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Families In Transition:

Serving Families with Multiple
Barriers to Self-Sufficiency

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Berkeley Policy Associates

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INTRODUCTION

Throughout the 1990s, the booming economy of California's Silicon Valley resulted in rising housing prices and a dwindling supply of affordable housing. This affordable housing crisis spread to neighboring communities, including Santa Cruz County. The Santa Cruz County Human Resources Agency (HRA) has been collaborating with the Families in Transition (FIT) program for over ten years to provide housing assistance and other services to its hardest-to-serve population—families facing homelessness. Although housing is the identifying barrier for families entering FIT, the majority of families served by the program face multiple barriers to employment and self-sufficiency. These may include a host of personal, family, and community-related problems, such as: domestic violence, substance abuse, mental health, physical health, child welfare involvement, transportation, and child care. The FIT program is designed to assist families in overcoming these barriers and obtaining employment.

Given the lifetime limits for the Temporary Assistance for Needy Families (TANF) program, many social service agencies have struggled to assist their hardest-to-serve populations in meeting the program's employment objectives. To address recipients' employment barriers, state and local social service agencies have had to refocus their services from eligibility determination and income maintenance to services that include comprehensive identification of client needs, on-going case management, and either direct provision of needed social services or brokering with appropriate community providers on behalf of program participants. The FIT service model includes these programmatic components and provides an intensive and seemingly successful interaction with clients to help them move toward self-sufficiency. FIT offers TANF programs in the state and nationally a model that can be used to serve families with multiple barriers. The purpose of this policy brief is to identify the key components of FIT's service model, and to provide interim findings on the outcomes of families served by the program so that it can serve as a case study for social service agencies seeking to implement services for their hardest-to-serve clients.

METHODOLOGY

This case study provides an in-depth description of the FIT model for serving hard-to-serve families and the outcomes FIT participants have achieved. The study utilizes data from two main sources: (1) qualitative data from interviews with program staff and clients collected over three years from 1998-2000; and (2) data from FIT's client database and tracking system. FIT's client database and tracking system includes information on family characteristics, employment, social service participation, barriers to employment, and service needs at program entry and exit. It also includes information on services received and the intensity of FIT services, tracked at quarterly intervals.

While the study examines participant outcomes, the impact of the FIT program on these outcomes cannot be estimated due to the lack of an appropriate control group for which data are available. Instead, the study offers an in-depth examination of the problems faced by families with multiple

barriers to self-sufficiency and the progress made by these families throughout their participation in FIT.

THE FIT SERVICE MODEL

Staff at the Santa Cruz County HRA created the FIT program in the early 1990s in response to the community's recognition of the lack of programs targeting homeless families. In 1992, the program spun off from HRA and incorporated as a non-profit. Today, HRA and FIT continue to maintain a close relationship as the agencies share certain fiscal, staff, and equipment resources. This collaboration is key to FIT's service model, as discussed below.

The FIT service model is specifically geared to families with multiple barriers and includes the following components:

- **Intensive initial assessment.** Entering families begin FIT with an intensive assessment that takes place over four to six weeks. Assessment includes exploration of the family's service needs, as well as support networks available, and includes such difficult issues as the client's eviction record, credit history and debt, history of child abuse or neglect, domestic violence, and substance abuse.
- **Ongoing case management with the same case manager.** FIT clients continue to see their initial case manager throughout their time in the program, allowing for continuity in services as well as rapport building. FIT employs bilingual, bicultural case managers who are available to work with FIT's non-English speaking Latino population. Case managers work with families to create an individualized service plan and a projected budget that is incorporated into the service plan.
- **Referrals to other community service providers as needed.** FIT clients receive services both directly from FIT staff and through referrals to other community service providers. FIT staff provide comprehensive case management, housing assistance, and help with family budgeting and household management. To meet families' additional needs, ranging from drug and alcohol counseling to parenting, transportation and domestic violence services, case managers refer families to appropriate community agencies.
- **Cross-organization coordination.** Most families served by FIT are referred to additional service providers that specialize in various types of services, such as domestic violence counseling or employment services. FIT has established monthly "cross-over" meetings for each family at which the family, the FIT case manager, the HRA eligibility worker, and representatives from each of the agencies with whom the participant is involved assess the family's progress toward its self-sufficiency goals.
- **Focus on the entire family.** FIT case managers work with all members of the family and the service providers to which they are referred. For instance, a number of FIT families have past or current involvement with Child Protective Services, and social workers assist families in retaining stability. One FIT social worker is outstationed at a Family Resource Center whose services are geared specifically to families with children ages five and under.

- **Focus on housing.** FIT offers time-limited rental subsidies to help families afford rent in private market housing units. For families who need greater housing assistance, FIT operates eight units of transitional housing. For those who need less assistance, FIT provides emergency rental assistance to prevent eviction, covers first and last month's rent, or pays for a security deposit. FIT's Family Loan Program enables working poor individuals underserved by traditional financial institutions to access loans for housing expenses, automobiles, or additional specified purchases. In addition, in collaboration with HRA, FIT operates a Housing Scholarship Program that provides rental assistance to participants completing job training programs that will equip them with the skills needed to obtain higher-paying, career-oriented positions.
- **Post-program follow-up and support.** FIT staff work with families both during and after their program participation. Participation in FIT generally lasts between six and 18 months. However, case managers work with motivated families until they reach self-sufficiency, regardless of their duration in the program. FIT staff often provide services to clients who have graduated from the program, enabling them to access limited services or advice as needed. FIT staff continue to track families after their program participation ends, contacting them at six months, 12 months, and 24 months after program exit. Such follow-up enables them to monitor changes in former participants' employment status, housing, earnings, and family well-being.

In addition to its service model, FIT has a number of other features that allow it to serve hard-to-employ families effectively. These include:

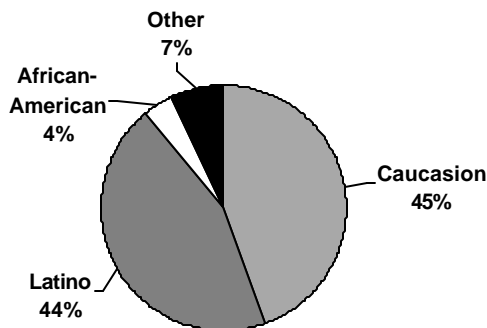
- **Limited caseload size.** FIT's goal is to have its case managers working with no more than 40 families at any given time. There has, at times, been a waiting list for FIT services. Currently, the wait for services is no more than one to two months.
- **Program requirements.** Unlike many public assistance programs, FIT is able to impose entry requirements on its participants: (1) they must be referred from a sponsoring agency or individual (e.g., a clergy member); (2) they must agree to work with the agencies to which they are referred; and (3) they must agree to be sober.
- **Public/private collaborative.** FIT is a true public/private collaborative. Senior staff at FIT include both social workers who are paid by FIT, as well as those who are paid by HRA. HRA has designated eligibility workers to work with FIT clients exclusively, and has outstationed one eligibility worker at FIT's North County office.
- **Flexible program funds.** FIT accesses a variety of joint and pooled funding arrangements to serve families, including both public and private sources. The private funds are generally less restrictive, allowing FIT to help families in ways that might not otherwise be possible.

WHO ARE THE HARDEST TO SERVE: A PROFILE OF FIT PARTICIPANTS AT PROGRAM ENTRY

At program intake, FIT case managers collect baseline information on a number of family and individual characteristics, including demographic information, issues that prevent clients from becoming self-sufficient, and the intensity of those barriers to self-sufficiency. Every three months, case managers also collect tracking information that measures changes in clients' program participation and service needs. In this section we present information collected for families who entered the program between December 1997 and November 2000. Approximately 430 families entered FIT during this time frame.

Race and Ethnicity. An equal proportion of Caucasian and Latino families were served by FIT (roughly 44 percent each). Just 4 percent were African-American, and the remaining parents (7 percent) were members of other ethnic groups, including Native Americans and Pacific Islanders. For 22 percent of parents served, English language skills posed a barrier to employment. Like TANF programs nationwide, FIT's caseload has become increasingly comprised of minority families. Between 1998 and 2000, the percent of Latino families served by FIT increased from 39 percent to 48 percent. At the same time, the percent of Caucasian families served dropped from 48 percent to 44 percent.

Exhibit 1 RACE AND ETHNICITY

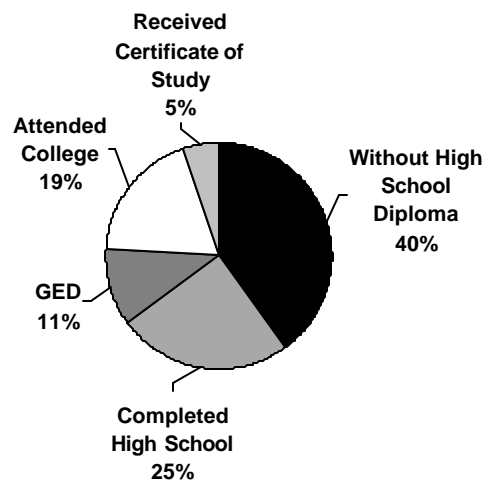


Family Composition. At entrance to FIT, 68 percent of the families were headed by single mothers; 27 percent were headed by a married or cohabitating couple; and 4 percent were headed by a single father.

Children. Among the 430 families participating, 34 percent had one child, 34 percent had two children, and nearly 19 percent had three children. Two-thirds of all families had children who were under age six, with families more likely to have young children over time (60 percent in 1998 and 70 percent in 2000).

Education Level. About 40 percent of FIT parents entered the program without a high school diploma. Another 25 percent had completed high school and 11 percent had received a GED. Nineteen percent had attended college (with or without obtaining a degree) and 5 percent had received a certificate of study.

Exhibit 2
EDUCATION



Employment. Half of the participating families included at least one working parent. Among those who were working, the average hourly wage was \$8.15 and the average work week was 31 hours. The average wage was above minimum wage in the area (\$5.75 per hour), but below the established living wage in the City of Santa Cruz (\$11 per hour).¹

BARRIERS TO SELF-SUFFICIENCY AT PROGRAM ENTRY AND EXIT

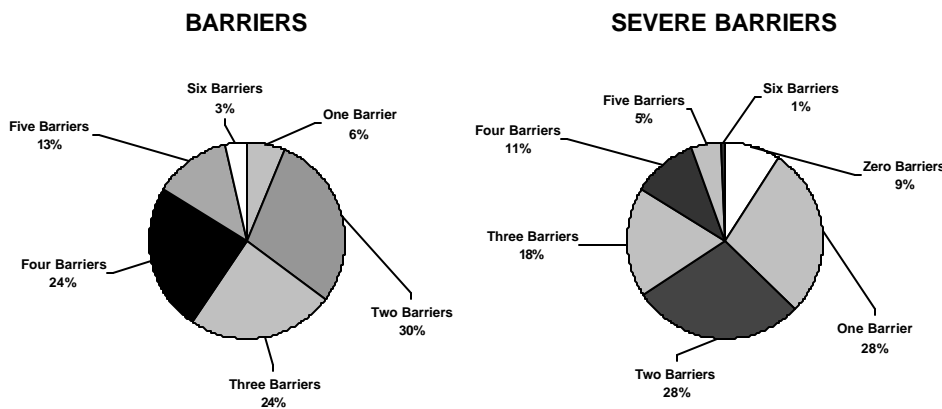
Many clients entering FIT face multiple barriers that impede their progress towards self-sufficiency. Common barriers include lack of adequate housing, low educational achievement, limited job experience, lack of child care or transportation, poor financial planning skills, addiction to alcohol or other substances, or experience with domestic violence. FIT's in-depth assessment process is intended to help clients identify barriers that may hinder their employability and independence, and to develop mechanisms for addressing identified barriers. These activities comprise the client's self-sufficiency plan.

¹ The City of Santa Cruz has a living wage ordinance in place that requires some city contractors (those providing specified services for contracts in excess of \$10,000) to pay their employees a minimum of \$11 per hour if the employer pays benefits, and \$12 per hour if not.

To best serve families with impediments to self-sufficiency, it is important to understand both the multiplicity of issues families face and the severity of these barriers. Families facing a number of barriers may require more time and program assistance than is necessary for families facing fewer or less severe barriers to self-sufficiency.

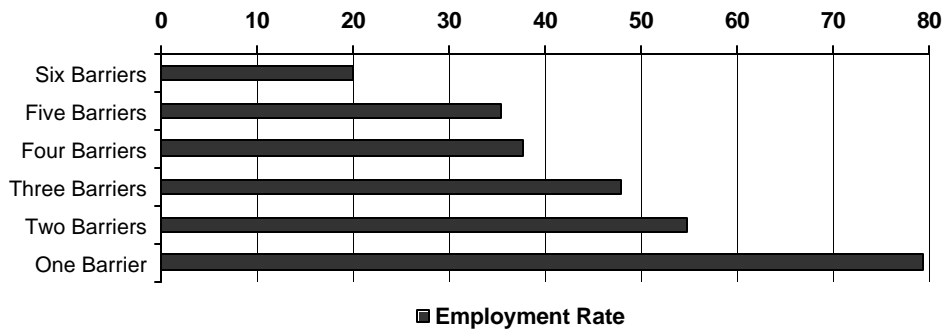
Upon entry into FIT, all families faced at least one of the following barriers to employment: housing, job readiness, mental health, domestic violence, substance abuse, involvement with Child Protective Services. The majority faced two or more barriers. Nearly all families (91 percent) faced at least one barrier that case managers characterized as severe and needing immediate intervention.

Exhibit 3
NUMBER OF BARRIERS AT ENTRY



Those facing more barriers are likely to need more services than others, as they are substantially less likely to be employed at program entry. For instance, among those with just one barrier at program entry, the employment rate was 79 percent. As the number of barriers increases, the employment rate at entry falls substantially, with just 20 percent of those with six barriers (the maximum number measured) employed at entry to FIT. Families are not graduated from FIT until their case manager and the Executive Director agree that they are ready. Factors that influence this decision include the number and severity of barriers they face, their employment status, and their housing needs. The intensity of services received by FIT recipients is correlated with the intensity of barriers they face. Therefore, families with more needs tend to stay in the program longer.

Exhibit 4**RELATIONSHIP BETWEEN NUMBER OF BARRIERS AND EMPLOYMENT AT ENTRY TO FIT**

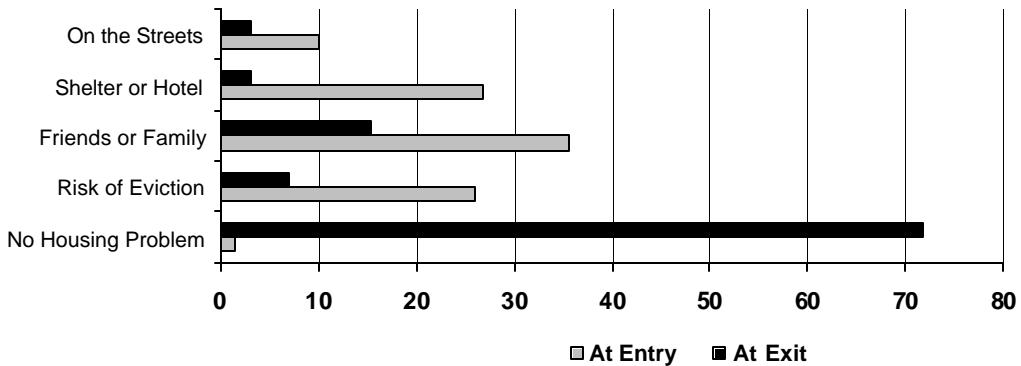


Below we examine families' barriers at program entry and program exit, demonstrating their progress on these issues. Using the data available to us at this time, it is not possible to pinpoint the exact impact of the FIT program on families' post-FIT outcomes. However, we believe that the improved outcomes presented are suggestive of the progress families have made with the help of FIT staff. Data on program exiters includes information on 213 families.

Housing

As is shown in Exhibit 5, families have seen a dramatic improvement in their housing status during their time on FIT. More than 70 percent of families who exit the program have no reported housing issues when they leave. The greatest declines are among the group who are living in shelters or hotels and the group who are at risk of eviction at program entry. About 15 percent of those who exit the program continue to live with family or friends. Given the tight housing market in Santa Cruz County, these arrangements may not, in fact, reflect doubling up for lack of alternative housing, but instead may signal deliberate decisions by program participants to share housing costs with friends and family. In fact, field study respondents noted that in some cases, shared housing arrangements can provide FIT participants with both stable and affordable housing. Just 3 percent of those who exit the program continue to live on the streets; these cases are likely those in which the family has dropped out of the program or refused to comply with program requirements.

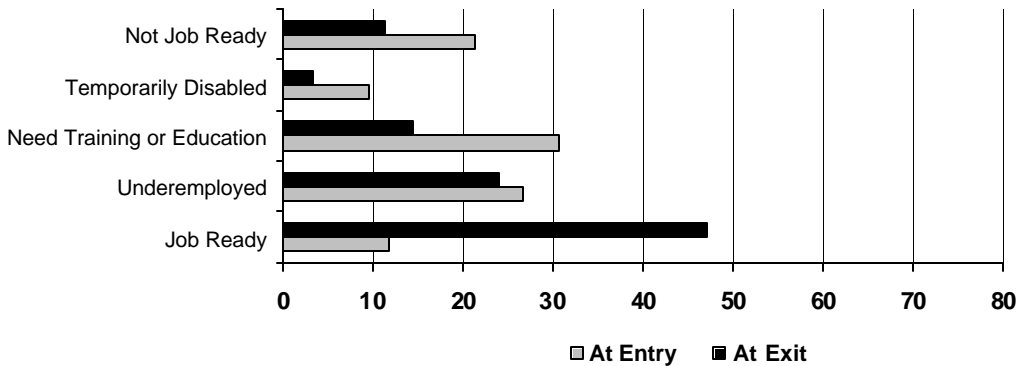
Exhibit 5
CHANGE IN HOUSING STATUS FROM ENTRY TO EXIT



Job Readiness

Along with improvements in housing status, adults in exiting FIT families are more prepared to enter the workforce than they were at program entry. Exhibit 6 shows that at program entry, just 12 percent of adults were job ready. By program exit, 47 percent are job ready. The percent who need training or education has fallen by half and the percent who were temporarily disabled has declined by two-thirds. Note that the percent who are underemployed has not fallen substantially. Nearly a quarter of adults who exit FIT need to be working more hours or earning higher wages in order to become self-sufficient.

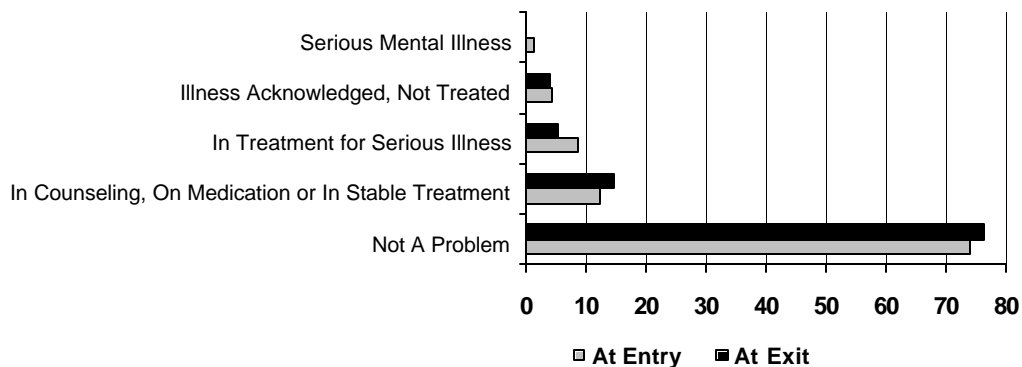
Exhibit 6
CHANGE IN JOB READINESS FROM ENTRY TO EXIT



Mental Health

Adults in FIT families also experienced a slight improvement in addressing their mental health barriers.² Exhibit 7 shows that approximately 26 percent of the families entered FIT with at least one parent having a mental health barrier, and only 12 percent received treatment for this barrier. At program exit, the proportion of families facing mental health barriers had fallen to under 24 percent, while the proportion receiving treatment had increased to 15 percent, indicating that a greater proportion of those needing assistance were receiving it.

Exhibit 7
MENTAL HEALTH BARRIERS

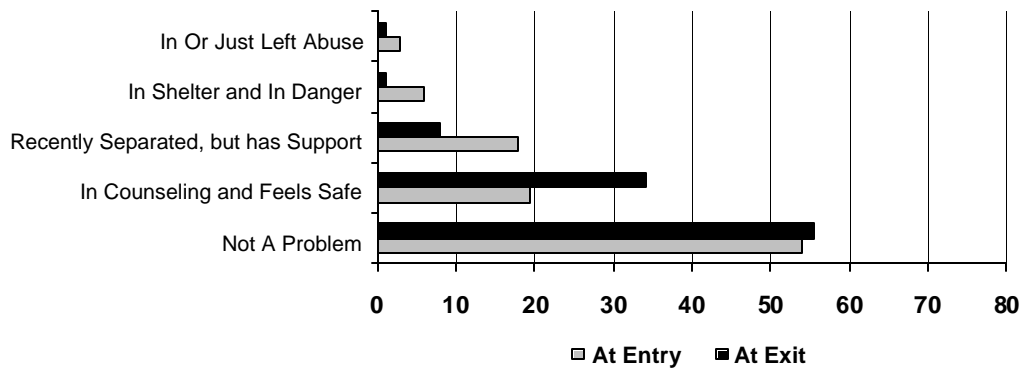


Domestic Violence

Domestic violence is one of the more difficult barriers to address. For complex reasons, the victims may refuse treatment, deny the problem, or return repeatedly to an abusive situation. FIT families experienced some reduction in domestic violence as a barrier and a large increase in the proportion of families receiving treatment for this issue. As shown in Exhibit 8, 46 percent of FIT families faced domestic violence issues at program entry, with 9 percent of these families in or recently leaving abuse situations and still in danger. At program exit, the proportion of families for whom domestic violence was a barrier, had fallen slightly to 44 percent. Further, the proportion of families receiving counseling for domestic violence had increased from 20 percent at program entry to 34 percent at program exit. Also important, the proportion of families in or recently leaving abusive situations had fallen from 9 percent at program entry to 2 percent at program exit.

² In tracking barriers at entrance and exit, FIT generally does not change a social issue barrier to a 5 (not an issue) at program completion. If the issue is being successfully dealt with, it is typically coded as a 4, based on the idea that someone is “in recovery” as opposed to “recovered.” This categorization pertains to mental health, substance abuse, involvement with Child Protective Services, and domestic violence barriers.

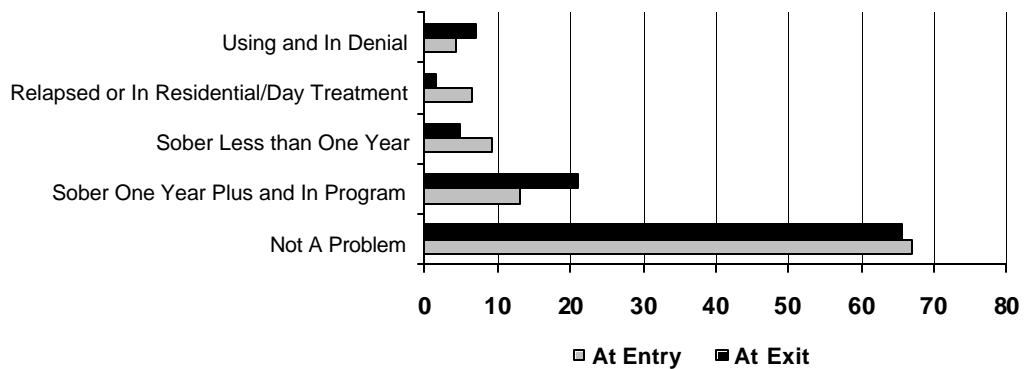
Exhibit 8
DOMESTIC VIOLENCE BARRIERS



Substance Abuse

Barriers related to substance abuse can be some of the more challenging barriers to self-sufficiency that families face. Clients may be reluctant to disclose their substance abuse for fear of being judged. For those who have achieved sobriety, their progress can be fragile and vulnerable to stresses that families struggling to achieve self-sufficiency face. FIT families experienced some improvements in reducing substance abuse as a barrier. While the proportion of FIT families with a substance abuse barrier stayed the same from program entry to exit (about a third), this may reflect the fact that some families served by FIT are finally able to seek assistance for a previously unreported problem. Further, the data indicate that the proportion of families that were sober over one year and participating in an assistance program increased dramatically from 13 percent to 21 percent from program entry to exit. This indicates that families are likely receiving the support they need during the transition from use to sobriety and self-sufficiency.

Exhibit 9
SUBSTANCE ABUSE BARRIERS

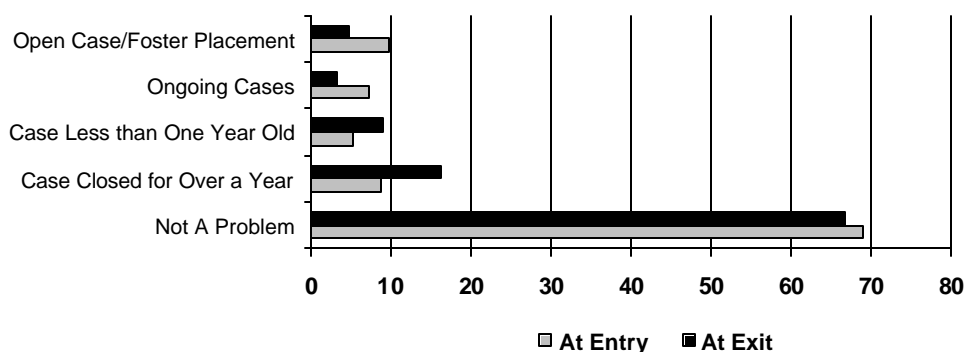


Child Protective Services

FIT has a collaborative relationship with the County’s Child Protective Services (CPS). A focus on child welfare issues and the collaboration with CPS allows FIT case managers to help their clients create safe and stable environments for their children. This means that families who may not have had a CPS case at program entry may have a case that is being addressed at exit because the FIT case manager is working with CPS to assist the family in its efforts to stay together.

Exhibit 10, shows that while 31 percent were involved in CPS at program entry, this increased to 33 percent by program exit. However, the proportion of families with open CPS cases fell by half, from 10 percent to 5 percent over this same time period. Further, the proportion of FIT families with CPS cases that had been closed for over a year rose from 8 percent to 16 percent during that same time period.

Exhibit 10
CHILD PROTECTIVE SERVICES



FAMILY WELL-BEING AT PROGRAM ENTRY AND EXIT

In addition to improvement in their barriers to self-sufficiency, FIT families showed improvements in other aspects of family well-being, such as employment, income, poverty status, and consumer debt. We examine these issues below.

Employment

Given the improvements in FIT families’ barriers to employment, we would expect to see increases in employment among the FIT population. Indeed, we find an 8 percentage point increase in overall employment from 52 percent to 60 percent between program entry and exit. Forty-four percent of those who exit FIT were employed both when they entered and when they left the program. Another 16 percent entered FIT without employment, but left the program with employment, and 8 percent entered with employment, but left without it. While promising, this increase is not as large as one might expect given the improvements in job readiness.

Income

As shown in Exhibit 11, average monthly earnings were \$1,013 at program entry among those who were employed, and \$1,434 at program exit. Housing assistance nearly doubled for those who received it, from \$660 at program entry to \$1,025 at program exit. Total monthly income also increased, from \$981 at program entry to \$1,327 at program exit.

Families are much less likely to be receiving TANF when they leave FIT than when they entered it.³ Nearly 27 percent of those who left FIT were receiving TANF when they entered, but not when they exited. Another 32 percent received TANF both at entry and exit, and 37 percent did not receive TANF at either entry or exit.

A greater proportion of families received child care subsidies at exit than was the case at program entrance. Fifteen percent of exiting FIT families entered the program without child care subsidies, yet were receiving subsidies at exit. Given the high cost of child care in Santa Cruz County, these subsidies can play a crucial role in helping families secure or maintain employment.

Exhibit 11
CHANGE IN MONTHLY EARNINGS AND INCOME FROM ENTRY TO EXIT

	Percent at Entry	Average Amount	Percent at Exit	Average Amount
Earnings from Employment	51.6	\$1,013.88	60.4	\$1,434.04
Housing Assistance	11.7	\$660.64	17.9	\$1,025.49
TANF	58.7	\$514.79	36.0	\$554.79
Total Monthly Income	95.8	\$981.36	91.1	\$1,327.69

Note: Average earnings for employment include only employed FIT participants. Average total monthly income includes income for both employed and not-employed FIT participants.

Poverty Status

Although many families are working at the time they leave FIT, this alone does not indicate self-sufficiency. To better establish exiting participants' levels of self-sufficiency, it is important to examine overall family income in relation to the federal poverty guidelines. Poverty calculations take into account a family's entire monthly income, excluding in-kind contributions such as housing and child care subsidies. The federal poverty guidelines for a family of three in 2000 was \$14,150 per year, or \$1,179 per month.

As demonstrated in Exhibit 12, the poverty rate among FIT families decreased from nearly 78 percent at program entry to 56 percent at program exit. At exit, there are many fewer families that face severe poverty (incomes less than half the federal poverty guidelines) than is the case at entry. Forty-four percent of exiting families had incomes above the poverty line, half of whom had incomes above 150 percent of the poverty line.

³ Not all FIT families are eligible for TANF. Some families are undocumented and others are already receiving SSI.

These findings are extremely promising, indicating that FIT may be assisting many families to leave aid and achieve self-sufficiency. It is important, however, to track families over time to examine the extent to which they maintain employment and income, both indicators of continued self-sufficiency. FIT has just begun to implement a post-FIT tracking system that will capture such information. We will conduct further analysis on these data as they become available.

Exhibit 12
COMPARISON OF MONTHLY INCOME TO POVERTY LEVEL

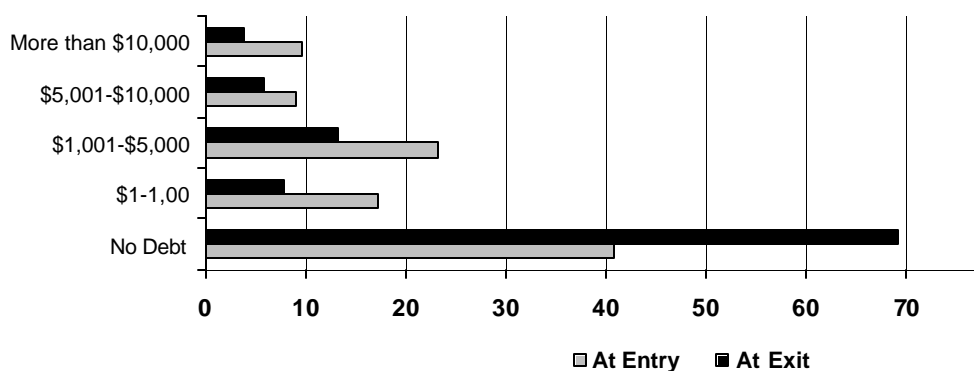
	Percent of Exited FIT Families	
	Monthly Income at Entry	Monthly Income at Exit
At or Below 50% FPG	26.8	19.2
50-99% FPG	50.7	36.6
100-149% FPG	14.6	22.5
At or Above 150% FPG	8.0	21.6
Total Below FPG	77.5	55.8
Total Above FPG	22.6	44.1

Note: Poverty level is calculated using monthly income only. The value of housing assistance and other in-kind subsidies are not included in these tabulations, but may add to overall family well-being. Calculations take into account family size.

Consumer Debt

FIT includes a money management component that is required of all participants. Although information on money management skills is not collected, data on consumer debt serves as a good proxy for families' abilities to manage their finances. As illustrated in Exhibit 13, the proportion of families with no debt increased from 41 percent at program entry to 69 percent at program exit. In all other debt categories, the percent of families with that debt amount decreased from program entry to exit.

Exhibit 13
CONSUMER DEBT FROM ENTRY TO EXIT



SUMMARY AND CONCLUSION

Research has shown that social support programs are more successful at moving individuals into the labor market when they address participants' multiple challenges, including housing barriers, substance abuse, and domestic violence.⁴ The Families in Transition Program has been serving its clients using an intensive case management model that appears to result in improved outcomes for participating families. In particular, the following components of the FIT model stand out as being effective in helping families attain or regain self-sufficiency:

- comprehensive assessment process that establishes rapport;
- individualized service plans that consolidate program requirements and goals created by the multiple service agencies with which many FIT families work;
- on-going case management with the same case manager from intake to exit;
- brokering services across community resources;
- the simplification and coordination of cross-agency procedures;
- joint funding arrangements to provide services to participants.

The Evaluation of the FIT Program will continue to provide details on the outcomes of recipients over time. Future evaluation reports will include information from a client survey as well as 24-month follow-up with exiting families to assess their continued level of well-being.

This policy brief was written by Deana Goldsmith and Rebecca London.

⁴ Meckstroth, A., Pavetti, L., and Johnson, A. *The Future is Now: Transforming the Welfare System to Identify and Address Chronic Barriers*. Policy & Practice of Human Services, September 2000.