COMMONWEALTH of VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
Office of the Commissioner

October 28, 2025

MEMORANDUM

TO: The Honorable Glenn Youngkin
Governor of Virginia

Members, Virginia General Assembly

FROM: Kevin Erskine

SUBJECT: Annual Report on Two Generation/Whole Family Pilot

The attached report is submitted pursuant to Item 331.A.4. of the 2025 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.

KE:kc
Attachment

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

Two-Generation/Whole Family Pilot Project for 2023-2024

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2024-25 Two-Generation / Whole Family Pilot Project

A Report for the Virginia General Assembly October 1, 2025

Report Mandate

The FY2020, FY2021, FY2022, FY2023, FY2024, and FY2025 Virginia State budgets included provisions for the Community Action Two-Generation/Whole Family Pilot Project. Item 356 (4) of the 2020 Appropriation Act states: "Out of this appropriation, $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."

The Virginia Department of Social Services (VDSS) has evaluated the pilot project and disseminated information about the results and impact of this multi-generational approach over six years, releasing information and progress on the pilot annually. This report will cover the period from July 1, 2019, to June 30, 2025 (focusing on the 2024-2025 Program Year).

Executive Summary

The Virginia Department of Social Services (VDSS) launched a pilot project to test a whole family approach aimed at moving families out of poverty by addressing the needs of the entire family through coordinated services. Funded by the Virginia General Assembly, the initiative was implemented across diverse Community Action Agencies statewide. Over five years, six sites enrolled 176 households, providing family coaching, tailored services, and comprehensive case management. The program focused on self-sufficiency, barrier identification, and data-driven evaluation to refine and expand successful strategies. Key accomplishments include increased earned income for 60% of participating households and a statistically significant average income growth of $11,202 per household. Families received services for an average of 703 days, with longer engagement somewhat linked to income gains. The pilot has transitioned into an evidence-based initiative supported by data and ongoing evaluation. VDSS continues to document outcomes and improve the model for broader replication.

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 well-being 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 (CSBG), 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)

CSBG 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 (CAAs)

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 CAAs, such as Community Services Block Grant (CSBG), Head Start, Community Economic Development (CED), Low Income Home Energy Assistance Program (LIHEAP), and Social Services Block Grant Program (SSBG).

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), a federal program that allocates funding to states to connect Americans to greater opportunity.

Temporary Assistance to Needy Families (TANF)

TANF is a federal block grant administered by Office of Community Services (OCS) located within the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS). TANF is designed to help needy families achieve self-sufficiency by providing block grants to states to design and operate 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 for 2024-2025

Section 1 Pilot Implementation

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. The project is now moving to a long-term initiative. 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 sites integrated a range of high-quality services with a mix of intensity levels. The design and flexibility of the 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 sites. Family coaching and parenting training are standard family support services.

FAMILY-CENTERED COACHING

A central component of the initiative is providing resources to the sites to deliver family-centered coaching to families enrolled in the Whole Family Initiative. VDSS initially required that the family coaches work only with families enrolled during the pilot phase. Several sites expanded family-centered coaching by adding in additional coaches or training other staff in coaching and other whole family approach practices.

Family-centered 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. This practice 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 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 the 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 sites that have Head Start programs 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

Families have unique and varied strengths and areas for improvement where they can benefit from support and assistance. Flexibility to address family needs, like assisting with purchasing a washer and dryer or repairing an automobile, can go a long way to reducing stress and barriers for families so they can focus on their employment, education and training, and their children's health, education, and social and emotional development. Assisting with one-time financial barriers such as a car repair can be a pivotal factor in securing or maintaining a job or persevering in a training or education program.

SECTION 2 program results

FAMILY DEMOGRAPHICS

The design of this program emphasizes quality over quantity, providing high touchpoints for families through Community Action staff members at the sites and tracking outcomes and progress of the families. Staff work with the families to discuss progress and setbacks, setting goals and moving them towards self-sufficiency. VDSS indicated at the beginning of the pilot phase that they expected each agency to work with 5 to 15 families in the first year. The sites have determined best practices, and some have expanded their staff capacity and recruitment efforts to serve more families as this transitions to a long-standing program. The sites recruit families from programs across their agencies, such as Head Start, Early Head Start, Healthy Families, and crisis assistance. Agency enrollment numbers range from 20 to 39 households. Overall, since the inception of the pilot, there are a total of 176 households, representing 615 individuals that have been enrolled and served by the initiative.

Total enrollment results are as follows for each year of the initiative:

- September 30, 2020: 61 families enrolled, representing 81 adults and 131 children under the age of 18.

- September 30, 2021: 91 families enrolled, representing 123 adults and 200 children under the age of 18.
- September 30, 2022: 124 families enrolled, representing 166 adults and 269 children under the age of 18.
- August 5, 2023: 149 families enrolled, representing 201 adults and 327 children under the age of 18.
- June 30, 2025: 176 families enrolled, representing 246 adults and 369 children under the age of 18.

As of June 30, 2025: 176 families enrolled, representing 246 adults and 369 children under the age of 18. The average household size ranges from 3.3 at People Inc., to 3.7 at Hampton Roads Community Action Program. Of the individuals served, 61% are female, and 38% are male. Of the individuals participating, 40% are adults over the age of 18, and only 14% of the adults are between the ages of 18–25. Children comprised 60% of the participants, and 24% of the children were under the age of five. The family composition includes 63% of families represented by female single-parent households, 3% represented by male single-parent households, and 27% two-parent families.

From the data available, we know at least 72% 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 CAA staff and recorded in the management information system (MIS). Over the six years of the initiative, earned and total income information has been recorded for 176 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:

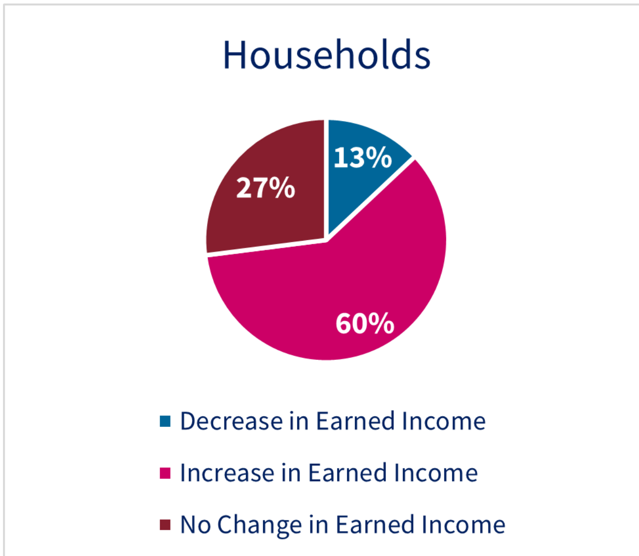
- change in total income;
- change in earned income; and
- the relationship between income changes (total and earned) and length of services.

These various analyses were conducted on the 176 households enrolled in the pilot for which there were at least two income data timepoints. This included 140 households who had exited services, and 36 households still enrolled as of June 30, 2025. Among the 176 households in the pilot, 48 were without income (zero total income)[1] at enrollment; these households were also examined as a subset.

EARNED INCOME

Earned Income change results for all 176 households include 60% of households increasing earned income, 13% decreasing earned income, 27% having no earned income change as of June 30, 2025. Thirty-six of the 176 households enrolled will continue receiving services beyond June 30, 2025.

Chart 1. Change in Earned Income for Closed and Open Households (N=176)



Change in household income is a crucial outcome of interest due to 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 176 households, the average total income was $14,111 at enrollment. For families who exited/completed services and for families still enrolled, the last or most recent total

[1] Regarding only earned income, 84 households had 0 income at the time of enrollment.

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

income increased to an average of $25,313. **This increase of nearly $11,202 was statistically significant.**[3]

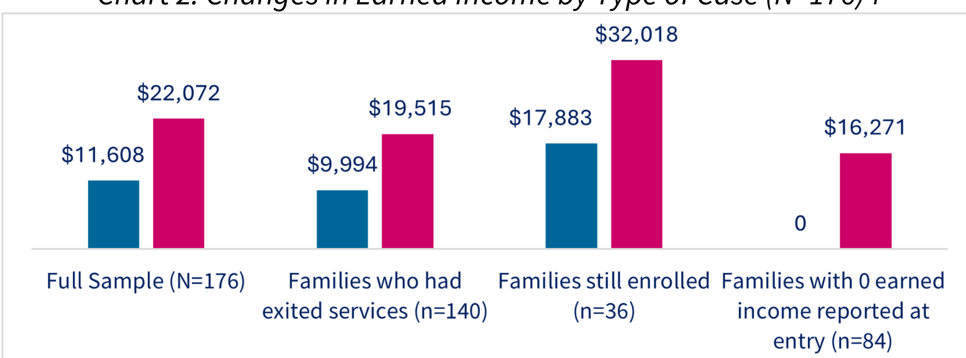
The average duration of services for households across all enrolled participants was 703 days. Many cases were closed for nonparticipation during the COVID-19 pandemic and recovery period. Families only stopped receiving services from the CAA due to nonparticipation after multiple methods of communication were deployed by CAA staff to the families. Regardless of participation levels or time receiving services, income data for all households was included in the analysis. Household participation duration ranged from 36 to 1,987 days, with an average of 703 days.

The average total income and average earned income significantly increased for households enrolled in the initiative across the three subsamples (140 exited, 36 still enrolled, and 48 zero-total 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 income</u> are minimal. For example, among the 140 households that exited the initiative, the difference between total average income and average earned income at exit was $3,241. This indicates that nearly all household income is from earned income or wages.

The average change in earned income was an increase of $10,464 for all households, $9,520 for households that exited, $14,134 for households still enrolled, and $16,271 for households with no earned income at enrollment.

Chart 2. Changes in Earned Income by Type of Case (N=176)4



[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 = 4110.9, *SD* = 15198.4) and exit/most recent income update (*M* = 25313.2, *SD* = 18601.3), $t(175) = 7.9$, $p < .001$

[4] Source: analysis of data reported in the project management information system by all six sites participating agencies. Income snapshots (earned and unearned income) are recorded routinely. Analysis is done by comparing household income at program entry to the most recent or last recorded income entry.

At the end of June 2025, with 176 households included in the data set, 60% are at a higher poverty percentage level than when they enrolled meaning their poverty level decreased. For example, some households entered the program below 150% of the poverty line and moved up to 200% or higher from the data most recently collected. 16% of households have not yet achieved an increase. As of June 30, 2025, 23% of households are at a lower poverty level than when they started, meaning their income levels went down.

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). Overall, though, a majority of the families increased their income and moved from a lower percentage of poverty to a higher percentage of poverty or above the poverty threshold.

Chart 3. Change in Percent of FPL at Entry to Exit or Most Recent (N=176)5

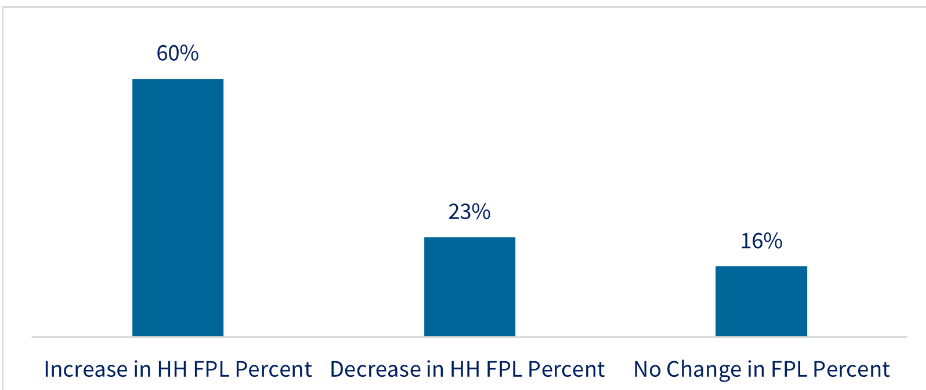


Table 1 below indicates that at enrollment, 78% of households were below 100% of the poverty level (the Federal Poverty Level for a family of 3 in 2024 was $25,820). The majority of these families lived in extreme poverty with incomes below 50% of the poverty level ($12,910). **As of June 30, 2025, the number of households below 100% of the poverty level was 100 (57%), indicating 38 HH moved above the Federal Poverty level while participating in WFA.** This table 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 **(43%) of the households were above 100% of the poverty level as compared to 17% when they started.** This number will likely increase as 36 households are still participating and receiving services.

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

Average increases in income and overall trends for the households participating in the initiative 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.

Table 1. Percentages of Households at Federal Poverty Level Ranges At Entry and Exit/Most Recently

Federal Poverty Level (FPL)	% of Households at FPL Range at Entry	% of Households at FPL Range at Exit or Most Recent
Zero Income	27.93%	14.20%
< 50%	26.26%	17.61%
50.1%-75%	14.53%	10.23%
75.1 %-100%	9.50%	14.77%
100.1.-125%	5.03%	15.91%
125.1-150%	7.26%	11.93%
150.1-175%	6.15%	5.11%
175.1-200%	1.68%	5.68%
200.1-250%	0.00%	2.84%
>250%	1.68%	1.70%

Appendix A Legislative Mandate 331.A.4

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.