Findings of interviews with early exiters of Family Self-Sufficiency programs co-administered by Compass Working Capital and two Massachusetts housing agencies

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Introduction

This report details findings from retrospective interviews with participants who exited but did not graduate from one of two Family Self-Sufficiency (FSS) programs that the nonprofit Compass Working Capital (Compass) administered in greater Boston through partnerships with (1) the Cambridge Housing Authority (CHA) and with (2) Metro Housing|Boston (Metro Housing) and the Massachusetts Department of Housing and Community Development (DHCD).[1] In addition to this study, Compass and HUD have contracted with Abt Associates to conduct qualitative companion studies on the experiences of Compass FSS graduates, eligible households that have not enrolled in Compass-administered FSS programs, and participants in an opt-out version of the FSS program for which Compass conducted a demonstration study in two public housing developments in partnership with CHA. This research also builds on an earlier quasi-experimental impact study and cost-benefit analysis showing promising results, that Abt Associates conducted for Compass and HUD (Geyer et al. 2017 and Dastrup et al. 2017). A fall 2021 release is expected for follow-up impact and cost-benefit studies.

Compass is a nonprofit organization that partners with public housing agencies and private affordable housing owners to deliver an asset-building and financial coaching model of FSS, an employment and savings program of the U.S. Department of Housing and Urban Development (HUD). HUD's FSS program, administered locally by public housing authorities, private owners, and their partners, is designed to help families receiving housing assistance increase earnings, build savings, and achieve other goals that they identify.[2] The model of FSS that Compass administers in partnership with CHA and Metro Housing provides financial coaching to help participants achieve their financial goals, increase their earnings, build financial capability, improve their credit and debt profiles, and build durable financial skills.

Overall, Compass reports that about 74 percent of households that enroll in the FSS programs they administer successfully graduate from the program, a figure that is more than twice the national average.[3]

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[1] For purposes of this report, the Metro Housing|Boston program will be referred to as the "Metro Housing" or "Metro." Metro Housing|Boston is the regional administrator for the greater Boston geographic area of DHCD's state-wide Massachusetts public housing agency.

[2] For more information on FSS, see HUD's Feb. 2016 fact sheet, available at https://www.hud.gov/sites/documents/FSSFACTSHEET_FEB2016.PDF. A summary of Compass' specific approach to FSS can be found at www.compassworkingcapital.org/fss.

[3] In a Federal Register Notice describing its FSS performance measurement system, HUD indicated that the 60th percentile of FSS program graduation rates is 28% while the 80th percentile is 38%. https://www.hud.gov/sites/dfiles/PIH/documents/Complete_Description_of_FSS_Performance_Measurement_S

Nevertheless, Compass is interested in better understanding what steps could be taken to increase its graduation rates, participant retention, and positive participant experiences of the FSS program. To this end, Compass contracted with Abt Associates to conduct a study to better understand what factors contribute to non-completion for some participants and capture insights on how to increase graduation and retention rates.

While local program models vary, all FSS programs allow participants to earn escrow savings in a program-administered escrow savings account that grows as the participants' earnings and rent increase. Participants only receive the savings they have accumulated in the escrow account if they persist in the program, meet program requirements, and successfully graduate from the program by meeting program goals within five years.[4] [5] These savings can be substantial, and some participants accumulate escrow savings that are tens of thousands of dollars, to be received tax free and saved, or used without restrictions upon graduation.

This study of FSS early exiter experiences is based on semi-structured interviews with a sample of 22 former FSS participants in the CHA and Metro Housing programs who left the program without graduating ("early exiters"). Interviews were conducted between mid-February and mid-April, 2020.[6] The participant sample included a mix of households who voluntarily withdrew from FSS or were terminated by the program because they did not participate in coaching sessions for an extended period of time (a year or more) or were unable to meet the criteria for program graduation after five years. Early exiters who left housing assistance were excluded from the interview sample.

As described in more detail below, the following are the key findings from our analysis of these interviews:

- Interview respondents reported joining the Compass FSS program to gain ***financial knowledge, and financial or housing autonomy and to build savings.***
- Respondents reported challenges in two main areas that led to their exiting the program: ***(1) misunderstanding (or a lack of knowledge) of program requirements, and (2) challenging relationships with their financial coaches.***
- Several study respondents who were terminated from the program (or believed they had been terminated) encountered ***life events that made it hard to meet program requirements***, particularly employment requirements.
- Some participants in both categories (voluntary withdrawals and terminations) ***worried*** that by participating in the program they were ***at risk of losing disability benefits***.
- Despite exiting early (i.e., without graduating), ***half of the respondents spoke positively about the program***, and one quarter of all respondents were interested in re-enrolling.

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ystem_2018_11_15.pdf. For this evaluation, Abt did not specifically assess whether the graduation rate cited by Compass was computed in the same manner as the HUD-reported graduation rate and for the same time period.

[4] Where programs deem appropriate, participants may be granted an extension of up to two additional years.

[5] Requirements for graduation from the FSS program (including those administered by Compass) are that the primary FSS participant (usually the head of household) be employed, no one in the household has received TANF over the previous 12 months, and participants have met all personal self-sufficiency goals that they set in collaboration with an FSS program staff member.

[6] The interview time period includes a multiple-week lag starting in mid-March 2020 as the COVID-19 pandemic began in the U.S. and interviews were moved from in-person to phone formats.

- Many respondents were ***confused about the FSS program requirements and exit policies*** or felt that they were not applied consistently.

Participants recommended:

(1) Changes to how and when program staff explained the key program requirements throughout the program;

(2) Allowing participants to "pause" the program if they are disrupted by a major life event, or providing participants with an alternative option for graduation; and

(3) Enhancements or adjustments to financial coaching.[7]

After summarizing the methodological approach and interview respondent characteristics, this report reviews each of the key findings in detail, including early exiters' original reasons for enrolling in the program, their experiences while in the program, and factors contributing to their exiting without graduation. We then provide insights from early exiters on what changes to the program would have helped them remain engaged or could help other participants persist in the FSS program through graduation.

All respondent names used in this report are pseudonyms designed to protect their privacy.

Methodology and Sample Characteristics

Abt staff conducted 22 one-hour semi-structured interviews with FSS program clients who exited from the Metro Housing or CHA Compass FSS program without graduating, either by voluntary withdrawal or because they were terminated from the program. Three of these early exit clients had already re-enrolled in the Compass program.

Recruitment Process

Because of the relatively small number of early exiters at Metro Housing|Boston (n=23) and Cambridge Housing Authority (n=45), Compass and Abt staff actively recruited from this entire population by e-mail, phone, and text message. The ultimate sample of interview respondents were those who the study team were able to reach by one of these modes and who agreed to participate in an interview. Participants were provided with a $50 VISA gift card in appreciation of their time. Figure 1 summarizes study respondent and response characteristics.

Figure 1: Characteristics of Sample Compared to Early Exit Population

	Metro	CHA	Total
Active refusal	10 (43%)	7 (16%)	17 (25%)
Non-responsive	7 (30%)	22 (49%)	29 (43%)
Study sample	6 (26%)	16 (36%)	22 (32%)
Total in population	23	45	68

Source: FSS program data provided by Compass Working Capital

NOTE: "Non-responsive" are those participants who did not respond to recruitment outreach by phone, text or email. "Active refusal" are those participants who responded to recruitment outreach but actively said they did not wish to participate in the study.

Similar to the study sample, the full population of FSS early exiters included more participants from CHA

[7] Compass has procedures in place for FSS participants to request a change of coach. After every appointment Compass sends a survey to clients via text or email asking them about how their appointment went. One of the questions on the survey is "Do you think changing your coach would improve your experience? The answer to this question will not be shared with your coach." If clients responds 'yes,' Compass follows up with the client to understand the reason and if the issue cannot be resolved will attempt to change the coach. Compass notes that, overall requests for a change in coach are rare.

than from Metro Housing. A total of 17 participants actively refused to participate in the study, and an additional 29 early exit participants did not respond to recruitment efforts—possibly due to outdated contact information. Abt staff interviewed all of the remaining individuals – a total of 22 participants. These interviews were originally designed to be conducted in-person; however, interviews began shortly before procedures related to the COVID-19 pandemic went into effect. As a result, the majority of the interviews were conducted by phone, with minor adjustments to the interview protocol.

The shares of Metro Housing and CHA participants in the interview sample were roughly similar to their shares in the total population of exiters. The proportion of participants whose contracts were terminated from the FSS program (as opposed to voluntarily withdrawing) in the study sample is similar to that for entire population of early exiters; 64% of the sample were terminated compared to 66% in the overall population of early exiters (see Figure 2).

Figure 2: Exit Status of Sample Compared to Early Exit Population

	Withdrew	Terminated	Total
Total in population	27 (34%)	41 (66%)	68
Study sample	8 (36%)	14 (64%)	22

Source: FSS program data provided by Compass Working Capital

NOTE: % represents the percentage of total in the same row.

NOTE: Participant exit status is based on designation in Compass' administrative data. Discussion of study participants' experiences later in this report use the respondents' self-identified exit status, as noted.

Early exiter interview respondents exited FSS between 2014 and 2019. Compass has aimed to refine and adapt the FSS program on an ongoing basis, including changes based on participant feedback. As a result, by the time of these interviews, Compass may have made adjustments to account for some of the challenges early exiters faced.

Methodology and Data Reviewed

Once interviews were completed, Abt staff applied qualitative coding to the interview transcripts using NVivo qualitative analysis software and drew out key themes from the data. Initial codes were established based on interviewer observations and research questions and adjusted and expanded by coders as new themes emerged. For initial coding, Abt coders double-coded a transcript and reviewed it together to ensure intercoder reliability. The research team conducted additional data validation when reviewing coded data, making any needed adjustments and corrections. The research team wrote analytic memos and conducted an analysis workshop to outline the findings from the analysis. Abt also reviewed program data on the characteristics of early exits provided by Compass.

Characteristics of the Early Exiters and Graduate Populations

Before discussing the experiences of the interview study respondents, we discuss some of the key characteristics of the overall population of early exiters at the CHA and Metro Housing programs as compared with those of program graduates. Most of those who ultimately exited the FSS program without graduating persisted in the program for multiple years before exiting, and many accumulated escrow in their accounts before being terminated from the program or leaving the program voluntarily. Early exiters often had multiple coaches over time.

Figure 3 provides a brief summary of graduate and early exiter characteristics between summer 2013 and spring 2020.

Figure 3: Program Exiter Characteristics

	Graduates (n=254)	Early Exiters (n=68)	All Exiters (n=322)
Median Years in FSS	5	2.3	4.8
% with Any Escrow	92%	40%	75%
% English as Primary Language	81%	70%	75%
Percent with Disability Benefits	9.8%	24%	15%

Source: FSS program data provided by Compass Working Capital

Many participants persisted in the FSS program for years before exiting

The total population of early exiters totaled 68 participants, including 41 terminated from the program for non-participation (for example, consistently not attending coaching sessions and failing to response to contact attempts), leaving the housing voucher program, or not meeting requirements for graduation ("terminated") and 27 who formally withdrew of their own accord ("voluntary"). (Figure 4) These program participants exited the program between summer 2013 and early 2020. There were a handful of households that exited the FSS program without graduating, but re-enrolled in the program at a later time and ultimately did graduate. Those households were not included in the interviews and are not included in the population of early exiters described in this section. During the same period, there were 254 program graduates ("graduates").

Figure 4: Time Enrolled in FSS Program by Exit Status and Reason

	Median yrs	0-1 yrs	1-2 yrs	2+ years
Early Exiters (n=68)	**2.3**	**22%**	**25%**	**53%**
Terminated (n=41)	*3.3*	*2%*	*22%*	*76%*
Voluntary (n=27)	*1.0*	*52%*	*30%*	*19%*
Graduates (n=254)	5.0	5%	6%	89%

Source: FSS program data provided by Compass Working Capital

Many early exiters spent substantial time in the program before exiting—more than half (53%) were enrolled in FSS for over two years before exiting, though terminated participants usually stayed in the program for more than two years (76%) and participants who withdrew voluntarily were unlikely to stay in for two years (19%) (Figure 3). Most of FSS participants who graduated (89%) took more than two years to do so. The majority of participants who chose to voluntarily leave the program did so within the first year (52%). No participants were terminated from the program after less than one year, which is consistent with stated program policies of giving participants substantial opportunities to participate in coaching before terminating them from the program.

Many participants Accumulated Escrow Before Leaving the Program

At the time they exited the FSS program, 40 percent of early exiters had accumulated escrow savings (Figure 5). In comparison, 92 percent of those who graduated from the program acquired escrow by the time they did so. Early exiters who were terminated because of consistent, long-term non-participation in the FSS program were much more likely to have accumulated escrow than those who exited the program voluntarily. More than half (54%) of those terminated for non-participation had accumulated some escrow, whereas only 19 percent of those who left voluntarily had done so. Among those who accumulated escrow, the median escrow accumulated was $554 for terminated participants and $417 for those who withdrew voluntarily (Figure 6).[8] However, several terminated early exiters accumulated large amounts of escrow (over $1,000) whereas only one of the voluntary early exiters did so (not shown), resulting in higher average escrows for terminated early exiters who accumulated any escrow. Unsurprisingly, FSS program graduates (who usually stayed in the FSS program for longer than early exiters) aquired substantially more escrow before exiting the program than did early exiters by the time of their exits.

Figure 5. Accumulation of Escrow by Type of Exit

	Any escrow	No escrow
Early Exiters (n=68)	**40%**	**60%**
Terminated (n=41)	54%	46%
Voluntary (n=27)	19%	81%
Graduates (n=254)	92%	8%

Source: FSS program data provided by Compass Working Capital

Figure 6. Escrow Amounts for Those with Any Escrow, by Exit Reason

	Avg	Median	Min	Max
Early Exiters (n=27)	**$1,316**	**$547**	**$12**	**$8,013**
Terminated (n=22)	$1,496	$554	$93	$8,013
Voluntary (n=5)	$524	$417	$12	$1,478
Graduates (n=254)	$8,763	$6,749	$244	$26,349

Source: FSS program data provided by Compass Working Capital

Early Exiters had Multiple Coaches and Experienced a Similar Rate of Coach Turnover to Graduates

The average early exiter had at least one change in coaches while participating in the FSS program, with an average of .45 transitions to a new coach per year (on average, a new coach every 2.2 years). Graduates, who tended to remain in the program for longer than early exiters, experienced a slightly lower rate of coach turnover. Graduates had an average of .40 transitions to a new coach per year (on average, a new coach every 2.5 years).[9]

Social Security and Disability Benefits are Slightly More Common among Early Exiters than Graduates

Participation in SSI and SSDI benefits programs appears to be a bit more common for those who left the FSS program without graduating than those who graduated. Among all FSS early exiters in CHA and Metro Housing, just under one quarter (24%) received SSI or SSDI benefits. This did not vary substantially by whether they were recorded as voluntary withdrawals or terminated by the program. Slightly more of the early exiters received SSI or SSDI benefits than did graduates. Just under 10 percent of graduates received SSI or SSDI benefits.

Most Early Exiters Spoke English as a First Language, Slightly Lower than Graduates

Seventy percent (8) of early exiters spoke English as their first or primary language, which was slightly lower than the share of graduates. Eighty-one percent of graduates spoke English as their first or primary

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[8] The numbers reported in figures 4 and 5 are from administrative data. As noted later in the report, interviews found that a larger proportion of clients saw themselves as voluntary terminations.

[9] Later in this report, we discuss potential exiter frustration with coach turnover. Coach continuity and consistency between coaches may be a factor in the degree to which participants are motivated to persist in the program.

language.[10]

Interview Findings

In order to better understand the experiences of those who exited the program before graduating, we conducted in-depth interviews with a sub-set of the full population of early exiters. The following findings are drawn from those 22 interviews and cover the following topics:

- Motivations to Join the FSS Program
- Reasons for Early Exit and Experience Exiting the Program
- Experience in the FSS Program

Motivations to Join the FSS Program

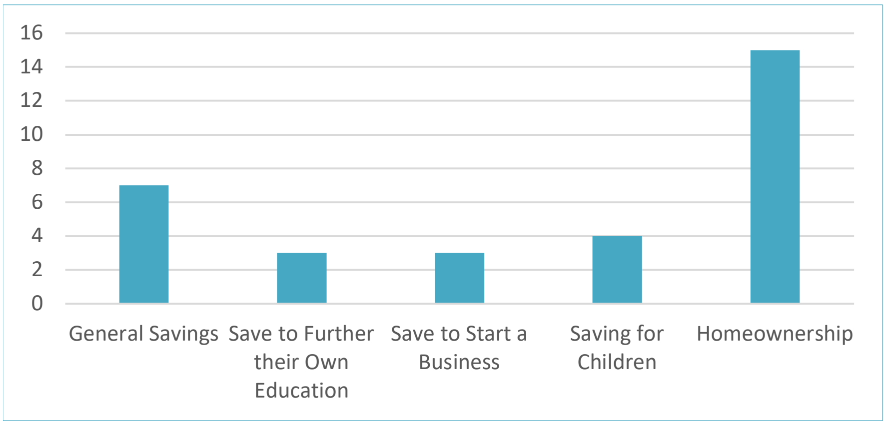
Early exiter interview respondents most frequently reported being motivated to join the program in order to build savings so they could buy a home. Participants also mentioned wanting to grow assets to reach other goals, as well as improving credit through the financial coaching the program offered.

Participants wanted to build assets to achieve homeownership, education, and entrepreneurship goals

All but one (21) of the study respondents enrolled in the program with goals to build assets so that they or their children could become a homeowner, increase education, or start a business. Figure 7 shows the different, often overlapping, motivations for joining the FSS program.

By far, the largest number of individuals identified homeownership as one of their savings goals, which we discuss in the next subsection. The second most popular response was general savings.

Figure 7: Savings Goals in Joining FSS Program



NOTE: Many respondents chose multiple savings goals, so the sum of responses is greater than the number of respondents.

Participants wanted autonomy through homeownership and financial independence through work

Respondents were often motivated to join the FSS program by the hope of gaining autonomy over their housing and finances. Autonomy through homeownership was a major motivator for most participants. All but one of the respondents recalled that they were motivated to join the program and save money, at least in part, by the prospect of homeownership as a path to financial and housing independence. About one third (8) of participants interviewed reported wanting to get off government assistance programs (disability assistance, Section 8 housing assistance vouchers, or public housing) and saw the FSS program as a route to achieve this goal. For example, Megan noted, her goal was "*Just basically saving money,*

[10] A slightly higher percentage of each group may speak English as a first language, as there are a few exiter and graduate records without language information.

buying a house and being able to get off the Section 8 program, and become independent." These respondents wanted to leave subsidized housing and own their own home because of the independence and autonomy it would grant them. As Angela said, "*I was interested [in FSS] because I always wanted to try to eventually get my own home. I didn't want to be stuck in housing [assistance] forever. So, that's what made me like, 'oh, okay. I can save and they can help me. This would be good for me.'*"

The primary reasons respondents gave for wanting to leave housing assistance varied and included both the belief that housing outside of assistance would mean better choices in where and how to live and added privacy and respect. For example, Melanie explained how she had hoped to buy a house for her family in a neighborhood with a low crime rate: "*I was going to buy a house. I was going to give me son his own porch and his own back yard that he could ride his scooter in. Somewhere he could leave his basketball outside where someone wasn't going to steal it. Somewhere we didn't have to wake up to marijuana smoke…."* Elise wanted privacy and financial autonomy. She said: "*It's [the escrow account] going to help me save money to get a house that I really want to get. … I don't have to deal with Housing anymore, or rules, and all that sort of stuff, bringing my pay stubs every so often, and inspection. … I can get treated like an adult."*

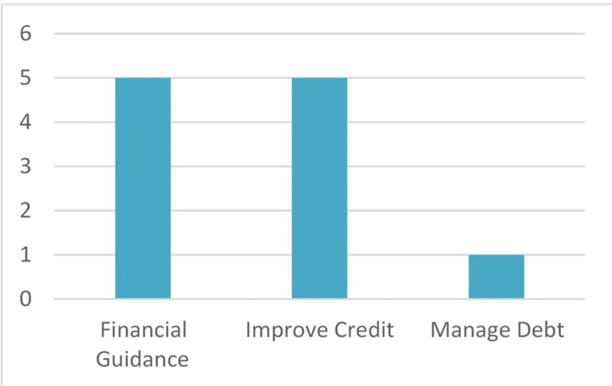
Homeownership was not the only route that participants saw to reach financial independence. Molly wanted to earn more, so she no longer needed disability support. She explained to the interviewer how she planned to do this, "*Well I wanted to either go back to school or get some kind of training or certification so that way I can get a job and try to get off disability*."

Four respondents enrolled in the program to save for their children's college education and three mentioned how they would use the FSS program to expand their own higher education opportunities. For example, Elsie[11] had multiple goals but described first how she had hoped to use the FSS savings to build her child's college fund, or to further her own education goals, "*At the time, I had a child who was probably about 15, 16, so it would be nice for him to have college money for him or me to go back to school because he was old enough, or to even just get our own house at some point."* Three respondents wanted to save money to start their own businesses.

Participants wanted opportunities to learn and improve financial management

Having the opportunity to improve financial management skills—especially learning how to manage debt and improve credit—also motivated 8 of the participants to join the program. Figure 8 shows the prevalence of mentions of these topics among respondents who expressed interest in increasing financial knowledge and managing debt (Some of the 8 respondents mentioned more than one). For example, Elizabeth said her primary reason for wanting to enroll in the FSS program was to learn more about money, with the chance to build escrow as a secondary reason: "*Well how I first joined, is that we received the flyer in the mail, and it seemed like at the time that it looked good to where we could get involved in learning about finances. But at the same time learning about finances, we would benefit from some of the things that they have to offer, as far as the*

Figure 8: Improving Financial Knowledge and Debt Management (n=8)



NOTE: Some respondents had an interest in multiple financial topics, so the sum of responses is greater than the number of respondents who mentioned these topics.

[11] This name and all others in this report are pseudonyms created to protect respondents' privacy.

rewards and stuff like that [i.e. the escrow savings account]."

Some respondents had hoped to improve their credit score or debt load. One respondent wanted to get out of debt, and four respondents wanted help to improve their credit. As Alice reported, she wanted "*to get all credit worked on and to get myself in a position to where I'm saving appropriately."* By enrolling in the program respondents, like Alice, hope to first improve their credit and then, eventually, become financially stable enough to buy a home.

Nine respondents described how their desire to own a home motivated them to address other savings and credit repair goals. For example, Erin's decision to join the program was rooted in her desire to improve her credit so that she would be in a position to buy a home: "*To own a house, to get my credit situated because I know that's one of the things that was going to stop me from owning one. I was never really too worried about school. It was just more so of home and credit."*

Reasons for Early Exit and Experience Exiting the Program

In this section we explore the reasons that participants reported exiting the program by their self-described status of voluntary withdrawal or involuntary termination from the program. Some respondents had a different understanding or memory of their status on exiting the program than was recorded in Compass' records. According to Compass' administrative data, eight of the respondents voluntarily withdrew from the program and the remaining respondents (14) were terminated from the program. By contrast, 12 participants reported that they voluntarily withdrew from the program (whether they had notified Compass of a withdrawal or not) and ten said that they were involuntarily terminated. [12]

Participants who said they left the program voluntarily were more likely than those who said they were involuntarily terminated to report: (a) challenges with financial coaching or coaches and (b) having experienced life events that prevented them from *engaging in the financial coaching*. In contrast, participants who believed they had been terminated by the program were more likely to report major life events that prevented them from *working and meeting other graduation requirements*.

We first describe the reported reasons for early exits among those who said they had voluntarily withdrawn and then describe the reasons reported by those who said they had been involuntarily terminated.

Early exit reasons for participants who voluntarily withdrew

Just over half (12) of participants said they withdrew from the FSS program voluntarily. Participants reported withdrawing for one or more of the following primary reasons: they found the financial coaching difficult, stressful, or unproductive (5); they felt scared of losing their benefits (6); or they felt that their experience in the program did not match their aspirations (6).[13]

Some participants withdrew when they found the financial coaching difficult, stressful, or unproductive. Some participants who chose to leave FSS voluntarily stopped engaging in the program after a disappointing experience with financial coaches (5), after finding it difficult to get to the South Station office for appointments (2), or after learning details about the program that did not match their initial expectations (3). These participants generally did not re-engage with the program staff to explain their decision—they just stopped showing up at financial coaching sessions or responding to other communication from program staff. This may explain the disparity between participants' perceptions and program perceptions about whether a participant was terminated or voluntarily withdrew. Participants may have thought of themselves as exiting voluntarily, but if they did not formally notify Compass that

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[12] This discrepancy is consistent with the ways in which respondents exited the program, described later in this section.

[13] Some participants gave multiple reasons for leaving the FSS programs, so total responses will add up to more than 12.

they wished to exit the FSS program, after a time, Compass would terminate them from the program because of consistent, long-term non-participation (e.g., not showing up to appointments or communicating with staff for over a year).

Five participants described challenges in working with the financial coach that led them to stop attending sessions (see later section on program experiences with coaching). As a result, they were unable to meet program requirements. A couple of participants worried that the appointments were not a good use of their time. For example, while Molly was initially enthusiastic about the FSS program, she started to feel that making the trip to South Station for a coaching appointment was "*a waste of time*" because she was not accruing any escrow savings.[14] Similarly, Abby started skipping appointments because she did not feel that the information she was receiving in coaching sessions was useful to her, regardless of the potential opportunity to earn escrow savings.

Three of the five respondents who said they had left the program, at least in part following challenges in working with their financial coaches, said that they had not wanted to continue with the coaching because of discomfort. For example, Kevin did not want to answer some of the budget questions coaches asked both because of discomfort and uncertainty about the answers. He explained: *"The question is too many. The question is too much detailed. Too much…To know my income is okay. To know general my expense is okay. How much I save, [is] all right. Other than that, I am not really... Even I myself, I don't know how much I spend for my eat or for drink or insurance. I don't know. Just I'm living day by day life that's all I cared."* Similarly, although initially motivated to improve her credit and debt, Gilberta, found the budgeting process cumbersome and disheartening, "*The budget is a show because if you continue with it, everything is good but the thing is I fell off the wagon, you do it well one day and then one day, … I got like, depression and going to the store gives you a good feeling…*" Gilberta acknowledged that, while she was initially somewhat worried about how completing the program would affect her housing assistance, her main reason for exiting FSS was that she had substantial debt, which made meetings with the coach discouraging: "*Because I knew that, those bills were so high, and I don't even want to think about it.*" She did not feel that it was possible for the coaching to help her pay off her debts.[15]

Some participants withdrew when they were scared of losing benefits: disability and housing. While FSS is designed, at least in part, to support participants in increasing their earnings and to mitigate disincentives for this outcome, fear of losing benefits was still an important factor for a number of respondents that affected their continued participation in the program. Across both voluntary withdrawals and terminations, some respondents (6) reported being scared of losing access to benefits such as disability and housing by staying in the program. While a fear of losing benefits was not always the primary reason a participant left the program, it was part of what motivated some participants to leave or disengage from the program.

Three respondents voluntarily withdrew from the program because they were afraid of losing benefits. A fourth respondent's decision to withdraw was partly motivated by fear of losing benefits. One participant, Molly, said: "*In my situation, I can't get off of disability because not only am I not really physically able to successfully get off it, I can only... my hands are tied. I can only make X amount of money.*" In other words, if her earnings rose too high, she would no longer receive disability benefits (and would not easily get them back if she were unable to continue earning at that level). Molly ultimately withdrew from the

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[14] Molly was on disability benefits at the time and worried that even if she did manage to save money, she would have the money taken away if she saved over $2,000. She did not appear to understand how escrow savings accrued, which may have added to her frustration.

[15] One of the benefits of focusing on credit and debt in FSS is the ability to achieve small, interim victories, such as an increase in credit score or paying off high-interest debt, in a relatively brief timeframe. Compass believes such shorter-term victories provide positive reinforcement and momentum to encourage participants to work toward achieving longer-term goals such as goals related to education, employment, or homeownership.

program because of this concern, deciding that the program was not designed for participants with a disability who were receiving benefits.

Similarly, Una, who was also receiving disability benefits, thought that she faced a trade-off of increasing earnings and building savings or keeping her benefits, "*So I decided that at that time it wasn't work[ing] for me, so I would just stop then and not keep doing something that didn't feel like it was going to be possible. I didn't know how to go back to work necessarily and still be able to keep benefits. It just didn't feel safe to get off of the disability."* Una voluntarily withdrew from the program.

At least some of respondents' fears about losing benefits may have been based on a misunderstanding. Elizabeth dealt with chronic family health issues, but says she ultimately left FSS because she was afraid she would lose her housing assistance if she continued participating and graduated. She came to this understanding (which, in this case, is inaccurate) sometime after joining the FSS program: "*Those were the things that they didn't say to us in the beginning. Those were things that you found out along the way… I'm just glad that I got out of it before I would've set myself up. I mean I couldn't lost my housing, and I don't think it's a good program.*" This fear may have arisen from the fact that her rent increased as her earnings increased, which may have made it difficult to care for her children: "*I choose to take care of my children, and so I'm stuck with …giving up something for this, or realizing that I need to have something to hold onto for my children. And unfortunately, it was the subsidized housing that I have to hold on it.*"

Some participants withdrew when their program experience did not match their homeownership aspirations. About one third of participants who said they voluntarily withdrew reported that they had initially been strongly motivated by the prospect of owning a home. Some of these respondents reported that they subsequently felt that the program was not able to move them towards homeownership quickly, or that their coach dissuaded them from buying a home; as a result, they reported, they became less motivated and started skipping coaching sessions. At least part of this disconnect may have come from unrealistic expectations by respondents or a lack of clarity on what was needed to become a homeowner. For example, Kensley described coming to the program with a strong passion for the idea of buying a home. "*So basically they were saying that they had a program where they will help us match whatever we were making, and that they was helping people be successful and about being a first home buyer, school, and some other things.*" But as the program progressed, her savings were building up more slowly than she had expected. She said "*I thought it was a program to help us actually get a home. You know what I'm saying? A first time home buyers, it was helping with our credit and things of that nature. And it didn't seem that way after a while."* When her earnings and credit score increased, her coach began to focus on paying off debt, which she did not see as a step toward her goal of homeownership.

Similarly, Kristy, was initially excited by the prospect of owning a home and building wealth that she could pass onto her children but reported that she felt that her financial coach squashed her enthusiasm and expressed "*you cannot do it, you cannot reach it."*

Early exit reasons for terminations

Just under half of respondents (10) reported that they had been terminated from the program involuntarily. Many of the participants who reported that they had been terminated from the program said they were unable to meet the FSS program employment or other graduation requirements, at least in part because of a range of challenging life experiences. These included physical and mental health challenges, the need to care for one or more family members with needs related to physical or mental health, and stressful experiences, such as domestic violence or other traumatic events. Compass FSS programs are authorized to provide extensions of up to two additional years beyond the standard five-year program timeframe (for a total of seven years) to participants who request it; however, the program staff only grant extensions after discussing the possibility with participants, and this is only possible while participants remain engaged with the program. A few respondents who were terminated from the program said they had not met program requirements because they had not understood the requirements, rather than because of a major impediment or disruptive life experience.

Most terminated participants reported that a personal or family challenge interfered with their ability to meet program requirements. Most respondents who said they had been terminated from the program (7 out of 10 self-reported terminations) reported difficulty seeking or maintaining employment due to a personal or family challenge. For example, Elizabeth experienced family health problems that made it hard for her to work, "*I'm a single mother, I'm trying to raise babies. At the time I had my oldest son, he was battling mental health issues. That was very time consuming. It required a lot of family meetings and counseling and appointments and stuff, that just wouldn't have made it possible in order for me to go out, get a job, keep a job, you know what I mean? With trying to invest in him to try to give him the most quality of life that I possibly could.*"

Similarly, Elsie left work when she had a baby and was then unable to return to work as a result of her son's health problems, "*I ended up having a baby [after enrolling in the program], and then I left work, and then my son had health issues, and then he was diagnosed with* autism*, so I just didn't end up going back to work.*" She noted that Compass *"waited a good year, year and a half*" before terminating her from the program. At the same time, she felt that, if it had been possible to pause or suspend her participation, she could have found work again and re-started in the program.

Some terminated participants reported that they did not fully understand the program requirements. A few participants described not understanding program requirements, resulting in them being unable to meet program requirements prior to graduation. For example, Sophie did not struggle with the employment program requirements, but was not aware of other requirements in her Individual Training and Service Plan (ITSP) until late in the program and was ultimately unable to meet them. She had set a goal of buying a home, and a few months prior to her planned graduation, her coach told her that she needed to complete a home-buyer course before she could graduate. While this requirement would have been included in her FSS ITSP, she said she was not aware of it, or not aware that it was a requirement for graduation. When Sophie tried to sign up for a course, she found that it was completely full, with a waitlist. She would have to wait three months to take the home-buyer class. Her coach sent information about an online class, but she felt overwhelmed and could not figure out how to sign up or take the course. She says she did not hear back from her coach when she reached out to ask for help, but later received a letter stating that she had been terminated from the FSS program.

Experience in the FSS Program

This section reviews the FSS program experiences of the early exiters we interviewed (including both individuals who voluntarily withdrew from the program and individuals who were terminated), including experiences exiting the program. Where participants are described as having voluntary withdrawals or terminations, it is based on their self-described experience of exiting the program rather than their official status.

Half of the early exiters interviewed spoke positively about the program

About half of the early exiter respondents said that they liked the program (11).[16] More than 40% of the respondents in each subgroup (individuals who had voluntarily withdrawn and individuals who had been terminated) held this view.[17] Even those who had mixed feelings often said that they had learned useful information while participating. The things that respondents liked about the program included the program's primary components: the FSS escrow account that allowed participants to save money, and the financial advice and support the program provided. Abby, who was terminated from the program, said:

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[16] Six terminated and five voluntary withdrawal participants had an overall positive experience of the program.

[17] Due to the small sample sizes, we generally do not report the exact percentages of each group that held a particular position or had a specific experience. This is to avoid implying a level of precision beyond what the analysis provides.

"…in my opinion, it was a great program. I really feel like it was a great program. I actually have the desire to go back and finish it…"

Alice, another participant terminated from the program, was interested in re-enrolling in the program. She saw the savings component of the program as a great opportunity: "*I think it was very beneficial…as far as the savings part.*" She particularly liked the fact that the FSS escrow savings account was separate from her regular savings and checking account and was not as easy to access, making it easier to let the balance grow instead of using it.

About one quarter of participants (n6) (all but one of whom were terminated) reported satisfaction with the financial knowledge that they learned in financial coaching, which they were often able to put to use immediately. Participants who had been terminated more frequently responded that the financial knowledge had been helpful. For example, Alice, terminated from the program, described her experience of working with her financial coach: "*She gave me access to how to do a lot of things financially that I was not aware of and started preparing [me] on home [buyer's] stuff. I even went to a home buyer's class because she suggested it.*"

Respondents mentioned a range of financial capability areas that they appreciated, including budgeting and spending tools and guidance, credit score management, and preparation for specific financial goals, such as home-buying. Sophie, another terminated participant, described her positive financial coaching experience, centered on budgeting resources she received from her coach to meet her program goals, "*For example, I used to buy food a lot outside, and she showed me how much money I could save. You just cook at home, not to buy food outside. And I used that. And I used to buy a lot of drinks outside, like cokes, juice and coffee, and she teach me how much I could save money, and it was everything by the pen and when I come back, I should show her how much I could save, and we could look it up together, and how much we could save that month and the next month for me to make my goals.*" Similarly, Megan, who had mixed feelings about the FSS program and had voluntarily withdrawn, was particularly pleased to have learned about her credit score and how to manage it. Speaking of the financial coaching, she said: "*It did help . . . teach me about my credit score, how to go about obtaining it. And it would give me my credit report, I think every six months or something like that. When I went to meet her [the financial coach], she would have my credit score to see what we needed to work on. So that part of it was awesome. I did like that part of it.*"

A few participants focused on the shared experience of learning financial skills together with other families. Elsie talked about the value of learning financial management skills together with peers. "*It was really nice to see other families and other people. Some were looking to save money for college for themselves now that their kids were older, some were looking to buy houses, so it was nice to hear their stories and learn to protect me, and just meet other women who were in the same boat as you.*" She went on to share how the program also helped her connect to resources that she didn't know were available. "*Because you don't really know what's out there. I didn't know certain things were out there, that there's different monies that could help people with low income or moderate income get places. I didn't know any of those things."*

A quarter of respondents wanted to re-enroll

Of those respondents who spoke positively about the program, about half (5) said they would be interested in re-enrolling in the FSS program, while the other half (6) said they would be interested in re-enrolling either if there were some modifications to improve the program or remove barriers—such as allowing for temporary suspension of the program—or if they found themselves in a more stable situation and more able to return to work. Four of the respondents who said they would only be interested in re-enrolling if something changed in the program or their own lives had been terminated, while two had voluntarily withdrawn.

For example, Elsie had voluntarily left the program after accumulating escrow savings, when life events had made it difficult for her to continue working, and thereby remain eligible for graduation. She said she would like to re-enroll in FSS but was worried that another life event would once again keep her from graduating and she would lose accumulated escrow. She recommended that the program make exceptions for participants who go through difficult life events during program participation: "*Yeah, so what happens if I have to stop working again? If my son's or daughter's disability, they need more services, or they need shorter days, or things like that, or IEP stuff [a special education plan] happens and I'm back and forth in schools, then I'm going to have to stop working again, and then what happens? I worked so hard to get that money there and then it disappears again.*" Elise continued: "*But if I knew I would go back to work and there wouldn't be an issue in my own life with my kids, I definitely would join back. But because I don't know where my life will be, I wouldn't join back.*" Several other participants had similar concerns about possible future life events preventing them from completing the program (and losing any accumulated escrow savings).

Other participants reported they would enroll again if there were other modifications to the program, including a higher touch for participants with fragile financial situations. Erin, who also voluntarily withdrew, noted that she would re-enroll if the program had, "*…better communication or maybe instead of meeting once every three months, like once a month until situations stabilize.*"

Challenges with financial coaches or coaching

Although two thirds of respondents (14) described positive experiences with the financial coaching component of the program, the vast majority (18)[18] also recounted some challenges in working with financial coaches.[19] These challenges were primarily related to communication and continuity. They ranged from frustrations about coaching staff turnover, to miscommunications or misunderstandings about program requirements and dissatisfaction with coaches' frequency of contact and follow-up.

Insufficient or infrequent communication. Just under one quarter of respondents (all but one of whom had been terminated) described insufficient communications with financial coaches or communication that they felt was too infrequent. Clarissa, who was terminated from the program, said that her coach was not very communicative while she was in the program, which left her feeling disconnected and unsure about program rules. She said that, "*they never really stayed quite in touch with me about anything. It's just maybe five years out they said, 'Oh we're going to exit you from the program because you never found any work.' That was it.*"

Coach turnover. Another frustration that respondents expressed was about the turnover of Compass's financial coaches. As noted above, review of Compass administrative data suggests that coach turnover is only slightly more frequent for early exiters than for those who successfully graduated.[20] Some early exiters who participated in interviews described coach turnover as a stressor that led to or contributed to their exits from the program. Five respondents (all but one of whom had been terminated) described challenges of having multiple coaches – in particular, the challenge of transitioning from one to another and how that affected their relationship with the coach and overall program. For example, Kelsey had a great experience with her first coach who she described as caring and insightful. She was then transitioned to another coach multiple times. She said that the original coach *"had some insight, and then after that it just felt like nobody really cared. They weren't interested…. They were just picking up somebody else's work."* The changeover from one coach to another left her feeling disoriented and

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[18] Participants who had challenges with financial coaches were evenly split between those who were terminated and those who voluntarily withdrew.

[19] Some participants who had multiple coaches over time reported having a good relationship with one coach, and then a more challenging relationship with one or more other coaches.

[20] In a separate qualitative analysis of Compass FSS graduate experiences, Abt found that some FSS graduates are also frustrated by coach turnover, even though they persisted in the program and met the requirements to graduate.

disconnected: "*I had like three, I think. Three or four. That's when it got wonky because the one I was with I didn't ever know that we were going to be switching out. … Then it just kept getting to be somebody else, then it was somebody else. And then I think that also made me not interested.*" These transitions also led to miscommunication and inconsistent information: "*After a while it started becoming kind of awkward because it was like I was getting different information each time I went to a different person,"* Although this wasn't her main reason for exiting the program, this experience negatively affected her engagement in the program.

Similarly, Melanie described how the financial coaching changed when she transitioned from one coach to another. While overall, she found the coaching component to be useful, the transition between multiple coaches was confusing and awkward, affecting the relationship with her coaches and leading to mixed messages about the financial capability work itself: "*Well, the last coach, it was just like they had different strategies. It was not one way that they had of doing things. Each coach did things a different way…. Sometimes they would pull my credit report and then the way they had me set up my budget, one didn't care, one cared too much, and one didn't care enough.*" Despite these challenges, Melanie still wanted to re-enroll in the program. Sophie, likewise, explained that turnover in coaches posed a challenge to continuity that she found frustrating: *"it's hard because you have to start over and explain everything again.*"

These two examples illustrate that participants experience coach turnover as challenging because a new relationship required emotional investment of time to get a coach up to speed with their life and situation, and participants struggled to create a connection with the new coach.

Emotional discomfort and disconnect with coaches. The emotional relationship with a coach emerged as an important element in why some respondents disconnected from the FSS program (n=5). As detailed above in the turnover of financial coaches, some participants were frustrated at having to rebuild the connection with a coach multiple times. Other participants reported feeling uncomfortable in both the financial coaching relationship and more broadly—either because of how they interpreted the coaches' actions or role, or because of their own negative feelings and mental health. Some respondents felt depressed or ashamed by the state of their finances or other life circumstances, and/or were uncomfortable sharing different sensitive information such as about a mental health disorder, sensitive financial information, or domestic violence situation they were facing. A few participants felt belittled by the coaches or as if the coaches were condescending. The discomfort led some respondents to disengage from the program or hold back information that would have been helpful to the financial coach to tailor their approach. In some cases, participants stopped attending financial coaching sessions altogether.

Serena found it challenging to have to make decisions and faced challenges with mental health. She also did not feel comfortable sharing her mental health challenges with her financial coach, information that might have allowed the coach to tailor their approach with Serena. Instead, she wanted someone to tell her what to do. Because this was not consistent with the coaching model, and the coach was not aware of her underlying needs, she disengaged from financial coaching, exiting the FSS program. Later, she found a bankruptcy lawyer who told her how to approach her financial problem prescriptively and step-by-step. In reflecting on what she needed, she said: "*I guess with Compass, they wanted you to make so many decisions that I was just like, I felt like I couldn't, I didn't know how to make the decisions. With a lawyer, all I had to do was supply the paper, the letters and everything and that was it. So yeah, I guess it was simpler.*"

Another respondent said she struggled with domestic violence, which, compounded by health problems, meant she was unable to work. She eventually shared information with her coach later in the program, after being absent for some months, but felt worried that information she shared would end up getting back to her abuser. While her challenging life circumstances at that time may be the primary reason why she left the program, feeling as if she could not confide in her coach may have made it more difficult to remain in engaged in the coaching.

Some respondents felt that there was an uncomfortable power dynamic between coaches and participants, which may not have come from coaches' behavior, but from the situation itself. Elizabeth struggled to find the words to describe how she felt when she visited Compass' offices: "*In the beginning I think it was a positive relationship [with the coach], but then when you're in a situation like this, specifically housing. And you're trying to benefit, you can't help but to sometimes feel a little bit belittled or viewed in a lower standpoint, when you got to go see these people, and… South Station, in a nice office and stuff like that.*" She seems to have felt intimidated or otherwise uncomfortable. While this may not have been caused by something the coach did or said, it appears to have been a barrier for her and for some of the other respondents.

Some respondents felt misunderstood or underestimated. One respondent described feeling condescended to when she wanted to get an interim withdrawal to help buy a car. "*It's a difficult transition for those who are a little bit more self-sufficient because it takes a while for them [the FSS program staff] to realize that. Like I got a new one [coach], and when I got sick I needed to get the money for the car, but in order for me to get the money for the car I needed to speak to this guy [Compass employee] about cars, and basically the guy …was trying to tell me what I needed to do and I'm like, 'Dude I'm not buying that car. I'm very much aware what I need and what I'm going to get and I'll be okay. […] I've been buying cars since I was 16.' So that was a little frustrating."* Some felt that coaches' questions or approaches were condescending. Another respondent, who was self-employed, said that her coaches did not understood her work situation. "*I had two people who were in their early twenties and they really didn't get it how I work.*"

Concern about privacy of financial information

Some respondents also felt the information they were being asked to share with coaches was too personal or otherwise invasive of their privacy. Kevin, who spoke English as a second language, described his discomfort with the level of information he was required to share: "*What kind of job we do, does your wife is working, how much she make, how much you're saving. That kind of question. But after a certain time, it gets very, very detailed about my engagements, even sometimes how much I spent for my eating or my food, my drink or my clothes. I don't know. …All they need is my income, my expense, the acceptable questions. But more than that may be uncomfortable to answer*." He also noted that he was surprised by the types of questions he was asked. Similarly, Kristy described questions coaches asking detailed questions about her income and spending with which she was uncomfortable: "*Where do you get the money? Where do you get that, where do you get this?"* She said she felt that coaches were telling her she was "living over [her] income" and, at the same time, the coaches "*eat outside, they drink coffee outside, they have life, they go and party or something*," while she was being told to cut back on or eliminate all of these things.

As noted in several places above, a number of the respondents (5) said they were uncomfortable talking about their budgets with their financial coaches. For some, this discomfort was with discussing financial matters with their coach in particular, but other respondents were paralyzed more generally by the budgeting activities. For example, Gilberta stopped attending meetings because she felt depressed every time she did her budget with her coach. *"…I was in a lot of debt. It was kind of depressing to do the budget*."

Misunderstanding of program rules and features may have impacted participation and increased frustration

Confusion about and misunderstanding of program rules and features was a common theme across all early exiter interviews.[21] These misinterpretations may result from a variety of factors. Other key contributors likely included the complexity of the program itself and stressful life experiences that consume many participants' attention. The FSS program has multiple components and an escrow savings

[21] Seven terminated study respondents reported confusion about the program vis a vis nine voluntary withdrawal respondents.

formula that many find complicated and difficult to explain. In addition, respondents universally contended with poverty and other stressful experiences on a regular basis, and some experienced stressful or disruptive life events while in the FSS program.

Respondents generally understood that they accrued savings in the escrow account, but generally did not understand program mechanisms and rules such as how much rent would be set aside into their escrow savings and how this related to increases in earnings, or how employment status affected program status and their ability to graduate and access the savings. For example, Abby did not understand that escrow accumulates when (and only when) the participant reports an increase in earnings at a recertification. Kelsey enrolled in the program thinking that it was a program focused on homeownership. As she gained understanding of the program focus over time, it became clear to her that it was more focused on credit. She thought the escrow would not be available for her to spend as she wished when she graduated—only for what the program decided. At this point she disengaged from the program. Ahmed did not realize that the program included a savings component, and he disengaged from the program because of what he perceived as intrusive budgeting. It is unclear whether knowledge of the escrow account would have incentivized him to tolerate the budgeting and financial coaching component of the program.

Several respondents became more clearly aware of these rules during the course of their participation in the program as life-events took their attention or made it difficult for them to work. While these clarifications did not necessarily result in participants withdrawing from the program, they resulted in significant frustrations. Elsie had been working for over ten years as a teacher when she joined the program. She found out that she was pregnant and after the baby's birth, missed many appointments due to the challenges of raising her child with special needs. She did not realize that she needed to be working and to attend coaching sessions to graduate until it was too late. She was frustrated not to have been able to keep the escrow that she had accumulated while she was working.

Six respondents believed that participating in the FSS program or completing it would result in losing access to a Section 8 voucher or other public assistance programs.

***Fear of Losing Section 8 voucher**:* One participant was worried about losing her Section 8 voucher. Elizabeth who voluntarily withdrew from the program, reported she was confused about how the program worked. First, she misunderstood the consequences or risks of joining the program, believing that enrolling in or completing the FSS program would result in losing her Section 8 subsidy: "*And there was a time when the rent it actually did get higher, but they also told you that within five years, that it's an obligation of the program, that you were to lose your Section 8. And that you have to get off of it and go about your business*" She continued, "*You just can't get out, and even with this program, to give up a Section 8 that you've been waiting for 13 years for, when you get all these children. When you look at the pros and the cons, it's just not worth it.*"

***Fear of Losing SSDI**:* Six participants worried about losing access SSDI as a result of being in the FSS program. For example, Molly ended up leaving the program because she did not believe she could save more than $2,000 without losing access to her SSDI benefits. "*Well, when you're on disability, you can't have no more than $2,000. So I don't know if the housing takes it, but I know social security takes it.*" Other participants felt limited in their capacity to work as a result of SSDI program requirements.

While FSS participation explicitly does not affect voucher status, and participants can retain their vouchers even if their earnings increase, the same may not be precisely true for other benefits. While FSS participation would not affect eligibility for any public benefits, increasing earnings and assets may affect eligibility for other benefits. Participants' lack of clarity on how FSS participation, increasing earnings, and gaining savings assets through the escrow account on graduation relate to other common public benefits program rules made some participants anxious.

Some participants reported a lack of formal notification of program termination or being surprised by a

notification of termination

Respondents reported mixed experiences with the exit process from the program. The majority of respondents reported their exit process to be relatively informal. Some communicated with their coaches about their intentions to leave the program, while others simply stopped engaging or responding. Most did not remember receiving a letter or formal exit notice. For example, Abby reported that, in the midst of a divorce and housing issues, she stopped communicating with the program. She simply never followed up with her coach, and said she never officially received an exit notification from the program. (It is unclear from the interview whether her coach attempted to contact her, and, if so, what modes the coach used.)

Others (4) received an unexpected letter of termination, which left them either feeling betrayed or confused. For example, Melanie exited the FSS program twice, and says her termination after the second time she had enrolled in the program came as a surprise.[22] She had accrued escrow, which was then forfeited, and had not realized that she was about to be terminated and lose her accumulated escrow. It made her feel that she had "wasted" her time participating, and she said both this loss of the escrow and what she saw as a termination without warning made her feel "betrayed."[23]

Many terminated participants were disappointed

Most respondents who had been terminated from the program were disappointed, as they often felt they had invested significant time in the program and had accumulated significant savings in their escrow accounts. For example, Elsie had wanted to stay in the program, but struggled to stay employed after she had her second baby, who was later diagnosed with autism. Elsie felt frustrated and disappointed when she was ultimately terminated from the program. When we asked if she had appealed the termination she said: "*I was just too busy with everything going on. It wasn't worth it.*" At the time of the interview, she was considering a return to work, but did not think it would be worth investing time to re-enroll in the program. Part of her frustration stemmed from losing the accumulated escrow savings when she was terminated from the program: *"Part of me felt like I should have got that money back because I worked for that money. That was my money. So part of me felt I should have got the check... I had finished the year of program, I made sure I went to all those classes, I graduated from those classes, so I felt like that money should have been my money*"

She felt particularly upset when she saw her peers graduating with their escrow. "*Because I know people who did it for five years, and I actually saw her [one of the peers] the other day. We didn't do the same class, but she did a class after me or before me and she got a ten thousand dollar check. I'm like, "Well, I did it for two and a half years," I'm saying in my head, "so I should have got something." "*

Early Exiter Recommendations for Program Improvements

Based on the challenges that they faced in the program, participants offered several suggestions for program changes that may help participants like them to persist in the FSS program. These included increasing and clarifying messaging around program requirements, providing options to suspend rather than end participation in the program, creating some form of acknowledgement of participation without graduation, scheduling more frequent check-ins with coaches, providing more emotional and employment support, and adding an emergency savings account component to the program.

This section explores early exiters' concerns and recommendations for how they believe the FSS program could be improved to help participants remain in the program and successfully graduate. Note that respondents' recommendations are based on their experiences at the time of program participation and

[22] Two of the interviews conducted for this study were with participants who had exited the program and re-enrolled. Both rejoined the program and graduated.

[23] The FSS program as a whole does not have a mechanism for participants to recover lost escrow if they exit the program without graduating and subsequently re-enter the program.

exit and their memories from this time (study participant exit dates ranged from 2014 to 2019). In some cases, participants have recommended policies or practices that Compass has since adopted, or which were already in place at the time, but apparently did not make an impression for one reason or another.

Improve clarity, frequency, and mode of communication about program rules and participant status in the FSS program

Respondents who exited the FSS program without graduating generally did not seem to understand program details or requirements well. It is unclear whether their confusion is due to the clarity, format, timing, frequency, or context of the information they received from the FSS program. Regardless of cause, respondent misunderstandings and confusion seem to be playing a substantial role in early program exits. Key messages that the interviews suggest a need for greater clarity include:

1. Participants will not lose their housing assistance as a result of participating in or graduating from FSS.
2. Their rent will be determined exactly the same way if they are in FSS or not in FSS.
3. Since the rent is calculated in the same way, they do not have to pay for the escrowed savings through any additional charges.
4. Graduation requirements include employment and completing all ITSP goals.
5. In order to stay in the program (and have the chance of graduating and receiving escrow), participants must attend coaching appointments.
6. Participants will only receive their escrow savings if they complete the program and graduate; if they can't meet program requirements or exit the program by choice, they will forfeit any accumulated escrow.

Given that some respondents reported being surprised by termination letters, (additional) written reminders and warnings if a participant is at risk of termination could potentially decrease terminations and increase trust. One participant suggested explicitly that one year before graduation, participants be reminded that they need to find employment before they are able to graduate, and that if they do not graduate they will not have access to the funds they have accumulated in the escrow account. Ongoing assessment and reassessment of participant understanding of program requirements may be helpful, since participants may face stressful life experiences or a change in life circumstances, which could impact eligibility for the program or impact participant engagement in the program.

Respondents also expressed concern about how participation in the Compass FSS program, increases in employment, and accruing and receiving their escrow savings would affect their other non-housing benefits. One respondent reported leaving the program, at least in part, because of concerns about how participation and graduating would affect her disability benefits, suggested that financial coaches (or a separate case manager) discuss with participants how the escrow account and increased employment affect other income and expenses, including taxes and SSI, and SSDI eligibility. She said it "*would have helped with some understanding about what people would go through with taxes because okay it's a savings account, but there's going to be some point in which there was never any understanding about what the feds were going to do to people*." She expressed concern that other government departments and programs would not respect the FSS program and would take unexpected taxes or refuse benefits even if they weren't supposed to. "*I think I wasn't the only one who was anxious about that particular problem and it's real*." She recommended that a case manager with a strong social work background and experience working with individuals and families receiving SSI or SSDI take on this role.

Allow participants to temporarily suspend participation when experiencing a large life disruption

Several participants experienced disruptive life events that made it difficult for them to work or to participate in coaching during substantial but finite periods of time. Participants recommended program staff accommodate individual's experiences during the program and give exceptions to those who had a fair case for not meeting program requirements. For example, Alexis had a life disruption and needed to relocate because of domestic violence. She would have preferred to temporarily suspend or pause program enrollment while dealing with this specific but protracted disruption and then resume the program. Compass might consider creating a "program pause" for a specific set of program-impacting life events, particularly events which impact a participant's capacity to work during the short or medium-term. To ensure that the pause does not extend for an inappropriate length, Compass could establish a limit to the pause (for example, no longer than two years.)

Provide participants with alternative rewards

Respondents also articulated that when a life event prevents someone from being able to work at the end of the program, even if they are unable to graduate, there should still be acknowledgement or reward. For example, if a participant has completed all financial coaching sessions but is unable to meet the work requirement, they could receive a certificate or access to part or all of the escrow. The research team acknowledges that this recommendation of distributing part or all of the accumulated escrow to non-graduates may not be allowable under current HUD program rules for FSS.

Enhance financial coaching

Respondents recommended ways to improving the financial coaching component of the program. One suggestion was to increase the frequency of participant check-ins or one-on-one meetings. While some respondents found attending their financial coaching meetings to be arduous, several said they would have been better able to participate through a higher-touch approach. Some respondents did not feel that their coaches were responsive or that they were in touch frequently enough. A few described the sense that coaches were hardly in contact at all. One respondent suggested biweekly visits or check-ins with the financial coach to keep on track.

A couple of other respondents suggested changing the coaching meetings to group gatherings instead. One noted: "*it felt awkward too because it was just a one on one. I felt like it should've been with the group continuously. It should have stayed as a group. You know what I mean? So people could just feed off of each other.*"

While participants did not make specific recommendations for training or feedback, some participants reported having difficulty engaging with coaches or establishing trust. (The research team notes that one option, which Compass has already incorporated into their program, is a mechanism for participants to provide confidential feedback to Compass administrative staff to ensure that participants' needs are being met by the coach that they are working with. It may also be beneficial to provide coaches with additional training on assessing client discomfort and addressing it openly to build trust. Given the large number of respondents that reported discomfort with coach transitions, Compass may wish to consider additional steps to facilitate transitions from one coach to another.)

Provide increased support for emotional challenges and employment

Participants also recommended adding a more comprehensive range of services to support individuals' life experiences and life-altering events. About half of the participants said they wanted more support throughout program participation. For example, Alice said, "*It would be really nice if they put a case manager on and not just a financial coach, but have a case manager on hand for those other things [physical or mental health] we talked about, because it's family. So that would be beneficial across the board in order to stabilize the head of the household to do what they need to do.*" More specifically, participants suggested including a one-on-one case manager (someone who is separate from the financial coach) who not only focuses on assisting with their finances but also supports them emotionally as well as with employment, education, and other services tailored to their life contexts during program enrollment. (The research team notes that, while participants generally spoke of these diverse services as a bundle, it may be possible or advisable to find ways to provide emotional support and employment support through separate enhancements to the financial coaching that Compass already provides.)

Add an emergency savings account component to the program

A few respondents suggested the program include the option to open an emergency savings account apart from the escrow, which participants could contribute to and which participants who do not end up graduating from the program could keep.[24]

References

Dastrup, S., Freiman, L., Lubell, J., Villarreal, M., and Weiss, D. (2017). Interim Cost-Benefit Analysis of the Compass Family Self-Sufficiency (FSS) Program. Bethesda, MD: Abt Associates. https://www.abtassociates.com/sites/default/files/2018-08/CompassFSS_Cost-BenefitAnalysis_Abt_12-2017_Rev.pdf

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[24] This recommendation echoes a finding from interviews and focus groups with participants in the Cambridge Housing Authority "Rent-to-Save" opt-out FSS demonstration program. Some of those respondents explicitly requested that the program encourage and facilitate participants in setting up savings to which they could directly contribute as an addition to escrow they had earned.