

**The Family Transition Program:
Implementation and
Interim Impacts of Florida's
Initial Time-Limited Welfare Program**

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Preface

This is the third report in MDRC's multi-year evaluation of Florida's Family Transition Program (FTP), one of the first welfare reform initiatives in the nation to impose a time limit on the receipt of cash assistance.

The report finds that FTP's impacts are occurring in stages. In the first two years of the follow-up period, before participants could have reached FTP's time limit (24 months for most recipients), the program increased employment rates and earnings, but did not affect the rate of welfare receipt. Thus, the program's primary effect was to increase the proportion of people who were combining work and welfare. FTP also raised families' combined income from public assistance and earnings. (Although the program did not reduce the number of people receiving welfare during this period, it did reduce the average amount of welfare payments per person.)

Findings for the first enrollees to enter the study suggest that the pattern of results began to change just after the two-year point, as small numbers of FTP participants began to reach the time limit and have their welfare benefits canceled. FTP began to generate significant reductions in the rate of welfare receipt at that point. Also, FTP began to increase the proportion of people who were working and not receiving cash assistance.

The report also describes the multi-stage process that occurs as FTP participants approach the time limit. To date, almost all those who used up their allotted months of benefit receipt had their benefits canceled. At the same time, only a small proportion of FTP participants have reached that point; most left welfare before reaching the time limit, and still had some time remaining on their "clocks."

Finally, the report provides contextual information that is critical to interpreting the impact results. For example, it illustrates that FTP involved much more than a time limit – the program has been generously funded, and has provided an unusually rich array of services and supports to its participants. In addition, the report notes that FTP has operated in a strong labor market, during a time when Florida's statewide welfare caseload has dropped precipitously.

The unfolding story of FTP provides a preview of the issues and potential impacts of more recent welfare reform initiatives being implemented in Florida and other states under the 1996 federal welfare law. Although the story is far from over, the study is already providing valuable early data. Future reports in the study will continue to document the results of this important program, and will address critical open issues, such as how families fare after their welfare grants are canceled.

We owe a debt of gratitude to the Florida Department of Children and Families staff who have consistently supported and assisted the FTP evaluation. It is their unstinting commitment that makes the entire study possible, and with it crucial early information about the implementation and effects of major new strategies in social policy.

Judith M. Gueron
President

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Managers and staff of the Florida Department of Children and Families in Escambia County have consistently supported the evaluation, implemented the complex research design, and responded to numerous requests for information. Space does not permit us to name every person who has contributed to the study, but special thanks are due to Mamun Rashied, District Program Manager, and Shirley Jacques, FTP Program Administrator. In addition, thanks to Jan Blauvelt, John Bouldin, Vicki Davis, and Phil Wrobel. Linda Gampher and Freda Lacey of the Florida Department of Labor and Employment Security have also assisted the study and provided valuable information.

In the Department of Children and Families central office, Don Winstead has been the primary force behind the study, and offered insightful comments on a draft of the report. Marcia Dukes and Jeanee Ellswick-Morrison have also contributed on many occasions. Bill Hudgens and Wen Wu McDaniel of DCF, and Christo Tolia and Jerry Arnold of the Division of Public Assistance Fraud have been instrumental in providing administrative records data.

At MDRC, Barbara Goldman has overseen the FTP evaluation since its inception, and has provided valuable guidance on numerous occasions. Judith Gueron, Gordon Berlin, David Butler, and Charles Michalopoulos reviewed several drafts of the report and offered many thoughtful comments and suggestions.

JoAnna Hunter-Manns was responsible for the initial two-year client survey analysis. Richard Hendra was the primary programmer for the impact analysis, and also played a key role in analyzing the two-year survey. Jennifer Cooper contributed to the survey analysis and served as report coordinator. Rachel Hitch assisted with several aspects of the implementation analysis and with report coordination. Frank Tsai contributed programming for the survey analysis, and Alison Green-Parsons prepared the baseline data files.

Irene Robling has managed the efforts of the information services department. Greg Hoerz oversaw the design of the two-year survey and monitored the survey subcontractor. Adria Gallup-Black was site liaison for administrative records data. Anita Kraus prepared the administrative records data for analysis, assisted by Larry Schneier.

Patti Anderson and Gloria Battle conducted the interviews for the post-time limit survey.

Alice Tufel edited the report, and Patt Pontevolpe and Stephanie Cowell produced figures and did the word processing.

The Authors

Executive Summary

The Family Transition Program (FTP) is a welfare reform pilot project that began operating in 1994 in two Florida counties. FTP was one of the first welfare reform initiatives in the nation to include a time limit on the receipt of cash assistance. It also includes an array of services, mandates, and financial work incentives designed to help welfare recipients prepare for, find, and hold jobs. FTP was implemented more than two years before the passage of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and it anticipated several elements of the new federal law. FTP also served as a model for Florida's statewide welfare reform, known as Work and Gain Economic Self-Sufficiency (WAGES), which was implemented in late 1996. Thus, FTP provides important lessons on the implementation and potential effects of more recent welfare reform initiatives in Florida and elsewhere.

This is the third report in a multi-year evaluation of FTP being conducted by the Manpower Demonstration Research Corporation (MDRC) under a contract with the Florida Department of Children and Families, the agency that administers FTP. MDRC is a nonprofit, nonpartisan organization with more than two decades of experience designing and evaluating social policy initiatives.

The report focuses on one of the FTP pilot counties, Escambia, a mid-sized county in northwestern Florida that includes the city of Pensacola.¹ It describes FTP's implementation and examines how the program is affecting rates of welfare receipt, employment, and family income, among other measures.

While the results presented here go considerably beyond those presented in the two prior reports, the full story of FTP is still unfolding. The report's main analysis follows individuals for up to 33 months, long enough to see the results that were generated when small numbers of recipients started to reach FTP's 24-month time limit (nearly 60 percent of FTP participants are subject to a 24-month time limit, but the vast majority of them did not receive welfare for 24 consecutive months after entering the program). Nevertheless, the *post*-time limit follow-up is still too short to assess how the families who reached the limit will fare over time. Moreover, over 40 percent of FTP participants — those facing greater barriers to employment — are subject to a 36-month time limit, and the report's follow-up period is not long enough to track many of these people to the point when they could have reached the limit. Two additional reports over the next two years will continue to fill in the pieces of this important picture.

The Findings in Brief

This report examines FTP's implementation and compares the experiences of two groups: the *FTP group*, whose members are eligible for FTP's special services and financial incentives, and subject to its mandates and time limit; and the *Aid to Families with Dependent Children (AFDC) group*, whose members are subject to the welfare rules that were in place before FTP began. (Although AFDC group members are neither eligible for FTP's services nor subject to its

¹The second pilot county, Alachua, operated a voluntary version of FTP. That pilot has been discontinued.

time limit, many of them are required to participate in employment-related activities, in accordance with prior welfare rules.) To ensure that the groups are comparable, welfare applicants and recipients were assigned to one or the other group at random. Thus, any differences in employment, welfare receipt, or other outcomes that emerge between the groups over time are attributable to FTP.

The report focuses on about 2,800 people (1,400 in each group) who were assigned to the groups between May 1994 (when FTP began) and February 1995. It uses surveys and administrative data to track each person for two years after he or she entered the study. A subset of people is tracked for a longer period. The key findings are as follows:

- **Although FTP encountered some start-up delays, even early FTP enrollees experienced a much different welfare system than did members of the AFDC group.** Florida has committed substantial resources to FTP, allowing the program to maintain low client-to-staff ratios and to offer an array of special services and supports. Although some of FTP's enriched features were not in place when the program started, survey data indicate that members of the FTP group received more personal attention from staff, and were more likely to receive employment-related and other services, than were members of the AFDC group. FTP group members were also subject to more intensive mandates, and were much more likely to be sanctioned (i.e., to have their grants reduced) for failing to comply with program rules. FTP's message, at least during its early operational period, was strongly focused on education and training: Most FTP group respondents reported that staff urged them to take time to build their skills, rather than encouraging them to leave welfare quickly in order to save or "bank" their remaining months of assistance.
- **Few FTP group members have reached the time limit. However, almost everyone who has reached that point has had his or her benefits canceled.** Of the 919 FTP group members who are part of the analysis, and who entered FTP early enough that they could have reached the time limit by June 1997, only 102 had actually exhausted their months of benefits. The vast majority of people subject to a 24-month time limit did not receive benefits continuously for 24 months after enrollment. The less employable participants who are assigned a 36-month time limit are accumulating months more quickly, but few of them entered FTP early enough that they could have reached the limit by June 1997. Of the 102 people who reached the limit, 98 had their benefits entirely canceled immediately and three others had their grants canceled after a brief extension; in the remaining case, the children's portion of the grant was retained and diverted to a "protective payee" to administer on their behalf. Program records indicate that about half of those whose grants were canceled were earning at least as much as a standard welfare grant when they reached the limit; the others were either unemployed or earning less than a standard grant.
- **During the first two years of the follow-up period, FTP's main effect was to increase the percentage of people combining work and welfare. The**

program also raised family income while reducing the amount of cash assistance and Food Stamps people received. FTP has generated an increase in employment: Two years after entering the study, 52 percent of FTP group members were employed, compared with 44 percent of AFDC group members. However, FTP did not reduce the rate at which people accumulated months of benefit receipt, and members of the two groups were equally likely to be receiving welfare at the end of the two-year period. The pattern of employment gains without corresponding reductions in the rate of welfare receipt may be attributable in part to FTP's expanded earnings disregard — a rule that allows FTP group members to earn more without losing eligibility for welfare.

Although FTP did not reduce the *number* of people receiving welfare during the first two years, it did reduce the *amount* of welfare people received during Year 2. This may have occurred because FTP group members were more likely to be sanctioned and/or because FTP's expanded earnings disregard enabled employed people to continue receiving welfare, but at a lower amount. FTP also reduced average Food Stamp amounts during both years. Overall, however, the FTP group's higher earnings offset their lower public assistance benefits; thus, on average, FTP group members had 5 percent more combined income from these sources during Year 2.

- **FTP began to significantly reduce the rate of welfare receipt just after the second year of follow-up, when small numbers of FTP group members began to reach the time limit.** Additional follow-up data are available for people who entered the study early. In Quarter 11 (the third quarter of Year 3 of the follow-up period), 23 percent of the FTP group members in this subsample, compared with 32 percent of AFDC group members, received cash assistance. This abrupt reduction in welfare receipt is consistent with the fact that about 8 percent of FTP group members had had their benefits canceled by Quarter 11. Although some FTP group members were not employed when their grants were canceled, on average, the full FTP group's higher earnings continued to offset their lower public assistance benefits just after the two-year point.

Open questions. FTP has achieved several milestones: The program has delivered enhanced services and a new message encouraging self-sufficiency; increased employment, earnings, and income; and, after a small number of participants had their grants canceled at the time limit, it began to reduce the rate of welfare receipt. However, key questions about FTP's impacts remain. As noted earlier, the follow-up period is still too short to assess how the families whose benefits were canceled will fare over time. Moreover, there are not enough data available to track the segment of the caseload facing the greatest barriers to employment — those assigned a 36-month time limit — to the point where many of them could have reached the limit. Future reports will address these issues.

FTP's Policy Context

Although the 1996 federal welfare law fundamentally changed the structure and funding of cash assistance for needy families, many of the specific policies that the new law encourages states to adopt were already being implemented under waivers of federal AFDC rules that had been granted to 43 states prior to the bill's passage. For example, while the new law restricts states from using federal funds to provide assistance to most families for more than 5 years, more than 30 states had previously received waivers to implement some form of time limit on welfare receipt in at least part of the state.

Florida's Family Transition Program is one of the most significant initiatives implemented under waivers because it was one of the first to include a time limit on welfare benefits. Indeed, Escambia County was the first place in the United States where single-parent welfare recipients reached a time limit and had their benefits canceled. (The first recipients reached the limit in early 1996.)

Because time limits are so new, very little is known about how they will be implemented or how they will affect welfare recipients, their families, or government spending. Proponents contend that time limits will motivate recipients and the welfare system to focus on self-sufficiency, and that curtailing long-term welfare receipt will help alleviate a range of social problems. Critics argue that many welfare recipients have low skills and other problems that will make it difficult for them to support their families over the long term without welfare. Thus, they argue, imposing time limits will harm many vulnerable families with children. The FTP evaluation — which uses a rigorous research design and a rich array of data sources — is providing vital early information on the implementation and impacts of this key change in welfare policy.

The Family Transition Program

All of the welfare applicants and recipients who were randomly assigned to the FTP group were required to enroll in the program.² Like many other state welfare reform initiatives, FTP is a multi-faceted program that includes several features designed to assist and require participants to move toward self-sufficiency. The program includes four major components:

- **A time limit.** Most recipients are limited to 24 months of cash assistance receipt in any 60-month period after entering FTP, although certain groups of particularly disadvantaged recipients have a limit of 36 months of receipt in any 72-month period.³ Temporary extensions of the time limit may be granted under certain circumstances, and the program model calls for post-time limit, publicly funded work opportunities for FTP participants who make a diligent effort but have not

²The following categories of people are exempt from FTP and did not go through the random assignment process: incapacitated or disabled adults; individuals under 18 years old who are attending school or working at least 30 hours per week; adults caring full-time for disabled dependents; parents caring for children six months old or younger who were conceived before the parent entered FTP; recipients 62 years old or older; and caretaker relatives whose needs are not included in the grant. In some cases, FTP group members were exempted (i.e., their time-limit clocks were stopped, at least temporarily) after random assignment.

³Recipients are assigned a 36-month time limit if they (1) received welfare for at least 36 of the 60 months before entering FTP; or (2) are under 24 years old and have no high school diploma and little or no recent work history.

found a job on their own by the time they reach the time limit. A citizen Review Panel helps to determine whether participants have complied with program rules and makes recommendations regarding extensions and benefit terminations.

- **Financial work incentives.** FTP changes a number of welfare rules to encourage and reward work. Most important, the first \$200 plus one-half of any remaining earnings is disregarded (that is, not counted) in calculating a family's monthly welfare grant. In addition, FTP allows families to accumulate more assets than were previously allowed without losing eligibility for benefits. Finally, subsidized transitional child care is provided for two years after recipients leave welfare for work (as opposed to the one year of assistance provided under traditional AFDC).
- **Enhanced services.** FTP participants receive intensive case management, enhanced employment and training services (most FTP participants are required to participate in such services for at least 30 hours per week), social and health services, access to expanded funding for child care and support services, and other kinds of assistance. Many of FTP's services are located together in the FTP program offices (known as "service centers") to make them more accessible. In addition, participants who find jobs and earn their way off welfare can obtain support for further education or training.
- **Parental responsibility mandates.** Under FTP, parents with schoolage children are required to ensure that their children are attending school regularly and to speak with their children's teachers each grading period. Welfare applicants with pre-schoolage children must verify that their children have begun the necessary immunizations. Parents who fail to comply with these mandates — or the employment and training participation requirements described above — may be sanctioned (that is, their grants may be reduced).

FTP's enhanced services and incentives involve a substantial upfront investment. The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs.

Data Sources, Samples, and Time Frame

As noted earlier, this report focuses primarily on about 2,800 people who were randomly assigned to the FTP and AFDC groups between May 1994 and February 1995; these individuals are known collectively as the *report sample*. Part of the analysis focuses on a subset of the report sample — people randomly assigned between May and September 1994; this group is referred to as the *extended follow-up sample*.

The report uses two main data sources:

- Computerized records of monthly AFDC/TANF payments,⁴ monthly Food Stamp benefits, and quarterly earnings for each member of the two groups. These data cover the first two years after random assignment for everyone in the report sample, and up to 33 months (11 quarters) for the extended follow-up sample.
- A survey that was administered to about 600 FTP and AFDC group members roughly two years after each person entered the study. The survey targeted a subset of the report sample — individuals randomly assigned between December 1994 and February 1995 — and achieved a completion rate of 80 percent.

FTP's Services and Message

- **Although FTP encountered start-up delays, even early enrollees experienced a much different welfare system from the one that AFDC group members encountered: FTP participants got more personal attention from staff, were subject to more intensive mandates, were more likely to receive employment-related services, and heard a stronger message about the importance of moving toward self-sufficiency.**

This report focuses on people who entered FTP during its first 10 months of operations, and earlier reports have noted that some of the program's special features were not fully implemented during this period. At the same time, some of FTP's enhanced elements — such as its intensive case management and support services — *were* in place from its inception, and survey results suggest that the experiences of the FTP group members studied in the report were much different from those of their counterparts in the AFDC group. (Staff survey results, presented in the prior report, pointed to the same conclusion.)

First, FTP group members received more personal attention from staff. For example, on the two-year survey, nearly three-fourths of FTP group respondents agreed with the statements “the FTP staff took the time to get to know me and my particular situation” and “the FTP staff are really interested in helping me improve my life.” Most AFDC group members (61 percent) agreed that welfare staff were interested in helping them, but only 42 percent agreed that staff took the time to get to know them. This difference is likely to be attributable to FTP's low client-to-staff ratios.

Second, FTP participants were subject to a more intensive set of mandates to participate in activities designed to promote self-sufficiency. Data collected from program casefiles show that about one-third of FTP group members were sanctioned for failing to comply with program rules within two years after random assignment, compared with about 11 percent of AFDC group members. On the survey, less than one-fourth of FTP group members agreed that it was “easy to

⁴The term “AFDC/TANF payments” refers to cash assistance previously provided under AFDC and currently provided under the Temporary Assistance for Needy Families block grant. The FTP group is subject to rules that are consistent with TANF, while the AFDC group is subject to traditional AFDC rules.

stay on welfare without participating in activities to prepare for work.” (The figure was similar for the AFDC group.)

Third, FTP group members were much more likely to receive employment-related services and supports. As shown in Table 1, 72 percent of FTP group members and 45 percent of AFDC group members reported on the survey that they participated in at least one employment-related activity within two years after random assignment. This substantial difference is noteworthy because many AFDC group members were subject to a mandatory welfare-to-work program. (It is also notable that there were very few people in either group who neither participated nor worked during the two-year period.) Other survey data show that large proportions of FTP group members also received child care and transportation assistance and other support services from the program, and found these services to be valuable.

Finally, FTP group survey respondents were much more likely to report that staff urged them to take a variety of steps toward self-sufficiency, such as obtaining education and training, taking jobs, or leaving welfare quickly.

- **The vast majority of FTP group members are aware of the time limit, although the time-limit message may not have been particularly strong in the program’s early operational period. Some AFDC group members also believe, incorrectly, that they are subject to a time limit.**

Another key “treatment” difference between the FTP and AFDC groups involves the time limit. Survey data indicate that FTP has been successful in informing participants about this policy: Nearly 90 percent of FTP group respondents reported that they were (or had been) subject to a time limit on welfare receipt. The vast majority of these people knew the correct length of their time limit, although there is evidence that some of them may have incorrectly believed that the time limit referred to a calendar period, rather than to a cumulative number of months of welfare receipt.

Because FTP was one of the first programs in the nation to impose a time limit, some have argued that the evaluation’s results may understate the potential impact of the program; it might have had a larger impact had it been implemented in an environment in which recipients had observed that people’s benefits are indeed canceled at the end. Survey data show that just under half of the FTP group respondents believe that “nearly everyone” who reaches the time limit has his/her benefits canceled, while just over 40 percent believe that “only some” of those who reach the limit are cut off. Respondents who had heard about someone whose benefits were canceled were much more likely to believe that nearly everyone who reaches the limit loses their grant. However — perhaps because only a small number of people had reached the time limit

Table 1
Florida's Family Transition Program
Rates of Participation in Employment-Related Activities (self-reported)
Among Two-Year Client Survey Respondents, by Research Group

Activity Measure (%)	FTP Group	AFDC Group	Difference
Ever participated in any employment-related activity excluding assessment	72.2	44.7	27.5 ***
Ever participated in any job search activity	47.7	27.1	20.6 ***
Group job search/job club	33.6	13.0	20.6 ***
Individual job search	36.5	23.3	13.3 ***
Ever participated in any education activity	50.8	29.0	21.9 ***
Basic education ^a	19.7	9.9	9.8 ***
Post-secondary education ^b	19.1	14.8	4.3
Vocational education ^c	17.0	8.3	8.8 ***
Other education	3.9	2.7	1.3
Ever worked in an unpaid job	13.3	6.6	6.7 ***
Ever participated in on-the-job training	9.6	2.7	6.9 ***
Ever participated in both any job search activity and any education activity	27.8	12.1	15.7 ***
Ever participated in any employment-related activity or was employed	94.9	87.5	7.4 ***
Sample size (total = 603)	299	304	

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aBasic education refers to any participation in Adult Basic Education (ABE), high school, English as a Second Language (ESL), or General Educational Development (GED) types of activities.

^bPost-secondary education is defined as courses for college credit at a two-year or four-year college.

^cVocational education is defined as training for a specific job, trade, or occupation that does not lead to college credit. It does not include on-the-job training or unpaid work experience.

when the survey was administered — only about one-fifth of survey respondents said they had heard about or knew someone whose benefits had been canceled.

Over one-fourth of AFDC group members reported, incorrectly, that they were subject to a time limit (although many of them did not know the specifics, such as the length of their limit). These individuals may have been influenced by media reports about FTP, WAGES, or federal welfare reform. Because the behavior of some AFDC group members may have been affected by their perception that they are subject to a time limit, the impacts measured in this report might have been larger — particularly during the pre-time limit period — if all AFDC group members understood that they are not subject to a time limit.

Just over half of survey respondents said that they believe it is fair to place a time limit on welfare receipt. A little more than one-fourth think it is unfair, while the rest gave mixed views. Responses were almost identical for the FTP and AFDC groups — indicating that actual exposure to a time limit has not affected people’s perceptions of its fairness — but long-term recipients were more likely to view the time limit as unfair.

- **At least during the early operational period, FTP staff tended to encourage participants to use their available time on welfare to build their skills, rather than urging them to leave welfare quickly in order to “bank” their remaining months of welfare.**

There are several possible messages that staff might transmit to welfare recipients facing a time limit. For example, staff might urge recipients to leave welfare as quickly as possible in order to save their available months for a time when they might need assistance more. Alternatively, workers might urge recipients to use at least some of their available time to build their skills, in the hope that they might obtain better jobs that would keep them off welfare permanently.

Survey data indicate that FTP sent a message that focused on skills development. Nearly 80 percent of FTP group respondents reported that staff urged them to get education and training to improve their skills. A fairly large fraction (61 percent) said that staff urged them to get off welfare as quickly as possible, but this message was clearly tempered by an emphasis on job quality: Only 39 percent said that staff pushed them to get a job before they felt ready or a good job came along. On another question, only 31 percent said that staff urged them to save up their months of benefits for when they needed assistance most. (Staff report that FTP has shifted its focus over time; thus, participants who entered the program in 1996 might have heard a different message from the one given to those who were surveyed.)

FTP’s emphasis on skills-building is also reflected in Table 1, above, which shows that more than half of FTP group members — and 70 percent of those who participated in any activity — reported that they participated in at least one education or training activity during the follow-up period. (There was also a strong emphasis on job search activities, and many people participated both in education or training and in job search.)

Moreover, other data (not shown in the table) indicate that FTP generated a significant increase in the percentage of people who had earned a trade license — which may be the result of several special short-term training programs that were developed specifically for FTP participants.

Trade licenses may give FTP participants access to certain types of jobs for which they might not otherwise qualify.

- **When asked which FTP features had most influenced their decisions about work, FTP group members most often identified the program’s support services. They mentioned the time limit less often than other key program features.**

The FTP research design does not allow the study to determine how much each of FTP’s components contribute to the program’s overall impact on clients’ behavior. However, a series of survey questions asked FTP group members to assess how much their decisions about working had been affected by five particular features of FTP: employment and training services, support services, advice and assistance from staff, the financial incentives, and the time limit. Overall, 65 percent of respondents reported that their decisions had been affected “a lot” by at least one of these aspects of FTP.

The results show that the largest proportion of respondents — nearly half — said that their decisions had been strongly influenced by support services such as child care and transportation. The time limit appears to have been the least influential of these five program elements: Only a little over one-fourth of the respondents said that the limit had affected their decisions a lot, and half said it had not affected their decisions at all. This result is consistent with the views expressed in group discussions with FTP participants who had used about half their allotted months. Many recipients were focused on day-to-day problems, and saw the time limit as a distant concern. Although many participants were working or preparing for work, most said that the time limit had not affected their decision to do so.

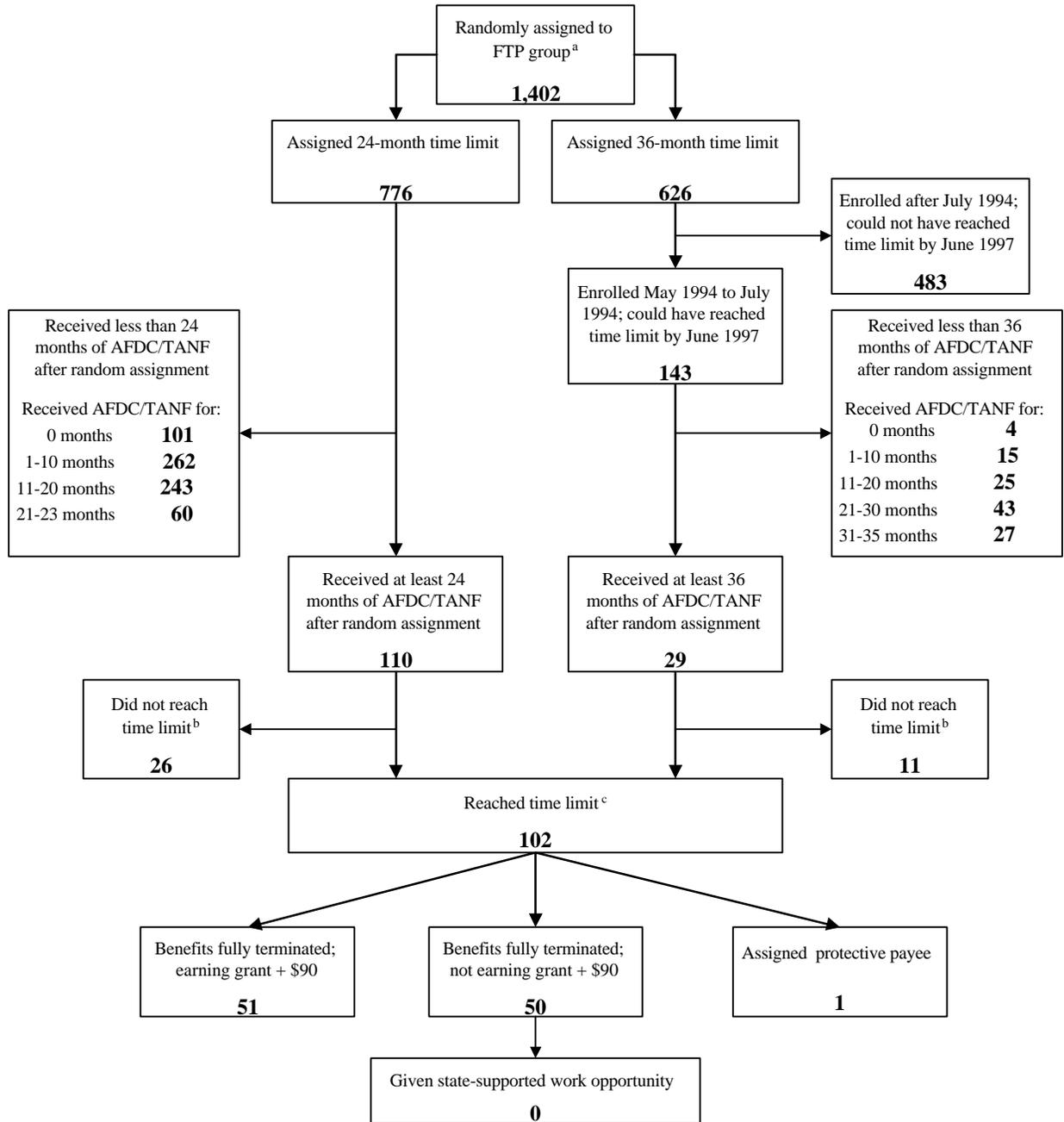
The Implementation of FTP’s Time Limit

- **The vast majority of the FTP participants who were assigned a 24-month time limit left welfare, at least temporarily, within two years after entering FTP. Thus, relatively few people reached the time limit within the follow-up period for this report.**

Figure 1 examines the status of the FTP group members in the report sample as of June 1997. More specifically, the figure focuses on the 919 people (776 with a 24-month limit and 143 with a 36-month limit) who entered FTP early enough to have potentially reached the time limit by that date. Of this group, only 102 people had reached the limit (that is, had received either 24 or 36 countable months of AFDC/TANF benefits). An additional 37 people had accumulated either 24 or 36 months of benefits, but some of the months did not count toward the time limit, usually because the client had received a temporary medical exemption that stopped her or his time-limit clock or because she or he moved to another county without an FTP program.

The small number of people reaching the time limit reflects the fact that the vast majority of the people subject to a 24-month time limit left welfare, at least temporarily, before using up

Figure 1
Florida's Family Transition Program
Status as of June 1997 of FTP Group Members in the Report Sample
(Randomly Assigned from May 1994 to February 1995)



NOTES: ^aThe time limit was unknown for four FTP group members. They are not included in this analysis.
^bSome FTP group members were exempted (generally for medical reasons) while others moved to areas that did not operate FTP.
^cOf this group, three individuals were granted a four-month extension before their benefits were terminated.

all of their months. A separate analysis showed that only 9 percent of these participants received 24 consecutive months of AFDC/TANF benefits after entering FTP. Participants subject to a 36-month time limit are accumulating months more quickly, but only a small number of people in this group (143) entered the program early enough to have reached the time limit by June 1997.

These patterns appear to reflect normal welfare dynamics. As discussed below, until they began reaching the time limit, FTP participants were accumulating months of benefit receipt at the same rate as members of the AFDC group, who are not subject to a time limit.

- **Although FTP's policies include provisions for extensions, partial benefit cancellations, and post-time limit subsidized jobs for participants who comply with the program but cannot find jobs, nearly all of the FTP group members who have reached the time limit have had their benefits entirely canceled.**

FTP's policies allow for temporary extensions of the time limit under certain circumstances and mandate that the children's portion of a family's benefits is to be continued when full cancellation would place the children at risk of foster care placement. In addition, the program model calls for post-time limit, publicly funded work opportunities for participants who comply with FTP's rules but are not earning at least "grant+\$90" — the standard welfare grant for their family size plus a \$90 per month allowance for work expenses — when they reach the time limit.

FTP has developed a multi-step review process to determine when these special circumstances should apply. This process includes initial meetings among staff and supervisors, hearings by a citizen Review Panel composed of volunteers from the community and, for cases scheduled to be terminated, an additional review by a child welfare worker to determine whether the children's portion of the grant should be continued. Finally, the local Department of Children and Families District Administrator gives final approval on all benefit terminations and extensions.

In practice, very few cases have met the criteria for any of the special provisions described above. Of the 102 members of the report sample who reached the time limit by June 1997, 98 had their entire grant canceled immediately and 3 were terminated after a brief extension; the children's portion of the grant was retained in the one remaining case. No one had been provided with a post-time limit, publicly funded job. According to program records, roughly half of the recipients who had their benefits terminated were earning grant+\$90 when they reached the time limit. (Many of those people would have been ineligible for benefits — and might have left welfare earlier — had it not been for FTP's expanded earnings disregard.) Recipients who were earning grant+\$90 received an average of \$153 in their final AFDC/TANF check; those who were not earning grant+\$90 received an average of \$224. (The maximum grant for a family of three is \$303.)

The main reason why nearly everyone who has reached the time limit has had her or his grant canceled, and why no post-time limit subsidized jobs have been provided, is that very few clients who were deemed to have cooperated with FTP have reached the time limit without a job or some other source of income. About half of the 102 people who reached the time limit were considered "compliant." Compliant clients can receive intensive job placement help in their final

months in the program, and most were earning at least grant+\$90 when they reached the limit; thus, they needed neither an extension nor a subsidized job. A few of the compliant clients were not earning grant+\$90 when their benefits were canceled, but program staff report that most of these individuals had other income sources and did not want a subsidized job. (A few others were reported to have stopped cooperating with job placement efforts shortly before reaching the limit.) Extension requests are quite rare, in part because staff do not discuss this policy much with clients; workers speculate that few participants are aware that extensions are possible. (Survey results confirm that most FTP group members heard little about extensions.)

The other half of the participants who reached the time limit — including most of the people who were not earning grant+\$90 — were considered to be noncompliant with FTP. Participants who are deemed noncompliant are not eligible to receive post-time limit subsidized jobs and are unlikely to be granted extensions;⁵ their benefits are canceled, regardless of their employment status, unless the child welfare review finds that full cancellation would place the children at risk of foster care placement.⁶ In practice, few cases meet this criterion.

Compliance is assessed throughout a participant's time in FTP, but the final decision about whether a client will be considered compliant or noncompliant is made roughly six months before he or she reaches the time limit; at that point, the staff who have worked with the participant meet to decide whether the case should be referred for a Review Panel hearing. (Cases are also sent to the Review Panel at earlier points, but their final status is not determined until they near the end.) Staff report that the vast majority of cases referred to the Review Panel at this point are officially deemed to be noncompliant, in essence making them ineligible for extensions or post-time limit jobs.

Although FTP has no specific definition of compliance, staff report that most of the cases sent to the Review Panel with six months remaining on their clocks clearly have not cooperated with FTP's requirements (e.g., they missed numerous appointments or activities without a valid reason). However, staff also refer to the Review Panel clients who, in their view, have complied with FTP but who have not made sufficient progress to ensure that they will be earning grant+\$90 when their time limit expires. Casefile reviews and discussions with staff indicate that these cases are often deemed noncompliant during their Review Panel hearing. This may occur because the Panel disagrees with the worker's perception that the client had complied with the rules.

- **Early results from a small-scale, in-depth study of people whose benefits were canceled indicate varying responses to the loss of welfare benefits.**

MDRC is conducting an in-depth study of a small number of FTP participants who reached the time limit and had their benefits canceled. Individuals are interviewed around the time their benefits expire, and then 6 and 12 months later. This report includes data from the first two interviews for a group of 32 people who were subject to a 24-month time limit and whose benefits were canceled in late 1996 and early 1997 (25 of the 32 people had completed the six-month

⁵Any participant may request an extension and have this request considered by the Review Panel. However, because extensions are intended for compliant clients, requests by noncompliant clients are unlikely to be supported by the staff or the panel. The local District Administrator must grant final approval for extensions.

⁶According to program records, almost one-third of the noncompliant clients were earning grant+\$90 when they reached the time limit.

follow-up interview when the study period ended). Because this in-depth study does not include members of the AFDC group, it is impossible to directly attribute changes in people's circumstances over time to the fact that their welfare grants were canceled.

About half of the sample members for this small study were employed during their last month on welfare. These individuals were relying mainly on their own earnings, supplemented with partial AFDC/TANF grants and Food Stamp benefits. The other sample members were unemployed during their last month of assistance; they were relying mainly on public assistance. (Many were also living with family members.)

Overall, sample members reported somewhat lower average income at the six-month follow-up point than during their last month receiving AFDC/TANF. However, the overall average masks the fact that some sample members lost income while others gained income. The group that lost income includes mostly the people who were employed during their last month on welfare. These individuals lost their welfare grants and, for reasons that are not entirely clear, several of them reported that they were not receiving Food Stamps at the six-month point. Their earnings did not increase enough to offset the lost public assistance. Nonetheless, it is important to note that most of these people still had monthly earnings that were greater than a standard welfare grant.

All of the sample members who gained income had not been employed during their last month of assistance. Several of them found jobs after their grants were canceled, while others reported receiving more child support at the six-month point. (It is not clear to what extent the increase in reported child support reflects the fact that the state keeps most of the child support paid on behalf of custodial parents receiving welfare, making it difficult for recipients to know how much is being paid.)

Despite the modest overall income loss, sample members were no more likely to be experiencing serious material hardship at the six-month point than during their last months on welfare.

FTP's Impacts

- **During the first two years of the follow-up period, FTP increased employment rates and earnings, but did not affect the rate of AFDC/TANF receipt. Thus, the program's main effect was to increase the number of people combining work and welfare.**

Table 2 summarizes FTP's impacts during the first two years of the follow-up period. During this "pre-time limit" period, FTP generated an increase in both employment rates and earnings. In the last quarter of the second year, 51.7 percent of FTP group members were

Table 2
Florida's Family Transition Program
A Summary of FTP's Impacts During the First Two Years
of the Follow-Up Period

Outcome	FTP Group	AFDC Group	Difference ^a	Percentage Change
<u>Two-year totals</u>				
Ever employed	76.3%	71.0%	5.3 ***	7.5
Average total earnings	\$6,656	\$5,754	\$902 ***	15.7
Average total AFDC/TANF payments received	\$3,129	\$3,276	-\$147	-4.5
Average number of months receiving AFDC/TANF payments	11.8	11.7	0.0	0.3
Average total value of Food Stamps received	\$3,752	\$4,094	-\$343 ***	-8.4
<u>Last quarter of year two</u>				
Ever employed	51.7%	43.5%	8.2 ***	18.9
Average total earnings	\$1,058	\$851	\$207 ***	24.4
Ever received any AFDC/TANF payments	35.9%	38.1%	-2.2	-5.8
Average total AFDC/TANF payments received	\$217	\$271	-\$54 ***	-19.9
Ever received any Food Stamps	55.2%	56.4%	-1.3	-2.2
Average total value of Food Stamps received	\$372	\$410	-\$38 **	-9.3
Average total income from earnings, AFDC/TANF, and Food Stamps	\$1,647	\$1,532	\$115 **	7.5
Sample size (total = 2,815)	1,405	1,410		

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

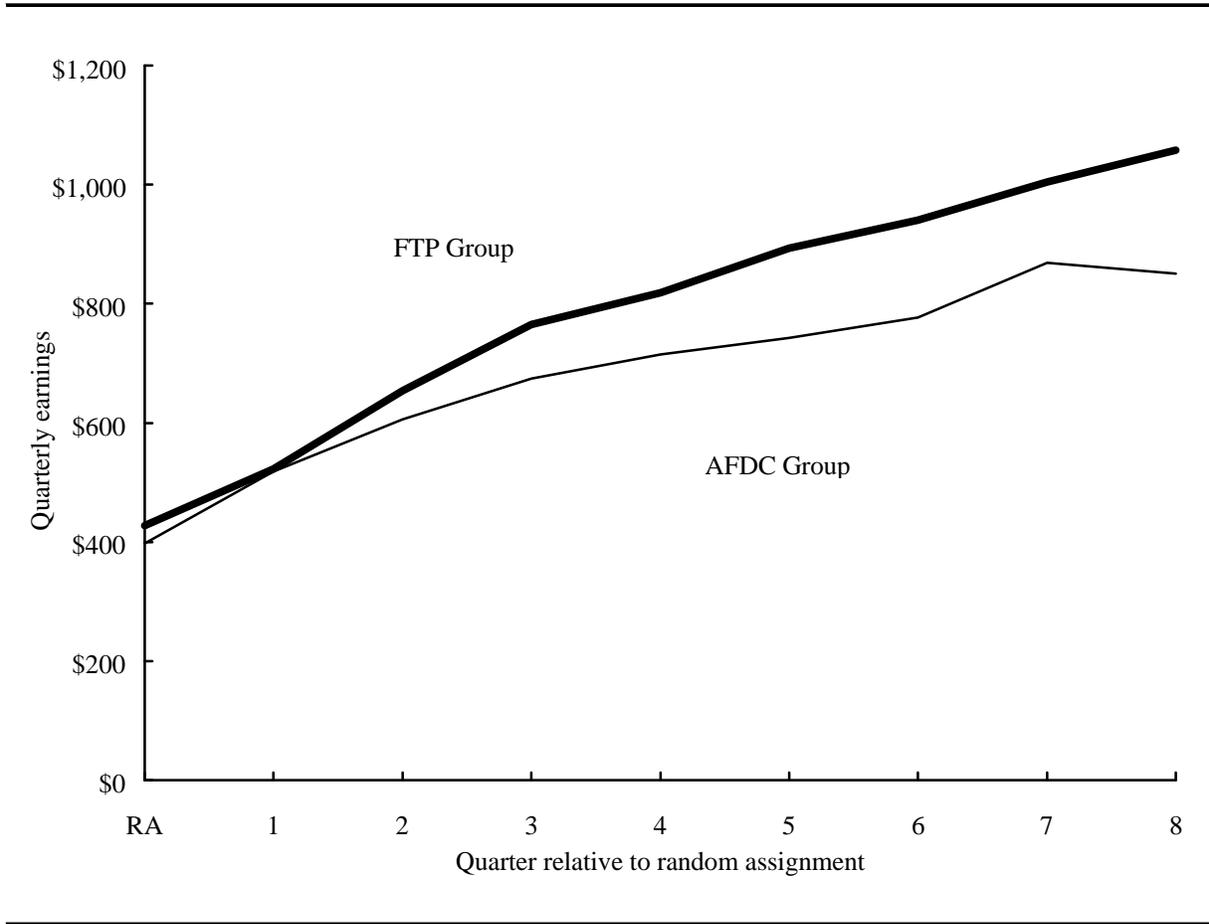
Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aPercentage points, except where indicated as dollars (\$).

employed, compared with 43.5 percent of AFDC group members. On average, FTP group members had \$1,058 in earned income during this quarter, which was \$207 (24 percent) higher than the AFDC group average (these averages include both people who worked in the quarter and those who did not). Figure 2 shows that FTP's impacts on earnings grew larger over time.

Figure 2
Florida's Family Transition Program
Average Quarterly Earnings for FTP and AFDC Groups



NOTES: RA refers to the calendar quarter in which random assignment occurred.

The welfare receipt patterns of FTP and AFDC group members looked nearly identical through the first two years of the follow-up period. As shown in Table 2, members of the two groups accumulated months of benefit receipt at the same rate and were about equally likely to be receiving AFDC/TANF benefits in the last quarter of the second year. There were also no differences in the rate of Food Stamp receipt during this period.

Although FTP did not reduce the rate of welfare receipt, it is interesting to note that only about one-third of the members of each group were still receiving welfare at the end of Year 2. This rapid decline in welfare receipt is consistent with a statewide trend: Florida's statewide

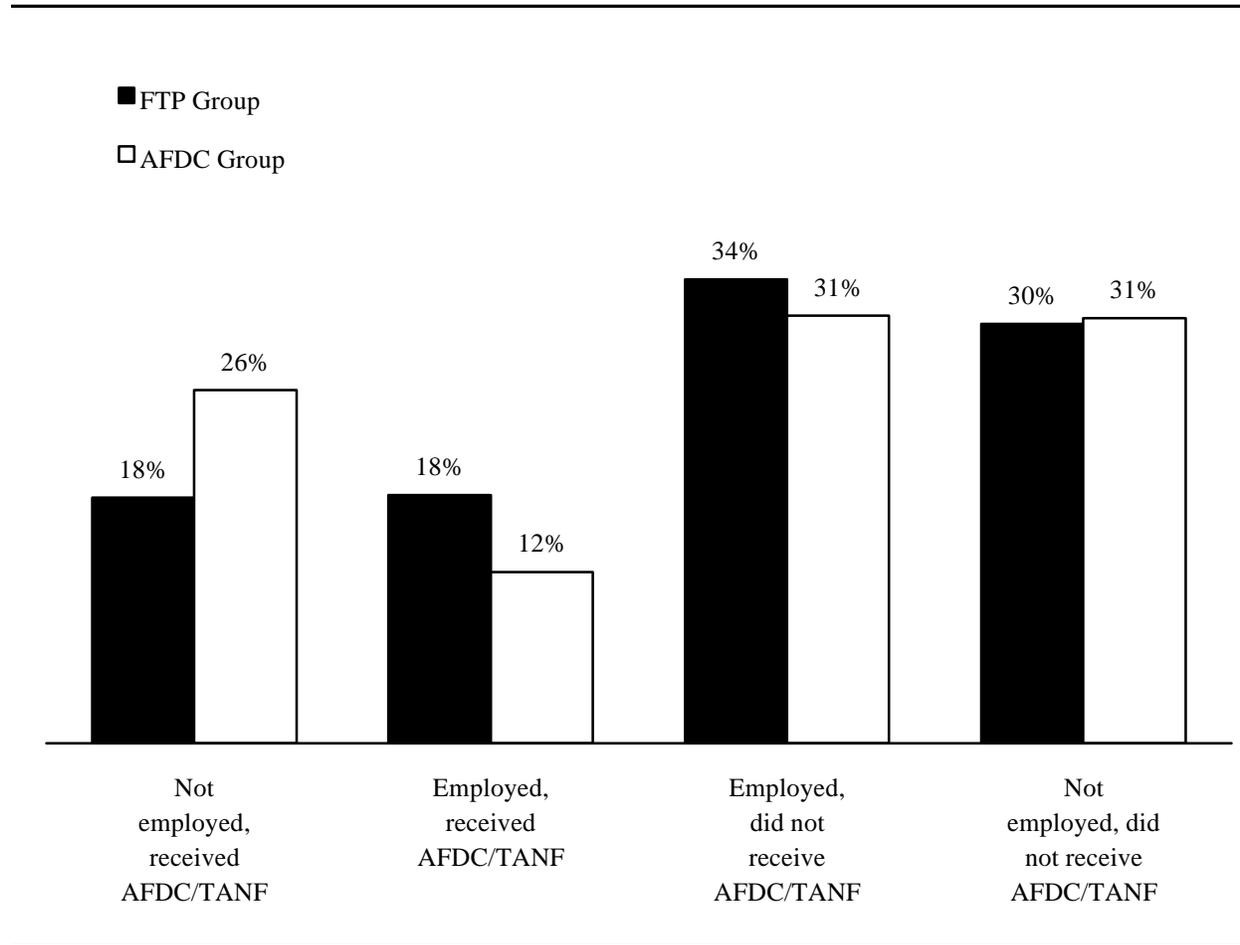
AFDC/TANF caseload declined by 37 percent between early 1994 and mid-1997, one of the largest drops recorded in any large state.⁷

The pattern of employment gains without corresponding reductions in the rate of AFDC/TANF receipt is probably attributable, in part, to FTP's enhanced earned income disregard, which allows FTP group members to earn more while remaining eligible for assistance (although at a reduced level). Thus, as shown in Figure 3 (which focuses on the last quarter of the second year), FTP's primary impact was to reduce the number of people who were not employed and receiving AFDC/TANF (the first set of bars), and to increase the number who were both working and receiving AFDC/TANF (the second set of bars).

Figure 3

Florida's Family Transition Program

Status of FTP and AFDC Group Members in the Last Quarter of Year Two



⁷It is not clear to what extent the statewide caseload decline was driven by welfare "exits" or a reduction in the number of new applicants. This study does not assess whether FTP has reduced the number of people applying for welfare.

- **FTP reduced Food Stamp payment amounts during the first two years and AFDC/TANF payment amounts in Year 2. However, because the increase in average earnings was larger than the reductions in public assistance, FTP group members had higher combined income from these three sources in Year 2.**

Although FTP did not reduce the number of people receiving AFDC/TANF during the first two years, the program did reduce average payment *amounts*: FTP group members received about 11 percent less in total AFDC/TANF payments during the second year of the follow-up period. Table 2 shows that the program reduced average AFDC/TANF payments by nearly 20 percent in the last quarter of Year 2 alone. This may have occurred because FTP group members were more likely to be employed — and thus to receive only a partial welfare grant — and/or because they were more likely to be sanctioned for not complying with program requirements.

Table 2 also shows that FTP reduced Food Stamp payments by about 8 percent over the first two years. This occurred because both earnings and AFDC/TANF are counted as income in calculating Food Stamp benefits, and FTP group members had higher combined income from these sources.

Because the increase in average earnings, discussed above, was larger than the reductions in average Food Stamp and AFDC/TANF payments, FTP group members had more total income from these three sources during Year 2. Table 2 shows that they had \$115 (8 percent) more income from these sources, on average, in the last quarter of Year 2.

- **Survey data indicate that FTP group members were more likely than AFDC group members to obtain full-time jobs, and jobs that provided fringe benefits. There was little difference in the hourly wages of jobs obtained by FTP and AFDC group members.**

Among FTP group members who reported that they had worked for pay since random assignment, 47 percent said they were working at least 40 hours per week in their most recent job. The comparable figure for the AFDC group was 38 percent. There was no comparable difference in hourly wages: Employed respondents in both groups reported that their most recent job paid, on average, just over \$6 per hour. These figures suggest that FTP's overall impact on average earnings was driven by two factors: FTP group members were more likely to work and, among those who worked, FTP group members worked more hours per week.

Although employed FTP group members did not earn higher wages, they were more likely to obtain jobs providing fringe benefits. For example, among FTP group members who reported that they had worked since random assignment, 43 percent said that their most recent job provided health benefits. The comparable figure for the AFDC group was 34 percent. Similarly, 36 percent of employed FTP group members reported that their most recent job provided paid sick days, compared with 23 percent of employed AFDC group members. Finally, FTP group members who had worked were more likely to report a high level of satisfaction with their most recent job.

- **Data for early enrollees show that FTP began to substantially reduce AFDC/TANF receipt just after the two-year point, when small numbers**

of FTP group members started to reach the time limit and have their benefits canceled.

Table 3 summarizes FTP's impacts after the two-year point for the extended follow-up sample: the 1,347 people who were randomly assigned to the FTP and AFDC groups between May and September 1994. Because they entered the study early, it is possible to track these people for more than two years. (The impacts for this subsample during the first two years of the follow-up period are similar to the impacts discussed above for the full report sample; thus, Table 3 shows only the results beyond the two-year point.)

Table 3 shows that FTP began to reduce AFDC/TANF receipt just after the two-year point; this is also illustrated in Figure 4. By Quarter 11, there was a substantial difference between the groups: 32 percent of AFDC group members were receiving AFDC/TANF, compared with 23 percent of FTP group members (this includes people subject to a 24-month time limit and those subject to a 36-month limit). This result is consistent with the fact that about 8 percent of FTP group members had reached the time limit and had their benefits terminated by the end of Quarter 11.

- **After the two-year point, FTP began to increase the proportion of people who were working and not receiving welfare. On average, however, the income gains that emerged in the second year of the follow-up period were sustained beyond that point.**

A total of 10 quarters of post-random assignment employment and earnings data are available for members of the extended follow-up sample. Thus, it is possible to examine both their combined income from AFDC/TANF, Food Stamps, and earnings, and their welfare and employment status just beyond the two-year point.

Figure 5 shows sample members' combined welfare and employment status in Quarter 10. As noted earlier (and shown in Figure 3 above), FTP's primary impact before the two-year point was to reduce the number of people who were receiving welfare and not working, and to increase the proportion who were doing both. In Quarter 10, there was a larger reduction in the proportion of people receiving welfare and not working but, by this point, the program had also started to increase the proportion of people who were working and *not* receiving AFDC/TANF (the third set of bars).

Table 3 shows that, for the extended follow-up sample, the FTP group continued to have higher combined income from AFDC/TANF, Food Stamps, and earnings after the two-year point. In Quarter 10, their average combined income from these three sources was \$185 (13 percent) higher. It is important to note, however, that FTP's impact on combined income during this period differed somewhat depending on the type of time limit sample members were likely to have. In short, the impact on combined income was somewhat smaller among those with characteristics that would give them a 24-month time limit than it was for those likely to have a

Table 3
Florida's Family Transition Program
A Summary of FTP's Impacts in Quarter 10 and Quarter 11
of the Follow-Up Period, for the Extended Follow-Up Sample

Outcome	FTP Group	AFDC Group	Difference ^a	Percentage Change
Quarter 10				
Ever employed	48.7%	40.7%	8.0 ***	19.7
Average total earnings	\$1,118	\$821	\$297 ***	36.1
Ever received any AFDC/TANF payments	27.5%	34.5%	-7.0 ***	-20.2
Average total AFDC/TANF payments received	\$154	\$242	-\$87 ***	-36.1
Ever received any Food Stamps	51.7%	49.0%	2.7	5.5
Average total value of Food Stamps received	\$336	\$361	-\$25	-6.8
Average total income from earnings, AFDC/TANF, and Food Stamps	\$1,609	\$1,424	\$185 **	13.0
Quarter 11^b				
Ever received any AFDC/TANF payments	22.7%	31.9%	-9.2 ***	-28.9
Average total AFDC/TANF payments received	\$134	\$215	-\$82 ***	-38.0
Ever received any Food Stamps	47.0%	46.4%	0.5	1.2
Average total value of Food Stamps received	\$308	\$341	-\$33	-9.6
Sample size (total = 1,347)	670	677		

NOTES: The extended follow-up sample includes individuals randomly assigned between May and September 1994 (N = 1,347).

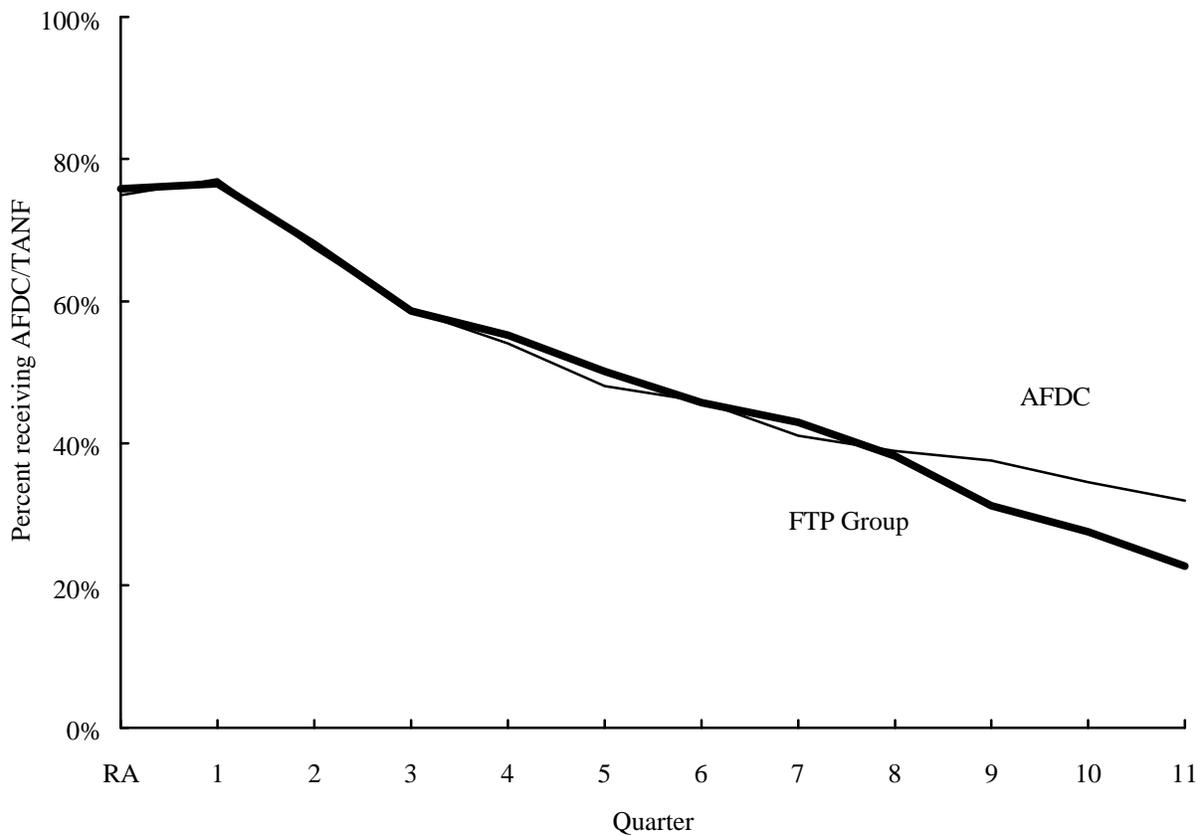
Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aPercentage points, except where indicated as dollars (\$).

^bEmployment and earnings data are not available for Quarter 11.

Figure 4
Florida's Family Transition Program
Rate of AFDC/TANF Receipt for the Extended Follow-Up Sample

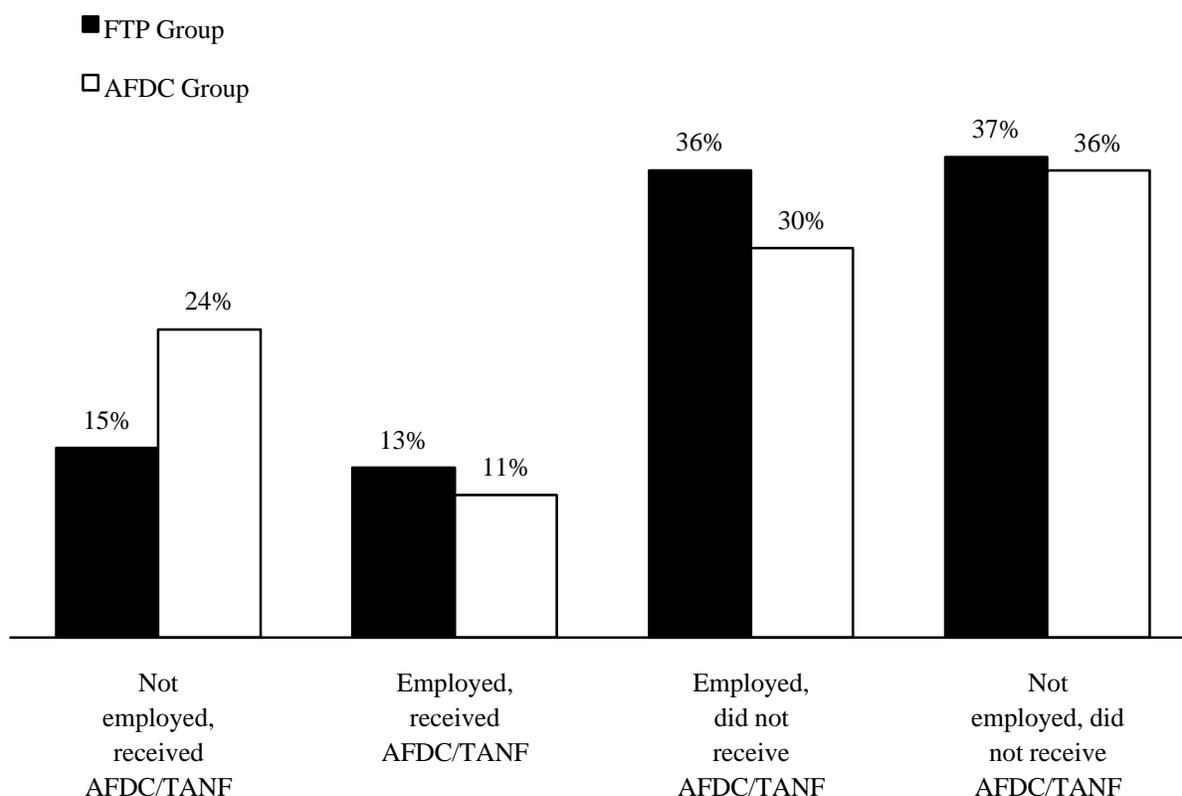


NOTE: RA refers to the calendar quarter in which random assignment occurred.

36-month limit.⁸ This is because those in the 24-month subgroup were more likely to have their benefits canceled and, thus, were less likely to be combining work and welfare after the second year of follow-up.

⁸Members of the AFDC group are not assigned a time limit. In order to conduct this analysis, MDRC determined which time limit would most likely have been assigned to each sample member, based on his or her characteristics upon entering the study.

Figure 5
Florida's Family Transition Program
Status of FTP and AFDC Group Members in Quarter 10,
for the Extended Follow-Up Sample



FTP's Relevance to Other Time-Limit Programs

Because it is one of the earliest programs in the nation to include a time limit on welfare receipt, FTP's results offer critical early data to inform welfare policy in Florida and in other states. Key results to date include the following:

- FTP's combination of services, mandates, incentives, and time limits has generated increases in employment and earnings. It is not clear to what extent these increases were driven by the time limit, versus other program features; other programs without time limits have generated similar impacts in the past.
- FTP did not affect the rate of welfare receipt in the pre-time limit period, suggesting that its time limit did not induce many people to leave welfare earlier in order to "bank" their available months. (The welfare reduction that emerged after the two-year point may have been driven primarily by the benefit terminations that began to occur in that period.)

- In the second year of the follow-up period, FTP began to reduce the amount of cash assistance and Food Stamps families received. However, on average, families gained more in earnings than they lost in public assistance, resulting in an overall increase in income from these sources. It will be important to examine whether this trend continues over time, as more families reach the time limit and lose their welfare grants.

In drawing broader lessons from these results, it is important to consider several distinctive features of FTP. First, the program is operating in a mid-sized county with a strong labor market, during a period when Florida's statewide welfare caseload has dropped precipitously. Moreover, despite some start-up delays, FTP has been generously funded and has delivered a broad range of services and supports to its participants. A time limit implemented in a large city, a weaker labor market, or with fewer complementary services and supports might produce different results.

Second, because it was one of the first programs in the United States to impose a time limit, FTP's time limit message was new to its participants. They may have been skeptical about whether it would really be implemented. Individuals entering WAGES in Florida today might be more likely to believe that the time limit is real — and might respond differently.

Third, FTP's time limit is combined with other program features — notably, a relatively strong focus on education and training, and a financial work incentive that allows more working families to retain eligibility for welfare — that are not designed to hasten welfare exits. A program that strongly urged participants to leave welfare quickly in order to “bank” their remaining months might generate larger changes in welfare receipt patterns in the pre-time limit period — although it might not lead to income gains and better jobs, as FTP seems to have done.

Finally, Florida provides low welfare grants relative to most other large states, which means that people whose grants are canceled do not lose as much income as they would in a higher-grant state. This has important implications for the post-time limit well-being of those whose grants are terminated, and for state-federal fiscal relations; Food Stamps — a federally funded program — plays a relatively larger role when cash assistance grants are low.

What Else Will We Learn from This Study?

Although few people have reached FTP's time limit so far, the patterns observed to date suggest that a substantial number of individuals facing serious barriers to employment — those subject to a 36-month time limit — will reach the time limit in the coming months.

These individuals may drive the program's long-term results. If current patterns hold, most of the people who reach the limit will have their grants canceled; some will be employed at that point, and some will not. But, while a participant's status in the final month of benefit receipt is crucial from a programmatic perspective (because FTP must determine how to handle each case based on its status at that point), it may have little to do with how his or her family fares over time. Some people who are not employed on their termination date will find jobs shortly

thereafter, and some who have jobs will lose them — but none of these individuals will be allowed to return to welfare for several years. Thus, long-term follow-up is critical.

The study will continue to follow the two groups over time and, as the number of people reaching the time limit grows, these families will begin to affect the FTP group's overall average earnings and income, and the well-being of children in that group. If most people find other income and fare well after their grants are canceled, the FTP group will continue to have better outcomes than the AFDC group. On the other hand, if many people fail to replace what they lose from welfare over the long-term, the FTP group — or at least some subsets of it — may end up worse off than they would have been.

Finally, the study will assess the cost of FTP, and will determine whether the savings in public assistance spending that FTP generates are large enough to offset the substantial upfront costs associated with the program's services and supports — as well as any other costs that are attributable to the program over time.

Chapter 1 Introduction

The Family Transition Program (FTP) is a welfare reform pilot project that began operating in 1994 in two Florida counties. FTP was one of the first welfare reform initiatives in the nation to impose a time limit on the receipt of cash assistance. It includes an array of services, mandates, and financial work incentives designed to help welfare recipients prepare for, find, and hold jobs. FTP was implemented more than two years before the passage of the 1996 Federal Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104-193) and it anticipated several elements of the new federal law. FTP also served as a model for Florida's statewide welfare reform, known as Work and Gain Economic Self-Sufficiency (WAGES), which was implemented in late 1996. Thus, FTP provides important lessons on the implementation and potential effects of more recent welfare reform initiatives in Florida and elsewhere.

In 1994, the Florida Department of Children and Families (formerly the Department of Health and Rehabilitative Services), the agency that administers FTP, contracted with the Manpower Demonstration Research Corporation (MDRC) to conduct a multifaceted six-year evaluation of the program's effectiveness. MDRC is a nonprofit organization with more than two decades of experience designing and evaluating social policy initiatives.

This is the third report in the FTP evaluation. The first, completed in 1995, described FTP's early implementation.⁹ The second report, released in 1997, updated the implementation story, provided the first evidence on how FTP was affecting patterns of employment and welfare receipt, and described the process that occurred when the first participants reached the end of FTP's time limit on welfare benefits.¹⁰ Like the second report, this one focuses on one of the pilot counties, Escambia, a mid-sized county that includes the city of Pensacola.¹¹ This report covers the same general topics as the second report, but expands and updates the results by drawing on new data sources and covering a longer follow-up period.

While this analysis goes considerably beyond the results presented in the two prior reports, the full story of FTP is still unfolding. This report follows individuals for up to 33 months, long enough to see the results that were generated when small numbers of recipients started to reach the end of FTP's 24-month time limit. About 60 percent of FTP participants are subject to a 24-month time limit, but the vast majority of them did not receive welfare for 24 consecutive months.) Nevertheless, the *post*-time limit follow-up period is still too short to assess how the families who reached the limit will fare over time. Moreover, about 40 percent of FTP participants — those facing more significant barriers to employment — are subject to a 36-month time limit, and the report's follow-up period is not long enough to track many of these people to the point when they could have reached the end of the time limit. Two additional reports over the next two years will continue to fill in the pieces of this important picture.

⁹Bloom, 1995.

¹⁰Bloom, Kemple, and Rogers-Dillon, 1997.

¹¹The second pilot county, Alachua, operated a voluntary version of FTP. That pilot has been discontinued.

I. FTP's Policy Significance

The Personal Responsibility and Work Opportunity Reconciliation Act, signed by President Clinton in August 1996, made major changes in the structure and funding of programs targeted to low-income families and individuals. There were particularly dramatic changes in Aid to Families with Dependent Children (AFDC), formerly the primary cash assistance program for needy families with children, which was replaced by the Temporary Assistance for Needy Families (TANF) block grant. TANF gives states broad new flexibility to design welfare programs, but it also restricts states from using federal block grant funds for several groups, including most families who receive assistance for more than 60 cumulative months.¹²

Although the new welfare act has fundamentally changed the structure and funding of cash assistance for needy families, many of the specific policies that the law encourages states to adopt were already being implemented under waivers of federal AFDC rules that had been granted to 43 states prior to the bill's passage. For example, more than 30 states had received waivers to implement some form of time limit on welfare receipt in at least part of the state.¹³

Florida's Family Transition Program is one of the most significant initiatives implemented under waivers because it was one of the first to include a time limit on welfare benefits. In fact, Escambia County was the first place in the United States where single-parent welfare recipients reached the end of a time limit and had their benefits canceled. (The first recipients reached the limit in early 1996.)

Because time limits are so new, very little is known about how they will be implemented or how they will affect welfare recipients, their families, or government budgets. Proponents contend that time limits will motivate recipients and the welfare system to focus on self-sufficiency, and that curtailing long-term welfare receipt will help alleviate a range of social problems. Critics argue that many welfare recipients have limited skills and other disadvantages that will make it difficult for them to support their families over the long term without assistance. Thus, they argue, imposing time limits will eventually harm many vulnerable families with children. The FTP evaluation — which uses a rigorous research design and a diverse set of data sources — is providing important early information about the implementation and impacts of this key change in welfare policy.

At the same time, it is important to note that FTP's time limit is being implemented under favorable conditions. Although Escambia County has a diverse welfare population and includes a mid-sized city, the county is far from any major metropolitan areas, and the local unemployment rate has been below the state and national averages throughout the period that FTP has operated. Nationally, a large proportion of long-term welfare recipients reside in large cities, in neighborhoods where employment opportunities may be scarce.

In addition, the State of Florida has committed substantial resources to FTP, allowing the program to offer a rich array of services and supports to its participants. Even during its start-up period, when many of FTP's enhanced features were not fully in place, the program's staffing and

¹²States are permitted to exempt up to 20 percent of the caseload from this provision.

¹³U.S. Department of Health and Human Services, 1997.

service levels were unusually generous. Indeed, budget constraints have made it impossible to replicate many of FTP's enriched features in the statewide WAGES program.

II. The Family Transition Program and Its Evaluation

The Family Transition Program was created by the Family Transition Act, passed by the Florida legislature in April 1993. The program began operating in February 1994 under waivers of federal welfare rules. (These waivers are no longer needed because FTP's provisions are permitted under the 1996 federal welfare law.)

A. The Key Elements of FTP

Although FTP's time limit is its best-known feature, the program is in fact a multifaceted reform; the time limit is embedded in a broad set of services, requirements, and financial incentives designed to help recipients find jobs and become self-sufficient. The major components of FTP include:

- **Time limit.** Under FTP, most recipients are limited to 24 months of cash assistance receipt in any 60-month period.¹⁴ Certain groups of particularly disadvantaged recipients are limited to 36 months of receipt in any 72-month period. (The clock starts when a recipient enrolls in FTP; months of receipt of assistance prior to that point do not count.) Cash benefits are terminated at the end of the time limit.¹⁵ However, recipients who cooperate with FTP but, despite diligent efforts, are unable to find a job by the end of the time limit are to be given a public or private work opportunity that allows them to earn at least as much as the standard welfare grant for their family size (plus an allowance for work expenses).¹⁶ In addition, recipients may receive up to two 4-month extensions of the time limit under certain circumstances. Finally, if it is determined that canceling a family's entire cash grant would put the children at substantial risk of being placed in emergency shelter care or foster care, the children's portion of the grant is retained and diverted to a "protective payee" who administers the grant on behalf of the children.
- **Financial work incentives.** Under the traditional AFDC program,¹⁷ recipients who found jobs had their grants reduced by \$1 for each dollar they earned after

¹⁴The term "cash assistance" in this report refers to the benefits previously provided under AFDC and currently provided under TANF. The term does not refer to other public assistance programs, such as Supplemental Security Income (SSI), that also provide cash benefits.

¹⁵Eligibility for noncash benefits (for example, Food Stamps) is not affected by the time limit.

¹⁶This feature was initially required as a condition of Florida's federal waivers, and has been continued even though waivers are no longer necessary to operate FTP. The standard grant for a family of three is \$303 per month, and the standard work expense allowance is \$90. Thus, a "compliant" participant with this family size would be ensured of an opportunity to earn at least \$393 per month (approximately 18 hours a week of work at the current minimum wage).

¹⁷This report uses the term "traditional AFDC" to describe the rules that were in place in Escambia County prior to the implementation of FTP. These rules also applied in the rest of the state (except for the other FTP pilot

the first four months of work (after some allowances for work expenses).¹⁸ Many believed that these rules created a disincentive to work and made it difficult for recipients to make a successful transition into the work force. Under FTP, the first \$200 plus one-half of any remaining earnings is disregarded (that is, not counted) in calculating a family's monthly grant. Known as an earned income disregard, this rule allows a greater proportion of working families to retain at least a partial welfare grant to supplement their earnings; the disregard applies for as long as the family receives cash assistance. Figure 1.1 gives two examples of how FTP's earned income disregard affects working recipients. In addition to the enhanced earnings disregard, FTP allows families to accumulate more assets and to own more valuable automobiles (relative to traditional AFDC rules) without losing eligibility for assistance.¹⁹ Finally, FTP participants receive subsidized transitional child care for two years after they leave welfare for work, as opposed to the one year provided under prior rules.²⁰

- **Enhanced services and requirements.** FTP participants can receive a variety of services designed to help them prepare for and find employment. These services include intensive case management provided by workers with small caseloads; enhanced employment and training services (most FTP clients are required to participate in such activities for a minimum of 30 hours per week); social and health services; child care and other support services; and others. Many of FTP's services are co-located in the FTP program offices (known as service centers) to make them more accessible to participants.

counties) until the implementation of Florida's welfare reform, WAGES, in October 1996, and still apply to the AFDC group for the FTP evaluation (discussed below).

¹⁸Specifically, during the first four months of employment, the first \$120 plus one-third of any remaining earnings was disregarded (that is, not counted) in calculating the AFDC grant amount. In the fifth through the twelfth months, only the first \$120 was disregarded. After month 12, only the first \$90 was disregarded. In addition, child care expenses (up to a specific limit) could be disregarded. The PRWORA eliminated these federal rules for counting earnings; thus, states no longer need waivers to expand (or reduce) earned income disregards.

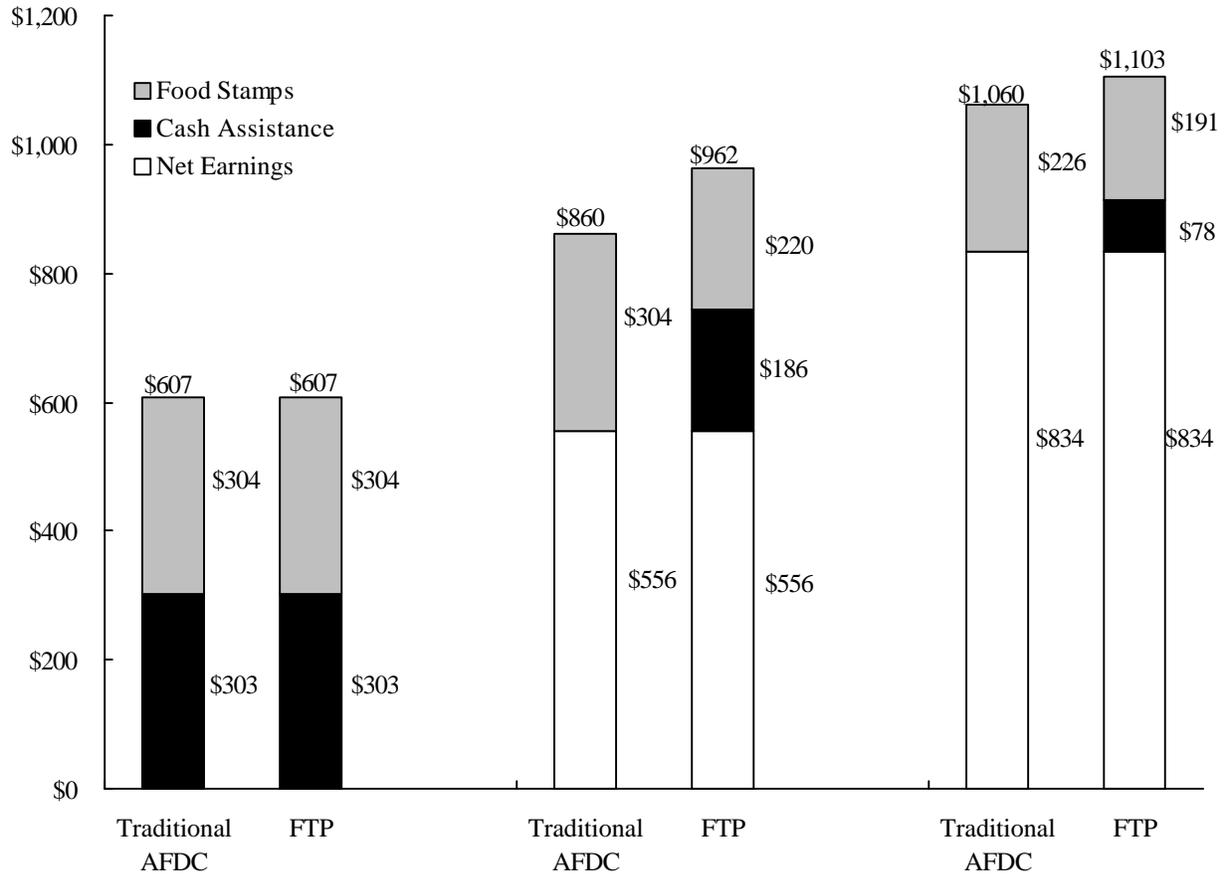
¹⁹Under traditional AFDC, recipients were limited to \$1,000 in assets, and there was a \$1,500 exemption for a vehicle. Under FTP, the asset limit is \$5,000, and the vehicle exclusion limit is \$8,150.

²⁰Under the Family Support Act of 1988, states were required to provide transitional child care assistance and transitional Medicaid coverage for one year after recipients left welfare for work. FTP extended transitional child care for a second year. The PRWORA ended the transitional child care requirement, although states may choose to continue this policy.

Figure 1.1

Florida's Family Transition Program

Three Examples of Monthly Income from Cash Assistance, Food Stamps, and Earnings for a Single Parent with Two Children



SOURCES: U.S. House of Representatives, Committee on Ways and Means, *The 1996 Green Book: Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. Government Printing Office, 1996), p. 446; Family Transition Program policy manual.

NOTES: The calculations use rules that were in effect in 1995. Monthly net earnings are based on the sum of the parent's earnings and the Earned Income Tax Credit, minus any applicable federal income taxes. Florida does not have a state income tax.

The AFDC grant calculation disregards \$120 of gross earnings, in accordance with AFDC rules for the fifth to twelfth month of employment. The FTP grant calculation disregards \$200 of gross earnings and half of the remainder. Both calculations assume no unreimbursed child care costs or child support collections.

The Food Stamp calculation disregards 70 percent of net income. Net income includes the AFDC grant but excludes 20 percent of gross earnings, a \$134 standard deduction, and up to \$231 of excess shelter expenses. This calculation assumes a monthly rental expense of \$319.

- **Parental responsibility mandates.** Under FTP rules, parents with schoolage children are required to ensure that their children are attending school regularly and to speak with their children's teachers at least once each grading period. New applicants for welfare with preschool children are required to provide proof that their children have begun to receive the standard series of immunizations. Parents who fail to meet these requirements — as well as those who do not comply with the employment and training participation mandates described above — face sanctions (that is, their grants are reduced).²¹

FTP's enhanced services and incentives involve a substantial upfront investment. The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs.

B. The FTP Evaluation

The FTP evaluation began in early 1994 and is scheduled to end in late 1999. The evaluation was initially required as a condition of the federal waivers that allowed Florida to implement FTP. (The state has elected to continue the evaluation even though it is no longer required to do so under the 1996 federal welfare law.) The study is funded by the U.S. Department of Health and Human Services (DHHS), the State of Florida, and the Ford Foundation.

1. Components of the study. The FTP evaluation includes three major components:

- **Implementation analysis.** This part of the study examines how FTP operates. Data on a program's implementation can be critical to interpreting its impacts, and to identifying practices that are associated with success.
- **Impact analysis.** This part of the study assesses whether FTP generates changes in participants' employment, earnings, welfare receipt, family income, and other outcomes, relative to the AFDC system it replaced.
- **Benefit-cost analysis.** This analysis uses data from the impact analysis and from fiscal records to compare the financial benefits and costs of FTP for both taxpayers and individuals subject to the program.

This report focuses on the first two components of the study; results from the benefit-cost analysis will be included in the final report, scheduled for 1999. The specific data sources used in preparing this report are described later in this chapter.

2. Research design for the impact analysis. Welfare recipients constantly find jobs and leave the welfare rolls with or without the assistance of special programs or policies. Thus, in assessing the effectiveness of a program such as FTP, it is critical to separate outcomes that are attributable to the new program from those that would have occurred anyway. The FTP evaluation uses a random assignment research design to address this task. For purposes of the

²¹Beginning in June 1997, FTP adopted new sanctioning rules that involve eliminating — rather than reducing — the welfare grant in response to noncompliance. These new rules were not in effect during the study period for this report.

study, welfare applicants and recipients who met the criteria for FTP (discussed below) were assigned, at random, to one of two groups:

- the **FTP group**, whose members are eligible for FTP's services and subject to its mandates, including the time limit; or
- the **AFDC group**, whose members are subject to the welfare rules that existed before FTP was implemented — which include, for many recipients, a requirement to participate in employment and training activities.²² (As discussed later, the AFDC group has received less enriched employment and training services than has the FTP group.)

The members of these two groups will be tracked during a *follow-up period* lasting several years and compared on a number of measures, including their employment and welfare receipt patterns, family income, and others. Because the two groups were created through a random process, there were no systematic differences between the groups' members when they entered the study. In addition, both groups are experiencing the same general economic and social conditions during the study period. Thus, any differences — or *impacts* — that emerge during the follow-up period can be reliably attributed to FTP. Although this methodology has some limitations — for example, it cannot assess whether FTP is affecting the number of people who apply for welfare in the first place — random assignment is generally seen as the most reliable way to determine what difference, if any, a program makes.²³

Although the WAGES program has replaced AFDC statewide in Florida, both FTP and traditional AFDC are continuing to operate in Escambia County until the end of the evaluation's follow-up period. This situation has presented Escambia County staff with the challenging task of operating three different welfare programs simultaneously. (Since October 1996, new applicants for welfare who had not already been assigned to the FTP group or the AFDC group have been placed into WAGES.) As discussed further in Chapter 3, the implementation of WAGES has also made it more difficult for staff to ensure that members of the AFDC group understand the rules that apply to them.

3. The random assignment process. The process of assigning people to the FTP and AFDC groups began in May 1994 and ended in October 1996. Beginning in May 1994, all applicants for cash assistance who met FTP's eligibility criteria were randomly assigned either to FTP or to the traditional AFDC program at the time they applied. People who were already receiving assistance when FTP began were phased in over time; they were randomly assigned when they appeared for semiannual recertification interviews.²⁴

²²In prior reports in this study, the FTP group was referred to as the program group and the AFDC group was called the control group.

²³The study can only assess differences that emerge after people are randomly assigned to the FTP and AFDC groups. Because the random assignment occurs when people apply for welfare, there is no way to determine whether the program has affected the number of people who take this step. However, because random assignment occurs early in the application process, it can determine whether FTP is affecting the number of applicants who complete their application and begin receiving benefits.

²⁴In order to control the flow of people into FTP, only a portion of those showing up for recertification went through the random assignment process initially; the rest remained subject to traditional AFDC rules. Specifically,

Figure 1.2 illustrates the random assignment process. Whether it occurred at application or recertification, the process began with screening: Staff went through a checklist to determine whether the applicant or recipient met any of the criteria for an exemption from FTP. The following groups are exempt: incapacitated or disabled adults, individuals under 18 years old who are attending school or working 30 hours or more per week, adults caring full-time for disabled dependents, parents caring for children six months old or younger,²⁵ recipients 62 years old or older, and caretaker relatives whose needs are not included in the grant.

If there was no exemption, staff gave a brief description of FTP and the evaluation and, through a brief interview with the applicant or recipient, completed a one-page sheet called the Background Information Form (BIF). The BIF included identifying information (name, social security number, etc.), demographic information (age, ethnic group, gender, number and ages of children, etc.), and data on the individual's work and welfare history. After the BIF was completed, staff asked the individual to fill out a brief, confidential questionnaire called the Private Opinion Survey (POS), which solicited information about her²⁶ attitudes toward work, welfare, education and training, and other issues.²⁷ Data from the BIF and POS are presented in Chapter 2 and Appendix A.

Once these forms were complete, staff placed a toll-free call to MDRC's office and read a few items from the BIF to an MDRC clerk, who entered the information into a computerized data base. A computer program then conducted the random assignment: The individual was assigned to either the FTP group or the AFDC group. Those assigned to the AFDC group continued their application or recertification with staff from the traditional AFDC program; FTP group members were enrolled into FTP.

Two particular aspects of this process are worth noting. First, welfare applicants were randomly assigned early in the application process, before staff knew whether the application would be approved or denied. Thus, as discussed later, slightly less than 20 percent of the people in each research group never received cash assistance during the follow-up period, either because they did not follow through with their application or because they were found to be ineligible for benefits. Because people's behavior may be affected by FTP from the time they first hear about the program, conducting random assignment at this early point gives the study a better chance to measure the program's full impact; for example, FTP may alter the proportion of people who complete their application and actually start to receive benefits. At the same time, the early point

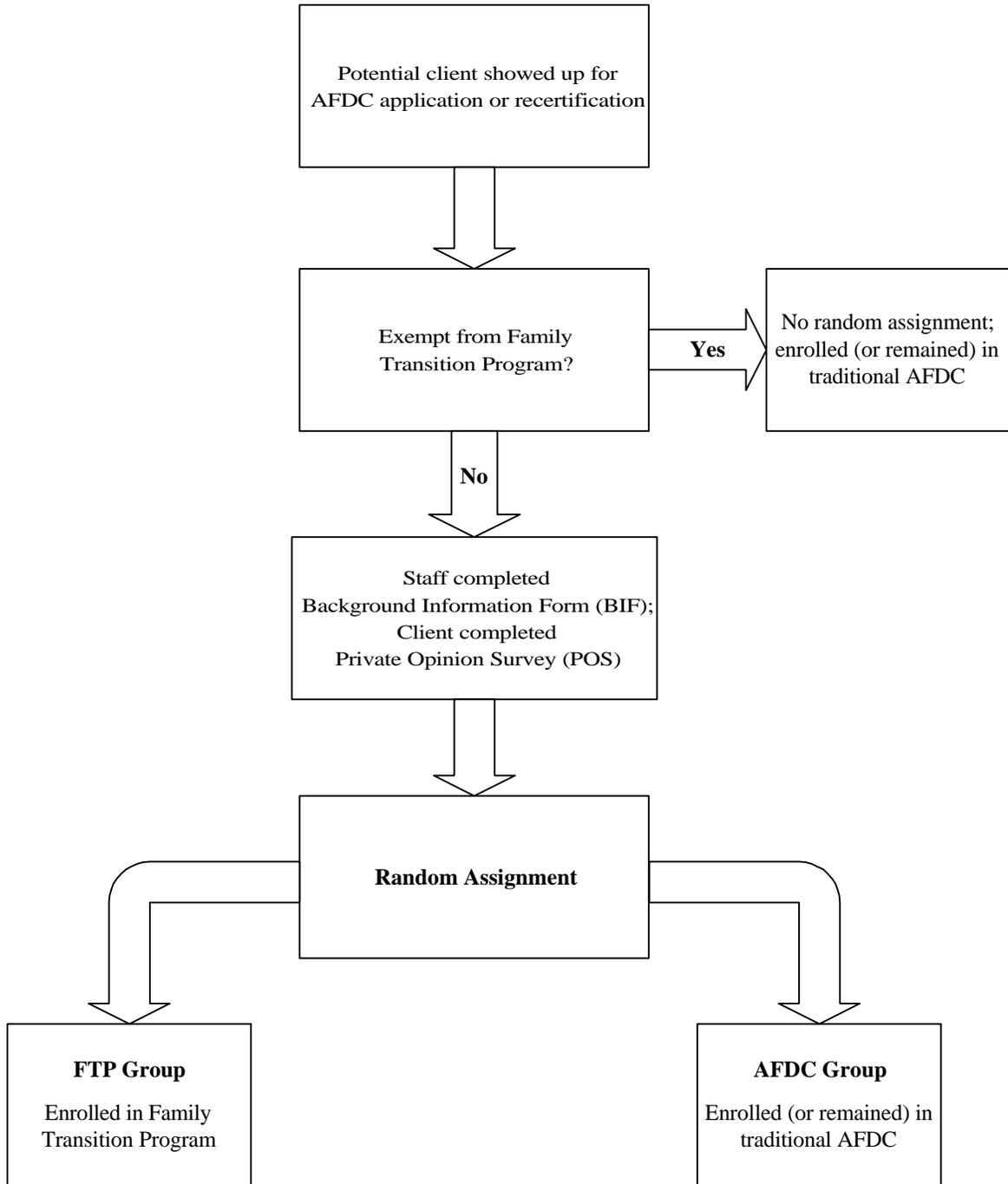
from May to August 1994, 30 percent of those appearing for recertification were randomly assigned. Beginning in August, one-half of those showing up for recertification were randomly assigned, and, beginning in December, all recipients went through the process. The pace of random assignment was then slowed from March to November 1995.

²⁵This exemption applies only to children conceived before the mother entered FTP.

²⁶Feminine singular pronouns are used in this report because a large majority of participants in FTP are women.

²⁷A third form was used to collect contact information for a later survey.

Figure 1.2
Florida's Family Transition Program
The Random Assignment Process



of random assignment means that a sizable proportion of FTP group members had only very limited contact with the program.

Second, although staff screened out people who were exempt from FTP prior to random assignment, there have been instances when members of the FTP group have been exempted after random assignment; this is discussed in Chapter 4. When this occurs, the individual's time-limit "clock" is stopped (that is, while the exemption applies, months of cash assistance receipt do not count toward the time limit). Post-random assignment exemptions may have occurred because an exemption slipped through the screening process undetected or because an exemption did not exist until some point after random assignment (for example, a participant may have become incapacitated after random assignment).²⁸ Individuals who were exempted after random assignment remain part of the analysis.

III. A Brief Summary of Previous Findings on FTP

As discussed earlier, MDRC has produced two previous reports on FTP. The first, released in late 1995, described the program's early implementation, and the second, completed in early 1997, assessed FTP's impact on employment and welfare receipt during the "pre-time limit" period (the period before anyone could have reached the end of the time limit) and examined the process that occurred when recipients began to reach the end of the time limit. Both reports focused primarily on FTP and AFDC group members who went through the random assignment process early — between May and December 1994. This section briefly summarizes the findings that were presented in those reports.

A. Pre-Time Limit "Treatment" Differences

The earlier reports examined whether FTP's new policies and resources had generated concrete differences between the experiences of FTP and AFDC group members during the time when they were receiving welfare.

The analysis found that there were delays in implementing several of FTP's enriched features. These start-up issues particularly affected the program's ability to deliver enhanced employment and training services to people who enrolled in 1994 and early 1995; many of these participants did not move quickly into activities after they were randomly assigned. In addition, early enrollees heard FTP's time-limit message during a period before anyone had actually reached the limit, and staff reported that some participants expressed skepticism that families' benefits would actually be terminated when they reached the end of the time limit.

Despite these start-up issues, however, the analysis found that FTP and AFDC group members had dramatically different experiences, even during the start-up period:

- Data from program casefiles showed that FTP group members were much more likely to receive employment-related services during the first 18 months after their

²⁸In addition, it is important to note that most other Florida counties did not impose time limits until late 1996. Thus, if a member of the FTP group left Escambia County before that point and began receiving welfare in another county, she was no longer subject to a time limit (unless she later returned to Escambia County).

random assignment date. These data also showed that FTP placed a strong emphasis on skill-building activities: A large proportion of FTP group members participated in education or training. (Staff reported that the program became more employment-focused over time, and that later enrollees might have had different activity patterns.)

- FTP has been richly staffed from the outset, with low client–staff ratios. On a survey administered in 1996, FTP staff reported much more frequent contact with their clients than did AFDC workers. Moreover, issues related to self-sufficiency, rather than just income maintenance, were more likely to be addressed in these encounters.
- FTP group members had access to virtually unlimited child care funding and relatively generous payments for support services, while AFDC group members faced limited resources in both areas.
- FTP group members were subject to a more extensive and intensive set of mandates, and were much more likely to be sanctioned for not complying with these rules.
- Data from a small-scale telephone survey indicated that most members of the FTP group were aware that they were subject to a time limit, and that only a small fraction of AFDC group members believed (incorrectly) that they were subject to a time limit.

In sum, the data presented in earlier reports suggested that, while early enrollees did not receive the full intended FTP treatment, compared with AFDC group members they received a much richer set of services and supports and were subject to a more intensive set of mandates. The report noted that early enrollees’ exposure to a somewhat incomplete version of FTP may actually be more policy-relevant than later enrollees’ experience because WAGES and other similar statewide reforms are not likely to include the range of services and supports that FTP is able to provide when fully implemented.

B. Impacts

The 1997 report examined administrative records of FTP and AFDC group members’ quarterly earnings, AFDC/TANF payments,²⁹ and Food Stamp benefits for 15 to 18 months from the point each person entered the study.

The analysis found that FTP generated an increase in employment and earnings during the pre-time limit period. This increase grew larger during the follow-up period. Moreover, the report noted that many FTP group members were enrolled in education and training activities that may have kept them out of the labor market temporarily.

²⁹The report uses the term “AFDC/TANF payments” to refer to cash assistance benefits provided to members of the two groups. Although the AFDC program was abolished when TANF was created, AFDC existed for much of the follow-up period for this report. In addition, members of the evaluation’s AFDC group are still subject to the rules of traditional AFDC. In previous reports, these payments were referred to as “AFDC” payments.

The employment and earnings gains did not translate into reductions in AFDC/TANF receipt or payment amounts. This was at least in part due to FTP's generous earned income disregard: FTP group members who went to work were more likely to retain eligibility for benefits than were employed AFDC group members. Thus, FTP was not reducing the rate at which people were accumulating months of AFDC/TANF receipt. At the same time, it is important to note that FTP's earned income disregard was helping to make working participants better off financially — FTP group members had higher average combined income from AFDC/TANF, Food Stamps, and earnings in the last quarter of the follow-up period — without *raising* welfare spending (although the fact that welfare spending did not increase is at least partly attributable to the high sanctioning rate in FTP).

Finally, the analysis found that, because both AFDC/TANF benefits and earnings are counted as income in determining Food Stamp benefits, the FTP group's higher income from these sources translated into a reduction in Food Stamp payments (but not in the *number* of people receiving Food Stamps).

This early analysis was able to address the hypothesis that, soon after hearing about the time limit, recipients would find jobs and leave welfare quickly to save up months of eligibility for when they needed them most. The early evidence indicates that hypothesis was not borne out in FTP. Although the program's combination of requirements, services, and incentives induced more people to work, the increase was not dramatic during the pre-time limit period. Moreover, FTP did not reduce the rate at which people were accumulating months of welfare receipt. However, the report noted that several features of FTP — including its focus on education and training and its earned income disregard — were not necessarily designed to hasten employment or welfare exits.

C. The Pre-Time Limit Process

Data collection for the 1997 report ended just a few months after people began to reach the end of FTP's time limit. As of July 1996, only 26 members of the FTP group who had been assigned a 24-month time limit had received 24 monthly AFDC/TANF payments after entering FTP. This group amounted to just 9 percent of those who entered FTP between May and August 1994 and were assigned a 24-month time limit (the only people who could have reached the time limit by July 1996). In other words, the vast majority of people who were assigned a 24-month time limit did not accumulate 24 consecutive months of benefits. (As noted above, this pattern was not significantly different from the pattern for AFDC group members who would have been assigned a 24-month time limit had they been in FTP.)

FTP had established a multi-step review process to decide whether individuals who were approaching the time limit should receive a four-month extension of cash benefits or whether their benefits should be canceled when they reached the limit. The process also determined whether individuals who had not found jobs should receive a publicly funded work opportunity after the time limit. These decisions were based on a case-by-case determination of whether the participant had complied with FTP's requirements and had "diligently" tried to find a job. Finally, for those deemed to be noncompliant with FTP, the process determined whether canceling the entire grant would place the children at risk of foster care placement; if so, the children's portion of the grant could be retained and diverted to a third party to administer on the children's behalf.

Most of those who reached the time limit during the study period for the report had their benefits canceled entirely; a small number were granted temporary extensions; and no one was provided with a publicly funded post-time limit job. Some of the individuals whose grants were canceled had complied with FTP's rules and were working when they reached the limit. Others were deemed to be noncompliant with the FTP requirements; their grants were canceled regardless of their employment status.

IV. About This Report

This section describes the data used in this report, the groups for whom each type of data were collected, the time frame of the analysis, and the organization of the report's remaining chapters.

A. Data Sources

This report uses data from several sources to describe FTP's implementation and impacts. In general, the report uses two types of data: (1) data that describe the characteristics and circumstances of individual members of the FTP and AFDC groups during specific time periods; and (2) other data that describe FTP's implementation or operations. As discussed below, not all of the individual-level data are available for all members of the two groups.

1. Individual-level data. The following types of data were collected for individual members of the FTP and AFDC groups:

- **Baseline data.** As noted earlier, two brief forms, the Background Information Form and the Private Opinion Survey, were completed for virtually all members of the research sample. These data provide a "snapshot" of the characteristics and attitudes of the two groups' members as of the date each person was randomly assigned.
- **Administrative records.** The State of Florida has provided MDRC with computerized data on monthly AFDC/TANF payments, monthly Food Stamp benefits, and quarterly earnings reported to the state's Unemployment Insurance (UI) system, for each member of the FTP and AFDC groups. The AFDC/TANF and Food Stamp data available for this report cover the period from April 1993 (one year before the first random assignment) to June 1997, while the quarterly earnings data cover the period from April 1993 to March 1997.³⁰
- **Two-year client survey.** A subcontractor to MDRC administered a survey to approximately 600 FTP and AFDC group members in early to mid-1997. The 30-minute interview was administered primarily by telephone, with in-person interviews for those who could not be reached by phone. The survey's completion rate was 80 percent. As discussed further in Appendix B, this high

³⁰The quarterly earnings data cover a shorter period than the AFDC/TANF and Food Stamps data because there is a lag in employers' reporting of wages to the Unemployment Insurance system.

completion rate ensures that the survey respondents are representative of the full FTP and AFDC groups. Individuals were interviewed approximately two years after their date of random assignment.

- **Casefile data.** MDRC obtained data on FTP and AFDC group members' participation in various employment-related activities from program casefiles and from FTP's computerized tracking system. These data were obtained in mid-1997 for a small subset of people in the survey sample, and were used to validate the survey responses.
- **Post-time limit survey.** Working with a subcontractor, MDRC is conducting in-person interviews with some of the FTP participants who reach the time limit on receipt of welfare benefits. Individuals are interviewed around the time their benefits expire, and then 6 months and 12 months later. The survey focuses on two groups: (1) 32 people subject to a 24-month time limit who exhausted their benefits between November 1996 and May 1997; and (2) a similar number of people subject to a 36-month time limit who exhausted their benefits later in 1997. This report describes results from the end-of-time-limit interview and some of the 6-month follow-up interviews with the first group.
- **Focus groups.** In early 1996, 40 current and former FTP participants took part in focus groups or telephone interviews to discuss their views about FTP and the time limit. The groups and interviews targeted people who were randomly assigned as ongoing recipients in June and July 1994. The results are mentioned only briefly in this report, but are discussed at length in a separate document issued by MDRC.³¹

2. Other data. The report uses several other types of data to help characterize FTP's implementation. For example, MDRC staff periodically visit Escambia County to interview line staff and managers, and to observe program activities. This report draws to some extent on information from visits conducted throughout the evaluation, but focuses most directly on the most recent visit, conducted in August 1997. In addition, MDRC administered written surveys to staff in FTP and the traditional AFDC program in mid-1996. Data from these surveys were used extensively in the second FTP report, and are referred to briefly in this report.

B. Samples, Subgroups, and Time Frames

As discussed in the previous section, the data used in this report generally cover the period from FTP's implementation in May 1994 to the summer of 1997, a period of about three years. Detailed information on FTP's operations during the period from May 1994 to the summer of 1996 was included in the two previous FTP reports. This report briefly summarizes this earlier information, but mostly focuses on supplementing it with information from a later period and from different data sources.

The report's analysis does not focus on all members of the FTP and AFDC groups. In addition, some of the data described in the previous section are only available for subsets of

³¹Brown, Bloom, and Butler, 1997.

people. Figures 1.3 and 1.4 illustrate (1) the time frames for which data are available, and (2) the samples used in the analysis. Figure 1.3 also shows the timing of key events in federal and state welfare policy that may have affected FTP and the members of the research groups.

1. The report sample. As noted earlier, welfare applicants and recipients were randomly assigned to the FTP and AFDC groups from May 1994 to October 1996. A total of 5,430 people were randomly assigned during this period. These individuals are known collectively as the *full research sample* for the FTP evaluation. However, this report focuses on a subset of the full research sample: the 2,817 single-parent cases that were randomly assigned from May 1994 to February 1995.³² This group, which is depicted in Figures 1.3 and 1.4, is referred to as the *report sample*.³³

As discussed earlier, administrative records of quarterly earnings, AFDC/TANF payments, and Food Stamp benefits are available for all members of the FTP and AFDC groups. The quarterly earnings data used in this report cover the period through March 1997, which means that two years of post-random assignment earnings data are available for each member of the report sample. (An additional quarter of cash assistance and Food Stamp data are available because those records cover the time period through June 1997.³⁴) These follow-up periods are illustrated in Figure 1.3.

The report sample for this report is slightly larger than the sample that was analyzed in the previous report (which focused on people randomly assigned from May to December 1994, while this report's sample also includes people randomly assigned in January and February 1995). However, like the previous report, this one focuses mostly on people who entered FTP during its start-up period. As discussed earlier, this means that the FTP group members studied here experienced the program before it was fully implemented, and heard the time-limit message

³²This report does not include any data on two-parent cases, who accounted for only about 11.3 percent of the cases randomly assigned during this period.

³³This group was selected because the random assignment process was virtually suspended from early March to late October 1995 for programmatic reasons. The few individuals assigned during this period were atypical — they were all applicants with no recent welfare history — and thus inappropriate to include in the analysis. Only a brief follow-up period is available for people assigned after the suspension ended — from late 1995 to October 1996. Data for these individuals will be included in a later report.

³⁴The AFDC/TANF and Food Stamp data are aggregated into quarters to make them consistent with the earnings data.

Figure 1.3

Florida's Family Transition Program

Milestones in FTP's Implementation and Time Frames Covered by the Data Sources Used in This Report

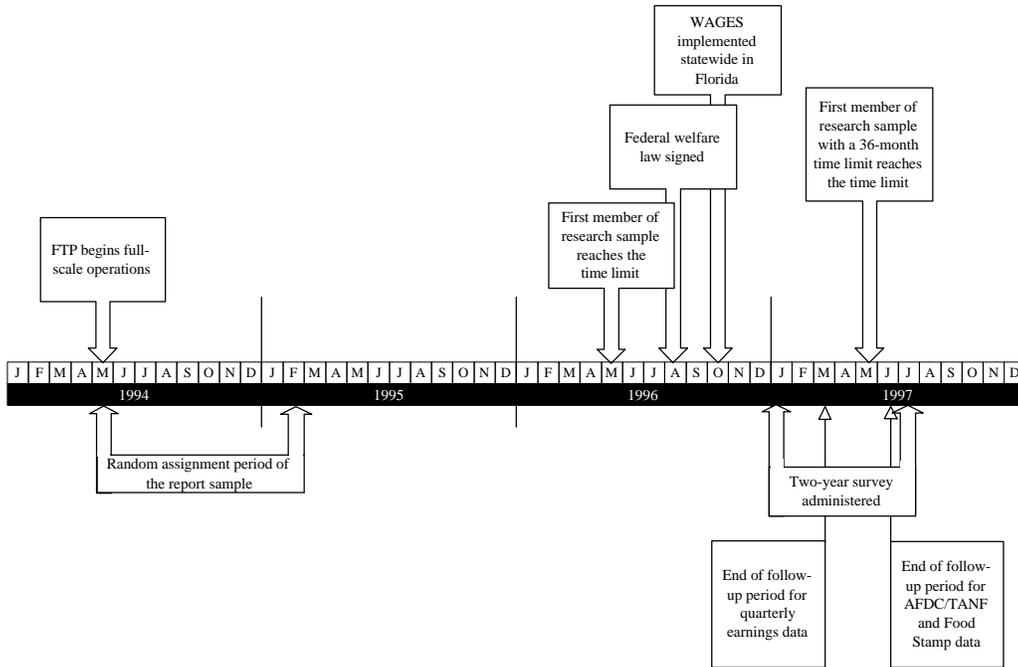
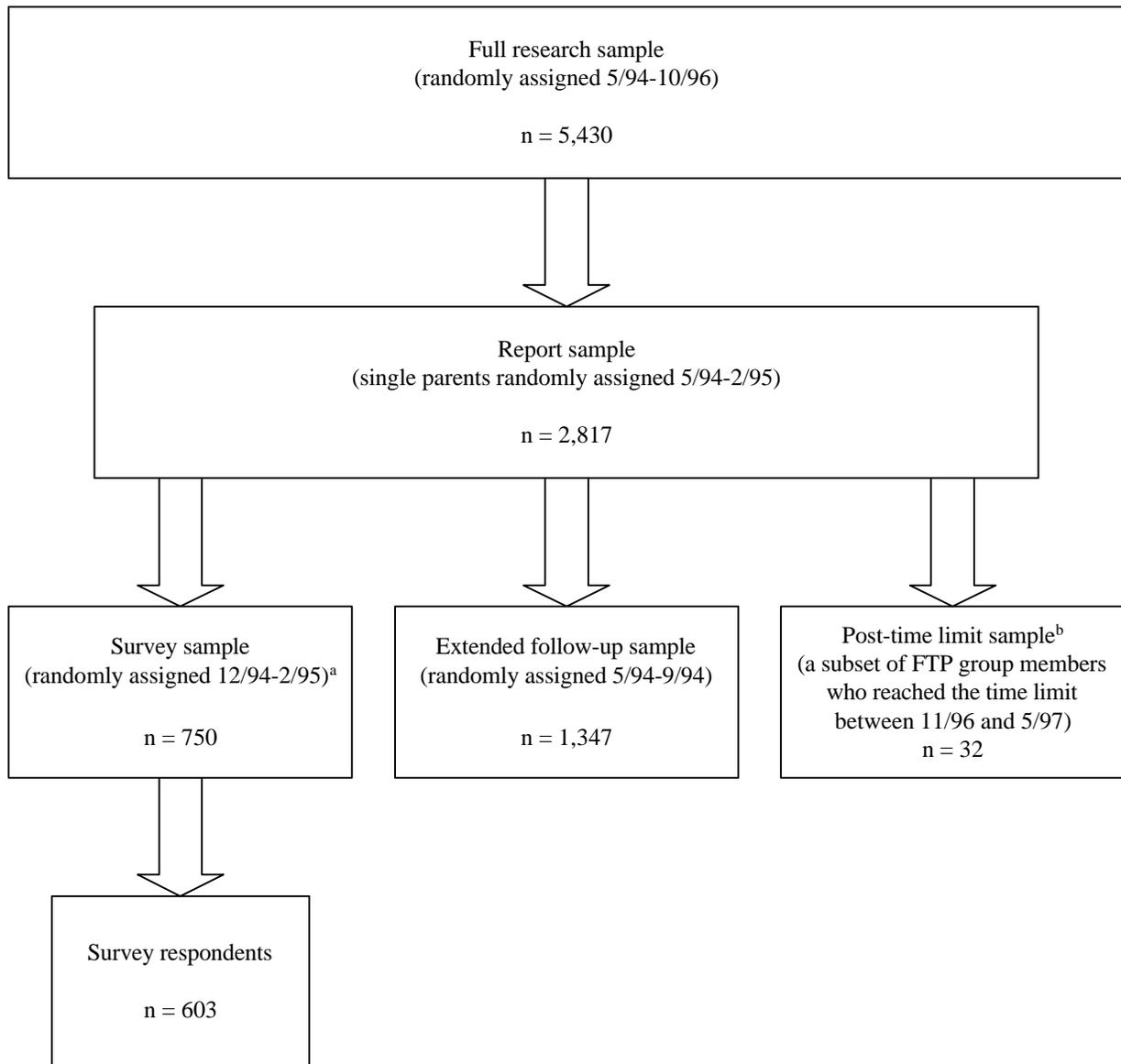


Figure 1.4
Florida's Family Transition Program
Samples and Subsamples Used in This Report



NOTES: ^aThe survey sample is a randomly selected subset of 80 percent of all single-parent cases randomly assigned from 12/94 to 2/95.

^bTwo members of the post-time limit sample are not members of the report sample. They entered FTP during a pilot phase that preceded the beginning of random assignment.

before anyone had actually reached the end of the limit; nevertheless, they heard a different message and received a much richer set of services and supports than did members of the AFDC group.

2. The survey sample. As shown in Figure 1.4, the two-year survey was administered to a subset of the report sample: individuals randomly assigned from December 1994 to February 1995. A total of 750 people — about 80 percent of the single-parent cases randomly assigned during this period — were randomly selected for the survey sample and, as noted earlier, interviews were completed with 603 of them.³⁵ Because individuals were interviewed about two years after their random assignment date, the survey data cover approximately the same period as the administrative records (illustrated in Figure 1.3).

As noted above, data were collected from program casefiles and the state's computerized welfare information system for a small subset of 70 survey sample members.

3. The extended follow-up sample. In addition to analyzing data for the full report sample, Chapter 6 also examines results for an early subset: the 1,347 single-parent cases randomly assigned from May to September 1994. These individuals, known collectively as the *extended follow-up sample*, are important because there are 10 quarters (30 months) of post-random assignment earnings data and 11 quarters (33 months) of post-random assignment AFDC/TANF and Food Stamp data available for each person in this sample — long enough to track some members of the FTP group beyond the program's 24-month time limit. (As discussed in Chapter 4, only a small fraction of FTP group members actually reached the time limit within 33 months after random assignment.)

4. Post-time limit sample. As noted earlier, the analysis in Chapter 5 focuses on a small group of 32 FTP group members who reached the end of the time limit (or left welfare just before reaching the limit) between November 1996 and May 1997. As discussed in Appendix C, MDRC attempted to conduct interviews with everyone who reached the time limit during this period, but was not able to do so. Nearly all of the people in the post-time limit sample are members of the report sample.³⁶

5. Subgroups of the report sample. Chapter 6 examines whether FTP's impacts differ for specific subgroups within the report sample. Often, overall results mask the fact that a program works differently for different types of people.

Two particular subgroup distinctions are especially important. The first is defined by the *age of the recipient's youngest child*. This distinction is important both because the age of a single parent's child can dramatically affect her employment behavior and because the differences between FTP and traditional AFDC are particularly pronounced for parents with children under age three. In the AFDC group, these parents are typically exempt from employment and training participation mandates, while in the FTP group they are not. Moreover, FTP has much more

³⁵Interviews were conducted with 299 members of the FTP group and 304 members of the AFDC group. The completion rates were 79.3 percent for the FTP group and 81.5 percent for the AFDC group.

³⁶Two members of the post-time limit sample entered FTP during a brief pilot that preceded the beginning of random assignment.

generous funding for child care than does the traditional program, a distinction that is likely to be particularly important for parents with young children.

The second key subgroup distinction is based on the *characteristics that determine the length of an individual's time limit*. As noted earlier, most FTP participants are limited to 24 months of cash assistance receipt in any 60-month period. However, certain long-term recipients and individuals with limited work histories — accounting for just over 40 percent of those in the report sample — are allowed 36 months of receipt in a 72-month period.

Because a recipient's time limit is determined on the basis of her characteristics at the point of random assignment (which are described on the Background Information Form), it is possible to predict which time limit would have been assigned to each AFDC group member had she been subject to FTP. This makes it possible to compare outcomes for FTP group members with a specific time limit and similar AFDC group members. Like the age-of-youngest-child subgroup discussed above, the time-limit distinction captures both an important demographic difference (people with a 24-month time limit generally face fewer barriers to employment) and a key difference in the program "treatment."

C. Report Contents

As discussed earlier, this report focuses on the same three topics that were covered in the second FTP report: implementation, impacts, and the FTP time limit. However, this report goes beyond the prior document in each area by bringing to bear new data sources and examining data for a longer follow-up period. Specifically:

- **Implementation.** Previous FTP reports described the program's implementation through mid-1996, relying mainly on field research and staff surveys. This report extends the story through mid-1997, and adds data from the two-year client survey, which provides information from the perspective of FTP and AFDC group members.
- **Impacts.** The second report used administrative records to examine FTP's impacts over a period of 15 to 18 months. This report extends the follow-up period to as much as 33 months. In addition, data from the survey are used to examine outcomes, such as job characteristics and quality-of-life measures, that cannot be addressed via administrative records.
- **Time limit.** The earlier report examined the process that occurs as people approach FTP's time limit; it was completed only a few months after the first person had reached the limit. This report includes data for a longer follow-up period, as well as the first information about what happens to people after they reach the time limit; these data are drawn from the post-time limit survey.

The report is organized as follows: Chapter 2 provides background information on Escambia County, the FTP population, and the staffing and organizational structure of FTP and traditional AFDC.

Chapters 3 and 4 examine particular aspects of FTP's implementation. Chapter 3 uses survey data to reexamine the key differences in the services and message between FTP and traditional AFDC. Chapter 4 explains how many people are reaching FTP's time limit, examines their characteristics, and describes the multi-step process that occurs as people approach and then reach the time limit.

Chapter 5 briefly discusses early findings from the post-time limit study, and Chapter 6 uses both survey and administrative records data to examine FTP's impacts on employment, earnings, welfare receipt, family income, and other outcomes.

Chapter 2

Background on Escambia County and the Family Transition Program

This chapter provides background and context for the later discussion. The first section briefly describes Escambia County and the FTP target population. The second section describes the staffing and organizational structure of FTP and traditional AFDC and the services provided in each program. The third section gives a brief overview of FTP's implementation, describing how the program has changed over time, and discussing how these changes affect the interpretation of the evaluation results.

Most of the information in the first two sections of this chapter was covered in more detail in MDRC's 1997 report on FTP.

I. An Introduction to Escambia County and the FTP Target Population

Escambia County is located in the "panhandle" region in northwestern Florida, along the Alabama border. As Table 2.1 shows, Escambia is a mid-sized county by Florida standards. It has a relatively large nonwhite population, a fairly low median household income, and a poverty rate that exceeds the state and national averages. Nearly one-fourth of the county's population lives within the borders of the largest city, Pensacola.³⁷

In general, the breakdown of employment by sector is similar in Escambia County and the State of Florida. The key difference is that a much larger fraction of the Escambia County work force is employed by the government; there is a large U.S. Navy facility in the county. There is also a large tourism industry, which generates many seasonal jobs.

Escambia County's unemployment rate has been below the state and national averages throughout the period of FTP's implementation. In addition, it is important to note that Florida's statewide AFDC/TANF caseload decreased by 37 percent between January 1994 (just before FTP began operating) and May 1997. Although most states' caseloads have declined during this period, Florida has experienced a more rapid decline than most of the other large states.³⁸

A. The FTP Target Population

As discussed in Chapter 1, two brief forms, the Background Information Form (BIF), and the Private Opinion Survey (POS), were completed for each member of the research sample just before he or she was randomly assigned to the FTP group or the AFDC group.³⁹ This section describes some of the data collected from those forms.

³⁷Pensacola's population is about 60,000, but the population of the metropolitan area (which is only partly in Escambia County) is about 378,000.

³⁸U.S. Department of Health and Human Services, 1997.

³⁹As discussed in Chapter 1, the FTP research sample does not represent the entire Escambia County AFDC/TANF caseload. Certain categories of individuals who were exempt from FTP were screened out and did not go through the random assignment process.

Table 2.1
Florida's Family Transition Program
Selected Demographic and Economic Characteristics:
Escambia County, State of Florida, and United States

Characteristic	Escambia County	State of Florida	United States
Total population (1995)	273,804	14,165,570	262,755,270
Rank among Florida's 67 counties	15	N/A	N/A
Nonwhite population (1990) (%)	23.4	16.9	19.7
Rural population (1990) (%)	14.1	15.2	24.8
Median household income (1989) (\$)	25,158	27,483	30,056
Poverty rate (1989) (%)	17.0	12.7	13.1
Nonfarm employment by industry (1990) (%)			
Manufacturing	7.3	8.0	17.4
Trade	22.1	24.2	17.9
Services	27.2	30.9	25.5
Government	26.6	14.4	16.7
Construction	6	6.6	4.7
Finance, insurance, real estate	5.6	9.3	6.1
Other	5.2	6.6	82.6
Unemployment rate (%)			
June 1994	5.2	7.1	6.2
June 1995	4.6	5.9	5.8
June 1996	4.3	5.4	5.5
June 1997	4.7	5.2	5.2

SOURCES: All total population data, all nonwhite population data, all median household income data, and all poverty rate data are from the U.S. Census, published in Hall and Gaquin, *1997 County and City Extra*, 1997; U.S. Bureau of the Census, 1996 (all rural population data); *Florida County Comparisons*, Florida Department of Commerce, 1993 (county rank, data on Escambia's and Florida's employment by industry); and Bureau of Labor Statistics, U.S. Department of Labor, 1997 (all unemployment rate data and U.S. employment by industry data).

NOTE: N/A indicates that the data are not applicable.

1. Demographic characteristics of the report sample. Table 2.2 shows information collected from the Background Information Form for the report sample, which consists of single-parent cases who went through the random assignment process between May 1994 and February 1995 (including both FTP and AFDC group members). BIF data are available for approximately 97 percent of the people in the report sample. Appendix Table A.1 provides information on how the report sample compares with people randomly assigned after February 1995. In general, the members of the report sample are somewhat more disadvantaged than the later assignees: Report sample members have less work experience, on average, and longer histories of welfare receipt.⁴⁰

As expected, the vast majority of report sample members are women. Their average age at the point of random assignment was about 29, but nearly one-third of the sample members were under 25 years old when randomly assigned. Roughly equal proportions of the sample are black and white; there are few Hispanics.⁴¹

These data provide some indication of the magnitude of the task facing FTP in helping these individuals move to self-sufficiency. It is encouraging that the vast majority of sample members had at least some work experience prior to random assignment. At the same time, most had little *recent* work experience (less than 12 percent had earned \$5,000 or more in the previous year), and 40 percent had *never* worked full-time for six months or more for one employer. More than half of the sample members had received welfare on their own or their spouse's case for a total of two years or more prior to random assignment.

There is also evidence that many sample members have limited earnings capacity. Nearly 40 percent did not have a high school diploma or equivalent at the point of random assignment, and only 6 percent had a post-secondary degree. Among those who were employed at the point of random assignment, the average hourly wage was less than \$5.00 (the minimum wage was \$4.25 per hour when these data were collected).⁴²

Finally, more than two-thirds of the sample members had at least one preschool child at the point of random assignment, and more than 40 percent had at least one child under age three. This suggests that there may be a heavy demand for subsidized child care.

⁴⁰This may be because the early sample had a preponderance of “on-board” recipients (people who were already receiving AFDC when FTP began) who were being phased into FTP. Over time, the pool of people going through random assignment included a greater proportion of welfare applicants, who are likely to be less disadvantaged.

⁴¹Nationally, the AFDC caseload is about 37 percent non-Hispanic white, 36 percent non-Hispanic black, and 20 percent Hispanic.

⁴²As expected, relatively few sample members – about 17 percent – were employed at the point of random assignment.

Table 2.2
Florida's Family Transition Program
Selected Characteristics of the Report Sample
at the Time of Random Assignment

Characteristic	Report Sample
<u>Demographic characteristic</u>	
Gender (%)	
Female	97.2
Male	2.9
Age (%)	
Under 20	7.2
20-24	25.2
25-34	44.7
35-44	19.7
45 and over	3.3
Average age (years)	29.1
Ethnicity (%)	
White, non-Hispanic	45.4
Black, non-Hispanic	51.8
Hispanic	1.1
Other	1.7
<u>Family status</u>	
Marital status (%)	
Never married	49.4
Married, not living with spouse	24.4
Separated	4.8
Divorced	19.8
Other	1.7
Average number of children	2.0
Age of youngest child (%)	
2 years and under ^a	42.4
3-5 years	26.3
6 years and over	31.3
<u>Work history</u>	
Ever worked (%)	90.7
Ever worked full time for 6 months or more for one employer (%)	60.1
Approximate earnings in past 12 months (%)	
\$0	53.8
\$1-\$999	19.1
\$1,000-\$4,999	15.5
\$5,000-\$9,999	7.6
\$10,000 or more	3.9
Among those currently employed, average hourly wage (\$)	4.93

(continued)

Table 2.2 (continued)

Characteristic	Report Sample
<u>Educational status</u>	
Highest grade completed in school (average)	11.1
Highest degree/diploma earned (%)	
GED ^b	10.1
High school diploma	44.2
Technical/2-year college degree	5.5
4-year (or more) college degree	0.9
None of the above	39.4
Enrolled in education or training during the past 12 months (%)	23.4
<u>Public assistance status</u>	
Aid status (%)	
Applicant	51.7
Recipient	48.3
Total prior AFDC receipt ^c (%)	
None	12.2
Less than 4 months	5.4
4 months or more but less than 1 year	15.1
1 year or more but less than 2 years	14.5
2 years or more but less than 5 years	25.3
5 years or more but less than 10 years	17.5
10 years or more	10.1
Resided as a child in a household receiving AFDC (%)	19.1
<u>Imputed time limit (%)^d</u>	
24 months	58.0
36 months	42.0
<u>Current housing status (%)</u>	
Public housing	7.1
Subsidized housing	16.2
Emergency or temporary housing	4.8
None of the above	71.9
Sample size	2,738

(continued)

Table 2.2 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: A total of 79 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dSample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

2. Attitudes and opinions of report sample members. Table 2.3 displays information from the Private Opinion Survey; about 92 percent of report sample members completed the POS, which was optional.

These data show that about 72 percent of the sample members who were not employed at the point of random assignment reported that they were facing at least one of five specific barriers to employment. By the far the most commonly cited barriers related to child care and transportation, issues with which FTP offers assistance. Nearly one-fourth of the respondents said they could not work because they or a family member had a health or emotional problem, and a similar proportion said they were experiencing too many family problems. (There is some overlap between these two groups: About 34 percent said they had *either* a health or emotional problem *or* too many family problems; this is not shown in the table.) FTP offers counseling and health services that might address some of these issues.

A series of questions asked respondents to express their preferences among five activities: part-time work, full-time work, basic education, job training, and staying home to care for one's family. The largest share of respondents — just over 40 percent — said they would prefer full-time work. Another 36 percent preferred job training. Only about 5 percent said they preferred to go to school to study basic reading and math, and a similar proportion said they preferred to stay home to take care of their families.⁴³

In terms of their job preferences, the vast majority of respondents said they would take a job that supported their families a little better than welfare, even if they did not like the work (71 percent) or if they had to work at night occasionally (77 percent). However, fewer than half said they would take the job if it was at a fast food restaurant or if it took them more than one hour to get there. Less than 40 percent of respondents said they would take a full-time job that paid less than welfare. (Such jobs are likely to be rare; even a minimum-wage, full-time job would pay more than the combined total of AFDC/TANF and Food Stamps for most FTP families.)

Several of the responses indicate that respondents place a high value on health insurance coverage. When asked about their minimum acceptable hourly wage, the average response was \$6.69 an hour if the job provided health insurance and \$7.93 an hour if it did not. In other words, respondents value health insurance at about \$1.24 per hour.

Although respondents probably knew little about FTP's time limit at the point the POS was administered, very few of them expected to reach the "cliff." Only 16 percent said they expected to be receiving welfare in one year; 89 percent said they expected to be working at that point.

⁴³On another question (not shown in the table), 21.3 percent said that they "prefer not to work so they can take care of their families full-time." The question shown in the table asked respondents to express their preferences among the five activities. Apparently, some people would prefer training or some other activity — but not full-time work — to staying home full-time.

Florida's Family Transition Program
Attitudes and Opinions of the Report Sample
at the Time of Random Assignment

<u>Attitude or Opinion</u>	<u>Report Sample</u>
<u>Client-reported barriers to employment</u>	
Among those not currently employed, percent who agreed or agreed a lot that they could not work part time right now for the following reasons: ^a	
No way to get there every day	42.8
Cannot arrange for child care	48.9
A health or emotional problem, or a family member with a health or emotional problem	23.1
Too many family problems	23.6
Already have too much to do during the day	16.2
Any of the above five reasons	72.1
<u>Client-reported preferred activities</u>	
Given the following choices, percent who would prefer to: ^b	
Stay home to take care of their families	6.2
Go to school to learn a job skill	36.0
Go to school to study basic reading and math	5.2
Get a part-time job	6.0
Get a full-time job ^c	40.3
<u>Client-reported expectations regarding employment</u>	
Percent of clients who would likely or very likely take a job that could support their family a little better than welfare if:	
Client didn't like the work	70.8
Client had to work at night once in a while	76.9
The job was in a fast food restaurant like McDonald's	49.4
It took more than an hour to get there	40.6
Minimum amount per hour at which client would take a full-time job	
with no medical benefits:	
Median (\$)	6.00
Mode (\$)	5.00
Mean (\$)	7.93
with full medical benefits:	
Median (\$)	6.00
Mode (\$)	5.00
Mean (\$)	6.69
Clients' estimation of average value of employer-provided medical benefits per hour (\$)	1.24

(continued)

Table 2.3 (continued)

Attitude or Opinion	Report Sample
Percent who agree or agreed a lot that:	
It will probably take them more than a year to get a full-time job and get off welfare	46.9
They would take a full-time job today, even if the job paid less than welfare	38.1
If they got a job, they could find someone they trusted to take care of their children	77.9
A year from now they expect to be working	89.3
A year from now they expect to be receiving welfare	15.7
<u>Client-reported employment-related activities</u>	
Percent who reported that they had been able to look for a job during the past three months to the following extent:	
Not at all	32.0
Some/a little	31.5
A moderate amount	20.3
A great deal	16.2
Percent who reported that they planned to be in school or a training program in the next few months	57.5
<u>Client-reported attitudes toward welfare</u>	
Percent who agreed or agreed a lot with the following statements:	
I feel that people look down on me for being on welfare	45.1
I am ashamed to admit to people that I am on welfare	39.7
Right now, being on welfare provides for my family better than I could by working	40.2
I think it is better for my family that I stay on welfare than work at a job	10.2
<u>Client-reported social support network</u>	
Percent who agreed or agreed a lot with the following statements:	
Among my family, friends, and neighbors, I am one of the few people on welfare	32.4
When I have trouble or need help, I have someone to talk to	77.4
<u>Client-reported sense of efficacy</u>	
Percent who agreed or agreed a lot with the following statements:	
I have little control over the things that happen to me	23.7
I often feel angry that people like me never have a chance to succeed	39.0
Sometimes I feel that I'm being pushed around in life	44.5
There is little I can do to change many of the important things in my life	28.2
All of the above	6.1
None of the above	32.7
Sample size	2,583

Table 2.3 (continued)

SOURCE: MDRC calculations from Private Opinion Survey (POS) data for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: A total of 234 sample members who chose not to fill out a POS are not included in the table.

In most item groupings, individuals could agree or agree a lot with more than one statement in the grouping. Therefore, percents may add up to more than 100.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

^aPart time is defined as a minimum of 10 hours per week.

^bDistributions do not add up to 100 percent because some individuals did not indicate a consistent preference. Multiple responses were not possible for this item.

^cFull time is defined as 40 hours or more per week.

II. Organizational Structure, Staffing, Program Flow, and Services of FTP and Traditional AFDC

This section briefly describes the structure and staffing of both the Family Transition Program and the traditional AFDC program in Escambia County.

A. Organizational Structure

Both FTP and traditional AFDC are administered by the Florida Department of Children and Families (DCF), the state's welfare agency. Florida's welfare system is state-administered, which means that the local staff who administer DCF programs are state employees. The state's Department of Labor and Employment Security (DLES), through its Division of Jobs and Benefits, provides or coordinates employment-related services for welfare recipients statewide, and plays this role for both FTP and AFDC group members in Escambia County. Some of the employment services are provided by DLES staff directly, while others are administered by community colleges, school districts, and other agencies under contracts or other arrangements. As discussed below, DLES operates a special set of employment-related services for FTP participants;⁴⁴ members of the AFDC group are served in DLES's traditional Project Independence program, which has existed since 1987.⁴⁵

In addition to DLES, several other agencies provide services to FTP participants under contracts or arrangements with DCF or DLES; many of these services are available in the two FTP service centers to make them more accessible to participants. For example, the Escambia County Public Health Department has outstationed a nurse in each service center to provide childhood immunizations and other health services for FTP participants and their children. Similarly, a local mental health facility has outstationed a counselor in the FTP office, and the child care resource and referral agency has stationed child care counselors there.

B. Staffing

Each recipient in the traditional AFDC program is assigned to a public assistance specialist (PAS), who is responsible for determining the individual's eligibility for public assistance and calculating benefits. Recipients who are required to participate in employment and training activities are also assigned to a Project Independence career advisor employed by DLES, who assigns them to employment-related activities and monitors their progress. These two workers do not share caseloads; in other words, the recipients assigned to a particular PAS may be assigned to many different career advisors, and vice versa. There is typically limited interaction between these two types of workers.

FTP participants are also assigned to two workers. The first, the FTP case manager, is responsible for determining eligibility, but also plays a broader role in helping participants plan and implement a route to self-sufficiency. Case managers' caseloads are much smaller than those of traditional public assistance specialists —

⁴⁴During the early operational period, there was a local contract between FTP and DLES to fund employment-related services for FTP participants in Escambia County. Eventually, these funds were folded into a statewide contract between DCF and DLES that covered several FTP pilots. When WAGES was implemented, the other FTP pilots were discontinued. Now, funding for FTP's employment component is included in a larger pot of money provided to the local DLES office for WAGES (although DLES staff report that specific funds are identified for FTP and these expenditures are tracked separately).

⁴⁵Prior to the implementation of WAGES, DLES was contracted by the Department of Children and Families to operate Project Independence, Florida's statewide Job Opportunities and Basic Skills (JOBS) welfare-to-work program. The name "Project Independence" is no longer used to describe DLES's welfare-to-work component under WAGES. However, the name is used in this report because members of the AFDC group participate in a program that looks similar to the traditional Project Independence program that operated statewide until October 1996.

each case manager has typically been responsible for 30 to 40 active cases at any point.⁴⁶ Nearly all FTP participants are also assigned to work with one of a group of DLES career advisors who are designated to work only with FTP participants. Normally, each of these FTP career advisors handles the cases assigned to two specific case managers; these staff members sit in close proximity to one another to facilitate regular communication. Like the case managers, FTP career advisors have much smaller caseloads than the career advisors who work with members of the AFDC group.

In addition to their case manager and their career advisor, FTP participants may also interact regularly with the staff from the other partner agencies who play a role in FTP.

The gender and ethnic composition of FTP's case management staff is generally similar to that of the program's participants. About 80 percent of the case managers on-board in mid-1996 were women, and nearly half were black (38 percent were white, and 17 percent were Hispanic or Asian).⁴⁷ Their average age was 39. However, the staff do not resemble the participants in other respects: Less than one-fifth of the case managers reported that they had ever received welfare benefits, and about three-fourths had at least a bachelor's degree. The FTP career advisors' characteristics are similar to those of the case managers: Of those on-board in mid-1996, two-thirds were women, just over 40 percent were black, and 70 percent had at least a bachelor's degree.

C. Program Flow in FTP and Traditional AFDC

As described in Chapter 1, individuals went through the random assignment process when they were applying for welfare or having their benefits recertified. Those who were assigned to the FTP group were automatically enrolled in FTP, while those assigned to the AFDC group entered or remained in the traditional AFDC program. This section outlines the basic steps followed by members of the two groups after random assignment.

1. FTP program flow. In general, individuals assigned to the FTP group went through the following steps:

- **Orientation.** Although FTP group members were introduced to the program during their initial application or recertification, the "official" introduction occurred at a group or individual orientation, which usually was scheduled within a week or two after random assignment. Orientations were conducted in different ways at different points in the program's history, but they always included a description of the program's rules, the time limit, and the services available through FTP.
- **Time limit designation.** During the intake process, case managers determined whether each FTP participant would be assigned a 24-month or a 36-month time limit. This determination was based on the individual's welfare history, age, education credentials, and recent work experience.⁴⁸ Staff did not exercise discretion in assigning the time limit; the designation is

⁴⁶In general, FTP case managers are responsible for working with FTP group members who are still receiving cash assistance, who have recently left welfare for work, or who are making use of the Bootstrap program (which provides continued support for education and training programs). FTP group members who are no longer receiving cash assistance but are receiving other benefits such as Food Stamps, or who are exempt from FTP, are transferred to one of several public assistance specialists assigned to FTP.

⁴⁷These data come from the staff survey; they do not include people who chose not to complete the questions on demographic characteristics. Because there has been considerable turnover among case managers and career advisors, the demographic profile of the staff may have been different at different points.

⁴⁸Specifically, participants were assigned a 24-month time limit unless they: (1) had received AFDC for at least 36 of the 60 months prior to enrollment; or (2) were under age 24 and had no high school diploma and little or no recent work history.

based on objective criteria. However, as discussed in the 1997 report, the rules were not always applied correctly during the start-up period.⁴⁹

- **FTP plan.** Participants worked with their career advisor and case manager to develop a plan of activities designed to lead to self-sufficiency. The core of this plan comprised employment and training activities. The Family Transition Act specified a sequence of activities — job search, followed by unpaid work for those who did not find jobs — for FTP participants considered job-ready. However, staff report that the job-readiness criteria used in FTP resulted in most participants' being defined as not-job-ready.⁵⁰ Plans for these participants were developed on a case-by-case basis and, as discussed below, often included education and training activities. Most FTP participants are expected to engage in activities for at least 30 hours per week. During this early period, many participants meet numerous times with program staff to identify and address barriers to employment.
- **Ongoing participation.** Case managers and career advisors monitor FTP group members' participation in their assigned activities. Those who fail to comply with their plan may be sanctioned. Until June 1997, sanctioning involved removing the noncompliant individual (usually the parent) from the grant calculation, thus resulting in a reduced grant amount.⁵¹ In general, career advisors monitor participation in employment-related activities and case managers monitor the parental responsibility mandates (as well as eligibility-related mandates). As discussed further in Chapter 4, participants who are not complying with FTP are also taken before a citizen review panel.
- **Exit.** FTP participants who leave welfare for work may receive continued support for education and training activities through the Bootstrap program. In addition, they are eligible for transitional child care assistance for two years and transitional Medicaid coverage for one year.⁵² The process followed when a recipient reaches FTP's time limit is discussed in detail in Chapter 4.

2. AFDC program flow. AFDC group members who were randomly assigned when applying for welfare and who were subject to employment and training participation mandates were referred to Project Independence staff for an orientation and the development of an employability plan. As in FTP, initial activity assignments in the traditional Project Independence program depended on the participant's job-readiness: those considered job-ready were usually assigned to job search activities initially, while not-job-ready participants were likely to begin with an education or training activity. The job-readiness criteria in the traditional program were more expansive than those used in FTP, and staff report that they resulted in a higher fraction of participants being considered job-ready.⁵³ As discussed in Chapter 3, owing to funding shortages, DLES was unable to enroll new participants into Project Independence during certain periods.

⁴⁹In some cases, people were assigned a 36-month time limit if they were under age 24, had no high school diploma, *or* had no recent work history.

⁵⁰Participants were considered job ready if they: (1) had a high school diploma or equivalent and a literacy level of at least grade 10.9; and (2) had been employed for 12 months or more in the previous 24 months.

⁵¹Beginning in June 1997, FTP adopted the WAGES sanctioning policy: The first sanction involves cancellation of the entire cash grant, the second instance of noncompliance triggers cancellation of both the cash grant and Food Stamps, and the third instance results in cancellation of cash and Food Stamps for at least three months.

⁵²FTP participants can receive transitional child care even if their earnings are not sufficient to cancel their cash grant, if they opt not to receive benefits. Transitional Medicaid coverage is available only to those whose grants are terminated due to earnings.

⁵³Participants were considered job-ready if they had been employed for at least 12 of the previous 24 months *or* if they had a high school diploma or equivalent.

For ongoing recipients who were randomly assigned to the AFDC group at recertification, random assignment did not signal any particular change in their status. These individuals may or may not have been participating in employment-related activities at this point.

D. Services

DLES provides the same general categories of employment and training services to FTP and AFDC group members. However, FTP's relatively generous funding has allowed administrators to develop enhanced services within each category; these special services are open only to FTP participants. The main categories of activities are:

- **Job search.** FTP operates two group job-search workshops (known as Employability Skills Workshops). One is a relatively brief "job-readiness" course for non-job-ready participants; this course does not stress actual job search. The other is designed for job-ready participants and includes a two-week classroom session focusing on job-seeking and job-holding skills and a two-week session in the local Jobs and Benefits office in which staff help participants actually look for jobs.⁵⁴ The traditional Project Independence program operates a single job club. Both programs also use individual job search, in which participants are required to make contact with a specific number of employers each week and report back to their career advisor.
- **Education.** Both FTP and traditional Project Independence assign some participants — typically those who lack a high school diploma or have very low literacy levels — to institutions in the community that provide remedial math and reading instruction and/or preparation for the General Educational Development (GED) certificate. In addition, DLES has contracted with a local junior college to develop and staff computerized learning labs in the FTP service centers. The labs, called Career Transition Centers (CTCs), allow students to work at their own pace; their proximity makes it easier for staff to monitor participants' activities. The CTCs have generally been available only to FTP participants. Although postsecondary education is not heavily stressed for members of either research group, some individuals who enroll in college on their own may have this activity approved by DLES.
- **Training.** Both programs refer participants to occupational training programs operated by junior colleges and other institutions. These programs provide classroom training in a particular occupational area. In addition, FTP has worked with local employers and training providers to establish special short-term training programs for FTP participants facing time limits. These programs are closely linked to particular industries or employers to ensure that the training is relevant and likely to lead to employment. In some cases, graduates of training programs move directly into on-the-job training (OJT) positions with the employers who helped design the training programs.⁵⁵ Training courses include machining, office supervision, and Certified Nurse Assistant courses.
- **Unpaid work experience.** Both FTP and traditional Project Independence place some participants in unpaid positions, usually with public or nonprofit agencies. However, the rules governing this activity differ. In the traditional program, a participant's required work hours are usually determined by dividing the amount of her grant by the hourly minimum wage. In FTP (where the activity is called Workfare), work hours are based on a

⁵⁴Jobs and Benefits maintains a computerized listing of job openings in the community.

⁵⁵OJT programs provide private employers with a subsidy in return for hiring and training welfare recipients or members of other disadvantaged groups. Typically, the subsidy covers about one-half of the participant's wages for the first two to six months. After that, it is expected that the participant will move onto the employer's regular payroll.

determination of the participant's training needs. In addition, FTP has contracted with Escambia County to place a workfare coordinator on-site in each FTP office.

In addition to these core employment services, FTP has developed enhanced assessment capabilities. Both FTP and traditional Project Independence refer some participants for vocational assessments to identify their aptitudes and interests; these data help in designing the employability plan. But FTP has used program funds to ensure that a broader range of assessment options are available, particularly for participants facing serious barriers to employment. These include psychosocial assessments provided by a local mental health facility. FTP's funding ensures that assessment slots are available without prolonged waiting periods.

Finally, FTP participants have access to special workshops and a variety of social and health services. The workshops include a two-week course called Survival Skills for Women, stressing life skills, self-esteem, and other issues, and a separate course in parenting skills. Other services include subsidized child care (child care is available to both groups, but an on-site staff person assists FTP participants in locating care; in addition, FTP has more funding available), payments for transportation and other work-related expenses, mental health counseling, and health services provided by the on-site nurse. And, of course, FTP participants receive advice, support, and assistance from case managers with unusually low caseloads.

Many of the services available to FTP participants are theoretically available to the AFDC group as well. However, because FTP has a relatively generous dedicated funding stream, the program has been able to purchase program slots or staff positions in other agencies to ensure that its participants have ready access to services without having to wait.

III. An Overview of FTP's Implementation

Like many pilot projects, FTP has changed considerably during its operational life. Although the program's rules have remained largely constant, its services and message have not. Because many of the key changes have occurred gradually over time, it is impossible to attach a specific date to each important development or stage in the program's evolution. Nonetheless, this section gives a general picture of how and when the program has changed, and discusses how this affects the interpretation of evaluation results.

A. The Flow of Participants into FTP

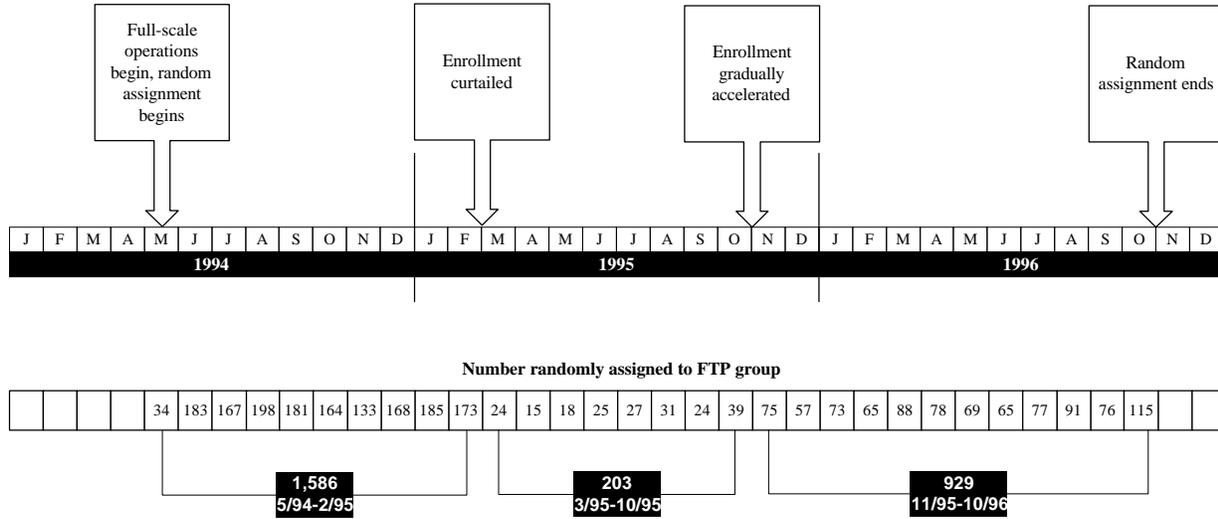
Figure 2.1 illustrates the flow of participants into FTP. As the figure shows, it is convenient to consider three cohorts of FTP group members. The first includes the nearly 1,600 people (150–200 per month) who were randomly assigned to the FTP group through February 1995.⁵⁶ This group, along with their counterparts who were assigned to the AFDC group, comprises the primary sample for this report.⁵⁷

Beginning in March 1995, enrollment into the program was severely curtailed in order to allow staff to resolve some lingering start-up issues and catch up on record-keeping. For the next several months, only welfare applicants with no recent welfare history went through the random assignment process; all other applicants, as well as recipients who showed up for recertification, entered (or remained) in the traditional AFDC program. Thus, only about 200 people were randomly assigned to the FTP group between March and October 1995.

⁵⁶Not everyone randomly assigned to the FTP group actually enrolled in the program. As discussed in Chapter 1, some of these people were welfare applicants who withdrew their applications or were found to be ineligible for assistance.

⁵⁷The report sample includes only single-parent cases, so it is somewhat smaller than the number shown in Figure 2.1.

Figure 2.1
Florida's Family Transition Program
The Flow of Participants into FTP



The third group of enrollees includes the 929 people who were assigned between October 1995, when the pace of enrollment began to accelerate, and October 1996, when random assignment ended.

In assessing the results of a rapidly changing initiative such as FTP, it is useful to know whether a particular cohort of enrollees experienced the most “normal” version of the program. In making this judgment, it is important to note that, on average, most participants have their most intensive contact with the program in the months immediately following enrollment/random assignment.

In this case, it is impossible to pinpoint one group who experienced the “real” FTP. Nevertheless, there are two groups of enrollees who seem particularly important.

As discussed below, it seems clear that most of the people who entered FTP before March 1995 did not experience a fully implemented version of the program (although, within this group, those who entered later had access to a greater range of FTP’s enhanced features). Moreover, most of these early participants were not fully exposed to some important changes in FTP’s message: Staff report that the program eventually became more employment-focused and “tougher” in responding to noncompliance. Finally, they entered the program before anyone had reached the end of the time limit, and could not have known for sure whether people’s grants would actually be canceled when they reached the limit.

Nevertheless, the early enrollees are quite important for at least two reasons. First, they are the first welfare recipients in the United States to reach the end of a time limit. Thus, their experiences provide the earliest information about what may transpire throughout Florida and the United States in the future. Second, while the early enrollees may not have experienced FTP as it was intended to operate, they probably experienced a program that is more policy-relevant than the later version given the direction of state and federal welfare policy in the years since FTP was designed.

People who enrolled during the first half of 1996 are another important group. They entered the program when it was fully implemented, and experienced it for several months before the program stopped enrolling new participants. Moreover, many of them heard about the time limit after people began to reach it. Later reports in the study will examine at least the early results for this group.

The rest of this section includes a more detailed discussion of how FTP has changed over time, focusing first on its services and staffing, and then on its message.

B. How FTP’s Services and Staffing Have Changed over Time

This section discusses two key stages in FTP’s operations, the start-up period and the post-random assignment period, and discusses how the program’s staff and services have been affected in each period.

1. The start-up period. As discussed in Chapter 1 and in the previous MDRC reports, FTP was not fully implemented in May 1994, when the program started to enroll substantial numbers of participants.⁵⁸

The start-up delays affected the program in several ways. First, the employment component was not fully developed or staffed when participants began to enroll in FTP. There was no contract with the local DLES office until July 1994, and there was not a full, permanent contingent of FTP career advisors in place until January 1995. Thus, while early FTP enrollees received employment services, there were sometimes delays in moving into these activities. In addition, many of the enhanced employment-related services that were eventually developed for FTP (described earlier in this chapter) were not fully operational during the early period. For example, the employability skills workshops began in 1995.

Second, FTP’s “one-stop shopping” service delivery model was not fully implemented initially. It took time to bring all of the partner agencies under one roof in the FTP service centers. Thus, for example, mental health counselors were outstationed in the service centers in early 1996.

⁵⁸FTP technically began with a small pilot phase that lasted from February to late May 1994. Full-scale operations and the random assignment process began in late May.

Third, FTP did not have a reliable automated management information system (MIS) in place when it began operating. Florida's statewide welfare computer system, FLORIDA (Florida On-Line Recipient Integrated Data Access System), was not adapted to reflect FTP's rules or its unique information needs (such as tracking recipients' time limit clocks).⁵⁹ Nonetheless, the system continued to be used to issue welfare checks to FTP participants. Thus, staff needed to conduct special "workarounds" to ensure that FLORIDA processed benefits correctly. In addition, staff needed to develop manual systems to monitor the time limit and track their participants. Although a local personal computer-based system was eventually developed to manage some FTP tracking functions, it was not in place until well into 1995, and has never been fully integrated with FLORIDA or the statewide system used to track participation in employment activities. Staff report that record-keeping and reporting have consistently consumed large amounts of their time.

Although some of FTP's special features were not fully implemented initially, it is important to note that the program has nonetheless delivered enhanced services from its inception. For example, case management staff have been in place since the beginning, and have had small caseloads throughout. Although many of the case managers (mostly former public assistance specialists) were "green" in the early months — and were hampered by the absence of an efficient MIS — the staff have always provided intensive support to participants. Adequate funding for child care, transportation, and other support services has also been in place since the beginning, and some of the on-site services were available as well.

The pieces of FTP gradually fell into place during late 1994 and early 1995. It is impossible to pinpoint an exact date when FTP was "fully implemented," but it was probably some time in mid-1995. Although staff continued to improve the program and add new features after that point, the basic components were in place.

2. The post-random assignment period. FTP's services and staffing began to change again after October 1996, when random assignment ended. No new participants have entered FTP since that date. Thus, as participants have exited the program — either because they have reached the time limit or because they have left welfare or moved out of the county before reaching the limit — the program's active caseload has steadily declined. According to program records, the total active caseload decreased by 32 percent — from 1,022 to 695 — between October 1996 and July 1997.⁶⁰

The number of case managers assigned to FTP has also decreased during this period, from 32 to 24, so individual workers' caseload sizes have remained roughly constant (although, as discussed further in Chapter 3, there has been substantial turnover among case managers, so many participants have been assigned to several different case managers during this period). The number of career advisors assigned to FTP has also declined at roughly the same rate.

The fact that FTP's caseload is declining has several implications for the program's operations. First, with no new participants entering the program, and an increasing number of active cases moving toward the time limit, staff are spending their time differently. For example, they no longer need to spend time orienting new participants, and they must increasingly focus on the pre-time limit review process. This process, discussed in detail in Chapter 4, includes hearings by a citizen review panel for participants who are considered to have been noncompliant with FTP. Case managers and career advisors are responsible for working with supervisors and others to determine which cases should be brought to the panel, preparing case summaries for the panel, attending hearings, and following up on review panel recommendations; staff report that these activities are quite time-consuming. Staff activities are also affected because, as the most employable participants leave the program, the active caseload includes a relatively greater proportion of "difficult" cases.

Second, as FTP's active caseload has declined, some of the services and activities that were previously restricted to FTP participants — such as the Career Transition Centers — have been opened to a broader range of

⁵⁹FLORIDA has now been adapted to reflect WAGES rules, which are similar to FTP rules in many respects.

⁶⁰The active caseload includes FTP group members who are receiving cash assistance, as well as those who are receiving Bootstrap services or who have recently left welfare for work.

people, including WAGES participants (but not to AFDC group members). This may change the nature of these services.

Third, staff have reported that the decline in participants has affected morale among case managers — workers may be concerned about how long they will be able to keep their jobs.

C. How FTP's Message Has Changed over Time

Staff who have been with FTP since the outset describe two key shifts in the program's emphasis and message, both of which began to emerge during 1995. First, FTP became more employment-focused, meaning that staff were urged to place a stronger emphasis on job search and job placement activities and less on longer-term skill-building services.

This does not mean that FTP abandoned its emphasis on education and training; the change was more subtle. Staff were encouraged to focus on shorter training programs (indeed, the program developed some of these), to sell the benefits of quick employment, and to make somewhat greater use of job search activities and workfare. In addition, some staff began to encourage participants to leave welfare and try to "save" or "bank" their remaining months, rather than using the time to build their skills. As discussed in the prior report, it is not clear to what extent this change in emphasis has generated concrete changes in participants' activity assignments: Some staff expressed ambivalence about the new emphasis in interviews and on a staff survey conducted in mid-1996. Data on later enrollees' patterns of participation in employment-related activities may be presented in a subsequent report.

The second major change reported by staff is that FTP has become tougher in enforcing its mandates. Although even early enrollees were quite likely to be sanctioned (the prior report noted that nearly one-third of FTP group members were sanctioned within 18 months after random assignment), staff report that they have become tougher over time in responding to noncompliance. This is also probably related to the fact that staff were better equipped to monitor their clients' activities. Moreover, FTP has taken several steps to toughen the sanctioning policy itself. Initially, there were procedural changes designed to hasten the implementation of the sanction after noncompliance was confirmed. Then, in mid-1997, FTP adopted the WAGES sanctioning policy, which involves cancellation of the entire cash grant and Food Stamp allotment in response to repeated noncompliance.

In addition to these specific changes, staff describe a more subtle change in message that has been stimulated by the implementation of WAGES. Prior to October 1996, FTP was considered "tougher" than traditional AFDC. While FTP offered a richer array of services and supports than did the traditional program, it also included greatly expanded requirements and a time limit. Since October 1996, FTP has been seen in contrast to WAGES, which includes most of FTP's tougher features but does not include many of its enhanced services. This may motivate FTP participants to take advantage of what the program has to offer.

Chapter 3

Services and Message in FTP and Traditional AFDC

MDRC's 1997 report examined FTP's implementation in order to assess whether the program's new policies and resources had translated into concrete differences between the day-to-day experiences of FTP and AFDC group members. As discussed in Chapter 1, the report concluded that, despite start-up delays, even early-enrolling FTP participants encountered a welfare system that was quite different from the one AFDC group members encountered.

The earlier report's analysis of FTP's implementation was based primarily on interviews with and surveys of FTP and AFDC workers and data collected from program casefiles. The report noted that these data sources are limited because they do not directly represent the perspectives of FTP and AFDC group members. Thus, the report's conclusions about how FTP changed sample members' experiences were necessarily tentative.

This chapter summarizes some of the earlier results from the staff survey, but mostly focuses on data from the two-year client survey. This survey of 603 FTP and AFDC group members was conducted during early to mid-1997. (Appendix B presents the results of an analysis indicating that survey respondents generally represent the broader report sample.) As discussed in Chapter 1, the survey targeted people who were randomly assigned between December 1994 and February 1995. Thus, the FTP group members who were surveyed entered the program at least six months after full-scale operations commenced. Although many of the program's start-up issues were being addressed by that point, Chapter 2 noted that FTP's message and emphasis began to change in important ways during 1995. It is not clear to what extent survey respondents experienced this shift; that depends in part on how long they remained on welfare and in the program after random assignment.

This chapter focuses mostly on three aspects of FTP that are likely to have an impact on people's behavior — the time limit; the financial work incentives; and the program's services, supports, and mandates — and discusses how these policy changes have affected the experiences of FTP and AFDC group members. The chapter is divided into three sections. The first section discusses the message that survey respondents say they received from welfare staff. The second section describes the specific services respondents reported receiving, including both services received through FTP or Project Independence and services received elsewhere. The third section reports the results of a set of survey questions that asked FTP group members which elements of the program had the greatest influence on their decisions and behavior.

I. The Message: What Sample Members Are Hearing from the Welfare System

In addition to providing specific services to help participants find and hold jobs — and requiring people to participate in these services — FTP seeks to change the message that staff transmit to welfare recipients. Specifically, the program aims to replace the traditional welfare system's focus on income maintenance and eligibility verification with a new focus on employment and self-sufficiency.

Data from the 1996 staff survey, discussed in the 1997 report, indicated that FTP staff believed they were sending a different message than were staff in the traditional AFDC program. For example, FTP case managers were much more likely than traditional public assistance specialists to report that they discussed various issues related to employment and self-sufficiency during intake and recertification interviews, and during other discussions with recipients. FTP staff also reported much more frequent contact with participants.

Although the staff perspective is important, workers can only speculate about what message participants are actually hearing. Data from the two-year client survey can help shed light on this question. This section focuses first on the broad messages that respondents said they had received from the system, and then homes in on two particular aspects of the message, the time limit and the financial work incentives.

A. The General Message

A group of questions on the two-year client survey asked FTP and AFDC group members whether they agreed or disagreed with several specific statements about their experiences with the welfare system during the prior two years. These questions were asked of respondents who said they had received welfare at any point since random assignment. The responses are summarized in Figure 3.1.⁶¹

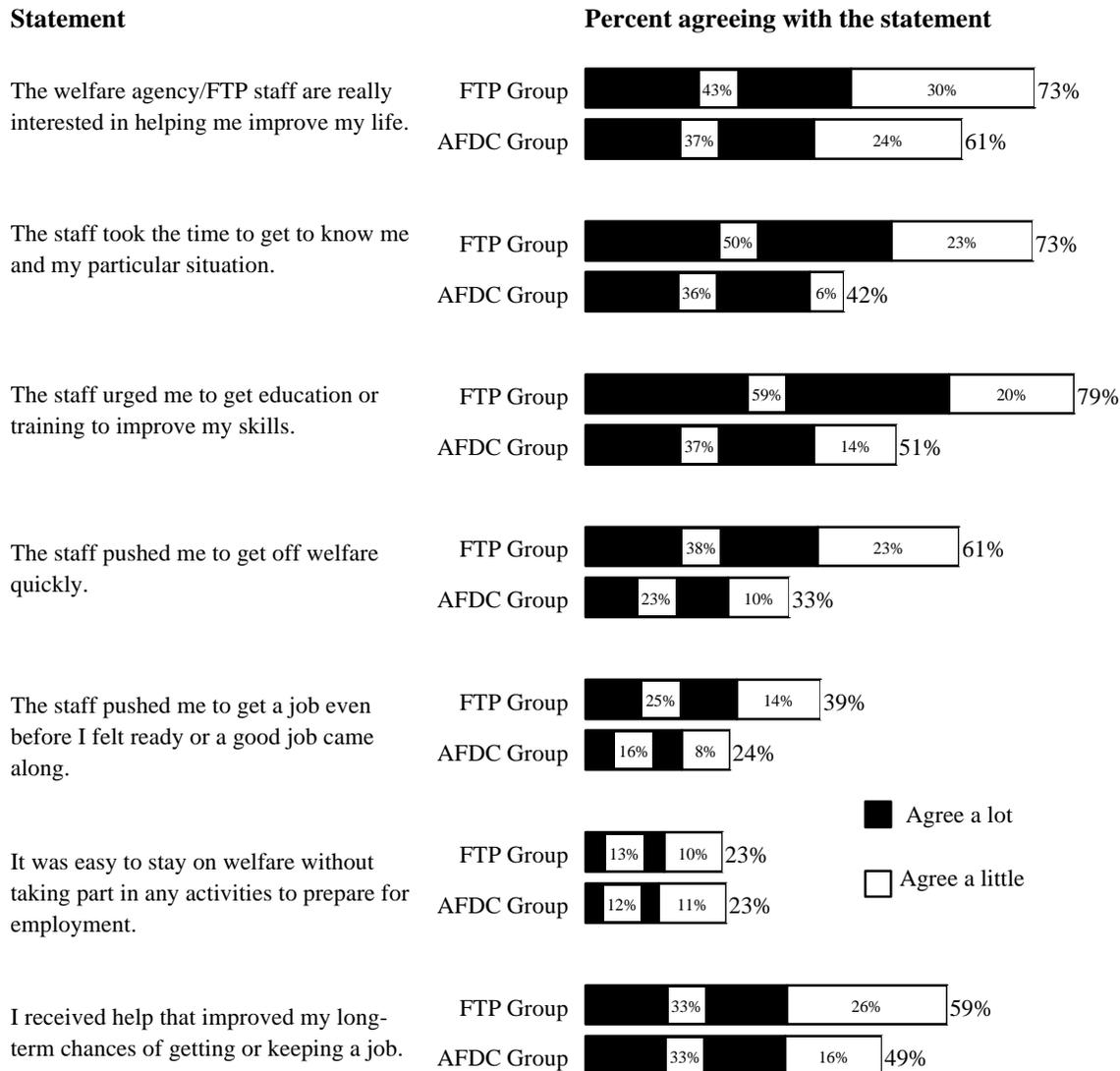
1. Experiences with staff. The responses show that a large majority of FTP group members feel that program staff gave them individual attention and were sincerely interested in helping them. For example, about 73 percent of FTP group respondents agreed a little or agreed a lot with the statements “the FTP staff took the time to get to know me and my particular situation” and “the FTP staff are really interested in helping me improve my life.” Most AFDC group members (61 percent) agreed that staff were interested in helping them, but only 42 percent agreed that staff took the time to get to know them.

These responses are notable because, while FTP staff have had small caseloads since the program began operating, there has been substantial turnover, and a large proportion of participants have been assigned to several different case managers and/or career advisors during their time in the program.⁶² Although staff who were interviewed expressed different views about whether turnover is higher in FTP than in other DCF programs, most workers agreed that FTP is a high-pressure environment, and that staff departures can disrupt the flow of services to a participant — which can be particularly problematic in a time-limited program. In addition, despite their small caseloads, many of the case managers who responded to the 1996 staff survey reported that they did not have time to provide enough assistance to their participants. For example, nearly three-fourths of the case managers who responded to the staff survey strongly agreed

⁶¹As noted in the figure, the responses for AFDC group members are less reliable than those for the FTP group because these questions were not asked of all AFDC group members who should have received them.

⁶²For example, of the 26 case managers listed in the program’s August 1995 monthly report, only 12 were among the 24 case managers on-board in June 1997, less than two years later.

Figure 3.1
Florida's Family Transition Program
Experiences with the Welfare System
Among FTP and AFDC Group Members



SOURCE: MDRC calculations from the FTP two-year client survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

These questions were asked of respondents who reported that they had ever received welfare since random assignment. The sample size for individual questions varies because not all respondents answered all questions.

The figures for the AFDC group are less reliable than those presented for the FTP group; some AFDC group members who should have responded to this question were not asked it.

that “client assistance work is too time-consuming to combine with my financial work.” The two-year client survey responses suggest that, while implementation problems may have hindered FTP’s ability to fully realize its vision of enhanced case management, program staff have nonetheless provided a level of personalized attention to clients that differs substantially from what is provided in the traditional AFDC program.

2. Quick employment versus skill-building. The two-year client survey data also show that members of the FTP group heard a message that focused strongly on education and training: 79 percent of FTP group respondents agreed or agreed a lot that staff urged them to get education or training to improve their skills. Although nearly two-thirds of the FTP group respondents felt that the staff also urged them to move off welfare quickly, this message seems to have been tempered by an emphasis on job quality: Only 39 percent agreed that staff pushed them to work “before I felt ready or a good job came along.” In other words, it appears that most FTP participants heard a message of urgency, but that message did not necessarily translate into a focus on rapid job placement. AFDC group members were less likely to hear strong messages in all of these areas — perhaps because their interactions with welfare staff were less likely to focus on issues related to employment and self-sufficiency.

The responses of FTP group members are quite consistent with data collected through interviews with FTP staff and the staff survey, discussed in the prior report. Interviews with staff indicated that, during the start-up period, FTP’s employment strategy was not clear to many line workers. In the absence of clear guidance, many assumed that the program’s generous funding, its emphasis on “self-sufficiency,”⁶³ and its relatively narrow definition of job-readiness all implied a strong focus on skill-building services.

In mid-1995, FTP managers started to instill a more “employment-oriented” philosophy focusing more on rapid employment; thus, later enrollees may have heard a different message from the one heard by those who were surveyed. Indeed, when asked in the summer of 1996 whether FTP’s main goal is “helping [participants] get jobs as quickly as possible or raising their education and skill levels,” 70 percent of the FTP career advisors who completed the staff survey leaned toward the response “get jobs quickly.” (The other 30 percent said both goals were equal; no respondents leaned toward “raise skill levels.”)⁶⁴ On the other hand, when asked what the program’s main goal had been one year earlier — around the time when two-year client survey respondents entered the program — 65 percent of career advisors leaned toward the response “raise skill levels.”⁶⁵

⁶³The Family Transition Act states that, “The department shall expand project independence [*sic*] . . . with priority placed on assisting participants to achieve self-sufficiency by obtaining employment or higher-paying jobs.”

⁶⁴The questions on the staff surveys were mostly constructed in the form of seven-point scales. Respondents were asked to circle the number that came closest to describing their view. In discussing these results, this chapter generally combines respondents who circled numbers 1, 2, and 3 (they are described as “leaning toward” the low end of the scale) and those who circled 5, 6, or 7 (who are described as “leaning toward” the high end). Those who circled the neutral response, 4, are excluded from these results, except where noted.

⁶⁵When asked about *their own* views, FTP career advisors were evenly divided. In responding to the question “In your opinion, which is best for most welfare recipients who are subject to a time limit: getting jobs as quickly as possible and working their way up from a low-paying job or going to school or training in order to get a better job in the future?” 35 percent of staff leaned toward quick employment, 35 percent leaned toward school or

3. Intensity of mandates. Few respondents in either research group agreed or agreed a lot that it was “easy to stay on welfare without taking part in activities to prepare for employment.”

The lack of a substantial difference across groups is interesting because FTP participants are subject to a much more intensive set of mandates, and are much more likely to be sanctioned. Data collected from program casefiles in 1996 indicated that 31 percent of FTP group members were sanctioned within 18 months after random assignment. The comparable figure for the AFDC group was 7 percent. Data collected in the summer of 1997, covering a slightly longer follow-up period and a somewhat different group of people, showed quite similar sanctioning rates: 34 percent for the FTP group and 11 percent for the AFDC group.⁶⁶ Tight monitoring and enforcement are facilitated by the low client-to-staff ratios in FTP and the close linkages between career advisors and case managers. Moreover, as discussed in Chapter 2, FTP staff report that the program’s enforcement approach has grown tougher over time.

The client survey results confirm that FTP participants believe they are subject to strict mandates — but suggest that AFDC group members also feel this way.

B. The Time Limit

The time limit is a key element of FTP’s message. The limit is not simply intended to remove recipients from welfare after two or three years. Rather, by sending a strong message from the beginning that welfare is temporary, FTP seeks to motivate participants to move toward self-sufficiency before they exhaust their months.

This section examines whether survey respondents are aware of the time limit and also discusses what specific messages they received about the policy.

1. Awareness of the time limit. The survey results suggest that FTP has been quite successful in informing participants about the time limit. When asked whether they were subject to a time limit (or, for those not currently receiving welfare, whether they had been subject to a time limit when they were receiving welfare), 88 percent of FTP group members said they were subject to a time limit, 8 percent said they were not, and 5 percent said they did not know.⁶⁷ Almost all of those who said they were not subject to a time limit were not currently receiving welfare; these individuals may have left welfare long ago and forgotten about the time limit. Among those who said they were subject to a time limit, nearly 90 percent said that the length of their time limit was 24 months, 36 months, or some other figure less than 36 months (people in the last category may have been responding with the amount of time left on their clock).

training, and 30 percent said the two strategies were equal. Because many FTP participants are not subject to a prescribed sequence of activities, staff attitudes may play an important role in influencing activity assignments.

⁶⁶These two data collection efforts covered somewhat different, although overlapping, samples. The first included 200 people randomly selected from among those randomly assigned between May and December 1994. The second included 70 people drawn from the survey sample, which includes people randomly assigned between December 1994 and February 1995.

⁶⁷This question was asked only of respondents who reported that they had ever received welfare since their random assignment date — about 80 percent of all respondents.

Interestingly, nearly 29 percent of AFDC group members also said they were subject to a time limit. This could have occurred for several reasons. First, staff in the traditional AFDC program may have mistakenly informed some recipients that they were subject to a time limit. Although MDRC and local managers have taken a variety of steps to reduce the chances that such errors would occur, it is impossible to prevent them entirely. Staff have faced an especially difficult challenge since Florida implemented WAGES. Since late 1996, applicants for welfare in Escambia County who had not been assigned to one of the two research groups have been placed into WAGES, and *are* subject to a time limit. Thus, staff need to remember that some of their clients — those in WAGES — are subject to a time limit while AFDC group members are not.⁶⁸ This hypothesis is supported by the fact that more than 40 percent of the AFDC group members who said they were subject to a time limit also said they had been informed of the time limit more than six months after their random assignment date; the survey respondents were all assigned in late 1994 and early 1995, and WAGES was implemented in late 1996.⁶⁹

Second, some AFDC group members may have heard about time limits through the mass media or in their communities and assumed that the limits applied to them. Heavy publicity surrounding both WAGES and federal welfare reform makes this a strong possibility. Third, some of the AFDC group members who said they were subject to a time limit may have been referring to a “time limit” that has always existed in AFDC; adults are no longer eligible for welfare once their youngest child is no longer a minor.

The fact that some AFDC group members believe they are subject to a time limit means that the impact analysis may understate the true effect of FTP. In other words, because the behavior of some AFDC group members may have been affected by their perception that they are subject to a time limit, the differences in outcomes between the groups reported in Chapter 6 might have been larger — particularly during the pre-time limit period — if all AFDC group members understood that they are not subject to a time limit.

At the same time, it is important to note that about one-fourth of the AFDC group members who said they were subject to a time limit did not know how long the limit was. Moreover, data from this evaluation and from focus groups with clients in several states strongly suggest that most welfare recipients are not strongly influenced by a time limit until they near the end.⁷⁰ At that point, perceptions are overtaken by reality: FTP group members receive a letter saying that their benefits will be terminated in a short time, and AFDC group members do not. This means that there will ultimately be a large “treatment” difference, whatever people believe during the pre-time limit period.

2. The time-limit message. FTP staff do not simply inform participants that they are subject to a time limit; they also send messages about how they expect people to respond. One possible message is to urge recipients to leave welfare as quickly as possible in order to “save” or “bank” their available months for some time in the future when they may be needed. An

⁶⁸AFDC group members’ cases have recently been consolidated with several designated public assistance specialists in order to reduce the chances that errors will occur.

⁶⁹In fact, some AFDC group members accidentally received a statewide mailing describing WAGES in 1996. While a subsequent letter informed AFDC group members that they were not in fact subject to WAGES, the entire process may have confused them.

⁷⁰Brown, Bloom, and Butler, 1997.

alternative message is to describe the time limit as a time frame for leaving welfare, and to encourage clients to use their available time to build their skills through education or training.

Both of these alternatives have potential advantages and drawbacks. A message focused on banking time may help participants stop the time-limit clock. But it may also persuade many recipients to move off welfare into unstable, low-wage jobs, and they may end up cycling on and off welfare, using up their allotted months without becoming more employable. Participants who receive a message focused on education and training may get services that can help them get better jobs, but they are more likely to use up all of their months of welfare receipt quickly. Thus, they will be left without a welfare safety net if they are unable to support their families over the long term.

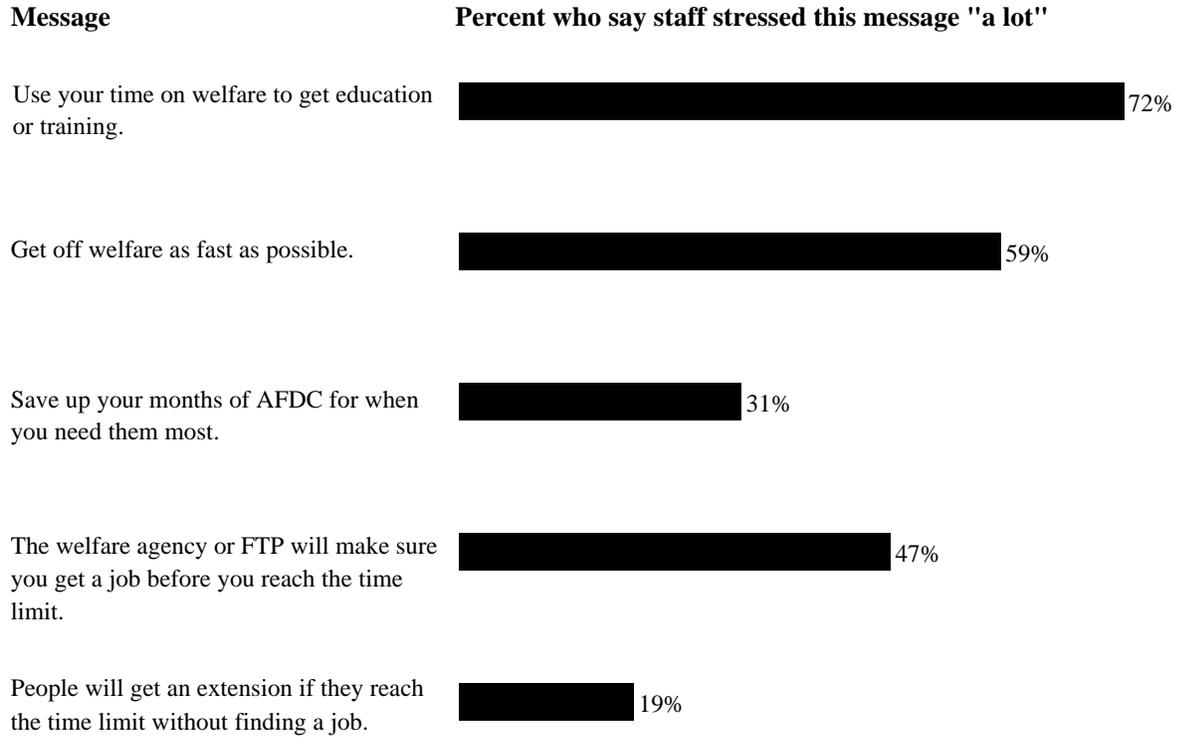
The two-year client survey asked FTP group members to report how much emphasis staff placed on several specific messages when they discussed FTP's time limit. (These questions were asked only of respondents who said they were subject to a time limit.) The results, illustrated in Figure 3.2, are largely consistent with the information presented in the previous section. They confirm that FTP leaned toward a skill-building focus, at least for participants who entered the program in late 1994 and early 1995. As the figure shows, 72 percent of respondents said that staff urged them to use their time on welfare to get education or training. In contrast, 59 percent said staff stressed leaving welfare as quickly as possible, and only 31 percent said that staff stressed saving or banking their months of welfare. Interestingly, the responses of individuals with a 24-month time limit were not much different from the responses of those with a 36-month time limit.

These responses are basically consistent with the 1996 staff survey results. Fewer than half of FTP case managers said on the survey that they "often" advised participants to go off welfare in order to save their months. However, many staff have reported in recent interviews that the "banking" message has become more prominent over time as the overall program message has focused more on rapid employment; thus, as noted earlier, people who entered FTP later than the survey sample members may have heard a somewhat different message.

Other responses shown in Figure 3.2 are also consistent with staff survey data cited in the previous report. Although FTP's policy includes the possibility of extensions and post-time limit work opportunities for compliant recipients who reach the time limit without a job, most staff said they did not stress either of these points in their discussions with participants because they felt such information would weaken the program message. Figure 3.2 shows that fewer than half the participants were assured that FTP would find them a job, and fewer than one in five said that staff stressed the possibility that they might receive an extension.⁷¹

⁷¹ Respondents were asked whether staff said that "FTP will make sure you get a job by the time you reach the time limit." This is somewhat different from the actual policy, which ensures jobs only for compliant clients.

Figure 3.2
Florida's Family Transition Program
Message Staff Stressed to FTP Group Members



SOURCE: MDRC calculations from the FTP two-year client survey.

NOTE: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

The figures reflect the responses of the 210 FTP group respondents who reported that they were subject to a time limit. The actual sample size for individual questions presented in this table may be less than the total sample size shown because not all respondents answered all questions.

3. Credibility of the time limit. On the mid-1996 staff survey (administered several months after participants had begun to reach the time limit), 56 percent of FTP case managers and 75 percent of FTP career advisors said that “few” clients believe their benefits would be terminated at the limit.

The client survey results partly confirm the staff’s perceptions: As shown in the “Total” column of Table 3.1, fewer than half (45 percent) of FTP group respondents believe that “nearly everyone” who reaches the time limit has her grant canceled (which, as discussed in Chapter 4, is in fact what generally happens). On the other hand, only 11 percent of respondents believe that “almost none” of those who reach the limit lose their grants. A large proportion, 42 percent, believe that “only some” have their grants canceled.

Some staff and managers have contended that FTP’s time limit will not have real credibility until word gets out in the community that people’s benefits are indeed being canceled when they reach it. The survey results suggest that this may be correct: Table 3.1 shows that, among those survey respondents who reported that they have “heard about or know anyone who has reached the time limit and had their benefits canceled,” 70 percent believe that “nearly everyone” who reaches the limit loses her grant. In contrast, only 39 percent of those with no personal experience with the time limit believe that nearly everyone who reaches it has her grant canceled.

Interestingly, however, the survey results suggest that news may travel through the “grapevine” more slowly than many people believe: Although the survey was administered a full year after the first FTP client reached the time limit, only 19 percent of FTP group respondents said they had heard about or knew anyone whose benefits had been canceled. Even among respondents who had received welfare for 10 or more years prior to random assignment — a group often thought to be closely linked to the grapevine — only 24 percent said they had heard about or knew anyone whose benefits had been canceled. These low percentages may be attributable to the fact, discussed in Chapter 4, that only a small number of people have actually reached the time limit.

4. Understanding of the time limit clock. At first glance, the rules surrounding FTP’s time limit clock appear to be fairly straightforward: Each month of cash assistance receipt counts against the clock, unless the recipient is temporarily exempt from FTP. However, anecdotal evidence indicates that some participants may mistakenly believe that the time limit refers to a calendar period, rather than to a cumulative number of months of welfare receipt. They might have this misimpression because staff may, when discussing the time limit, encourage participants to focus on the date by which they need to leave welfare (24 or 36 months after random assignment). This might be particularly likely if staff encourage clients to use their time on welfare to obtain education or training, rather than stressing the need to leave quickly and “bank” available months.

To examine this issue, survey respondents who said they were subject to a time limit were asked whether a person with a 24-month time limit would still be eligible for further welfare if she received welfare for 12 months and then left welfare for 12 months. In fact, this person would be eligible for 12 more months of assistance, but a person who misunderstood the time limit might think that the hypothetical client had reached the time limit. In fact, 17 percent of re-

Table 3.1
Florida's Family Transition Program
Clients' Perceptions About the Consequences of Reaching the Time Limit

Question	Responses from FTP Group Members		Total
	Who Had Heard About or Knew Someone Whose Benefits Were Canceled	Who Had Not Heard About or Knew Someone Whose Benefits Were Canceled	
How many welfare recipients do you think will have their benefits canceled when they reach the time limit?			
Percent of respondents who answered:			
Nearly everyone	70.0	39.8	45.6
Only some	27.5	46.4	42.7
Almost none	2.5	13.9	11.7
Sample size	40	166	206

SOURCE: MDRC calculations from the FTP two-year client survey.

NOTE: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

The figures reflect the responses of FTP group respondents who reported that they were subject to a time limit.

spondents answered, incorrectly, that the person in the hypothetical example would not be eligible for further welfare, but an additional 32 percent said they did not know whether the person would be eligible or not. Only about half answered, correctly, that the person would be eligible for additional welfare.

This finding has potentially important implications. If people do, in fact, see the time limit as a calendar period, they would be very unlikely to respond by leaving welfare quickly in order to bank or save their remaining months.

5. Fairness of the time limit. One survey question asked respondents whether it is fair to “put a time limit on how long people can receive AFDC.” Overall, just over half of respondents said it was fair to impose a time limit, just over one-fourth thought it was unfair, and the rest said “it depends.”

Interestingly, actual exposure to a time limit does not seem to affect the perception of fairness: Responses to this question were virtually identical for FTP and AFDC group respondents. However, responses were strikingly different depending on respondents’ welfare histories. Among long-term recipients (respondents who had received welfare for 10 years or more prior to random assignment), 45 percent thought the time limit was unfair, compared with 35 percent who thought it was fair. Conversely, among those who had never received welfare prior to random assignment, about 58 percent thought a time limit was fair, and 17 percent said it was unfair.

In focus group discussions conducted in early 1996 with FTP group members, participants tended to say that they thought the general concept of a time limit was appropriate, but that they were concerned that the limit did not account for individual circumstances and would harm some families who had legitimate reasons for needing assistance. Participants also doubted that the time limit would be implemented fairly: One participant said, “Those who want something for nothing, they’ll find a way around the system. They’ll still get their benefits . . . the honest group, they’ll be left out.”

C. Work Incentives

In addition to placing a time limit on welfare benefits, FTP includes several policies designed to make work more financially advantageous to welfare recipients. These policies include a generous earned income disregard and extended transitional child care for recipients leaving welfare for work. The policies are intended in part to improve job retention and the financial well-being of recipients who go to work, but they are also intended to motivate people to go to work in the first place by persuading them that working would improve their financial situation.

Data from field research and the staff survey suggest that FTP’s financial incentives are not as central to the program message as are the time limit, education and training opportunities, support services, and other features. Data from the two-year client survey appear to confirm this: Only about one-third of FTP group respondents said that staff strongly emphasized the fact that FTP allowed them to keep more of their benefits if they went to work.⁷² Not surprisingly,

⁷²These questions were asked of all respondents who said they were subject to a time limit.

relatively few members of either research group knew the specific details of the financial eligibility rules. Approximately 70 percent of the respondents in each group could not estimate how much they could earn without losing eligibility for welfare.⁷³

At the same time, it appears that FTP group members are somewhat more likely to believe that work pays. The survey asked all respondents who had received welfare since random assignment whether they would be financially better off working 30 hours per week (relative to not working), considering both their earnings and any welfare they might receive. A mother with two children working 30 hours per week at \$5.50 per hour would be eligible for some welfare under FTP, but not under traditional AFDC. About 68 percent of FTP group members felt that they would be better off working at this level, compared with about 60 percent of AFDC group members.

Interestingly, there is almost no difference between the FTP and AFDC group responses to this question when one considers only the views of people who have actually worked since random assignment: In both groups, roughly two-thirds of these respondents believe they are better off working. This is not surprising because Florida pays relatively low welfare grants. However, among those who have not worked, there is a large difference between the groups: the fraction who believe they would be better off working is 66 percent for the FTP group versus 48 percent for the AFDC group. Awareness of FTP's financial incentives may help to explain these differing perceptions.

Finally, the two-year client survey targeted several questions to FTP group respondents who had worked and received less than \$100 in welfare per month for at least four months since random assignment. This group is important because they most likely would have been ineligible for welfare during those months had it not been for FTP's enhanced earned income disregard; they used up months toward the time limit while receiving relatively little cash assistance. Although only 14 percent of FTP group members fell into this category, it is interesting to note that almost half of them reported that they did not know that the months in which they were working and receiving welfare counted toward the time limit.

II. Services and Activities in FTP and Traditional AFDC

This section uses survey data to describe the patterns of participation in employment-related activities among FTP and AFDC group members, information on child care usage for the two groups, and the receipt of other types of services by FTP participants.

A. Employment and Training Activities

The 1997 MDRC report used data from program casefiles to report the percentages of FTP and AFDC group members who received various kinds of employment-related services through FTP or Project Independence within 18 months after random assignment.

⁷³In a small-scale telephone survey conducted in 1995, 53 percent of FTP group respondents said they were aware that FTP allowed them to earn more without losing eligibility for welfare. Only 15 percent of respondents knew that they were eligible for two years of transitional child care assistance.

The data in this section expand the earlier analysis in two ways. First, the follow-up period is somewhat longer, covering approximately two years. Second, because the data are drawn from a survey rather than from program records, this chapter includes information on services and activities that FTP and AFDC group members obtained outside of FTP and Project Independence — for example, education and training services that individuals received in the community after leaving welfare. Previous studies have shown that programs can affect the number of people who seek out and receive such services.⁷⁴

1. Participation rates. Table 3.2 shows the proportion of FTP and AFDC group members who reported on the survey that they had participated in various employment-related activities between random assignment and the time they were interviewed. The table confirms the general picture that emerged in the 1997 report: FTP group members were much more likely than their counterparts in the AFDC group to report that they had participated in such activities. Overall, 72 percent of FTP group members and 45 percent of AFDC group members reported that they had participated in at least one employment-related activity.⁷⁵ This substantial difference is noteworthy because many AFDC group members were subject to a mandatory welfare-to-work program. The 1997 report offered several hypotheses about the causes of this large difference.

- **Exemption rules.** AFDC group members are exempt from mandatory participation in employment and training activities if they have a child under age three, while FTP group members are exempt only if they have a child under six months of age.⁷⁶ This means that more than 40 percent of AFDC group members were exempt from participation mandates for at least part of the follow-up period. However, this is not the full explanation, because the participation rate is substantially higher for the FTP group even among respondents who had no children under age three at the point of random assignment (not shown in table).
- **Funding.** The traditional Project Independence program, which serves AFDC group members, experienced funding shortages during the study period, especially for child care and support services, and was temporarily forced to stop assigning participants to activities. There was no similar shortage of funding in FTP.
- **Monitoring.** The fact that case managers and career advisors in FTP have much lower caseloads than their counterparts in the traditional AFDC program may have allowed these staff to monitor participants more carefully and either

⁷⁴In addition, it is important to note that the survey was administered to individuals who were randomly assigned from December 1994 to February 1995, while the casefile data described in the 1997 report were collected for people randomly assigned from May to December 1994. Because FTP has been changing over time, people who entered the program later may have been assigned to different types of activities.

⁷⁵This report does not include information about how long people remained in the activities in which they participated.

⁷⁶The AFDC group rules derive from the Family Support Act of 1998, which created the Job Opportunities and Basic Skills Training (JOBS) Program.

Table 3.2
Florida's Family Transition Program
Rates of Participation in Employment-Related Activities (self-reported)
Among Two-Year Client Survey Respondents, by Research Group

Activity Measure (%)	FTP Group	AFDC Group	Difference
Ever participated in any employment-related activity excluding assessment	72.2	44.7	27.5 ***
Ever participated in any job search activity	47.7	27.1	20.6 ***
Group job search/job club	33.6	13.0	20.6 ***
Individual job search	36.5	23.3	13.3 ***
Ever participated in any education activity	50.8	29.0	21.9 ***
Basic education ^a	19.7	9.9	9.8 ***
Post-secondary education ^b	19.1	14.8	4.3
Vocational education ^c	17.0	8.3	8.8 ***
Other education	3.9	2.7	1.3
Ever worked in an unpaid job	13.3	6.6	6.7 ***
Ever participated in on-the-job training	9.6	2.7	6.9 ***
Ever participated in both any job search activity and any education activity	27.8	12.1	15.7 ***
Ever participated in any employment-related activity or was employed	94.9	87.5	7.4 ***
Sample size (total = 603)	299	304	

SOURCE: MDRC calculations from the FTP two-year client survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aBasic education refers to any participation in Adult Basic Education (ABE), high school, English as a Second Language (ESL), or General Educational Development (GED) types of activities.

^bPost-secondary education is defined as courses for college credit at a two-year or four-year college.

^cVocational education is defined as training for a specific job, trade, or occupation that does not lead to college credit. It does not include on-the-job training or unpaid work experience.

help them overcome barriers to participation or enforce the mandates through sanctions. In addition, FTP's time limit may have inspired some FTP group members to be more diligent about attending the activities to which they were assigned.

The survey data also show that many of the people in both groups who did not participate in an employment-related activity worked at some point. Overall, 95 percent of FTP group members and 87 percent of AFDC group members reported that they had *either* worked for pay *or* participated in an employment-related activity in the two years since random assignment.

2. Types of employment-related activities. Table 3.2 also confirms another point that was emphasized earlier and in the 1997 report: FTP placed a strong emphasis on skill-building education and training activities for participants who entered the program during this period. More than half of all FTP group members (and 70 percent of those who participated in any activity) reported that they had participated in at least one such activity during the follow-up period, almost double the rate for the AFDC group. As discussed above, staff report that FTP has shifted its focus over time; thus, participants who entered the program in 1996 might have had different patterns of participation from those who were surveyed.

The data also show that FTP generated a substantial increase in the rate of participation in job search activities. About 48 percent of FTP group members and 27 percent of AFDC group members reported that they had participated in either a group job search activity such as a job club, or in individual job search (which usually requires participants to look for jobs on their own and report periodically to staff).⁷⁷ In addition, FTP generated a large increase in the proportion of people who participated in both job search and education and training.

In terms of the specific education and training activities, FTP led to significant increases in participation in both basic education (remedial reading and math instruction and preparation for the high school equivalency exam) and vocational education (job-specific training programs).⁷⁸ The increase in vocational training participation is particularly notable because other studies have shown that training can help welfare recipients move into higher-paying jobs, a result that has rarely been seen in programs that do not stress this activity. It is interesting to note that more than one-third of the FTP group members who reported that they had participated in vocational training did not have a high school diploma at the point of random assignment. Some previous studies have found that participants without a diploma or GED certificate are often unable to enter training programs. As discussed in Chapter 2, FTP has developed several special vocational training programs that are designed to fit the program's compressed time frame.

⁷⁷Data collected from program casefiles for a small subset of survey sample members showed a somewhat lower rate of participation in job club for the FTP group than did the survey data. It is possible that some respondents confused participation in other group activities, such as life skills workshops, with participation in group job search.

⁷⁸Casefile data showed higher rates of participation in both basic education and vocational training for the FTP group, than did survey data. It is possible that the casefiles recorded some instances of brief participation that were not recalled by survey respondents.

FTP group members were not simply more likely to enter training programs; they were also more likely to complete them. Thus, Table 3.3 shows that FTP produced a statistically significant impact on the attainment of a trade license or certificate. (These figures include people who attained each degree prior to random assignment.) The program did not increase rates of attainment of any other type of education credential.

Table 3.2 also shows a large and statistically significant difference in the rate of participation in unpaid work experience (called “workfare” in FTP). As noted earlier, FTP places a relatively heavy emphasis on this activity, and has stationed a workfare coordinator in each service center. In addition, the Family Transition Act mandates workfare participation for job-ready participants who fail to find employment during an initial job search.

In addition to having higher rates of participation in specific activities, FTP group members may have received special enriched versions of these activities.

3. Participation patterns among respondents subject to 24- and 36-month time limits. A more detailed analysis found that FTP group respondents who were subject to a 36-month time limit had a somewhat higher participation rate than those subject to a 24-month limit (78 percent versus 66 percent). This is probably because participants with a 36-month limit stayed on welfare and in FTP longer. Interestingly, however, among those who participated, there are few differences in the specific pattern of activity types.

B. Child Care

Although FTP and AFDC group members theoretically have access to the same child care providers, child care assistance for FTP participants has been enhanced in two ways. First, a staff person from the child care resource and referral agency (a nonprofit organization called the Children’s Services Center) has been outstationed in the FTP service centers. Second, and most important, FTP, unlike traditional AFDC/Project Independence, has not experienced funding shortages for child care.

Data from the two-year client survey suggest that FTP’s enriched child care assistance may help alleviate a barrier to employment among FTP group members. Nearly 27 percent of AFDC group respondents reported that they were not currently working and had not looked for a job in the previous month, compared with just under 20 percent of FTP group members. When these individuals were asked why they were not looking for work, 17 percent of the AFDC group respondents mentioned an inability to find or afford child care as one of the main reasons, compared with just 7 percent of FTP group respondents. However, it is important to note that the overall numbers are small: only 5 percent of AFDC group members and 1 percent of FTP group members reported that they were not currently working or looking for work and cited child care as a main reason why they were not looking.

Moreover, several other questions failed to uncover similar patterns. One question asked people who were working less than 30 hours per week why they were not working full time. The proportion of people who mentioned a child care-related issue was roughly the same for both groups. Overall, about 5 percent of AFDC group members and 4 percent of FTP group members

Table 3.3
Florida's Family Transition Program
Self-Reported Educational Attainment of Two-Year Client Survey Respondents,
by Research Group

Degree or Certificate (%)	FTP Group	AFDC Group	Difference
High school diploma	52.1	53.7	-1.6
GED	15.8	15.1	0.7
Trade license/certificate	33.2	25.0	8.2 **
AA degree	7.5	6.4	1.1
BA degree	1.5	1.8	-0.4
Graduate degree	0.2	0.2	0.0
Sample size (total = 603)	299	304	

SOURCE: MDRC calculations from the FTP two-year client survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

Figures include degrees and certificates obtained before and after random assignment.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

were working less than 30 hours per week and cited child care as the reason why they were not working full time.

Another set of questions was directed at people who had worked since their date of random assignment but were not currently working, and who said they had quit their last job. Again, members of the two groups were equally likely to cite child care problems as the reason why they quit.

C. Other Services Received by FTP Participants

Table 3.4 focuses in more detail on the FTP group, showing the proportion of FTP group members who reported on the survey that they had received specific services from FTP since random assignment, and also whether participants found these services to be “very valuable.”

As the table shows, large proportions of FTP group members received services through FTP and most of those who received the services found them to be very valuable. More than half of FTP group members reported that they had received advice from their case manager and career advisor, child care assistance, and transportation assistance.

It is interesting to note that only about 38 percent of the respondents said that they had received help looking for a job, even though 47 percent said they had participated in a job search activity (see Table 3.2). This may be because some group job search activities teach job search and job-holding skills but expect participants to look for jobs on their own. Also, as noted earlier, it is possible that some of the respondents who reported that they had participated in group job search were actually referring to another type of group activity, such as a life skills workshop, that does not emphasize job seeking.

III. Which Elements of FTP Matter Most for FTP Group Members?

FTP is a multifaceted reform that combines a variety of services, incentives, and mandates. Although the research design does not allow the evaluation to systematically determine how individuals respond to each element of the program, several survey questions were designed to obtain some general data on this issue.

A. How Different Program Elements Have Affected Work Decisions

A series of survey questions asked FTP group members to assess how much their decisions about working had been affected by five particular features of FTP: employment and training services, support services, advice and assistance from staff, the financial incentives, and the time limit. Overall, 65 percent of respondents reported that their decisions had been affected “a lot” by at least one of these aspects of FTP.

Figure 3.3 shows the results separately for each of the five program elements. The results show that the largest proportion of respondents — nearly half — said that their decisions had been strongly influenced by support services such as child care and transportation. The time limit appears to have been the least influential of these five program elements: only a little over one-

Table 3.4
Florida's Family Transition Program
Receipt of Various FTP Services Among FTP Group Members

Activity or Service	Percent Who Received the Service	Of Those Who Received the Service, Percent Who Found It Very Valuable ^a
Health care services provided by the FTP nurse	28.2	74.4
Counseling or mental health services arranged by FTP	10.1	55.6
Help paying for child care	51.7	88.9
Advice and support from FTP case manager	57.4	62.7
Advice and support from career advisor	52.5	65.6
Help paying for gas or bus fare	59.3	86.1
Help looking for a job	38.3	69.8
Education or training	49.0	80.4
Substance abuse or treatment services	3.9	100.0
Any service	89.6	N/A
Sample size (total = 299)^b		

SOURCE: MDRC calculations from the FTP two-year client survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

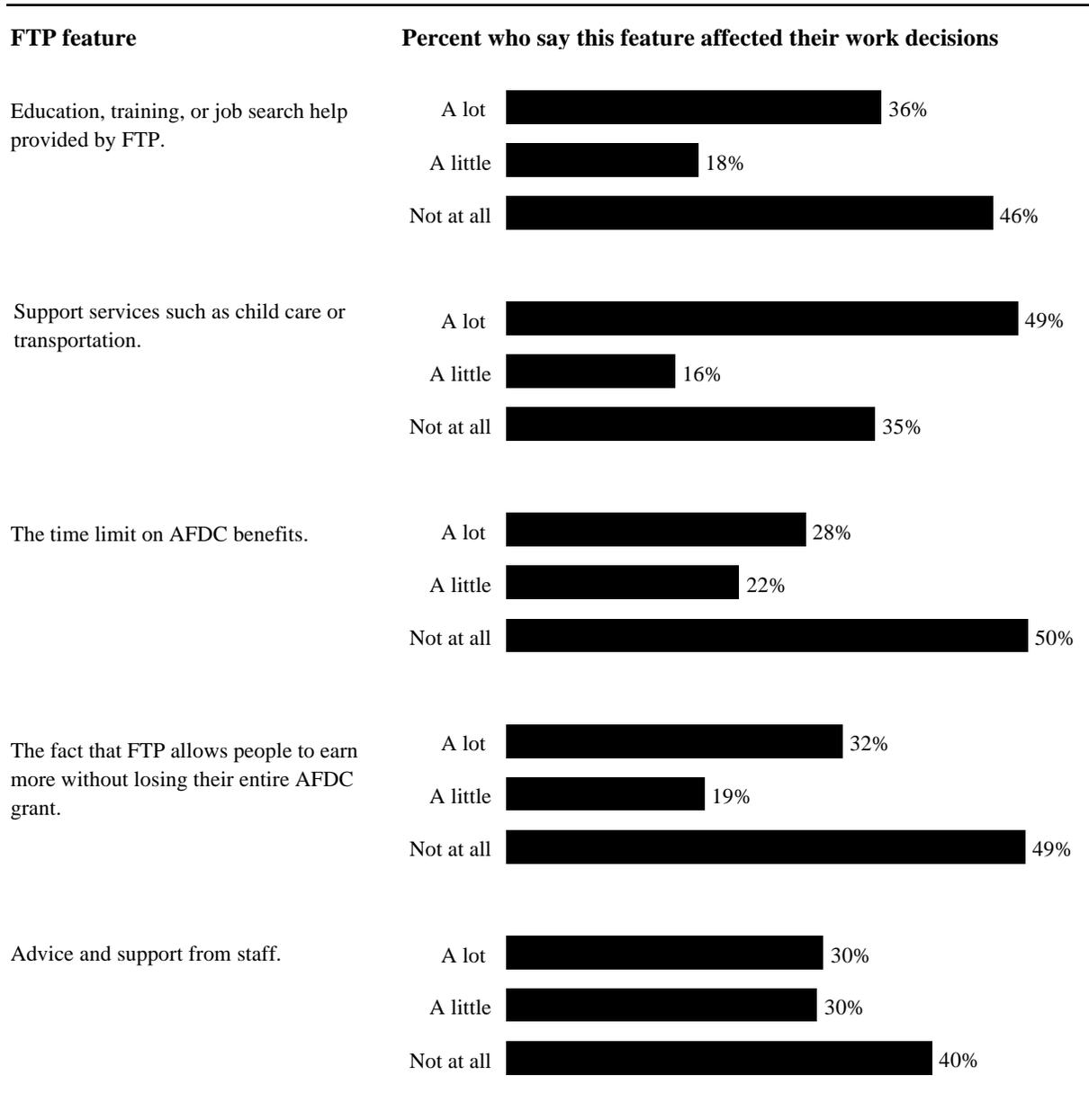
N/A indicates that the data are not applicable.

^aAll 299 FTP group respondents were asked whether they had received the services. Only those who reported receiving a specific service were asked to assess its value.

^bThe actual sample size for individual questions presented in this table may be less than the total sample size shown because not all respondents answered all questions.

Figure 3.3

**Florida's Family Transition Program
How Selected FTP Features Affected the Employment Decisions
of FTP Group Members**



SOURCE: MDRC calculations from the FTP two-year client survey.

NOTE: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

These questions were asked of all FTP group respondents (n = 299). The actual sample size for individual questions presented in this table may be less than the total sample size shown because not all respondents answered all questions.

fourth of the respondents said that the time limit had affected their decisions a lot, and half said it had not affected their decisions at all.

In the 1996 focus groups, no participant mentioned the time limit as a factor influencing her behavior until the facilitator brought it up mid-way through the session. Although some participants subsequently expressed concern about the limit, most seemed much more focused on day-to-day concerns, such as problems with their children or difficulties meeting their monthly expenses.

The overall results in Figure 3.3 mask some important differences among subsets of the FTP group (not shown). For example, among respondents who had at least one child under age three at the point of random assignment, 55 percent said that FTP's support services had affected their decisions a lot. (This figure was 40 percent among those who had no children under six years of age at random assignment.)

Similarly, the time limit appears to have a stronger effect on long-term welfare recipients' decisions — even though they are usually subject to a longer time limit: Among FTP group respondents who had received welfare for 5 to 10 years prior to random assignment, 39 percent said their work decisions had been affected a lot by the time limit. The figure was 19 percent among those who had received welfare for less than a year.

B. The Time Limit

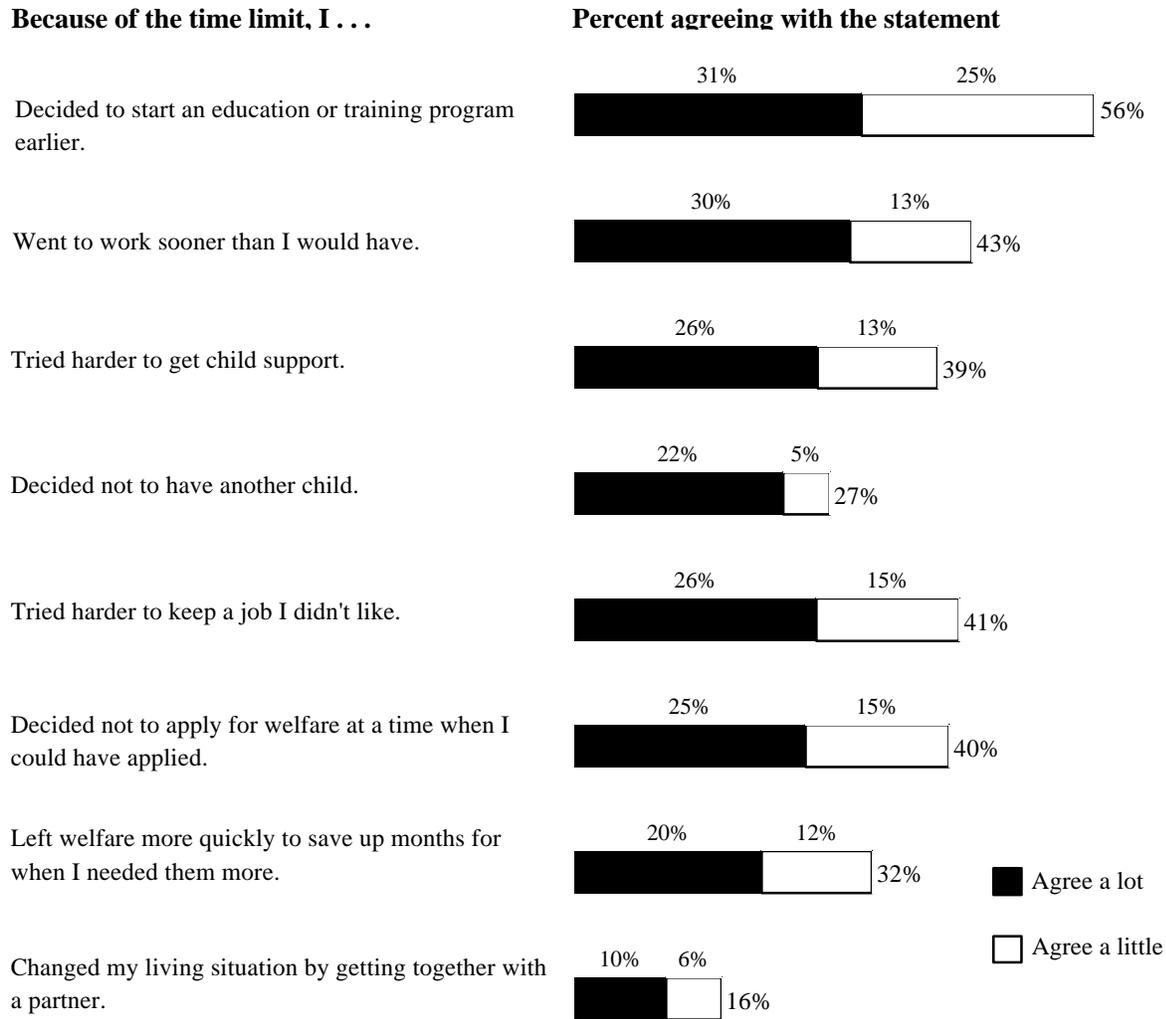
Another set of questions focused more specifically on FTP's time limit. Respondents who reported that there was a time limit on their welfare benefits were asked a series of questions about how the time limit may have affected them in the period since random assignment. These results are summarized in Figure 3.4.

The strongest effect appears to be on education and training — more than half the respondents agreed or strongly agreed that the time limit had motivated them to enter an education or training program earlier. In contrast, about 43 percent said the time limit caused them to go to work sooner, and only about 32 percent said they had left welfare earlier to try to save up months. This is largely consistent with the earlier discussion about participants' perceptions of the FTP message, which they saw as strongly focused on education and training.

Finally, two questions were targeted specifically to individuals who were no longer receiving welfare as of the interview date. In response to one question, about 27 percent of these respondents said that a desire to save up months of welfare receipt was “very important” or “somewhat important” to their decision to leave welfare. About 24 percent said that a desire to avoid work or participation requirements was somewhat or very important.

Figure 3.4

**Florida's Family Transition Program
The Effect of FTP's Time Limit on FTP Group Members**



SOURCE: MDRC calculations from the FTP two-year client survey.

NOTE: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

The figures reflect the responses of the 210 FTP group respondents who reported that they were subject to a time limit. The actual sample size for individual questions presented in this table may be less than the total sample size shown because not all respondents answered all questions.

Chapter 4

The FTP Time Limit

This chapter examines the implementation of FTP's time limit policy and the welfare receipt patterns of FTP group members. It examines how many people are using up the months of welfare allotted to them, what happens to individuals who reach the time limit, and the multistep process that occurs when people approach and then reach the time limit. Chapter 5 reports on a subset of the sample that reached the time limit and looks six months beyond that point to gain a better understanding of their economic circumstances, their insights on the FTP program and the time limit policy, and their plans for the future.

Welfare receipt among FTP group members is not compared here with potential welfare receipt in the absence of the FTP program. Chapter 6 presents this analysis when it compares the FTP group members' welfare experience with that of the AFDC group. As discussed in Chapter 6, until FTP participants reached the time limit, they were accumulating months of benefits at about the same rate as were members of the AFDC group.

This chapter's discussion of FTP's pre-time limit review process (Section III) is based primarily on general discussions with staff and reviews of selected cases conducted in mid-1997. MDRC may present a more detailed analysis of this process — including data from a later period — in a future report.

I. How Fast Are People Accumulating Months of Welfare Receipt?

Past research on welfare receipt has found that, typically, welfare recipients remain on welfare for relatively short periods of time (referred to as "spells" of welfare), lasting less than two years. However, one study found that over 40 percent of welfare recipients have multiple spells of welfare.⁷⁹ Another study found that 58 percent of new entrants accumulated at least 24 months of welfare receipt over their lifetimes. This study also found that about one-third of all new entrants received over five years of AFDC.⁸⁰

These findings have important implications for FTP and other time-limited welfare programs: They suggest that most individuals will not reach a 24-month time limit within two years, but could reach it eventually.

This section examines the welfare receipt of FTP group members. First, it looks at how quickly people were accumulating enough welfare to reach the time limit. Next, it focuses on the report sample, and describes how many months of benefits FTP group members had accumulated by June 1997.

A. Rate of AFDC/TANF Receipt

Figure 4.1 illustrates how quickly people with a 24-month time limit accumulated 24 months of AFDC/TANF. It focuses on the extended follow-up sample — people randomly assigned between May 1994 and September 1994. The vertical axis represents the percent that had received at least 24 months of AFDC/TANF⁸¹

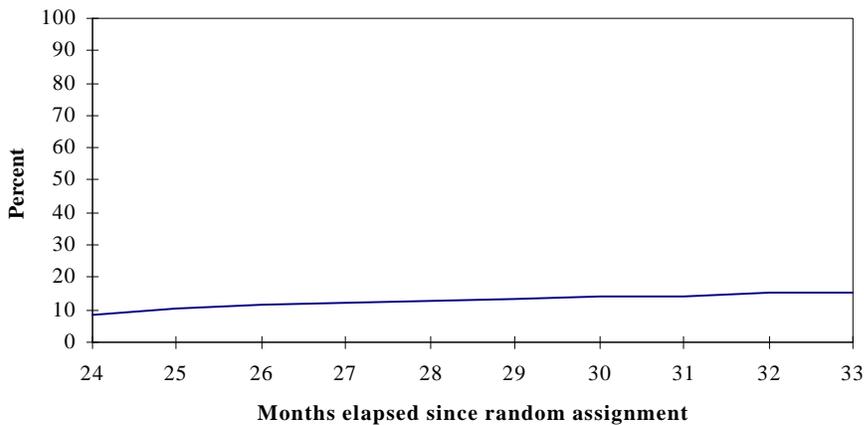
⁷⁹Ellwood, 1986.

⁸⁰Pavetti, 1995.

⁸¹For all analyses in this chapter, these data differ slightly from the AFDC/TANF data presented in Chapter 6. Both rely on AFDC/TANF payment data from Florida's computerized public assistance benefits system (known as the FLORIDA System). This chapter classifies payment data to mirror the method the state uses to classify months of benefits counting toward the time limit. The impact chapter classifies the payment data in a way that ensures an unbiased estimate of impacts. The payment data used in this chapter follow the sample members, even when they move to other cases (which could happen if they were to marry, move in with family, or leave their spouse). For the impact analysis in Chapter 6, the payment data include all payments made to the cases that the sample members were on at random assignment. In addition, this chapter classifies each payment by the service date (or effective date); Chapter 6 uses the date when the check was disbursed. Finally, the FTP and AFDC group estimates in

after random assignment, and the horizontal axis represents the number of months elapsed since random assignment. As this figure shows, 9 percent of the extended follow-up sample received 24 consecutive months of welfare after entering FTP. After 25 months of follow-up, the percentage receiving at least 24 months of welfare increased to 10 percent, meaning that about 1 percent of this group had left welfare for one month before returning. By follow-up month 33, the percentage climbed to 16 percent.

Figure 4.1
Extended Follow-Up Sample Assigned 24-Month Time Limit:
Percent That Have Received at Least 24 Months of AFDC/TANF
Since Random Assignment



Still, these are relatively low percentages and the slope of the line is fairly flat, implying that most people with a 24-month time limit left welfare before accumulating 24 months of benefits and did not return to welfare quickly. Because the FTP group is accumulating months of benefits at about the same rate as the AFDC group, these patterns appear to be the result of “normal” welfare dynamics (i.e., patterns that are not affected by FTP).

For the FTP group members who were assigned a 36-month time limit and randomly assigned between May 1994 and July 1994 (the group that could potentially have reached the time limit within the study period), 16 percent received 36 consecutive months of AFDC/TANF after entering FTP. Thus, participants subject to a 36-month time limit are accumulating months of benefits more quickly than the 24-month group.

B. AFDC/TANF Receipt for the Report Sample

The rest of this chapter focuses on the FTP group members who are part of the report sample (single-parent cases who were randomly assigned between May 1994 and February 1995) and looks at where they were as

Chapter 6 have been regression-adjusted to increase the precision of the impact estimates and to control for any differences in the two groups’ background socioeconomic characteristics remaining after randomization. This adjustment is not necessary for this chapter because it does not compare the welfare receipt of the FTP group with that of the AFDC group.

of June 30, 1997, the last date when AFDC/TANF data were available for this report.⁸² This analysis includes the maximum number of individuals in the report sample who could have conceivably reached the time limit.

1. Group assigned a 24-month time limit. As Figure 4.2 shows, of the 1,402 FTP group members included in this analysis,⁸³ slightly more than half were assigned a 24-month time limit. This group comprised individuals who were less disadvantaged than the group assigned the 36-month time limit. Of the 776 individuals assigned the 24-month time limit:

- 101 (13 percent) never received an AFDC/TANF check during the follow-up period. These individuals applied for assistance and either withdrew their application or were found to be ineligible for aid.
- 505 people (65 percent) received between 1 and 20 months of AFDC/TANF. The vast majority of these people had left and had not returned, and were not receiving benefits in June.⁸⁴ The rest had left, returned, and were continuing to use up their clock as of June 1997.
- 60 people (8 percent) used up 21 to 23 months, coming very close to reaching the time limit. Only 8 of these 60 were receiving assistance in June, meaning that 52 left just before their time expired. FTP case managers gave a few theories for why some FTP group members leave just before the end. First, the impending time limit may motivate some to find jobs that make them ineligible for aid. Another explanation offered was that some FTP group members

⁸²This analysis is not based on a uniform follow-up period; it captures more months of data for people who were randomly assigned earlier. Thus, FTP group members randomly assigned in May 1994 have 38 months of follow-up data, while FTP group members randomly assigned in February 1995 have 29 months of follow-up.

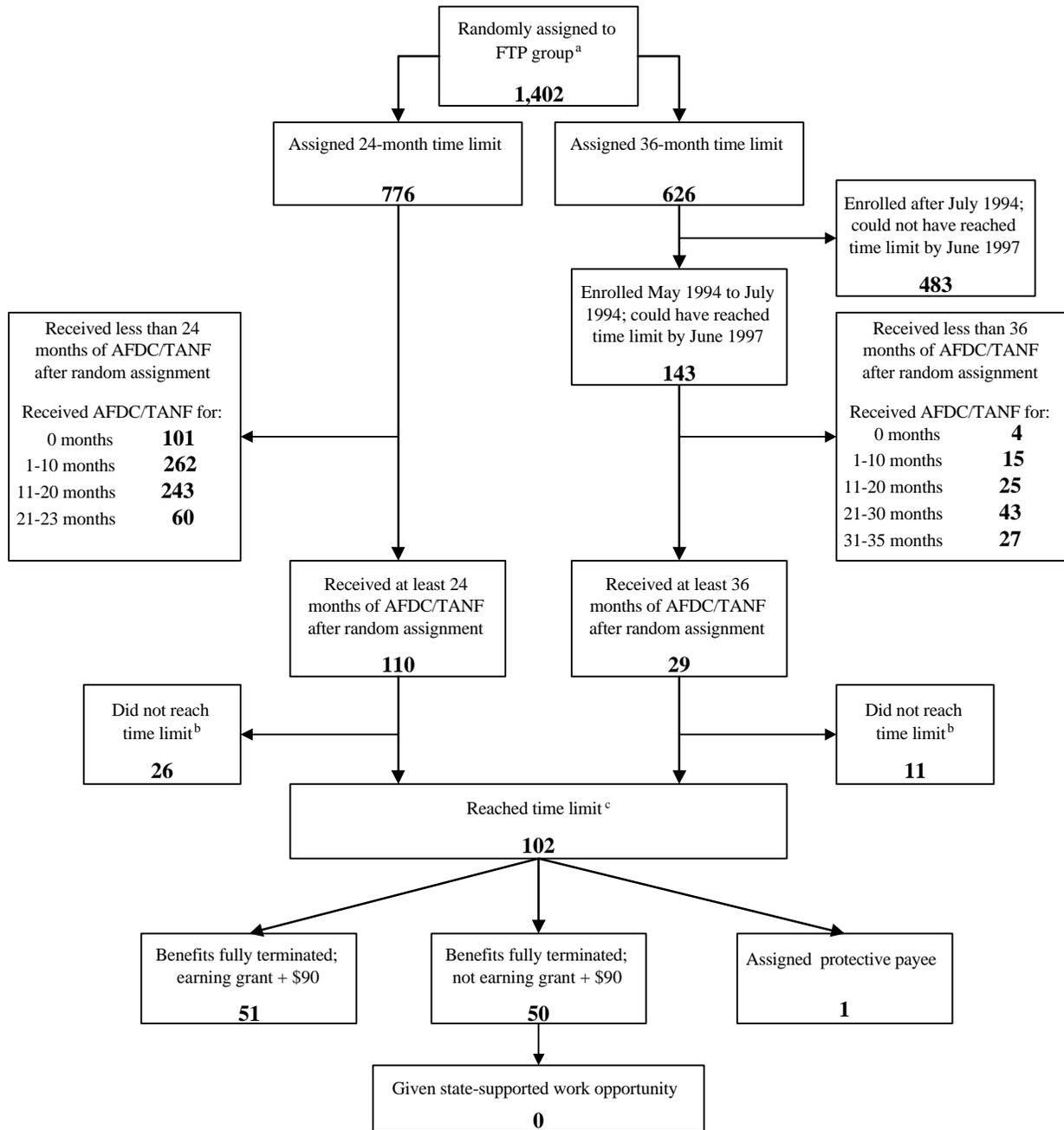
⁸³A total of 1,406 single-parent cases were randomly assigned to the FTP group during these dates. However, the time limit was unknown for four individuals. They are not included in this analysis.

⁸⁴Of the 262 who received 1 to 10 months of AFDC, only 8 had returned and were receiving assistance in June; of the 243 who received 11 to 20 months, 17 had returned and were receiving assistance in June.

Figure 4.2

Florida's Family Transition Program

**Status as of June 1997 of FTP Group Members in the Report Sample
(Randomly Assigned from May 1994 to February 1995)**



SOURCES: MDRC calculations from Florida AFDC records and Family Transition Program data for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: ^aThe time limit was unknown for four FTP group members. They are not included in this analysis.

^bSome FTP group members were exempted (generally for medical reasons) while others moved to areas that did not operate FTP.

^cOf this group, three individuals were granted a four-month extension before their benefits were terminated.

- may leave to avoid the requirements imposed by the FTP program. Finally, some clients may decide to “bank” their months; that is, they decide to save up their few remaining months for a time when they might have a greater need for assistance.
- Of the 24-month group, 110 (14 percent) had received at least 24 months of AFDC/TANF by June 1997. Of this group, benefits were terminated for 84 people (11 percent of the total 24-month group). The remaining 26 people did not reach the time limit because they did not receive 24 *countable* months of cash assistance. Some received exemptions, primarily for medical reasons, which stopped their clock temporarily or permanently. Others moved to counties in Florida that did not have an FTP program; this stopped their FTP clock. They may receive a WAGES time limit in the future.

2. Group assigned a 36-month time limit. About 45 percent of the FTP group report sample were assigned a 36-month time limit. Of these 626 people, 483 enrolled in FTP after July 1994 and could not have accumulated 36 months of AFDC/TANF by June 1997. That leaves 143 people who could potentially have reached the time limit. Of these 143:

- Only four in this group (3 percent of this early cohort) received no AFDC/TANF during the follow-up (they were not eligible for assistance or chose not to receive assistance). This low number is not surprising given the fact that the individuals assigned the 36-month time limit were less likely to be applicants at the point of random assignment.
- 83 people (58 percent) received between 1 and 30 months of benefits during this period. All but seven of these individuals were not receiving assistance in June 1997.
- 27 people (19 percent) received between 31 and 35 months of benefits; of these, eight were receiving cash assistance in June.
- The remaining 29 individuals (20 percent) had received at least 36 months of AFDC/TANF by June 1997. This group received welfare continuously or nearly continuously throughout the entire follow-up period.⁸⁵ Eleven people, over one-third of this group, received an exemption at some point or moved to a county that did not operate an FTP program, so had not reached the time limit. For most individuals, their exemption will end and their clock will restart at a later date; others may be permanently exempted from FTP.

⁸⁵The group that enrolled in FTP in May 1994 could have left welfare for two months, come back, and still reached their time limit by June 1997. The group that enrolled in July 1994 had to receive AFDC continuously without any breaks in receipt to be part of the group that received at least 36 months.

II. What Happens When People Reach the End of the Time Limit?

Combining both groups, Figure 4.2 shows that of the 919 FTP group members who entered FTP early enough to potentially reach the time limit by June 1997, 102 individuals had actually reached it. Benefits were fully terminated for 101 of the 102 FTP participants (three in this group had their benefits canceled after a brief extension); in the one remaining case, the children's portion of the grant was retained and paid to a third party (referred to as a protective payee).⁸⁶ Interestingly, no one was assigned a state-supported post-time limit work opportunity. Section III discusses the time limit process in more detail and offers some explanations for these results.

A. Characteristics of the Group Who Reached the Time Limit

Table 4.1 presents selected demographic characteristics of the group that reached the time limit by the summer of 1997 compared with the group that could have reached the time limit but did not. Although the two groups look quite similar in terms of gender, age, and education levels, they differ in other respects. For example, 61 percent of those who reached the time limit were black, compared with 44 percent of those who did not. In addition, 47 percent of those who reached the limit had at least one child two years old or younger when they entered the study, compared with 38 percent of those who did not reach the limit. The analysis also found that 60 percent of those who reached the time limit, compared with 70 percent of those who did not, had worked full time for six months for a single employer. Finally, those who reached the time limit were more likely to be long-term welfare recipients: 52 percent of them had received welfare for at least two years before entering FTP, compared with 37 percent of those who did not reach the time limit.

B. Income at the End of the Time Limit

For those whose benefits were fully terminated, program records show that roughly half were employed and earning at least as much as the standard welfare grant for their family size plus \$90 per month — a total of \$393 per month for a typical family of three — at the point when they reached the time limit. (The common shorthand for this level of employment is “grant + \$90.”) The others were not earning this much, although they may have had other sources of financial support.

A separate analysis was done examining the earnings data from the Florida Unemployment Insurance (UI) system. This analysis found that 60 percent of the group whose benefits were terminated had some earnings in the quarter when their benefits were terminated (although some were not earning grant + \$90). This percentage increased to 66 percent in the next quarter, meaning that about one-third were still not working, according to Florida UI records, about three months later. These individuals may be residing in Florida and working off the books or living

⁸⁶This number (102) does not include everyone whose benefits were terminated in Escambia County. Benefits were terminated for a total of 124 individuals in Escambia County by June 1997; four of these cases were assigned protective payees. Of the 22 individuals not included in this analysis, 15 were part of a small three-month pilot and not part of the FTP evaluation; six are two-parent cases, and thus excluded from the report sample (but are part of the full sample); and one person was not randomly assigned to the FTP evaluation.

Table 4.1
Florida's Family Transition Program
Selected Characteristics at the Time of Random Assignment, of FTP Group Members
Who Could Have Reached the Time Limit by June 1997,
by Time Limit Completion Status

Characteristic	Did Not Reach Time Limit	Reached Time Limit
<u>Demographic characteristic</u>		
Gender (%)		
Female	96.5	98.0
Male	3.5	2.0
Age (%)		
Under 20	6.0	6.1
20-24	22.6	27.3
25-34	47.3	41.4
35-44	20.5	22.2
45 and over	3.6	3.0
Average age (years)	29.7	29.3
Ethnicity (%)		
White, non-Hispanic	53.1	37.4 ***
Black, non-Hispanic	43.5	60.6 ***
Hispanic	1.8	1.0
Other	1.6	1.0
<u>Family status</u>		
Marital status (%)		
Never married	40.6	50.5 *
Married, not living with spouse	28.3	23.2
Separated	5.6	8.1
Divorced	23.7	16.2 *
Other	0.9	2.0
Average number of children	1.8	2.1 *
Age of youngest child (%)		
2 years and under ^a	37.9	47.4 *
3-5 years	28.4	18.6 **
6 years and over	33.7	34.0
<u>Work history</u>		
Ever worked (%)	95.4	97.0
Ever worked full time for 6 months or more for one employer (%)	69.9	59.6 **
Approximate earnings in past 12 months (%)		
\$0	43.6	48.0
\$1-\$999	20.4	23.5
\$1,000-\$4,999	22.3	18.4
\$5,000-\$9,999	8.6	7.1
\$10,000 or more	5.1	3.1
Among those currently employed, average hourly wage (\$)	5.09	4.14 **

(continued)

Table 4.1 (continued)

Characteristic	Did Not Reach Time Limit	Reached Time Limit
<u>Educational status</u>		
Highest grade completed in school (average)	11.2	11.1
Highest degree/diploma earned (%)		
GED ^b	12.0	12.1
High school diploma	47.4	48.5
Technical/2-year college degree	6.9	5.1
4-year (or more) college degree	1.4	0.0
None of the above	32.4	34.3
Enrolled in education or training during the past 12 months (%)	21.6	27.3
<u>Public assistance status</u>		
Aid status (%)		
Applicant	63.8	44.4 ***
Recipient	36.3	55.6 ***
Total prior AFDC receipt ^c (%)		
None	18.0	8.1 **
Less than 4 months	8.3	5.1
4 months or more but less than 1 year	20.9	16.2
1 year or more but less than 2 years	16.3	19.2
2 years or more but less than 5 years	21.5	33.3 ***
5 years or more but less than 10 years	9.9	11.1
10 years or more	5.3	7.1
Resided as a child in a household receiving AFDC (%)	16.4	21.1
<u>Actual time limit (%)^d</u>		
24 months	84.9	82.8
36 months	15.1	17.2
<u>Current housing status (%)</u>		
Public housing	5.1	10.1 **
Subsidized housing	11.3	14.1
Emergency or temporary housing	7.4	5.1
None of the above	76.2	70.7
Sample size	800	99

(continued)

Table 4.1 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995 who could have reached the time limit by June 1997.

NOTES: A total of 20 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dThe actual time limit information comes from Family Transition Program data and not from Background Information Forms. These data do not necessarily correspond to the imputed time limits used in Chapter 6 for defining subgroups.

with family, or they may have moved to another state, where their income is not captured in the Florida UI records.

The group whose benefits were terminated received about \$245 in monthly AFDC/TANF payments one year prior to their benefits being terminated. By their last month on cash assistance, the average payment declined to about \$190. As discussed above, some of these individuals were working at the end of the time limit, which reduced the size of their grants. Individuals who were working and earning grant + \$90 received \$153, on average, while those not earning grant + \$90 received \$224 during the month of termination.⁸⁷

III. The Pre-Time Limit Review Process

The results presented in the previous sections indicate that benefits were canceled for nearly everyone who reached the time limit. This section presents a more in-depth discussion of the multistep process used to make decisions regarding the termination of benefits. This process, and the staff and Review Panel members' interpretation of the Family Transition Act and FTP Waiver, results in few exceptions. That is, few people received extensions, no one received a post-time limit public work opportunity, and only one case in the report sample was assigned a protective payee.

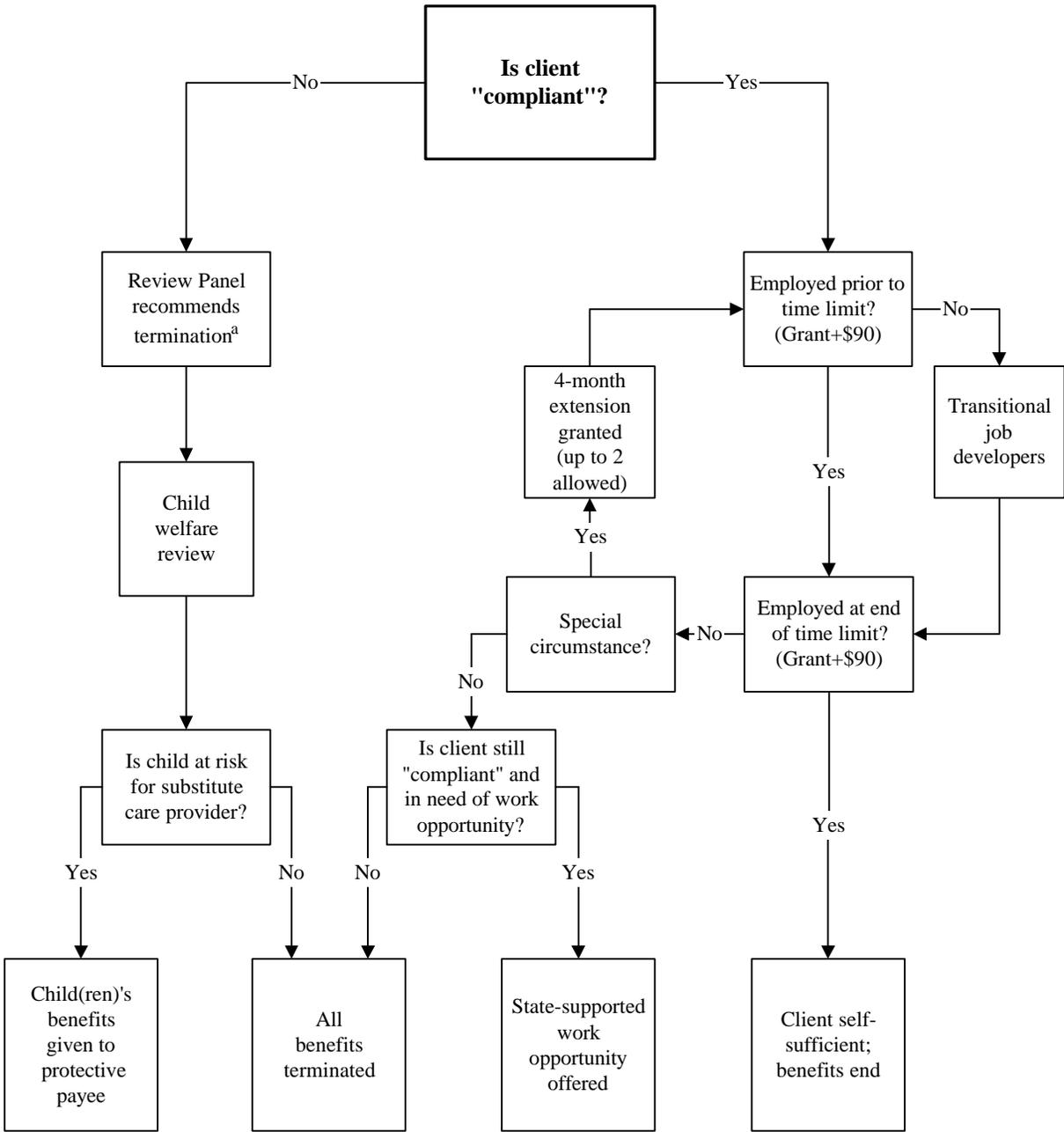
A. The Compliance/Noncompliance Decision

FTP participants follow one of two tracks during the six months before they reach the time limit. One track is reserved for "compliant" participants and the other for "noncompliant" participants. As Figure 4.3 shows, the participant's compliance status determines the state's obligation to her after the time limit and some of the resources available to her before the time limit. Those who are deemed compliant are eligible for intensive transitional job development services, four-month extensions, and state-supported work opportunities, if unemployed and still compliant at the end. Those who are deemed noncompliant are first sent to the review panel and are not eligible for these services and opportunities, but may be assigned a protective payee if their children are at risk of entering foster care.

1. Review Panel referrals. Each FTP case manager/career advisor team meets frequently to evaluate their participants' compliance and progress in the program. In addition, they meet monthly with their supervisors and staff from partner agencies to discuss the specific participants who are failing to meet their obligations in the program and to decide which cases should be sent to the citizen Review Panel. FTP refers to the monthly meetings as "pre-staffings." Workers reported that, more often than not, supervisors will agree with the staff's recommendations about which cases should be referred to the panel, although occasionally they will reverse a decision.

⁸⁷A similar analysis was conducted of average Food Stamp payments. FTP group members received about \$710 in quarterly Food Stamp benefits, one year prior to termination. They also received about \$710 during the quarter when their benefits were canceled. However, Food Stamps decreased to \$606 in the quarter after benefits were terminated, primarily because fewer program group members were receiving Food Stamps.

Figure 4.3
Florida's Family Transition Program
Simplified Illustration of the Process for Participants
Who Are Within Six Months of Reaching the Time Limit



NOTE: ^aOccasionally, noncompliant participants are referred to transitional job developers for job assistance, although this service is generally reserved for compliant participants.

Also, during these meetings staff discuss ideas for helping participants come into compliance. They might decide to refer a participant for counseling. Or they might decide that the participant would benefit from attending a particular activity. They include their recommendations in the write-ups that go to the Review Panel.

Cases may be sent to the Review Panel at various points during their time in FTP; the Family Transition Act states that participants failing to meet the requirements of their employability plan will be reviewed by the panel at least every nine months. This chapter focuses particular attention on the panel meeting that may take place about six months before a participant reaches the time limit; it is at that point that the panel makes its final recommendations regarding benefit termination.

The criteria used to determine whether to send a case to the Review Panel have evolved over the past three years. Staff were not issued written definitions of compliance, but were instructed how they should handle different types of cases. Initially, staff tended to send only cases that had clearly not complied with the program requirements — for example, participants who did not show up for appointments with staff, did not participate in the assigned activities, or did not comply with FTP mandates. Later, staff began to refer participants who may have been participating and complying with program requirements, but who were not making sufficient progress in the program. This could include someone who was enrolled in an Adult Basic Education class but who was not advancing. It could also include someone who was working part-time but was not earning enough to be considered grant + \$90. More recently, staff have been referring some participants who were working and even earning grant + \$90 but who, in the past, had problems keeping their jobs.

As one supervisor explained it, when determining which cases should be referred to the panel six months prior to the time limit, staff try to project whether the client will have a job at the end of the time limit. If this outcome seems likely, they will not send the client to the panel. Other staff stated that they almost always refer participants who are not working six months before the time limit. Interviews with a broad range of line staff and supervisors indicate that the criteria for sending cases to the panel have less to do with how much effort the participant made to comply with program requirements and more to do with the projected outcome (whether the participant will be earning grant + \$90 or not) at the end. As discussed below, hearings are intended to allow the panel to review the sufficiency of FTP's efforts to assist the participant.

In addition, several staff thought that the participants could benefit from the Review Panel experience. The seriousness of the panel meeting can “wake participants up” to the reality that their benefits will end, which may motivate some participants to find employment. In addition, as discussed below, the panel may recommend particular services or activities. Some staff reported that FTP holds them accountable if they decide not to send a case to the panel and the individual is not self-sufficient at the end. As one FTP case manager remarked, “There are ramifications if [staff] don't bring a client to the panel and the client doesn't have a job at the end of the time limit. It looks like the staff are not trying.” As noted earlier, FTP would be obligated to provide a work opportunity to the participant if she stayed in compliant status and failed to find a job.

2. Review Panel recommendations regarding benefit termination. During a Review Panel hearing, FTP staff summarize the activities that were assigned to the participant, and note whether the participant attended or did not attend each activity. In addition, they review her employment history. If the Review Panel deems that a participant is noncompliant and the participant is within six months of reaching the time limit, it will recommend that benefits be terminated at the time limit; the panel may also offer recommendations about how the client might move toward self-sufficiency. If the DCF District Administrator concurs with the panel's recommendation, he sends a termination letter to the client, informing her that her cash benefits will end at the time limit. For the analysis presented in this chapter, participants are categorized as noncompliant if they were sent this termination letter. (As discussed below, the District Administrator may decide to retain the children's portion of the grant, depending on the findings of a child welfare review.)

Generally, participants are referred to the Review Panel because they have not complied with FTP requirements and the Review Panel typically agrees with the staff's assessment. However, as noted earlier, staff also refer participants whose compliance status is less clear — for example, participants whom the staff consider to be compliant, but not progressing. If a hearing is taking place six months prior to the time limit, the Review Panel must decide whether to recommend such a case for benefit termination.

On a few occasions, the Review Panel has deemed such cases to be compliant, and has not recommended benefit termination; when this occurs, the participant remains eligible for a public work opportunity after the time limit (assuming she remains compliant and requires employment). However, both general discussions with staff and reviews of specific cases indicate that the Review Panel is likely to recommend benefit termination for cases that the staff considered to be compliant but not progressing when such cases are reviewed with six months left on the clock. These cases then become ineligible for post-time limit subsidized jobs. This may occur because the Review Panel members disagreed with the assessment of the staff who worked with the participant.

Table 4.2 compares the characteristics of FTP group members who reached the time limit by June 1997 and had been deemed compliant, with those deemed noncompliant. Of the 102 individuals who reached the time limit, roughly half had been deemed noncompliant. Of the noncompliant participants, 48 percent did not have a high school diploma or GED certificate when they entered FTP, substantially higher than the percent of the compliant group (20 percent). In addition, 48 percent of the noncompliant group had never worked six months or more for a single employer prior to enrolling in FTP, compared with 71 percent of the compliant group.

3. Employment status of the compliant and noncompliant groups. Figure 4.4 presents the employment status (from FTP program records) of the compliant and noncompliant groups at the point when their benefits were terminated. Almost 70 percent of the noncompliant group were not earning grant + \$90 per month at the end, although they may have other sources of financial support. Looking at the compliant group, 72 percent were earning grant + \$90. Therefore, the compliant group is more likely than the noncompliant group to be self-sufficient at the end.

Table 4.2
Florida's Family Transition Program
Selected Characteristics at the Time of Random Assignment,
of FTP Group Members Who Reached the Time Limit, by Compliance Status

Characteristic	Reached Time Limit	
	Deemed to be "Compliant"	Deemed to be "Noncompliant"
<u>Demographic characteristic</u>		
Gender (%)		
Female	98.0	98.0
Male	2.0	2.0
Age (%)		
Under 20	2.0	10.0
20-24	28.6	26.0
25-34	30.6	52.0 **
35-44	32.7	12.0 **
45 and over	6.1	0.0
Average age (years)	31.4	27.2 ***
Ethnicity (%)		
White, non-Hispanic	44.9	30.0
Black, non-Hispanic	55.1	66.0
Hispanic	0.0	2.0
Other	0.0	2.0
<u>Family status</u>		
Marital status (%)		
Never married	46.9	54.0
Married, not living with spouse	20.4	26.0
Separated	10.2	6.0
Divorced	20.4	12.0
Other	2.0	2.0
Average number of children	1.8	2.3 **
Age of youngest child (%)		
2 years and under ^a	43.8	51.0
3-5 years	16.7	20.4
6 years and over	39.6	28.6
<u>Work history</u>		
Ever worked (%)	98.0	96.0
Ever worked full time for 6 months or more for one employer (%)	71.4	48.0 **
Approximate earnings in past 12 months (%)		
\$0	49.0	46.9
\$1-\$999	18.4	28.6
\$1,000-\$4,999	20.4	16.3
\$5,000-\$9,999	8.2	6.1
\$10,000 or more	4.1	2.0
Among those currently employed, average hourly wage (\$)	4.14	4.14

(continued)

Table 4.2 (continued)

Characteristic	Reached Time Limit	
	Deemed to be "Compliant"	Deemed to be "Noncompliant"
<u>Educational status</u>		
Highest grade completed in school (average)	11.5	10.7 **
Highest degree/diploma earned (%)		
GED ^b	16.3	8.0
High school diploma	55.1	42.0
Technical/2-year college degree	8.2	2.0
4-year (or more) college degree	0.0	0.0
None of the above	20.4	48.0 ***
Enrolled in education or training during the past 12 months (%)	26.5	28.0
<u>Public assistance status</u>		
Aid status (%)		
Applicant	46.9	42.0
Recipient	53.1	58.0
Total prior AFDC receipt ^c (%)		
None	6.1	10.0
Less than 4 months	8.2	2.0
4 months or more but less than 1 year	18.4	14.0
1 year or more but less than 2 years	14.3	24.0
2 years or more but less than 5 years	38.8	28.0
5 years or more but less than 10 years	6.1	16.0
10 years or more	8.2	6.0
Resided as a child in a household receiving AFDC (%)	18.8	23.4
Actual time limit (%)^d		
24 months	91.8	74.0 **
36 months	8.2	26.0 **
<u>Current housing status (%)</u>		
Public housing	2.0	18.0
Subsidized housing	16.3	12.0
Emergency or temporary housing	6.1	4.0
None of the above	75.5	66.0
Sample size	49	50

(continued)

Table 4.2 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995 who reached the time limit by June 1997.

NOTES: A total of three sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

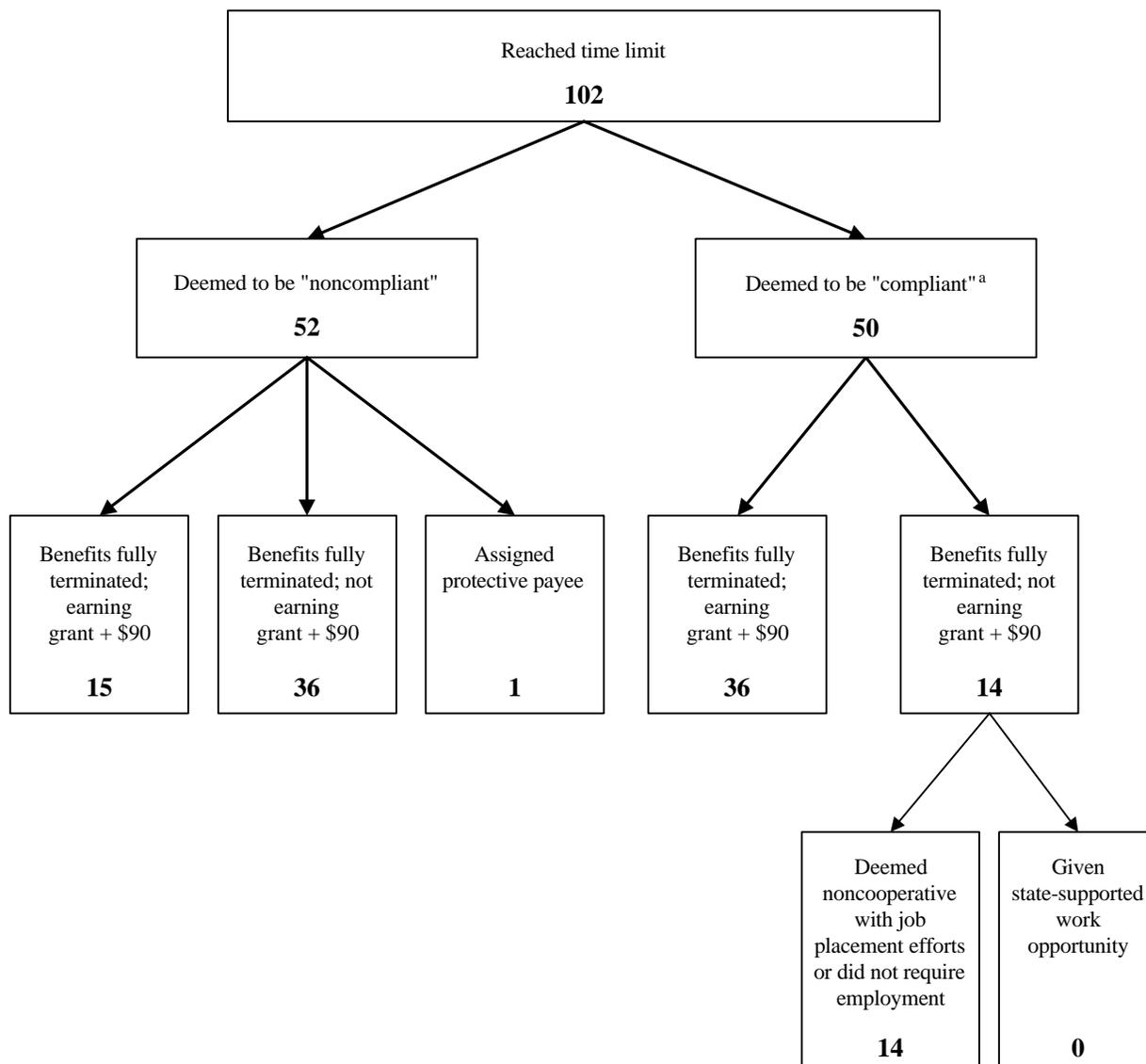
^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dThe actual time limit information comes from Family Transition Program data and not from Background Information Forms. These data do not necessarily correspond to the imputed time limits used in Chapter 6 for defining subgroups.

Figure 4.4

Florida's Family Transition Program

**Compliance Status as of June 1997 of FTP Group Members in the Report Sample
Who Had Reached the Time Limit
(Randomly Assigned from May 1994 to February 1995)**



SOURCES: MDRC calculations from Florida AFDC records and Family Transition Program data for single-parent cases randomly assigned from May 1994 through February 1995 who reached the time limit by June 1997.

NOTES: ^aFor this analysis, an FTP group member is "compliant" if she did not receive a termination letter from the DCF District Administrator. Of this group, three were granted a four-month extension before their benefits were terminated.

The 14 people who were deemed compliant and not earning grant + \$90 when their benefits were canceled were in a variety of situations. Some of them were found to be compliant six months prior to reaching the time limit and referred to a transitional job developer, but were deemed to have been noncooperative with subsequent efforts to find them a job. Others reportedly did not want or need a work opportunity provided by the state, usually because they had another source of support.

As noted in the earlier section, one case in the report sample was assigned a protective payee.

B. Compliant Path

As Figure 4.3 shows, participants who are deemed compliant are eligible for transitional job development services, four-month extensions if they have special circumstances that warrant an extension, and a state-supported work opportunity if they are still compliant and not earning grant + \$90 at the time limit.

1. Transitional job developers. FTP has employed one to two transitional job developers who work primarily with compliant participants in the last six months before the time limit expires. The case manager and career advisor may refer compliant participants who are not employed in a job that pays grant + \$90 to the transitional job developer, who then works intensively with the participant, often meeting with her one-on-one, twice a week.

In the past year, the transitional job developers have handled about 12 open cases a month, on average.⁸⁸ Open cases include those that the transitional job developer is attempting to schedule for an initial appointment as well as those receiving services. Some participants never respond to the job developer's repeated attempts to schedule appointments or decide at some point to seek employment on their own without assistance. In this situation, the transitional job developer would close the transitional employment case, and the participant would be considered noncompliant at that point and ineligible for a state-supported work opportunity and unlikely to receive an extension.⁸⁹

Transitional job developers can offer incentives to employers who hire FTP participants. For participants considered hard to place,⁹⁰ job developers can offer employers up to 70 percent of the participant's annual AFDC/TANF benefits to compensate employers for the extra training needed.⁹¹ Regular on-the-job training (OJT) contracts, which are used more commonly, typically cover about one-half of the participant's wages for the first two to six months. Some of the organizations that have received FTP incentives and regular OJT contracts include residential centers for seniors, child care centers, restaurants, hotels, local government, and small private businesses in the area.

2. Extensions. The Family Transition Act allows up to two four-month extensions of the time limit "if the participant has substantially met the requirements of the participant's employability plan and has encountered extraordinary difficulties in obtaining employment." The Review Panel reviews all extension proposals submitted by FTP staff or requested by participants and issues a recommendation about whether the extension should be granted. All extensions must be approved by the District Administrator.

⁸⁸This figure is based on a compilation of monthly reports for the period July 1996 to June 1997.

⁸⁹All participants are given the opportunity to request an extension from the Review Panel. However, the request is unlikely to be supported by the staff or the panel if the participant has not met the requirements of her employability plan.

⁹⁰The Family Transition Act defines a hard-to-place participant as an individual who (1) during the preceding 12 months was unable to retain any job for at least three months, or (2) has held more than two jobs during the preceding 12 months, or (3) has little or no work history during the past 12 months and either (a) has been on AFDC for 36 of the past 60 months, or (b) is under 24 years of age, has no high school diploma, and is not currently enrolled in a high school or a high school equivalency program. These last criteria are the same criteria used to determine who will be assigned a 36-month clock.

As of June 1997, six extensions had been requested by report sample members — three were approved, two were denied, and one was withdrawn.⁹² Who received the extensions? Interestingly, the three participants who received extensions enrolled during the first two months of FTP operations. All three were completing training programs and were expected to find employment after completing the training.

From an FTP staff survey conducted during the summer of 1996, FTP case managers responded that they were unlikely to discuss extensions with FTP participants, and would rarely encourage participants to apply for them. FTP staff feared that granting extensions would undermine the credibility of the program. It was important that participants understood that their welfare benefits ended when they reached the time limit. From the two-year client survey, few FTP group respondents reported that staff emphasized to them that people were able to get an extension if they reached the time limit without finding a job.

3. State-supported work opportunities. The waiver states that FTP “will design a transitional employment program to provide private-sector employment opportunities for each FTP participant who has diligently completed her (or his) self-sufficiency plan but has been unable to find employment at the end of the AFDC benefit time limit.” This includes any person “who has become unemployed after becoming ineligible for benefits, provided that employment need not be provided to persons who have voluntarily quit employment without good cause or have been discharged for misconduct.” If private-sector employment is insufficient to meet the needs of FTP, than public-sector employment can be used.

As discussed briefly in Section II.B, no one had been provided a state-supported work opportunity as of June 1997. Also discussed earlier, and shown in Table 4.2, the 14 individuals who were deemed compliant six months before reaching the time limit but not earning grant + \$90 at the end had either not cooperated with FTP at some point before they reached the time limit or reportedly were not interested in taking a state-supported work opportunity. The state was not obligated to offer public employment to those deemed to be noncompliant.

C. Noncompliant Path

As Figure 4.3 shows, the participants deemed noncompliant are not generally allowed to utilize the transitional job development services,⁹³ are not eligible for public work opportunities when they reach the time limit, and are unlikely to receive extensions.

1. Review Panel. The Review Panel was established in the Family Transition Act to review the Department of Children and Families’ delivery of FTP services and the progress of participants. The Review Panel was conceived as a group of seven members of the community, including a member of the local Health and Human Services board, a member of the Escarosa Workforce Development Board,⁹⁴ a participant or former participant in FTP, two members of the local business community, and one member at large. As discussed in MDRC’s 1997 report,⁹⁵ having one member from each of the groups sit on each panel is extremely difficult. FTP holds about four days of hearings per month, which amounts to eight half-day panels. With most members only able to sit on one half-day panel each month, FTP would need 56 panel members to volunteer each month (eight from each group). Because of the logistical challenges involved in getting individuals to volunteer and then attend, occasionally, only four or five Review Panel members are present, and some panel hearings are held with as few as two members.

⁹¹Thus, for a recipient with a \$303 monthly grant, which is the standard AFDC grant for a family of three, the incentive payment can be up to \$2,545.

⁹²A total of seven individuals requested extensions in Escambia County. In addition to the six individuals mentioned above, one person who is not part of the FTP evaluation requested an extension, which was disapproved.

⁹³Exceptions are made when the transitional job developer is receiving fewer referrals and has time to work with certain noncompliant participants.

⁹⁴Representation by the Escarosa Workforce Development Board replaced that of the Private Industry Council (PIC), after the PIC disbanded in Escambia County.

⁹⁵Bloom, Kemple, and Rogers-Dillon, 1997.

The Review Panel requires that members be able to take at least a half-day off every few months to serve without pay. As a result, Review Panel members are typically either retirees or middle-income professionals who work in the social service area and can incorporate their Review Panel service into their jobs. Often, panels do not include former or current welfare recipients, as specified in the waiver, in part because they probably have a more difficult time taking time off from their jobs. The pool of members is fairly diverse. Approximately three-fourths of the panel members are white and one-fourth are black, and 40 percent are male and 60 percent are female. Almost all of the Review Panel members had attended some college, and over half reported having at least a bachelor's degree.⁹⁶

When a participant is referred to the Review Panel, FTP staff prepare a summary of all actions that took place since the participant enrolled in FTP — for example, a review of all activities assigned to the participant, and the outcomes. The summary is then distributed to the panel. Staff recently reported spending an increasing amount of time preparing these materials because the percentage of staff's caseloads referred to the panel has been rising.

The increase in referrals can be explained in several ways. First, a higher percentage of each staff's caseload is approaching the time limit. (FTP is not enrolling any new participants into the program, so staff are dealing only with participants who have been enrolled in the program for at least one year.) Also, they are seeing more individuals with a 36-month time limit approach the end. As discussed earlier, this group is less likely to be considered self-sufficient and, thus, more likely to be referred to the Review Panel. Finally, FTP staff are referring more cases who are considered to be borderline (participants who are basically compliant, but not making sufficient progress).

FTP staff encourage participants to attend their Review Panel hearings, although participants very often choose not to attend. As discussed in MDRC's 1997 report, it is not unusual for a panel to hear five or six cases and see only one participant. The Review Panel rooms are set up to resemble a courtroom, with the participants facing the panel. The hearings are scheduled every half hour and often last only 10 to 15 minutes. During this time, the case manager and career advisor read their summary of the participant's activities and respond to any panel member's questions. If the participant is present, she is included in the discussions.

The Review Panel reviews the case and evaluates FTP's efforts to meet its responsibilities. If the Review Panel determines that the participant was failing to comply with her plan, it will state this finding. If the panel concludes that additional or new services are required for the participant, it can require FTP to provide these services. In addition, it reviews all applications for extensions made by FTP participants and submits its recommendations to the District Administrator.

After the hearing, the Review Panel liaison, who is an FTP staff person, writes up the Review Panel's recommendations, which typically include a recommendation that the participant come into compliance status and recommendations for specific activities that would benefit the participant. Often these recommendations originate from FTP staff at the pre-staffing. For participants who have six months or fewer left on their time limits, the Review Panel can recommend that their benefits be terminated. Staff report that the panel has recommended that benefits be terminated at the time limit for the vast majority of cases it has reviewed about six months prior to the end.

FTP staff had a few theories for the necessity of the Review Panel. One theory presented was that having a community panel validates the actions of the FTP staff and perhaps reduces complaints from the community. As one case manager remarked, "I think they [legislators] were concerned about people in the community yelling that we were unfair. But if the panel makes the decisions,⁹⁷ we have proof."

Another staff member observed that the panel reviews the actions taken by FTP staff and, because staff know they are being held accountable, this review process could ensure that people get the services they need during their time in FTP. She remarked, "I guess if we screwed up, they'd catch it, but we make sure that doesn't

⁹⁶Rogers-Dillon, forthcoming.

⁹⁷In fact, the District Administration makes all final decisions regarding benefit termination; the Review Panel offers recommendations to the District Administrator.

happen.” She believes that the presence of the panel may reduce the number of people who reach the time limit without receiving services.

Several staff members remarked that the pre-staffings that occur before the Review Panel are useful in generating ideas and recommendations for handling participants who are not complying or progressing. Therefore, the existence of the Review Panel could motivate staff to get together and discuss their cases.

Finally, while staff acknowledged that the Review Panel ends benefits for almost all cases sent to them with six months or less left on their time limit, the panel can emphasize to participants the seriousness of the time limit. As one staff person noted, “The panels don’t tell us what we don’t already know. They just wake up the clients because it looks so official. The panel recommends just what we put on the sheet.”

A survey asked 31 Review Panel members to identify the main role of the Review Panel. “To validate case managers’ and career advisors’ decisions that clients are noncompliant or need to progress” was chosen by 35 percent of the members. Thirty-two percent replied that it was “to advise the case managers and career advisors on ways to help the clients comply before they reach the time limit.” Few answered “To make decisions about which clients have their benefits terminated and which are granted extensions.”⁹⁸

2. Child welfare process. Once the Review Panel recommends terminating a participant’s benefits, the case is transferred to the Child Welfare Services agency. The child welfare worker makes a determination concerning the likelihood that a child on the case will be placed into substitute care (an emergency shelter or foster care) as a result of the termination of benefits. If the worker determines that a child is at risk of entering substitute care, then only the parent’s needs are removed from the grant calculation. The children’s portion of the grant is assigned to a protective payee (a third party who agrees to administer the grant). More recently, FTP has used a local consumer credit counseling organization to act as the protective payee.

In conducting the review, the child welfare worker spends about two to three hours on each case. She checks the Florida Abuse Hotline Information System (FAHIS) to find out whether there are abuse or neglect reports on the system involving anyone in the family. The system also provides information on children’s involvement with the Juvenile Justice system, and the child welfare worker reviews material provided by FTP, such as the Review Panel summaries and case notes, and occasionally talks to the case managers. If there was any previous contact with child welfare services, she may talk to the child welfare worker who handled the case. She does not meet with the participants. When reviewing the material, she takes into consideration the level of family support on which the participant can rely. Could other family members step in and help out financially when the benefits end?

It is important to emphasize that, in making her determination, the child welfare worker looks solely at whether children are in danger of being placed into substitute care *as a result of the cash grant being terminated*. A child may be at risk of entering substitute care, but if she thinks this risk is independent of the termination of benefits, she would not recommend that a protective payee be assigned. For example, the child welfare worker reported that she received one case for which she thought the children could very well end up in substitute care — the participant had had two of her four children removed already while she was on cash assistance. However, the child welfare worker thought that the participant’s problems were not related to the presence or absence of the cash grant, and that canceling the grant would not make things worse. She noted that “the cash was not the root of the problem.”

The child welfare service worker also noted that the first cases she reviewed during the initial terminations were simple; there were seldom any problems. Now, however, she is finding more cases with prior reports in the Florida Abuse Hotline Information System. Because more cases with 36-month time limits are coming up for review, she is dealing with cases with longer welfare histories. It is too early to determine whether more protective payees will be assigned as more participants with the 36-month time limit reach the end of the time limit.

⁹⁸Rogers-Dillon, forthcoming.

3. District Administrator. The Department of Children and Families District Administrator must approve all extensions recommended by the Review Panel. The District Administrator is responsible also for determining whether to remove the parent's needs from the AFDC/TANF grant and assign a protective payee or cancel the entire grant. Consequently, the final decision to terminate benefits rests with him. In practice, he relies on the judgment of the Review Panel, the child welfare staff, and the FTP staff. As he told one researcher, "When the material gets to my desk, it is pretty well gone through. And you know, we have case managers, we have the Review Panel, we have child welfare look at it."⁹⁹

D. Exemptions

Not all AFDC/TANF applicants and recipients are subject to time limits. As discussed in Chapter 1, individuals who came in for application or recertification and who met particular criteria did not go through the random assignment process.¹⁰⁰ These individuals included the following:

- a disabled or incapacitated adult;
- a full-time caretaker of a disabled dependent person;
- a caretaker relative whose needs are not included in the benefits;
- a person who is under 18 years of age who either remains in an educational program or is working at least 30 hours per week to support his (or her) family;
- a parent who has a child six months of age or younger and who, at the time that child was born, was not subject to the time limit provision; or
- a recipient who is 62 years of age or older.

Some individuals are enrolled in FTP but are deemed to be disabled or incapacitated some time before reaching the time limit. They would get an exemption at that point, although in many cases, these are temporary exemptions. Also, women who become pregnant after being assigned to FTP do not receive an exemption.¹⁰¹ Occasionally, however, a pregnant FTP participant will receive an exemption if she can document that the pregnancy prevents her from participating in assigned activities.

An FTP enrollee receives an exemption only when a physician documents that she cannot participate in the program for at least 30 days. Most staff feel that exemptions usually required very little judgment on their part; if they received a doctor's statement they accepted the assessment. If the participant becomes eligible for Supplemental Security Income (SSI) or Social Security Disability, her case is transferred to the Public Assistance Specialist.

As Figure 4.2 showed, of the report sample, 37 individuals received AFDC/TANF benefits up to and perhaps after reaching their time limit, but were not terminated from assistance. More than half of these participants received exemptions (although many were temporary exemptions), while others may have moved to other counties that did not operate an FTP program.

E. FTP Checks and Balances

⁹⁹Rogers-Dillon, forthcoming.

¹⁰⁰There were instances when exemptions were not detected at random assignment, and the individuals were randomly assigned. These individuals, who were exempted after random assignment, are included in the analysis.

¹⁰¹An FTP participant who becomes pregnant is not required to participate in assigned activities during the last two trimesters of the pregnancy (i.e., she cannot be sanctioned for nonparticipation) up until the baby is 7 months old. However, her clock continues to tick throughout this period. Several staff members expressed frustration that they could not sanction pregnant participants and thus could not impel them to participate in activities that could help them become self-sufficient by the time they reached the time limit.

The Family Transition Act was written with many checks and balances in place. First, staff review cases and determine which cases should be referred to the Review Panel. Their supervisors oversee this process and often give their input. If FTP staff recommend sending a case to the Review Panel, the supervisors can reverse this decision.

The participant is invited to attend the Review Panel hearings, and can bring along an advocate. She is allowed to question the case manager and submit information for consideration by the Review Panel. If the Review Panel determines that the participant has substantially complied with the FTP plan and (1) FTP failed to provide sufficient services, (2) the participant can benefit from additional education or training, or (3) the participant encountered extraordinary difficulties in obtaining employment or in completing her employability plan, then the panel can recommend extending the participant's benefits. Alternatively, public work opportunities can be offered to those found to be compliant in FTP.

When the Review Panel recommends terminating the participant's benefits, Child Welfare Services can determine that the children are at risk of entering substitute care and recommend a protective payee. Finally, even if Child Welfare Services determines that the children are not at risk, the District Administrator could overturn this determination and assign a protective payee.

With so many parties reviewing a participant's case before her benefits are terminated, why have few been granted extensions to the time limit, been assigned protective payees, or been given public work opportunities? As mentioned above, few Review Panel members characterized their role as making decisions concerning whose benefits should be terminated. Most described their role as validating the FTP staff's decisions and advising the staff on ways to help the clients comply.

In fact, there is some anecdotal evidence that panel members motivate both participants and FTP staff. The formal setting can convey the reality of the impending time limit to participants and may move them into taking actions that help them become self-sufficient. Also, because FTP staff have to document and justify the actions they took on each case referred, it serves to reduce the number of cases that are overlooked and neglected.

As discussed earlier, the District Administrator trusts the judgments made by FTP staff, the Review Panel, and the child welfare staff, and has virtually never overturned a decision.

Therefore, in practice, discussions with workers suggest that the FTP staff and, to a lesser degree, the child welfare staff, effectively determine whose benefits will be terminated when they decide which cases to send to the Review Panel six months before the time limit.

Chapter 5

Reaching the Time Limit: An Early Look at the Post-Time Limit Study

This chapter builds on the analysis presented in Chapter 4 by focusing on a subset of FTP participants who exhausted their allotted months of welfare or left welfare just before reaching the time limit. The post-time limit study described here complements the larger analysis of the FTP program; it relies on a close examination of 32 participants to provide insights into the experiences, behavior, and life plans of those who lose their cash assistance. The findings of this small, primarily descriptive study will be used to explore the questions about who reaches the time limit, and their experiences in the months prior to and following benefits termination.

A special focus on this phase of the lives of ex-recipients is important because, to date, very little information is available on the social and economic circumstances of families once they leave welfare. Most existing research, based primarily on large, nationally representative samples, has looked at the economic circumstances of women who cycle on and off AFDC. However, women who are terminated from welfare could be different from those women who choose to leave welfare on their own. Moreover, drawing inferences from the behavior and experiences of women from an entitlement-oriented welfare period is somewhat less meaningful in an environment that imposes strict time limits on welfare eligibility. The findings presented in this chapter begin to fill some of the gaps, and provide a snapshot of the lives of 32 families at very early stages of the post-welfare period.

As mentioned in previous chapters, most FTP recipients are limited to 24 months of cash assistance receipt in any 60-month period. Certain groups of particularly disadvantaged recipients are limited to 36 months of receipt within any 72-month period. Nearly all recipients lose cash assistance when they reach the time limit. The analysis reported in this chapter focuses on participants subject to the 24-month time limit whose benefits were canceled in late 1996 and early 1997. Another group of recipients subject to the 36-month time limit will be interviewed later and findings from those interviews will be discussed in a future report.

The post-time limit study was designed with several objectives in mind including, at the most general level, an increased understanding of the characteristics of the 24- and 36-month FTP cases that reach the time limit and the changes in their circumstances after benefits expire. In contrast to the impact analysis presented in Chapter 6, where comparisons are made between individuals randomly assigned to the FTP and AFDC groups, the post-time limit study looks at changes in status over time for the same individuals. Unlike the impact analysis, the focus of this study is not on establishing causality, but rather on describing the circumstances of individuals at different points in time before and after the loss of cash assistance.

On a more specific level, the post-time limit study is guided by four objectives:

1. to understand how FTP participants who reached the time limit viewed the FTP program, their attitudes toward FTP staff, and perceptions of how the program influenced work and welfare decisions;

2. to understand the economic circumstances of individuals reaching the time limit, focusing on labor market experiences and income before and after the loss of welfare benefits;
3. to understand how individuals plan to meet their needs in the future, and;
4. to describe the changes in the circumstances of individuals whose welfare benefits were terminated.

A sample of participants from the 24- and 36-month groups are interviewed at three points in time: (1) when they first lose their benefits (the “end-of-time limit” interview), during which they are asked to focus on the time period one month, six months, or twelve months before their benefits were terminated; (2) six months after benefits are terminated, when they are asked to focus on their first six months without welfare; and (3) twelve months after benefits are terminated, when they are asked to focus on the six months since the last interview. This chapter focuses on the first and second interviews for 32 individuals who had a 24-month time limit. Additional details on the sampling methodology and study design are provided in Appendix C.

A semi-structured interview protocol covering a wide range of topics was developed for the end-of-time-limit and follow-up interviews. Both interviews gathered information on education, employment, income, and material hardship. In addition, the end-of-time-limit interview carried a series of open-ended questions that asked clients about their perceptions of, attitudes toward and views of FTP and the time limit policy.

The chapter is organized in two parts. The first part reports on information gathered at the end-of-time-limit interview. It starts with a discussion of how sample members viewed FTP, and their attitudes toward FTP’s time limit policy. This discussion is followed by a section on employment and income sources of sample members at the end of the time limit. The second part of this chapter reports on the circumstances of sample members in the post-time limit period, and looks at the ways in which they and their families coped with the loss of benefits.

I. Findings from the End-of-Time-Limit Interview

A. Attitudes and Views Toward FTP and Time Limits

This section examines the extent to which sample members were aware of the time limits, their views about the FTP program, and how time limits influenced the decisions they made about work and welfare.

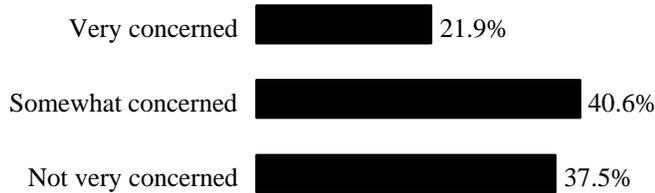
1. Awareness of time limits. As part of the end-of-time-limit interview, clients were asked a series of open-ended questions about when they first learned of time limits and their initial reactions to learning about the 24-month time limit. Figure 5.1 summarizes their reactions to some of these questions. Most of the sample members were aware of being subject to a 24-month

Figure 5.1

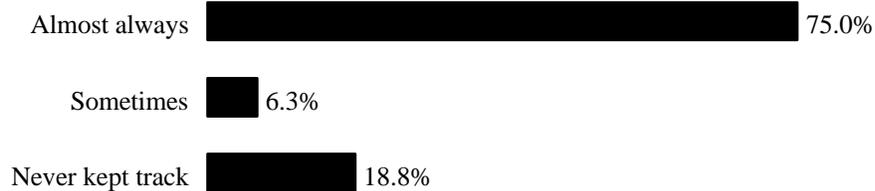
Florida's Family Transition Program

**Perception or Knowledge About Time Limits at the End of the Time Limit,
for the Post-Time Limit Study Sample**

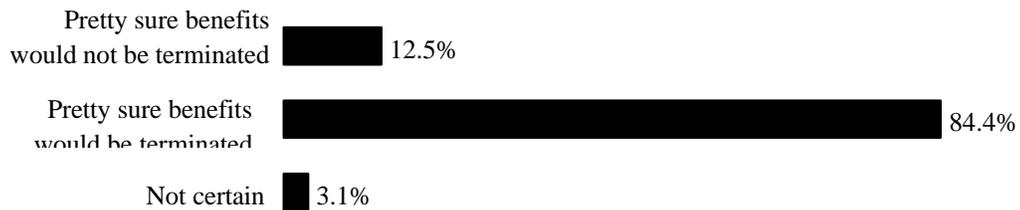
When you first heard about the time limit, how concerned were you about it?



Did you always know the amount of time left on welfare?



When you first heard about time limits, did you think benefits would be terminated?



When you first heard about time limits, did you think you would use up all 24 months?



SOURCE: MDRC calculations using data from end-of-time-limit interviews with people whose benefits were canceled between November 1996 and May 1997 (n = 32) .

time limit on welfare, and all the respondents were informed about the time limit by their caseworkers. This is consistent with data from the two-year client survey, reported in Chapter 3, which indicates that FTP successfully informed participants about the time limit. As one sample member said, “They always keep telling you. They constantly remind you, even if you know what you have to do. They get to be annoying about this clock ticking.”

When asked if they always kept track of the months used up, most said that they had an idea of the number of months left on their welfare clock. Some indicated that their caseworker would remind them periodically about the number of months remaining on their clock. Others kept track of the clock on their own. One woman said that she used a calendar to keep track of the time.

When they first heard about time limits, over three-fourths of the respondents believed that people’s welfare benefits would be terminated at the time limit. However, most did not see it happening to them — they did not believe that they would stay on welfare that long. The idea that welfare benefits are time-limited triggered a mix of reactions ranging from despair and disbelief to indifference. Some sample members felt that two years was not nearly enough time to get an education and gain economic self-sufficiency. As one of the respondents noted, “If you don’t succeed and get a job, what would you do? Problems? Would people be forced to steal?”

But other sample members viewed time limits quite positively. They felt that assigning time limits was a good way to get people off welfare and into work. Those who viewed time limits in this light felt that two years was an adequate amount of time to get organized and find work. One respondent felt that she wanted a job, not welfare. However, these same women felt that something unforeseen could happen and then things would not work out as planned. One respondent said, “Some people need more time in school than others. They get into a program, then it takes longer to graduate than they think, or something happens and they lose time.”

As a follow-up to the question about initial reactions to time limits, respondents were asked to reflect on how concerned they were about losing welfare benefits. More than half the sample indicated that they were very or somewhat concerned when their caseworker informed them about time limits. The remainder of the sample indicated that they were not concerned about time limits. Interestingly, the women who were not initially concerned believed that time limits would not affect them because they didn’t believe they would stay on welfare long enough to accumulate 24 months. These women were more likely to have more work experience than those who expressed concern. The reasons for their lack of concern about time limits suggests confidence in their own ability to move off welfare and into a job that would support their needs. They considered FTP to be a vehicle that could fulfill their desire to attain economic self-sufficiency.

The women who were very or somewhat concerned when informed about time limits expressed a strong feeling of uncertainty about the future and about their ability to find and keep a job. As one respondent put it, “There was so much to do, in such a short time.” They felt that, at the end of 24 months, they would be left without a job or money, and would have nowhere to turn for support.

To understand the effectiveness of FTP’s message of “banking time” and saving months

for the future, respondents were asked if they were aware that they could go off welfare during months they were employed, and save those months for a time in the future when they would need assistance. First, almost all sample members who combined work and welfare knew they could go off welfare and save months for the future. Only one respondent said that she did not know she could leave welfare and “bank” her months while working. She said, “I thought that the clock would keep ticking; I only got \$150 and could have done without it, but thought it was now or never.”

In general, women who mixed work and welfare said they would encourage other FTP participants to use their time wisely and stop the clock from ticking when they did not need welfare. One respondent said that she preferred to work and not depend on welfare, but she felt entitled to welfare benefits as long as they lasted.

When sample members were asked why they had not left welfare earlier, the responses of those who were employed when benefits expired were tied to job-related instability or earnings that were too low to support them; cash assistance provided a stable supplement to their earnings. Some also preferred to use the opportunities and resources provided by FTP to get ahead. For those who were unemployed at the time limit, the reasons centered mainly around issues of personal health and family. One-fourth of the latter group said that pregnancy was the main factor for staying on welfare. Some respondents opted to go to school and needed FTP for the generous child care subsidy.

Losing FTP’s generous child care subsidy was of concern to some respondents. As noted by one sample member, “Not having child care funds after FTP causes real problems. You get some training, but then you are right back where you were with no one to look after the kids. You just can’t leave them. It would be better if FTP stopped the AFDC payments when you get a job and use all the money for child care. The money would go farther that way. If they would just provide child care I could afford to get a job.”¹⁰²

2. Views about FTP. When respondents were asked how they would rate FTP’s time limit policy, almost three-fourths of the sample rated it as very fair to somewhat fair. Among those who did not rate the policy positively, an overarching concern was that the policy was not sensitive to individual differences and needs. According to one respondent, “I knew I had to do something. Some of us need longer, some people have farther to go, some have a harder time.” Another said, “Single moms have trouble to get on alone; they [FTP staff] feel everyone should be self-sufficient in two years. Some need more help.”

Those with positive views about the program’s time limit policy felt that the program had improved their ability to provide for themselves and their family. As one respondent noted: “FTP is very fair because it puts people back in control of their own lives. People are responsible, not the system. You know what you have to do and how long you have to do it.” Several respondents indicated that FTP had raised their self-esteem and motivated them to build goals and succeed within a short period of time.

A majority of those interviewed believed that they had gained something from participating in FTP. There was a feeling that FTP staff treated participants with respect and

¹⁰²FTP provides two years of transitional child care assistance to recipients who leave welfare for work.

dignity and pushed them along to achieve their personal goals. Figure 5.2 presents clients' reactions to a set of statements about FTP staff and the program itself. In general, sample members felt that FTP had improved their ability to provide for themselves and their families. Over half the sample felt that FTP had improved their chances of getting and keeping a job. There was some concern that FTP staff were overly preoccupied with program rules. One of the respondents felt that FTP staff was concerned more about short-term goals, rather than letting participants focus on what is good for them in the long run.

B. Plans for Coping with the Loss of Cash Assistance

To understand how sample members were planning to respond to the loss of welfare benefits, a series of questions were asked about the plans they were making for the future, and how sample members planned to meet financial obligations once welfare benefits expired. This section presents plans and strategies reported during the end-of-time-limit interview.

These respondents most often said that their plan was to continue looking for a job. Despite the fact that half the women were working at the time of this interview, finding better and more stable employment was a primary goal for them. Following employment and job search, education was the next most common plan. Some of the women were in school when their benefits were terminated, and completing school was important to them.

Several respondents indicated that they were extremely concerned about difficulties they would face in meeting household expenditures and providing for their children. Some reported that they had made short-term arrangements to cope with the loss of their welfare benefits — that is, they had family or friends who were willing to support them, at least in the initial months following the loss of benefits. Two of the sample members were planning to move to another city to live with family. However, they realized that they could not go on for too long by relying on the support of family or friends.

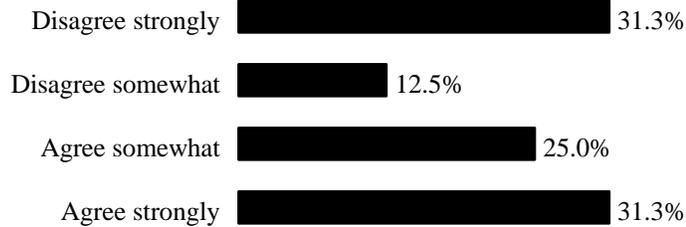
How sample members plan and prepare for the future appears to be tied closely to their economic circumstances when benefits expired. Those who were unemployed at that point seemed most concerned about being able to make it. Sample members who were employed at the end of the time limit appeared to be more optimistic about making ends meet. They expressed a strong sense of self-confidence and the belief that they had the education and skills necessary to find and keep a job. Unlike those who were unemployed when they reached the end of the time limit, these respondents had other means of financial support. At the most, welfare supplemented their earnings from a low-wage job. In most cases, sample members who were employed were hopeful that they would find a job that paid better than their current one.

C. Employment, Earnings, and Income at the End of the Time Limit

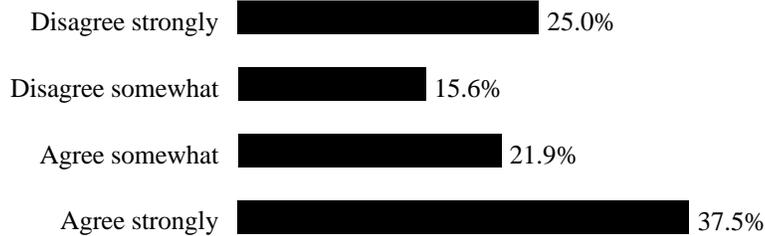
The information presented in Chapter 4 indicates that a very small proportion of the total report sample reached the 24-month time limit within the study period for this report. In comparison with a group of 24-month participants who did not reach the time limit, individuals who reached the time limit were more likely to have longer welfare histories, be living in public or

Figure 5.2
Florida's Family Transition Program
Views and Attitudes Toward FTP at the End of the Time Limit,
for the Post-Time Limit Study Sample

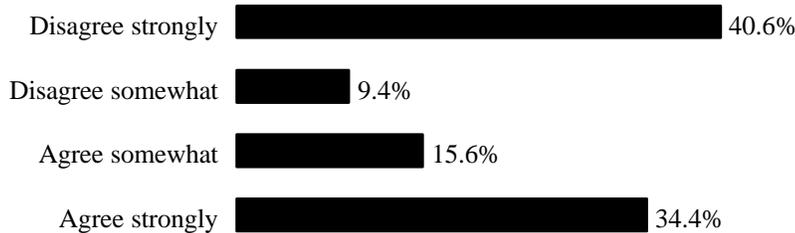
FTP staff pushed client to get a job even before a good job came along.



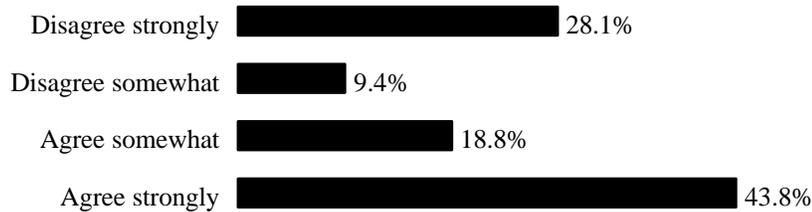
FTP improved the long-run chances of getting or keeping a job.



FTP staff are only concerned about rules.



FTP improved client's ability to provide for self and family.



SOURCE: MDRC calculations using data from end-of-time-limit interviews with people whose benefits were canceled between November 1996 and May 1997 (n = 32) .

subsidized housing, and have younger children. The sample selected for the post-time limit study is fairly representative of the group described in Chapter 4, and basic demographic characteristics for this subgroup are presented in Appendix C. This section focuses on the self-reported labor market experiences and sources of income for the sample of 32 FTP participants who exhausted their 24 months of welfare or left welfare just before reaching the end of the time limit.

1. Employment status at benefits termination. Sixteen of the 32 sample members were not working when they reached their time limit. In this group, one person had not worked for at least 22 months; most of the other sample members had been out of work for 6 months or less. The reasons reported for being unemployed ranged from a lack of consistent support services to limited education/skills for the job market to health problems. In the case of four respondents, a recent pregnancy was the main reason for being unemployed when benefits expired.

Sixteen of the 32 sample members were employed when their AFDC/TANF benefits expired. As noted in Chapter 4, about half of all FTP group members whose benefits were canceled were employed at that point. Among sample members who were employed at the time limit, two had been in the current job for more than 24 months. Most had been in the current job for less than 6 months.

Among the 16 sample members who were employed when their benefits were canceled, the number of hours worked per week varied only slightly, while the average hourly wages varied more. Fourteen of the sixteen were working 30 hours or more per week. The median wage was approximately \$5.37 an hour and ranged from \$3.30 to \$9.25 an hour.

Data gathered on employment suggest that the women in this study were at various skill levels and stages of employment when they reached the time limit. Based on employment characteristics, the employed sample members can be grouped into three employment profiles. One group appears to have relatively little work experience and is looking for ways to establish a work record. This group of new entrants to the labor force includes both young mothers and middle-aged women with slightly older children. Another group includes women with a moderate work history who need to increase their earnings to a level at which they are no longer dependent on welfare. The third group includes women who are juggling work and education simultaneously, and who are looking for employment that provides them with the flexibility to fit in other goals. The following mini-case studies provide brief snapshots of the employment and job characteristics of women who could be classified into the above profiles at the end of the time limit.¹⁰³

Case Study 1: New entrants into the labor force. Maya has no previous work history in the formal labor force. She has been a homemaker for several years and is now trying to make the transition into the formal work force. While enrolled in FTP, she received training in patient care. Maya has participated in several job-search activities, but did not find them very useful, and she is now delivering newspapers for a local company from 12:30 a.m. to 5:30 a.m. Maya reports that she has a drug problem and needs to be drug-free to get a job in her chosen field of patient care. Further, she suffers from bouts of depression and is taking Prozac for her condition. Though she would like to stop taking drugs, with all her problems she says she sometimes wants to get high or

¹⁰³Fictionalized names are used in the mini-case studies presented throughout this chapter.

“go to sleep and forget for a while.” Her daughter is suicidal and is currently undergoing treatment.

Case Study 2: Employed, but pursuing education goals as well. While enrolled in FTP, Helen received training in early childhood development. However, she currently works as a cashier at a local fast food chain. Helen started working at the fast food chain about 6 months before reaching the time limit, and works about 25 hours a week at \$5.25 an hour. The job enables her to keep flexible hours so she can stay in school (she is taking college preparation courses in math and reading) and spend time with her children.

Case Studies 3, 4, and 5: Employed and looking for ways to increase earnings. (Case Study 3) Tess, in her mid-30s and a mother of three adolescents, works at an elementary school for 35 hours a week, and helps with a variety of tasks. She earns around \$7 an hour and receives a full range of employee benefits. Her goal is to become a counselor in a school. However, since she only works during the school months, she is looking to pick up a second job to supplement her income.

(Case Study 4) Lisa was employed as a patient care technician. While enrolled in FTP, she received training to be a medical assistant. She was working full time (40 hours) at \$7.82 per hour, and her current employment spell began about 2 months before benefits expired. She started to work on an on-call basis in October 1996, and was eventually given a full-time position to start in December 1996. She is very happy about where she is working. She was sanctioned by FTP for not accepting a job with a local doctor. She reported that low pay and turmoil in the office deterred her from accepting the job.

(Case Study 5) Brenda, in her early 30s, participated in FTP’s job search activities and was not able to find a job. She has faced difficulties passing the GED test. At the time of this interview, she was holding four different “odd jobs.” She started accepting this kind of work close to a year before her benefits were canceled. While she generally works approximately 30 hours a week and earns approximately \$150 a week, her work hours and earnings vary considerably from one week to another. Brenda would like to start her own cleaning business.

2. Longest job held. To shed light on the group’s work history, the end-of-time-limit interview included questions about the longest job ever held. Respondents were asked to describe job characteristics and the duration of that employment. The responses suggest that the work histories of women reaching the time limit vary considerably. For women who were employed when benefits terminated, the average duration of the longest job was 60 months. For those who were unemployed, the duration of the longest-held job ranged from 4 to 58 months. At least eight of the women in the latter group had held a job for over one year.

3. Earnings and other income sources. To understand the economic prospects of women reaching the time limit, the researchers looked at earnings and income from other, non-job sources. This analysis is based on income the respondent received in the month preceding benefits termination. Given that half of the women interviewed were unemployed when their benefits expired, this section looks at earnings and income by employment status at the end of the time limit.

Among the 16 women who were employed when benefits expired, total monthly earnings ranged from \$340 to \$1,480 in the month prior to benefits loss. One sample member was earning less than \$500; another 11 were earning between \$500 and \$1,000; and 3 earned more than \$1,000. (There was no response for one sample member.)

All the women who were employed at the end of the time limit were receiving AFDC/TANF and Food Stamps in that month. The average AFDC/TANF benefit was \$179.25, and the average Food Stamp benefit was \$220.43. Florida being a low-grant state, Food Stamp benefits exceed the standard AFDC/TANF benefit. As expected, those who were unemployed received higher cash assistance and Food Stamp benefits than those who were employed. For the unemployed group, the average AFDC/TANF grant was \$206.93, and the average Food Stamp benefit was \$230.75.

This analysis of earnings and income sources reveals that for the women who were employed when their benefits ended, their own earnings were the primary source of income in the household. AFDC/TANF provided a cash supplement to earnings from low-wage jobs and a substitution for dependence on family or friends. In these households, AFDC/TANF benefits accounted for up to 27 percent of each household's total income. In the case of the women who were unemployed in the month prior to losing welfare, AFDC/TANF accounted for a larger portion of the total income.

Given that half the sample members were unemployed when benefits expired, how were they supporting themselves and their children without going to work? Were they receiving income from other sources to meet their needs? Who was helping them with their needs? To answer these questions, the following case studies look at three sample members who were unemployed at the time limit, and how they were supporting themselves.

Case Studies 6 and 7: Coping by relying on support from family. (Case Study 6) Shannon, a 22-year-old mother with two children, became unemployed 6 months before losing her welfare benefits. She lives with her family and does not contribute any rent. Her mother picks up most of the household expenditures. While food expenditures are kept separate, Shannon's mother helps out when Shannon runs short on her Food Stamps. Shannon has applied for SSI for one child who was hurt in an accident. In the month before Shannon lost her benefits, AFDC/TANF was her main revenue stream, in addition to \$229 in Food Stamp benefits. She reports having sold plasma often in the six months prior to losing welfare.

(Case Study 7) Lauren is in her mid-40s and is a mother of three children. She has been living with her mother for over two years. While she was working, she used to pay her mother \$100 a month in rent. Since she lost her job, she has been unable to meet that payment. While in FTP, Lauren reported that she was dealing with a lot of physical and personal problems, and was not able to move ahead with her education or employment goals. She relies on her mother for most of her needs — transportation, a place to stay, telephone, food, and money. At the time of the interview, Lauren's mother had lost her job, and Lauren was receiving \$230 in cash assistance and \$296 in Food Stamp benefits. She has considered filing for disability assistance, but feels that it would be a blow to her self-esteem.

Case Study 8: Coping with support from agencies. Diane, a 25-year-old mother of

two children, was looking for work at the point of the end-of-time-limit interview. She said that she had used multiple sources to find work and was not very successful. She lives in a public housing development and does not pay rent because she is unemployed. In the month prior to losing her benefits, Diane was receiving \$315 in Food Stamp benefits and another \$198 in AFDC/TANF. Unlike many other respondents who felt that they could turn to their family in times of hardship, Barbara did not report having any such support. She has, however, turned to a local agency for financial assistance to pay her utility bills.

Case Study 9: Coping on their own. Gina is a 43-year-old respondent and mother of two children — one adolescent and one adult. She was working toward an associate’s degree when her benefits were canceled. Gina stayed on welfare for 24 continuous months, and spent most of her time in FTP enrolled in education and training activities. She did not report being employed for any amount of time in the two-year period. At the time of losing her benefits, she was receiving a housing subsidy from the Department of Housing and Urban Development. She reported that she did not have any steady source of income, and relied mainly on her AFDC/TANF grant of \$151 and Food Stamp benefits of \$198.

II. Six Months Later: Findings from the First Follow-Up Interview

The second wave of post-time limit surveys produced information on the status of families approximately six months following the termination of cash assistance. This section examines information from these follow-up interviews and provides a very early look at the economic and material circumstances of individuals following the loss of welfare benefits. Given that the period of follow-up is short — six months — these findings should be treated as very preliminary. At the time of this writing, 25 of the 32 sample members had completed follow-up interviews. One sample member refused the follow-up interview, and another six could not be located. Appendix C describes the interviewer’s efforts to track sample members who could not be located for the follow-up interview.

A. Employment Status at Follow-up

As shown in Figure 5.3, at six months follow-up there was very little change in the employment status of sample members who had been working when their benefits expired. Eleven of the 25 sample members who completed the follow-up interview were employed both when cash assistance ended and at follow-up. Only one sample member who had been employed at the end of the time limit was unemployed six months later. Interestingly, five sample members who had been unemployed when benefits expired had jobs six months later.

Figure 5.3
Florida's Family Transition Program
Change in Employment Status Following the Loss
of AFDC/TANF Benefits

Not working at end of time limit or at follow-up	8
Working at end of time limit; not working at follow-up	1
Not working at end of time limit; working at follow-up	5
Working at end of time limit and at follow-up	11

NOTE: The follow-up interview was conducted six months after the termination of benefits.

Among the 11 individuals who were employed at both points in time, four reported working 5–20 fewer hours and two reported working 2–10 more hours per week at the follow-up interview.

B. Change in Income Following the Loss of Welfare Benefits

The analysis of change in total income after the loss of cash assistance is based on the difference in monthly income from the month prior to benefits termination to the month preceding the six-month follow-up interview. Total monthly income is defined as income for the sample member from all sources including earnings, Food Stamps, child support, and financial assistance from family or friends.¹⁰⁴ It is important to note that in calculating total income, this analysis includes only earnings, government assistance, and other forms of financial support provided *to the respondent*. Thus, earnings and income sources of other household members are excluded when trying to answer the question: What happened to the income of individuals who were no longer eligible for AFDC/TANF? The economic circumstances of other household members are examined separately.

Table 5.1 presents the average monthly income for sample members one month before benefits expired and one month preceding the six-month follow-up interview. The analysis of total income at these two points in time indicates that seven sample members' income increased after

¹⁰⁴This includes loans and small contributions that sample members received in the month preceding the follow-up interview.

their benefits expired. On the other hand, the income of the other 18 sample members had decreased by the month preceding follow-up.

Table 5.1
Florida's Family Transition Program
Average Monthly Income One Month Before the Loss of AFDC/TANF Benefits
and One Month Before the Six-Month Follow-Up Interview

Type of change in income	Average Monthly Income (\$)			Sample Size
	End of Time Limit	6-month Follow-Up Interview	Difference	
Increase	\$409.29	\$767.29	\$358.00	7
Decrease	\$1,109.17	\$751.89	-\$357.28	18
Total	\$913.20	\$756.20	-\$157.00	25

SOURCE: Of the 32 participants who completed the end-of-time-limit interview, 25 completed the six-month follow-up interview.

1. Who lost income? The group that experienced a decline in income was made up largely of individuals who were working when their benefits were canceled. Twelve of the 18 sample members who lost income had been employed when they reached the time limit. For those individuals, the income loss was mainly a result of the fact that they lost AFDC/TANF benefits, which had been a steady supplement to their income. Among the group that lost income at the time limit, the average AFDC/TANF benefit was \$189.

Six of the 18 who lost income reported that they were not receiving any Food Stamp benefits in the month of the follow-up interview. It is not clear why these individuals lost their Food Stamp benefits, but it is possible that they mistakenly assumed that Food Stamp benefits expired along with AFDC/TANF benefits. It is also possible that two or three individuals could have become ineligible for Food Stamps because they were receiving more income from work and/or other sources. Another six individuals in this group experienced a reduction in their Food Stamp grant in the time since their benefits had been canceled. Overall, the average Food Stamp benefit for the group whose income decreased changed from \$256.06 to \$153.78. However, more analysis is needed to understand why some families were no longer receiving Food Stamps, and why Food Stamp benefits declined for some families.

There was a very slight decrease in the average earnings for the 18 individuals whose income decreased between the end of the time limit and the six-month follow-up interview, from \$531.33 to \$508.22. Nevertheless, it is important to note that the latter figure would have made most of these individuals ineligible for cash assistance under normal AFDC rules. FTP's enhanced earned income disregard allowed them to remain eligible for assistance prior to reaching the time limit.

While it appears that the income of these 18 individuals decreased in the major income

categories (i.e., AFDC/TANF and Food Stamps), it increased in child support payments.¹⁰⁵ The average child support payment at the end of the time limit was \$15, and by the six-month follow-up, it had increased to \$84.59. Caution should be used, however, in interpreting the finding of increased child support receipt in FTP households following the loss of cash assistance. Typically, when a welfare recipient receives cash assistance, only the first \$50 of the child support paid by the noncustodial parent is passed on to the family, and the state withholds the balance. In contrast, when a household no longer receives cash assistance, the full child support payment is passed on to the family. Hence, some or all of the child support payments reported for the follow-up period could be a result of the way in which child support payments are distributed to welfare recipients rather than a change in the child support payment amount.

The earnings and income sources of sample members describe only one part of the financial situation of households that experienced a decline in income. Ten of the 18 respondents whose income declined were living in households that included other income-earning members. Most often the other adult in the household was a parent, sibling, or partner. In general these adults were earning between \$500 and \$1,300 in the month preceding the follow-up interview. In the case of one respondent, the adult was earning over \$4,000 in salary. What is unclear at this point, and requires more study, is how sample members whose income declined benefited from the earnings and income sources of other household members. While anecdotal evidence does suggest that the other adults in the household contributed toward respondents' food and transportation needs, it is unclear for how long and to what extent respondents could rely on this support.

2. Who gained income? As indicated in Table 5.1, the income of seven sample members had increased by the time of the follow-up interview; four of them were unemployed when their benefits were terminated but were employed at follow-up, and the other three were unemployed both at the end of the time limit and at follow-up.

The increases in income experienced by this group come from a combination of factors — change in employment status, increase in Food Stamp benefits, and receipt of child support payments. For the four sample members who became employed after their welfare benefits were terminated, earnings and child support payments were the main source of their increase in income. For the three who were unemployed at both time points, Food Stamp and child support payments offset the loss of their cash assistance. (As discussed above, changes in reported child support should be viewed with caution.)

C. Balancing Income and Expenditures After Cancellation of Benefits

The fact that over half the sample members in the post-time limit study experienced a decline in monthly income following the loss of welfare benefits raises several questions about how these families were managing their monthly expenditures, and what they were doing to manage their expenses within their fixed income. During the follow-up interviews, sample members were asked about typical expenditure patterns and the amount spent on several expense categories in the month preceding the six-month follow-up interview. The list includes housing,

¹⁰⁵The State of Florida stopped the \$50 child support pass-through when it implemented federal welfare reform.

utilities, telephone, food, laundry, entertainment, and other miscellaneous expenses such as cigarettes, alcohol, and the like. Respondents were asked to flag expenses that were not considered “typical” monthly expenses — for example, auto repairs or back-to-school expenses.

As expected, sample members who were employed at follow-up were spending more, in absolute terms, on expenses such as clothing, school supplies, and entertainment compared with those who were unemployed. The group’s housing and utility expenses also varied quite a bit; those who were employed had higher housing and utilities expenses. One explanation for this difference is that over half of the unemployed group included those who were living in public/subsidized housing or those who were living with family or friends and were not paying rent.

At least half of the 25 respondents who gave a follow-up interview reported that since their AFDC/TANF benefits had expired, it had become more difficult to make ends meet. These respondents were asked whether they had found ways to get more income and decrease their level of financial hardship; most said “yes.” Work appeared to be the main method to increase income and meet expenses. Below are some typical responses to the question of what they were doing to increase their income following the loss of welfare benefits:

Working as many hours as possible.

Getting help from brother to pay rent.

Got a job.

Worked harder — got a second job.

I found a job with a good salary.

In addition to finding ways of increasing their income, sample members who were facing difficulties in balancing income and expenditures were forced to find ways of paring down their expenses. For some, reducing expenses meant:

Turning down the water heater to reduce utilities by at least \$50 a month.

Doing laundry by hand.

Canceling the telephone.

Being more careful, using coupons, buying generic brands, relying on used things.

Being more careful while shopping — staying close to budget.

Spending less on cigarettes and other extras.

Cutting back on everything.

Cutting out all unnecessary things and things that are enjoyable.

Looking for ways to do things free rather than pay — for example, looking for free entertainment for children rather than paying for movies.

D. Other Measures of Hardship

The extent to which the sample members experienced material hardships in the months following the loss of benefits varied quite a bit. It is important to keep in mind that the follow-up interview was conducted approximately six months following benefits termination. While six months is not a sufficient period of time to see large changes in quality of life, it is a sufficient window to observe immediate changes in behavior and well-being. This section examines two particular measures of hardship: (1) whether sample members experienced any housing dislocation as a result of losing welfare benefits; and (2) whether the respondent or the respondent's children experienced long spells of hunger or had inadequate food in the six-month period of follow-up compared with the six-month period before losing welfare benefits. The status of the sample on each of these measures of hardship is described below.

1. Changes in living arrangements. In general, there was no evidence of major changes in housing status or living arrangements in the six-month period following the loss of AFDC/TANF benefits. Those sample members who had been living with family or friends at the end of the time limit were still living with them at follow-up. Similarly, those who had been in rental housing continued to stay in rental housing six months later. One sample member's house went into foreclosure after her benefits expired. However, this process had started before the termination of welfare benefits. This change in the respondent's housing situation did make the respondent homeless, resulting in a two-week stay at an emergency housing shelter.

2. Hunger and food inadequacy. Another way of looking at post-time limit hardship is to compare the extent and periods of hunger and food inadequacy in households before and after the loss of welfare benefits. To make this assessment, a series of questions were asked at both the end of the time limit and at follow-up. For example, respondents were asked if over the last six months there had been a time when they could not afford to buy food, or whether they were able to eat the kind of food that they wanted to eat. Another question asked at both interviews was whether they or their child(ren) ever ate less than they should because there was not enough money to buy food. In general, for over half of the sample, the respondents' concerns about hunger and food inadequacy were at about the same level as reported at the end-of-time-limit interview. In addition, most sample members said that while they did not always have the kind of food they wanted to eat, they always had enough to eat.

Chapter 6

Impacts of FTP on Employment, AFDC/TANF, and Food Stamp Outcomes

This chapter examines FTP's impact on the employment and welfare behavior of individuals who were randomly assigned to participate in the program. The chapter focuses on findings over the first two years following each sample member's entry into the study (the point at which they applied for or were being recertified for ongoing eligibility for AFDC/TANF and were randomly assigned to FTP or to the AFDC group). In addition to examining FTP's impacts for the full report sample, the chapter presents impact findings for key subgroups of the sample. It also describes findings from the two-year client survey on differences in the characteristics of jobs obtained by FTP and AFDC group members.

The two-year follow-up period for the full report sample is not long enough to capture the potential impact of FTP during a period when a substantial number of sample members could have reached the time limit. In order to shed some light on whether FTP's impact on employment and welfare receipt changed as the time limit began to go into effect, the final section of the chapter includes findings for up to nine additional months beyond the two-year follow-up for those who entered the study early on.

To summarize the findings discussed in this chapter: During the first two years of follow-up FTP's primary impact was to increase the rate at which FTP group members combined work and welfare. Specifically, FTP produced a steady increase in the employment rates of the FTP group members so that by the end of the two-year follow-up period, 52 percent of those in the FTP group were employed compared with 43 percent in the AFDC group. Throughout the two-year follow-up period, however, FTP group members continued to receive AFDC/TANF and Food Stamps at the same rates as those in the AFDC group. Also, FTP produced increases in earnings from work that offset small reductions in AFDC/TANF and Food Stamp payments. This resulted in a modest increase in total income from the combination of work and continued AFDC/TANF and Food Stamps receipt. Finally, for the sample members who could be followed for a longer follow-up period, larger reductions in AFDC/TANF receipt rates and payments began to emerge after the second year of follow-up while employment and earnings gains were sustained.

Section I describes the data sources and analytical strategies used in the impact analysis. The findings are presented in the subsequent sections.

I. Data and Analytical Issues

The impact findings presented in this chapter are based on 2,815 individuals randomly

assigned between May 1994 and February 1995.¹⁰⁶ From this sample, 1,405 (50 percent) were randomly assigned to the FTP group. FTP group members were subject to FTP's participation requirements and time limits and were eligible for its services and work incentives. The remaining 1,410 (50 percent) sample members were randomly assigned to the AFDC group and were neither required nor eligible to participate in FTP, but were eligible (and, in some cases, required) to participate in Florida's Project Independence program and could use other services available in the community.

This section of the chapter describes the primary data sources used in the impact analysis and the length of the follow-up period used in this chapter.

A. Data Sources and Follow-Up Period for the Report Sample

The primary source of data for the findings discussed in the chapter was computerized administrative records kept by the State of Florida. These records provide information about earnings and public assistance obtained by sample members in any county in Florida. The rules for recording information in these records apply equally to all state residents. As a result, they provide unbiased measures of earnings and public assistance receipt for both the FTP and AFDC groups. However, these data are not available for earnings or public assistance obtained in other states, or for income obtained from other sources such as financial or in-kind support from other family members or earnings not reported to the state's Unemployment Insurance (UI) system. Such income will not be measured and will not appear in the data. Following is a more detailed description of the data sources used in the chapter.

1. Employment and earnings data. Earnings reported by employers to the state's Unemployment Insurance system provide measures of employment and earnings by calendar quarter (January through March, April through June, July through September, and October through December). As noted in Chapter 1, the impact analyses presented in this chapter make use of employment and earnings data for the period from April 1993 (four quarters prior to the first random assignment) through March 1997 (eight quarters following the last random assignment for this sample).¹⁰⁷

This means that two full years of post-random assignment UI earnings data are available for all 2,815 members of the report sample.¹⁰⁸ The tables in this chapter present employment and earnings impact findings for selected individual quarters (such as the last quarter of each year of follow-up) as well as cumulative impacts by year and for the full two-year follow-up period.

¹⁰⁶As discussed in Chapter 1, the full report sample consists of 2,817 people randomly assigned during this period. Two sample members were dropped for the impact analyses because of errors in their administrative records data.

¹⁰⁷Employers report earnings information to the state's Unemployment Insurance system on an ongoing basis. As a result, the last quarter of the follow-up period for this report (January through March 1997) may not include a complete record of earnings and employment for some sample members. Previous analyses of these data suggests that the findings are not likely to change substantially when the UI data are more complete.

¹⁰⁸For some sample members, the calendar quarter in which random assignment took place may have included some earnings secured before the actual date of random assignment; therefore, for all sample members, the quarter in which random assignment occurred is not counted in the analysis of program impacts. Thus, quarter 1 corresponds to the quarter following the quarter of random assignment.

The analyses also make use of UI data for four calendar quarters of data prior to each sample member's date of random assignment. These data are used to increase the precision of the impact estimates by controlling for random differences in background characteristics of the FTP and AFDC groups.

2. AFDC/TANF and Food Stamp data. Florida's computerized public assistance benefits system, known as the FLORIDA (Florida On-Line Recipient Integrated Data Access) System, provided monthly AFDC/TANF payment records and Food Stamp issuance records for this evaluation. As noted in Chapter 1, the impact analyses in this chapter make use of AFDC/TANF and Food Stamp data for the period from April 1993 (four quarters prior to the first random assignment) through June 1997 (nine quarters following the last random assignment for this sample). For the analysis in this chapter, AFDC/TANF and Food Stamp payments were aggregated into calendar quarters to match the intervals covered by the UI earnings data.

This report focuses on the first two years of post-random assignment AFDC/TANF and Food Stamp data that are available for all members of the report sample. The tables in this chapter present impact findings for selected individual quarters (such as the last quarter of each follow-up year) as well as impacts that were aggregated by year and over the full two years of follow-up.

The analysis also makes use of AFDC/TANF and Food Stamp data for the four calendar quarters prior to each sample member's date of random assignment. These data are used to increase the precision of the impact estimates by controlling for random differences in background characteristics of the FTP and AFDC groups.

3. Two-year client survey. This chapter draws upon the two-year client survey to examine the characteristics of the jobs held by FTP and AFDC group members during the survey follow-up period. For example, the survey included questions about hourly or weekly wage rates, number of hours worked per week, and number of weeks worked, which combine to constitute annual earnings. The chapter also presents information about the nonwage characteristics of jobs held by FTP and AFDC group members — such as fringe benefits, job security, and potential for advancement. Finally, the chapter includes indicators from the survey data that provide insights into sample members' personal and economic well-being and about their children's education.

B. How Do Outcomes Differ from Impacts?

When analyzing the effects of FTP on individual behavior, it is important to distinguish between measures of program “outcomes” and measures of program “impacts.” In this report, “outcomes” refer to sample members' employment, AFDC/TANF, and Food Stamp status at various points during the follow-up period, as well as the amount of income they derived from earnings and AFDC/TANF and Food Stamp payments. For this study, outcome measures were created based on the UI earnings, AFDC/TANF, and Food Stamp data described earlier. Individuals are considered to have been employed in a given quarter, for example, if they received earnings at any point during that three-month period; similarly, they are classified as having received AFDC/TANF (or Food Stamps) in a given quarter if they received AFDC/TANF (or Food Stamps) payments during one or more months within that quarter.

An “impact” is FTP's *effect* on an outcome. The average outcome levels for the FTP group alone provide potentially misleading measures of the impacts of FTP. Previous research has

shown that many individuals find work and leave AFDC/TANF for reasons not necessarily related to a special intervention like FTP.¹⁰⁹ Having passed through a temporary personal or family crisis, some individuals find work on their own and no longer need to depend on AFDC/TANF. Others get married and can rely on the income of their spouse for support and still others begin receiving more support for their children from the noncustodial parent. In order to determine the net effect of FTP, it is necessary to compare the experiences of a group of individuals who were exposed to FTP with a similar group of individuals who were not. In this study, FTP and AFDC groups were created using random assignment to ensure that there were no systematic differences in their background characteristics. Because the AFDC group for this study was not required or permitted to participate in FTP, their behavior serves as a benchmark for how the FTP group would have behaved in the absence of FTP.¹¹⁰ Impacts, therefore, are estimated by the difference between average outcome levels for members of the FTP and AFDC groups. Any differences in outcomes between the two groups can be attributed to FTP.¹¹¹

It is also important to note that all sample members are included in calculations of outcome measures. For example, estimates of average earnings per FTP group member or per AFDC group member include zero dollar amounts for sample members who were not employed during the follow-up period. Similarly, estimates of average AFDC/TANF and Food Stamp payments include zero dollar amounts for sample members who did not receive AFDC/TANF or Food Stamps during the follow-up period. To the extent that FTP moves people from unemployment to employment, or encourages AFDC/TANF or Food Stamp recipients to leave the rolls, excluding the resulting zero values from the FTP or AFDC group would lead to serious underestimation of program impacts.

A final issue of interpretation concerns the “statistical significance” of impact estimates. Statistical significance is a measure of the degree of certainty that some non-zero impact actually occurred. If an impact estimate is statistically significant, one may conclude with some confidence that the program really had an effect. If an impact estimate is not statistically significant, the non-zero estimate is more likely to be the product of chance.

Statistical significance does not directly indicate the magnitude or importance of an impact estimate, only whether any impact occurred. In an evaluation such as this one, numerically small impact estimates are usually not statistically significant. Some numerically large impact estimates

¹⁰⁹See, for example, Bane and Ellwood, 1994.

¹¹⁰As discussed in Chapter 3, some members of the AFDC group also believed they were subject to a time limit, and this may have affected their behavior in similar ways to that of FTP group members. As a result, these estimates may underestimate the full effect of FTP as represented by its comparison with an AFDC group that did not include individuals who believed they were subject to a time limit.

¹¹¹The differences between FTP and AFDC group outcomes have been regression-adjusted to increase the precision of the impact estimates and to control for any differences in the two groups’ background socioeconomic characteristics remaining after randomization. The FTP and AFDC groups in the FTP report sample were similar in most background characteristics but AFDC group members had slightly higher average earnings during the year prior to random assignment. As a consequence, the regression adjustments resulted in a slight increase in the estimated FTP-AFDC differences in outcomes. The effects of regression adjustment may be seen as follows: The impact on earnings for years 1 and 2 was \$799 without regression adjustment and, as shown in Table 6.1, \$902 with regression adjustment. The impact on AFDC/TANF payments for years 1 and 2 was \$154 without regression adjustment and, as shown in Table 6.1, \$147 with regression adjustment.

may not be statistically significant, however, particularly when sample sizes are small. Smaller sample sizes yield less reliable impact estimates — estimates in which one can have less confidence — than are possible when samples are larger. For the full report sample, sample sizes are relatively large. Later in the chapter, smaller sample sizes are created by breaking up the full sample for subgroup analyses. Therefore, an estimate of a given magnitude that is statistically significant for the full sample will often not be statistically significant for a subgroup.

II. Two-Year Impacts for the Full Report Sample

A. Impacts on Employment and Earnings

The first two sections of Table 6.1 show FTP’s impact on employment rates and earnings, respectively. They indicate that FTP produced increases in both employment and earnings over the two-year follow-up period and that this impact grew between the first and second years.

The first row in Table 6.1 presents FTP’s impact on the percentage of FTP group members who were employed during at least one quarter during the first two years of follow-up. It shows that just over 76 percent of the FTP group was employed during the first two years of the follow-up period compared with 71 percent of the AFDC group. This 5 percentage point difference is the impact of FTP and represents an 8 percent increase in employment for FTP group members over and above the AFDC group average. The second section of Table 6.1 shows that FTP increased total earnings of the FTP group by an average of \$902 over the AFDC group (a 16 percent increase over the AFDC group average). Also, Table 6.1 shows that the earnings impact increased between the first and second years of follow-up. During the first year, earnings for the FTP group were an average of \$245 higher than those of the AFDC group (a 10 percent increase). During the second year, earnings for the FTP group were an average of \$657 higher than those of the AFDC group (a 20 percent increase).

Figure 6.1 illustrates the growth in FTP’s impact on employment rates over the two-year follow-up period.¹¹² As expected, during the first quarter following random assignment, there was virtually no difference in employment rates between FTP and AFDC group members. By the end of the first year there was a 4 percentage point difference and by the end of the second year there was an 8 percentage point difference. The bottom panel of Figure 6.1 shows a similar pattern for FTP’s impact on average earnings over the follow-up period.

¹¹²See Appendix Table D.1 for a list of quarterly outcomes and impacts.

Table 6.1
Florida's Family Transition Program
Two-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments,
Food Stamp Receipt, and Value of Food Stamps Received

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed, years 1-2 (%)	76.3	71.0	5.3 ***	7.5
Last quarter of year 1	45.2	40.8	4.3 **	10.6
Last quarter of year 2	51.7	43.5	8.2 ***	18.9
Average total earnings, years 1-2 (\$)	6,656	5,754	902 ***	15.7
Year 1	2,760	2,514	245 *	9.7
Year 2	3,897	3,240	657 ***	20.3
Ever received any AFDC/TANF payments, years 1-2 (%)	83.4	82.7	0.6	0.8
Last quarter of year 1	56.2	54.4	1.9	3.4
Last quarter of year 2	35.9	38.1	-2.2	-5.8
Average total AFDC/TANF payments received, years 1-2 (\$)	3,129	3,276	-147	-4.5
Year 1	1,985	1,994	-9	-0.5
Year 2	1,144	1,282	-137 ***	-10.7
Average number of months receiving AFDC/TANF payments, years 1-2	11.8	11.7	0.0	0.3
Ever received any Food Stamps, years 1-2 (%)	90.0	89.8	0.2	0.2
Last quarter of year 1	68.6	68.3	0.2	0.3
Last quarter of year 2	55.2	56.4	-1.3	-2.2
Average total value of Food Stamps received, years 1-2 (\$)	3,752	4,094	-343 ***	-8.4
Year 1	2,130	2,297	-166 ***	-7.2
Year 2	1,621	1,798	-176 ***	-9.8
Sample size (total = 2,815)	1,405	1,410		

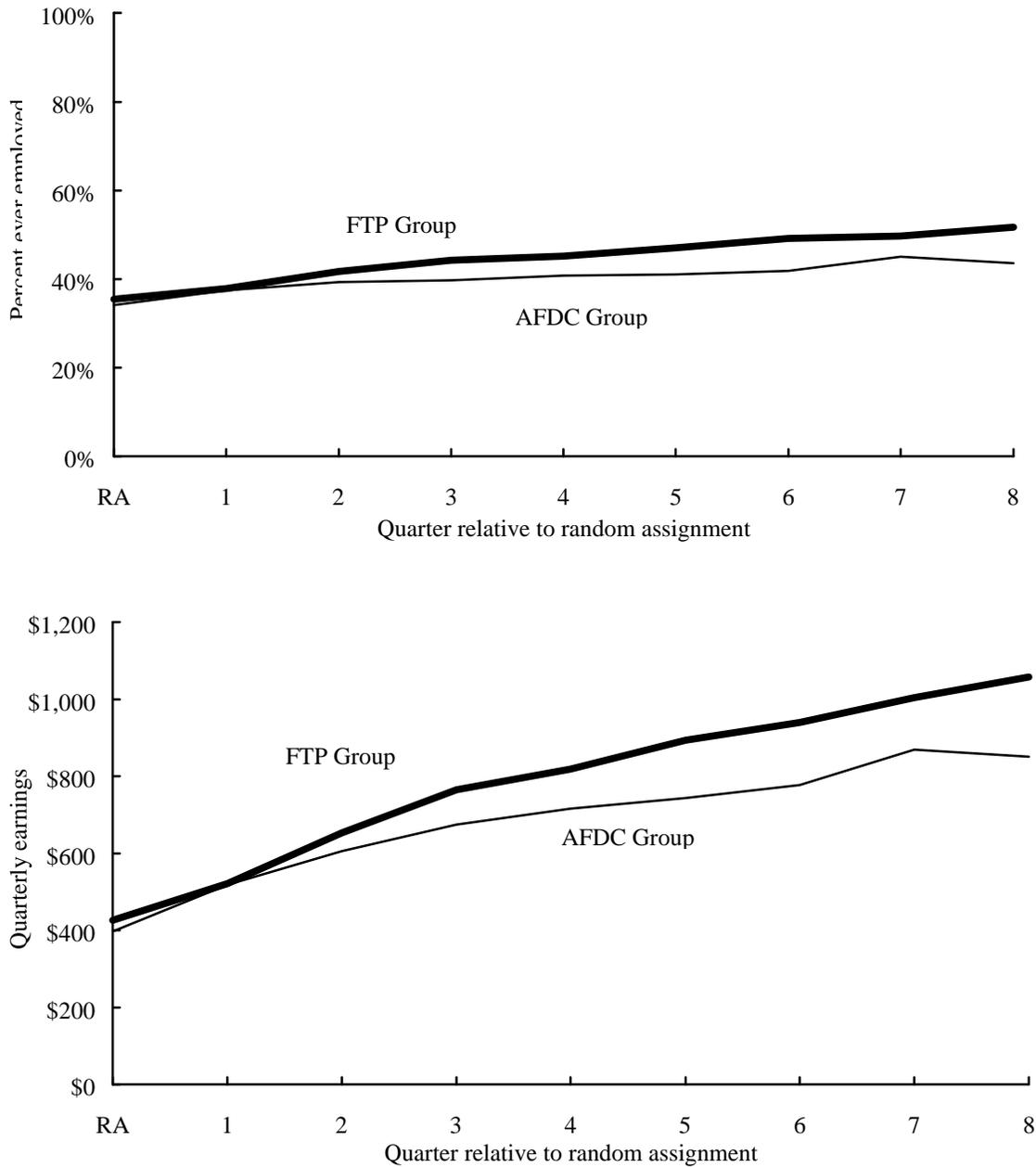
SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Figure 6.1
Florida's Family Transition Program
Average Quarterly Employment and Earnings
of the FTP and AFDC Groups



SOURCE: MDRC calculations from Florida Unemployment Insurance (UI) earnings records.

NOTE: RA refers to the calendar quarter in which random assignment occurred.

FTP's overall impact on earnings appears to have been generated by two factors: an increase in the likelihood of being employed and an increase in how much FTP group members earned when they were employed. This is supported by the finding that employed FTP group members earned an average of \$1,815 in each quarter they were employed, while employed AFDC group members earned an average of \$1,750 per quarter employed (see Appendix Table D.1). In short, not only were FTP group members more likely to have been employed than those in the AFDC group, but they earned an average of \$65 more during each quarter they worked. Later sections of this chapter provide further insights into whether the higher earnings may be due to higher hourly wages or to an increase in hours worked.

Table 6.1 also includes sobering findings about the employment rates of FTP group members. It indicates that, according to the UI earnings system, approximately half of the FTP group was not employed at the end of the two-year follow-up period and that nearly a quarter of the FTP group had not worked at all during the first two years of follow-up.

B. Impacts on AFDC/TANF Receipt and Payments

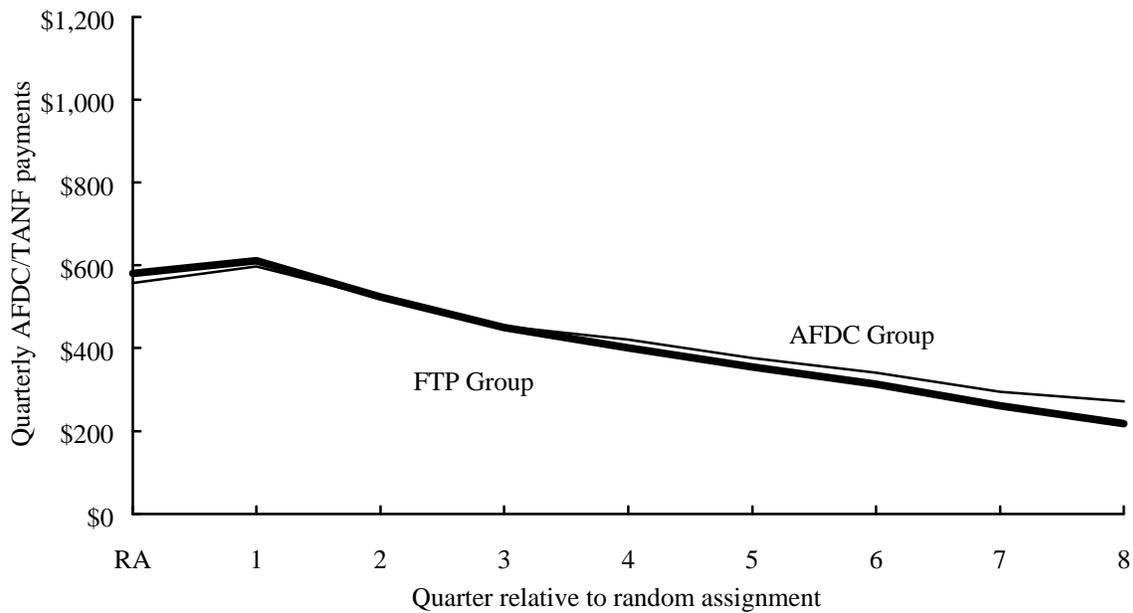
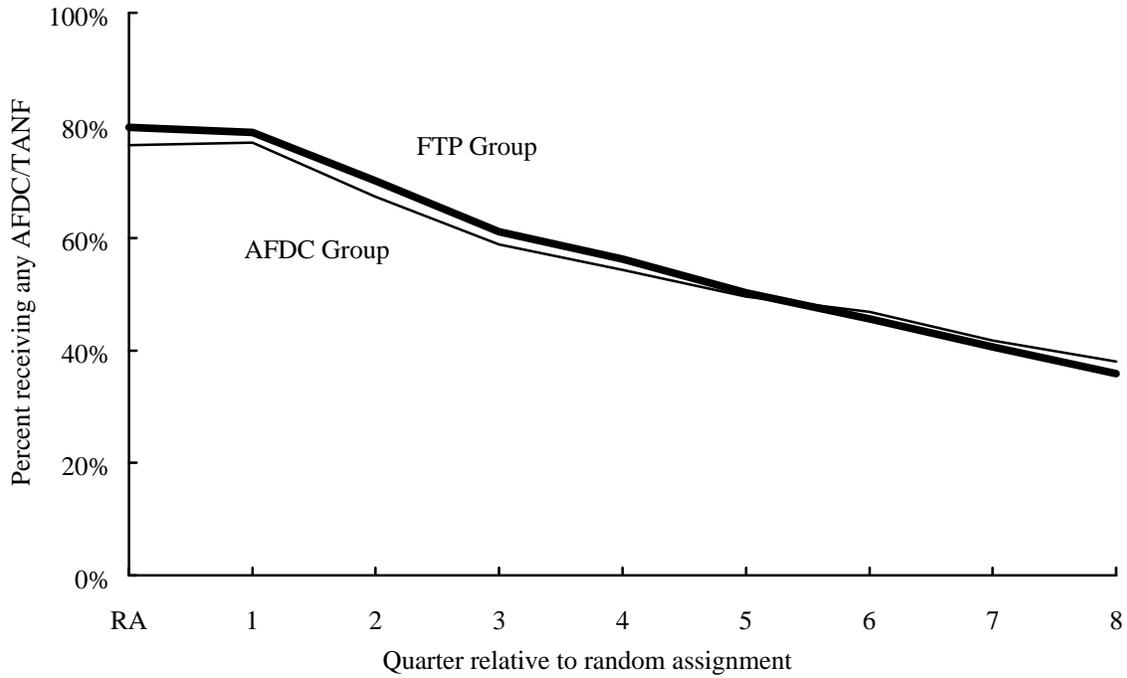
Table 6.1 indicates that FTP had virtually no cumulative impact on AFDC/TANF receipt rates during the first two years of follow-up. This can be seen graphically in Figure 6.2, which shows that FTP and AFDC group members were about equally likely to be receiving AFDC/TANF during each quarter of the two-year follow-up period. Over the first two years of follow-up, both the FTP and AFDC group had accumulated an average of nearly 12 months of assistance (i.e., AFDC/TANF receipt); FTP and AFDC group members who received AFDC/TANF for at least one month during this period had accumulated an average of 14 months of such assistance. In all, 32 percent of both the FTP and AFDC groups had accumulated between 19 and 24 months of AFDC/TANF receipt within the first two years of follow-up (not shown in the table).

While FTP did not alter AFDC/TANF receipt rates among FTP group members, it is important to note that the receipt rates of both the FTP and AFDC groups declined markedly over the two-year follow-up period. By the last quarter of follow-up, 36 percent of the FTP group and 38 percent of the AFDC group were receiving AFDC/TANF. This is consistent with the pattern of caseload declines nationally and particularly in Florida, where, as noted in Chapter 2, AFDC/TANF caseloads declined by 37 percent between January 1994 and May 1997.

As noted in Chapter 1, AFDC/TANF applicants were randomly assigned early in the application process, before their eligibility could be determined. This early point of random assignment allowed the study to evaluate whether the initial information applicants received about FTP's services, mandates, and time limits altered the rate at which these applicants completed their AFDC/TANF eligibility determination. Table 6.1 shows that approximately 17 percent of both the FTP and AFDC groups never received AFDC/TANF during the follow-up period. The fact that both groups were equally likely to have received AFDC/TANF at some point during the follow-up period indicates that FTP neither discouraged nor induced applicants' entry into welfare.

Table 6.1 does indicate that FTP had a modest impact on AFDC/TANF payments during the second year of follow-up. This can also be seen in Figure 6.2. Specifically, during the second

Figure 6.2
Florida's Family Transition Program
Average Quarterly AFDC/TANF Receipt and Payments
to the FTP and AFDC Groups



SOURCE: MDRC calculations from Florida AFDC/TANF records.

NOTE: RA refers to the calendar quarter in which random assignment occurred.

year of follow-up, FTP reduced AFDC/TANF payments by an average of \$137 (a 10.7 percent reduction compared with the AFDC group average of \$1,282). Since FTP did not reduce the percentage of FTP group members receiving AFDC/TANF during this period, this reduction in AFDC/TANF payments resulted from FTP group members receiving lower AFDC/TANF grants on average than did their AFDC group counterparts. This may have resulted from the fact that the FTP group members were more likely to be employed and, because of FTP's higher earnings disregard (see Chapter 1), they were able to continue receiving AFDC/TANF at a reduced amount, while working. As discussed in Chapter 3, FTP participants who did not comply with the program's participation requirements and did not provide a valid reason for noncompliance were sanctioned (i.e., their AFDC/TANF grant amounts were reduced) to a greater extent than were those in the AFDC group. Thus, it is also possible that the reductions in AFDC/TANF payments displayed in Table 6.1 resulted, in part, from these sanctions.

C. Impacts on Food Stamp Receipt and Payments

The bottom two sections of Table 6.1 present findings on FTP's impact on Food Stamp receipt rates and payment amounts over the follow-up period. They show that, while FTP did not have an effect on Food Stamp receipt rates, the program did reduce the amount of Food Stamp payments received by FTP group members. FTP reduced Food Stamp payments by an average of \$343 per FTP group member over the first two years of follow-up (an 8.4 percent reduction compared with the AFDC group average of \$4,094). Figure 6.3 indicates that the impact of FTP on reducing Food Stamp payments was generally consistent throughout the two-year follow-up period.

FTP's impact on Food Stamp payments is particularly important because, on average, as shown in Table 6.1, sample members received more income from Food Stamps than they did from AFDC/TANF and because both earnings from work and AFDC/TANF payments are included in the calculation of Food Stamp grants. Thus, the relatively large increase in earnings among FTP group members is likely to have accounted for the reduction in Food Stamp payments. However, it remains to be seen whether larger reductions in AFDC/TANF payments will affect Food Stamp payment amounts, particularly as more people reach their time limit and have their AFDC/TANF grants canceled. For example, if the earnings increases remain the same or decline, then Food Stamp payments may actually increase as FTP group members have their AFDC/TANF grants canceled and become eligible for larger Food Stamp payments. On the other hand, if the increase in earnings offsets a decrease in AFDC/TANF payments, reductions in Food Stamp payments would be likely to remain the same or even grow.

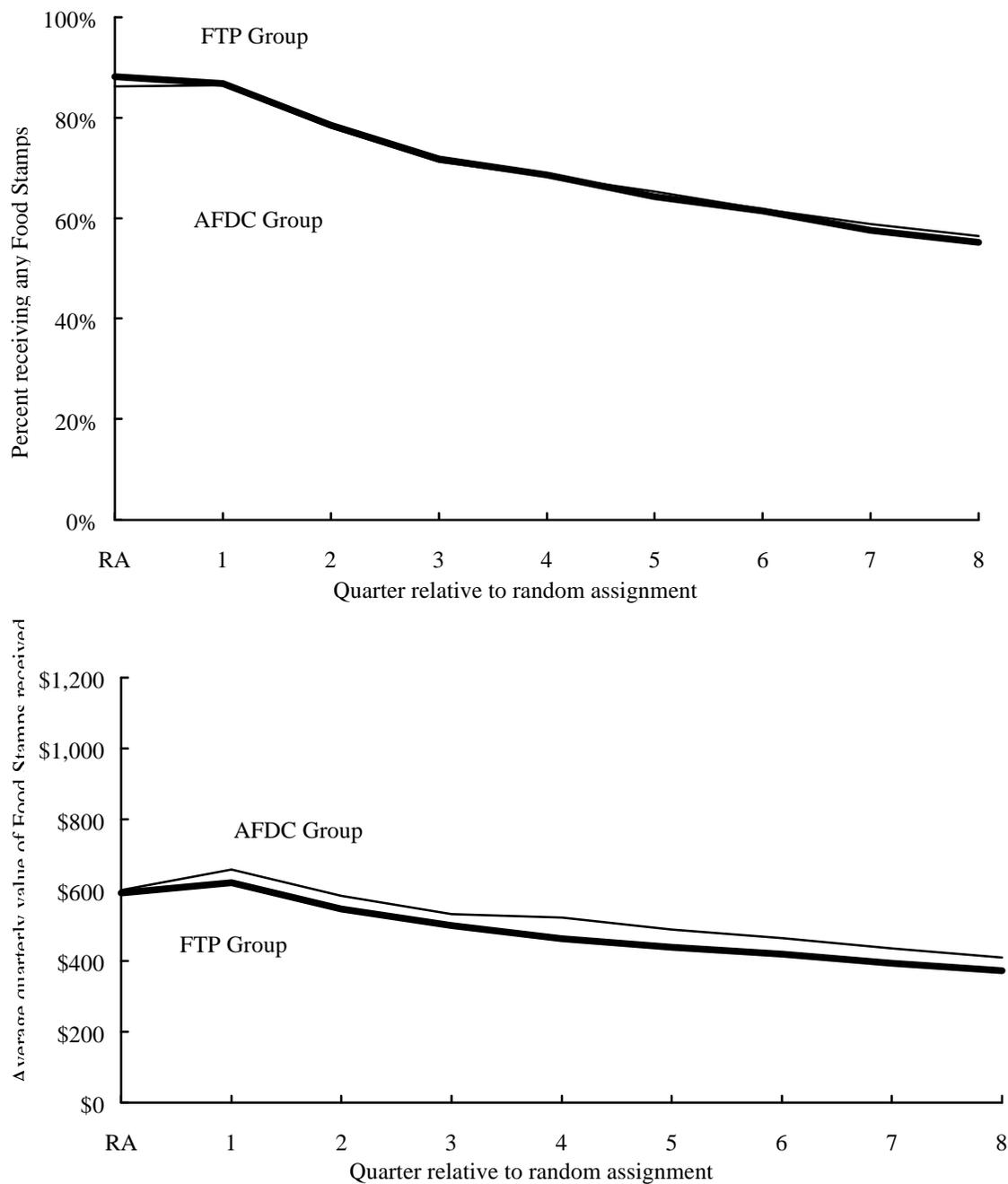
D. Impacts on Combining Employment and AFDC/TANF Receipt

Table 6.2 displays FTP's impact on the extent to which sample members combined employment and AFDC/TANF receipt during the two-year follow-up period. To create the measures in this table, sample members were classified into one of four mutually exclusive categories defined by their employment and AFDC/TANF receipt status in each quarter of follow-up. Impact estimates are the differences between the percentage of FTP group members in each category and the percentage of AFDC group members in each category. The top section of Table 6.2 shows the distribution of the sample across each of these four statuses during the last

Figure 6.3

Florida's Family Transition Program

Average Quarterly Food Stamp Receipt and Value of Food Stamps Received by the FTP and AFDC Groups



SOURCE: MDRC calculations from Florida Food Stamp records.

NOTE: RA refers to the calendar quarter in which random assignment occurred.

Table 6.2
Florida's Family Transition Program
Two-Year Impacts on Combined Employment and AFDC/TANF Receipt Status

Outcome (%)	FTP Group	AFDC Group	Difference	Percentage Change
<u>Last quarter of year 1</u>				
Not employed and received AFDC/TANF	32.8	36.4	-3.6 **	-9.9
Employed and received AFDC/TANF	23.5	18.0	5.5 ***	30.4
Employed and did not receive AFDC/TANF	21.7	22.8	-1.1	-5.0
Not employed and did not receive AFDC/TANF	22.1	22.8	-0.7	-3.2
<u>Last quarter of year 2</u>				
Not employed and received AFDC/TANF	17.8	25.6	-7.8 ***	-30.5
Employed and received AFDC/TANF	18.0	12.4	5.6 ***	45.0
Employed and did not receive AFDC/TANF	33.7	31.1	2.6	8.4
Not employed and did not receive AFDC/TANF	30.5	30.9	-0.4	-1.3
Sample size (total = 2,815)	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records and AFDC/TANF records.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

quarter of year 1, and the bottom section shows the distribution of the sample during the last quarter of year 2.

In general, Table 6.2 shows that the primary effect of FTP was on reducing the percentage of FTP group members who were “not employed and received AFDC/TANF” and increasing the percentage who were “employed and received AFDC/TANF.” This occurred because FTP increased employment without decreasing AFDC receipt.

Table 6.2 also shows that the reduction in the percentage who were “not employed and received AFDC/TANF” grew in the second year of follow-up. Specifically, in the last quarter of the first year, FTP reduced the percentage of FTP group members who were “not employed and received AFDC/TANF” by nearly 4 percentage points. As shown in the second section of the table, by the last quarter of the second year, FTP had reduced the percentage of FTP group members who were “not employed and received AFDC/TANF” by 8 percentage points (a 31 percent reduction from the AFDC group level).

Table 6.2 also shows that at the end of the first year of follow-up, FTP had increased the percentage of FTP group members who were “employed and received AFDC/TANF” by 6 percentage points. This represents a 30 percent increase over the AFDC group level. As shown in the bottom section of the table, this increase was sustained through the second year of follow-up. In short, these findings indicate that the primary effect of FTP over the first two years of follow-up was to increase the rate at which FTP group members combine work and welfare.

E. Impacts on Combined Income from Earnings, AFDC/TANF, and Food Stamps

Table 6.3 presents findings on the total amount of income sample members derived from earnings, AFDC/TANF, and Food Stamps during the two-year follow-up period. It also shows impacts on various indicators of self-sufficiency and welfare dependence that are represented by the proportion of income derived from these sources during the last quarter of the follow-up period.

The first section of Table 6.3 indicates that, over the two-year follow-up period, total income from earnings, AFDC/TANF, and Food Stamps for the FTP group was slightly higher than total income from these sources for the AFDC group. Although the \$413 difference in income was not statistically significant, most of the difference occurred in the second year of follow-up when FTP group members obtained an average of \$344 more than AFDC group members (a 5 percent increase). In the last quarter of the second year of follow-up, total income from earnings, AFDC/TANF payments, and Food Stamp payments averaged \$1,532 for AFDC group members. FTP group members averaged \$115 more, representing an increase of just over 8 percent in total average income from these sources relative to the AFDC group.

The second section of Table 6.3 shows FTP’s impact on the percentage of the sample who fell into various income brackets at the end of the second year of follow-up. It indicates, first, that between 23 and 24 percent of both research groups had no income from earnings, AFDC/TANF payments, or Food Stamp payments. These individuals may have obtained income from other members of the household or from informal employment, or they may have moved to

Table 6.3

Florida's Family Transition Program

Impacts on Income from Earnings, AFDC/TANF, and Food Stamps

<u>Outcome</u>	<u>FTP Group</u>	<u>AFDC Group</u>	<u>Difference</u>	<u>Percentage Change</u>
<u>Average total income from earnings, AFDC/TANF, and Food Stamps, years 1-2 (\$)</u>				
	13,537	13,124	413	3.1
Year 1	6,875	6,805	69	1.0
Year 2	6,663	6,319	344 *	5.4
Last quarter of year 1	1,682	1,657	25	1.5
Last quarter of year 2	1,647	1,532	115 **	7.5
<u>Income measures for the last quarter of year 2 (%)</u>				
Income brackets				
\$0	23.4	24.3	-0.9	-3.6
\$1-\$1,500	28.0	28.5	-0.6	-2.0
\$1,501-\$2,400	19.5	22.9	-3.4 **	-14.9
\$2,401-\$3,000	11.7	10.7	1.0	9.1
\$3,000 or more	17.4	13.5	3.9 ***	28.7
Proportion of income from earnings	38.9	32.5	6.4 ***	19.7
50% or more of income is derived from earnings	40.6	34.2	6.4 ***	18.8
Proportion of income from AFDC/TANF and Food Stamps	37.6	43.2	-5.5 ***	-12.8
50% or more of income is derived from AFDC/TANF and Food Stamps	35.9	41.5	-5.5 ***	-13.4
More than \$2,400 quarterly income and less than 50% of income is from AFDC/TANF and Food Stamps	24.1	19.1	5.1 ***	26.7
Sample size (total = 2,815)	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

another state. Indeed, data from the two-year client survey indicate that many of these individuals actually had income that is not captured in the records.¹¹³

More broadly, this section of the table indicates that FTP decreased the percentage of FTP group members in the lower income brackets and increased the percentage in the higher income brackets. This is noteworthy because FTP and AFDC group members were about equally likely to have some income from these sources. FTP's primary impact was on moving people into higher income brackets.

The increase in total income during the second year of follow-up is particularly noteworthy because, as discussed earlier, FTP produced modest reductions in AFDC/TANF and Food Stamp payments in this period. Thus, the increase in earnings during the second year more than offset the reduction in AFDC/TANF and Food Stamp payments. Thus, not only did FTP increase total income, but a higher percentage of that income came from earnings. This can be seen in several of the other measures presented in Table 6.3. For example, at the end of the second year of follow-up, FTP group members obtained an average of 39 percent of their income from earnings compared with an average of 33 percent for the AFDC group. Further, 41 percent of the FTP group members obtained at least half of their income from earnings compared with 34 percent of the AFDC group. The final measure in Table 6.3 provides some insight into the extent to which FTP is both increasing total income above a threshold level (in this case \$2,400 in the last quarter of follow-up) and reducing dependence on AFDC/TANF and Food Stamps (as indicated by their deriving less than half of their income from these sources). It shows that 24 percent of the FTP group fell into this category by the end of the follow-up period compared with only 19 percent of the AFDC group. This 5 percentage point difference represents a 27 percent increase over the AFDC group level.

III. Subgroup Impacts

Several important subgroups of the report sample are subject to different aspects of the FTP policies or, in the absence of FTP, may or may not be subject to Project Independence participation requirements. In particular, some FTP participants are subject to a 24-month

¹¹³A special analysis looked at 85 people who responded to the survey, and who showed no income in the administrative records during the quarter in which they were interviewed. The analysis found that 70 of the 85 respondents reported some income for the prior month on the survey (on average, these 70 people reported \$891 in total income for the month). The most common form of income was earnings — 46 of the 70 reported that they had worked in the prior month. These individuals may have been working outside Florida, or in jobs not covered by the unemployment insurance system. In addition, 20 of the 70 respondents reported that they had received child support in the prior month. Finally, 12 reported that they had received AFDC in the prior month. These respondents may have been living outside Florida.

In addition to these income sources, 46 of the 85 respondents included in the analysis reported that someone else in their household had some income (37 of the 85 reported both that they had income and that another household member had income). It is not clear to what extent these other household members were supporting the respondents. However, the proportion of people reporting that someone else in their household had income was much higher for this group than for the survey sample as a whole.

AFDC/TANF time limit and others are subject to a 36-month AFDC/TANF time limit. Also, some AFDC/TANF applicants and recipients are required to participate in Project Independence, even if they are not in FTP, while others may volunteer if they wish even though they are not required to participate. These are also subgroups of the report sample that are likely to face different barriers to employment and self-sufficiency based on their prior education, work experience, welfare receipt, and child care and family responsibilities.

Before discussing FTP's impacts on employment and welfare behavior for these subgroups, it is important to note an additional statistical issue beyond those described earlier in the chapter. Examining subgroup impacts usually requires an assessment of the magnitude of the differences in impacts across subgroups, as well as an assessment of the magnitude of the impacts themselves. For example, a \$200 earnings impact for subgroup A and a \$300 earnings impact for subgroup B may each be statistically significant, but the \$100 dollar difference in impacts does not provide all the relevant information about whether the program produced larger earnings gains for subgroup B than for subgroup A. It is also important to consider whether differences in impacts reflect true underlying differences or could, instead, include a large element on chance. To determine the likelihood of chance differences, statistical significance tests are performed on the differences in impacts across subgroups. Whenever such differences are statistically significant, one may have greater confidence that the underlying impacts for the subgroups are actually different. Unless otherwise noted, the differences in subgroup impacts discussed in this section of the chapter *are not statistically significant*.

A. Subgroups Defined by Characteristics that Determine the Type of AFDC/TANF Time Limit

As discussed in Chapter 1, FTP guidelines specify that all AFDC/TANF applicants and recipients are subject to a 24-month time limit (that is, AFDC/TANF benefits may not be received for more than 24 months in any 60-month period) unless they face particularly severe barriers to employment. Those who meet the criteria for the employment barriers are subject to a 36-month time limit (that is, AFDC/TANF benefits may not be received for more than 36 months in any 72-month period). This section of the chapter examines FTP's impacts for sample members with employment barriers that would likely have resulted in their being assigned a 36-month time limit and for those who would likely have been assigned a 24-month time limit. This analysis is particularly important at this stage in the evaluation because the two-year follow-up period marks the point when sample members who were assigned a two-year time limit could have used all of their allotted AFDC/TANF payments.

For the purposes of the analysis conducted for this section of the chapter, AFDC/TANF time limit subgroups were defined by imputing the type of AFDC/TANF time limit to which sample members would most likely be assigned based on prior AFDC/TANF receipt, educational attainment, and employment. As discussed in Chapter 2, the groups who can be assigned a 36-month time limit include:

- individuals who have received AFDC/TANF for 36 months of the past 60 months prior to assignment to FTP; *or*

- individuals under 24 years of age who do not have a high school diploma or GED certificate, are not enrolled in high school or a GED program, *and* have little or no work history (defined as having worked 3 months or fewer in the past 12 months).

The Background Information Form (BIF), which was completed for each member of the report sample just prior to random assignment, included questions that asked directly about whether individuals met these criteria. Responses to these questions were used to construct variables indicating whether sample members would have been eligible for a 36-month time limit or would have retained the 24-month time limit. In all, approximately 42 percent of the report sample had background characteristics that would make them eligible for the 36-month time limit based on these criteria. This is consistent with the 45 percent of FTP participants who were assigned to a 36-month time limit according to the FTP Case Management System, which includes information about the actual time limit to which FTP participants are subject (see Chapter 4).¹¹⁴ Because the definition of the 24-month and 36-month time limit subgroups is based on pre-random assignment baseline data, the definitions apply equivalently to both FTP and AFDC group members. (Appendix Table A.2 shows the demographic characteristics of the imputed time limit subgroups.)

Table 6.4 presents impact findings for subgroups defined by the type of AFDC/TANF time limit to which sample members would most likely be subject based on prior AFDC/TANF receipt, educational attainment, and employment. The first (top) part of the table presents the impact findings for sample members who were imputed to have a 24-month time limit, and the second part presents the impact findings for those imputed to have a 36-month time limit.

To summarize the findings discussed in this section of the chapter, there were only modest (and, in most cases, not statistically significant) differences in the impacts for the two time limit subgroups over the two-year follow-up period. At the end of the two-year follow-up period, however, employment impacts were somewhat larger for those imputed to have a 36-month time limit (although earnings impacts were about the same for both subgroups), while AFDC/TANF and Food Stamp receipt and payment impacts were slightly larger for those imputed to have a 24-month time limit.

Table 6.4 shows that the two-year earnings impacts were similar for both subgroups (\$830 for the 24-month subgroup and \$733 for the 36-month subgroup) and that earnings impacts during year 2 were nearly identical (\$594 for the 24-month subgroup and \$590 for the 36-month

¹¹⁴The imputed time limit and the actual time limit were the same for 70 percent of the FTP group members in the sample. The differences among the remaining 30 percent are likely to be due to two factors. First, the actual time limit indicator and the imputed time limit variable were drawn from two different data sources. As indicated in Chapter 1, the information on the BIF (which was used to determine the imputed time limit) was self-reported by individual sample members at the time of random assignment. The actual time limit indicator was determined from a combination of information provided by administrative records and information provided by the participant during an interview with an FTP caseworker. For example, some FTP participants may not have recalled accurately how many months of AFDC/TANF they had received in the past 60 months. FTP case managers were able to obtain this information directly from the FLORIDA System, which issues and accounts for AFDC/TANF payments. Second, there is some evidence from interviews with FTP caseworkers that there may have been some confusion, particularly early in FTP's implementation, about how to apply the time limit criteria.

subgroup). It is also important to note, however, that the earnings levels in year 2 for

Table 6.4

Florida's Family Transition Program

Two-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by AFDC/TANF Time Limit Subgroups

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Sample members with a 24-month time limit (imputed)</u>				
Ever employed, years 1-2 (%)	76.8	72.0	4.8 **	6.6
Last quarter of year 1	47.6	43.9	3.7	8.3
Last quarter of year 2	50.9	46.2	4.6 *	10.0
Average total earnings, years 1-2 (\$)	7,667	6,837	830 **	12.1
Year 1	3,286	3,050	236	7.7
Year 2	4,380	3,787	594 **	15.7
Ever received any AFDC/TANF payments, years 1-2 (%)	80.6	79.6	1.0	1.2
Last quarter of year 1	47.1	47.7	-0.5	-1.1
Last quarter of year 2	27.5	30.8	-3.3	-10.6
Average total AFDC/TANF payments received, years 1-2 (\$)	2,576	2,783	-207 *	-7.4
Year 1	1,705	1,740	-35	-2.0
Year 2	870	1,043	-173 ***	-16.5
Average number of months receiving AFDC/TANF payments, years 1-2	10.0	10.2	-0.2	-1.9
Ever received any Food Stamps, years 1-2 (%)	87.7	88.4	-0.8	-0.9
Last quarter of year 1	61.1	63.1	-2.0	-3.1
Last quarter of year 2	46.3	50.9	-4.6 **	-9.1
Average total value of Food Stamps received, years 1-2 (\$)	3,221	3,685	-464 ***	-12.6
Year 1	1,908	2,126	-218 ***	-10.2
Year 2	1,312	1,558	-246 ***	-15.8
Sample size (total = 1,580)	789	791		
<u>Sample members with a 36-month time limit (imputed)</u>				
Ever employed, years 1-2 (%)	76.2	70.4	5.8 **	8.2
Last quarter of year 1	41.8	37.5	4.3	11.4
Last quarter of year 2	53.5	40.7	12.8 ***	31.4
Average total earnings, years 1-2 (\$)	5,100	4,367	733 *	16.8
Year 1	1,971	1,828	143	7.8
Year 2	3,129	2,540	590 **	23.2

(continued)

Table 6.4 (continued)

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any AFDC/TANF payments, years 1-2 (%)	88.6	87.8	0.8	0.9
Last quarter of year 1	69.7	64.5	5.2 **	8.1
Last quarter of year 2	48.1	48.2	-0.2	-0.3
Average total AFDC/TANF payments received, years 1-2 (\$)	3,937	3,989	-52	-1.3
Year 1	2,394	2,372	22	0.9
Year 2	1,543	1,617	-74	-4.6
Average number of months receiving AFDC/TANF payments, years 1-2	14.3	13.9	0.4	2.8
Ever received any Food Stamps, years 1-2 (%)	94.4	92.4	2.0	2.2
Last quarter of year 1	80.4	76.6	3.8	5.0
Last quarter of year 2	68.3	65.0	3.3	5.1
Average total value of Food Stamps received, years 1-2 (\$)	4,556	4,744	-188	-4.0
Year 1	2,470	2,576	-106	-4.1
Year 2	2,086	2,168	-82	-3.8
Sample size (total = 1,142)	571	571		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Variation in two-year impacts across subgroups was statistically significant at the 10 percent level for the following outcome measures:

- Ever employed, last quarter of year 2;
- Ever received any AFDC/TANF, last quarter of year 1;
- Ever received any Food Stamps, last quarter of year 1;
- Ever received any Food Stamps, last quarter of year 2.

FTP group members in the 36-month subgroup were substantially lower than those of FTP group members in the 24-month subgroup (\$3,129 compared with \$4,380). Further information is needed to determine whether this was due to a difference in hourly wages or to differences in the number of hours worked during the quarter.

The first page of Table 6.4 indicates that, for the subgroup imputed to have a 24-month time limit, FTP increased the employment rates of FTP group members by a statistically significant 5 percentage points and increased earnings by \$830 over the first two years of follow-up. The second part of Table 6.4 shows that the two-year employment and earnings impacts were similar for those imputed to have a 36-month time limit — 5.8 percentage points and \$733, respectively.

During the last quarter of the second year, however, FTP had increased the employment rate of those imputed to have a 24-month time limit by just under 5 percentage points compared with nearly 13 percentage points for those imputed to have a 36-month time limit. The difference between these impacts was statistically significant. Interestingly, employment rates during the last quarter of follow-up for FTP group members in the 36-month time limit subgroup were slightly higher (54 percent) than they were for FTP group members in the 24-month subgroup (51 percent). This is particularly noteworthy because the 36-month subgroup, by definition, had more limited education and work experience and a longer history of AFDC/TANF receipt and, thus faced more severe barriers to employment.

Table 6.4 shows FTP produced statistically significant reductions in AFDC/TANF payments for the 24-month time limit subgroup during the second year of follow-up but not for the 36-month subgroup. Also, during the second year of follow-up FTP reduced Food Stamp receipt rates and payments for the 24-month subgroup. Interestingly, during the last quarter of year 1 FTP actually increased AFDC/TANF receipt rates among those in the 36-month subgroup.

In short, the findings presented in Table 6.4 do not reveal a consistent or systematic pattern of impact differences across the imputed time limit subgroups. However, it is too early to tell whether FTP may function differently for these subgroups. Most notably, the two-year follow-up period does not capture the potential impact that may occur as more FTP group members hit the time limit. More important, the follow-up period does not capture the longer-term employment stability and self-sufficiency of sample members who actually reach the time limit and have their benefits terminated. Because of the differences in employment barriers for these two subgroups, the longer-term follow-up may reveal differences in program impacts.¹¹⁵

B. Subgroups Defined by the Age of the Youngest Child

This section of the chapter focuses on subgroups defined by the age of the youngest child in the household at the time the sample member entered the study. This is important because AFDC group members with children under the age of 3 are not required to participate in Project Independence. Also, given their child care needs, those with very young children are less likely to volunteer to participate in employment and training activities than are their counterparts whose

¹¹⁵See Appendix Table D.5 for two-year impacts on employment, earnings, AFDC/TANF receipt and payments, Food Stamp receipt, and value of Food Stamps received, by AFDC/TANF history subgroups. Note that the pattern of findings is similar to those for the time-limit subgroups.

children are older. This suggests that the AFDC group members with children under age 3 will represent a more vivid contrast with their FTP group counterparts than is likely to be the case for sample members whose children are age 3 or older. Those whose youngest child was age 3 or older, regardless of their FTP status, were required to participate in Project Independence. However, Project Independence services for those in FTP were reported to have received more funding and the participation requirements were more strictly enforced. (Appendix Table A.3 presents the demographic characteristics of these subgroups.)

Table 6.5 presents impacts for subgroups defined by the age of the youngest child in the household at the time the sample member entered the study. The first (top) section of the table presents impact findings for sample members whose youngest child was less than 3 years old at random assignment and the second section presents impact findings for sample members whose youngest child was age 3 or older. In general, FTP appeared to have a somewhat larger impact on employment, earnings, and AFDC/TANF payments for those with young children than for those whose youngest child was age 3 or older. (In most cases, these differences in impacts between the two subgroups were not statistically significant, suggesting that differences could be due to chance.)

Table 6.5 indicates that FTP had an impact on employment and earnings for both child age subgroups over the full two-year follow-up period. At the end of the first year, however, FTP produced statistically significant increases in employment and earnings for the subgroup with children under the age of 3 but not for those with older children. This difference in employment impacts across the subgroups during the first year is statistically significant. During the second year of follow-up, employment and earnings impacts also began to emerge for those whose youngest child was age 3 or older. Interestingly, the employment rate for the FTP group members with children under 3 was slightly higher at the end of the second year than the employment rate for those whose youngest child was 3 or older.

Impacts on AFDC/TANF receipt and payments are also concentrated in the subgroup with children less than 3 years old, although the differences in impacts across subgroups is not statistically significant. Interestingly, FTP produced statistically significant reductions in AFDC/TANF receipt and payments during the second year of follow-up for the subgroup with children under 3 but not for the subgroup with children who were 3 or older. FTP reduced Food Stamp payments for both groups.

IV. Impact on Job Quality and Nonmonetary Outcomes

This section of the chapter examines data for the 603 sample members who responded to the two-year client survey. Specifically, it provides additional information about FTP's impacts on employment and examines the characteristics of the jobs held by FTP and AFDC group respondents during the survey follow-up period. For example, it looks at the hourly and weekly wage rates, and the number of hours worked per week. The pattern of impacts on these components of earnings will provide insights into some key components of the earnings impacts

Table 6.5
Florida's Family Transition Program
Two-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments,
Food Stamp Receipt, and Value of Food Stamps Received,
by Age of Youngest Child Subgroups

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Sample members whose youngest child was less than 3 years of age at random assignment</u>				
Ever employed, years 1-2 (%)	77.7	71.2	6.6 ***	9.2
Last quarter of year 1	44.8	36.6	8.2 ***	22.5
Last quarter of year 2	53.9	42.5	11.4 ***	26.9
Average total earnings, years 1-2 (\$)	6,100	4,935	1,165 ***	23.6
Year 1	2,514	2,149	366 *	17.0
Year 2	3,585	2,786	799 ***	28.7
Ever received any AFDC/TANF payments, years 1-2 (%)	85.1	84.2	0.9	1.0
Last quarter of year 1	59.1	59.1	0.0	0.0
Last quarter of year 2	36.3	41.8	-5.5 **	-13.0
Average total AFDC/TANF payments received, years 1-2 (\$)	3,365	3,667	-303 **	-8.3
Year 1	2,097	2,187	-91	-4.1
Year 2	1,268	1,480	-212 ***	-14.3
Average number of months receiving AFDC/TANF payments, years 1-2	12.2	12.5	-0.4	-2.9
Ever received any Food Stamps, years 1-2 (%)	92.1	91.0	1.1	1.2
Last quarter of year 1	71.3	72.0	-0.6	-0.9
Last quarter of year 2	57.7	61.5	-3.8	-6.1
Average total value of Food Stamps received, years 1-2 (\$)	4,149	4,541	-392 ***	-8.6
Year 1	2,289	2,452	-163 **	-6.6
Year 2	1,860	2,089	-229 ***	-11.0
Sample size (total = 1,139)	568	571		
<u>Sample members whose youngest child was age 3 years or older at random assignment</u>				
Ever employed, years 1-2 (%)	75.8	71.5	4.3 **	6.0
Last quarter of year 1	46.1	44.9	1.2	2.7
Last quarter of year 2	50.7	44.5	6.1 **	13.8
Average total earnings, years 1-2 (\$)	7,109	6,469	640 *	9.9
Year 1	2,967	2,846	121	4.3
Year 2	4,142	3,624	519 **	14.3

(continued)

Table 6.5 (continued)

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any AFDC/TANF payments, years 1-2 (%)	83.1	81.6	1.5	1.8
Last quarter of year 1	54.6	51.5	3.1	6.0
Last quarter of year 2	35.7	35.6	0.1	0.3
Average total AFDC/TANF payments received, years 1-2 (\$)	2,972	3,001	-29	-1.0
Year 1	1,910	1,863	47	2.5
Year 2	1,062	1,138	-76	-6.7
Average number of months receiving AFDC/TANF payments, years 1-2	11.5	11.2	0.3	2.7
Ever received any Food Stamps, years 1-2 (%)	89.2	89.2	0.1	0.1
Last quarter of year 1	66.8	65.9	0.9	1.4
Last quarter of year 2	53.1	53.3	-0.2	-0.5
Average total value of Food Stamps received, years 1-2 (\$)	3,461	3,800	-339 ***	-8.9
Year 1	2,019	2,198	-179 ***	-8.1
Year 2	1,442	1,602	-161 **	-10.0
Sample size (total = 1,544)	772	772		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Variation in two-year impacts across subgroups was statistically significant at the 10 percent level for the following outcome measure:

Ever employed, last quarter of year 1.

discussed in the previous section. This section also presents information about the nonwage characteristics of jobs held by FTP and AFDC group respondents including provision of fringe benefits, job satisfaction, and job stability. The analysis of the survey data will conclude by examining measures of sample members' perceptions of their quality of life and other selected nonmonetary outcomes.

A. Impact on Job Quality

The top panel of Table 6.6 shows the percentage of FTP and AFDC group respondents who reported that they were ever employed during the survey follow-up period (between 25 and 31 months following a sample member's date of random assignment) and the percentage who reported that they were employed at the end of the follow-up period. Estimates for the survey respondent subsample may differ somewhat from estimates for the same or similar outcomes that were derived from the Unemployment Insurance (UI) data for the full sample.¹¹⁶ In general, however, results from the survey are remarkably consistent with the findings from the UI data. The first line in the table shows that about 86 percent of the FTP group worked at some time during the survey follow-up period compared with 80 percent of the AFDC group. Thus, FTP increased the employment rates of FTP group members by 6 percentage points according to the survey data. The self-reported employment rates from the survey were about 9 percentage points higher compared with those derived from UI data, but the impact on employment rates was about the same (see Table 6.1).

The second line in Table 6.6 shows that 59.5 percent of the FTP group reported that they were employed at the time they were interviewed for the two-year client survey compared with 51.1 percent of the AFDC group. Again, this 8 percentage point impact on employment rates at the end of the follow-up period is quite similar to that derived from the UI data. As with the "ever employed" indicator from the survey, the percent of FTP and AFDC group members who reported that they were employed at the end of the follow-up period was about 7 percentage points higher than that found in the UI data (see Table 6.1).

FTP placed a heavy emphasis on helping participants obtain skills training as well as on helping them find work. The goal of this strategy is not only to help participants find work, but also to increase their capacity to find better jobs than they might otherwise find. Such jobs might be ones in which people work more hours or that pay higher wages. The lower section of Table 6.6 focuses on three summary characteristics of respondents' most recent job: whether the job was part-time (less than 30 hours per week) or full-time (30 or more hours per week); whether the respondent earned less than \$150 per week or \$150 or more per week; and whether or not the

¹¹⁶It is not unusual to find that employment information from a survey differs from the employment information derived from the UI data. First, sample members may report jobs on the survey that are not covered by Florida's UI System such as jobs they held in other states and informal employment that may not be reported to the UI system. Second, as discussed in Chapter 1, survey data are available only for a subset of the full report sample, and these sample members entered the study late in the random assignment period covered by this report. As a result, some of the differences between the survey findings and the findings from the administrative records data may be attributable, in part, to differences between the characteristics of the survey sample and the characteristics of those in the remainder of the full report sample.

Table 6.6
Florida's Family Transition Program

Impacts on Selected Characteristics of Sample Member's Most Recent Job

Outcome ^a (%)	FTP Group	AFDC Group	Difference	Percentage Change
<u>Employment</u>				
Ever employed during the two-year follow-up period	85.8	79.7	6.1 **	7.7
Employed at the end of the two-year follow-up period	59.5	51.1	8.4 **	16.4
<u>Weekly hours</u>				
Ever employed during the follow-up period AND most recent job provided:				
Less than 30 hours of work per week	21.8	23.2	-1.4	-5.9
At least 30 hours of work per week	63.9	56.4	7.5 *	13.3
<u>Weekly earnings</u>				
Ever employed during the follow-up period AND most recent job provided:				
Less than \$150 per week	24.9	30.4	-5.5	-18.0
At least \$150 per week	60.4	49.2	11.2 ***	22.8
<u>Health benefits</u>				
Ever employed during the follow-up period AND most recent job provided:				
No health benefits	48.3	52.6	-4.3	-8.2
Health benefits	37.3	26.9	10.3 ***	38.4
Sample size (total = 603)	299	304		

SOURCE: MDRC calculations from the Two-Year Client Survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aExcludes up to 2 percent of the two-year client survey sample who did not respond to these survey items.

job provided health benefits. The table shows the percentages of FTP and AFDC group respondents who reported that they worked at jobs with these characteristics.¹¹⁷

The additional outcomes presented in Table 6.6 indicate that FTP's impact on employment was concentrated on helping FTP group members obtain full-time jobs and jobs that provided health benefits. First, the table shows that there was virtually no difference in the percentage of FTP and AFDC group members who reported that they obtained part-time jobs (defined as working fewer than 30 hours per week). At the same time, FTP increased full-time employment (defined as working at least 30 hours per week) by nearly 8 percentage points. Also, related to this finding, FTP increased the percentage of FTP group members who reported earning at least \$150 per week by 11 percentage points compared with the AFDC group. FTP also produced a statistically significant increase in the percentage of the FTP group who reported working in jobs that provided health benefits. In all, 37 percent of FTP group members worked in jobs that provided health benefits compared with only 27 percent of the AFDC group.

B. Job Characteristics Among Employed Sample Members

Table 6.7 presents additional findings from the two-year client survey about selected characteristics of the most recent jobs held by FTP and AFDC group respondents *who were employed* at some point during the survey follow-up period. Unlike Table 6.6, estimates in this table do not include FTP group respondents and AFDC group respondents who did not work. As a result, it does not provide true measures of the impact of FTP. This is because the personal characteristics of employed FTP and AFDC group respondents were not necessarily the same. The similarity of the FTP and AFDC groups, assured by the random assignment process that created them, cannot be assured when examining just those in each research group who were employed. Table 6.7 needs to be interpreted carefully for this reason. It indicates whether FTP group respondents who worked obtained the same kind of, better, or worse jobs than AFDC group respondents who worked. But it does not say whether any differences in job characteristics result from differences in the kinds of people who worked in each research group or from effects that FTP might have had on the ability of FTP group respondents to find and hold different kinds of jobs.

The information presented in the first several sections of Table 6.7 provide a somewhat more detailed breakdown of the findings presented in Table 6.6. For example, employed FTP group members reported working an average of about 35 hours per week at their most recent job compared with an average of 33 hours per week for the AFDC group members. The difference of nearly 2 hours per week represents a 5 percent increase over the average hours per week for employed AFDC group members. Interestingly, as indicated in the second section of the table,

¹¹⁷These percentages are based on the most recent job for those who held more than one during the follow-up period. They also include zero values for sample members who reported that they did not work at all during the follow-up period. By including all FTP group respondents and all AFDC group respondents in the analysis, it is possible to determine FTP's impact on FTP group respondents' likelihood of getting a particular type of job, compared with what their chances of obtaining such a job would have been in the absence of FTP. Because some of the employed sample members did not respond to some of these survey items, the percentage distributions may not sum to the total percentage employed.

Table 6.7
Florida's Family Transition Program
Selected Characteristics of Current or Most Recent Job
Held by FTP and AFDC Group Members

Outcome ^a	Employed FTP Group Members	Employed AFDC Group Members	Difference
<i>Average number of hours usually worked per week</i>	34.7	33.0	1.7
<i>Percentage distribution of number of hours worked per week (%)</i>			
<i>Fewer than 10 hours</i>	2.4	2.9	-0.6
<i>10-19 hours</i>	4.3	7.5	-3.2
<i>20-29 hours</i>	19.2	18.3	0.9
<i>30-39 hours</i>	27.1	33.3	-6.3
<i>40 hours or more</i>	47.1	37.9	9.1
<i>Average earnings per week (\$)</i>	207	194	14
<i>Percentage distribution of earnings per week (%)</i>			
<i>Less than \$100</i>	11.6	16.3	-4.7
<i>\$100-\$149</i>	17.3	22.2	-4.9
<i>\$150-\$199</i>	24.9	21.8	3.1
<i>\$200-\$299</i>	29.7	23.4	6.3
<i>\$300 or more</i>	16.5	16.3	0.2
<i>Average earnings per hour (\$)</i>	6.17	6.07	0.10
<i>Percentage distribution of earnings per hour (%)</i>			
<i>Less than \$4.25</i>	17.7	19.7	-1.9
<i>\$4.25-\$4.99</i>	14.5	19.2	-4.7
<i>\$5.00-\$5.99</i>	31.9	27.2	4.7
<i>\$6.00-\$6.99</i>	12.9	13.0	-0.1
<i>\$7.00-\$9.99</i>	15.7	13.4	2.3
<i>\$10.00 or more</i>	7.3	7.5	-0.3
<i>Job provided:</i>			
<i>Paid sick days</i>	36.3	23.0	13.3
<i>Paid vacation days</i>	46.0	42.7	3.3
<i>Health benefits</i>	43.3	34.2	9.1
<i>Dental benefits</i>	34.9	22.8	12.2
<i>Tuition assistance or paid training classes</i>	24.4	16.5	7.9
<i>Begins and ends job at the same time each day</i>	78.7	70.5	8.2
<i>Employee in seasonal job</i>	25.3	28.3	-3.0
<i>On a 0-10 scale, percentage who reported high job satisfaction^b</i>	61.9	54.4	7.5
Sample size (total = 498)	257	241	

(continued)

Table 6.7 (continued)

SOURCE: MDRC calculations from the Two-Year Client Survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.) This information pertains to current or most recent job at the time of interview and following random assignment.

Total sample sizes in this table are based only on those who reported on the survey that they had ever worked since random assignment.

Italics indicate a nonexperimental comparison. Test of statistical significance not performed.

Rounding may cause slight discrepancies in the calculation of sums and differences.

^aExcludes up to 6 percent of sample members ever employed since random assignment who did not respond to these survey items.

^bThese percentages reflect those who responded with a 7 or higher on a scale of 1 to 10.

most of this difference occurred in the upper end of the distribution of hours worked per week. Specifically, 47 percent of the employed members of the FTP group reported working at least 40 hours per week at their current or most recent job compared with 38 percent of the AFDC group members who had been employed.

Employed FTP group members also reported somewhat higher average earnings per week. Again, much of this difference occurred in the higher end of the distribution of weekly earnings. However, Table 6.7 indicates that the higher weekly earnings reported by employed FTP group members was largely a product of their working more hours per week rather than having a higher hourly wage. This is because average hourly wages were virtually the same for employed FTP and AFDC group members while, as noted above, employed FTP group members work an average of nearly two hours more per week than do employed AFDC group members.

The bottom sections of Table 6.7 indicate some further differences in the current or most recent jobs held by employed FTP and AFDC group respondents. The fourth section in the table focuses on five types of benefits that may be made available to employees and that provide some insight into the nonwage characteristics of the jobs that employed FTP and AFDC group members held. In general, this part of the table indicates that employed FTP group members were more likely than employed AFDC group members to report having a job that included such benefits as sick days, dental and health benefits, tuition assistance, and, to a lesser extent, paid vacation days. The table also shows that employed FTP group members were more likely to work at jobs they described as starting and ending at the same fixed time each day. A little over 78 percent of FTP group members described their jobs as having fixed hours, 8 percentage points more than AFDC group members. Parents who work stable hours may have an easier time arranging for child care. Employed FTP group members were also somewhat more likely to report a high level of satisfaction with their current or most recent job.

In summary, the findings from the FTP two-year follow-up survey reinforce and extend the findings from administrative records data: FTP members were more likely to be employed and had higher average weekly earnings than did AFDC group members. Though employed FTP and AFDC group members had similar hourly wages, FTP group members did work an average of 2 hours more per week and were more likely to hold jobs that provided benefits such as sick days, dental and health benefits, and tuition assistance. Moreover, employed FTP group members were more likely to express a high level of satisfaction with their jobs compared with AFDC group members.

C. Impacts on Child Support and Other Income Sources

Further analyses of the two-year FTP follow-up survey focus on other economic and noneconomic outcomes related to the well-being of FTP and AFDC group members. Results from these analyses are presented in Table 6.8. In general, the table indicates that FTP had little or no impact on these outcomes. The top panel of Table 6.8 provides information on some income sources that are not included in the administrative records. The first lines of the table show that FTP did not significantly change the proportion of people who reported receiving child support in the month prior to the interview. Some program staff reported that they believed the time limit would motivate custodial parents to cooperate more readily with the child support enforce-

Table 6.8
Florida's Family Transition Program
Impacts on Selected Nonmonetary Outcomes

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Child support and other income sources</u>				
Respondent received child support in prior month (%)	20.6	18.0	2.5	14.0
Respondent received SSI in prior month (%)	2.6	4.7	-2.0	-43.5
Average amount of child support received in prior month ^a (\$)	42	32	10	32.1
<i>Average amount of child support received in prior month by those who received child support^b (\$)</i>	<i>200</i>	<i>171</i>	<i>29</i>	<i>17.0</i>
Average total income in prior month ^a (\$)	729	715	14	2.0
Average total income in prior month, for others in household ^c (\$)	405	412	-7	-1.8
<u>Marital status and childbearing</u>				
Currently married and living with spouse (%)	11.4	13.6	-2.1	-15.7
Gave birth during the follow-up period or was pregnant at the interview date (%)	21.6	19.0	2.6	13.7
<u>Housing</u>				
Own or rent home or apartment (%)	77.6	77.2	0.4	0.5
Has moved since random assignment (%)	54.9	57.4	-2.5	-4.4
Average number of moves since random assignment	1.8	1.8	-0.1	-2.8
Currently living in public housing or receiving a government rent subsidy (e.g., "Section 8") (%)	29.7	31.0	-1.3	-4.3
Average amount household spent on housing in prior month ^a (\$)	311	310	1	0.3
Average total number of persons currently living in household	3.9	4.0	-0.1	-3.2
Average number of rooms in house	5.0	5.2	-0.2 *	-4.5
<u>Economic and personal well-being</u>				
Currently "very satisfied" with overall standard of living (%)	15.9	12.0	3.9	32.7
"Agree a lot" that: "My financial situation is better than it's been in a long time" (%)	34.1	29.4	4.8	16.3
"Agree a lot" that: "These days I can generally afford to buy the things I need" (%)	29.2	26.4	2.8	10.8
Rated neighborhood as an "excellent" or "very good" place to raise children (%)	42.2	40.6	1.6	3.9

(continued)

Table 6.8 (continued)

<u>Outcome</u>	<u>FTP Group</u>	<u>AFDC Group</u>	<u>Difference</u>	<u>Percentage Change</u>
Felt stress during the past month "much of the time" or "almost all of the time" (%)	46.1	50.3	-4.2	-8.3
"Agree a lot" that: "I worry about having enough money in the future" (%)	56.3	60.9	-4.6	-7.6
During prior month, someone in household was not covered by Medicaid or other health insurance or health plan ^a (%)	34.8	36.7	-1.9	-5.2
<u>School outcomes for children 5-12 years old^d</u>				
Saw or spoke to children's teachers at least three times in the last school year (%)	68.7	58.6	10.1 *	17.3
Average number of children's absences in previous month	2.6	2.5	0.1	2.3
Has a child who ever repeated a grade since random assignment ^e (%)	13.5	16.8	-3.3	-19.5
Has a child who was ever suspended, excluded, or expelled from school since random assignment (%)	13.5	16.3	-2.8	-17.3
Has a child that changed schools since random assignment	35.7	47.5	-11.8 **	-24.8
Sample size (total = 603)	299	304		

SOURCE: MDRC calculations from the Two-Year Client Survey.

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Unless otherwise noted, the measures exclude up to 1 percent of sample members who did not respond to these survey items.

^aExcludes between 1 and 7 percent of sample members who did not respond to these survey items.

^bExcludes 81 percent of sample members who did not receive child support. The italics indicate a nonexperimental comparison. Test of statistical significance not performed.

^cExcludes 16 percent of sample members who did not respond to this survey item.

^dThese sample excludes 25 percent of sample members who did not have a child between the ages of 5 and 12 years.

^eExcludes 42 percent of sample members including: 25 percent who did not have a child between the ages of 5 and 12 years and 17 percent who did have a child, but who did not respond to these survey items.

ment agency to secure steady payments. Moreover, as discussed in Chapter 2, FTP took some steps to focus attention on the child support cases of FTP participants.

As expected, FTP group members reported somewhat higher total income in the month prior to the interview, although this difference is not statistically significant. The average income figures for both groups are substantially higher than the figures shown in Table 6.3, which were derived from the administrative records. This is not surprising, because the survey-based figure includes income sources, such as child support and informal employment, that are not measured in the records. The table also shows that members of both groups reported, on average, more than \$400 in income from others in their households; overall, 44 percent of respondents reported that someone else in their household had some income (this figure is not shown in the table). Although it is not clear whether these other household members supported the respondents and their children, they are potentially an important part of the full household income picture.

D. Impacts on Quality-of-Life Indicators

The second section of the table indicates that FTP and AFDC group members were about equally likely to have been pregnant at the time they completed the survey or to have had a child during the two-year follow-up period. Both groups were about equally likely to have been married and living with their spouse at the time they responded to the survey. The third section of the table indicates that housing arrangements and residential mobility rates were similar for both the FTP and AFDC groups. The exception is the average number of rooms in a house at the interview date. On average, AFDC group members had houses with a statistically significant two-tenths (.20) of a room more than FTP group members. This is probably at least partially attributable to the fact that AFDC group members had slightly larger households (AFDC group members had an average of 4.0 persons in their households, compared with 3.9 for FTP group members), though this difference was not statistically significant.

The fourth section of Table 6.8 presents several indicators of economic and personal well-being. Although none of the differences between FTP and AFDC group members is statistically significant, these measures show a consistent pattern of differences between FTP group members and AFDC group members. In general, FTP group members were more likely to report that they were satisfied with their current circumstances than were their AFDC group counterparts.

As discussed earlier in this chapter, FTP group members are more likely to work in jobs that provide health benefits than are AFDC group members. However, as shown in Table 6.8, FTP has apparently not generated an impact on the likelihood that any household member does not receive health insurance. About one-third of the members of each group reported that someone in their household was not covered by either Medicaid or other insurance.

The final section of Table 6.8 lists several outcomes related to sample members' schooling. This is important because participation in FTP includes a requirement that parents make contact with their children's teachers at least once every grading period, and that their children attend school regularly. The first measure listed in this section of the table shows that FTP did have an impact on how frequently FTP parents made contact with each of their children's teachers. It indicates that FTP group members were more likely than AFDC group members to

have visited each of their children's teachers, or spoken with them on the telephone, at least three times during the previous school year.

The final measure listed in this section shows that FTP appears to have influenced whether a parent has a child who has changed schools since random assignment. Children of FTP group members were almost 12 percentage points less likely to have a child who changed schools. It is not clear what might have caused this impact, especially because members of the two groups were equally likely to have moved since random assignment.

As noted in Chapter 1, applicants in the FTP group were required to provide evidence that their preschool children had begun the standard series of childhood immunizations. Survey data (not shown) indicate that approximately 95 percent of the respondents in each group who had preschool children reported that their children were up-to-date on their immunizations.

V. Impacts for the Extended Follow-Up Sample

This section of the chapter presents findings for up to 11 quarters of follow-up for the 1,347 sample members who entered the study between May and September 1994 — “the extended follow-up sample.” The UI data cover 10 quarters for this sample and the AFDC/TANF and Food Stamp data cover 11 quarters of follow-up. The additional quarters beyond the two-year follow-up period are listed as quarters 9 through 11 in the tables.

This analysis is important because it provides the first insights into the impact FTP may be having during a period when a substantial number of sample members could have reached their time limit and, as discussed in Chapter 4, when a few of them actually did. In fact, the findings discussed in this section of the chapter indicate that FTP appears to have produced a different pattern of impacts (particularly on AFDC/TANF receipt) in the quarters following the two-year follow-up period. In short, FTP significantly reduced AFDC/TANF receipt rates during this period, while it sustained its impact on employment and earnings. At the end of a two-and-a-half-year follow-up period, reductions in income from AFDC/TANF payments (and, to a lesser extent, from Food Stamps) were offset by increases in income from earnings. As was the case during the two-year follow-up period, this resulted in an overall increase in income from these three sources. However, as discussed below, this overall income gain masks an important difference in the results for subgroups of the sample.

One important issue for interpreting the findings from the extended follow-up sample is whether these individuals are different from their counterparts who entered the study sample later. Appendix D presents results from analyses that compare these two groups in two ways: in terms of their background characteristics (Table D.4) and then in terms of the impact findings during the two-year follow-up period they have in common (Table D.3).¹¹⁸ In general, the results of these

¹¹⁸The first analysis shows that the primary difference between the cohort subgroups is in the representation of AFDC/TANF applicants and recipients. Specifically, the extended follow-up sample includes a higher proportion of AFDC/TANF applicants than does the later cohort. This appears to be a direct result of the way sample intake was phased in during the random assignment period. During the early months of the study, FTP enrolled very few AFDC recipients in the sample. Eventually, all applicants and recipients were enrolled in the study. The second analysis indicates that the two-year impacts are similar and, for the vast majority of outcomes, differences in

analyses increase the confidence one may have that findings beyond the two-year follow-up period for the full report sample (when they become available) will be similar to those for the extended follow-up sample. However, because there are some differences between the cohorts and because the longer-term follow-up data are not yet available for the full report sample, caution should be exercised when generalizing the findings beyond the extended follow-up sample.

A. Impacts on Employment and Earnings

In general, Table 6.9 indicates that employment and earnings gains produced by FTP during the first two years of follow-up were sustained through quarter 10. In fact, FTP's impact on earnings is somewhat larger during quarter 10 than it was during the second year of follow-up. During quarter 10, FTP increased average earnings from FTP group members by \$297 (a 36 percent increase over the control group average of \$821). The \$769 impact during the second year of follow-up represents a 24 percent increase over the AFDC group average. (Table D.2 shows detailed, quarter-by-quarter results for the extended follow-up sample.)

B. Impacts on AFDC/TANF Receipt and Payments

Table 6.9 indicates that FTP had no effect on AFDC/TANF receipt rates during the first two years of follow-up, but began to have significant impacts on both AFDC/TANF receipt rates and average AFDC/TANF payments after that point. For example, during the last quarter of the second year, 39 percent of the AFDC group and 38 percent of the FTP group received AFDC/TANF. Three quarters later (listed as quarter 11 in Table 6.9), AFDC/TANF receipt had declined to 32 percent of the AFDC group and only 23 percent of the FTP group.

AFDC/TANF savings also emerged during this period. For example, for the extended follow-up sample, FTP had no impact on AFDC/TANF payments during the first two years of follow-up for the extended follow-up sample.¹¹⁹ By quarter 11, however, FTP had reduced AFDC/TANF payments by an average of \$82 per FTP group member (a 38 percent reduction compared with the AFDC group average).

One question that arises is whether the reduction in AFDC/TANF receipt rates for the extended follow-up sample is being driven by FTP group members having their AFDC/TANF grants terminated because they reached the time limit. Further analysis of the data indicated that 47 (7 percent) of the FTP group members from the extended follow-up sample were terminated from AFDC/TANF by quarter 10. Note that the impact on AFDC/TANF receipt rates during quarter 10 was 7 percentage points. Thus, it is possible that the benefit terminations resulting from the time limit accounts for all of the impact. That would be the case only if all 47 of these

impacts across the two cohort subgroups are not statistically significant. There is one notable exception: FTP reduced AFDC/TANF payments during the second year of follow-up for the later cohort but not for the extended follow-up sample.

¹¹⁹As discussed earlier, this finding for the extended follow-up sample differed for the full report sample in which FTP was found to have produced a modest reduction in AFDC payments during the second year of follow-up. This impact was concentrated in the sample members who entered the study after September 1994.

Table 6.9

Florida's Family Transition Program

Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments,
Food Stamp Receipt, and Value of Food Stamps Received
for the Extended Follow-Up Sample

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed (%)				
Years 1-2	76.5	71.3	5.2 **	7.4
Last quarter of year 1	45.4	42.8	2.6	6.1
Last quarter of year 2	52.8	43.9	9.0 ***	20.4
Quarter 10	48.7	40.7	8.0 ***	19.7
Quarter 11	—	—	—	—
Average total earnings (\$)				
Years 1-2	6,790	5,668	1,122 ***	19.8
Year 1	2,901	2,548	353 *	13.9
Year 2	3,889	3,120	769 ***	24.6
Quarter 10	1,118	821	297 ***	36.1
Quarter 11	—	—	—	—
Ever received any AFDC/TANF payments (%)				
Years 1-2	81.7	82.7	-1.0	-1.2
Last quarter of year 1	55.2	54.1	1.1	2.1
Last quarter of year 2	38.2	39.0	-0.7	-1.8
Quarter 10	27.5	34.5	-7.0 ***	-20.2
Quarter 11	22.7	31.9	-9.2 ***	-28.9
Average total AFDC/TANF payments received (\$)				
Years 1-2	3,166	3,240	-73	-2.3
Year 1	1,946	1,980	-35	-1.8
Year 2	1,221	1,259	-39	-3.1
Quarter 10	154	242	-87 ***	-36.1
Quarter 11	134	215	-82 ***	-38.0
Average number of months receiving AFDC/TANF payments				
Years 1-2	11.7	11.7	0.0	0.3
Quarters 9-11	2.0	2.7	-0.7 ***	-26.6
Ever received any Food Stamps (%)				
Years 1-2	90.4	89.5	0.9	1.0
Last quarter of year 1	68.5	67.3	1.2	1.8
Last quarter of year 2	55.7	56.1	-0.4	-0.7
Quarter 10	51.7	49.0	2.7	5.5
Quarter 11	47.0	46.4	0.5	1.2

(continued)

Table 6.9 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average total value of Food Stamps received (\$)				
Years 1-2	3,693	3,984	-291 **	-7.3
Year 1	2,090	2,254	-164 **	-7.3
Year 2	1,604	1,730	-127	-7.3
Quarter 10	336	361	-25	-6.8
Quarter 11	308	341	-33	-9.6
Sample size (total = 1,347)	670	677		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: The extended follow-up sample includes individuals randomly assigned between May and September 1994 (N = 1,347).

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

The dash indicates that the data were not available in time to be included in this report.

individuals would have continued receiving AFDC/TANF had they been in the AFDC group. Since many AFDC group members also left AFDC/TANF during this period, even though they were not subject to a time limit, it is not possible to test this assumption rigorously.

There is further evidence, however, that is consistent with the conclusion that the time limit is driving the emergence of AFDC/TANF payment reductions after the two-year follow-up. For example, like the findings for the full report sample, FTP did not have an effect on the number of months in which the extended follow-up sample received AFDC/TANF payments during the two-year follow-up period. During the additional three quarters of follow-up, however, FTP did reduce this number by nearly one month, suggesting not only that FTP reduced the proportion of FTP group members receiving AFDC, but that those who left the AFDC/TANF rolls do not appear to have returned, at least not within the extended follow-up period. This is consistent with the fact that those who reached the time limit and had their benefits canceled cannot return within five years of when they entered the program. Finally, FTP's impact on employment remained at about the same level after the two-year follow-up period as it was at the end of the second year. A significant increase in employment impacts after the two-year follow-up period may have provided an alternative explanation for the reduction in AFDC/TANF receipt.

C. Impacts on Food Stamp Receipt and Payments

In general, Table 6.9 indicates that FTP did not have an impact on Food Stamp receipt rates or payments during the extended follow-up period. This may be important if the reduction in AFDC/TANF payments results in sample members becoming eligible for higher Food Stamp payments. As a result, Food Stamp payments for FTP group members may actually increase as their AFDC/TANF benefits are canceled.

D. Impacts on Combining Employment and AFDC/TANF Receipt

Like Table 6.2, Table 6.10 displays FTP's impact on the extent to which sample members combined employment and AFDC/TANF receipt. Table 6.10 shows the distribution of the sample across each of four employment and AFDC/TANF receipt statuses during quarter 10 as well as the last quarter of year 1 and year 2.

The table indicates that, as FTP's impact on reducing AFDC/TANF receipt began to emerge after the two-year follow-up period, more FTP group members moved into the status of working but not receiving AFDC/TANF (represented by the third category in each section of the table). Specifically, FTP produced a 9 percentage point reduction in the proportion of FTP group members who were receiving AFDC/TANF and not working and a 6 percentage point increase in the proportion who were working without receiving AFDC/TANF. This suggests that a key impact of FTP has been to reduce dependence on AFDC/TANF and to increase self-sufficiency. It is also noteworthy that FTP did have an impact on the proportion of sample members who were neither employed nor receiving AFDC/TANF, despite that fact that some people were not employed when their benefits were canceled.

Table 6.10
Florida's Family Transition Program
Impacts on Combined Employment and AFDC/TANF Receipt Status
for the Extended Follow-Up Sample

Outcome (%)	FTP Group	AFDC Group	Difference	Percentage Change
<u>Last quarter of year 1</u>				
Not employed and received AFDC/TANF	32.4	34.7	-2.3	-6.6
Employed and received AFDC/TANF	22.8	19.4	3.5	17.8
Employed and did not receive AFDC/TANF	22.6	23.4	-0.8	-3.5
Not employed and did not receive AFDC/TANF	22.2	22.5	-0.3	-1.5
<u>Last quarter of year 2</u>				
Not employed and received AFDC/TANF	18.3	25.5	-7.2 ***	-28.3
Employed and received AFDC/TANF	20.0	13.5	6.5 ***	48.3
Employed and did not receive AFDC/TANF	32.9	30.4	2.5	8.1
Not employed and did not receive AFDC/TANF	28.9	30.6	-1.8	-5.7
<u>Quarter 10</u>				
Not employed and received AFDC/TANF	14.5	23.6	-9.0 ***	-38.3
Employed and received AFDC/TANF	13.0	10.9	2.1	19.0
Employed and did not receive AFDC/TANF	35.7	29.8	6.0 **	20.0
Not employed and did not receive AFDC/TANF	36.7	35.7	1.0	2.8
Sample size (total = 1,347)	670	677		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records and AFDC/TANF records.

NOTES: The extended follow-up sample includes individuals randomly assigned between May and September 1994 (N = 1,347).

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

E. Impacts on Combined Income from Earnings, AFDC/TANF, and Food Stamps

Like Table 6.3, Table 6.11 presents findings on the impact FTP had on total income from earnings, AFDC/TANF, and Food Stamps. In general, Table 6.11 indicates that FTP's positive impact on total income from earnings, AFDC/TANF, and Food Stamps during the second year of follow-up was sustained during the extended follow-up period. Specifically, during the last quarter of year 2, FTP group members obtained an average of \$203 more in income from these sources than did AFDC group members; this represents a 14 percent increase. During quarter 10, FTP group members obtained an average of \$185 more in income from these sources than did AFDC group members — a 13 percent increase. Also, FTP group members were more likely to fall into the higher income brackets and to have a higher percentage of their income derived from earnings during quarter 10 (similar to the findings for the end of the two-year follow-up period).

It is important to note, however, that FTP's impact on combined income during this period differed somewhat depending on the type of time limit sample members were likely to have. In short, the impact on combined income was somewhat smaller among those with characteristics that would give them a 24-month time limit than it was for those likely to have a 36-month limit. This is because those in the 24-month subgroup were more likely to have their benefits canceled and, thus, were less likely to be combining work and welfare after the second year of follow-up.

Finally, during the extended follow-up period, FTP also reduced FTP group members' dependence on welfare. For example, Table 6.11 shows that during quarter 10, approximately 36 percent of FTP group members' income was derived from AFDC/TANF and Food Stamps compared with 39 percent of the income for the AFDC group. Further, only 40 percent of the FTP group derived half or more of their income from welfare compared with 33 percent of the AFDC group. As a further indicator of FTP's impact on reducing welfare dependence, it is also noteworthy that FTP group members were more likely to have obtained higher levels of income (defined as \$2,400 during quarter 10), with less than half of that income derived from welfare.

Table 6.11
Florida's Family Transition Program
Impacts on Income from Earnings, AFDC/TANF, and Food Stamps
for the Extended Follow-Up Sample

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Average total income from earnings, AFDC/TANF, and Food Stamps (\$)</u>				
Year 1	6,937	6,782	155	2.3
Year 2	6,713	6,110	603 **	9.9
Last quarter of year 1	1,680	1,658	21	1.3
Last quarter of year 2	1,673	1,470	203 ***	13.8
Quarter 10	1,609	1,424	185 **	13.0
<u>Income measures for the last quarter of year 2 and quarter 10 (%)</u>				
Income brackets				
Last quarter of year 2				
\$0	23.2	24.1	-0.9	-3.7
\$1-\$1,500	27.9	31.6	-3.7	-11.6
\$1,501-\$2,400	19.4	22.1	-2.7	-12.3
\$2,401-\$3,000	12.0	10.0	2.0	19.8
\$3,000 or more	17.5	12.1	5.3 ***	44.0
Quarter 10				
\$0	25.9	29.0	-3.1	-10.7
\$1-\$1,500	28.8	27.3	1.5	5.4
\$1,501-\$2,400	17.2	21.5	-4.3 **	-19.9
\$2,401-\$3,000	10.7	9.1	1.6	17.7
\$3,000 or more	17.4	13.1	4.3 **	33.0
Proportion of income from earnings				
Last quarter of year 2	38.9	31.9	7.0 ***	22.0
Quarter 10	38.4	31.6	6.9 ***	21.8
50% or more of income is derived from earnings				
Last quarter of year 2	39.7	32.8	6.9 ***	21.1
Quarter 10	40.3	33.0	7.3 ***	22.1
Proportion of income from AFDC/TANF and Food Stamps				
Last quarter of year 2	37.9	44.0	-6.1 ***	-13.9
Quarter 10	35.7	39.4	-3.8 *	-9.5
50% or more of income is derived from AFDC/TANF and Food Stamps				
Last quarter of year 2	37.1	43.1	-6.0 **	-14.0
Quarter 10	33.8	38.2	-4.3 *	-11.3
More than \$2,400 quarterly income and less than 50% of income is from AFDC/TANF and Food Stamps				
Last quarter of year 2	23.8	16.7	7.1 ***	42.7
Quarter 10	25.6	18.1	7.6 ***	42.0
Sample size (total = 1,347)	670	677		

(continued)

Table 6.11 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: The extended follow-up sample includes individuals randomly assigned between May and September 1994 (N = 1,347).

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Appendix A

Supplementary Tables to Chapter 2

Table A.1
Florida's Family Transition Program
Selected Characteristics of the Full Research Sample at the Time of Random Assignment,
by Random Assignment Cohort

Characteristic	Report Sample (5/94-2/95)	Later Cohort Sample (3/95-10/96)
<u>Demographic characteristic</u>		
Gender (%)		
Female	97.2	94.6 ***
Male	2.9	5.4 ***
Age (%)		
Under 20	7.2	8.3
20-24	25.2	26.4
25-34	44.7	43.1
35-44	19.7	19.9
45 and over	3.3	2.4 *
Average age (years)	29.1	28.6 **
Ethnicity (%)		
White, non-Hispanic	45.4	51.3 ***
Black, non-Hispanic	51.8	46.0 ***
Hispanic	1.1	1.4
Other	1.7	1.3
<u>Family status</u>		
Marital status (%)		
Never married	49.4	45.1 ***
Married, not living with spouse	24.4	27.0 ***
Separated	4.8	4.7
Divorced	19.8	21.5
Other	1.7	1.7
Average number of children	2.0	1.9 ***
Age of youngest child (%)		
2 years and under ^a	42.4	43.7
3-5 years	26.3	26.1
6 years and over	31.3	30.2
<u>Work history</u>		
Ever worked (%)	90.7	94.3 ***
Ever worked full time for 6 months or more for one employer (%)	60.1	67.7 ***
Approximate earnings in past 12 months (%)		
\$0	53.8	37.9 ***
\$1-\$999	19.1	24.4 ***
\$1,000-\$4,999	15.5	17.7 *
\$5,000-\$9,999	7.6	10.1 ***
\$10,000 or more	3.9	10.0 ***
Among those currently employed, average hourly wage (\$)	4.93	6.56 *

(continued)

Table A.1 (continued)

Characteristic	Report Sample (5/94-2/95)	Later Cohort Sample (3/95-10/96)
<u>Educational status</u>		
Highest grade completed in school (average)	11.1	11.2 ***
Highest degree/diploma earned (%)		
GED ^b	10.1	12.2 **
High school diploma	44.2	48.6 ***
Technical/2-year college degree	5.5	5.8
4-year (or more) college degree	0.9	1.7 ***
None of the above	39.4	31.8 ***
Enrolled in education or training during the past 12 months (%)	23.4	17.9 ***
<u>Public assistance status</u>		
Aid status (%)		
Applicant	51.7	84.3 ***
Recipient	48.3	15.7 ***
Total prior AFDC receipt ^c (%)		
None	12.2	28.0 ***
Less than 4 months	5.4	7.0 **
4 months or more but less than 1 year	15.1	14.7
1 year or more but less than 2 years	14.5	13.1
2 years or more but less than 5 years	25.3	20.3 ***
5 years or more but less than 10 years	17.5	12.4 ***
10 years or more	10.1	4.5 ***
Resided as a child in a household receiving AFDC (%)	19.1	14.6 ***
<u>Imputed time limit (%)^d</u>		
24 months	58.0	68.4 ***
36 months	42.0	31.6 ***
<u>Current housing status (%)</u>		
Public housing	7.1	3.9 ***
Subsidized housing	16.2	10.8 ***
Emergency or temporary housing	4.8	16.8 ***
None of the above	71.9	68.6 **
Sample size	2,738	1,951

(continued)

Table A.1 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through October 1996.

NOTES: A total of 120 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dSample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.2
Florida's Family Transition Program
Selected Characteristics of the Report Sample at the Time of Random Assignment,
by AFDC/TANF Time Limit Subgroups

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
<u>Demographic characteristic</u>		
Gender (%)		
Female	95.7	99.1 ***
Male	4.3	0.9 ***
Age (%)		
Under 20	3.1	12.7 ***
20-24	17.7	34.9 ***
25-34	52.1	35.0 ***
35-44	23.3	14.9 ***
45 and over	3.9	2.5 *
Average age (years)	30.6	27.2 ***
Ethnicity (%)		
White, non-Hispanic	51.2	37.0 ***
Black, non-Hispanic	45.6	60.7 ***
Hispanic	1.4	0.8
Other	1.8	1.5
<u>Family status</u>		
Marital status (%)		
Never married	40.1	62.0 ***
Married, not living with spouse	30.5	16.0 ***
Separated	5.0	4.6
Divorced	22.5	16.1 ***
Other	1.9	1.4
Average number of children	1.9	2.1 ***
Age of youngest child (%)		
2 years and under ^a	36.2	50.5 ***
3-5 years	27.4	25.0
6 years and over	36.4	24.5 ***
<u>Work history</u>		
Ever worked (%)	93.9	86.2 ***
Ever worked full time for 6 months or more for one employer (%)	70.5	45.7 ***
Approximate earnings in past 12 months (%)		
\$0	49.4	60.5 ***
\$1-\$999	17.5	21.6 ***
\$1,000-\$4,999	17.2	12.6 ***
\$5,000-\$9,999	9.7	4.5 ***
\$10,000 or more	6.1	0.8 ***
Among those currently employed, average hourly wage (\$)	5.16	4.53 ***

(continued)

Table A.2 (continued)

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
<u>Educational status</u>		
Highest grade completed in school (average)	11.2	10.9 ***
Highest degree/diploma earned (%)		
GED ^b	10.1	10.0
High school diploma	48.1	38.3 ***
Technical/2-year college degree	7.6	2.5 ***
4-year (or more) college degree	1.5	0.2 ***
None of the above	32.7	49.0 ***
Enrolled in education or training during the past 12 months (%)	15.6	34.1 ***
<u>Public assistance status</u>		
Aid status (%)		
Applicant	57.2	43.7 ***
Recipient	42.8	56.3 ***
Total prior AFDC receipt ^c (%)		
None	17.5	4.4 ***
Less than 4 months	7.6	2.2 ***
4 months or more but less than 1 year	19.2	9.4 ***
1 year or more but less than 2 years	16.2	12.1 ***
2 years or more but less than 5 years	21.3	31.0 ***
5 years or more but less than 10 years	12.5	24.6 ***
10 years or more	5.6	16.4 ***
Resided as a child in a household receiving AFDC (%)	12.1	28.6 ***
<u>Imputed time limit (%)^d</u>		
24 months	100.0	0.0
36 months	0.0	100.0
<u>Current housing status (%)</u>		
Public housing	5.5	9.3 ***
Subsidized housing	12.4	21.6 ***
Emergency or temporary housing	6.6	2.5 ***
None of the above	75.6	66.7 ***
Sample size	1,581	1,143

(continued)

Table A.2 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: Sample sizes for the subgroups do not add to the full sample size because of missing data. Therefore, the weighted averages of the percentages of the subgroups within a characteristic do not equal the percentages for the full sample.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dSample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table A.3
Florida's Family Transition Program
Selected Characteristics of the Report Sample at the Time of Random Assignment,
by Age of Youngest Child Subgroups

Characteristic	Sample Members Whose Youngest Child was Less Than 3 Years of Age	Sample Members Whose Youngest Child was 3 Years of Age or Older
<u>Demographic characteristic</u>		
Gender (%)		
Female	98.2	96.5 **
Male	1.9	3.5 **
Age (%)		
Under 20	14.9	1.3 ***
20-24	42.8	12.2 ***
25-34	33.3	53.0 ***
35-44	8.7	27.9 ***
45 and over	0.3	5.5 ***
Average age (years)	25.1	32.1 ***
Ethnicity (%)		
White, non-Hispanic	43.2	47.0 *
Black, non-Hispanic	54.6	50.0 **
Hispanic	0.4	1.7 ***
Other	1.9	1.4
<u>Family status</u>		
Marital status (%)		
Never married	61.0	40.4 ***
Married, not living with spouse	22.5	26.2 **
Separated	4.4	5.2
Divorced	10.8	26.4 ***
Other	1.2	1.9
Average number of children	2.1	2.0 ***
Age of youngest child (%)		
2 years and under ^a	100.0	0.0
3-5 years	0.0	45.7
6 years and over	0.0	54.3
<u>Work history</u>		
Ever worked (%)	88.4	92.8 ***
Ever worked full time for 6 months or more for one employer (%)	49.3	68.2 ***
Approximate earnings in past 12 months (%)		
\$0	58.2	50.8 ***
\$1-\$999	20.5	17.8 *
\$1,000-\$4,999	13.0	17.2 ***
\$5,000-\$9,999	6.3	8.8 **
\$10,000 or more	2.0	5.4 ***
Among those currently employed, average hourly wage (\$)	4.71	5.11 **

(continued)

Table A.3 (continued)

Characteristic	Sample Members Whose Youngest Child was Less Than 3 Years of Age	Sample Members Whose Youngest Child was 3 Years of Age or Older
<u>Educational status</u>		
Highest grade completed in school (average)	11.1	11.0
Highest degree/diploma earned (%)		
GED ^b	8.1	11.3 ***
High school diploma	46.0	43.2
Technical/2-year college degree	4.0	6.7 ***
4-year (or more) college degree	0.6	1.2
None of the above	41.4	37.7 *
Enrolled in education or training during the past 12 months (%)	20.4	26.1 ***
<u>Public assistance status</u>		
Aid status (%)		
Applicant	52.0	51.5
Recipient	48.0	48.5
Total prior AFDC receipt ^c (%)		
None	12.0	11.9
Less than 4 months	5.0	5.6
4 months or more but less than 1 year	17.8	13.2 ***
1 year or more but less than 2 years	17.8	11.9 ***
2 years or more but less than 5 years	28.4	23.3 ***
5 years or more but less than 10 years	15.1	19.4 ***
10 years or more	3.9	14.6 ***
Resided as a child in a household receiving AFDC (%)	22.8	16.6 ***
<u>Imputed time limit (%)^d</u>		
24 months	49.6	63.9 ***
36 months	50.4	36.1 ***
<u>Current housing status (%)</u>		
Public housing	8.2	6.4 *
Subsidized housing	16.0	16.5
Emergency or temporary housing	4.4	4.9
None of the above	71.4	72.2
Sample size	1,139	1,546

(continued)

Table A.3 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: Sample sizes for the subgroups do not add to the full sample size because of missing data. Therefore, the weighted averages of the percentages of the subgroups within a characteristic do not equal the percentages for the full sample.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aThis category includes sample members who were pregnant at the time of random assignment.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dSample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Appendix B

Results of the Two-Year Client Survey Response Analysis

Data on participation measures, job quality, perceptions of work, welfare, time limits, and other outcomes come primarily from the two-year client survey. This appendix explores the extent to which the survey respondent sample is representative of the survey sample and the report sample.

As discussed in Chapter 1, this report focuses on 2,817 single-parent cases randomly assigned from May 1994 to February 1995. This is referred to as the *report sample*. A subset of this sample, 750 FTP and AFDC group members randomly assigned between December 1994 and February 1995 (27 percent of the report sample), were selected to participate in the two-year client survey. This sample is called the *survey sample*. Of this group, 603 individuals (21 percent of the report sample and 80 percent of the survey sample) completed the survey; the remaining 147 could not be located, or refused or were unable to be interviewed. Sample members who completed the survey are called *respondents*, while sample members selected for the survey who did not complete it are called *nonrespondents*.

Whenever survey response rates are less than 100 percent, two kinds of biases may be present. First, it is possible that respondents in the FTP group may have different characteristics from respondents in the AFDC group. In that case, the fundamental comparison between FTP and AFDC group members may be invalid, and impact estimates based on survey data may be biased (i.e., differences in outcomes may be due to differences in the individuals who responded and not to the impact from FTP). Second, the sample of completed surveys may not well represent the report sample. In that case, impact estimates for respondents may be different from those for the report sample.

This appendix presents an analysis of survey response patterns undertaken to determine (1) whether impact estimates based on survey data would be biased by the absence of completed interviews for some sample members and (2) whether impact estimates based on the survey data can be generalized to the report sample (which includes survey respondents, survey nonrespondents, and individuals not selected to be surveyed). Such an analysis is routinely performed in field studies using survey data.¹²⁰

To summarize the results presented below: It was found that there was little likelihood of substantial bias in the basic impact comparison between FTP and AFDC group members within the respondent sample. FTP group members who responded are not significantly different from AFDC group members who responded. However, there are differences in characteristics between respondents and nonrespondents. As a result, caution should be exercised when generalizing survey findings to the report sample.

I. Comparisons Between FTP and AFDC Group Members in the Survey Respondent Sample

The total response rate within the survey sample was 80 percent. This response rate is consistent with rates obtained in research focused on similar target populations. Within the FTP group, the response rate was 79 percent; among the AFDC group, it was 82 percent.

To further assess the importance of any differences between the FTP and AFDC groups within the survey respondent sample, the 0/1 dummy variable indicating membership in the FTP group was regressed on pre-random assignment demographic information using the survey sample alone. The overall differences were not statistically significant, indicating that there were not systematic differences in the measured characteristics of FTP and AFDC

¹²⁰The issue of *item nonresponse* — i.e., the failure to answer a particular question or set of questions — is not examined here. In most instances, item nonresponse was fairly low for sample members who otherwise responded to the survey.

group members. These results, in conjunction with the 80 percent response rate, support the conclusion that the fundamental comparison of FTP and AFDC survey respondents should not produce biased estimates.

II. Comparisons Between Respondents and Nonrespondents Within the Survey Sample

To help assess the generalizability of survey-based estimates, the 0/1 dummy variable indicating survey response versus survey nonresponse was regressed on pre-random assignment demographic information using the survey sample of respondents and nonrespondents combined. Table B.1 shows the results of this analysis. The parameter estimates in the first column capture the effect of each variable on the probability of being in the survey response sample. The asterisks and p-values show the statistical significance of this relationship. Applicants and males were significantly less likely to have responded. Applicants tend to be less disadvantaged than recipients, implying that the respondent sample may be more disadvantaged, on average, than the full survey sample. Males constitute a very small percentage of the report sample (3 percent), and thus should have little effect on any bias. The F-statistic and its p-value at the bottom of the table show that differences between survey respondents and survey nonrespondents were statistically significant overall. Therefore, caution should be exercised when generalizing results from the respondent sample to the full survey sample.

III. Comparisons Between Survey Respondent and the Report Sample

In addition to examining the characteristics of FTP and AFDC group members and survey respondents, within the survey respondent sample, the characteristics of survey respondents (FTP and AFDC group members combined) were compared with those of survey nonrespondents combined with report sample members who were not selected to be surveyed. This comparison can help determine whether the impact estimates for the survey respondent sample can be generalized to the report sample.

The FTP eligibility policy changed during the first year of operation. From May 1994 to November 1994, 40 percent of the report sample consisted of recipients, while from December 1994 to February 1995 (the period from which the survey sample was drawn), 65 percent of the

Table B.1
Florida's Family Transition Program
Estimated Regression Coefficients for the Probability of
Being a Respondent on the Two-Year Client Survey

Variable	Survey Sample			Report Sample		
	Parameter Estimate	Standard Error	p	Parameter Estimate	Standard Error	p
Constant	80.400 ***	1.410	0.000	30.648 ***	1.213	0.000
Aid status: Applicant	-10.708 ***	3.767	0.005	-17.901 ***	1.846	0.000
Gender: Male	-27.934 **	13.416	0.038	-10.561 **	4.684	0.024
Under 20 years old	7.949	6.312	0.208	-0.325	3.267	0.921
25-34 years old	-2.723	3.620	0.452	-1.325	1.936	0.494
35-44 years old	-1.746	4.474	0.697	0.229	2.406	0.924
45 years old and over	2.540	9.351	0.786	-3.884	4.530	0.391
Black, non-Hispanic	3.766	3.231	0.244	-0.329	1.716	0.848
Hispanic	10.305	19.827	0.603	-7.472	7.304	0.306
Other ethnicity	-6.861	13.371	0.608	-8.810	6.054	0.146
Married and living with spouse, or widowed	16.397	20.023	0.413	-8.166	8.120	0.315
Married, not living with spouse	2.087	3.371	0.536	-3.285 *	1.774	0.064
No high school diploma or GED	-1.169	2.973	0.694	1.971	1.618	0.223
Employed in prior year	2.495	4.545	0.583	1.063	2.467	0.667
Employed in prior quarter	0.010	0.056	0.856	-0.014	0.029	0.631
Average earnings in prior year	0.000	0.001	0.910	-0.001	0.001	0.285
Square of earnings in prior year	0.000	0.000	0.969	0.000	0.000	0.242
Earnings in prior quarter	0.003	0.003	0.373	0.002	0.002	0.261
Ever received AFDC in prior quarter	-0.002	0.075	0.976	0.004	0.040	0.915
Ever received AFDC in prior year	-4.731	8.013	0.555	-2.419	3.921	0.537
Number of fiscal months of AFDC in prior year	0.916	0.755	0.225	0.207	0.400	0.604
Ever received Food Stamps in prior quarter	-0.006	0.082	0.942	-0.053	0.044	0.228
Ever received Food Stamps in prior year	-0.700	9.088	0.939	1.892	4.344	0.663
Number of fiscal months of Food Stamps in prior year	1.097	0.858	0.201	0.355	0.451	0.431
FTP group member	-1.487	2.845	0.601	-0.081	1.511	0.957
R-square	0.086			0.061		
F-statistic	2.830			7.510		
P-value of F-statistic	0.000			0.000		
Sample size	1,451			2,815		

SOURCE: MDRC calculations from the FTP two-year client survey and the Background Information Forms (BIF) for single parent cases randomly assigned from May 1994 through February 1995.

(continued)

Table B.1 (continued)

NOTES: Survey respondents were interviewed between the 25th and the 31st month after random assignment. (On average they were interviewed during the 27th month after random assignment.)

A two-tailed t-test was applied to each coefficient estimate. The column labeled "p" indicates the statistical significance level of the coefficient: That is p is the probability that variation in a background characteristic did not contribute to whether or not a sample member was a respondent to the survey. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

report sample consisted of recipients. In addition, as discussed above, higher response rates were obtained for survey sample members who were recipients. Therefore, one would expect there to be differences between respondents and nonrespondents for two reasons: (1) the persons who responded were more likely to be recipients than were nonrespondents in the survey sample, and (2) the pool from which the survey sample was drawn had a higher percentage of recipients compared with the report sample. Thus, the fourth column of Table B.1 shows that applicants are significantly less likely to be in the respondent sample. Also, as in the analysis conducted above, the F-statistic and its p-value at the bottom of the table show that differences between respondents and nonrespondents were statistically significant overall.

An analysis was conducted separately for applicants and recipients. Among applicants, the background characteristics of respondents are similar to those of nonrespondents. Similarly, among recipients, the overall differences between respondents and nonrespondents are not statistically significant. Therefore, there are systematic differences between respondents and nonrespondents, although these differences disappear when the analysis control for applicant status.

Appendix C

The Post-Time Limit Study Sample and Methodology

The interviews described in Chapter 5 were conducted as part of a study called the post-time limit study. The post-time limit study was designed with several objectives in mind including, at the most general level, an increased understanding of the characteristics of the 24- and 36-month FTP cases that reach the end of the time limit and the changes in their circumstances after benefits expire. This appendix reviews the sample selection process for the end-of-time-limit interview and describes some of the challenges faced in finding the respondents for and conducting the follow-up interview.

I. Sample Selection

Selecting the sample for the post-time limit study was both challenging and complicated. The main challenge was that it became evident to the research team that there was no simple way to determine when time limits were going to expire for FTP participants. Individuals use their 24 months of welfare in a variety of ways, and there is no systematic way of identifying who is likely to reach the end of the time limit in a given month. Furthermore, tracking track time limits was also a new experience for the welfare department, as evidenced by the difficulty experienced with selecting a sample for this study.

As mentioned in Chapter 5, this study was designed to explore select questions about people who reached the time limit, and to arrive at statistically valid conclusions about the impacts of the program. Given the small number of participants who reached the time limit, it was not feasible to choose a random sample. We focused instead on a subset of individuals who qualified for the study when they reached the end of the time limit. As a result, the sample included in this “substudy” is not totally representative of all FTP participants who were allocated 24 months of welfare. However, the sample is representative of FTP participants whose benefits expired or those participants who had less than two to three months of welfare remaining.

The original intent of the post-time limit study was to focus only on women in FTP who had received their last welfare check. Given the difficulty of obtaining such a list in a timely manner, the sample definition was expanded to include women who left welfare a few months before reaching the end of the time limit. Under the expanded definition, an FTP participant was considered eligible for the post-time limit study when either of the following two criteria was met: (1) the FTP participant had received her last welfare check during the period of study (November 1996–May 1997), or (2) the FTP participant was close to (i.e., two or three months away from) the time limit when she left welfare.

II. End-of-Time-Limit Interview

Based on the above criteria, a total 44 FTP participants were eligible for the post-time limit study; 35 of them agreed to take part in it, but following the end-of-time-limit interview, three sample members were deemed to be ineligible for the study and were excluded from the analysis presented in Chapter 5. These individuals had been granted exemptions, and their time limit clock was stopped temporarily. Twenty-four individuals received their last welfare check between November 1996 and May 1997. The remaining eight exited FTP with three months or less left on their welfare clock.

The end-of-time-limit interviews were conducted in person between November 1996 and May 1997, approximately 30–45 days following the termination of benefits. For those who had exited welfare before reaching the time limit, this interview was conducted within 45 days after they’d received their last check. About two weeks before the interview, letters were mailed out to all eligible sample members explaining the post-time limit study, assuring confidentiality, offering an incentive of \$30, and asking them to call back collect if they had questions. Most of the participants were reached by phone, but in a few cases the phone numbers had been disconnected or changed.

The end-of-time-limit interview lasted between one and two hours. A semi-structured questionnaire was developed for the in-person interview, but the interviewer maintained a conversational tone and invited discussion on some of the open-ended questions.

III. Sample Characteristics at the End-of-Time-Limit Interview

These sample characteristics are based on information gathered at the end-of-time-limit interview. The sample included women in the age range of 19 to 44 years with an average age of 29 years. The average number of children reported by the sample is 2.5. In terms of ethnic composition, almost 59 percent of those interviewed were African American; 37 percent were white; and the remaining 4 percent were of Hispanic origin. At the time of this interview, 53 percent of the sample had never been married, 25 percent were separated or were living apart from a spouse, 13 percent were divorced, and 6 percent were married and living with a spouse. The remaining individuals were widowed.

With regard to education, approximately 72 percent had attained a high school diploma. Over a third of the sample had taken college courses for credit toward a college degree. A few recipients noted that the knowledge of a time limit pushed them to go to school or to finish school more quickly than they otherwise would have.

With regard to participation in employment and training activities, 8 of the 32 women were provided unpaid work experience by FTP. Only one person had taken part in on-the-job training. One-fourth of the sample participated in vocational training activities.

Three of the respondents owned a home. However, one of them had started foreclosure proceedings on her house. The majority of the women interviewed were living in rental housing at the time of the end-of-time-limit interview. The sample members did not exhibit much residential instability or mobility: close to half had lived in the same house for more than two years and about one-fourth reported at least one move in the 12-month period before the end of the time limit. Close to one-third lived in public housing or government-subsidized housing.

IV. Six-Month Follow-Up Interview

The first round of follow-up interviews took place approximately six months after the end-of-time-limit interview. Seventy-eight percent (25) of the respondents who completed the end-of-time-limit interview also completed the six-month follow-up interview. One sample member refused the follow-up interview, and six could not be located for this interview.

The interviewer assigned to this study made several attempts (by telephone and in person) to contact the remaining six respondents for the follow-up interview. First, the interviewer tried to reach the respondent by phone. If the respondent lived there, an appointment was scheduled. However, if the respondent no longer lived there, the interviewer asked whoever answered the phone for a new phone number or the name of anyone who might know the respondent's new number. If the phone number was not correct, the interviewer called information and tried to get a current telephone number. In cases where the telephone number had changed or been disconnected, the interviewer mailed an appointment card to the latest available address. If the card was returned with an updated address, an appointment card was redirected to the new address. The interviewer also traveled repeatedly to the respondent's home. If it seemed that the respondent had moved to another address, the interviewer contacted neighbors for information (new address/phone number). When these efforts failed, the interviewer called the contact persons identified by the respondent at the end-of-time-limit interview. Other sources like the local phone and electric companies, credit bureaus, and the Department of Motor Vehicles were also contacted for information, but they did not prove to be very useful.

The six sample members who could not be reached for the follow-up interview did not respond to phone calls, home visits, or mailings. In two of the six cases, their phones had been disconnected. Another respondent had moved to a new address and the neighbors were unable to provide any information.

Appendix D

Supplementary Tables to Chapter 6

Table D.1

Florida's Family Transition Program

Two-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Quarter

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed, years 1-2 (%)	76.3	71.0	5.3 ***	7.5
Year 1	62.1	58.3	3.8 **	6.5
Year 2	66.2	59.7	6.5 ***	10.9
Quarter of random assignment	35.5	34.1	1.4	4.0
Quarter 1	37.9	37.5	0.4	1.0
Quarter 2	41.8	39.2	2.5	6.4
Quarter 3	44.3	39.8	4.5 ***	11.4
Quarter 4	45.2	40.8	4.3 **	10.6
Quarter 5	47.0	41.1	5.9 ***	14.3
Quarter 6	49.1	41.9	7.3 ***	17.3
Quarter 7	49.8	45.1	4.6 ***	10.3
Quarter 8	51.7	43.5	8.2 ***	18.9
Average quarterly employment rate, years 1-2 (%)	45.8	41.1	4.7 ***	11.5
Year 1	42.3	39.3	3.0 **	7.5
Year 2	49.4	42.9	6.5 ***	15.1
Average total earnings, years 1-2 (\$)	6,656	5,754	902 ***	15.7
Year 1	2,760	2,514	245 *	9.7
Year 2	3,897	3,240	657 ***	20.3
Quarter of random assignment	427	397	30	7.6
Quarter 1	522	519	4	0.7
Quarter 2	654	606	48	7.9
Quarter 3	765	675	90 **	13.4
Quarter 4	819	715	104 **	14.5
Quarter 5	894	743	150 ***	20.2
Quarter 6	940	777	163 ***	21.0
Quarter 7	1,005	869	136 ***	15.6
Quarter 8	1,058	851	207 ***	24.4
Average earnings per quarter employed, years 1-2 ^a (\$)	1,815	1,749	65	3.8
Year 1	1,632	1,599	33	2.1
Year 2	1,972	1,888	84	4.5
Ever received any AFDC/TANF payments, years 1-2 (%)	83.4	82.7	0.6	0.8
Year 1	81.8	81.1	0.7	0.9
Year 2	57.1	56.1	1.1	1.9
Quarter of random assignment	79.7	76.5	3.1 **	4.1
Quarter 1	78.7	77.0	1.8	2.3
Quarter 2	70.1	67.3	2.8 *	4.1
Quarter 3	61.1	58.9	2.3	3.8
Quarter 4	56.2	54.4	1.9	3.4
Quarter 5	50.3	49.6	0.7	1.4
Quarter 6	45.6	46.9	-1.2	-2.6
Quarter 7	40.7	41.7	-1.1	-2.5
Quarter 8	35.9	38.1	-2.2	-5.8

(continued)

Table D.1 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average number of months receiving AFDC/TANF payments, years 1-2	11.8	11.7	0.0	0.3
Year 1	7.3	7.0	0.2	3.4
Year 2	4.5	4.7	-0.2	-4.3
Average total AFDC/TANF payments received, years 1-2 (\$)	3,129	3,276	-147	-4.5
Year 1	1,985	1,994	-9	-0.5
Year 2	1,144	1,282	-137 ***	-10.7
Quarter of random assignment	581	558	23 **	4.1
Quarter 1	611	598	13	2.2
Quarter 2	524	523	1	0.2
Quarter 3	450	453	-3	-0.7
Quarter 4	400	420	-20	-4.8
Quarter 5	354	376	-22	-5.8
Quarter 6	313	340	-28 *	-8.1
Quarter 7	260	295	-34 **	-11.6
Quarter 8	217	271	-54 ***	-19.9
<i>Average AFDC/TANF payment per month received, years 1-2^a (\$)</i>	266	279	-13	-4.8
Year 1	272	283	-11	-3.7
Year 2	255	273	-18	-6.7
Ever received any Food Stamps, years 1-2 (%)	90.0	89.8	0.2	0.2
Year 1	89.0	88.6	0.4	0.5
Year 2	69.6	71.0	-1.4	-2.0
Quarter of random assignment	88.1	86.2	1.9 *	2.2
Quarter 1	86.8	86.5	0.3	0.3
Quarter 2	78.5	78.0	0.5	0.6
Quarter 3	71.8	71.3	0.6	0.8
Quarter 4	68.6	68.3	0.2	0.3
Quarter 5	64.3	65.3	-1.0	-1.5
Quarter 6	61.4	61.7	-0.3	-0.5
Quarter 7	57.6	58.8	-1.2	-2.0
Quarter 8	55.2	56.4	-1.3	-2.2
Average number of months receiving Food Stamps payments, years 1-2	15.0	15.1	-0.1	-0.5
Year 1	8.5	8.5	0.0	0.2
Year 2	6.5	6.6	-0.1	-1.4

(continued)

Table D.1 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average total value of Food Stamps received, years 1-2 (\$)	3,752	4,094	-343 ***	-8.4
Year 1	2,130	2,297	-166 ***	-7.2
Year 2	1,621	1,798	-176 ***	-9.8
Quarter of random assignment	591	600	-9	-1.5
Quarter 1	620	659	-39 ***	-5.9
Quarter 2	547	584	-37 ***	-6.3
Quarter 3	500	532	-32 **	-6.0
Quarter 4	463	522	-59 ***	-11.2
Quarter 5	438	489	-51 ***	-10.4
Quarter 6	419	464	-45 ***	-9.8
Quarter 7	393	434	-42 ***	-9.6
Quarter 8	372	410	-38 **	-9.3
<i>Average Food Stamps payment per month received, years 1-2^a (\$)</i>	250	271	-21	-7.9
Year 1	251	271	-20	-7.4
Year 2	248	271	-23	-8.5
Sample size (total = 2,815)	1,405	1,410		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aItalics indicates non-experimental comparison; statistical tests were not performed.

Table D.2
Florida's Family Transition Program
Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments,
Food Stamp Receipt, and Value of Food Stamps Received
for the Extended Follow-Up Sample, by Quarter

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever employed (%)				
Years 1-2	76.5	71.3	5.2 **	7.4
Year 1	62.3	59.3	3.0	5.0
Year 2	65.4	59.3	6.1 **	10.2
Quarters 9-10	58.3	50.5	7.8 ***	15.5
Quarter of random assignment	38.1	35.4	2.7	7.7
Quarter 1	38.7	37.6	1.2	3.1
Quarter 2	40.1	38.0	2.0	5.3
Quarter 3	44.5	39.2	5.3 **	13.6
Quarter 4	45.4	42.8	2.6	6.2
Quarter 5	47.1	43.5	3.6	8.2
Quarter 6	46.4	41.4	5.1 **	12.3
Quarter 7	48.3	42.8	5.5 **	13.0
Quarter 8	52.8	43.9	9.0 ***	20.5
Quarter 9	53.4	46.1	7.3 ***	15.7
Quarter 10	48.7	40.7	8.0 ***	19.7
Average quarterly employment rate (%)				
Years 1-2	45.4	41.1	4.3 **	10.4
Year 1	42.2	39.4	2.8	7.1
Year 2	48.7	42.9	5.8 ***	13.5
Quarters 9-10	51.1	43.4	7.6 ***	17.6
Average total earnings (\$)				
Years 1-2	6,790	5,668	1,122 ***	19.8
Year 1	2,901	2,548	353 *	13.9
Year 2	3,889	3,120	769 ***	24.6
Quarters 9-10	2,308	1,717	591 ***	34.4
Quarter of random assignment	463	446	17	3.8
Quarter 1	570	545	26	4.7
Quarter 2	696	613	84	13.7
Quarter 3	794	654	140 **	21.3
Quarter 4	841	736	105	14.2
Quarter 5	918	786	133 *	16.9
Quarter 6	914	768	146 **	18.9
Quarter 7	993	780	213 ***	27.2
Quarter 8	1,064	786	278 ***	35.4
Quarter 9	1,190	896	294 ***	32.8
Quarter 10	1,118	821	297 ***	36.1
Average earnings per quarter employed ^a (\$)				
Years 1-2	1,868	1,722	146	8.5
Year 1	1,719	1,616	103	6.4
Year 2	1,998	1,819	179	9.8
Quarters 9-10	2,260	1,978	282	14.3

(continued)

Table D.2 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any AFDC/TANF payments (%)				
Years 1-2	81.7	82.7	-1.0	-1.2
Year 1	79.6	81.2	-1.6	-2.0
Year 2	57.6	55.0	2.6	4.8
Quarters 9-11	36.1	42.1	-6.1 **	-14.4
Quarter of random assignment				
Quarter 1	75.8	74.5	1.3	1.7
Quarter 2	76.5	77.1	-0.6	-0.8
Quarter 3	68.1	67.4	0.7	1.0
Quarter 4	58.6	58.7	-0.1	-0.1
Quarter 5	55.2	54.1	1.1	2.1
Quarter 6	50.1	48.0	2.1	4.3
Quarter 7	45.7	45.9	-0.2	-0.3
Quarter 8	42.9	41.1	1.8	4.4
Quarter 9	38.2	39.0	-0.7	-1.8
Quarter 10	31.3	37.6	-6.4 ***	-16.9
Quarter 11	27.5	34.5	-7.0 ***	-20.2
Quarter 11	22.7	31.9	-9.2 ***	-28.9
Average number of months receiving AFDC/TANF payments				
Years 1-2	11.7	11.7	0.0	0.3
Year 1	7.1	7.0	0.0	0.4
Year 2	4.6	4.6	0.0	0.1
Quarters 9-11	2.0	2.7	-0.7 ***	-26.6
Average total AFDC/TANF payments received (\$)				
Years 1-2	3,166	3,240	-73	-2.3
Year 1	1,946	1,980	-35	-1.8
Year 2	1,221	1,259	-39	-3.1
Quarters 9-11	470	718	-248 ***	-34.5
Quarter of random assignment				
Quarter 1	540	534	6	1.2
Quarter 2	594	587	7	1.2
Quarter 3	516	524	-8	-1.6
Quarter 4	445	452	-8	-1.7
Quarter 5	391	417	-26	-6.2
Quarter 6	354	354	-1	-0.3
Quarter 7	336	330	6	1.8
Quarter 8	293	300	-7	-2.5
Quarter 9	239	275	-36 *	-13.2
Quarter 10	182	261	-79 ***	-30.2
Quarter 11	154	242	-87 ***	-36.1
Quarter 11	134	215	-82 ***	-38.0
Average AFDC/TANF payment per month received ^a (\$)				
Years 1-2	270	277	-7	-2.5
Year 1	275	281	-6	-2.1
Year 2	263	272	-9	-3.2
Quarters 9-11	234	262	-28	-10.8

(continued)

Table D.2 (continued)

Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any Food Stamps payments (%)				
Years 1-2	90.4	89.5	0.9	1.0
Year 1	89.2	88.4	0.9	1.0
Year 2	69.7	68.9	0.8	1.1
Quarters 9-11	56.9	56.4	0.5	0.8
Quarter of random assignment				
Quarter 1	86.0	83.0	3.0 *	3.6
Quarter 2	86.9	85.6	1.3	1.5
Quarter 3	78.2	77.8	0.4	0.6
Quarter 4	71.6	70.4	1.2	1.7
Quarter 5	68.5	67.3	1.2	1.8
Quarter 6	64.1	63.0	1.1	1.8
Quarter 7	60.8	58.6	2.3	3.9
Quarter 8	58.2	57.4	0.8	1.4
Quarter 9	55.7	56.1	-0.4	-0.7
Quarter 10	53.1	52.6	0.5	0.9
Quarter 11	51.7	49.0	2.7	5.5
Quarter 11	47.0	46.4	0.5	1.2
Average number of months receiving Food Stamps payments				
Years 1-2	14.9	14.8	0.2	1.1
Year 1	8.4	8.3	0.1	0.7
Year 2	6.5	6.4	0.1	1.7
Quarters 9-11	4.1	4.0	0.1	1.5
Average total value of Food Stamps received (\$)				
Years 1-2	3,693	3,984	-291 **	-7.3
Year 1	2,090	2,254	-164 **	-7.3
Year 2	1,604	1,730	-127	-7.3
Quarters 9-11	993	1,085	-92	-8.5
Quarter of random assignment				
Quarter 1	547	560	-12	-2.2
Quarter 2	613	649	-36 **	-5.6
Quarter 3	542	584	-42 **	-7.1
Quarter 4	487	515	-28	-5.5
Quarter 5	448	505	-57 ***	-11.4
Quarter 6	428	463	-36 *	-7.7
Quarter 7	417	438	-21	-4.8
Quarter 8	389	421	-32	-7.6
Quarter 9	370	408	-39 *	-9.5
Quarter 10	348	383	-35	-9.1
Quarter 11	336	361	-25	-6.8
Quarter 11	308	341	-33	-9.6
Average Food Stamps payment per month received ^a (\$)				
Years 1-2	247	270	-22	-8.3
Year 1	249	270	-21	-7.9
Year 2	245	269	-24	-8.9
Quarters 9-11	243	269	-27	-9.9
Sample size (total = 1,347)	670	677		

(continued)

Table D.2 (continued)

RCEs: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, Food Stamp records.

ES: The extended follow-up sample includes individuals randomly assigned between May and September 1994 (N = 47).

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings,

Table D.3

Florida's Family Transition Program

**Impacts on Employment, Earnings, AFDC/TANF Receipt, and
AFDC/TANF Payments, by Date of Random Assignment Subgroups**

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Sample members randomly assigned May 1994-September 1994 (Extended Follow-Up Sample)</u>				
Ever employed, years 1-2 (%)	76.4	71.4	5.0 **	7.0
Last quarter of year 1	45.5	42.7	2.7	6.4
Last quarter of year 2	53.0	43.7	9.3 ***	21.3
Average total earnings, years 1-2 (\$)	6,792	5,665	1,127 ***	19.9
Year 1	2,892	2,557	335 *	13.1
Year 2	3,900	3,108	792 ***	25.5
Ever received any AFDC/TANF payments, years 1-2 (%)	81.8	82.6	-0.8	-0.9
Last quarter of year 1	55.3	54.0	1.3	2.5
Last quarter of year 2	38.2	39.0	-0.9	-2.3
Average total AFDC/TANF payments received, years 1-2 (\$)	3,164	3,242	-79	-2.4
Year 1	1,948	1,978	-30	-1.5
Year 2	1,216	1,264	-49	-3.9
Average number of months receiving AFDC/TANF payments, years 1-2	11.7	11.7	0.0	0.3
Ever received any Food Stamps, years 1-2 (%)	90.4	89.4	1.0	1.1
Last quarter of year 1	68.4	67.4	1.0	1.5
Last quarter of year 2	55.7	56.1	-0.5	-0.9
Average total value of Food Stamps received, years 1-2 (\$)	3,683	3,995	-312 **	-7.8
Year 1	2,087	2,257	-170 **	-7.5
Year 2	1,596	1,738	-143 *	-8.2
Sample size (total = 1,347)	670	677		
<u>Sample members randomly assigned October 1994-February 1995</u>				
Ever employed, years 1-2 (%)	76.2	70.6	5.6 ***	7.9
Last quarter of year 1	44.9	39.0	5.8 **	15.0
Last quarter of year 2	50.6	43.3	7.3 ***	16.8
Average total earnings, years 1-2 (\$)	6,533	5,837	696 *	11.9
Year 1	2,639	2,475	164	6.6
Year 2	3,894	3,361	532 **	15.8

(continued)

Table D.3 (continued)

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Ever received any AFDC/TANF payments, years 1-2 (%)	84.8	82.9	1.9	2.3
Last quarter of year 1	57.1	54.7	2.4	4.3
Last quarter of year 2	33.8	37.2	-3.4	-9.1
Average total AFDC/TANF payments received, years 1-2 (\$)	3,099	3,305	-207 *	-6.3
Year 1	2,019	2,008	10	0.5
Year 2	1,080	1,297	-217 ***	-16.7
Average number of months receiving AFDC/TANF payments, years 1-2	11.8	11.8	0.1	0.4
Ever received any Food Stamps, years 1-2 (%)	89.6	90.1	-0.5	-0.6
Last quarter of year 1	68.8	69.2	-0.5	-0.7
Last quarter of year 2	54.8	56.7	-1.9	-3.4
Average total value of Food Stamps received, years 1-2 (\$)	3,816	4,185	-369 ***	-8.8
Year 1	2,170	2,333	-163 **	-7.0
Year 2	1,646	1,852	-206 ***	-11.1
Sample size (total = 1,468)	735	733		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: The extended follow-up period includes individuals randomly assigned through September 1994 (N = 1,347).

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Variation in two-year impacts across subgroups was statistically significant at the 10 percent level for the following outcome measures:

Average total AFDC/TANF payments received, Year 2.

Table D.4
Florida's Family Transition Program
Selected Characteristics of the Report Sample at the Time of Random Assignment,
by Random Assignment Cohort

Characteristic	Randomly Assigned 5/94-9/94	Randomly Assigned 10/94-2/95	Report Sample 5/94-2/95
<u>Demographic characteristic</u>			
Gender (%)			
Female	96.6	97.6	97.2
Male	3.4	2.4	2.9
Age (%)			
Under 20	6.7	7.6	7.2
20-24	24.3	26.0	25.2
25-34	44.5	44.9	44.7
35-44	20.9	18.6	19.7
45 and over	3.6	3.0	3.3
Average age (years)	29.5	29.8	29.1
Ethnicity (%)			
White, non-Hispanic	46.6	44.2	45.4
Black, non-Hispanic	50.3	53.2	51.8
Hispanic	1.5	0.8	1.1
Other	1.7	1.7	1.7
<u>Family status</u>			
Marital status (%)			
Never married	44.5	53.8	49.4 ***
Married, not living with spouse	25.4	23.4	24.4
Separated	5.7	3.9	4.8 **
Divorced	22.6	17.2	19.8 ***
Other	1.7	1.8	1.6
Average number of children	2.0	2.0	2.0
Age of youngest child (%)			
2 years and under ^a	39.7	44.9	42.4 ***
3-5 years	25.8	26.9	26.3
6 years and over	34.5	28.2	31.3 ***
<u>Work history</u>			
Ever worked (%)	91.2	90.3	90.7
Ever worked full time for 6 months or more for one employer (%)	60.3	59.9	60.1
Approximate earnings in past 12 months (%)			
\$0	53.4	54.2	53.8
\$1-\$999	18.5	19.8	19.1
\$1,000-\$4,999	16.5	14.7	15.5
\$5,000-\$9,999	7.6	7.6	7.6
\$10,000 or more	4.1	3.8	3.9
Among those currently employed, average hourly wage (\$)	5.02	4.84	4.93

(continued)

Table D.4 (continued)

Characteristic	Randomly Assigned 5/94-9/94	Randomly Assigned 10/94-2/95	Report Sample 5/94-2/95
<u>Educational status</u>			
Highest grade completed in school (average)	11.1	11.1	11.1
Highest degree/diploma earned (%)			
GED ^b	11.1	9.1	10.1 *
High school diploma	44.3	44.1	44.2
Technical/2-year college degree	5.5	5.5	5.5
4-year (or more) college degree	1.2	0.6	0.9
None of the above	37.9	40.7	39.4
Enrolled in education or training during the past 12 months (%)	23.5	23.4	23.4
<u>Public assistance status</u>			
Aid status (%)			
Applicant	61.2	43.0	51.7 ***
Recipient	38.8	57.0	48.3 ***
Total prior AFDC receipt ^c (%)			
None	13.3	11.2	12.2 *
Less than 4 months	5.1	5.6	5.4
4 months or more but less than 1 year	15.5	14.7	15.1
1 year or more but less than 2 years	14.6	14.4	14.5
2 years or more but less than 5 years	25.7	24.8	25.3
5 years or more but less than 10 years	16.7	18.3	17.5
10 years or more	9.1	11.0	10.1 *
Resided as a child in a household receiving AFDC (%)	20.4	17.8	19.1 *
<u>Imputed time limit (%)^d</u>			
24 months	60.2	56.1	58.0 **
36 months	39.8	43.9	42.0 **
<u>Current housing status (%)</u>			
Public housing	6.2	7.9	7.1 *
Subsidized housing	14.4	17.9	16.2 **
Emergency or temporary housing	4.8	4.8	4.8
None of the above	74.6	69.4	71.9 ***
Sample size	1,309	1,429	2,738

(continued)

Table D.4 (continued)

SOURCE: MDRC calculations from Background Information Forms (BIF) for single-parent cases randomly assigned from May 1994 through February 1995.

NOTES: A total of 79 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

A two tailed t-test was applied to differences between those randomly assigned 5/94-9/94 and those randomly assigned 10/94-2/95. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

^aPercentages are calculated for those employed at the time of random assignment who reported an hourly wage.

^bThe GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

^cThis refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

^dSample members are imputed to have a 36-month time limit for the purpose of this analysis if the data reported on the BIF indicate that they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and, according to data reported in the BIF, did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit. This does not necessarily correspond to the actual time limit assigned by FTP.

Table D.5
Florida's Family Transition Program
Two-Year Impacts on Employment, Earnings, AFDC/TANF Receipt, AFDC/TANF Payments,
Food Stamp Receipt, and Value of Food Stamps Received,
by AFDC/TANF History Subgroups

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
<u>Sample members who were applicants at random assignment</u>				
Ever employed, years 1-2 (%)	75.7	76.5	-0.7	-1.0
Last quarter of year 1	47.3	52.7	-5.4	-10.3
Last quarter of year 2	43.7	48.7	-5.0	-10.2
Average total earnings, years 1-2 (\$)	9,100	9,182	-82	-0.9
Year 1	4,007	4,166	-158	-3.8
Year 2	5,093	5,017	76	1.5
Ever received any AFDC/TANF payments, years 1-2 (%)	55.3	56.1	-0.8	-1.4
Last quarter of year 1	25.9	25.0	0.9	3.4
Last quarter of year 2	10.4	13.8	-3.4	-24.9
Average total AFDC/TANF payments received, years 1-2 (\$)	1,261	1,413	-152	-10.7
Year 1	895	924	-29	-3.1
Year 2	366	489	-123	-25.2
Average number of months receiving AFDC/TANF payments, years 1-2	5.3	5.4	-0.1	-1.4
Ever received any Food Stamps, years 1-2 (%)	69.0	73.7	-4.7	-6.4
Last quarter of year 1	40.4	37.3	3.1	8.2
Last quarter of year 2	23.1	29.1	-6.0	-20.6
Average total value of Food Stamps received, years 1-2 (\$)	1,816	1,970	-154	-7.8
Year 1	1,115	1,158	-43	-3.7
Year 2	701	812	-111	-13.7
Sample size (total = 314)	157	157		
<u>Sample members who received AFDC for less than two years</u>				
Ever employed, years 1-2 (%)	80.2	75.6	4.6 *	6.1
Last quarter of year 1	49.4	44.1	5.4 *	12.2
Last quarter of year 2	55.7	45.1	10.6 ***	23.6
Average total earnings, years 1-2 (\$)	7,847	6,281	1,566 ***	24.9
Year 1	3,391	2,901	491 **	16.9
Year 2	4,456	3,381	1,075 ***	31.8
Ever received any AFDC/TANF payments, years 1-2 (%)	83.0	79.2	3.8 *	4.8
Last quarter of year 1	45.3	46.8	-1.5	-3.2
Last quarter of year 2	27.1	29.1	-2.0	-7.0

(continued)

Table D.5 (continued)

Subgroup and Outcome	FTP Group	AFDC Group	Difference	Percentage Change
Average total AFDC/TANF payments received, years 1-2 (\$)	2,287	2,409	-122	-5.1
Year 1	1,503	1,564	-61	-3.9
Year 2	784	845	-61	-7.2
Average number of months receiving AFDC/TANF payments, years 1-2	9.7	9.7	0.0	-0.3
Ever received any Food Stamps, years 1-2 (%)	90.1	89.2	0.9	1.0
Last quarter of year 1	59.3	62.1	-2.8	-4.5
Last quarter of year 2	45.8	49.4	-3.6	-7.3
Average total value of Food Stamps received, years 1-2 (\$)	2,912	3,285	-373 **	-11.4
Year 1	1,708	1,928	-220 ***	-11.4
Year 2	1,204	1,357	-153	-11.3
Sample size (total = 956)	501	455		
<u>Sample members who received AFDC for more than two years</u>				
Ever employed, years 1-2 (%)	74.4	67.8	6.7 ***	9.8
Last quarter of year 1	41.6	37.0	4.6 *	12.5
Last quarter of year 2	51.4	42.1	9.3 ***	22.1
Average total earnings, years 1-2 (\$)	5,280	4,731	549	11.6
Year 1	2,036	1,941	95	4.9
Year 2	3,245	2,790	455 *	16.3
Ever received any AFDC/TANF payments, years 1-2 (%)	90.4	91.5	-1.1	-1.2
Last quarter of year 1	70.6	66.5	4.2 *	6.3
Last quarter of year 2	48.1	49.5	-1.4	-2.8
Average total AFDC/TANF payments received, years 1-2 (\$)	4,139	4,275	-136	-3.2
Year 1	2,565	2,532	33	1.3
Year 2	1,574	1,743	-169 **	-9.7
Average number of months receiving AFDC/TANF payments, years 1-2	14.7	14.6	0.1	0.9
Ever received any Food Stamps, years 1-2 (%)	95.4	94.6	0.8	0.8
Last quarter of year 1	81.7	79.9	1.8	2.2
Last quarter of year 2	68.9	67.8	1.1	1.6
Average total value of Food Stamps received, years 1-2 (\$)	4,787	5,150	-362 ***	-7.0
Year 1	2,661	2,818	-157 **	-5.6
Year 2	2,126	2,332	-205 ***	-8.8
Sample size (total =1,444)	701	743		

(continued)

Table D.5 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC/TANF records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC/TANF for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC/TANF or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter following the quarter in which the sample member was randomly assigned. Year 1 refers to quarters 1-4 after the quarter of random assignment; year 2 refers to quarters 5-8. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, AFDC/TANF payments, or Food Stamp payments in that quarter, prior to their actual date of random assignment.

A two-tailed t-test was applied to differences between the FTP and AFDC groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Variation in two-year impacts across subgroups was statistically significant at the 10 percent level for the outcome measure ever employed, last quarter of year 2.

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Selected Publications on MDRC Projects

Reforming Welfare

Books and Monographs

- Reforming Welfare with Work* (Ford Foundation). Monograph. 1987. Judith M. Gueron. A review of welfare-to-work initiatives in five states.
- From Welfare to Work* (Russell Sage Foundation). Book. 1991. Judith M. Gueron, Edward Pauly. A synthesis of research findings on the effectiveness of welfare-to-work programs. Chapter 1, which is the summary of the book, is also published separately by MDRC.
- Five Years After: The Long-Term Effects of Welfare-to-Work Programs* (Russell Sage Foundation). Book. 1995. Daniel Friedlander, Gary Burtless. An analysis of five-year follow-up data on four welfare-to-work programs.
- After AFDC: Welfare-to-Work Choices and Challenges for States*. Book. 1997. Dan Bloom. A summary and synthesis of lessons derived from studies of welfare reform programs.

ReWORKing Welfare: Technical Assistance for States and Localities

- After AFDC: Welfare-to-Work Choices and Challenges for States*. See under Books and Monographs.
- Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients*. 1997. Evan Weissman.
- Work First: How to Implement an Employment-Focused Approach to Welfare Reform*. 1997. Amy Brown.

Reports and Other Publications

Time-Limited Welfare

Florida's Family Transition Program

A study of Florida's time-limited welfare program.

- The Family Transition Program: An Early Implementation Report on Florida's Time-Limited Welfare Initiative*. 1995. Dan Bloom.
- The Family Transition Program: Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program*. 1997. Dan Bloom, James J. Kemple, Robin Rogers-Dillon.
- The Family Transition Program: Implementation and Interim Impacts of Florida's Initial Time-Limited Welfare Program*. 1998. Dan Bloom, Mary Farrell, James Kemple, Nandita Verma.

The Cross-State Study of Time-Limited Welfare

An examination of the implementation of some of the first state-initiated time-limited welfare programs.

- Implementing Time-Limited Welfare: Early Experiences in Three States*. 1995. Dan Bloom, David Butler.
- The View from the Field: As Time Limits Approach, Welfare Recipients and Staff Talk About Their Attitudes and Expectations*. 1997. Amy Brown, Dan Bloom, David Butler.

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Making Work Pay

The Minnesota Family Investment Program (MFIP)

An evaluation of Minnesota's welfare reform initiative.

MFIP: An Early Report on Minnesota's Approach to Welfare Reform. 1995. Virginia Knox, Amy Brown, Winston Lin.

Making Welfare Work and Work Pay: Implementation and 18-Month Impacts of the Minnesota Family Investment Program. 1997. Cynthia Miller, Virginia Knox, Patricia Auspos, Jo Anna Hunter-Manns, Alan Orenstein.

The New Hope Project

A test of a neighborhood-based antipoverty program and welfare alternative operating in Milwaukee.

The New Hope Offer: Participants in the New Hope Demonstration Discuss Work, Family, and Self-Sufficiency. 1996. Dudley Benoit.

Who Got New Hope? Working Paper. 1997. Michael Wiseman.

Creating New Hope: Implementation of a Program to Reduce Poverty and Reform Welfare. 1997. Thomas Brock, Fred Doolittle, Veronica Fellerath, Michael Wiseman.

Canada's Self-Sufficiency Project (SSP)

A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada. Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

Making Work Pay Better Than Welfare: An Early Look at the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1994. Susanna Lui-Gurr, Sheila Currie Vernon, Tod Mijanovich.

Creating an Alternative to Welfare: First-Year Findings on the Implementation, Welfare Impacts, and Costs of the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1995. Tod Mijanovich, David Long.

The Struggle for Self-Sufficiency: SSP Participants Talk About Work, Welfare, and Their Futures (Social Research and Demonstration Corporation). 1995. Wendy Bancroft, Sheila Currie Vernon.

Do Financial Incentives Encourage Welfare Recipients to Work? Initial 18-Month Findings from the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1996. David Card, Philip Robins.

When Work Pays Better Than Welfare: A Summary of the Self-Sufficiency Project's Implementation, Focus Group, and Initial 18-Month Impact Reports. 1996. Social Research and Demonstration Corporation.

How Important Are "Entry Effects" in Financial Incentive Programs for Welfare Recipients? Experimental Evidence from the Self-Sufficiency Project (Social Research Demonstration Corporation [SRDC]). 1997. David Card, Philip Robins, Winston Lin.

Welfare Employment Programs

National Evaluation of Welfare-to-Work Strategies

An evaluation of welfare-to-work programs launched under the Job Opportunities and Basic Skills Training (JOBS) provisions of the Family Support Act of 1988.

From Welfare to Work (Russell Sage Foundation). See under Books and Monographs.

The Saturation Work Initiative Model in San Diego: A Five-Year Follow-up Study. 1993. Daniel Friedlander, Gayle Hamilton.

Early Lessons from Seven Sites (U.S. Department of Health and Human Services, Administration for Children and Families and Office of the Assistant Secretary on Planning and Evaluation [HHS, ACF and ASPE]). 1994. Gayle Hamilton, Thomas Brock.

Five Years After: The Long-Term Effects of Welfare-to-Work Programs. See under Books and Monographs.

Adult Education for People on AFDC—A Synthesis of Research (HHS, ACF and ASPE). 1995. Edward Pauly.

Early Findings on Program Impacts in Three Sites (HHS, ACF and ASPE). 1995. Stephen Freedman, Daniel Friedlander.

How Well Are They Faring? AFDC Families with Preschool-Aged Children in Atlanta at the Outset of the JOBS Evaluation (HHS, ACF and ASPE). 1995. Child Trends, Inc.: Kristin Moore, Martha Zaslow, Mary Jo Coiro, Suzanne Miller, Ellen Magenheim.

Monthly Participation Rates in Three Sites and Factors Affecting Participation Levels in Welfare-to-Work Programs (HHS, ACF and ASPE). 1995. Gayle Hamilton.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.

Evaluating Two Welfare-to-Work Program Approaches: Two-Year Findings on the Labor Force Attachment and Human Capital Development Programs in Three Sites (HHS, ACF and ASPE). 1997. Gayle Hamilton, Thomas Brock, Mary Farrell, Daniel Friedlander, Kristen Harknett.

The GAIN Evaluation

An evaluation of California's Greater Avenues for Independence (GAIN) Program, the state's JOBS program.

GAIN: Planning and Early Implementation. 1987. John Wallace, David Long.

GAIN: Child Care in a Welfare Employment Initiative. 1989. Karin Martinson, James Riccio.

GAIN: Early Implementation Experiences and Lessons. 1989. James Riccio, Barbara Goldman, Gayle Hamilton, Karin Martinson, Alan Orenstein.

GAIN: Participation Patterns in Four Counties. 1991. Stephen Freedman, James Riccio.

GAIN: Program Strategies, Participation Patterns, and First-Year Impacts in Six Counties. 1992. James Riccio, Daniel Friedlander.

GAIN: Two-Year Impacts in Six Counties. 1993. Daniel Friedlander, James Riccio, Stephen Freedman.

GAIN: Basic Education in a Welfare-to-Work Program. 1994. Karin Martinson, Daniel Friedlander.

GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program. 1994. James Riccio, Daniel Friedlander, Stephen Freedman.

Related Studies:

The Impacts of California's GAIN Program on Different Ethnic Groups: Two-Year Findings on Earnings and AFDC Payments. Working Paper. 1994. Daniel Friedlander.

Can They All Work? A Study of the Employment Potential of Welfare Recipients in a Welfare-to-Work Program. Working Paper. 1995. James Riccio, Stephen Freedman.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

The Evaluation of Florida's Project Independence

An evaluation of Florida's initial JOBS program.

Florida's Project Independence: Program Implementation, Participation Patterns, and First-Year Impacts. 1994. James Kemple, Joshua Haimson.

Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program. 1995. James Kemple, Daniel Friedlander, Veronica Fellerath.

Working Papers

Working Papers related to a specific project are listed under that project.

Learning from the Voices of Mothers: Single Mothers' Perceptions of the Trade-offs Between Welfare and Work. 1993. LaDonna Pavetti.

Unpaid Work Experience for Welfare Recipients: Findings and Lessons from MDRC Research. 1993. Thomas Brock, David Butler, David Long.
From Welfare to Work Among Lone Parents in Britain: Lessons for America. 1996. James Riccio.

Papers for Practitioners

Assessing JOBS Participants: Issues and Trade-offs. 1992. Patricia Auspos, Kay Sherwood.
Linking Welfare and Education: A Study of New Programs in Five States. 1992. Edward Pauly, David Long, Karin Martinson.
Improving the Productivity of JOBS Programs. 1993. Eugene Bardach.

Other Welfare Studies

The Saturation Work Initiative Model (SWIM)

A test of the feasibility and effectiveness of an ongoing participation requirement in a welfare-to-work program.

Interim Report on the Saturation Work Initiative Model in San Diego. 1988. Gayle Hamilton.
Final Report on the Saturation Work Initiative Model in San Diego. 1989. Gayle Hamilton, Daniel Friedlander.
The Saturation Work Initiative Model in San Diego: A Five-Year Follow-up Study. 1993. Daniel Friedlander, Gayle Hamilton.

The Demonstration of State Work/Welfare Initiatives

A test of the feasibility and effectiveness of various state employment initiatives for welfare recipients.

Arizona: *Preliminary Management Lessons from the WIN Demonstration Program.* 1984. Kay Sherwood.
Arkansas: *Final Report on the WORK Program in Two Counties.* 1985. Daniel Friedlander, Gregory Hoerz, Janet Quint, James Riccio.
California: *Final Report on the San Diego Job Search and Work Experience Demonstration.* 1986. Barbara Goldman, Daniel Friedlander, David Long.
Illinois: *Final Report on Job Search and Work Experience in Cook County.* 1987. Daniel Friedlander, Stephen Freedman, Gayle Hamilton, Janet Quint.
Maine: *Final Report on the Training Opportunities in the Private Sector Program.* 1988. Patricia Auspos, George Cave, David Long.
Maryland: *Final Report on the Employment Initiatives Evaluation.* 1985. Daniel Friedlander, Gregory Hoerz, David Long, Janet Quint.
Supplemental Report on the Baltimore Options Program. 1987. Daniel Friedlander.
New Jersey: *Final Report on the Grant Diversion Project.* 1988. Stephen Freedman, Jan Bryant, George Cave.
Virginia: *Final Report on the Virginia Employment Services Program.* 1986. James Riccio, George Cave, Stephen Freedman, Marilyn Price.
West Virginia: *Final Report on the Community Work Experience Demonstrations.* 1986. Daniel Friedlander, Marjorie Erickson, Gayle Hamilton, Virginia Knox.

Other Reports on the Demonstration of State Work/Welfare Initiatives

Relationship Between Earnings and Welfare Benefits for Working Recipients: Four Area Case Studies. 1985. Barbara Goldman, Edward Cavin, Marjorie Erickson, Gayle Hamilton, Darlene Hasselbring, Sandra Reynolds.
Welfare Grant Diversion: Early Observations from Programs in Six States. 1985. Michael Bangser, James Healy, Robert Ivry.
A Survey of Participants and Worksite Supervisors in the New York City Work Experience Program. 1986. Gregory Hoerz, Karla Hanson.
Welfare Grant Diversion: Lessons and Prospects. 1986. Michael Bangser, James Healy, Robert Ivry.

Work Initiatives for Welfare Recipients: Lessons from a Multi-State Experiment. 1986. Judith Gueron.

The Subgroup/Performance Indicator Study

A study of the impacts of selected welfare-to-work programs on subgroups of the AFDC caseload.

A Study of Performance Measures and Subgroup Impacts in Three Welfare Employment Programs. 1987. Daniel Friedlander, David Long.

Subgroup Impacts and Performance Indicators for Selected Welfare Employment Programs. 1988. Daniel Friedlander.

The Self-Employment Investment Demonstration (SEID)

A test of the feasibility of operating a program to encourage self-employment among recipients of AFDC.

Self-Employment for Welfare Recipients: Implementation of the SEID Program. 1991. Cynthia Guy, Fred Doolittle, Barbara Fink.

The WIN Research Laboratory Project

A test of innovative service delivery approaches in four Work Incentive Program (WIN) offices.

Impacts of the Immediate Job Search Assistance Experiment: Louisville WIN Research Laboratory Project. 1981. Barbara Goldman.

Welfare Women in a Group Job Search Program: Their Experiences in the Louisville WIN Research Laboratory Project. 1982. Joanna Gould-Stuart.

Job Search Strategies: Lessons from the Louisville WIN Laboratory. 1983. Carl Wolfhagen, Barbara Goldman.

Programs for Teenage Parents

The LEAP Evaluation

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Implementing a Welfare Initiative to Improve School Attendance Among Teenage Parents. 1991. Dan Bloom, Hilary Kopp, David Long, Denise Polit.

LEAP: Interim Findings on a Welfare Initiative to Improve School Attendance Among Teenage Parents. 1993. Dan Bloom, Veronica Fellerath, David Long, Robert Wood.

LEAP: The Educational Effects of LEAP and Enhanced Services in Cleveland. 1994. David Long, Robert Wood, Hilary Kopp.

LEAP: Three-Year Impacts of Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1996. David Long, Judith Gueron, Robert Wood, Rebecca Fisher, Veronica Fellerath.

LEAP: Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1997. Johannes Bos, Veronica Fellerath.

The New Chance Demonstration

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

New Chance: Implementing a Comprehensive Program for Disadvantaged Young Mothers and Their Children. 1991. Janet Quint, Barbara Fink, Sharon Rowser.

Lives of Promise, Lives of Pain: Young Mothers After New Chance. Monograph. 1994. Janet Quint, Judith Musick, with Joyce Ladner.

New Chance: Interim Findings on a Comprehensive Program for Disadvantaged Young Mothers and Their Children. 1994. Janet Quint, Denise Polit, Hans Bos, George Cave.

New Chance: The Cost Analysis of a Comprehensive Program for Disadvantaged Young Mothers and Their Children. Working Paper. 1994. Barbara Fink.
New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children. 1997. Janet Quint, Johannes Bos, Denise Polit.

Project Redirection

A test of a comprehensive program of services for pregnant and parenting teenagers.

The Challenge of Serving Teenage Mothers: Lessons from Project Redirection. Monograph. 1988. Denise Polit, Janet Quint, James Riccio.

The Community Service Projects

A test of a New York State teenage pregnancy prevention and services initiative.

The Community Service Projects: Final Report on a New York State Adolescent Pregnancy Prevention and Services Program. 1988. Cynthia Guy, Lawrence Bailis, David Palasits, Kay Sherwood.

The Parents' Fair Share Demonstration

A demonstration aimed at reducing child poverty by increasing the job-holding, earnings, and child support payments of unemployed, noncustodial parents (usually fathers) of children receiving public assistance.

Caring and Paying: What Fathers and Mothers Say About Child Support. 1992. Frank Furstenberg, Jr., Kay Sherwood, Mercer Sullivan.

Child Support Enforcement: A Case Study. Working Paper. 1993. Dan Bloom.

Matching Opportunities to Obligations: Lessons for Child Support Reform from the Parents' Fair Share Pilot Phase. 1994. Dan Bloom, Kay Sherwood.

Low-Income Parents and the Parents' Fair Share Demonstration: An Early Qualitative Look at Low-Income Noncustodial Parents (NCPs) and How One Policy Initiative Has Attempted to Improve Their Ability to Pay Child Support. 1996. Earl Johnson, Fred Doolittle.

The National Supported Work Demonstration

A test of a transitional work experience program for four disadvantaged groups.

Summary and Findings of the National Supported Work Demonstration. 1980. MDRC Board of Directors.

The Section 3 Study

Lessons from the Field on the Implementation of Section 3 (U.S. Department of Housing and Urban Development, Office of Policy Development and Research). 1996. Maxine Bailey, Suzanne Lynn.

About MDRC

The Manpower Demonstration Research Corporation (MDRC) is a nonprofit social policy research organization founded in 1974 and located in New York City and San Francisco. Its mission is to design and rigorously field-test promising education and employment-related programs aimed at improving the well-being of disadvantaged adults and youth, and to provide policymakers and practitioners with reliable evidence on the effectiveness of social programs. Through this work, and its technical assistance to program administrators, MDRC seeks to enhance the quality of public policies and programs. MDRC actively disseminates the results of its research through its publications and through inter-changes with a broad audience of policymakers and practitioners; state, local, and federal officials; program planners and operators; the funding community; educators; scholars; community and national organizations; the media; and the general public.

Over the past two decades—working in partnership with more than forty states, the federal government, scores of communities, and numerous private philanthropies—MDRC has developed and studied more than three dozen promising social policy initiatives.