled in education or training program during the 4 years	39%	23%
Transitioned into a job during the 4 years	45%	33%
Transitioned to a higher paying job during the 4 years	13%	15%
Received a promotion during the 4 years	13%	18%
<b>Program Outcomes</b>		
Graduates as a percent of the 4-year sample	27%	24%
Terminations or withdrawals as a percent of the 4-year sample	17%	37%
Participants still enrolled as a percent of the 4-year sample	56%	39%
Average escrow disbursement for graduates after 4 years (2014\$)	\$13,598	\$5,607
Average annual earned income at graduation (2014\$)	\$29,515	\$37,019
<b>Demographics</b>		
Female headed households	95%	91%
Median age	34	35
White or Caucasian	41%	30%
African American or Black	56%	67%
Hispanic	32%	20%
<b>Educational attainment</b>		
Less than a HS diploma	8%	25%
HS diploma	18%	42%
Some college	37%	27%
Associate's degree or higher	37%	6%
<b>Income Sources at Enrollment</b>		
Wages	70%	61%
Child support	23%	31%
SSI/SSDI	15%	14%
Unemployment	0%	3%
TAFDC	13%	24%

Some of the most notable differences are listed here.

- As of July 2015, 14% of non-senior and non-disabled HCVP participants were enrolled in MBHP's FSS program. This is significantly higher than the national average of 5%.
- In the MBHP FSS sample, the number of graduates represented 27% of the participants compared to 24% in the national sample.
- Terminations and withdrawals accounted for only 17% of the participants in Boston compared to 37% for the HUD study.
- The graduates from our MBHP FSS sample graduated with almost 2.5 times more escrow savings than the national sample, which is an average escrow account of \$13,598 versus \$5,607 in 2014 dollars.
- Graduates in the national sample earned, on average, \$37,019/year (in 2014 dollars) when they graduated from FSS, whereas graduates in MBHP's sample earned \$29,515/year.
- In MBHP's FSS program, 39% of participants reported being enrolled in school or in the training program compare to 23% in the national sample. MBHP participants are more educated with 37% holding a professional certificate or college degree, compared to only 6% of the national sample.
- Job search efforts in Greater Boston were more successful, with 45% of participants obtaining employment while enrolled in MBHP's FSS program, as compared to 33% in the national sample.

Our research shows that MBHP outperforms the national average on almost every measure. They are enrolling and retaining a greater proportion of HCVP participants and graduates are saving substantially more escrow, despite the fact that they earn less than the national average at graduation. **This success makes MBHP's FSS program a powerful example for assessing the opportunities and challenges low-income participants face when trying to advance in the labor market.**

### How FSS Graduates Spend their Escrow and the Impact it has on their Lives

A participant of the Family Self-Sufficiency program is someone who seeks to establish an escrow account with multiple preset goals that they would like to accomplish in the five year time frame of the program. These goals include, for example, advancing education, seeking a promotion at work, establishing a budget, or improving ones credit score.

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*"I went down there to my FSS advisor and he handed me that check and I opened that envelope. I could have laid out on the floor, because there's no way that I would ever be able to save that much money (FSS Graduate, 2013)."*

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A FSS graduate is a participant who has accomplished all of their goals. Additionally, a graduate would receive the money that accumulated in their escrow account. The majority of FSS graduates established their escrow accounts within one or two years of starting the FSS program. **Between 2010 and 2014, we have data for 130 graduates from the FSS program. On average, these graduates were enrolled in the FSS program for five years and nearly tripled their annual earned income from \$11,548 to \$32,435. The average escrow disbursement for these graduates was \$12,009. Approximately, 19% of these**

**graduates have moved off of Section 8 because their income exceeded eligibility requirements for holding the voucher.**<sup>20</sup> Additional information on the 130 graduates is in the third column of Table 2.

In the fourth column of Table 2 (below) are comparative statistics for eligible FSS candidates who are HCVP participants. We find similarities between FSS graduates and all HCVP participants, namely in the distribution of their income, their average age, and household size. Where FSS graduates differ from all HCVP participants is with respect to residing in the Fairmount Corridor, gender, and household type. When compared to all HCVP participants, FSS graduates are more likely to reside in the Fairmount Corridor, more likely to be female, and are more likely to be single parent households.

MBHP's FSS program staff conducted a survey of FSS graduates during 2014. This survey was targeted to graduates who completed the program within 6 months to a year – approximately 33 graduates were eligible to take the survey. The survey asked questions about whether there had been any changes in their lives, how they spent their escrow, and what achievements they have made since graduating (See Appendix A for a copy of the survey). We received 20 responses, a 61% response rate.

The second column of Table 2 provides the basic characteristics of the FSS graduates that responded to the survey. Approximately 53% were unemployed at the time of enrollment and 58% lived in the Fairmount Corridor neighborhoods. They are all women with an average age of 40 at enrollment. They are predominately African American or Black (67%) and only one graduate has a documented disability. All of these graduates had at least a high school diploma and 67% had at least some college when they enrolled in FSS. The majority of these women have children living at home with them, but about 28% were living in households with no children. Average annual earned income at enrollment for these participants was \$12,240, which increased to \$31,538 at graduation with all participants reporting at least some earned income.

This small sample of graduates is similar to other FSS graduates with respect to employment status at enrollment, residence in the Fairmount Corridor, age, gender, race and ethnicity, disability status and income. There are some differences with respect to education and type of household. The FSS graduates who responded to our survey were more educated than graduates in general and there was a larger proportion of households without children in the survey sample.

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<sup>20</sup> Recently, the U.S. Department of Housing and Urban Development has reported that in fiscal year 2014, 32% of FSS graduates have moved off of the Housing Choice Voucher Program within one year of graduating. See Public and Indian Housing Family Self-Sufficiency Program, 2016 Summary Statement and Initiatives at <http://portal.hud.gov/hudportal/documents/huddoc?id=10-FY16CJ-Family.pdf>, accessed November 12, 2015.

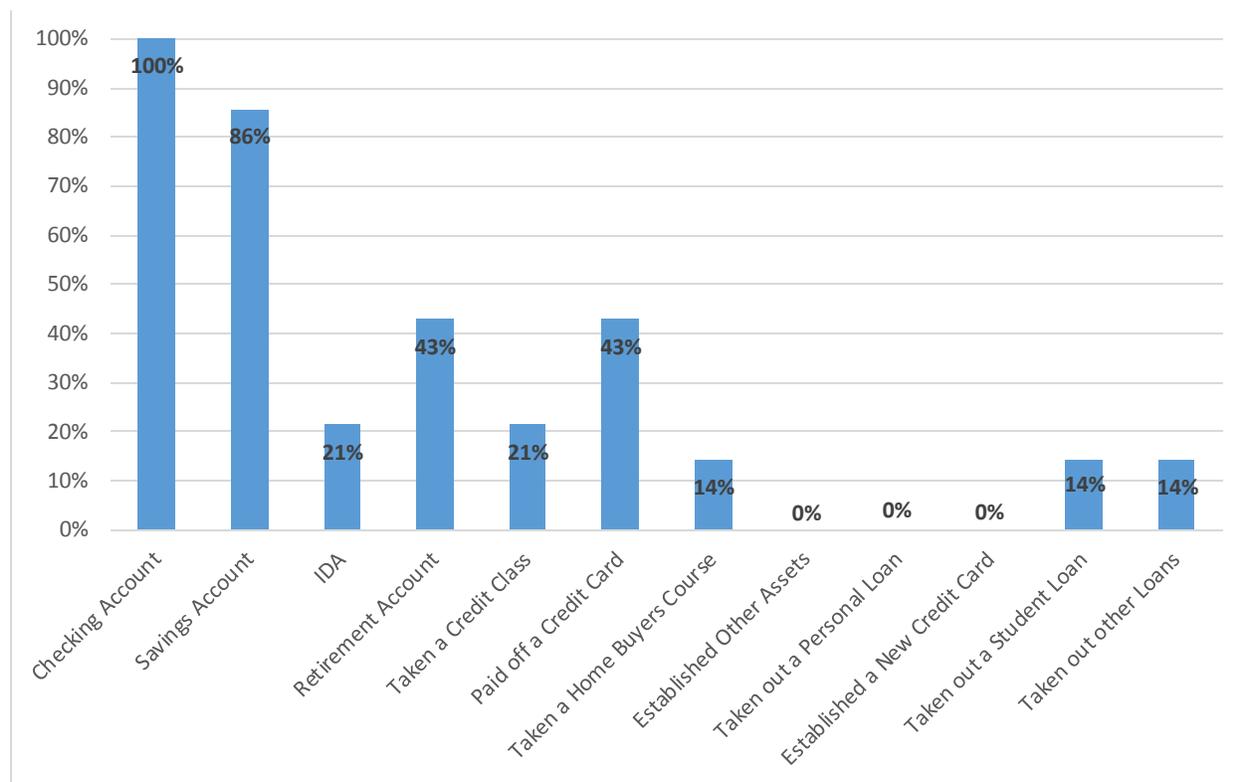
Table 2: Characteristics of FSS Graduates who Responded to the Survey

Characteristic	Graduate Survey Sample (n=20)	All Graduates (2010-2014) (n=130)	All HCVP Households Regardless of Enrollment in the FSS Program (n=2245)
<b>Employment Status at Enrollment</b>			
Earning more than \$20,000 at enrollment	37%	30%	29%
Earning \$20,000 or less at enrollment	11%	24%	26%
Unemployed at enrollment	53%	46%	44%
<b>Living in Fairmount Corridor Neighborhoods</b>			
	58%	43%	41%
<b>Average Age at Enrollment</b>			
	40	38.5	41
<b>Sex</b>			
Female	100%	95%	89%
Male	0%	5%	11%
<b>Race/Ethnicity</b>			
Caucasian	33%	30%	--
African American or Black	67%	65%	--
Hispanic	6%	17%	--
<b>Persons with Disabilities</b>			
	6%	7%	--
<b>Educational Attainment</b>			
Less than high school	0%	14%	--
High school diploma / GED	33%	32%	--
At least some college	67%	53%	--
<b>Household Type</b>			
Single parent households	56%	63%	42%
Other households with children	17%	23%	29%
Households with adults only	28%	13%	30%
Average household size	2.8	2.9	3.0
<b>Income</b>			
Average annual earned income at enrollment (if employed)	\$12,240	\$13,808	--
Average annual earned income at graduation	\$31,538	\$28,670	--
Percent of people reporting earned income at graduation	100%	100%	--

We also know what percentage of our sample of graduates participated in formal financial services, asset development and debt management. Figure 1 provides the percentage of survey respondents that use banking services, have other assets, and have paid off debt while enrolled in the FSS program. All of the survey respondents have checking accounts and 86% have savings accounts. A small percentage (21%) have individual development accounts and almost half have a retirement account. Twenty-one

percent have taken a credit class and 14% have taken a home buyers course. Importantly 43% have paid off at least one credit card while being enrolled in the program and no one took on additional personal or credit card debt. A small percentage (14%) took on student loan debt or other debt while in the program.

Figure 1: The Percentage of Survey Respondents that have Engaged in Financial Services, Asset Development, and Debt Management



### Findings from the Graduate Survey

FSS graduates had set goals in the program which included fixing debt issues, opening savings accounts, advancing their education, improving their employment situation, buying a home and opening a business. **According to the survey, graduates used their escrow to pay down debt, travel to see family, and purchase a vehicle and other items needed like clothing and furniture. Eighty percent of graduates used all or some portion of their escrow savings to pay down debt.**

Graduates, who were surveyed six months to one year after graduating, were asked what had changed for them. They reported no change with respect to their family composition and their housing situation, which is a reflection of stability. **Three graduates (20%) went back to school, two of which are currently enrolled in school and one has recently completed a degree. Half of the graduates who responded to the survey reported that they had a savings account and two graduates are actively looking for home ownership opportunities. All respondents have continued to hold Section 8 vouchers.**

All of the respondents were employed when they graduated from the FSS program. The survey found that six months to one year later 80% of the graduates were employed, four graduates were not

working. **Of the four graduates who were not working, two were unemployed and in need of training and job search assistance, one had returned to school to finish her Bachelor's degree, and the other was trying to start her own business.**

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*"I'm not where I want to be, but I'm not where I was (FSS Graduate, 2015)."*

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#### The Graduate Dinner Panel

On April 16, 2015, MBHP hosted an FSS graduate dinner panel where CSP presented the research findings on FSS graduates to a group of FSS graduates. The graduate dinner panel accomplished at least two important things. It provided a big picture view for graduates on how the program works

so that they could see how their accomplishments fit in. The dinner also provided an opportunity for us to have a group conversation about what people have accomplished, the reasons for their success and what was next for them.

**FSS graduates take pride in their accomplishments and they view the program as a great source of motivation for helping them accomplish their goals and have a realistic view of the future. Most of the attendees at the dinner reiterated the importance of using at least some of their escrow to pay off debt.** Paying down significant debt has helped them better manage their finances, save money and pursue new goals. These graduates still face barriers to advancement in the labor market, there was a significant discussion at the dinner regarding age discrimination for older adults.

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*"FSS put my kids through college, I paid off my debts. Trainings and classes helped...[I] didn't buy a house, but I've definitely grown because of FSS. I've had other success that I did not realize before, but now I do (FSS Graduate, 2015)."*

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#### Summary

The successes of the FSS program are evident, but graduates want more. We learned from the survey and graduate dinner, as well as from our longitudinal interviews with FSS participants that many successful program graduates would like to or have re-enrolled for a second round in the FSS program. For these families and individuals, the first round in the FSS program has allowed them the opportunity to pay down debt and establish a savings account, thereby allowing them to use a second round through the FSS program as an opportunity to prepare for home buying. However, several graduates are cognizant of the \$25,000 cap set on the accumulated escrow and know that they are near that limit. We estimated that less than 20% of FSS graduates move off the Section 8 program.

#### Successes and Challenges for the FSS Program – A Comparison of Graduates and Terminations

In the interim report, we provided a comparison of FSS participants based on their employment status at the start of the program and while they are enrolled. We looked at three groups of participants: those that were employed at the time they enrolled in the FSS program; those that transitioned to employment while being enrolled in the program; and those that have remained mostly unemployed while participating in the FSS program. We learned the following about each of these three groups:

- **FSS participants that are mostly employed while they are enrolled in the program make up 56% of all participants.** These participants have steady work histories and balance significant

demands between family, work and school. Compared to other FSS participants, this first group has more education, they are more likely to use formal financial services, and they are more likely to be graduates from the program. However, as a group, they have not seen their earned income rise which is in part due to structural barriers in the labor market (e.g. hiring freezes, lack of career ladders, or restricted hours).

- **FSS participants who transition into employment while they are enrolled in the FSS program make up 14% of all participants.** This group makes substantial gains in earned income while in the program. They have doubled their total household income. This group benefits from budgeting assistance and other financial tools and they are successfully managing chronic health issues. Compared to other FSS participants, they are more likely to be involved in the community. These participants face structural barriers in the labor market like those listed above and they also experience personal barriers to employment like a lack of training or a limitation due to a disability.
- **FSS participants who are mostly unemployed while enrolled in the FSS program make up 30% of all participants.** These participants have substantial personal barriers to employment including chronic health problems, child rearing responsibilities, and GED needs. Compared to other FSS participants, this group is both more likely to enroll in an educational or training program, but less likely to finish a degree or certificate.

In this section of the final report, we provide an additional comparison. To add to our learnings about participant outcomes based on employment status, we compare the characteristics of FSS participants between those that graduate and those that terminate from the program. This provides an additional perspective on what success looks like for FSS participants and the challenges that participants face which are not addressed by being enrolled in the program. We combine quantitative and qualitative analysis to identify the determinants of success and the challenges FSS participants face when trying to advance economically.

FSS participants who graduate from the program have been enrolled for about five years. During that time they have set goals for economic advancement, achieved those goals, established an escrow savings and have accumulated no more than \$25,000. Participants who terminate from the program do so for one of several reasons. They may choose to withdraw voluntarily, they may be in non-compliance with either the FSS program or their housing program, and they may be terminated if they fail to contact their FSS advisor within a specified period of time. On average, participants who terminate do so after being enrolled for three to four years. Participants can also transfer to another FSS program. MBHP participants who transfer out are not included in this comparison.

### Demographics and Enrollment Characteristics

First, we compared graduates and terminations using the available administrative data from the FSS program between July 2010 and January 2015. Table 3 provides a complete list of the demographics, enrollment characteristics, and social capital variables that we are able to compare between graduates and terminations. **Overall, we found that differences in gender, disability status, employment status and use of formal financial services were statistically significant between the two groups.** These differences are described more below. **It is also interesting to note that there were no statistical differences with respect to educational attainment, social capital, or having children.** The detailed statistical outcomes are listed in Table 3.

Table 3: Comparison of FSS Graduates and Terminations based on Demographics, Characteristics at Enrollment and Social Capital

Characteristic	% of Graduates by Characteristic	% of Terminations by Characteristic
<b>DEMOGRAPHICS</b>		
<i>Age</i>		
18-24	1%	1%
25-39	58%	46%
40+	41%	53%
<i>Sex</i>		
Male*	5%	13%
Female	95%	87%
<i>Race</i>		
White	30%	32%
Black/African American	65%	64%
Other Race	5%	3%
<i>Ethnicity</i>		
Hispanic	17%	14%
<b>CHARACTERISTICS AT ENROLLMENT</b>		
Persons with documented disability***	7%	28%
Has dependents at home	76%	72%
Employed***	76%	42%
Has a checking account***	85%	58%
Has a savings account**	58%	38%
Has at least some college	72%	62%
Has a certificate or degree	29%	29%
<b>SOCIAL CAPITAL</b>		
Community Involvement	82%	71%

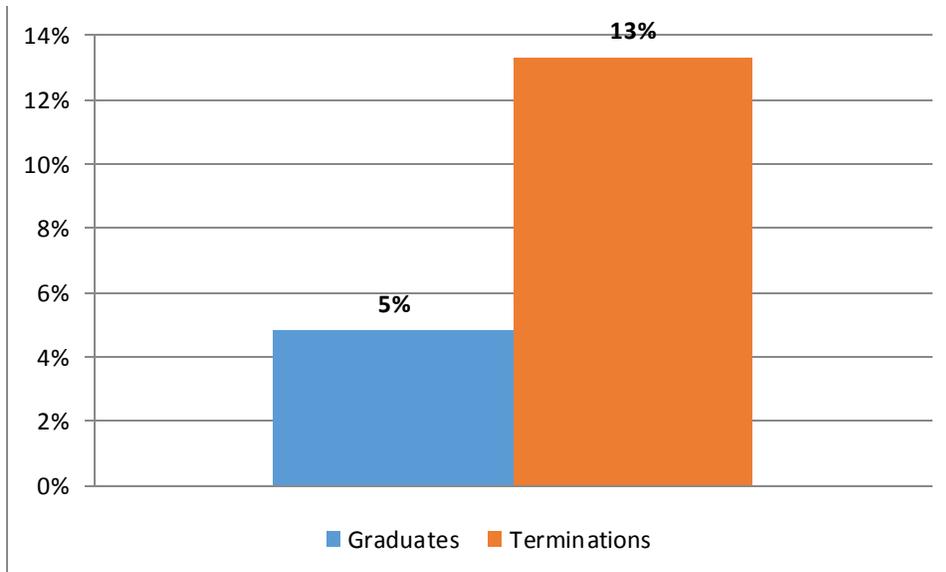
\* Statistically significant difference between graduates and terminations with a p-value < 0.10.

\*\* Statistically significant difference between graduates and terminations with a p-value < 0.05.

\*\*\* Statistically significant difference between graduates and terminations with a p-value < 0.01.

**Men are more likely to terminate than graduate from the FSS program.** Between July 2010 and January 2015, 13% of all terminations were men while men only make up 5% of graduates (see Figure 2).

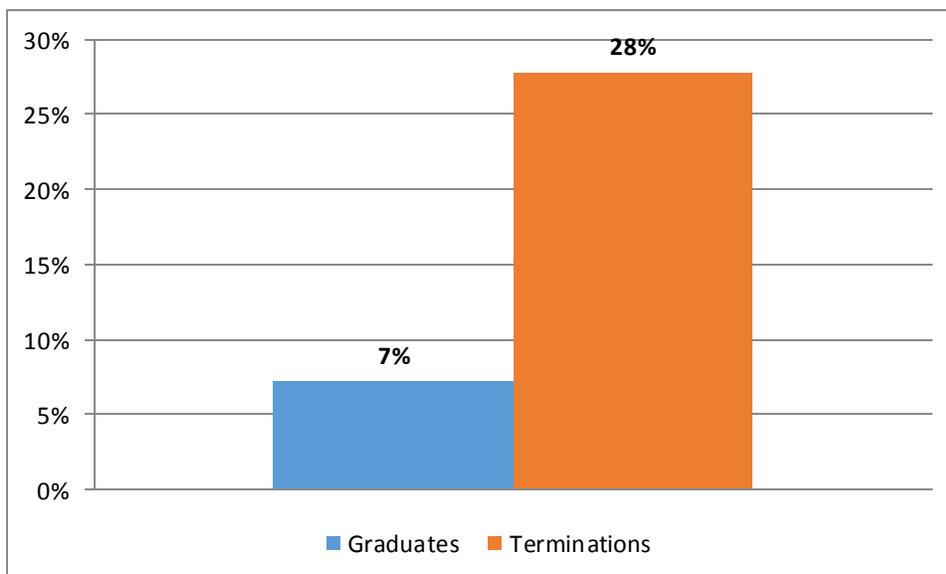
Figure 2: Men\* as a Percent of FSS Graduates and Terminations



\*Statistically significant difference between graduates and terminations with a p-value < 0.10.

**Heads of household with a documented disability are also more likely to terminate from the FSS program than graduate.** Twenty-eight percent of all terminations between July 2010 and January 2015 were by individuals with disabilities, while only 7% of graduates had a disability (see Figure 3).

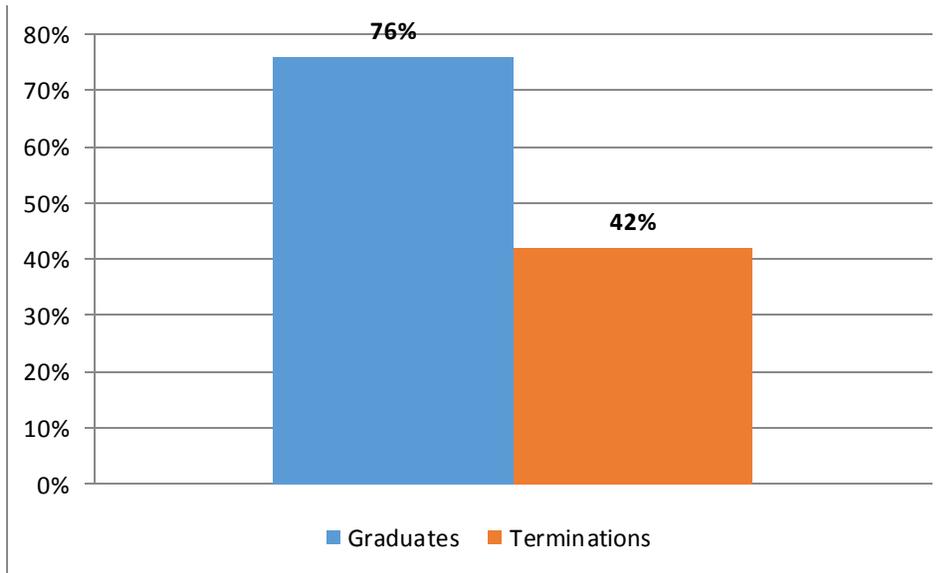
Figure 3: Participants with a Documented Disability\*\*\* as a Percent of FSS Graduates and Terminations



\*\*\* Statistically significant difference between graduates and terminations with a p-value < 0.01.

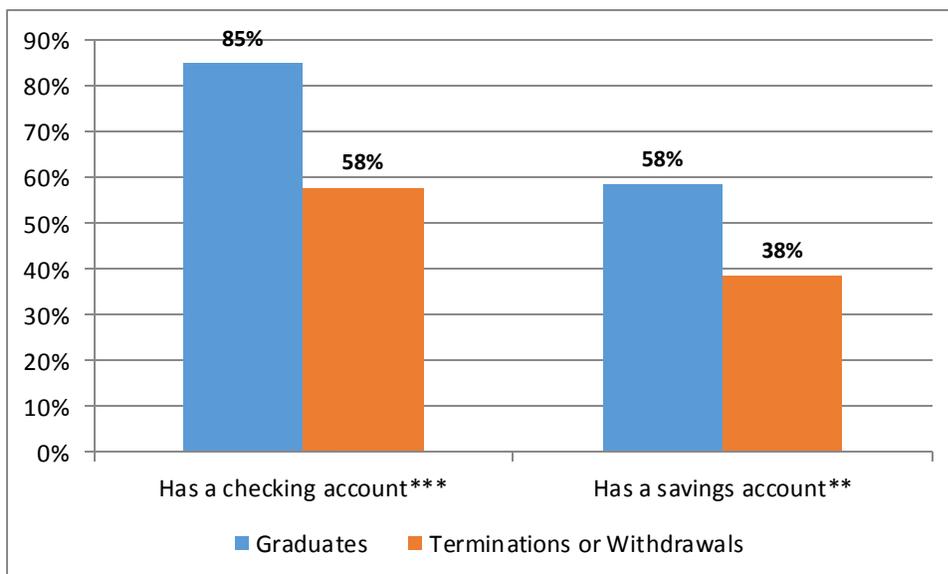
Otherwise, differences in enrollment characteristics were statistically significant for graduates who were employed, had a checking account, or had a savings account. Figure 4 and Figure 5 show these differences. **Seventy-six percent of graduates were employed at enrollment, 85% had a checking account and 58% had a savings account.**

Figure 4: Participants who were Employed at Enrollment\*\*\* as a Percent of FSS Graduates and Terminations



\*\*\* Statistically significant difference between graduates and terminations with a p-value < 0.01.

Figure 5: Participants who had a Checking\*\*\* or Savings\*\* Account at Enrollment as a Percent of FSS Graduates and Terminations



\*\* Statistically significant difference between graduates and terminations with a p-value < 0.05.

\*\*\* Statistically significant difference between graduates and terminations with a p-value < 0.01.

## Social Supports and Problem Solving

Next, we surveyed our interview sample early on in their enrollment to learn more about their social support networks and problem solving capacity. Later on in the study we were able to link these survey responses to their outcomes with respect to graduation and termination. The survey, which is in Appendix B, asks a series of questions about an individual's social supports and problem solving capacity. **We used these questions to create an index, one index that measures the strength of an individual's support system and one index that measures the extent of one's current problem solving capacity.**

We adapted our survey questions from SeaChange's evaluation research<sup>21</sup> on the Family Independence Initiative. This evaluation was constructed in part to measure "a sense of options, a sense of control, and social connectedness." We selected questions from their survey to develop an index on social supports and problem solving capacity.

*"Maybe they can from time to time call. Yeah. Just to talk to the person and see what they can do (FSS Participant, 2014)"*

We learned from this survey that **weak social supports were a determinant of termination from the FSS program.** Some of the participants that we interviewed were isolated because they were not working or in a training program, they did not have family nearby, and they had health problems that kept them isolated at home. Overall, they had very limited contact with other people. **For individuals that reported having weak social supports, all of them wanted more contact from the FSS program.** They all thought that if they had more contact with their FSS advisor that would help them make more progress on their goals.

*"I think it'd be ideal if we could meet probably like every couple of months maybe, not...twice a year. No. You kind of forget [about the program] and lose the way (FSS Participant, 2013)."*

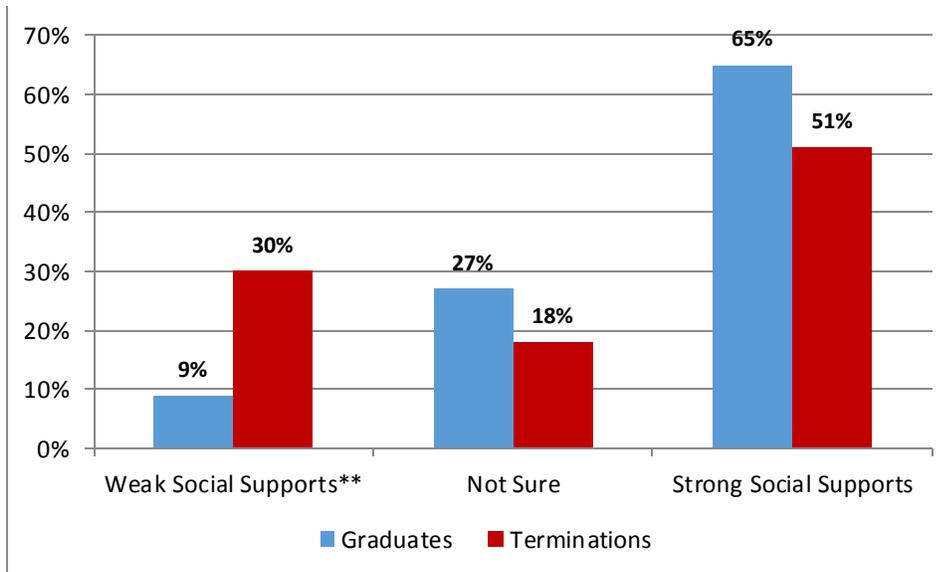
*"I find this the hardest program I've tried to get through. I do...I really didn't feel like they were keeping up their end...[i]n terms of support (FSS Participant, 2013)."*

Based on our sample, **30% of the participants that terminated from the FSS program reported having weak social supports**, compared to only 9% of those that graduated (see

<sup>21</sup> Sea Change. (2012). *Family Independence Initiative: The Role of control, options, and social connectedness in Economic Mobility for Families.*

Figure 6).

Figure 6: Comparison of the Strength of Social Support for Graduates and Terminations



\*\* Statistically significant difference between graduates and terminations with a p-value < 0.05.

Alternatively, we learned that a **high capacity for problem solving was a determinant for graduating from the FSS program.** The respondents who scored the highest on the index for problem solving capacity were all single parents, working at least part time, and advancing their education.

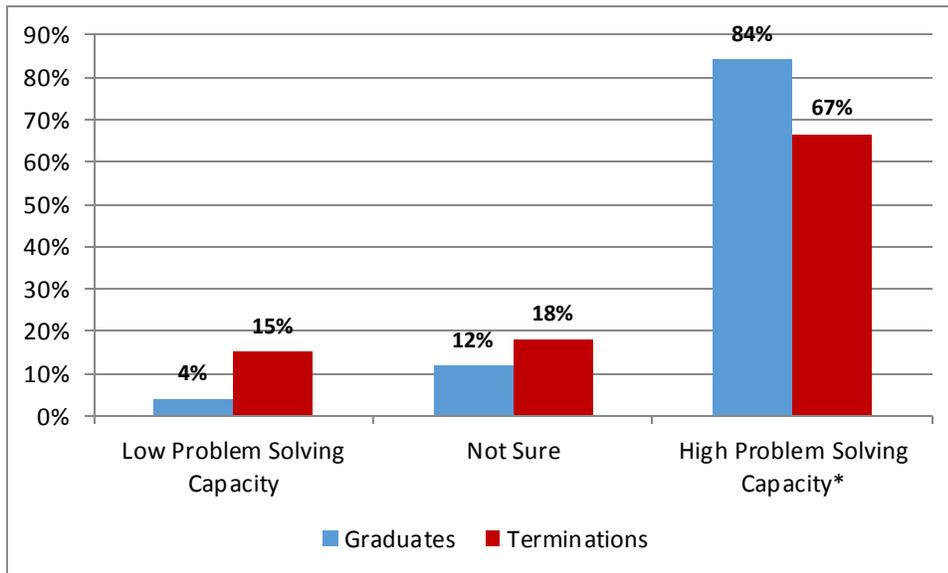
They balance significant responsibilities and they are in good health. **These FSS graduates articulated early on in their enrollment that they understood how the program works and they like the structure of the program with respect to setting goals and achieving objectives. They report positive interactions with their FSS advisors and feel like the program has provided them with adequate support.**

**Eighty-four percent of graduates scored as having a high problem solving capacity,** whereas 67% of terminations had a high score. Although this is not a large difference, it appears to give FSS participants an edge toward being able to graduate.

*“I like the program and how it’s structured with the goals. You have to set a goal, have an objective for that goal, what area of life is that goal going to meet (FSS Participant, 2013).”*

*“Even the beginning when I signed up for [FSS], just having two [program graduates] that stood in front of me who had similar goals as myself and they were able to attain and reach those goals, it made it seem more real...for myself (FSS Participant, 2013).”*

Figure 7: Comparison of the Problem Solving Capacity for Graduates and Terminations



\*Statistically significant difference between graduates and terminations with a p-value < 0.10.

### A Comparison of Graduates and Terminations based on Longitudinal Interviews

We conducted longitudinal interviews with a stratified random sample of 21 FSS participants that enrolled in the program sometime in 2010 or 2011. We interviewed each participant once a year starting in 2013 and ending in 2015. In our sample, 10 participants terminated from the FSS program and 11 either graduated by 2015 or were very likely to graduate in the next year. Below is what we learned about FSS graduates and those that terminated from the program.

#### FSS Graduates – Goals, Successes and Barriers to Further Advancement

Common goals amongst graduates while enrolled in the FSS program include obtaining stable employment, improving credit scores, continuing educational pursuits and, eventually, home buying. The graduates in our sample were all working at the point of enrollment into the FSS program with the exception of one. The types of jobs that these participants held included speech therapist assistant, nursing assistant, teacher’s assistant and bus monitor, Dunkin’ Donuts clerk, life guard, career services worker, family services worker and landscaper. The one graduate who was unemployed when she enrolled in the FSS program transitioned to employment within 7 months of enrolling in the FSS program. **By the time this participant graduated she was earning just under thirty-five thousand dollars a year and had accumulated over fifteen thousand in her escrow account.**

Regarding family structure, six of the seven graduates are running single parent households, taking responsibility of all expenses. In the sample the one graduate who did not have her children home during her participation in FSS was a single parent prior to the program. She lives alone and has four adult children.

In our sample of FSS graduates **education was a common variable for success**. Graduates either already had obtained an associate’s or bachelor’s degree prior to starting the program or were working towards obtaining a degree, license or certificate while enrolled in the program. Education expenses were financed through student loans, scholarships and, occasionally, out-of-pocket. For some graduates the

only option was to file for financial aid. *“That’s all I could do [file for financial aid]. Unless I find my way around it, where it’s your employer who pays part of it or helps you in some sort of way (FSS Participant 2015).”* **Our sample of graduates contains one graduate whose employer is providing assistance to pay for school.** This participant is working as a speech therapy assistant and has maintained her job along with completing the tasks of a speech therapist. With help from her employer, this graduate returned to school. This will allow her to earn not only the title of speech therapist but also a better pay rate.

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*“My credit score was probably... 300 and then just working with the creditors and trying to make sure I reach my goals... Somehow I got it up to 700 and I was shocked when I read it. When I looked it up, I couldn’t believe I actually did it (FSS Participant, 2015).”*

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When it came to credit management the **graduates in our sample worked towards improving their credit score and relieving themselves of debt.** Of the seven graduates two did not have any credit card debt at all and were just paying on student loans. The five other graduates

worked towards managing their debt by creating and sticking to a budget, using previous savings from their FSS escrow to pay down debt, and working with their creditors. By using these strategies to manage their credit, the graduates have noticed their debt decreasing and their credit scores increasing.

**Graduates face barriers to advancement in the labor market.** For some graduates, barriers included a lack of advancement opportunities from their current work positions. One graduate had worked in the computer field for 18 years. He left his job to take care of his daughter for five years. Once he was ready to go back to work he could not obtain a position due to a lack of recent training and experience. In the interim, this graduate finished up school and found work as a lifeguard and as a landscaper. Despite his success in the FSS program, he went from making \$25/hour five years ago to \$11/hour today because of his absence from the computer field.

Most graduates reported some minor health issues that they manage through treatment, exercise and medication. Three of seven graduates are managing high blood pressure and are treating it through the use of medication. Other health issues include asthma, curvature of the spine causing back issues and depression. Two of the graduates are living with children who have health issues like ADHD, bipolar disorder, and a learning disability.

#### *FSS Terminations – Reasons and Challenges*

Overall the interview sample of FSS participants included a mixture of terminations and withdrawals totaling ten participants. Reasons provided by participants for withdrawing from the program included dissatisfaction with the low growth rate of their escrow account, not being able to acquire a job, or deciding to pursue other programs. Terminations were made when participants in the FSS program did not continue contact. Of the participants who did not successfully complete the program in five years there were a total of four participants who had started an escrow account. In regards to the participants who had escrow accounts before they withdrew or terminated from the program, they were unaware of the amount they had accumulated since the start of the program.

Although these participants withdrew or terminated, their original ideas for how they could use the escrow account were similar to that of graduates and include purchasing a home, saving money, finding a daycare placement, going back to school and fixing ones credit. **Unlike graduates, the majority of the**

**ten participants that withdrew or terminated were unemployed and stayed unemployed while enrolled in the program;** two participants had jobs at the time they entered the FSS program that they maintained, two participants found jobs while enrolled in the program but only worked for a couple of weeks.

**For participants who voluntarily withdrew from the program, their decisions were motivated by a lack of employment opportunities and infrequent communication with advisors through the FSS program.**

After participating in the program for a couple months one participant lost her job and was not able to contribute to the escrow account so she requested to voluntarily withdraw from FSS with the intention of returning after she got a new job. She reported that her FSS advisor did not think it was a good choice to withdraw because the participant had already started accumulating savings in the escrow account. Ultimately, the participant decided it was not a good idea to be in the program and she withdrew.

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*“Every month or so, I would have called and let them know where I was at instead of sending out a form to let them know where I was at. There was no space for comments on the form to let them know what I needed to be done. So when I called them, I was never really able to reach them because they was always in the field (FSS Participant, 2015).”*

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**Two other participants decided to drop out of the program due to issues regarding communication with advisors.** For example, one voluntary withdrawal was by a participant who was not satisfied with the communication taking place between him and advisor. *“For me, it was communication issues, not only myself but also the facilitator. We didn’t communicate on a regular basis (FSS Participant, 2015).”*

Educational goals for this group of participants pertain to getting a GED, and obtaining a college degree or certificate. This group also included people who made goals to go back to school but once enrolled they faced challenges completing their coursework. **In our sample seven of the 10 terminations and withdrawals were either enrolled in an educational program or considering enrolling in a program, but did not succeed at school while they were with FSS.** For example,

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*“But then I started having problems, medical problems, and started being late. The condition was not letting me get to work on time. So I got a couple warnings and stuff. And the last time I was gonna be late, I said I’ll call you but they were giving an ultimatum, like you can’t be late anymore. So when I woke up, it was like 15 minutes before 3:00, which is when I get in, at 3:00, and I just didn’t show up.” (FSS Participant, 2014)*

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one participant stated *“I failed the semester, which is why I can’t get financial aid now. Two classes I failed, two classes I got a C because my professors let me turn things in late (FSS participant 2015).”* Financial aid is the primary way participants in the withdrawal or termination group financed their education.

With respect to debt management, one participant was able to pay on their student loans for a period of time and two other participants reported that they were able to make minimum monthly payments on their personal debt. The remaining seven participants in our sample did not make payments because they were unemployed or struggling to make ends meet.

**Unlike graduates, participants that withdrew or terminated from the program had substantial health issues.** They suffered from pain, severe migraines, were diagnosed with diabetes, high blood pressure, or Hepatitis C. The children of these parents had eczema, rheumatoid arthritis, emotional disabilities, asthma, and ADHD. Participants have tried to address some of these health issues with medications or other treatments. These health issues interfere with finding and keeping employment. For example, one participant explained: *"I worked in a place for like a few weeks but the thing is, I'm also under depression, medication. Pain also. I drink pain killer. So I started working and I wasn't very comfortable at my job so I only lasted like probably 3 weeks. I had to give up (FSS Participant 2014)."*

### Summary

Combining previous research from the interim report with the analysis of graduates and terminations presented here, we are able to point to some determinants of success as well as list out some serious challenges that people face.

#### **Determinants of success:**

- Participants with a strong work history stand to benefit the most from a program like FSS.
- Participants who improve their education by getting a degree or certificate are able to use that to advance economically.
- Most FSS graduates and their families are in good health. If they do have any chronic health concerns they are well-managed.
- Participants with strong social support networks are better positioned than others to balance the significant responsibilities associated with raising a family, furthering their education and working.

#### **Challenges faced by FSS participants:**

- Even the most successful participants face structural barriers in the labor market including low wages, a lack of career ladders, and discrimination.
- There is a lack of successful strategies available in the community that help individuals with substantial barriers to employment find work.
- Finding ways to finance education for low-income adults is challenging. Financial aid is available for students in good standing, but student loans are an often used strategy.
- Access to and utilization of high-quality health and behavioral health services in the community poses another challenge. Individuals with chronic health issues are not succeeding in the job market and they are often isolated.
- There is no clear evidence that social capital (measured as community involvement) is related to economic advancement for FSS participants, but there is evidence that isolation negatively impacts outcomes.

### Partnerships

An important part of the Family Self-Sufficiency model is the development of partnerships with nonprofits and community-based organizations. These partnerships serve multiple purposes. First, it

creates a **loose but broad network for referrals that FSS participants** can use to help them address their goals or other life needs. These referrals include everything from children’s activities to clothing to financial services to volunteering and training opportunities. Second, some partnerships offer MBHP staff **the opportunity to co-locate services**. This means that MBHP staff, including FSS staff, can use a partner’s facilities to meet with Housing Choice Voucher Program (Section 8) participants and help them connect to community services including enrolling in the FSS program. FSS staff have successfully used the co-location strategy to recruit new participants into the program over the past 5 years. Lastly, FSS convenes its partners on a quarterly basis to **network and share information** during the Program Coordinator’s Committee (PCC) meetings. These meetings are an opportunity for partners to be updated on FSS activities and to share new developments with other organizations.

In the interim report, we found that **the network of partners that FSS staff has worked hard to develop makes a difference in participant outcomes**. FSS participants have made use of the information that they have received, but there is an opportunity for FSS to strengthen its referral service by following up with participants and organizations on the outcomes of the referrals.

**In this section of the final report, we take a more in-depth look at two of the more well-established partnerships that FSS has helped create.** The first partnership that we examine is with Compass Working Capital. Compass is now the main gateway into MBHP’s FSS program. This partnership has changed the way that participants are recruited and enrolled and has improved participant’s access to financial management services. The second partnership is with CONNECT. MBHP co-locates its services at CONNECT, allowing HCVP participants to meet with their caseworkers in the community where they live. This has not only helped FSS recruit participants, but it also improves access to the broad range of services offered by CONNECT which is associated with better participant outcomes.

#### [Compass Working Capital](#)

Compass Working Capital is a nonprofit that provides financial management services to low-income families in Boston. They provide a range of services including workshops, coaching and incentives to help families develop assets. In May 2014, MBHP formalized its partnership with Compass which included having Compass take over the recruitment, enrollment and the advising function of the FSS program. Therefore, all new enrollees in MBHP’s FSS program go through Compass. **The goal of the partnership was to maintain high recruitment numbers, improve enrollment numbers and provide improved financial management services to participants.** Existing FSS participants that were enrolled prior to May 2014, still receive services and advising from MBHP’s staff and some have been given the option to roll over to the Compass model.

Because of the timing of this evaluation, **we are able to provide an initial examination of how the Compass partnership has impacted recruitment and enrollment, as well as report on six month milestones for Compass participants.**

#### [Differences in Enrollment between Compass Working Capital and MBHP’s FSS Group](#)

Table 4 provides enrollment characteristics for Compass and MBHP’s FSS participants using Pearson’s chi-squared test to establish a statistical comparison. **We found that many of the characteristics have stayed the same, including residence in the Fairmount Corridor, household size, educational attainment and earned income.** There are two differences to point out. Although enrollment of minorities has always been high under MBHP’s FSS model, **Compass has enrolled an even higher percentage of minorities.** Ninety-six percent of Compass enrollees are minorities. The other change is

that **Compass is more likely to enroll participants who are employed**. The Compass model has changed the enrollment process by requiring applicants to attend specific workshops prior to enrolling. This has been referred to as “motivational” screening by HUD. What this requirement likely does is screens out participants that are not able to make the commitment to attend a new workshop. Our other research suggests that HCVP participants who are unemployed are more likely to have health problems, lack strong social supports and problem solving capacity –all of which can interfere with this kind of commitment.

*Table 4: Comparison of Characteristics at Enrollment between Compass and MBHP’s FSS group*

<b>Head of Household Characteristics</b>	<b>Compass Group<sup>22</sup> [enrolled after the Compass Partnership began (n=89)]</b>	<b>MBHP’s FSS Group<sup>23</sup> [enrolled the year prior to the Compass Partnership (n=44)]</b>
% Living in the Fairmount Corridor	41%	40%
Average Household Size	3.1	3
Average Age	42	42
% Female	89%	91%
% Minority***	96%	75%
% Disabled	8%	16%
Average Years of Education	12	12
% Employed at Enrollment**	72%	52%
Average Annual Wages at Enrollment (for those employed)	\$31,002	\$27,408

\*\* Statistically significant difference between Compass and MBHP’s FSS group with a p-value < 0.05.

\*\*\* Statistically significant difference between Compass and MBHP’s FSS group with a p-value < 0.01.

#### *Six Month Metrics for MBHP-Compass Participants*

Under the Compass model, FSS participants have gained access to more financial workshops and a coaching model with more emphasis on asset development and management of personal finances. Table 5 provides initial metrics that Compass tracks regarding improved financial outcomes. Overall within the first six months of participating in the Compass FSS program, over half of MBHP participants have increased their earned income, increased their credit score, and decreased (or maintained zero) debt. Additionally, more than one quarter of these participants have established an escrow account.

<sup>22</sup> The Compass group was designated as anyone that enrolled after April 30, 2014. CSP has administrative data for 89 observations.

<sup>23</sup> MBHP’s FSS group was designated as anyone that enrolled between July 1, 2013 and April 30, 2014. CSP has administrative data for 44 observations.

Table 5: Six Month Metrics for MBHP-Compass Participants

Six Month Metrics	Percent	n
Percent of participants who have increased earned income	69%	39
Percent of participants who have increased their credit score	57%	42
Percent of participants that have decreased their debt or maintained zero debt	51%	47
Percent of participants who have established an escrow account	28%	29

*Summary of Findings on the Compass Partnership*

**Moving to the Compass FSS model has meant continued strong recruitment and enrollment in the program.** The Compass model appears to engage a higher skilled pool of participants, who are perhaps better situated to improve their personal finances especially if they have secured stable employment. Although we do not have comparable data between Compass and MBHP’s older model, **Compass data reveals strong outcomes with respect to financial management in the early stages of the FSS program.**

CONNECT

Starting in late 2012, MBHP began expanding its partnerships with nonprofits and community-based organizations to co-locate its services in the community closer to its program participants. This produces benefits, not just for FSS, but for a number of MBHP’s programs. CONNECT in Chelsea is one of the partnerships. In addition to co-locating services, CONNECT is a unique organization that assists community residents on the pathway to economic security. CONNECT offers referrals and services related to housing, employment, education, and financial management. **In the past year, approximately 15% to 25% of new applicants that are recruited through co-locations with partners have come through the CONNECT co-location. Currently, there are 11 FSS participants that also participate in CONNECT Services.**

The 11 FSS participants that work with CONNECT are similar to other FSS participants living in the Chelsea area. They are all women and minorities and all but one have children living at home with them. **The one important difference between FSS participants that work with CONNECT and those that do not, is they are significantly less likely to terminate from the program.**

MBHP staff report that their co-location strategy is working in terms of being able to provide services closer to where participants live and increasing access to programs and community services. The partnership has also been successful with respect to information sharing between the two organizations. They are able to not only share information about participants, but also community services. This partnership has been data driven and responsive. Some challenges with the partnership include not having a designated point person at each organization making it difficult to manage the many moving parts of the relationship.<sup>24</sup>

**Summary of Findings on the CONNECT Partnership**

MBHP’s co-location strategy is growing and they are finding new ways to connect with clients in the communities where they live. The partnership with CONNECT is one example of how this strategy works. Possible opportunities with CONNECT include more information sharing and learning about services

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<sup>24</sup> Interviews were conducted in 2015 with Jessica Powell (MBHP FSS Program Manager), Josh Fluke (MBHP Assistant Director of Leased Housing), and Stefanie Shull (CONNECT Director) to understand more about how the partnership worked.

available in the Chelsea area and building a stronger connection that facilitates more follow up with participants.

### FSS Fairmount Initiative Goals and Outcomes

At the beginning of this report we showed that MBHP's FSS program outcomes compare very favorably to the national average. MBHP stands out particularly with respect to its enrollment rate, the amount of escrow that graduates accumulate, and its retention rate. MBHP also has participants that are more likely to pursue educational opportunities while enrolled in the program and they have more successful job searches.

With this in mind, we report on MBHP's final progress with its goals under the Fairmount Initiative.

These goals are:

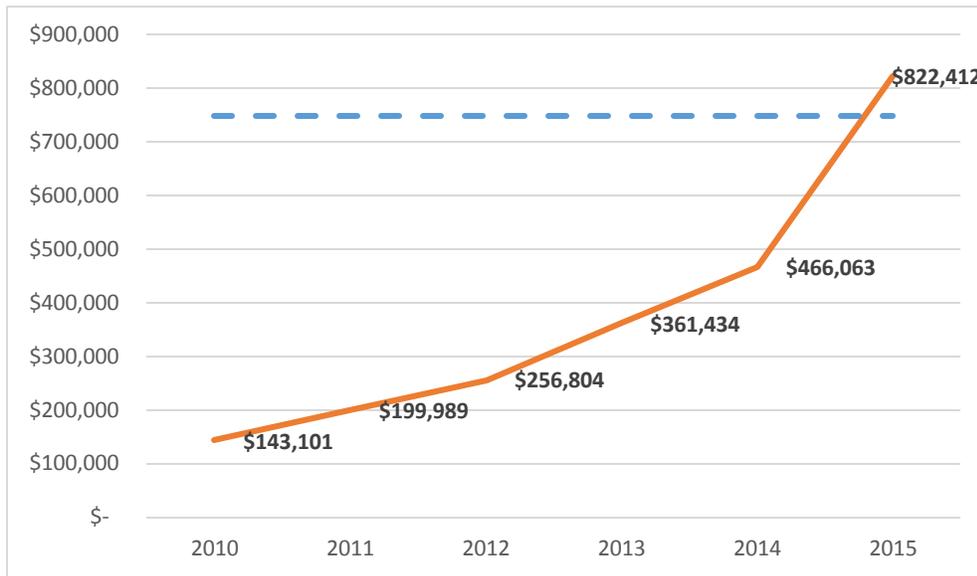
- increasing earnings and escrow in the Fairmount Corridor;
- increasing enrollment;
- and connecting Fairmount residents to community resources.

### Increased Earnings and Escrow Disbursements in the Fairmount Corridor, July 1 2010 – June 30, 2015

MBHP set the goal to increase earnings and escrow disbursements for FSS participants living in the Fairmount Corridor. The Fairmount Corridor includes several Boston neighborhoods, namely Dorchester, Mattapan and Hyde Park. First, MBHP set the goal to increase earnings of FSS participants in the Fairmount Corridor by \$1,000,000. Not all FSS participants living in the Fairmount Corridor increased their earnings while enrolled in the program; however, when measured year to year, the FSS participants that did increase earnings exceeded the \$1,000,000 goal over the course of the grant. **As of July 1, 2010 combined earnings of FSS participants living in the Fairmount Corridor was \$425,162. Since that time, FSS participants in the Fairmount Corridor that increased their earnings accumulated a total of \$2,766,118, far exceeding their goal.**

**Second, Fairmount Corridor residents graduating from the FSS program over the course of the five year grant received a total of \$822,412 in escrow payments. This exceeded MBHP's goal of \$750,000.** Figure 8 shows total escrow disbursements by year for FSS graduates in the Fairmount Corridor. Escrow disbursements in the Fairmount Corridor increased each year (by 81%, on average), with the greatest increase in the final year of the grant.

Figure 8: Increase in Accumulated Escrow for Fairmount Corridor Residents, by Fiscal Year



#### Increasing Enrollment, July 1, 2010 – June 30, 2015

MBHP had expected to increase its enrollment in the FSS program to 500 active participants with the majority living in the Fairmount Corridor neighborhoods. Although MBHP did not reach the goal of having 500 active participants, they still managed to significantly expand their program. **Overall, MBHP increased its recruitment by almost 50%, enrolled 401 new FSS participants over the course of the grant. After accounting for attrition, this allowed MBHP to expand its program from 216 active participants on July 1, 2010 to 325 active participants on June 30, 2015.**

Table 6 provides MBHP’s annual enrollment, graduation and retention rate since FY 2010. On average, they have enrolled 80 new participants each year, with about 46% living in the Fairmount Corridor neighborhoods. MBHP has maintained an average graduation rate of 9% per year and a retention rate of 93% per year.

Table 6: Enrollment, Graduation and Retention in the FSS Program, FY2010-2015

Fiscal Year	# of New Enrollees	% of New Enrollees Living in the Fairmount	Total Enrollment at the End of the FY	Graduates	Annual Graduation Rate	Annual Retention Rate (excluding graduates and transfers)
2010	41	--	216	33	15%	--
2011	77	51%	249	16	6%	93%
2012	100	37%	306	17	6%	97%
2013	89	34%	338	22	7%	93%
2014	51	51%	326	37	11%	94%
2015	84	55%	325	47	14%	90%
<b>Average for FY11-FY15</b>	<b>80</b>	<b>46%</b>	<b>309</b>	<b>28</b>	<b>9%</b>	<b>93%</b>

#### Connecting Fairmount Residents to Community Resources, July 1, 2010 – June 30, 2015

FSS has worked continuously to improve the services and supports available for participants. This includes **co-locating its services** in various communities in Boston and surrounding areas making it easier for participants to meet with MBHP staff. The FSS **peer learning and mentoring group** has continued, providing a venue for participants to work together and learn from each other’s experiences. Ongoing **outreach and recruitment** efforts have not only increased enrollment in the FSS program but has also played a role in connecting residents to important community services. FSS has also worked to broaden and deepen its **partnerships with community-based programs** to improve the information and referrals given to participants and to improve program outcomes.

In the final year of the grant, some specific activities include:

- Coordinating **outreach and orientation** with Compass Working Capital and CONNECT.
- Organizing and partnering with communities to provide **resource fairs** for residents.
- Making programmatic changes that allow **FSS graduates to re-enroll** in the program more quickly.

#### Summary

In the interim report, we found that MBHP’s FSS enrollment rate is about 15%. Meaning that out of every 100 people that apply to be in the program, about 15 actually enroll. It is not completely clear why the enrollment rate is low, however we do know from the longitudinal interviews with FSS participants why some people voluntarily withdraw and do not re-enroll. The primary reason for withdrawing from the program and not enrolling is that the person does not consider themselves employable in the competitive job market. Health problems, housing and family instability, and child care responsibilities are the main reasons people give for not being able to work. **It may be that for MBHP to reach its goal of enrolling 500 participants in the FSS program, its outreach and recruitment efforts would need to be focused more broadly on the Greater Boston area, not just the Fairmount Corridor neighborhoods. It is also possible that more people would be interested in enrolling in the FSS program if there were more opportunities for subsidized employment – like transitional employment.**

The FSS program expanded enough to meet the earnings and escrow goals for the Fairmount Corridor. By June 2015, FSS participants living in the Fairmount Corridor neighborhoods who had increased their earnings had a combined increase of \$2,766,118 and FSS graduates had received a total of \$822,412 in escrow payments. In addition, FSS has established several sustainable strategies that improve access to the program and increase connections with community resources.

### The Social Impact of TBF's Grant

One of the primary reasons for the \$500,000 grant from the Boston Foundation was to assist MBHP in expanding the Family Self-Sufficiency program and increasing enrollment. MBHP took several key steps to making their program more accessible to potential participants. Expanding access to the FSS program has meant that more individuals and families in the Housing Choice Voucher Program (HCVP) connected with community resources, received advising related to goal setting and attainment and started accumulating savings in their escrow account. **This section focuses specifically on the impact of TBF's grant on the monetary outcome of accumulated escrow for FSS participants.**

Participants in the FSS program accumulate savings in an escrow account over time. Escrow starts to accrue when an FSS participant's earned income rises above its initial level at time of program enrollment. The amount that accrues is based on the formula that is used to calculate a Housing Choice Voucher Program participant's rent responsibility. As participants earn more and pay higher rent, their escrow account is credited each month based on a set formula. Over the course of the program (five years, on average), an FSS participant can accrue anything between \$0 and \$25,000 depending on how their earnings grow.

**Total accumulated escrow for an FSS program is not the same as the total escrow paid to FSS graduates.** Because some participants accumulate escrow, but terminate or withdraw from the program before they accomplish their goals and graduate, some of the total accumulated escrow for the program is forfeited. For MBHP's FSS program we have estimated that for every \$1 of accumulated escrow paid out to FSS graduates, about \$0.10 is forfeited due to a termination or withdrawal. **Therefore, we can expect 90% of accumulated escrow to be paid out to program graduates.**

**In FY 2010, the year prior to the start of TBF's grant, 116 FSS participants had an established escrow account. During that year, these participants accumulated a total of \$250,377 in new escrow savings.** We use this amount to set a baseline for our social impact measure. Each year following FY 2010, TBF granted MBHP \$100,000 through FY 2015 to expand enrollment in the program. Over those years, **we estimate the *additional escrow accumulated* for every \$1 granted by TBF.** In other words, as the program expanded enrollment due to the grant, how much additional escrow (beyond the baseline of \$250,377) were participants able to accumulate?

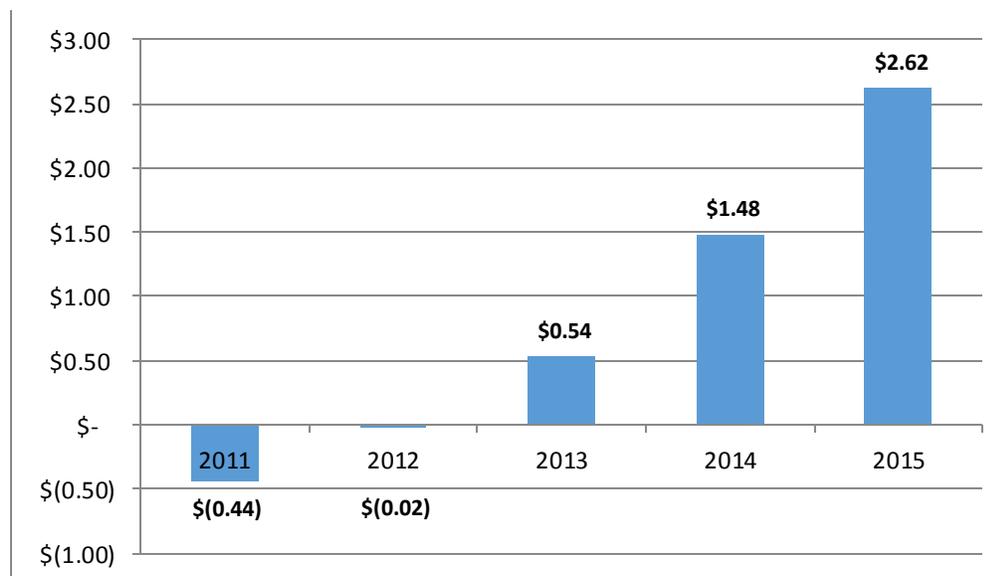
Table 7 provides the number of participants that accumulated escrow each year, the total amount of escrow accumulated within each year, the average escrow accumulated per participant, and the additional escrow accumulated for each \$1 granted by TBF. We find that as the program expands over the five years, the number of participants accumulating escrow expands with it. This growth in participation increases the total amount of escrow accumulated, from \$206,795 in FY 2011 to \$512,675 in FY 2015. During this time average accumulated escrow per participant stayed constant near or below the baseline of \$2,158. Overall, the impact of TBF's grant on expanding access to the program and then, thereby, increasing accumulated escrow for the program is positive. Averaged out between FY 2011 and FY 2015, \$0.83 of escrow accumulated for each \$1 granted by TBF. Further, **the trend of an increasing**

impact over the years suggests that the dollar benefits of the expansion will continue to grow as newer participants work towards graduation. Starting in FY 2011, the impact of the TBF grant was negative (\$0.44), but the upward trend over time resulted in \$2.62 of additional escrow for each \$1 granted by TBF in FY 2015 (see Figure 9).

Table 7: Escrow Accumulated by Fiscal Year (FY 2010-15)

	FY 2010 (Baseline)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2011-15 (Average)
Number of participants accumulating escrow	116	118	131	154	191	226	384
Amount of escrow accumulated	\$ 250,377	\$ 206,795	\$ 248,594	\$ 303,881	\$ 398,602	\$ 512,675	\$ 1,670,547
Average escrow accumulated per participant	\$ 2,158	\$ 1,752	\$ 1,898	\$ 1,973	\$ 2,087	\$ 2,268	\$ 4,350
<b>Additional escrow accumulated for each \$1 granted by TBF</b>	--	<b>\$ (0.44)</b>	<b>\$ (0.02)</b>	<b>\$ 0.54</b>	<b>\$ 1.48</b>	<b>\$ 2.62</b>	<b>\$ 0.84</b>

Figure 9: Additional Dollars of Accumulated Escrow for Every \$1 Granted by TBF



The full benefit of TBF's grant on accumulated escrow cannot be measured until FY 2020. That will be the point in time where new participants that enrolled during the expansion (between FY 2011 and FY 2015) have had a chance to graduate. We can provide a preliminary estimate of the full benefit of TBF's grant if we assume that retention rates stay constant and the trends in escrow accumulation described above continue, the program expansion under the TBF grant will result in approximately \$700,000 of additional accumulated escrow. **Meaning that if conditions stay the same, we can expect that for every**

**\$1 granted by TBF, FSS participants will have accumulated \$1.40 in additional escrow, 90% of which will be paid out to program graduates.**

### Summary

**Investing in the expansion of the FSS program appears to pay off for HCVP participants with MBHP in a direct way. Based on these estimates, it would appear that this strategy is worth replicating at other housing authorities.**

## Conclusion and Policy Recommendations

Overall, MBHP's FSS program has increased its enrollment well above the national average. Yet, this has meant that 85% of non-senior and non-disabled heads of household are not enrolled in the FSS program. We do not have definitive evidence, but we have an indication that individuals and families do not enroll in the FSS program if they perceive a lack of opportunity in the labor market. With our five years of data on the FSS program, we can estimate that a little more than half of the FSS participants ultimately graduate from the program. These graduates have met the goals they set out for themselves and almost all have accumulated escrow that they received. About 19% of graduates move off of Section 8 and into their own housing arrangement.

In addition, MBHP has continued to develop its partnerships in the community which strengthen the FSS program. The five-year \$500,000 grant from the Boston Foundation has led to an expansion in the FSS program and increased support for the Fairmount Corridor neighborhoods. We predict that over time, the TBF grant will result in about \$630,000 in escrow payments to graduates.

We provide some final policy recommendations related to next steps for FSS graduates, challenges participants face with respect to economic security, strengthening partnerships, and strategies for supporting FSS programs.

### Next Steps for Graduates

Determinants of success and graduation from the FSS program include having a strong work history, advancing one's education, being in good health, and having a strong social support network. However, successful graduates still report structural barriers in the labor market, including low wages, a lack of advancement opportunities, barriers to entry in specific fields, and discrimination.

There are many positive outcomes for FSS graduates and there is ample evidence that graduates' goal attainment leads to advancement in the labor market and escrow disbursements help graduates make step towards greater financial security. However, the FSS program has not resulted in a large number of households moving off the Section 8.

Achieving self-sufficiency, where it is defined as being able to support yourself and family without a housing subsidy, takes longer than 5 years and requires more than \$25,000 for most of the participants. **FSS program graduates should be encouraged to re-enroll in the program and the \$25,000 cap should be re-evaluated** as it puts significant restrictions on some of the most successful participants. If the \$25,000 cap cannot be re-evaluated, there needs to be public support to develop services for graduates who are ready to take the next step towards economic security. **This includes services that help them continue to advance their education and their children's education, develop adequate savings that provide for a safety net, and address structural barriers in the labor market (e.g. low wages, lack of**

**career ladders, and discrimination).** There needs to be **more public outreach and education on student loans.** This includes educating students about the value of an education and how it translates into increased earnings; the way in which student loans work and what they are good for; and the many repayment and loan forgiveness programs that are available to help graduates manage debt.

### Addressing Challenges to Success in the FSS Program

All FSS participants by definition have a housing subsidy that provides them with a safety net which hopefully allows them to make the next step towards economic security. That next step is primarily achieved through stable employment and advancement in the labor market. However, the FSS program is not a labor market intervention. Improving outcomes for many FSS participants who are not able to successfully graduate means improving employment outcomes for chronically underemployed or unemployed workers. With respect to the labor market, the FSS program is only an incentive to engage in the labor market. People who do not respond to this incentive are not in a position to compete for mainstream employment opportunities due to health problems, family circumstances, or a lack of credentials.

In light of the challenges that FSS participants face, here is a list of possible policy proposals that can help low-income families and individuals advance economically:

- There are changes being made to the minimum wage over the next couple of years, but there still needs to be **more advocacy and political commitment for increasing wages to a level that is livable** and meets the needs of Boston's families.
- Raise awareness in the business community about **best practices in developing career ladders** for employees.
- Create additional policy support for the workforce development system to **engage employers that provide good working conditions.** For example, set a high bar on working conditions for employers that apply for training funds.
- **Invest more in public and community-based programs for individuals who want to work** but have substantial barriers to employment. This includes transitional employment, supported employment, alternative staffing, and social enterprise.
- **Improve the utility of high quality healthcare providers in the community** that operate under the newer "Patient-Centered Medical Home" model that prioritizes patient education, outreach, follow up and access to community resources.
- Create more **community-based choices to address the behavioral health needs** for individuals who are socially isolated and unable to secure employment.

### Programmatic Practices

In addition to policies that address the challenges to success in the FSS participants, program graduates, CSP's constituent advisors, and members of the Emerging Leaders team at UMass Boston,<sup>25</sup> provide the following recommendations for FSS and similar programs:

- Expand the Family Self-Sufficiency model to state rental voucher programs
- Provide transparent program processes for solving conflicts between participants and staff

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<sup>25</sup> On January 21, 2016, the Center for Social Policy's (CSP) Constituent Advisory Group (CA's) and the Emerging Leaders (EL's) 2015-2016 team from the Center for Collaborative Leadership at the College of Management, UMass Boston, collaborated to review the final report for the evaluation of MBHP's Family Self-Sufficiency (FSS) program and contribute to the policy recommendations to enhance the practices of the FSS and other similar program (see Appendix C)..

- Build community and expand the networks of program participants and graduates
- Educate employers about the challenges faced by low-income workers
- Develop real linkages to training opportunities that lead to good paying jobs
- Conduct more research to understand why overall participation levels in these programs are low
- Provide follow up coaching after the program ends
- Institute mechanisms that will ensure that participants are properly educated about how the escrow account works
- Include the voice of participants and graduates when designing programs
- Consider disbursing escrow amounts over time to help individuals pay down debt or finance education
- Re-invest forfeited escrow to help program participants achieve their goals
- Eliminate escrow caps from the programs

### Partnerships

A core component of the HUD FSS model is the requirement of the housing agency to develop a network of partnerships with local government agencies, non-profits, and community based organizations. These partnerships have remained an under-studied aspect of the program. MBHP has used partnerships to improve program and individual outcomes. **More policy work needs to be done broadly that connects the many and varied services designed to help low income families and individuals achieve economic security.** It is not necessarily efficient for the housing agency alone to develop partnerships. State and municipal governments that contract program services out to non-profit organizations could do more as a convener to develop the network of non-profit and community based organizations that provide assistance to individuals and families. **Of particular importance for government agencies would be to help convene a network for frontline staff whose job it is to connect program participants to a range of services in their community.**

### Investing in the Expansion of the FSS Program

The grant from the Boston Foundation provided a great boost to the FSS program and helped leverage federal dollars for local communities. We predict that the grant will more than pay for itself in escrow disbursements to graduates. Expanding the FSS program encourages more people to set advancement goals and work towards those goals. **Investments like these, coupled with the policy recommendations above could help low-income families and individuals improve their economic security.**

## Appendix A

### Post- Graduation Questionnaire

Congratulations Graduate! Now since it has been 6 months since you successfully completed the FSS Program we wanted to check in and see how things are going for you now!

Name \_\_\_\_\_ FSS Advisor \_\_\_\_\_

#### **Family:**

Have there been any changes in your family composition since your completion of the program?

If yes, please explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

How has life changed for you since leaving the FSS Program?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### **Housing:**

How is your current housing situation? Have there been any changes since you completed the FSS program?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### **Employment:**

How is your current employment situation?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### **Education:**

Are you currently enrolled in any classes or job training programs?

If yes, please list \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Have you recently completed any classes or training programs?

If yes, please list \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Are you interested in continuing with further education or training programs?

If yes, please explain \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

If no, please explain \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Financial:**

How is your current financial situation?

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Were you able to escrow money from the FSS program?

If yes, what did you choose to do with your savings? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Since graduating FSS have there been any significant financial changes in your family? (i.e. Credit, Debt, Repayments, Loans, etc)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Other:**

Please check the boxes that apply to your current situation or achievements made since you've left the FSS program.

	Receiving Section 8	Renting apartment without assistance	Own a home or condo	Completed a homeownership course	Looking for housing/ in transition	Currently Homeless or in need of further assistance	Other (Please explain)
Housing							

	Employed Full-time	Employed Part-time	Looking for employment	Unemployed	Increase in hours	Decrease in hours	Per Diem/ Temporary
Employment							

	Checking Account	Savings Account	IDA Account	Retirement Account	Paid off loan or credit card	Taken out loan or credit card	Other (Please explain)
Financial							

	HS/GED	Associates degree	Bachelors degree	Certificate program	Masters or Doctoral degree
Education					

**Contact Information**

Current Address \_\_\_\_\_

Cell Phone \_\_\_\_\_ Home Phone \_\_\_\_\_

Work Phone \_\_\_\_\_ E-mail \_\_\_\_\_

## Appendix B

### Family Self-sufficiency program participant questionnaire<sup>26</sup>

CSP would like to learn more about your perspective on personal goals and challenges. Please read the statement and then pick the choice (Very Untrue, Untrue, Not Sure, True, or Very True) that best describes how you think of it. There is no right or wrong answers; please answer as honestly as you can.

1. I find ways to solve difficult problems.
2. I know how to stick to and accomplish my goals.
3. I am confident that I can deal with unexpected challenges.
4. I have role models in the community who have achieved their goals.
5. I feel stuck in my situation.
6. I have a lot of people I can count on.
7. I have access to the resources I need to get ahead.
8. The advice I get from human service professionals is useful to me.
9. My family's well-being is something I have a great deal of control over.
10. I feel supported by other families or individuals in my life.
11. When I have a problem, people I know are able to offer solutions I would not have thought of on my own.
12. I feel that people I know will watch over me.
13. I have supported someone else in my community.
14. I regularly work with people in my community to address common goals
15. I am motivated to address challenges in my life when I see people in my community addressing their own challenges.

**How often you think that you would do the following (Never, Rarely, Sometimes, Always or Not Sure)?**

1. Act on advice from a trusted friend, even if it's hard to do so?
2. Lead a group of your neighbors in an effort to get a neighborhood problem fixed.
3. Give up on looking for work after repeatedly not getting a job offer.
4. Attend a training program after work hours in order to receive a promotion
5. Ask a role model how they achieved their goals.
6. Feel discouraged when you see others succeed.
7. Seek out new opportunities to learn a skill that will help you get ahead.
8. On a scale of 1 to 5, please indicate how isolated/alone you feel.

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<sup>26</sup> Adapted from Sea Change (2012) *Family Independence Initiative: The Role of control, options, and social connectedness in Economic Mobility for Families*.

## Appendix C

### **About CSP's Constituent Advisors, the Emerging Leaders program and the Merging Knowledge Methodology**

The Constituent Advisor's Group (CA's) is comprised of community residents and aspiring leaders with the lived experience of poverty who have a longstanding relationship with CSP. The CA's contribute to the analysis of policies and practices that surround programs that serve people with histories of poverty and exclusion. Over the past 20 years, this group has offered their expertise on matters such as the development of sensitive questions and security practices for a Homeless Management Information System (HMIS) for Housing & Urban Development (HUD), to advising Housing Authority policies for improved engagement practices for low income residents/parents and their children, as well as presentations to the United Nations on numerous occasions contributing to the ideas around the eradication of poverty, and most recently, thinking about practices that can contribute to the success of the FSS program as well.

Additionally, the Emerging Leaders Program is a highly successful and innovative leadership development program for emergent executives. Each year a cohort of 35 to 40 fellows who represents the corporate, nonprofit, and government sectors come together over a 9 month (90 hours) leadership development training to learn to become inclusive and collaborative leaders. They develop skills in strategy, objectivity, delegation, navigating change, conflict resolution, communication, risk-taking, entrepreneurship, appreciative inquiry, teamwork and networking.

For the last three years, CSP and its CA's have engaged an Emerging Leaders' team to think and learn together using a methodology known as Merging Knowledge, developed by the 4<sup>th</sup> World Movement, an international poverty advocacy group. This unique methodology creates a process by which individuals with the lived experience of poverty can help shape the dialogue on poverty and social exclusion with policy makers, business leaders, social workers, and teachers.