

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES Office of the Commissioner

James Hunter Williams Commissioner

December 18, 2024

MEMORANDUM

то:	The Honorable Glenn Youngkin Governor of Virginia
	Members, Virginia General Assembly
FROM:	James H. Williams James Williams
SUBJECT:	Annual Report on Two Generation/Whole Family Pilot

The attached report is submitted pursuant to Item 331.A.4. of the 2024 Appropriation Act, which provides:

4. Out of this appropriation, \$1,125,000 the first year and \$1,125,000 the second year from the Temporary Assistance to Needy Families (TANF) block grant shall be provided for competitive grants to Community Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the pilot project. Applicants selected for the pilot project shall provide a match of no less than 20 percent of the grant, including in-kind services. The Department of Social Services shall report to the General Assembly annually on the progress of the pilot project and shall complete a final report on the project no later than six years after the commencement of the project.

Please contact me if you have questions.

JW:kc Attachment

cc: The Honorable Janet V. Kelly, Secretary of Health and Human Services



Two-Generation/Whole Family Pilot Project Progress in Program Year 2024

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TWO-GENERATION/WHOLE FAMILY PILOT PROJECT PROGRESS IN PROGRAM YEAR 2024

A Report for the Virginia General Assembly

October 1, 2024

REPORT MANDATE

Appropriation Act - Item 331 A.4.

Out of this appropriation, \$1,125,000 the first year and \$1,125,000 the second year from the Temporary Assistance to Needy Families (TANF) block grant shall be provided for competitive grants to Community Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the pilot project. Applicants selected for the pilot project shall provide a match of no less than 20 percent of the grant, including in-kind services. The Department of Social Services shall report to the General Assembly annually on the progress of the pilot project and shall complete a final report on the project no later than six years after the commencement of the project.

EXECUTIVE SUMMARY

The VDSS has worked to identify and incorporate evolving practices for providing services and achieving substantive outcomes for families. The goal of this pilot project is to test and evaluate concepts and specific interventions that represent two-generation or whole family approaches that move families out of poverty in a variety of communities throughout the Commonwealth. Whole family approach initiatives seek to use comprehensive case management and coordinated, focused service delivery to address the entire family's needs rather than individual family members.

As of June 30, 2024, the pilot program has enrolled 162 households, with 60% experiencing an increase in their poverty percentage since enrollment. Notably, 95 households (59%) remain below 100% of the poverty level, reflecting a nearly 22% reduction in extreme poverty. Encouragingly, 66 households (41%) have surpassed the 100% threshold, and this number is expected to rise as 58 households continue to receive support. Overall, income trends indicate a positive trajectory, with anticipated further improvements as participants benefit from ongoing assistance.

About VDSS and the Office of Economic Opportunity

The Virginia Department of Social Services (VDSS) partners with local departments of social services and community organizations, to promote the wellbeing of children and families across the Commonwealth.

We proudly serve alongside nearly 13,000 state and local human services professionals throughout the Social Services System, who ensure that thousands of Virginia's most vulnerable citizens have access to the best services and benefits available to them.

Together, we work each day to serve, empower, and create opportunities for brighter futures.

The VDSS Office of Economic Opportunity provides oversight for the Virginia Community Action Partnership network. This network of 31 agencies in Virginia is funded by the **Community Services Block** Grant, a federally funded block grant in the Office of Community Services, Administration for Children and Families, U.S. Dept. of Health and Human Services. These grants support services that alleviate the causes and conditions of poverty in under resourced communities.

DEFINITIONS

Community Services Block Grant (CSBG)

CSBGs are federal grants administered by the states, providing core funding to local agencies, called Community Action Agencies, to reduce poverty, revitalize low-income communities, and to empower low-income families to become self-sufficient.

Community Action Agencies (CAA)

CAAs are local, private and public non-profit organizations that carry out the Community Action Program, founded by the 1964 Economic Opportunity Act, as part of the War on Poverty.

Administration for Children and Families (ACF)

ACF is a division of the U.S. Department of Health & Human Services (HHS). ACF's mission is to promote the economic and social well-being of children, families, individuals and communities with leadership and resources for compassionate, effective delivery of human services. ACF administers numerous federal grant programs common to Community Action Agencies.

National Community Action Partnership (NCAP)

NCAP is a national, 501(c)3 nonprofit membership organization that provides technical assistance, training, and other resources to Community Action Agencies, nonprofit and public groups funded by the Community Services Block Grant (CSBG).

Temporary Assistance to Needy Families (TANF)

TANF is a federal block grant administered by Office of Community Services located within the Administration for Children and Families (ACF). TANF is designed to help families achieve self-sufficiency by providing block grants to states for the design and operation of programs that accomplish one of the following four purposes of the TANF program to: provide assistance to needy families so that children can be cared for in their own homes; reduce the dependency of needy parents by promoting job preparation, work and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

PROGRAM OVERVIEW

The Virginia Two-Generation/Whole Family Pilot Project was created to test and evaluate child, parent, and family-focused strategies to alleviate multi-generational poverty in a variety of communities throughout the Commonwealth. It is hoped that this pilot project will accelerate the development of two-generation or whole family strategies by increasing knowledge about what families need and what works.

CONTACTS

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Two-Generation/Whole Family Pilot Project Progress in Program Year 2024

SECTION 1 PILOT IMPLEMENTATION

BACKGROUND

VDSS sought to achieve the following priorities or goals by supporting pilot projects in CAAs of varied sizes, capacities, and geographic locations:

- Support selected families in achieving self-sufficiency;
- Utilize family coaching models and family coaches to ensure that the pilot project receives dedicated support for families at each of the selected sites throughout the project.
- Document and learn from activities and outcomes achieved by parents, children, and families in different locations around the state;
- Increase knowledge of the barriers families face and the cost of helping families overcome the barriers and achieve their goals; and
- Replicate, improve, or expand pilot activities that work in future years.

During the five years of the pilot project, the six sites participating in the Virginia Two-Generation/Whole Family Pilot Project focused on hiring and training family coaches at each site, developing and implementing agency-specific program designs, enrolling and serving families, collecting data, and tracking outcomes. Tactics used by VDSS and NCAP included providing intensive technical assistance on various aspects of designing and implementing a whole family approach, training related to intake and outcome tracking tools and best practices, regular support for coaches, and peer sharing and learning meetings.

INTEGRATED SERVICES FOR PARENTS, CHILDREN, AND FAMILY

The Virginia Two-Generation/Whole Family Pilot Project was created to test and evaluate child, parent, and family-focused strategies to alleviate multi-generational poverty in various communities throughout the Commonwealth. Research on integrated programs that combine services intended to support child development and parental economic security indicates that for services to be successfully integrated, they must be intentionally aligned and coordinated, high-quality and intensive, and built on parents' and children's mutual motivation. High-quality can be distinguished using curricula, research, or evidence-informed practices. Intensity may be defined as dosage, duration, and range of services. Services with a higher dosage and longer duration may be more likely to help families achieve positive outcomes.

The six pilot sites integrated a range of high-quality services with a mix of intensity levels. The design and flexibility of the Virginia Two-Generation/Whole Family Pilot Project helped to ensure the duration needed to achieve successful outcomes. High-quality and longer-duration services for children, such as Head Start, Early Head Start, and Healthy Families, create the core of many child-focused services. Skill training, housing support, mental health counseling, and coaching are standard parent-focused services for the six pilot sites. Family coaching and parenting training are standard family support services.

FAMILY-CENTERED COACHING

A central component of the pilot project was providing resources to the pilot sites to hire a full-time family coach. All six sites hired a coach to work intensively with families enrolled in the Whole Family Pilot Project. VDSS required that the family coaches work only with families enrolled in the pilot project. Several pilot sites expanded family-centered coaching by hiring additional coaches or training other staff in coaching and other whole family approach practices.

Family coaching provides a vehicle to coordinate a robust, customized mix of integrated services that build on the strengths and capabilities of each family and deliver just the right mix of services to each family member. Family-Centered Coaching is a set of strategies, tools, and resources to help coaches, and their organizations shift how they engage with and support families. Techniques ranging from goal-setting and motivational interviewing to strengths-based case management help coaches work with the whole family. Family coaching practice puts families in the driver's seat, includes the entire family, and seeks to help families call on their strengths to build capabilities that will carry them forward throughout their life span. Whole family approach coaches received ongoing support from NCAP. The Prosperity Agenda's open-source training and tools for Family-Centered Coaching were provided to the coaches. This open-source training was developed with the support of the W.K. Kellogg Foundation.

ENGAGING FAMILIES

Two-generation/whole family approaches are anchored in equity, rooted in community, and fueled by the lived experience of those engaged in services. Families are the experts in their own lives, and elevating and incorporating their experiences, dreams, and desires in program and policy design demonstrates a commitment to honoring this truth. Authentic family engagement occurs through many methods, and pilot sites have devised various mechanisms for amplifying family voices. One example is Head Start's Parent Policy Councils, where parents are invited to provide feedback and recommendations to improve program structure and service provision. The pilot sites convened families for various activities that offered opportunities for families to interact with agency representatives and share feedback on their experience with the pilot.

FINANCIAL ASSISTANCE

Two-generation/whole family approaches are anchored in equity, rooted in community, and fueled by the lived experience of those engaged in services. Families are the experts in their own lives, and elevating and incorporating their experiences, dreams, and desires in program and policy design demonstrates a commitment to honoring this truth. Authentic family engagement occurs through many methods, and pilot sites have devised various mechanisms for amplifying family voices. One example is Head Start's Parent Policy Councils, where parents are invited to provide feedback and recommendations to improve program structure and service provision. The pilot sites convened families for various activities that offered opportunities for families to interact with agency representatives and share feedback on their experience with the pilot.

SECTION 2 RESULTS IN PROGRAM YEAR 2024

FAMILY DEMOGRAPHICS

The design of Virginia's pilot project emphasizes quality over quantity and directs the sites to work comprehensively with a small number of families to maximize learning and results. VDSS expected each agency to work with five to 15 families in the first year. Pilot sites recruited families from programs across their agencies, such as Head Start, Early Head Start, Healthy Families, and crisis assistance. Agency enrollment numbers range from 16 to 35 households. CAAs started engaging and enrolling families in late February 2020 and, in most cases, met their target goals within a couple of months. The pilot sites enrolled a total of 162 households, representing 573 individuals.

As of June 30, 2024: 162 families enrolled, representing 223 adults and 350 children under the age of 18¹. The average household size ranges from 3.3 at People Inc. to 3.8 at Hampton Roads Community Action Program. Of the individuals served, 61% are female, and 39% are male. Of the individuals participating, 39% are adults over the age of 18, and 5% of individuals are adults ages 18–25. Children comprised 61% of the participants, and 20% were under the age of five. The family composition includes 68% of families represented by female single-parent households, 2% represented by male single-parent households, and 23% two-parent families. Sixty-one percent of the people served are persons of color, and 4% of individuals enrolled reported being of Hispanic or Latino ethnicity.

From the data available, we know at least 73% of the adults (age 18-60) in the pilot have a high school diploma/GED or less. This is significant because living wage jobs often require higher skill or education levels. The education levels of participants, combined with the fact that most adults in the project work or have worked recently, are important factors to consider as strategies for expanding skills or promoting advancement in the workplace are identified.

CHANGES IN EMPLOYMENT INCOME

Family income and employment information are collected at enrollment. At least quarterly, income and employment changes are updated by the coaches and recorded in the management information system (MIS). Over the five years of the pilot, <u>earned and total income</u> information has been recorded for 162 households enrolled (including both closed and open households).

Three sets of analyses were conducted on income change to examine the statistical significance of the following:

- change in total income;
- change in <u>earned income</u>; and
- the relationship between income changes (total and earned) and length of services.

These various analyses were conducted on the 162 households enrolled in the pilot for which there were at least two data timepoints. This included 104 households who had exited services, and 58 households still enrolled as of June 30, 2024. Among the 162 households in the pilot, 82 were without income (zero income) at enrollment; these households were also examined as a subset.

<u>Earned income</u> change results for all 162 households include 61% of households increasing earned income, 12% decreasing earned income, 25% having no earned income change as of June 30, 2024, and 2% not being in the pilot long enough to have progress assessed (less than three months). Fifty-eight of the 162 households enrolled will continue receiving services beyond June 30, 2024.

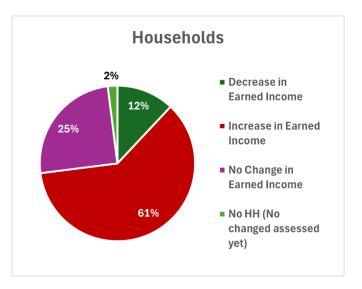


Chart 1. Change in Earned Income for Closed and Open Households (N=162)

¹ At the time this report was developed data review were underway; final data may result in minimal variances.

Change in household income is a crucial outcome of interest for the pilot due to the research indicating reducing material hardship and increasing economic security can have significant benefits for children as they grow and develop and later in their adult lives. Perhaps even more critical is the timing of economic hardship; research suggests that poverty early in a child's life may be particularly harmful as the rapid development of the brain in the early years of life leaves children sensitive and vulnerable to environmental conditions. For children living in poverty, particularly for those under the age of 6, minimal increases in economic security as a child, even an increase in parental income of \$3,000 annually (in 2005 dollars) has been associated with an annual increase as an adult of 135 hours of work and annual earnings increase of 17%.²

Among the 162 households, the average <u>total income</u> was \$12,899 at enrollment. For families who exited/completed services and for families still in the pilot, the last or most recent total income increased to an average of \$23,910. **This increase of nearly \$11,241 was statisti-cally significant.**³

The average duration of services for households across all enrolled participants was 637 days. During the five-year pilot, agencies terminated services to some households due to nonparticipation. Many cases were closed for nonparticipation during the COVID-19 pandemic and recovery period. Regardless of participation levels or time receiving services, income data for all households was included in the analyses. Household participation duration ranged from 36 to 1,622 days, with an average of 637 days.

The average total income and average earned income significantly increased for households enrolled in the pilot across the three subsamples (104 exited, 58 still enrolled, and 82 zero-income households). Analyses conducted on the full sample indicate that the duration of services is sometimes significantly related to increased income. However, duration explains only a small amount of variability in income change, suggesting that time receiving services is not a strong predictor of income change.

Families may have other sources of income, but the differences in <u>earned income and total</u> <u>income</u> are negligible. For example, for the 104 households that exited the pilot, the difference between total average income and average earned income at exit was \$742. This indicates that nearly all household income is from earned income or wages.

² <u>Economic Security Programs Help Low-Income Children Succeed Over Long Term, Many Studies Find</u>, Center on Budget and Policy Priorities, July 17, 2017

³ James Bell and Associates were engaged to analyze income data. For the full sample results of the paired-t test indicated that there is a significant difference between entry (M = 12899.2 ,SD = 14435.7) and exit/most recent income update (M = 23910 ,SD = 1792), t(161) = 7.7, p < .001

The average change in earned income was an increase of \$10,629 for all households in the pilot, \$10,157 for households that exited the pilot, \$11,475 for households still in the pilot, and \$16,130 for households with no income at enrollment.

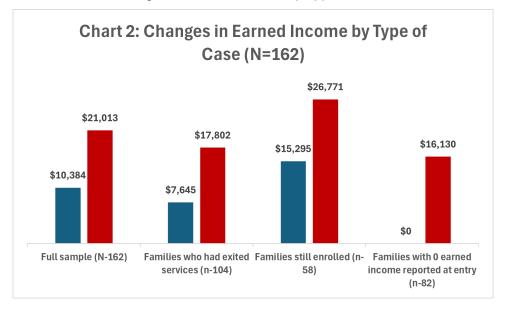


Chart 2. Changes in Earned Income by Type of Case (N=162)⁴

At the end of June 2024, with 162 households enrolled, 60% are at a higher poverty percentage level than when they enrolled, 15% of households have not yet achieved an increase, and 2% of households are newly enrolled and have had insufficient time for a change to be assessed.

As of June 30, 2024, 22% percent of households are at a lower poverty level than when they started. Further analysis of this group is needed, but it seems likely several factors are driving this result, including households that may not have had sufficient time in the program, households that failed to maintain participation and whose case was closed, households where family make up changed impacting the family size and or income, or perhaps a household increased wages while also experiencing a decrease in unearned income (e.g., Temporary Assistance to Needy Families, Unemployment Insurance, Social Security benefits).

⁴ Source: analysis of data reported in the project management information system by all six pilot participating agencies.

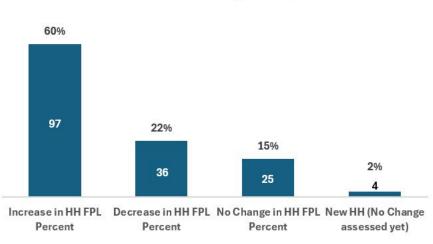


Chart 3: Change in Percent of FPL at Entry to Most Recent (N-162)

Chart 3. Change in Percent of FPL at Entry to Most Recent (N=162)⁵

Table 1 below indicates that at enrollment, 132 (81%) households were below 100% of the poverty level; the Federal Poverty Level for a family of 3 in 2023 was \$24,860. The majority of these families lived in extreme poverty with incomes below 50% of the poverty level (\$12,430).

As of June 30, 2024, the number of households below 100% of the poverty level was 95 (59%), a reduction of nearly 22%. Table 1 also demonstrates that income increases are heading in the right direction for most households. Households are moving from the lower, extreme poverty levels to a higher level.

The most recent income data analysis indicates that **66 (41%) of the households in the pilot were above 100% of the poverty level.** This number will likely increase as 58 households are still participating and receiving services. Average increases in income and overall trends for the households participating in the pilot have continued to demonstrate movement in a positive direction. With continued support and time, the number of households moving beyond 100% of the poverty level is expected to continue to increase.

⁵ Source: analysis of data reported in the project management information system by all six pilot participating agencies.

Federal Pov- erty Level	# of Households at Entry	# of Households at Exit or Most Recent	Change
Zero Income	46	22	-52%
< 50%	46	32	-30%
50.1%-75%	25	15	-40%
75.1 %-100%	15	26	73%
100.1125%	7	27	286%
125.1-150%	9	21	133%
150.1-175%	9	4	-56%
175.1-200%	3	7	133%
>200.1	3	7	133%

Table 1. Change in Household

APPENDIX A LEGISLATIVE MANDATE 331.A.4

Appropriation Act – Item 331 A.4.

4. Out of this appropriation, \$1,125,000 the first year and \$1,125,000 the second year from the Temporary Assistance to Needy Families (TANF) block grant shall be provided for competitive grants to Community Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the pilot project. Applicants selected for the pilot project shall provide a match of no less than 20 percent of the grant, including in-kind services. The Department of Social Services shall report to the General Assembly annually on the progress of the pilot project and shall complete a final report on the project no later than six years after the commencement of the project.