

Department: County Human Services **Program Contact:** Mary Li
Program Offer Type: Existing Operating Program **Program Offer Stage:** As Requested
Related Programs:
Program Characteristics: Out of Target

Executive Summary

This program offer requests \$225,000 in pass-through funding to continue DCHS FY16 Economic Opportunity Initiative (EOI). Funds will be used to continue a pilot to provide households with tools to increase their financial literacy, achieve financial stability and leave poverty. The offer also includes \$25,000 to support job training, job placement and legal services for day laborers, including expanded capacity for women day laborers.

Program Summary

Recent research shows a relationship between financial stability, child educational success and future earnings. Relatively small amounts of unconditional cash transferred into the budget of a family living on a low income can have significant impact on all members of the household, particularly children. Research shows that when such assets are made available, children's likelihood of educational success and their future earnings as adults are significantly improved.

In FY16, EOI launched a small pilot program of 160 households to test these findings locally. Families accessing free tax preparation services to receive an Earned Income Tax Credit (EITC) were invited to participate.

Eighty households, selected at random, received a \$1000 unconditional cash transfer. The other 80 households, selected as a control group, received three payments of \$40 each. All households participated in three surveys. Surveys were designed to test increased financial empowerment and executive functioning skills based on research showing the connection between increased capacity in these areas and the long-term ability to achieve financial stability on the path to leaving poverty. All families were also offered access to high-quality financial management services.

In order to continue testing the impact of this intervention, continued investment is needed to track longer term impact for the initial research group and to expand to include more households. If found to be promising, EOI represents a potential new strategy for increasing financial stability for families living on low incomes in Multnomah County

The offer also includes \$25,000 to continue support for job training, job placement and legal services for day laborers, including expanded capacity serving women day laborers. 50% of clients participating in the program are experiencing homelessness. Clients are placed in positions paying a minimum of \$12 an hour. In FY15, the average client received a wage of \$13.46.

Performance Measures

Measure Type	Primary Measure	FY15 Actual	FY16 Purchased	FY16 Estimate	FY17 Offer
Output	# of households served	0	210	160	160
Outcome	% of households that show an increase in financial stability and executive functioning ¹	0	75	75	75
Output	Number of individuals served	N/A	N/A	N/A	400
Outcome	Number of job placements	N/A	N/A	N/A	3500

Performance Measures Descriptions

¹ We expect that the /80 households receiving the unconditional cash transfer will experience this improved outcome - but as this is the first year of the program, this is an estimate. The control families may also experience this improvement.

Legal / Contractual Obligation

N/A

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2016	2016	2017	2017
Contractual Services	\$175,000	\$0	\$225,000	\$0
Total GF/non-GF	\$175,000	\$0	\$225,000	\$0
Program Total:	\$175,000		\$225,000	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Total Revenue	\$0	\$0	\$0	\$0

Explanation of Revenues**Significant Program Changes**

Last Year this program was: FY 2016: 25139E-16 AP - Economic Opportunity Initiative