

Department of Health and Human Services  
**OFFICE OF  
INSPECTOR GENERAL**

**HOMELESS PREVENTION PROGRAMS**



Richard P. Kusserow  
INSPECTOR GENERAL

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# EXECUTIVE SUMMARY

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## **PURPOSE**

The purpose of this inspection was to determine the overall effectiveness of selected homeless prevention programs and to compare the effectiveness of prevention programs which provide case management services to those which do not.

## **BACKGROUND**

There is a growing belief among social service providers that it is more cost effective and more humane to prevent homelessness rather than to just provide emergency shelter and food. The Stewart B. McKinney Homeless Assistance Act is a major source of Federal funding to combat homelessness, however, the majority of the funding targets the needs of those who are already homeless. The reauthorization of this Act in Public Law 100-628, Section 423, allows up to 20 percent of the funds in the Department of Housing and Urban Development's (HUD) Emergency Shelter Grants (ESG) Program to be used for homeless prevention. In addition, up to 25 percent of the funds in the Department of Health and Human Services's Emergency Community Services Program can be used for homeless prevention activities. The Secretary of Health and Human Services has placed a high priority on the needs of homeless families in his HHS Program Directions Plan.

A homeless prevention program is defined as a program aimed at stabilizing persons until they can get beyond the situation that placed them at risk of homelessness while their living arrangements are still in place. Two categories of homeless prevention programs were studied. The first category includes programs that provide families with one-time assistance to meet the family's immediate needs such as rent, utilities, housing location, and food. The second category includes those programs which, in addition to the one-time assistance, also provide case management services. Case management programs provide a comprehensive set of services aimed at stabilizing the family and helping them reach self-sufficiency.

## **METHODOLOGY**

We selected eight homeless prevention programs and reviewed cases involving families that had experienced a severe economic hardship that had created a substantial risk of eviction and becoming homeless. Criteria for selecting the eight programs were based on HUD regulations which are used by homeless prevention programs receiving ESG funds.

Case histories and program intake forms showed that families receiving benefits from these programs had exhausted their economic and social support systems at the time they requested assistance. We contacted families who had received assistance to determine their current living arrangements.

We also contacted each program administrator. We gathered information about the types of services the program provided, the costs and sources of funding, and the number of families served in 1989.

## **FINDINGS**

### ***Homeless prevention programs keep families in their homes***

- We located 136 of the 159 families in our sample. Of these, 130 were in permanent housing six months to one year after receiving the homeless prevention assistance.

### ***The automatic or routine provision of case management services did not increase the likelihood of a functional family remaining in permanent housing***

- One-time assistance programs were able to serve 16 times as many families per year with the same total budget.
- Our study did not determine other effects that case management services may have had on the family.

### ***The average benefit paid by the eight homeless prevention programs was one-sixth the cost of a typical stay in a shelter***

### ***The homeless prevention programs examined assist only a small portion of needy families***

## **RECOMMENDATIONS**

### ***The Interagency Council on the Homeless should promote homeless prevention programs as an effective approach to reduce homelessness for families***

### ***Homeless service providers should carefully consider whether to routinely and automatically provide case management services to all families which request emergency assistance***

### ***The Interagency Council should promote further, more rigorous evaluations of case management services***

## **COMMENTS**

We received comments to the draft of this report from the Assistant Secretary for Planning and Evaluation, the Assistant Secretary for Human Development Services, the Assistant Secretary for Family Support Administration, and the Interagency Council on the Homeless. Based on these comments, we made appropriate changes to the report. The comments are discussed fully at the

end of the report. Many valuable comments dealt with areas beyond the scope of this study and will be considered in connection with future inspections dealing with homeless issues.

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# INTRODUCTION

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## **PURPOSE**

The purpose of this inspection was to determine the overall effectiveness of selected homeless prevention programs and to compare the effectiveness of prevention programs which provide case management services to those which do not.

## **BACKGROUND**

In recent years, efforts have been made at Federal, State, and local levels to take a proactive position on homelessness. There is a growing belief among social service providers that it is more cost effective and more humane to prevent homelessness rather than to just provide emergency shelter and food.

The Stewart B. McKinney Homeless Assistance Act, signed into law on July 22, 1987, is a major source of Federal funding to combat homelessness in the United States. It created a number of new programs and augmented existing programs to protect and improve the lives and safety of the homeless. The majority of all McKinney Act funding targets the needs of those who are already homeless. However, when the Act was reauthorized in November 1988, Public Law 100-628, Section 423, allowed up to 20 percent of the funds in the Department of Housing and Urban Development's (HUD) Emergency Shelter Grants (ESG) Program to be used for homeless prevention. In addition, the reauthorization allowed up to 25 percent of the funds in the Department of Health and Human Services's (HHS) Emergency Community Services Program to be used for homeless prevention activities.

Another source of funds under the McKinney Act that may be used for homeless prevention is the Federal Emergency Management Agency (FEMA). The McKinney Act has also made it possible for low-income families whose income and assets are less than their monthly expenses to receive food stamps within five days of application.

Another source of Federal and State homeless prevention assistance is the Aid to Families with Dependent Children's (AFDC) Emergency Assistance Program. In addition, other State and local programs have been created to serve that population at risk of becoming homeless. These programs provide a range of services including rent and utility subsidies, housing location, and landlord/tenant mediation.

Prevention programs are defined in a HUD report, entitled "Homeless Assistance Policy and Practice in the Nation's Five Largest Cities," as programs aimed at stabilizing persons until they can get beyond the situation that placed them at risk of homelessness while their living arrangements are still in place. Clearly, the purpose of "homeless prevention" programs is not limited to avoiding episodes of homelessness, but also at avoiding evictions and other destabilizing events.

Two categories of homeless prevention programs were studied. The first category includes programs that provide families with one-time assistance to fulfill an immediate need. There is usually a set limit to the amount of cash assistance provided, and only the family's basic needs are met. The services typically offered are rent/mortgage payments, utility payments, referrals for food and clothing, location of affordable housing, and landlord/tenant mediation.

The second category includes those programs which provide case management as well as cash assistance. This type of program identifies the various needs that must be met to stabilize a family and help them reach self-sufficiency. A case manager works with the family to help them access the services available to meet those needs. Besides addressing the basic needs of housing and food, case management may also provide counseling, GED classes, job skills training, and life skills instruction such as budgeting and parenting.

When a program uses the case management approach, the families they serve automatically and routinely receive case management services. Likewise, programs using the one-time assistance method of homeless prevention only have the means to provide cash assistance and a few basic services (See Appendix A) regardless of the type and extent of the families' problems. It appears that the decision determining which type of assistance the family receives depends on which provider's door the family opens.

The funding sources for the programs selected for the study varied as shown in Appendix B. Four of these programs received Federal funding from the McKinney Act (See Appendix C). Other funding sources include State, county, city, private donations, foundation grants, United Way, and fund raising.

## **METHODOLOGY**

In order to gain a basic understanding of homeless prevention programs and obtain leads in identifying programs to study, we contacted the National Governor's Association (NGA), the U.S. Conference of Mayors (USCM), and the American Public Welfare Association (APWA). Each of these associations are actively involved in homeless issues. The NGA has established the Governor's Homeless Policy Work Group which is currently examining the implementation of the McKinney Act and tracking legislative proposals that affect the homeless. The USCM annually collects data from 27 cities and publishes a report called, "A Status Report on Hunger and Homelessness in America's Cities." The APWA is currently involved in two special projects concerning the lack of affordable housing for the lowest of the low income.

We selected a purposeful sample of eight programs from a universe of 27 programs collected from the above mentioned associations. We used the following criteria to select these eight programs. They are based on the HUD regulations used by homeless prevention programs which receive ESG funds. These criteria were used even though not all of our studied programs actually received ESG funds.

- The program must target families.
- The assistance provided must be necessary to avoid eviction or termination of utility services.

- The program assists families who are experiencing a sudden crisis.
- The program's assistance is temporary and the families have a reasonable prospect of resuming a self-sufficient status.

Programs we selected are located in the following cities.

Charleston, South Carolina  
 Kansas City, Missouri  
 Los Angeles, California  
 Louisville, Kentucky

Minneapolis, Minnesota  
 Philadelphia, Pennsylvania  
 Salt Lake City, Utah  
 San Diego, California

Of the eight programs, Kansas City, Los Angeles, and Louisville routinely provided case management services. The remaining five programs, Charleston, Minneapolis, Philadelphia, Salt Lake City, and San Diego, provided assistance on a one-time only basis and did not provide case management.

For each of these eight programs we obtained information concerning the types of services the program provided, the costs and sources of funding, and the number of families served in 1989. We also interviewed program administrators to obtain their perspectives on the needs of their clients and the effectiveness of their programs.

During the preliminary stages of the inspection, the Office of the Assistant Secretary for Planning and Evaluation requested that our study focus specifically on families. The Secretary of Health and Human Services has placed a high priority on the needs of homeless families in his HHS Program Directions Plan.

We made onsite visits to each program and reviewed case files involving families which were opened in 1989 and closed for six months up to one year. We randomly selected twenty cases in each of seven programs. The eighth program had only 19 cases that met the selection criteria, resulting in a total sample of 159 cases.

Cases in each program were selected only when it was documented in the case history that the family was on the verge of being evicted or becoming homeless when assistance was first sought. Case files either contained a narrative about the family's background and reason for seeking assistance or an intake form with similar information. In all cases, we documented the reason why each family in our sample was seeking homeless prevention assistance. The majority of these cases were seeking rent or mortgage assistance because they were being evicted due to the loss of their major income source. Some had experienced a marital separation or divorce, while others had been involved in a serious accident or experienced a medical crisis that made it impossible to maintain their housing payment. Other case histories stated that the families were living in overcrowded situations by doubling up with friends or relatives and were being forced to move but had no resources or funds to do so.

While onsite, we made attempts to locate families using the last known telephone numbers found in the program case files. If contact was unsuccessful, other resources were used to find a



current telephone number or to determine the families' current status. These resources included relatives, neighbors, employers, landlords, telephone books, local offices providing AFDC, Social Security Disability Insurance, and Section 8 Housing Authorities.

After a family was located, whenever possible, we conducted a short interview by telephone using a discussion guide. The interview was conducted to obtain economic and demographic information, to determine the current living arrangements of the family, to assess the family's feelings about the effectiveness of the assistance they received, and to determine if the family became homeless at any time after receiving the assistance. The interviews were also used to confirm the initial preliminary assessment that the family had been on the verge of eviction or homelessness.

Many of the homeless prevention programs requested proof that the families had exhausted their economic and social support systems before giving any monetary assistance. This especially applied to those programs receiving McKinney money since one of the statutory criteria for receiving ESG funds states that a prevention program's assistance will not supplant funding from any other source. The programs would assess the families' eligibility for traditional types of assistance such as food stamps, AFDC, or Supplemental Security Income (SSI) before providing assistance. Several programs required an eviction or foreclosure notice before they would offer assistance. Eviction or loss of utility services is another requirement for the McKinney ESG monies. Other programs required the families to contribute up to half of the back rent with funds from personal sources before they would offer any cash assistance. Another example includes having the families sell personal items in a garage sale to make money towards their rent.

The following statistics about the average family in our sample are characteristic of a family who is only slightly better off than a family who is already homeless. It stands to reason that this family is slightly better off than a homeless family because they are still in a pre-homeless stage.

- 54 percent received AFDC or SSI as their main income source
- 46 percent of families had at least one person employed
- Average income was \$615 per month
- 65 percent were single-female-headed households
- Families had 3.9 members
- Families had 2.5 children
- Average age of male was 35
- Average age of female was 33

# FINDINGS

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The following findings describe the effectiveness of the eight homeless prevention programs in keeping families in their permanent homes. In addition, a comparison was made to determine if there was a difference in a family's housing outcome when they received assistance from a program that routinely offered case management services over a program that did not.

Due to the inability to create a control group, we are not able to predict whether or not these families would have become homeless without the homeless prevention assistance. However, we do know these families were facing eviction. Eviction itself is a crisis for families, certainly a serious disruption for them. Furthermore, had they been evicted, their risk of homelessness would have greatly increased. Hence, we tried to determine if those families who received assistance were able to avoid eviction as well as homelessness.

For programs which offered case management services, we restricted our assessment to the impact the program's services had on the families' housing situation. It is beyond the scope of this study to determine if a family should or should not have received case management services. Since this study focused on housing services provided by homeless prevention programs, we did not review case files for ancillary problems the families may have had such as alcoholism, drug abuse, or mental illness. Therefore, we could not determine if case management was or was not used correctly. Our intention was simply to determine if case management services affected housing outcomes, not whether they should have been offered for other reasons.

## FINDING 1.

### *Homeless prevention programs keep families in their homes*

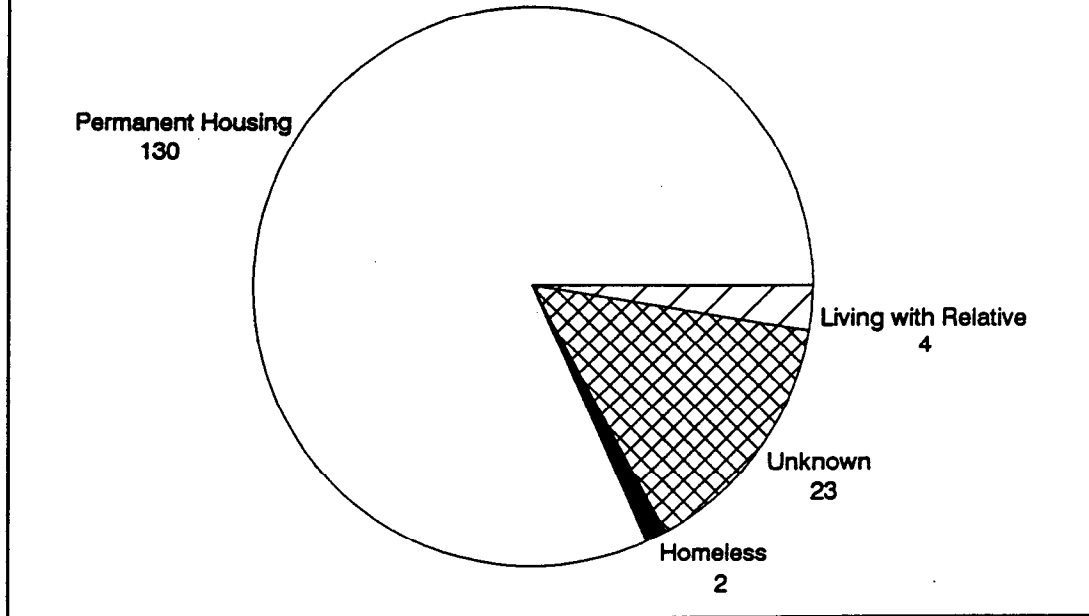
The eight homeless prevention programs have been effective in preventing evictions and homelessness. As shown in the following chart, we located 136 of the 159 families identified in our sample. Of these 136 families, we found 130 living in permanent housing six months to one year after receiving the homeless prevention assistance.

Four of the families we located were living with relatives.

Two of the families were homeless at the time of the study. One of the homeless families was living in a transitional living facility.

We were unable to locate the remaining 23 (14 percent) of the families by any of several resources. These resources included relatives, neighbors, employers, landlords, telephone books, local offices providing AFDC, Social Security Disability Insurance and Section 8 Housing Authorities. According to the U.S. Census Bureau, 2.8 percent of the country's population move out of state in a year's period of time. This may account for approximately four families. We are unable to ascertain whether the remaining 19 families, who were not located, were evicted, are homeless, or in permanent housing.

## 159 Homeless Prevention Families: Where Are They Now?



As an additional basis for evaluating the effectiveness of these programs, we followed up on specific cases to determine how well off families were after obtaining benefits. We conducted telephone interviews with 84 (62 percent) of the families located and found 70 (83 percent) of these families in the same residence as when they received the assistance. Of the 84 families who were interviewed, only 1 had to live in a shelter after receiving the assistance. Only five had to live with relatives or friends after receiving the assistance.

We also questioned clients about their satisfaction with the assistance they received and the status of their current living arrangements. On a scale where the options to the client ranged from very little, somewhat, or a whole lot of help, 74 (88 percent) of the clients interviewed indicated that the assistance they received was a great deal of help to their families. In fact, 73 (87 percent) of the families reported their current living arrangements to be stable. These families were in no danger of eviction or losing their homes at the time of interview.

We found that these families relied on the homeless prevention programs as a last resort because they had exhausted their economic and social support systems. Over half of the families relied on AFDC or SSI as their main source of income. However, this source of economic support was not adequate to sustain the family during an economic crisis. Many families commented that the assistance from the homeless prevention programs was what they needed to bolster their economic and social support systems. Following are typical statements made by the families in this regard.

*"It (the assistance) kept me and my three kids off the street."*

*"The rental payment helped me get over the hump so I didn't get evicted."*

*"I would have been homeless if I had not received aid from FEMA."*

While we were unable to establish a control group of families who did not receive assistance, we were able to make some comparisons with 454 families scheduled for eviction by the Philadelphia Housing Authority (PHA) in fiscal year (FY) 1989. The homeless prevention program that deals with the PHA's evictions was able to prevent 62 (14 percent) of these families from losing their homes by offering financial support. Of these 62 families, 14 were part of our study and were found in permanent housing six months to one year after receiving assistance. Thus, for these cases, the program was successful.

The remaining 392 Philadelphia families were actually evicted. However, even though the homeless prevention program was unable to provide cash assistance, it was able to help 100 (22 percent) of these families relocate to other permanent housing.

Therefore, 292 (74 percent) of the families who were evicted did not receive any assistance. The Philadelphia homeless prevention annual report stated that 20 (7 percent) of the families who were evicted did become homeless. These 20 families were unable to find alternative housing on their own and accepted emergency shelter. In Philadelphia, once a family enters the city's shelter system, the average length of stay is 6 months.

This leaves 272 families (69 percent) who were evicted, received no assistance from the homeless prevention program, and whose whereabouts are unknown. It is not possible to know if any of these families became homeless, but their eviction was almost certainly a serious disruption for them, possibly placing them at greater risk of homelessness.

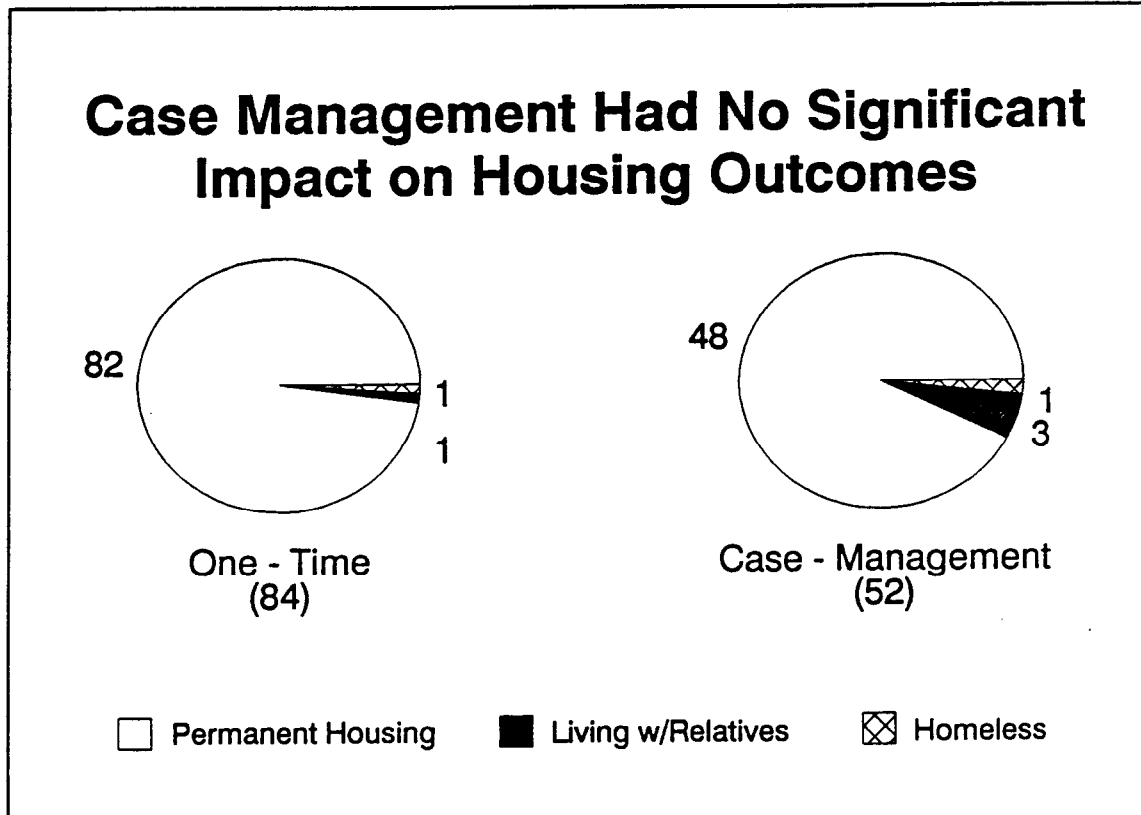
## **FINDING 2.**

***The automatic or routine provision of case management services did not increase the likelihood of a functional family remaining in permanent housing***

Case management programs and one-time assistance programs differ in the number of services offered and the length of time they spend on a case. A case management homeless prevention program typically offers cash assistance for immediate needs, as well as a range of additional services to help families with long-term improvement. Examples of these services may include educational training, job skills training, and life skills instruction such as budgeting and parenting. The one-time assistance homeless prevention program provides cash assistance for rent/mortgage or utility payments and a few basic services to address the families' immediate needs (See Appendix A). Common services among one-time assistance programs include housing location, landlord/tenant mediation, and referrals to other agencies for food and clothing.

The families in our sample were functional families capable of living in society autonomously; however, they had experienced some kind of severe economic hardship that had created a substantial risk of their being evicted and possibly becoming homeless. Through narrative case histories or program intake forms we learned that medical emergencies, domestic separations, and lack of employment are 3 reasons why 42 percent (67 of 159) of the families in our sample needed help.

We conducted a comparison of housing outcomes of families who received case management services with families who received one-time assistance. Of the 159 functional families in our sample, 59 (37 percent) received case management services and 100 received one-time assistance. We located 136 of the 159 families and found that 52 (38 percent) received case management services and 84 (62 percent) received one-time assistance. We also found that 130 of the 136 located families were living in permanent housing six months to one year after receiving assistance. Of the 130 families in permanent housing, 48 of the 52 (92 percent) received case management services and 82 of the 84 (98 percent) received one-time assistance. For families who received case management services, 3 were living with relatives and 1 family was homeless, living in a transitional facility. Similarly, one of the families who received one-time assistance was living with relatives after receiving assistance and only one of these families was homeless. As a result of these comparisons, we found no significant differences in the housing outcomes for families who received case management services. This is shown in the chart below.



Due to the additional services provided by the case management programs, the number of families that can be served is lower and the cost per family is higher. The average program cost per family for a one-time assistance program was \$143, while the case management program gave an average amount of \$2,223. Thus, a one-time assistance program is able to serve 16 times as many families per year with the same total budget. A comparison between the two types of programs is shown below. If a functional family has the mental and physical capability to maintain their permanent housing, but has been struck by a severe economic hardship, it may be cost efficient for them to receive assistance on a one or two-time basis.

### A COMPARISON OF HOMELESS PREVENTION PROGRAMS FOR FAMILIES

	CASE MANAGEMENT	ONE-TIME ASSISTANCE
Average # of Families Served Per Program in 1989	54	873
Average Annual Budget*	\$120,035	\$124,410
Average Program Cost Per Family	\$2,223	\$143
Average Length of Case	196 days	22 days
<i>* Figure pertains to amount of budget serving families only.</i>		

Due to limitations in our study, we cannot make a determination about whether case management was or was not used correctly for the cases in our sample. However, the following chart suggests many similarities between those families who received case management and those families who received one-time assistance. Furthermore, the deciding factor determining whether a family received case management services was which program it applied to for assistance. As noted earlier, some of the programs we examined did not offer case management services; others offered them to all applicants.

## SIMILARITIES EXIST BETWEEN CASE MANAGEMENT FAMILIES AND ONE-TIME FAMILIES

	CASE MANAGEMENT	ONE-TIME
Female-headed Households	68%	63%
Two-Parent Households	31%	36%
Number of Children	2.5	2.4
Average Monthly Income	\$578	\$538
Employed	31%	34%
Received AFDC	37%	34%

Our finding should not be construed to mean that we are discouraging the use of case management as a viable and effective way to deal with families who have multiple problems such as alcoholism, drug abuse, or mental illness. We did not attempt to examine the validity of case management as an important intervention in such cases. However, our study showed that one-time assistance programs may be more cost effective in avoiding eviction.

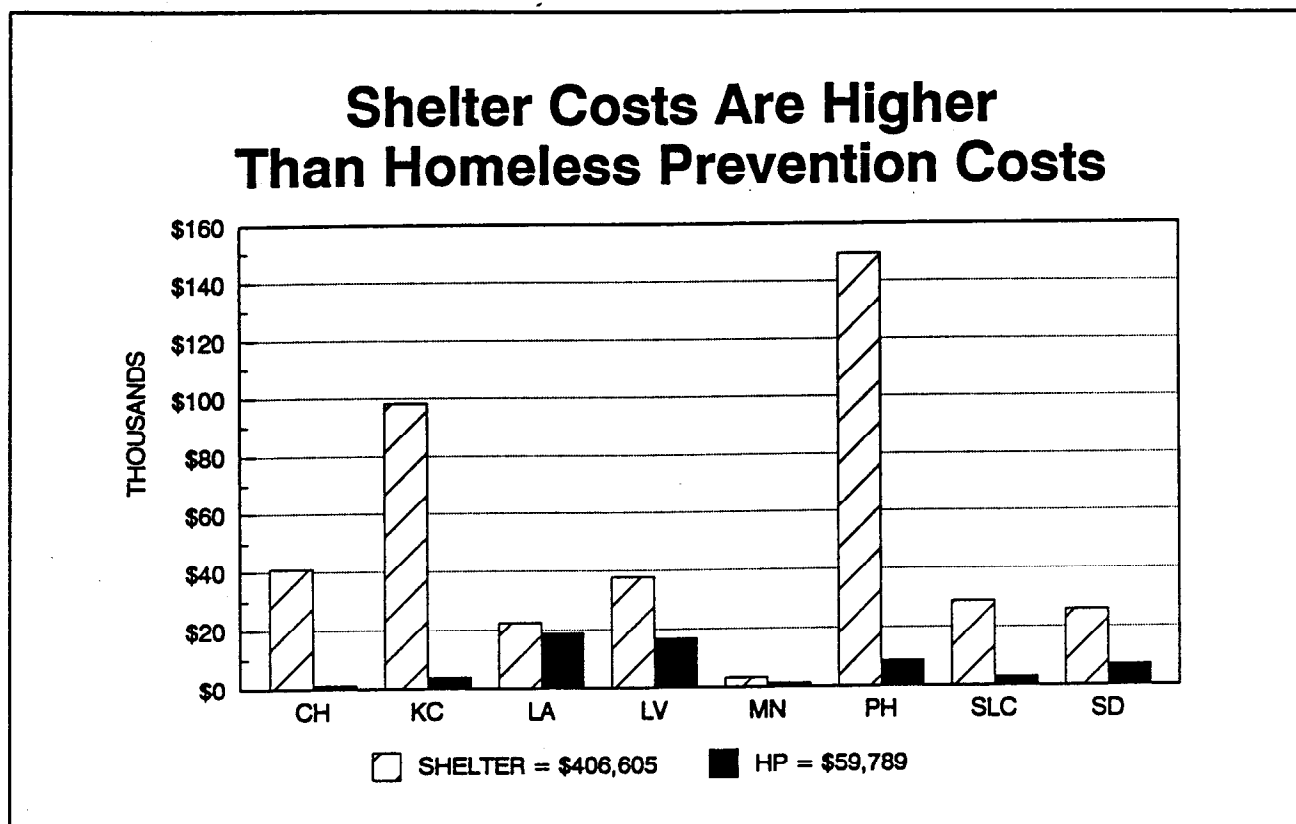
Thus, we are suggesting that programs need to clarify their goals and carefully distinguish between the needs of the families and their capability to help them. If the goal is to help as many families as possible avoid eviction and remain in their homes, the one-time assistance program is probably more effective. If the goal is to provide additional long term help, case management services, although comparatively more expensive, may be warranted. In any event, more stringent evaluation of case management services would be useful.

### FINDING 3.

*The average benefit paid by the eight homeless prevention programs was one-sixth the cost of a typical stay in a shelter*

The analysis of data gathered in this inspection found that each of the eight homeless prevention programs are cost effective as shown in the following chart. These programs distributed a total of \$59,789 in cash assistance to the 136 families we were able to locate. The average cash assistance given to these families for rent/mortgage, utilities, etc. was \$440. The average cost for a family to stay one month in a shelter is \$995.

We are not claiming that the families in our study who received assistance would have been homeless had they not received assistance. However, each family who avoids a shelter stay by receiving assistance is cost effectively served by the homeless prevention program.



#### FINDING 4.

##### *The homeless prevention programs examined assist only a small portion of needy families*

Many of the eight homeless prevention administrators mentioned they are only able to address a small portion of the needs that exist in their cities. For example, in Salt Lake City a survey was conducted of all the social service agencies in the metropolitan area. Results determined that each agency received an average of 100 calls per month requesting rent/mortgage assistance or relocation services after the families had already been evicted. A further survey in Salt Lake City found that the homeless prevention program is only able to assist 1 of every 12 calls. In addition, this homeless prevention program is the only local agency that provides rent/mortgage assistance, and their clientele has doubled in the last two years.

Six of the eight administrators said that the lack of funding and/or staffing is a major barrier to their effectiveness. As noted earlier, in Philadelphia, the city's Housing Authority scheduled 454 evictions in 1989. The homeless prevention program was only able to prevent 62 of these



evictions with cash assistance. An additional 100 were relocated before the eviction took place. With all their efforts, 64 percent of these families' housing needs remained unmet.

The majority of our sampled families (79 percent) seeking assistance were in need of money to pay the rent or mortgage payment. The real estate industry and home financing institutions suggest a household spend no more than 28 to 30 percent of their income for their housing payment. Likewise, tenants in Section 8 Housing pay 30 percent of their monthly income for rent. In many cases, these low-income families who seek assistance are living in private market housing that is not affordable for their income level. For example, in Louisville, more than half of the families we interviewed have a rent/mortgage payment that exceeds 50 percent of their monthly income. Only 7 percent of the families served by the programs in our sample were living in Section 8 Housing.

We asked each of the homeless prevention administrators, "What is the most important thing that should be done to end homelessness and the threat of homelessness?" All eight administrators stated the solution to end homelessness is more affordable housing.

# RECOMMENDATIONS

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***The Interagency Council on the Homeless should promote homeless prevention programs as an effective approach to reduce homelessness for families***

Two of the purposes of the Interagency Council on the Homeless are to recommend improvements in Federal programs and to collect and disseminate information relating to the homeless. The Council is the ideal mechanism to deliver the message that homeless prevention is an effective way to deal with a potential homeless population of families.

***Homeless service providers should carefully consider whether to routinely and automatically provide case management services to all families which request emergency assistance***

Families, who are able to live in society autonomously but who only require immediate cash assistance to meet the crisis that has put them in a near-homeless situation, may not need case management services to avoid eviction or homelessness. Program designers and administrators need to carefully consider the goals and objectives of their programs. To the extent that their purpose is to maximize the numbers served and minimize the costs, Federal, State, and local funding bodies should not routinely or automatically provide case management services and should almost certainly not make case management a requirement in homeless prevention programs.

On the other hand, case management services may well satisfy other important family needs. Assistance should be rendered according to an assessment of the family's specific needs.

***The Interagency Council should promote further, more rigorous evaluations of case management services***

It was beyond the scope of this study to evaluate the efficacy of case management services as such. We believe it would be useful to do so.

## COMMENTS

We received comments to the draft of this report from the Assistant Secretary for Planning and Evaluation, the Assistant Secretary for Human Development Services, the Assistant Secretary for Family Support Administration, and the Interagency Council on the Homeless. Based on these comments, we made appropriate changes to the report. Many valuable comments dealt with areas beyond the scope of this study and will be considered in connection with future inspections dealing with homeless issues.

Several comments addressed how it was determined in our sample that a family was "on the verge" of eviction or homelessness. We expanded the Methodology section of the report to further explain how this was done. Our selection criteria specified that only families that had experienced a sudden crisis, that in fact put them on the verge of eviction or homelessness, would be selected. We made an initial assessment of this based on a review of the case records. Subsequently, we used interviews to gather data about economic and demographic information, current living arrangements, and to confirm the initial assessment that the families had indeed been on the verge of eviction or homelessness.

We were asked whether we had any data on the extent to which the families in our sample had multiple problems like drug abuse or mental illness. This was beyond the scope of our study. We have amended the Findings section of the report to state that "Since this study focused on housing services provided by homeless prevention programs, we did not review case files for ancillary problems the families may have had such as alcoholism, drug abuse, or mental illness."

Several comments raised the issue that the study did not have a control group. We agree that this would have been desirable. However, as is often the case, both time constraints and resource limitations prevented us from undertaking such a study. However, based on the data which we did collect, we were able to make some comparisons of families who did and some who did not receive assistance using information reported by Philadelphia's homeless prevention program. This information is now presented in the first finding of the report. It provides stronger evidence for our finding.

Two of the commentators stated that our report erroneously assumed that families which had received assistance and remained in their homes would have been homeless had they not received assistance. We have no way of knowing if the families would have been homeless had they not received assistance. We agree that such an assumption would be erroneous, and we did not mean to make it. However, we do know that these families were at great risk of being evicted. We revised our report to clarify that an eviction itself is a crisis for most families, certainly a serious disruption for them; and in all probability an eviction places them at a greater risk of becoming homeless.

We received several comments that pointed out that the families in the sample had higher income levels than the average AFDC family, not to mention the average homeless family. This is not surprising since we were not studying homeless families, but rather those at risk of eviction and possibly homelessness. The report has been revised to clarify that only families that were functional and who received services from a homeless prevention provider were included in this inspection. The scope of this inspection focused on these types of families, not on families who were already homeless. The reason it focused on functional families is that they are the target population for homeless prevention programs.

By far, our most controversial finding was the one recommending against the routine or automatic provision of case management services. Several commentators interpreted our report as being against the use of all case management services. We did not intend such a result. It was beyond the scope of our study to evaluate the efficacy of case management services as such, and we did not gather information to allow for any conclusions to be drawn about them. Our finding

and recommendation were narrowly focused on the cost effectiveness of case management services in dealing with an immediate crisis such as an eviction. We stand by our finding and recommendation in this regard, but have revised the report to clarify the narrower focus of our study. We agree that additional study of case management services as such is warranted and have recommended that it be undertaken.

# APPENDIX A

## Homeless Prevention Services

Services	Case Management			One-Time Assistance				
	KC	LA	LV	CH	MN	PH	SLC	SD
Mortgage/Rent	x	x	x	x	x	x	x	x
Utilities	x	x	x	x		x		x
Locate Housing	x	x	x		x	x	x	
Referrals	x	x		x	x	x	x	
Tenant Mediation	x	x			x	x	x	
Food	x	x	x	x				x
Life Skills	x	x	x			x		
Medical Items	x	x	x	x				
Legal Services	x		x					
Clothing	x	x						
Furniture		x						
Transportation	x							
Behavior Counseling			x					
Childcare	x		x					
Educational	x		x					
Job Search	x		x					
Other			x					

KC = Kansas City, Missouri  
 LA = Los Angeles, California  
 LV = Louisville, Kentucky  
 CH = Charleston, South Carolina

MN = Minneapolis, Minnesota  
 PH = Philadelphia, Pennsylvania  
 SLC = Salt Lake City, Utah  
 SD = San Diego, California

# APPENDIX B

## Source of Funding Homeless Prevention Programs

Funding Sources	Programs							
	KC	LA	LV	CH	MN	PH	SLC	SD
McKinney	x		x				x	x
State*	x						x	
County*					x		x	
City*				x		x		
Private Doanations	x	x	x	x	x			
Foundation Grants	x	x		x				
Fundraising	x			x				
United Way	x				x			

*\* In some cases, the ultimate source of funding for these programs is the HUD Community Development Block Grant or the HHS Community Services Block Grant.*

KC = Kansas City, Missouri  
 LA = Los Angeles, California  
 LV = Louisville, Kentucky  
 CH = Charleston, South Carolina  
 MN = Minneapolis, Minnesota  
 PH = Philadelphia, Pennsylvania  
 SLC = Salt Lake City, Utah  
 SD = San Diego, California

# APPENDIX C

## Federal Funding of Homeless Prevention Programs

PROGRAMS	FEDERAL SOURCE	AMOUNT	% OF BUDGET
Kansas City	MCKINNEY-ESG	\$ 5,372	12%
Louisville	MCKINNEY-ESG	\$ 19,000	71%
Salt Lake City	MCKINNEY-ESG/ FEMA	\$ 37,500	45%
San Diego	MCKINNEY-FEMA	\$140,000	100%

ESG = Emergency Shelter Grant from the Department of HUD  
FEMA = Federal Emergency Management Agency

# APPENDIX D

## Shelter Costs in the 8 Cities

Shelter costs to house one person for one night varies from city to city. Costs ranged from \$7.50 in Charleston to \$12.50 in San Diego. The length of time a family spends in a shelter also varies from city to city. In Minneapolis a family stays an average of 7 days in a shelter. In Philadelphia and Kansas City the average length of stay for a family in a shelter is 180 days.

CITY	COST PER NIGHT	LOCATED PERSONS IN SAMPLE	AVERAGE LENGTH OF STAY	SHELTER COSTS
CH	\$7.50	73	75 days	\$41,062
KC	\$10.50	52	180 days	\$98,280
LA	\$8.11	81	34 days	\$22,335
LV	\$10.18	62	60 days	\$37,870
MN	\$8.78	50	7 days	\$3,073
PH	\$10.50	79	180 days	\$149,310
SLC	\$10.00	48	60 days	\$28,800
SD	\$12.50	69	30 days	\$25,875
<b>Total</b>				<b>\$406,605</b>

*Note: Shelter costs were computed by multiplying cost per night, times persons in sample, times average length of stay.*

CH = Charleston, South Carolina  
 KC = Kansas City, Missouri  
 LA = Los Angeles, California  
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