

Investing in Families Flex Fund Report – July 2012

Introduction

This Investing in Families (IIF) briefing report describes how the IIF flex funds have been used by IIF families as of June 18, 2012. Assessment data on the 88 families who used the flex fund reveals that 65 were Tier 1 families (families who needed immediate housing assistance), 17 were Tier 2 families (families who needed housing and other services) and 6 were Tier 3 families (families who needed referrals).

An earlier evaluation report (June 2012), which is posted on the IIF website, described how the flex funds were used for housing prevention, rehousing, emergency housing, housing qualifying, moving expenses/storage fees, household furniture and utilities.

This report takes a broader look at how the flex fund was used by families. The balance of this briefing report is divided into four sections:

- I. A brief overview of the amount and types of flex fund use, drawing upon data collected by Catholic Community Services (CCS).
- II. The extent to which families used the flex fund, drawing upon data collected by CCS data.
- III. The influence of flex fund use on family progress towards achieving the goals in their IIF Family Action Plans, drawing upon reviews of the Family Assessments, Action Plans and interviews with 48 families).
- IV. Potential flex fund-related policy issues and considerations, drawing upon the County Navigator, CCS Housing Resource Specialist and CCS Coordinated Entry Specialist feedback, flex fund data, discussions during IIF Management meetings, and family interviews).

A Final Evaluation Report will be produced in the fall of 2012. That report will include a more comprehensive review of flex fund data and uses.

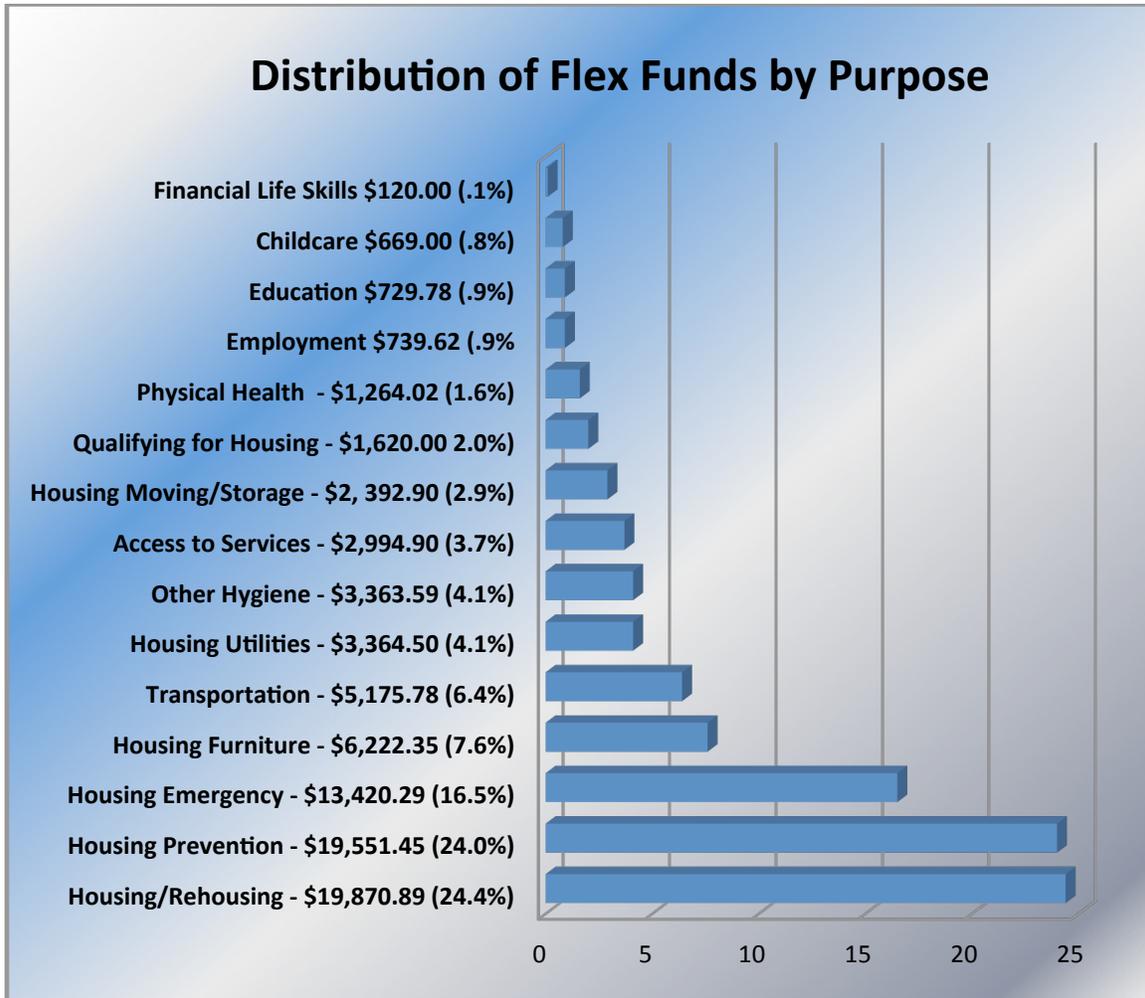
I. A Brief Overview of the Amount and Types of Flex Fund Use

Flex Fund Categories

The IIF flex funds were allocated across fifteen different categories. These categories included access to services (for laptops and cell phone minutes), childcare, employment, education, financial life skills, physical health, housing qualifying, housing prevention, emergency housing, rehousing, housing storage and moving, housing furniture, housing utilities, transportation and hygiene.

Distribution of Flex Funds by Purpose

A total of \$81,499.07 in flex funds were distributed to families. The flex fund allocations are presented by purpose below in order of the total amount distributed to families, from highest to lowest. The majority of flex funds were used for housing-related costs.



Total Amount of Flex Funds Used by IIF Families

Flex fund use ranged from \$22.00 to \$3,516.04 per family. The average flex fund use per family was \$926.11. The chart below provides a breakdown of the amount of flex fund dollars used by families.

Total Amount of Flex Funds Accessed by Families	Number/Percent of Families Who Accessed Flex Fund Support Per Dollar Category
\$0-299	26 (30%)
\$300-599	16 (19%)
\$600-899	10 (12%)
\$900-1199	3 (3%)
\$1200-1499	14 (16%)
\$1500-1799	7 (7%)
\$1800-2099	8 (9%)
\$2100-2399	0 (0%)
\$2400-2699	3 (3%)
\$2700-2999	0 (0%)
\$3000-3299	0 (0%)
\$3300-3599	1 (1%)
Total Number/ Percent of Families	88 (100%)

II. The Extent to Which IIF Families Used Flex Funds to Meet Their Different Needs

Families often used the flex fund to secure resources in more than one of the 15 flex fund purpose categories. For example, a family who used the flex fund in four categories might use the flex fund for housing, access to services, hygiene and transportation. The chart below shows the number and percent of families who used the flex fund to access support in one or more categories.

Number of Flex Fund Categories	Number and Percent of IIF Families Using Flex Funds for Different Purposes
One category	23 (27%)
Two category	21 (24%)
Three categories	18 (20%)
Four categories	10 (12%)
Five categories	8 (9%)
Six categories	5 (5%)
Seven categories	0 (0%)
Eight categories	2 (2%)
Nine categories	1 (1%)

Number of Separate Flex Fund Entries

In addition to using the flex fund for different categories as shown above, some families used the flex fund for multiple items in the same category or used the flex fund to secure resources in a variety of different categories. A review of the flex fund entries noted in the data base revealed that 55% of the families had one to three flex fund entries; 33% had four to nine flex fund entries and 12% had ten or more flex fund entries. The number of flex fund entries ranged from one to nineteen. Families often received more than one type of flex fund support during their meetings with the County Navigator or CCS Housing Resource Specialist or CCS Coordinated Entry Specialist.

Number of Separate Flex Fund Entries by IIF Families Who Accessed the Flex Fund	Number/Percent of IIF Families by number of flex fund entries
One Flex Fund Entry	20 (22%)
Two Flex Fund Entries	12 (14%)
Three Flex Fund Entries	17 (19%)
Four Flex Fund Entries	7 (8%)

Number of Separate Flex Fund Entries by IIF Families Who Accessed the Flex Fund	Number/Percent of IIF Families by number of flex fund entries
Five Flex Fund Entries	7 (8%)
Six Flex Fund Entries	5(6%)
Seven Flex Fund Entries	2 (2%)
Eight Flex Fund Entries	5 (6%)
Nine Flex Fund Entries	2 (3%)
Ten Flex Fund Entries	1 (1%)
Eleven Flex Fund Entries	0 (0%)
Twelve Flex Fund Entries	3 (4%)
Thirteen Flex Fund Entries	1 (1%)
Fourteen Flex Fund Entries	2 (2%)
Fifteen Flex Fund Entries	1 (1%)
Sixteen Flex Fund Entries	1 (1%)
Seventeen Flex Fund Entries	1 (1%)
Eighteen Flex Fund Entries	0 (0%)
Nineteen Entries	1 (1%)
Total Number/ Percent of Families	88 (100%)

III. The Influence of Flex Funds on Family Progress

Interviews with 48 families reveal that many families used flex funds to promote the health and overall stability of their families. They noted, in order of frequency, highest to lowest, that the flex funds helped them to:

- **Stabilize their housing** (by using the flex fund for housing rehousing, prevention, emergency housing and furniture)
- **Promote their family's health** (by using the flex fund for diapers, food cards, shampoo, clothing and prescriptions)
- **Reconnect with family members** (by using the flex fund for laptops, cell phone minutes)
- **Access resources** (by using the flex fund for a vehicle title transfer, bus fare, ORCA transit cards)
- **Research resources** (by using the flex fund for laptops)
- **Qualify for housing** (by using the flex fund for birth certificates to apply for housing, especially important as many families moved frequently, resulting in their losing or leaving behind these documents, delaying their ability to apply for certain programs, or for housing)
- **Access Employment** (by using the flex fund to apply for a business license, auto repair, transportation, work-appropriate clothing, tools for work)
- **Promote their access to compete for employment opportunities** (by using the flex fund for contact lenses, dental, glasses and frames, business license)
- **Promote their education and the education of their children** (by using the flex fund for life skill classes, GED and class books, Certified Nursing Assistant certificate and transportation to visit their child's school)
- **Save money** (by using the flex fund for a Costco Card, and for storage of household furniture, rather than having to repurchase household goods)
- **Sustain their access to services** (by using the flex fund for past due utility bills, late cell phone charges)

Access Health, Subsidy and School Resources

Seventeen families received laptops. They used these resources to reconnect with family members, look for health care, social security, scholarships for afterschool programs and on line learning opportunities.

Family Comments

Most of the family members noted that the receipt of even very modest flex fund assistance made them feel more hopeful about and in control of their lives. Many said they were grateful that they did not have to jump through bureaucratic hoops to get flex funds. One woman who had earned a certificate and found a job since receiving help through the IIF system said, "Sometimes I feel like government programs would rather have us spend time chasing survival resources than on getting the help we need. IIF is different – they expect us to take initiative and help us develop a plan to get on with our lives."

A review of a sampling of the comments of 48 family members revealed that:

- *many families had a need for help to learn how to develop a budget and a few families said they needed to learn, as one put it "skills to talk to people I owe money to so they can give me a little more time to get caught up." Only six of the 48 had a budget that they followed.*
- *ten families had used predatory lending institutions in the two months after enrolling in IIF.*
- *sixteen families said that they would likely need to return to IIF in the next month or two to ask for flex fund support for transportation or hygiene products. The majority of these families were making moderate progress on their life plans.*
- *seven families who had recently moved into housing said that they had a great need for basic housing utensils and cleaning products and may return to IIF for that assistance. They often reported that they went to fast food restaurants frequently even though they were expensive and unhealthy because they lacked household items and cookware.*
- *many families accessed support services from other resources. These included: (Workforce Investment Act (7); TANF (14); YWCA (non IIF or WIA) (7); faith-based organizations (9); food banks/clothing pantries (16); family centers (6); utility assistance (5); reduced cost furniture (8) and a variety of other sources. One person said, "I try to use resources which I know won't take forever to access. I am dragging kids around with me and it is exhausting." None of these families said they looked at how they would need to reduce their reliance on these supports. Instead, many said that they did not know how they would, as one person said, "get by in their absence."*

- *the most dramatic gap in flex fund use was the absence of funds for childcare. Five women, all of whom had at least two children under the age of seven said that the lack of childcare resources was the reason they were not in school or able to look for work. Each of these families had an adult in the family who was receiving a subsidy or had a job for 20 hours or less a week and were “barely making ends meet.” Eight others said the absence of summer or evening care limited the hours they could work and the jobs they could pursue. One said, “I would like to work, but it is impossible to afford childcare.” Some families had a limited knowledge of child care costs, subsidy eligibility rules or availability. One single father said he was considering applying for Head Start but heard that there were no openings.*
- *the lack of funds for health-related needs was identified by four families, all of whom had at least one non-insured adult family member who experienced asthma, allergies, and/or sinus problems. Three families said the absence of funds for dental care was particularly distressful as they were often in pain and were self-conscious about their appearance.*
- *eight families had cars that needed repair and seven others wanted to buy a car sometime in the next six months. Bus transportation was described as undependable and limited. The provision of Orca (transit) cards is filling a great need.*

IV. Flex Fund Policy Issues

A review of the information presented above suggests that some of the following areas may need to be considered to strengthen, coordinate, and stretch IIF flex fund resources. IIF may want to:

- **Connect IIF families who are high-level users of the flex fund to financial literacy resources:** Some families receive a high level of support (over \$1,500) from the flex fund. IIF may want to require or strongly encourage these families to participate in a financial literacy training or class so that they can develop spending plans and budgets. In addition, IIF may want to refer families who receive utility assistance routinely to financial literacy classes as falling behind on utility payments can frequently be a precursor to losing housing, as well as signing them up for reduced rate utility subsidies, as applicable.
- **Explore the use of Springwire (previously known as Community Voice Mail) digital document saving services:** IIF families frequently have to purchase and produce documents such as birth certificates and discharge papers in order to access different services or apply for specific programs. Flex funds have been used for this purpose. The new digital document saving services being piloted by Springwire may be useful to these families, save staff time, and help conserve flex fund resources. This service, which would be free to families, could provide them with a safe place to store their key

documents (birth certificates, licenses, legal documents) and access them as needed. Springwire will be scanning documents and photos and even backing up contact information on cell phones and will teach participants how to access them whenever they need them. IIF may want to explore the opportunity to be one of the Springwire pilot sites.

- **Implement IIF partner strategies to routinely coordinate flex funds:** Partners in IIF may want to regularly exchange information about what flex funds they have to distribute and the requirements for accessing these supports. In addition they may want to identify which flex funds are needed by, and yet may not be available, to support the successful progression of families that they serve. Whenever practical, they may want to explore opportunities for co-enrollment if this opens up more opportunities for families to access needed support services.
- **Develop a shared communication tool to see what support services families are receiving:** IIF partners may want to develop, using HMIS or another data management system, a shared communication tool that displays the support services used by families. This information could then be incorporated into the Family Action Plan and budget/spending plan.
- **Connect participants to cost-saving resources:** Most IIF participants have not been enrolled in the Washington Connection benefits portal. This could occur during the assessment or soon after if the IIF family seems like a good candidate for these resources. In addition all families receiving laptops should know how to connect to WorkSource, childcare resources, and other on line portal to identify resources and subsidies. Additionally, IIF may want to sign families up for cost-saving utility and Internet access resources if eligible. They also may want to work with Interfaith or other partners to ensure that families know how to access faith-based organizations.
- **Provide discount warehouse cards and suggestions for cost-saving strategies to families:** Families may save money from having access to discount warehouse cards. Larger families, in particular, may benefit from being able to buy staple items in bulk. Furthermore, IIF may want to provide cost-saving hints and strategies to families such as energy assistance/weatherization suggestions. One IIF family member, who lived in a housing development with many low-income families, suggested that such housing developments encourage families to coordinate with each other to save money by buying things like detergent in bulk. They also recommended that neighbors coordinate shopping trips with residents who have a car and exchange in kind resources, such as childcare, in return.
- **Develop an IIF flex fund policy and manual:** As the IIF system grows, a flex fund policy and manual may need to be developed to guide the successful distribution of these funds. This policy and manual could include:

- ◆ definitions of the allowable flex fund categories;
 - ◆ identification of unallowable uses (such as fines);
 - ◆ identification of circumstances where IIF partner resources can use the flex fund to replace, complement, or augment other funds available for similar uses;
 - ◆ expectations for the IIF Navigator and Housing Resource Specialist to connect family access to the flex fund to Family Action Plan progress, especially if families have received a high amount of, repeat, and/or over-time flex fund assistance;
 - ◆ recommended financial coaching follow-up strategies for checking in with IIF families known to have time-limited benefits (such as unemployment compensation, TANF, time-limited housing vouchers, etc.) and ensure that they are making progress to supplant these benefits and are not depending on flex funds to fill these needs;
 - ◆ systematic integration of flex fund-focused questions into IIF partner follow up with families and the work of partners to help families devise strategies for replacing flex fund assistance in the future with other resources, as applicable, and not grow dependent on these resources, as they are very short in supply;
 - ◆ formal agreements with financial literacy/debt repair service partners;
 - ◆ expectations for IIF partner coordination (marketing, resource sharing, cross system integration, and planning of flex fund resources);
 - ◆ cost-saving flex fund-related resource handouts and processes for continually updating these handouts; and
 - ◆ strategies for using the manual as a resource for connecting to 2-1-1, Help for the Hard Times, Network of Care and faith based-organizations.
- **Develop a strong partnership with a financial education partner, such as American Financial Services, that will receive IIF referrals and provide 1:1 coaching to families.** Ideally this partner would be a member of the IIF partner group, lead financial literacy-focused IIF University training efforts, and have the capacity to provide 1:1 financial coaching to families.
 - **Connect families to existing volunteer transportation and vehicle donation programs.** Many families needed access to reliable transportation to get jobs and other resources, though few were able to buy and maintain a car. Transportation planning support in tandem with referrals for transportation is needed.
 - **Develop a collective approach toward supporting the financial decision making skills of families.** IIF partners may want to discuss their approach towards focusing families on their future and on client-driven goals setting which take into account their need for flex fund types of resources, as well as other actions, such as using banking rather than predatory institutions. Most families have been responsible users of the flex

fund. All, however, would likely benefit if the IIF system partners took a collective approach to promoting positive financial behaviors of families.

- **Look for funding necessary to support a flex fund.** The flex fund has been used to stabilize the housing (refer to the June 2012 report) of many families and has been an essential linchpin for connecting many families to vital services. Families regard these resources as essential to their efforts to successfully access system resources. Flex fund resources have also helped to meet the most vital survival needs of families by helping them access food, clothing and hygiene products. Despite this, it is a difficult resource to get funders to continually invest in a flex fund. IIF partners may want to work collectively on making a case for the flex fund and for demonstrating the relationship of flex fund services to family health and stability as a public policy/advocacy issue.