

WELFARE TO WORK VOUCHER PROGRAM FINAL REPORT

SECTION 5

CONSIDERATIONS FOR HUD

PROGRAM DESIGN STRENGTHS

The following bullets highlight the positive aspects and strengths of the design of the WtW voucher program, as described in the program's NOFA. The design strengths identified below are based on input obtained from various PHA WtW coordinators as well as from Quadel's team of TA Providers.

- The WtW program focuses on employment retention and links the provision of housing assistance to the achievement of employment and self-sufficiency goals.
- The program gives PHAs the opportunity to reward families willing to move from welfare to work.
- The program's eligibility criteria allow a PHA to target populations in need of stable housing in order to obtain or retain employment. Furthermore, the eligibility criteria enables the PHA to do one or more of the following:
 - Provide stable housing to people in transitional situations;
 - Provide stable housing to "work ready" families;
 - Provide a much-needed safety net in the form of stable housing to families no longer eligible for TANF cash assistance;
 - Quickly serve families ready to help themselves and motivated to move from dependence on public assistance to self-sufficiency; and
 - Serve families that may not be reached by the regular program.
- The program's emphasis on partnerships promotes inter-agency cooperation and minimizes duplication of services among agencies serving the same client base.
- The program emphasizes personal responsibility and encourages families to plan for a future without welfare benefits.
- Program rules allow PHAs to terminate participating families for failure to meet WtW family obligations, strengthening the PHA's ability to demonstrate success.
- The program links housing assistance, supportive services, and case management.

- The program builds upon the successes of FSS.
- The program design allows flexibility for the PHA to design a program responding to local needs and priorities while drawing on local resources. This flexibility allows PHAs to design a program that works within the PHA’s administrative structure.
- The program encourages collaboration among PHAs to address regional housing issues through the submission of joint applications.
- The program encourages families to find housing near employment, day care, and other services and PHAs to expand their landlord base.
- The program gives PHAs the flexibility to develop work requirements for families participating in the program.

PROGRAM DESIGN WEAKNESSES

The bullets that follow identify weaknesses in the design of the WtW voucher program, as described in the program’s NOFA. These weaknesses identified below are based on input obtained from various PHA WtW coordinators as well as from Quadel’s team of TA Providers.

- The program’s eligibility criteria do not address the needs of families ineligible for TANF assistance for more than two years. Many of these families represent the “working poor” and would benefit from a WtW voucher.
- HUD did not provide specific guidance on monitoring requirements in the NOFA, including a basic definition of program success and the related indicators.
- The program does not provide for higher administrative fees or start-up funds to account for the costs associated with applicant selection and screening, TANF and DOL coordination, partnership building, and development of a supportive services plan.
- HUD established unrealistic timeframes for leasing, given the time needed for start-up and planning activities.
- HUD did not allow a “start-up” or planning period to fine-tune program design, establish policies and procedures related to implementation, and address other program issues such as the need to open waiting lists or coordinate referrals from TANF, etc.
- The program did not provide funds to assist families with paying security deposits, moving expenses, and utility deposits.
- WtW PHAs should be excluded from adhering to income targeting requirements for families participating in the WtW program to eliminate any barriers the income targeting requirement may impose on attracting working families to the program.

- The name of the program has a negative connotation due to the use of the term “welfare” and can be misleading. Some families not receiving TANF cash assistance assumed they were not eligible to participate in the program.
- The program parallels too many other programs, such as the FSS program and TANF and DOL WtW programs, leading to service overlaps, overly burdensome requirements, and confusion for participating families.
- The program does not offer enough incentives (other than skipping over regular program families on the waiting list) to encourage families to participate and to distinguish WtW clients from regular housing choice voucher clients. Nor does the program provide enough incentive for families to achieve employment goals.
- The expectation that the WtW program should encourage mobility is unrealistic. The program does not provide PHAs with the resources to establish the type of labor intensive counseling program needed to achieve mobility goals.

RECOMMENDATIONS FOR ENSURING SUCCESS OF THE CURRENT PROGRAM

The discussion below contains specific recommendations for HUD regarding actions to improve the quality of the WtW voucher program.

Continue regular monitoring of individual PHA progress, shifting the focus of the monitoring and data collection as needed.

The monthly monitoring by Quadel’s TA Providers had a positive effect on program implementation. The calls served as a reminder to PHAs of HUD’s expectations and priorities. Because PHAs knew the TA Providers would be reporting progress to HUD, the calls placed needed pressure on many agencies to expedite issuance and leasing activity. The monthly calls gave PHAs easy access to technical assistance and quickly highlighted implementation issues that required HUD intervention. Periodic monitoring of individual PHA progress should continue during the second year of the program, but the nature and frequency of monitoring efforts should be adjusted to address the changing needs and priorities of the PHAs administering the program.

Develop a policy and process for returning and reallocating unused WtW vouchers.

A few PHAs volunteered to return WtW vouchers. HUD has not taken any formal action to accept these vouchers and reallocate them to other PHAs. There will be PHAs that do not meet the leasing deadline, and HUD needs to give these PHAs clear guidance regarding unused vouchers.

Develop a series of standardized WtW monitoring reports through MTCS and train PHA staff to produce these and other ad hoc reports and to analyze the data.

The new Form HUD-50058 FSS/WtW Addendum contains useful information for WtW PHAs and HUD. This raw data is useful in tracking individual family progress, but MTCS is not currently designed so that PHAs can compile, extract and analyze WtW performance indicators on a program-wide or nationwide basis. PHAs would benefit from the creation of standardized management reports. PHAs would also benefit from the ability to develop ad hoc reports from MTCS to assess special aspects of their programs. If MTCS provided PHAs with these resources and WtW coordinators were trained on how to analyze MTCS data, PHAs would not have to dedicate significant time and resources developing parallel systems. Examples of reports that could be generated from the information collected on the HUD-50058 FSS/WtW addendum (and elsewhere on the HUD-50058) include, but are not limited to:

- Number/percentage of WtW families that obtained or retained employment since entering program;
- Number/percentage of WtW families that are employed full-time, employed par-time, not employed, or seasonally employed;
- Number/percentage of WtW families attending college;
- Number/percentage of WtW families graduating from high school or obtaining GED;
- Number/percentage of WtW families participating in employment training programs;
- Number/percentage of WtW families that are employed and receiving employment benefits;
- Number/percentage of WtW families that have increased wage income since entering program;
- Number/percentage of WtW families that have moved off public assistance since entering the program;
- Number/percentage of WtW families receiving TANF, Food Stamps, Medicaid, Earned Income Tax Credit Assistance;
- Number/percentage of WtW families that have moved closer to employment centers, transportation, jobs.
- Number/percentage of WtW families that are participating in FSS;
- Number/percentage of WtW families terminated from the program for failing to meet family obligations; and
- Number/percentage of WtW families leaving the WtW program and the reason for leaving.

Continue to encourage and facilitate networking and information sharing among WtW PHAs and HUD field offices.

PHAs greatly benefited from various opportunities to exchange ideas, issues, and concerns. These opportunities included the national conference, field office workshops, teleconferences, the WtW website, and monthly technical assistance calls. One of the most valuable forms of assistance HUD can provide PHAs struggling to implement the program is to connect them with colleagues at other PHAs that have experienced and resolved similar problems.

Many PHAs are far enough along in program design and implementation that they have developed useful tools and materials that would be helpful to other PHAs. Rather than having individual PHAs “reinvent the wheel”, HUD should facilitate the exchange of these materials. Efforts should be made during the second year of implementation to:

- Continue compiling and sharing best or promising practices;
- Develop or highlight useful tracking tools;
- Share family obligations that have been successful, including obligations related to portability and work requirements;
- Share ideas for communicating more effectively with partners;
- Offer good examples of selection criteria;
- Offer good examples of contracts of participation;
- Share exemplary WtW briefing packets and presentations;
- Develop or share exemplary marketing materials targeting owners and employers; and
- Highlight strong PHA-business community partnerships.

HUD should consider a second national conference, regional workshops, or other distance learning activities to facilitate the sharing of ideas.

Strengthen the role of HUD field offices in monitoring WtW activities and providing needed resources to WtW PHAs in their jurisdictions.

HUD field offices taking an active role in the program contributed to the success of the WtW programs in their jurisdictions. These field offices facilitated partnership-building efforts, organized workshops, coordinated planning meetings, and hosted landlord fairs. HUD field offices can be excellent resources. They can share information regarding the local housing market, contacts with landlord organizations, and effective landlord incentives and outreach

techniques. The challenge for HUD headquarters is to find ways to engage field offices while being sensitive to their staffing, budget, and time constraints.

Provide targeted technical assistance to sites that continue to report less than satisfactory relationships with local agencies administering TANF and DOL welfare to work funds. Engage HUD staff and their HHS and DOL counterparts in this effort.

Because PHAs with good, working relationships with local TANF and DOL agencies are more likely to have strong WtW voucher programs, HUD should target assistance to those sites where these relationships are weakest. HUD can facilitate a meeting involving senior managers from both agencies, as commitment to the partnership at the highest levels is critical to success.

Provide targeted technical assistance to those sites that have weak partners and weak supportive service plans.

Some PHAs continue to make little distinction between their regular and WtW voucher programs, in terms of the services provided and expectations of participating families. It will be very difficult, therefore, for these PHAs to demonstrate success in meeting the program's employment objectives. These PHAs are easily identifiable. They are likely to be those agencies that reported weak relationships with local TANF or DOL agencies, do not have many partners, have not linked WtW and FSS, and do not have any staff dedicated to case management and supportive service provision. Many of these PHAs claim they lack the resources to implement a supportive service plan, but there are PHAs in similar circumstances that overcame this challenge by aggressively pursuing partnerships. HUD should provide technical assistance to these PHAs to help them design and implement a realistic supportive service plan that taps local resources.

Provide targeted technical assistance to PHAs with FSS programs but failing to link FSS and WtW

There are PHAs operating FSS programs but failing to link the two programs. HUD should investigate why PHAs are operating these two programs separately and, if warranted, provide technical assistance to help PHAs combine and maximize these resources.

Provide policy guidance to PHAs on portability as it relates to the WtW voucher program.

WtW PHAs have repeatedly asked for guidance related to how portability should be handled under the WtW voucher program. Without guidance from HUD, PHAs established questionable portability policies while others avoided the issue altogether. HUD guidance on portability should address the following questions:

- Can a PHA that has not properly implemented WtW voucher family obligations deny a portability move that would be eligible under the regular housing choice voucher program portability regulations at 24 CFR 982.353?

- What happens when a WtW voucher family ports into a jurisdiction that does not have a WtW voucher program? Does the family remain a WtW voucher program family?
- Does a PHA have to allow a family to continue in its WtW voucher program when the family moves to the jurisdiction of another PHA?
- If a WtW voucher family ports into a jurisdiction that has a WtW voucher program can the receiving PHA assist the family with one of its own WtW vouchers?
- Does the initial PHA receive credit for leasing-up when a WtW voucher family ports to another jurisdiction?
- When a WtW voucher family moves under portability, which PHA is responsible for case management, supportive service delivery, and tracking and monitoring the WtW family's progress? How does distance (city-to-city versus county-to-county versus state-to-state) affect the PHA's responsibility for the above?
- If a family ports into a jurisdiction that does not have a WtW voucher program, will the receiving PHA be required to complete the WtW 50058 addendum?
- Can PHAs prevent families from porting for a specified period of time, i.e. the first year of assistance?
- How do portability requirements apply to TDHES?
- How will HUD keep track of families moving under portability, when the family continues to participate in the WtW program of the initial PHA?
- How are WtW families reported in MTCS in a portability move?

RECOMMENDATIONS FOR CHANGES TO PROGRAM IF PROGRAM WERE TO BE EXPANDED

Each sub-heading below contains a specific recommendation to HUD regarding actions that it should consider taking if the program were to be expanded. A brief discussion follows each recommendation.

Consider making changes to the program requirements and design so that the program offers more incentives for working families to participate.

One challenge that some PHAs are facing – particularly those with short waiting lists – is that the program itself does not offer enough incentives to attract families to the program. Especially if the waiting list is short, some eligible families would rather wait for a regular housing choice voucher than comply with the special WtW family obligations. If HUD were to allow and subsidize special income disregards for participating families, for example, this would make the program more attractive to eligible families.

Improve the process for reviewing applications.

An improved application review process would ensure that PHAs that are awarded vouchers:

- Demonstrate that they have the internal capacity to lease up within the timeframe required;
- Receive a realistic allocation of vouchers; and
- Have real, working partnerships and supportive service and monitoring plans in place.

In the future, a second round of negotiations after the sites have been selected to determine a realistic voucher allocation for each site may be beneficial. Also, PHAs that are awarded vouchers should be required to fix immediately any design weaknesses or inconsistencies with HUD requirements.

Provide PHAs that receive WtW voucher awards a clearly defined start-up period and consider providing special administrative fees to cover start-up costs.

A review of implementation progress makes it clear that the 12-month leasing schedule attached to new voucher allocations is unrealistic when a PHA must respond to the administrative requirements of a new program. A clearly defined start-up period would enable PHAs to: solidify partnerships; secure additional resources to support the program; clarify roles and responsibilities; hire and train staff; revise policies, procedures, and related forms; initiate family and landlord outreach efforts; open the waiting list, if necessary; and further refine supportive service and monitoring plans. During this start up period, HUD should not expect PHAs to undertake any intake and leasing activities. While a start-up period may result in delays in intake and leasing in the short-term, the long term benefits both in terms of leasing and overall program design far outweigh any short term delays. Ideally, HUD should provide enough funding over a period of time to make the PHA's investment in the new program worthwhile.

As soon after voucher award as possible, provide awardees with clear direction regarding program goals and objectives, program rules, and HUD expectations.

Although the program offers PHAs a great degree of flexibility to design a program that responds to local needs and priorities, PHAs need guidance from HUD particularly regarding family selection and termination; family obligations; case management and supportive service plan; and monitoring and tracking. Now that the program is underway, HUD has gathered a wealth of information related to barriers to implementation, trends, challenges, successes, and promising practices that should be shared with new awardees.