Strengthening At Risk and Homeless Young Mothers and Children

The National Center on Family Homelessness

Partner Agencies:

The Family Partnership

St. Stephen's Human Services

Wayside House

REPORT ON COSTS

STRong: Strengthening Our New Generation, Minneapolis, Minnesota

October 2011

STRENGTHENING
At Risk and Homeless
Young Mothers and Children

EXECUTIVE SUMMARY

Homeless and at-risk young families face profound challenges because their needs typically extend beyond just housing to include mental and physical health, child development, education, and employment. Traditionally, systems addressing these needs are fragmented, making it difficult for mothers to access a full range of resources for themselves and their children. The *Strengthening Our New Generation* (STRong) program, developed with funding from the Conrad N. Hilton Foundation, recognized that integrating services is key to improving the health and well-being of at-risk families. The program brought together diverse agencies to offer comprehensive wrap-around services at a reasonable cost. Over the four-year pilot period, STRong maximized Hilton's contribution by partnering with community agencies and leveraging resources to help 163 mothers and 282 children meet their goals and achieve greater stability.

STRong's primary goal was to intervene before families entered the shelter system. The program offered an array of housing packages and STRong Family Workers worked with each mother and child to develop individualized service plans meeting the family's needs. Children received regular developmental screenings from an early intervention specialist, who ensured they received help to address learning or physical delays. Therapists provided counseling, parenting education, parent-child therapy, and play therapy to strengthen bonds between mothers and their children and prevent child maltreatment. Staff members also helped mothers maintain or regain custody of their children by guiding them through complicated paperwork, accompanying them to court, and serving as advocates with child protection workers.

Over the four years, STRong accessed $2.4 million in funds to develop its collaboration and client intervention model, and to provide direct services to homeless and at-risk families. Though a significant investment, it offsets considerable societal costs of family homelessness, including costs associated with health care, long-term shelter stays, and low levels of educational achievement for children. Sheltering a family of three in Hennepin County costs a yearly average of $32,400.[1] By contrast, the STRong program spent an average of $13,045.50 per family.[2] STRong helped families find stable, independent homes while providing them with an array of additional services to stabilize all areas of their lives.

1. The monthly cost of sheltering a family ($2,700) multiplied by 12. Source: Heading Home: Hennepin. "Best Practices." Retrieved from: http://www.headinghomeminnesota.org/hennepin/our-progress/best-practices

2. The typical enrollment period was one year and two months; this number is the average annual cost per family multiplied by the average enrollment duration for a family.

EXECUTIVE SUMMARY

The STRong program was creative and effective in generating funding. The Hilton Foundation provided a solid base for the program over the four years, contributing $912,000 (38 percent of the total funds). However, a greater proportion of STRong's operating budget consisted of matching funds and leveraged resources. STRong raised $1.1 million in matching funds (46 percent), exceeding the initiative's 1:1 matching fund requirements by 20 percent over the four years. The program also leveraged approximately $394,704 (16 percent) in resources from the partner agencies in the collaboration. These leveraged contributions, which included additional programs and staff that benefitted STRong families but were not funded by the program, proved essential to the program's success and testify to these partner agencies' commitment to the well-being of families.

To ensure success of this innovative and ambitious project, STRong dedicated substantial resources to building a strong collaboration and a robust service delivery model. The program spent 23 percent of its total funds during start-up, which we define as the first year of the program. Start-up funds were used to ensure the collaboration was sufficiently prepared to serve clients and to respond quickly and flexibly to families' needs. They also allowed the program to hire, train, and cross-train qualified program management, clinical, and service staff. STRong was able to enroll a significant number of clients (82) during its first year (31 families), in part because of the pre-existing collaborative relationships between the partner agencies.

STRong devoted the bulk of its resources to serving families during the steady-state period (the three years following start-up). Spending during the steady-state represented 77 percent of total resources available to STRong. The program's average annual cost per family suggests that it grew more efficient and cost-effective over time. From the second to the third year, the average annual cost per family decreased by 32 percent (from $13,957 to $9,482). The average annual cost per client decreased by 35 percent (from $8,735 to $5,572). At the same time, program enrollment increased by 53 percent between the second and fourth years of the program. STRong dedicated about 88 percent of the total available resources to direct services and 12 percent to program administration.

The STRong program had a measurable positive impact on the lives of homeless and at-risk families. Over half (55 percent) of the families enrolled during this pilot found permanent housing—a primary goal of the initiative. Mothers demonstrated improved mental health after one year, and many will continue to receive mental health services through other community sources due to referrals from program staff. Children benefitted as well; 70 percent received developmental screens and gained supports ranging from speech therapy to enrollment in Head Start. The vast majority (74%) improved their development scores on later screenings. STRong also achieved a lasting impact on the local community. As a result of the collaboration, agencies in previously fragmented service systems are now sharing resources and expertise to improve the lives of families experiencing homelessness.

PREFACE

The National Center on Family Homelessness ("the National Center") is pleased to provide the Conrad N. Hilton Foundation with this cost evaluation of the Strengthening Our New Generation (STRong) pilot program. The National Center hired BD Group to assist in preparing this report. The National Center would like to thank the STRong team for their assistance with this cost evaluation.

All numbers in this report represent a high-level presentation of the costs of the pilot program. All numbers should be considered to be estimates of the cash and non-cash resources available to STRong. Unless otherwise noted, year refers to the period starting April 1 and ending March 30. Numbers presented in the tables and text may not add up to totals due to rounding.

All estimates contained in this report are based upon a review of the following sources of information: (1) financial and narrative reports submitted on a quarterly basis to the National Center; (2) financial and programmatic information maintained by the National Center; and, (3) the program's responses to a survey focused on funding.

Please note that all numbers presented in this report are based on the information available to the Coordinating Center as of August 1, 2011. The figures represent a high-level interpretation of the detailed quarterly reports provided by STRong. As such, all figures presented in this report should be viewed as estimates of the costs of operating and running STRong.

TABLE OF CONTENTS

Sections

Appendices

TABLE OF CONTENTS

Tables

Figures

Boxes

Section I. Purpose of the Report

This cost study provides an overview of the funds directed to the Strengthening Our New Generation (STRong) program through *Strengthening At Risk and Homeless Young Mothers and Children*, an initiative of the Conrad N. Hilton Foundation. See Box 1 for a description of the Initiative. This report includes the following components: (1) a summary of the total resources available to the STRong program; and (2) a discussion about the value of the program to the community at large. We will provide a complete account of all resources that supported STRong, including: (1) the Hilton Foundation; (2) matching contributions; and (3) leverage support for the pilot program from the community. This approach provides the reader with a solid understanding of the level of resources required to build and replicate the comprehensive service package offered by the program and the level of resources committed to achieve the outcomes for families enrolled in STRong. Readers should note that this report does not include an analysis of the cost of STRong relative to other intervention models, which would be difficult to conduct because of the lack of comparable programs.

Box 1. Strengthening At Risk and Homeless Young Mothers and Children

Strengthening At Risk and Homeless Young Mothers and Children (the *Initiative*) seeks to improve the housing, health, and development of homeless and at-risk young families. The Initiative focuses on families headed by a mother ages 18-25 with at least one child age five or under. Services are provided through collaborations or partnerships of community agencies with expertise in housing, child development and family support services. STRong is one of four pilot programs funded through this *Initiative*.

Section II. The Strengthening Our New Generation Program

The STRong program is one of four pilot programs funded through *Strengthening At Risk and Homeless Young Mothers and Children* to improve the housing, health, and development of homeless and at-risk young families. See Box 2 for a description of the program, as articulated by STRong.

STRong reflects the collaborative effort among the grantees, including The Family Partnership,[3] St. Stephen's Human Services, and Wayside House.[4]

Box 2. STRong's Program Description

"Strengthening Our New Generation (STRong), a partnership with The Family Partnership, St. Stephen's Human Services, and Wayside House, Inc. provides direct services to young mothers and their children (25 and under) who are experiencing homelessness or instability in their housing situation. All of the crucial services to best serve young homeless families including housing, parenting education, child development, chemical dependency and mental health are available for parents and children. Each agency also leverages an array of additional services that add to the program's success."[5]

STRong provided services to homeless and at-risk young mothers and their children to help stabilize families. The Hilton foundation funded the STRong pilot program for four years: from April 2007 to March 2011.[6] STRong began enrolling clients into the program in the first quarter of the first year. Over the course of the initiative, the program served 163 adults and 282 children for a total of 445 clients. On average, STRong families were enrolled in the program for about 1 year and 2 months. Table 1 provides a description of the relative expertise of each of the partners and the program's primary service components. STRong's core service components are displayed in Figure 1.

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3. The original lead agency, Reuben Lindh Family Services, merged with The Family Partnership in January 2011. Throughout this report, we will use only the name of The Family Partnership.

4. Wayside House withdrew from the collaboration in September 2010.

5. STRong Final Report to the National Center on Family Homelessness, 2011.

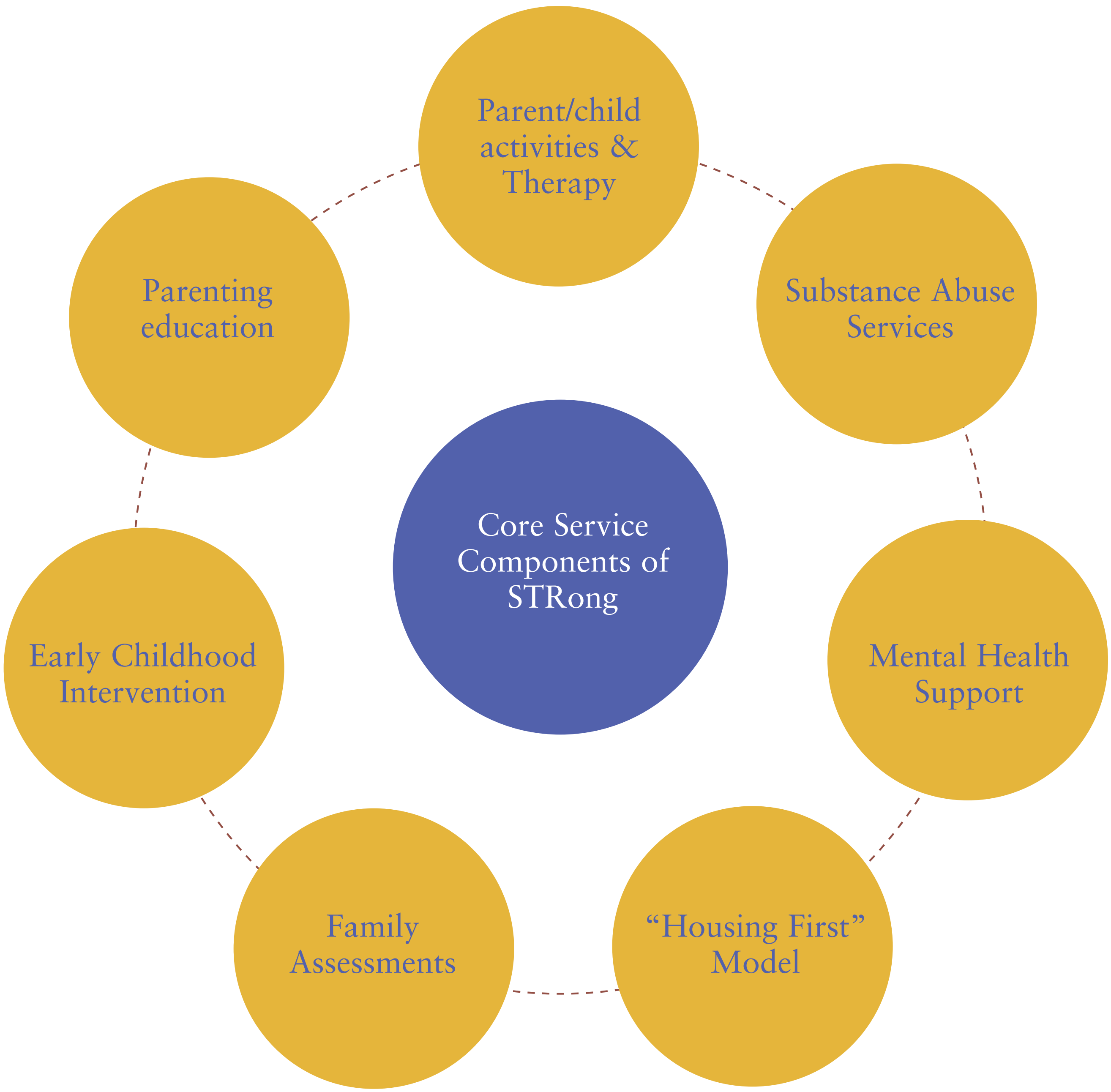
6. The Family Partnership has secured local funding to continue the program until December 2011. Meanwhile they are looking for additional funds to continue this work.

Table 1. Features of the STRong Program

Partners	*Relative role and expertise*
The Family Partnership	Child Development, Early Intervention, Mental Health Services and Parenting Education
St. Stephen's Human Services	Housing and Homelessness
Wayside House, Inc.	Treatment of Chemical Dependency specifically for low-income women

Source: The National Center on Family Homelessness, based on information provided by STRong.

Figure 1. Core Components of the STRong Program



Section III. Social & Economic Conditions in Minneapolis

The STRong program is located in Minneapolis, Minnesota. Minneapolis enjoys a national reputation as a prosperous city, due to its relatively strong economy and pleasant physical environment. Although the Twin Cities area has felt the effects of the national recession, economic conditions in Minneapolis have been above average. Unemployment in late 2009 and early 2010 crested at just less than eight percent and fell to under seven percent by early 2011. Yet relatively positive conditions for many Minneapolis residents leave some people in difficult circumstances, particularly in terms of affordable housing. Moderate unemployment has in part resulted from a decrease in labor force participation and reflected a weak labor market.[7]

- **Poverty –** In Minneapolis, approximately 23 percent of the city's population has income below the poverty line. The monthly foreclosure rate is 1 in 459 units. The city's unemployment rate is 6.5 percent. The report cites the need for more mainstream assisted housing and more or better-paying employment opportunities to reduce homelessness.
- **Rental Housing –** The Minneapolis-St. Paul metropolitan area has a significant shortage of rental housing that is affordable for low-income residents. Overall rental unit vacancy rates from 2007 to 2009 held steady in the range of 5.8 to 6.5 percent.[8] In Minneapolis, the vacancy rate for multifamily rental housing has recently fallen significantly, from 7.2 percent in late 2009 to the three percent range in late 2010.
- **Wages –** An imbalance between wages and rents at the low end of the income scale is a key contributor to the problems homeless families experience. The Family Housing Fund reports that "Housing costs remain far out of reach for most low- and moderate-income families in the Twin Cities." Average rents for two-bedroom apartments ($930/month in 2004) would require an income of about $37,000 per year, while half the jobs statewide paid less than $31,000, many much less.[9]
- **Budget environment –** Minneapolis budgetary shortfalls compounded difficulties faced by homeless young families. From June 2010 to September 2010, Hennepin County cut nine Family Focus Programs; Reuben Lindh's being the largest. These prevention programs provided early childhood education and in-home parenting services for children at risk of abuse and neglect. These cuts have greatly impacted the ability of at risk young families to receive prevention services for themselves and their children. New services target families with more serious concerns, primarily those already involved with child protection services.[10]

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7. Minneapolis Trends, "A Quarterly Review of Socioeconomic and Housing Trends in Minneapolis," fourth quarter 2010.

8. PD&R and Economic & Market Analysis Division. (2011). *Market at a Glance: Minneapolis-St. Paul-Bloomington*. Retrieved from: http://www.huduser.org/portal/MCCharts/MsasCharts.html?msaID=273346,33460&msaName =Minneapolis-St.%20Paul-Bloomington,%20MN-WI%20CBSA&dt=April%2029,%202011

9. Family Housing Fund. *Affordable Housing*. Retrieved from: http://www.fhfund.org/affordable_housing.htm

10. Hennepin County Human Services and Public Health Department. (2010). Request for Proposals— Family and Parenting Development: To improve child and family well-being for families in the Child Protection system and those at risk of Child Protection system involvement.

Section IV. Total Resources for the Initiative

STRong was developed with the initial funding from the Hilton Foundation in partnership with matching investments from local public and private funders. This section: (1) provides an overview of the total resources for the STRong program for the four years of the program from 2007-2011; (2) reports on the program's compliance with meeting the matching fund requirement under the *Strengthening At-Risk and Homeless Young Mothers and Children* grant agreement; and (3) discusses the program's success in obtaining leveraged resources in the community. Leverage resources were secured by STRong to augment resources from the Hilton Foundation and matching contributions.

Total Resources

Over the course of the pilot period, STRong secured approximately $2.4 million dollars to support the program's operations and to provide services to young families at risk of homelessness. STRong was developed with initial funding from the Hilton Foundation in partnership with matching investments from local public and private funders. STRong was also successful in securing leveraged resources from the community.

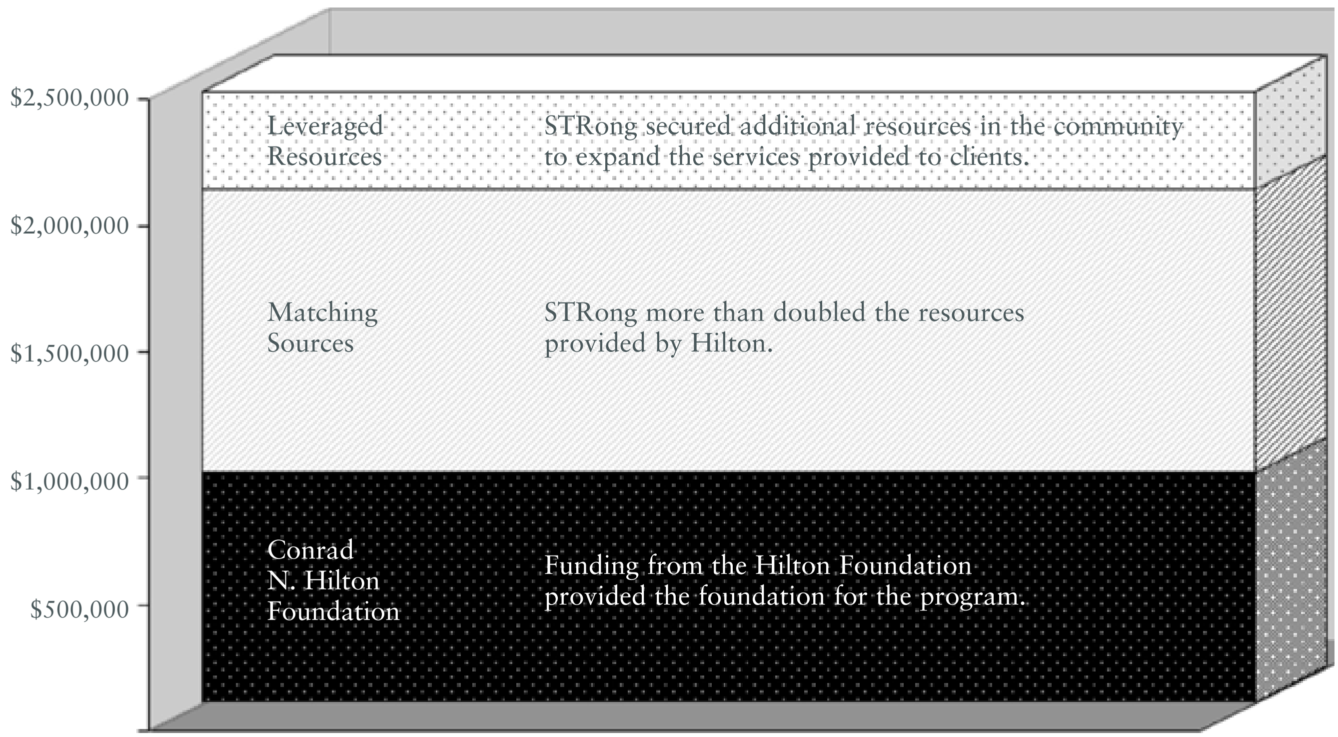
As the numbers in Table 2 show, the Hilton Foundation invested $912,000 over the four years, representing 38 percent of the total STRong resources. Matching contributions and leveraged resources totaled approximately $1.5 million, accounting for 62 percent of the total. See also Figure 2 for a visual depiction of the relative contribution of each source of resources.

Table 2. Total Cash and Non Cash Resources for STRong

Source	*Total*	*Distribution*
Conrad N. Hilton Foundation	**$912,000**	**38%**
Matching Contributions	$1,120,068	46%
Leveraged Resources	$394,704	16%
Subtotal Matching and Leveraged	**$1,514,772**	**62%**
Total Resources	**$2,426,772**	**100%**

Source: The National Center on Family Homelessness.

Figure 2. Total Resources for the STRong Program, 2007-2011



Conrad N. Hilton Foundation

The Hilton Foundation provided a stable and steady stream of funding for STRong over the course of the pilot program. These funds were used to create and develop the STRong program. Participating programs received $228,000 on an annual basis from the Hilton Foundation, for a total of $912,000 for all four years.

Matching Requirements

The grant agreement requires the Initiative pilot programs to achieve a 1:1 matching ratio between the annual grant funds of $228,000 provided by the Hilton Foundation and the matching contributions. Matching funds are defined in the agreement as: "direct contributions or a legally enforceable pledge; non-cash contributions must be new and must supplement, not supplant already-existing resources. The match may not be met by such in-kind contributions as space, equipment, supplies or computers, nor may it be met by shifting existing resources."[11]

The STRong program met the 1:1 annual matching fund requirement of the grant agreement. STRong secured a total of $1,120,068 in matching contributions – through cash and housing vouchers. That amount represents 46 percent of the total resources for the pilot. See Table 3 for a summary of the annual matching contributions received by STRong. This year-by-year analysis demonstrates that the annual matching contribution was greater than $228,000 in all four years.

11. Agreement between the grantee(s) and the Coordinating Center.

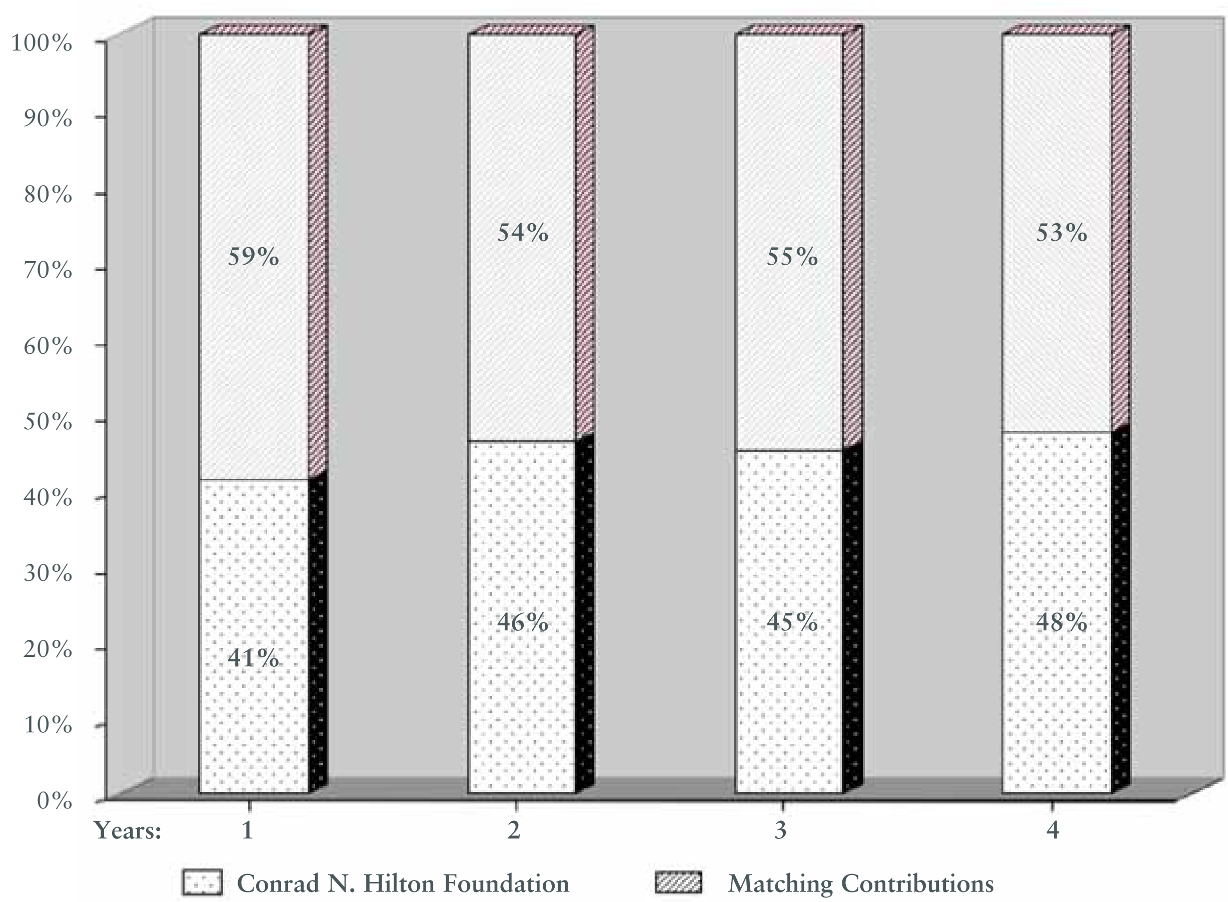
Table 3. Matching Contributions for the STRong Program

	Year 1	*Year 2*	*Year 3*	*Year 4*	*All Years*
Cash					
Archibald Bush Foundation	$75,000	$75,000	$75,000	-	$225,000
The Heading Home Minnesota Partners Fund	$25,000	$25,000	$12,500	-	$62,500
Dain Rauscher Corporation	$3,000	-	-	-	$3,000
The Carolyn Foundation	-	$25,000	-	-	$25,000
Edina Realty Foundation	$1,000	-	-	-	$1,000
Greater Twin Cities United Way	-	$50,000	$50,000	$50,000	$150,000
The Frey Foundation	-	-	$50,000	-	$50,000
Subtotal for Cash	**$104,000**	**$175,000**	**$187,500**	**$50,000**	**$516,500**
Non Cash					
Minnesota Housing Finance Agency Housing A: Vouchers	$90,000	$90,000	$90,000	$90,000	$360,000
Minnesota Housing Finance Agency Housing B: Vouchers	-	-	-	$112,000	$112,000
Hennepin County Childcare slots	$131,568	-	-	-	$131,568
Subtotal for Non Cash	**$221,568**	**90,000**	**$90,000**	**$202,000**	**$603,568**
Total Matching Contributions	**$325,568**	**$265,000**	**$277,500**	**$252,000**	**$1,120,068**
Conrad N. Hilton Foundation Matching Requirement	$228,000	$228,000	$228,000	$228,000	$912,000
Amount Above/Below Requirement	$97,568	$37,000	$49,500	$24,000	$208,068
Ratio of Matching Funds to Hilton Foundation Funds	**1.4**	**1.2**	**1.2**	**1.1**	**1.2**
Matching Contributions by cash and non-cash					
Cash contributions (share of total matching contributions)	32%	66%	68%	20%	46%
Non cash contributions (share of total matching contributions)	68%	34%	32%	80%	54%

Source: The National Center on Family Homelessness.

Figure 3 depicts the relative relationship between the Hilton Foundation and matching funds, excluding leveraged resources. As the figure shows, matching contributions accounted for 50 percent or more of the total resources obtained by STRong in each year. (Numbers are rounded.)

Figure 3. Ratio of Conrad N. Hilton Foundation Funding and Matching Contributions for STRong



Leveraged resources

STRong considered leveraged resources to be important to the program because they provided an additional source of support for the program and enrolled clients. For the purposes of this evaluation, leveraged resources are defined as services and other resources that were required in order to provide wrap-around services to these young families, but that were not reported as matching contributions or revenue by the program.

STRong estimated the value of leveraged resources to be worth at least $394,704,[12] an amount representing 16 percent of the total resources for the pilot. See Table 4 for a summary of the annual values of leveraged resources to STRong. The steady source of leveraged dollars in a particularly challenging fiscal climate is indicative of the community's (especially Family partnership's) ongoing commitment to working with homeless young families.

12. The estimates of leveraged resources should be viewed as "ballpark" estimates. Many leveraged resources can only be quantified with difficulty; and other leveraged resources are not quantified at all.

Table 4: Leveraged Resources

Leveraged Resources	*Year 1*	*Year 2*	*Year 3*	*Year 4*	*All Years*
Hennepin County Childcare slots	-	$131,568	$131,568	$131,568	$394,704
Total Leveraged Resources	-	$131,568	$131,568	$131,568	$394,704
Total Resources for STRong	$553,568	$624,568	$637,068	$611,568	$2,426,772
Leveraged as % of Total Resources	0%	21%	21%	22%	16%

Sources of leverage

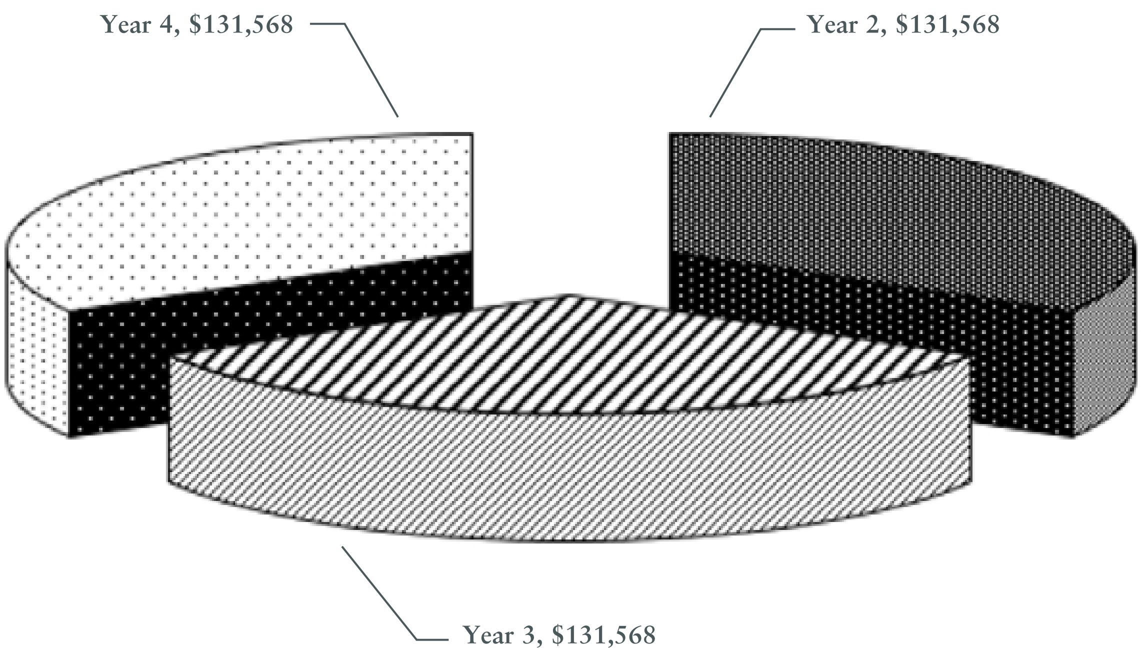
Figure 4 provides a visual depiction of the sources of leverage for STRong. As the figure shows, Hennepin County Childcare slots represented 100 percent of the total leveraged resources that STRong could quantify for this report.[13]

- **Pre-school slots –** Hennepin County Childcare slots for the second through fourth year of the program, which were valued at $131,568 per year, counted as one of STRong's primary leveraged resources.[14] At a value of $394,704 over the three-year period, these slots were essential to providing child development support and contributed to the wellness of the homeless families. The therapeutic childcare slots were of particular importance for children who were identified as having developmental delays that would play out in the elementary school environment. Access to these resources meant that children with identified delays could get prompt interventions that assisted them in developing to their full potential.
- **Staff time and leadership –** Staff time comprised another leveraged resource identified by STRong. The three Executive Directors at the Family Partnership, St. Stephen's Human Services and Wayside House comprised STRong's leadership team. Two staff members at St. Stephen's Human Services, a housing team leader/case manager and a contract manager, assisted with managing the administration of the housing vouchers and making housing voucher referrals. Additional staff at St. Stephens and at Wayside House devoted time to coordinating services around housing and chemical dependency for STRong clients.
- **Clinical supervision –** Leveraged resources at the Family Partnership paid for the clinical supervision of the Project Supervisor and three family workers.
- **Staff training –** The cross-training of staff, a key component of the STRong program, can also be considered a leveraged resource. Staff at all partner agencies devoted time and contributed to numerous cross-trainings on early childhood development, chemical dependency, housing needs and resources at all three partner agencies.

13. In year 1 of the program, the pre-school slots were considered as matching funds. In subsequent years, these pre-school slots were considered as leveraged resources.

14. STRong estimated the value of the childcare slots was constant across all three years. The annual value was $131,568.

Figure 4. Leveraged Resources for STRong Hennepin County Childcare slots



Section V. Enrollment Trends

The purpose of this section is to provide: (1) the total number of families served in STRong and the average duration of enrollment; (2) trends in quarterly enrollment for all four years; and, (3) an analysis of enrollment in STRong, including the levels achieved during startup, in steady-state, and at peak enrollment. The startup period is defined for this evaluation as the first year of the program. The steady-state period is defined as the second year and beyond. Peak enrollment varies by pilot program. This approach is consistent with the framework used to analyze the costs for startup separately from those for steady state in Section VII.

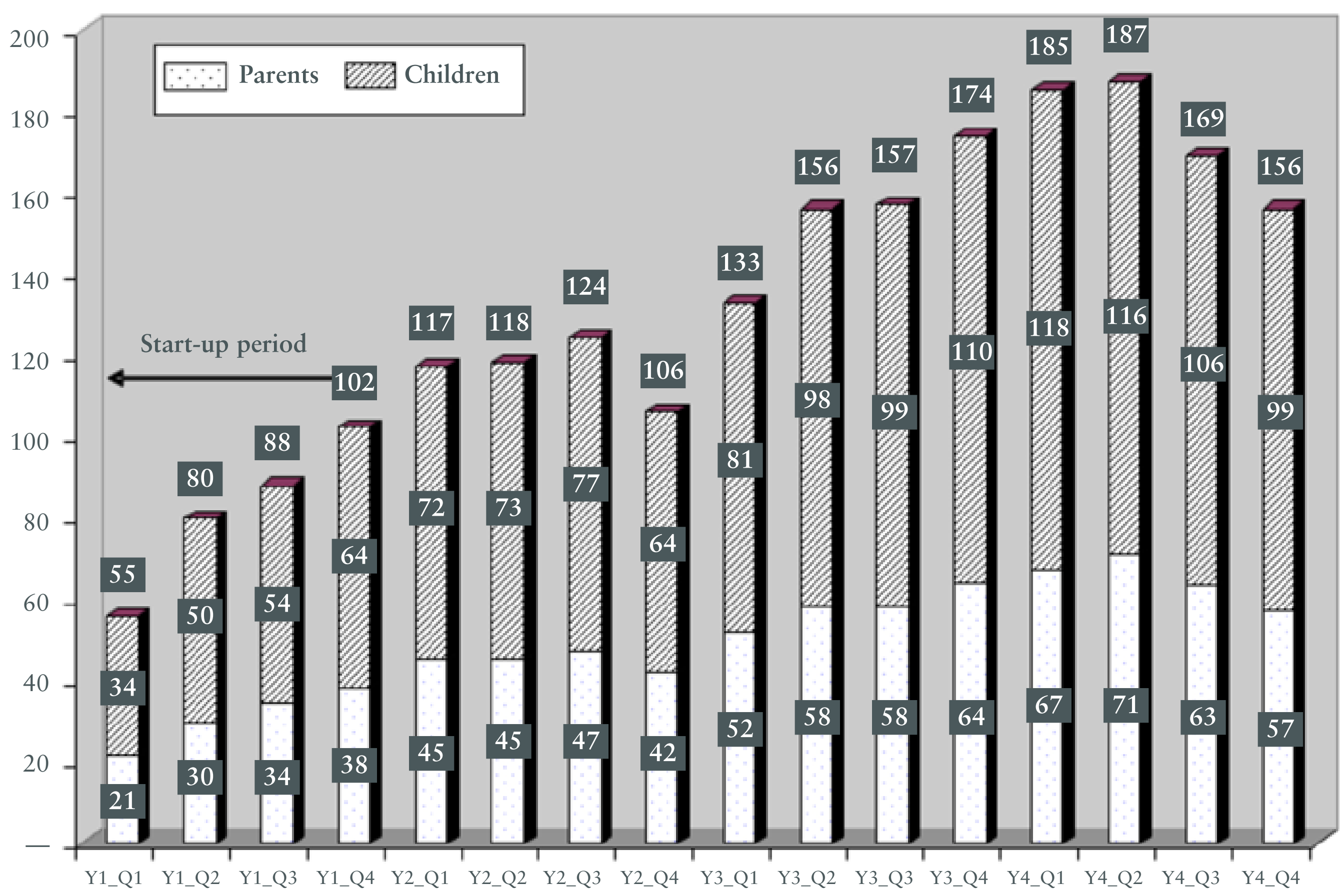
Families served

STRong served a total of 163 families over the course of the four years. On average, each family was enrolled for about 1 year and 2 months, or 14 months.

Enrollment trends for STRong

See Figure 5 for a visual that depicts the steady climb in enrollment over time. As the figure shows, enrollment in the program took a dip at the end of the second year, but then continued to climb again until the middle of the fourth and final year of the program.

Figure 5. Total Clients Enrolled in STRong by Year and by Quarter



Enrollment across periods

Three perspectives on enrollment are offered: (1) the average enrollment achieved during startup; (2) the average enrollment achieved during steady state; and, (3) peak enrollment level. See Table 5 for a summary of these three perspectives, which we describe as follows:

- **Startup enrollment:** During startup, the average annual enrollment level was 82 clients, including 51 children and 31 adults.
- **Steady-state enrollment:** During steady state, the average annual enrollment level was 149 clients, including 93 children and 56 parents. These numbers reflect the average of enrollment across the steady-state period of enrollment for STRong.
- **Peak enrollment:** At peak enrollment, the program had 187 clients, including 116 children and 71 adults. STRong attained peak enrollment by the second quarter of the fourth year.

Table 5. STRong Enrollment

	Startup a/	*Steady State b/*	*Peak c/*	*Growth Index d/*
Children	51	93	116	1.8
Parents	31	56	71	1.8
Total Clients	**82**	**149**	**187**	**1.8**

Source: The National Center on Family Homelessness.

Notes:
a/ Average enrollment during the startup period, which we define as year 1.
b/ Average enrollment during steady state, which we define as year 2 and beyond.
c/ Peak enrollment for the pilot program.
d/ Growth measured between Startup and steady state.

Section VI. Cost Trends

The purpose of this section is to present the cost trends for STRong. We present costs for startup separately from those for steady state.

Two separate calculations were made for the pilot for each year of the program's steady state: (1) the average annual cost per family; and (2) the average annual cost per client. Please take note that we did not calculate the average annual cost per family (and per client) for the startup period of the program, because program enrollment during Startup was about less than half the enrollment level attained during steady state. Calculating the average annual cost per family and per client for the startup year would create a misleading picture of costs for those interested in building a similar model.

Resource allocation across startup v. steady-state periods

See Table 6 for an overview of how STRong distributed resources between Startup and steady state. Note that 23 percent of the resources were allocated to Startup.[15]

Table 6. Allocation of Total Resources between Startup and Steady State for STRong

	Average Enrollment		
	Families	*All Clients*	*Total Resources Available*
A. Startup period	31	82	$553,568
B. Steady-state period	56	149	$1,873,204
C. Total a/	50	132	$2,426,772
D. Startup as a % of Total	62%	62%	23%

Source: The National Center on Family Homelessness.

Notes:
a/ Total families and all clients is based on the weighted average of the numbers for the startup period and the steady-state period.

15. STRong must validate this spending between start-up and steady state.

Startup costs for STRong

Startup costs represented 23 percent of total resources available to the STRong program from all sources. These resources were used in the first year to support the development of the program and to serve clients. First-year expenses related to development included the collaboration, hiring and training of staff, cross-training, the intake process, and general operating expenses related to the program.

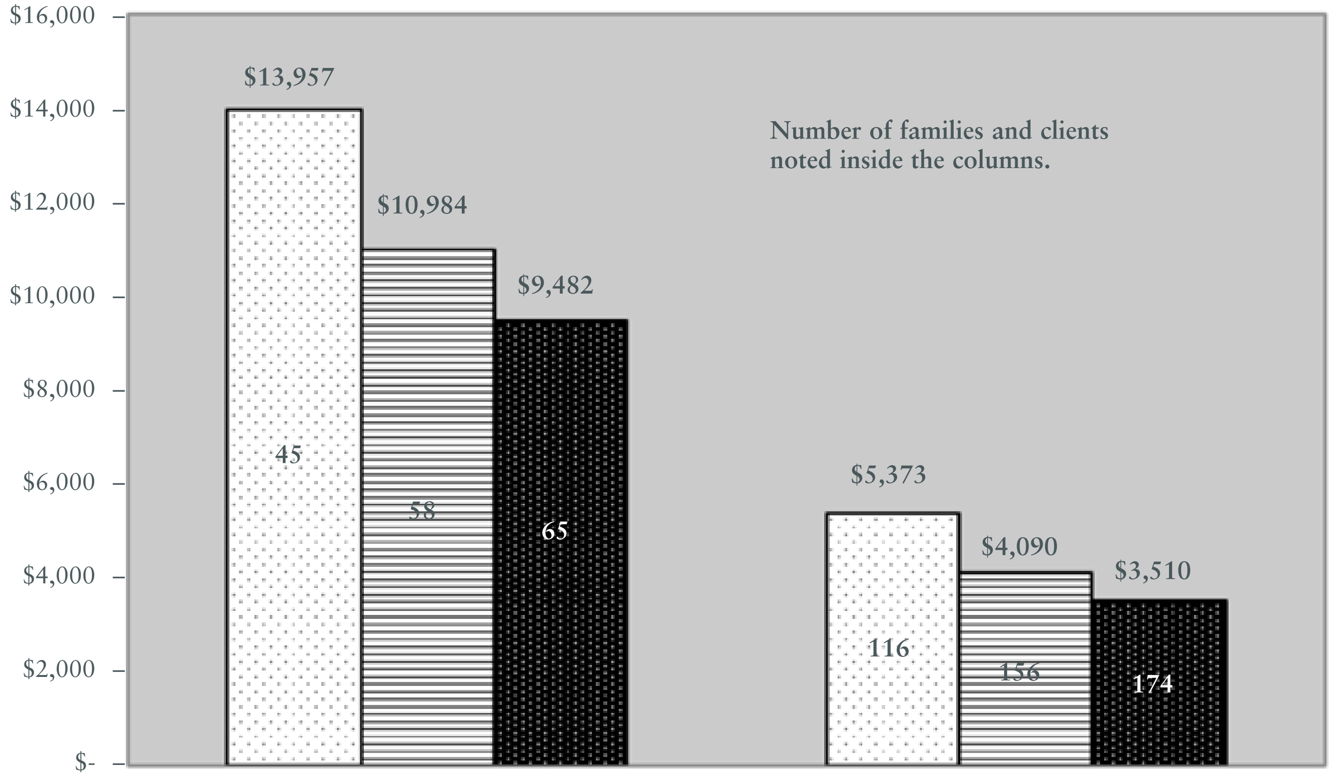
Steady-state cost trends for STRong

Average annual costs declined significantly between the second and the fourth year of the STRong program. Table 7 shows the average annual cost per family and per client for steady state by year. The average annual cost per family declined by 32 percent and the average annual cost per client declined by 35 percent, while enrollment increased by 44 and 50 percent, respectively. Figure 6 shows a comparison of the annual trends during steady state.

Table 7. Steady-state cost trends for STRong

	Average Enrollment			*Average Annual Cost*	
	Families	*All Clients*	*Total Resources*	*Per Family*	*Per Client*
Steady-state period					
Year 2	45	116	$624,568	$13,957	$5,373
Year 3	59	156	$637,068	$10,884	$4.090
Year 4	65	174	$611,568	$9,482	$3,510
Steady-state:	**168**	**446**	**$1,873,204**	**$11,150**	**$4,198**
Change between Years 2 and 4	44%	50%	-2%	-32%	-35%

Figure 6. The Average Annual Cost Per Family and Per Client for STRong During Steady-State



	Average annual cost per family	*Average annual cost per client*
Year 2	$13,957	$5,373
Year 3	$10,984	$4,090
Year 4	$9,482	$3,510

Section VII. Allocation of Resources

The purpose of this section is to summarize how STRong allocated its resources to support the program outcomes for STRong families. STRong's pattern of allocation reflects its underlying availability of cash resources. Over the four-year period, 46 percent of STRong's total resources were in cash form.

Staffing costs for STRong

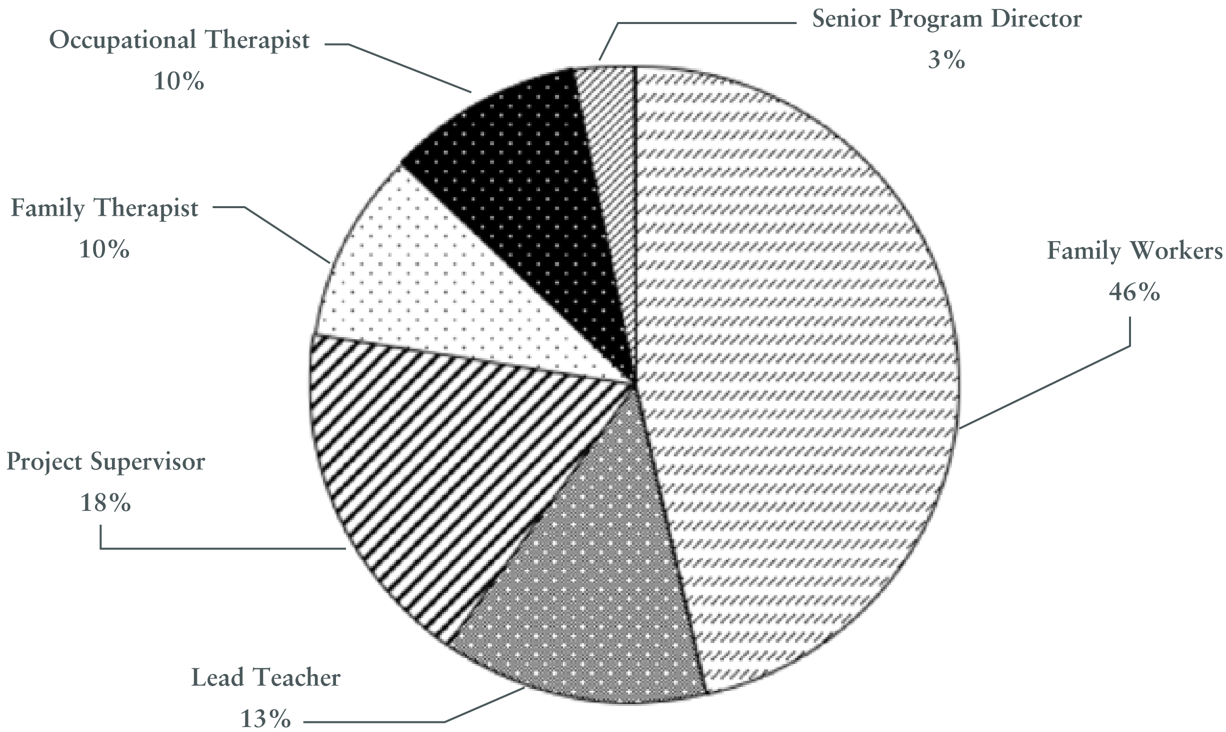
STRong built a core team of employees with responsibility for both for program management and service provision. STRong spent $661,264 in cash on building its core team over the four years of the pilot. These staffing costs accounted for 46 percent of all cash expenditures yet only 27 percent of its total resource pie. See Table 8 for a summary of the cost of building STRong's core team. Figure 7 provides an overview of the relative cost of each position included in the core team.

Table 8. Costs for Staffing STRong

	Percent of cash resources	*Percent of all resources*
Staffing costs	$661,264	$661,264
Total	$1,428,500	$2,426,772
Percent of total	**46%**	**27%**

Source: The National Center on Family Homelessness.

Figure 7. Staffing Model for the STRong Team
Percent = share of total staffing costs for that position(s)



Costs of direct services for STRong families

Table 9 provides a summary of the allocation of STRong costs between direct services and administration. The vast majority of STRong's resources supported the provision of direct services to enrolled families, including services offered by the core team. STRong allocated 12 percent of its resources to support the administrative functions of the program. Such administrative functions were closely aligned with program needs. Spending on administrative needs included staff training, program supplies, and program evaluation.

Table 9. Costs for Direct Services for STRong Families

	Direct Services	*Administrative*	*Total*	*Direct Services*	*Administrative*
Conrad N. Hilton Foundation	$779,659	$132,341	$912,000	85%	15%
Matching Contributions	$957,534	$162,534	$1,120,068	85%	15%
Subtotal	**$1,737,193**	**$294,875**	**$2,032,068**	**85%**	**15%**
Leveraged Resources	$394,704	-	$394,704	100%	0%
Total Resources	**$2,131,897**	**$294,875**	**$2,426,772**	**88%**	**12%**

Source: The National Center on Family Homelessness.

Notes: Administrative costs are estimated based on reported financial spending by STRong.

Highlights of program outcomes

STRong provided services to 445 persons over the course of four years. The average family size was 2.7 including 1 adult. The average duration of enrollment was 1 year and 2 months.

STRong families received a range of services, including parent education, child and maternal health support, Children's Therapeutic Social Services (CTSS), Unified Therapy, family assessments, housing, early childhood education, and mental health services. Table 10 provides an overview of the supports provided to families through STRong.

Table 10. STRong Program Highlights

Unduplicated clients served by STRong	
Adults	163
Children	282
Total	**445**
Average Family Size (includes 1 adult)	2.7
Average duration of enrolled STRong family (in years)	1.2
Housing	
Number of families in stable housing situation	90
Unduplicated number of families served by STRong	163
Percent of STRong families in stable housing situation	**55%**
Number of families in stable housing for 1 or more years	64
Number of families in stable housing situation	90
Percent of families in stable housing for 1 or more years	**71%**
Family	
Families reunited	8
Families separated	10
Unduplicated number of families served by STRong	163
Developmental screenings	
Children receiving screenings	197
Unduplicated number of children served by STRong	282
Percent of children receiving screenings	**70%**

Source: The National Center on Family Homelessness.

Section VIII. Conclusion

We estimate that the average cost per family enrolled in STRong was $13,045.50. That calculation reflects the cost of providing support to a typical family on an annual basis, adjusted to reflect the average duration of family enrollment. Understanding the costs and budgeting decisions required to operate STRong is valuable information for future programs that aim to offer a similar service model. It is also important to acknowledge the program's relative value to enrolled families and to the community at-large.

Value to Families

The STRong program provided essential services to promote better outcomes for young mothers and their children. The program provided an array of services, including child development services, case management, therapy, and housing assistance, to sustain the family as a whole. In the previous section, we reviewed a list of the program's achievements. More families are in permanent housing as a result of STRong. The majority of children received developmental screenings, those with developmental delays have improved their scores on later tests. Furthermore, preliminary outcome results demonstrate improved mental health among mothers across the initiative as a whole. We may conclude that STRong families benefited from the comprehensive and holistic service package.

> *My son is developmentally delayed; they are trying to help me to get him to learn how to talk. And they've helped me teach him how to feed himself. 'Cause, like, he wasn't… first he wasn't walking, he wasn't talking, he wasn't feeding himself. And, like, now by him being in the program, that's helped him learn how to walk. It's helped him learn how to feed himself. He's still working on how to feed himself with a fork, but he's getting there.*
>
> A STRong Client March 2011

Value to the Community

We might reasonably conclude from the program scope and the supporting data that STRong also provided value to the community as a whole. In effect, communities benefit when fewer of their resident families are homeless. The benefits to communities are numerous; in keeping with this report's focus on funding, we limit our review to three implications of homelessness that are economic or financial in nature.

- **High health care costs –** Persons who are homeless experience higher than average levels of emergency room utilization and mental-health inpatient hospitalizations than those who are not homeless. In another study about the average cost of a hospital stay for patients who were homeless, the authors found that persons who were homeless cost, on average, about $2,500 more than patients who had permanent housing.[16] This is the result of many factors, including the difficulty in conducting discharge planning for the person who is homeless.
- **Lower levels of achievement among children –** Children who are homeless experience lower levels of achievement than children who are not homeless.[17] The literature indicates that these gaps seem to be related to the higher need for special educational services among homeless children relative to their grade peers who are not homeless. A 2009 report on homeless children in Minnesota indicates that homeless high school students have lower passing rates in reading, writing and math as compared to their housed counterparts.[18]
- **High costs for a family with long-term shelter stay –** Finally, it costs a yearly average of $32,400 to shelter a family of three in Hennepin County.[19] Nationally, the cost of long-term shelter stay for a family could range from a low of $27,000 to a high of $55,000.[20]

Value to Future Program Design

Overall, we conclude that STRong offers significant value to the broader community of policy and program managers, especially those who are interested in creating a positive impact on the lives of young families. STRong was able to provide services to enrolled families in a holistic manner as a direct result of the integrated design of the program. We credit the incentives facing partnering agencies under the matching grant agreement for contributing to this integrated program design. We hope that the lessons learned from STRong can help influence future programs and initiatives, with the goal of improving the well-being of homeless and at-risk young families.

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17. United States Interagency Council on Homelessness. (2011). "Education for homeless children and youth program: data collection summary." Retrieved from: http://center.serve.org/nche/downloads/data_comp_0708-0910.pdf

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19. The monthly cost of sheltering a family ($2,700) multiplied by 12. Source: Heading Home: Hennepin. "Best Practices." Retrieved from: http://www.headinghomeminnesota.org/hennepin/our-progress/best-practices

20. Culhane, Parker, Poppe, Gross, Sykes (2007). "Accountability, cost-effectiveness, and program performance: Progress since 1998." Prepared for the National Symposium on Homelessness Research, March 1-2, 2007. Retrieved from: http://aspe.hhs.gov/hsp/homelessness/symposium07/culhane/

Appendix A

Appendix. Total Cash Resources for STRong

	Cash	*Total*	*Cash as a % of Total*
Conrad N. Hilton Foundation	$912,000	$912,000	100%
Matching Contributions	$516,500	$1,120,068	46%
Leveraged Resources		$394,704	0%
Total Resources for STRong	**$ 1,428,500**	**$2,426,772**	**59%**

Source: The National Center on Family Homelessness.

Appendix B

Appendix B. Lessons Learned from STRong Relative to Securing Resources

Question	*Summarized Responses*
Matching Contributions What are the three to four key lessons relative to identifying, securing and keeping matching funds?	1. Highlight the funding that you have to secure. 2. Use each agency in the collaborative to approach foundations, government sources that they already had relationships with on behalf of the collaborative. 3. Highlight the collaborative nature of the relationships within the program; funders respect collaborations.
Leveraged Resources. What are the three to four lessons learned relative to securing leverage?	Building collaborative relationships with funders and the community is essential to securing leverage.

Source: The National Center on Family Homelessness, based on the program's responses to a set of survey questions prepared by the National Center's consultant.

Appendix C

Appendix. Proxy Calculation of the Average Enrollment for STRong Families

	Adults	*Children*	*Total Clients*
Unduplicated clients a/	163	282	445
Program duration b/	16	16	16
Full enrollment c/	2,608	4,512	7,120
Sum of quarterly enrollments d/	792	1315	2107
Full enrollment c/	2,608	4,512	7,120
Average length of enrollment e/	30%	29%	30%
Program duration b/	16	16	16
Duration of enrollment f/	4.9	4.7	4.7
Average number of months of enrollment g/	14.6	14.0	14.2
Average number of years of enrollment h/	1.2	1.2	1.2

Strengthening At Risk and Homeless Young Mothers and Children is generating knowledge on improving the housing, health and development of young homeless and at-risk young mothers and their children.

This *Report on Costs for Strengthening Our New Generation (STRong)* was written by The National Center on Family Homelessness. The primary author was Ellen Davidson, President, BD Consulting, with support from Sonia Suri, Senior Research Associate, Annabel Lane, Research Associate, and Ellen Bassuk, President, The National Center on Family Homelessness. The *Report on Costs for Strengthening Our New Generation (STRong)* is a product of The National Center on Family Homelessness on behalf of the *Strengthening At Risk and Homeless Young Mothers and Children* Coordinating Center, which is a partnership of The National Center on Family Homelessness, National Alliance to End Family Homelessness and ZERO TO THREE. The Coordinating Center provides technical assistance to program sites, conducts cross-site process and outcome evaluations and develops a range of application products from the study sites.

Strengthening At Risk and Homeless Young Mothers and Children is an *Initiative* of the Conrad N. Hilton Foundation.

For more information on this *Initiative*, please contact The National Center on Family Homelessness, 200 Reservoir Street, Suite 200, Needham Heights, Ma; (617) 964-3834 or at www.familyhomelessness.org

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