

Guaranteed Income: San Francisco Human Services Agency's Support for Former System-Involved Youth

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EXECUTIVE SUMMARY

In 2022, San Francisco County began a formal Guaranteed Income (GI) program for youth who have aged out of the Child Welfare and Juvenile Justice Systems. By means of an awarded grant through the California Department of Social Services (CDSS), the San Francisco Human Services Agency has embarked on a pilot to ensure a guaranteed income of \$1,200 per month for 150 youth with former system involvement. While the actual income will be dispersed over a period of 18 months, this pilot will yield valuable data as to whether and how this may set youth on the path toward self-sufficiency.

This endeavor and others like it will garner innumerable insights into the relationship between poverty and system involvement. There is much to be learned from this pilot program that will study both the short-term and five year longitudinal effects to determine if alleviating financial stressors will significantly impact the trajectory of their futures. This study will analyze lessons learned from this pilot and propose a similar program in Santa Clara County.

Introduction and Background: Why this population?

Youth who are system-involved and unable to achieve permanency by either reunifying with their parents/guardians, being adopted, or establishing stability by becoming the subject of a guardianship, are an incredibly vulnerable population. Per the 2014 Cal YOUTH¹ study, this population fares poorly compared to their same-age peers in terms of educational experiences, employment history, physical and mental health, and risky behaviors. Some of these youth suffer from multiple challenges to a successful transition to adulthood and they felt least prepared in areas focused on basic survival such as housing, employment, and financial literacy, and reported receiving the least help in those areas. It is clear that our “system” does not do well in raising youth and supporting readiness for adulthood when compared with their non-system-involved peers.

In the past, these youth just “aged out” of the system, leaving many with little to no support when they turned 18. Many of these youth experienced immediate homelessness or worse. The dilemma of this transitional age is that they are legally “adults” but are likely not ready for all the responsibilities of independent adulthood.

The recognition of this problem led to legislation to support youth who “age out” by offering them supportive services to enhance their transition to adulthood. With the passage of AB12² in 2010, when these youth turn 18, they have the option to

¹ The University of Chicago. (2021). *The California Youth Transitions to Adulthood Study (CalYOUTH)*. Chapin Hall. <https://www.chapinhall.org/research/cal youth/>

² California Fostering Connections to Success Act, AB 12. (2010). <https://www.courts.ca.gov/7988.htm>

voluntarily remain in the “system” in extended foster care as Non-Minor Dependents (NMD). Youth can opt to remain in the extended foster care system until they are 21. Those who elect to become NMDs continue to receive financial support and case management services to support them into adulthood, and in return, they must meet certain criteria. The NMD program has several requirements for financial disbursements, most notably either school or work commitments as well as periodic case planning to move recipients further along the road to independence.

Despite this additional support, it has become evident that gaps still remain and many of these youth may need even more. Some youth still encounter many challenges to success even with participation in the NMD program. If youth do not comply with the rules and requirements, they will be removed from the NMD program, leaving them again with very grim outlooks of a future for which they may not be prepared.

What to do about this problem?

Guaranteed Income programs seek to support specific populations with “no strings attached” financial support on a time-limited basis. The core values of GI are rooted in social justice and recognize the participant’s choice and voice, trusting that they know what they need. The theory behind this support is that alleviation or reduction of financial stressors, even for a limited time, will give the recipient the ability to breathe and to use that time to constructively work on themselves and/or increase their ability to gain self-sufficiency and economic stability. It is also believed that this will reduce the risk of future “system” involvement. Poverty has shown to not only be a predictor of involvement in the criminal justice system,

it is also often an outcome.³ Poverty has a statistically significant correlation with child neglect⁴. GI treats recipients with dignity by allowing them to determine how they will use support to best meet their individual needs.

San Francisco Human Services Agency (SFHSA), as well as six other entities in California, applied for and received a grant to pilot a Guaranteed Income program to provide financial support for those who have “aged out” of foster care. The aim of San Francisco’s GI program is to provide 150 youth with \$1200/month for 18 months. The 150 participants are a mix of those who have taken part in an NMD program and those who have not. These youth are also provided with access to optional supportive services such as financial planning/support and literacy to support their independence and transition.

Lessons Learned from SFHSA

SFHSA began actively disbursing GI payments in November 2023. Despite its recent launch, there are lessons to be learned. There were challenges with enrollment. It was more difficult than anticipated to enroll the number of youth needed to implement the program. This is a population that struggles with housing stability, so it required more effort to locate and connect with youth than anticipated,

despite having relatively recent contact data for the youth.

The application process was complex and took more support than planned to complete the enrollment process. The multi-section application could have been streamlined and simplified so that the applicants could more easily complete it without requiring multiple sources of information. Many youth believed they had completed the application but actually missed entire sections. Without support in the application process, many youth may have believed that they had successfully enrolled in this program, but did not. The allotted 1.75 FTEs may not have been enough as it was a heavy lift to enroll the 150 youth.

Limitations of the grant

The grant has provided technical assistance in the establishment of this program, however, that comes with certain regulations/rules. It included a data tracking platform that was incompatible with local data collection methods, resulting in participants who had multiple data tracking requirements to complete. The grant also may limit the flexibility to change the program if there is a portion that needs improvement.

Proposed improvements: More support in the enrollment phase.

- Provide in-person or video streaming assistance to complete the application. This young population may not be as savvy in completely filling out the form and may need in-person, real-time assistance to walk through the entirety. Perhaps the application should be completed at the partner agency, in SFHSA’s case at First Place for Youth (FPFY), so that the applicant can become familiar with the location and

³ Rekker, R., Pardini, D., Keijsers, L., Branje, S., Loeber, R., & Meeus, W. (2015). Moving In and Out of Poverty: The Within-Individual Association Between Socioeconomic Status and Juvenile Delinquency. *PLoS One*, 10(11). <https://doi.org/10.1371/journal.pone.0136461>

⁴ Raissian, K. M., & Bullinger, L. R. (2017). Money Matters: Does the Minimum Wage Affect Child Maltreatment Rates? *Children and Youth Services Review*, 72, 60–70. <https://doi.org/10.1016/j.childyouth.2016.09.033>

resources available to them while in the program.

- Update the questions to the comprehension level of the youth and eliminate jargon or concepts that service providers may understand, but that recipients do not. For example, many applicants who “aged out” from San Francisco did not fully understand that they originated from San Francisco’s jurisdiction due to being placed outside of its city/county.
- Build in incentives for those youth who take part in financial counseling. Fewer than 25% of the youth have taken advantage of financial counseling. The use of incentives still honors the “no strings attached” motto of GI and encourages the use of this supportive service.
- Make the data tracking less cumbersome for participants. Data should be shared and/or collected by one method.

Recommendations

- Create a similar GI program in SCC targeting families who are receiving child welfare services and have their children in their care.

It is this writer’s belief that families in the reunification process could significantly benefit from this time-limited, no-strings-attached financial support and that it will increase the likelihood of successful reunification while reducing re-entry and combating disproportionality.

Resources: What is needed to launch a program like this in Santa Clara County?

Population served

It is crucial to research which population may benefit from this type of support. For SFHSA, the chosen population was those who “aged out” of foster care. In SCC, despite many concerted efforts, there remains a significant problem of overrepresentation and disproportionality for families of color in the child welfare system. The graphs in the Appendix show the overrepresentation of families of color involved in the Child Welfare System in SCC as well as the ethnic breakdown of families living in poverty.

Planning

It is important to find the roadmap and adjust to the needs of your community. There have been many GI pilots for different populations all over the US and many in California. SFHSA was provided guidance for this type of endeavor by a grant from CDSS and was able to launch in a relatively short period of time. They chose to provide the highest level of economic support to their recipients due to the high cost of living and housing in San Francisco. Other counties, such as San Joaquin and Los Angeles, have successfully completed similar programs for economically disadvantaged populations with different levels of support and length of the program.

Overhead

One of the advantages of programs like these is the fairly low number of staff needed to run them. Due to the program’s “no strings attached” motto, there are very low administrative costs. To serve these 150 youth, SFHSA dedicated 1.75 FTEs. Additionally, contracted stakeholders such as First Place for Youth (FPFY), which

provides financial counseling and literacy programs, have dedicated slightly more than 3 FTEs to this program. This means that the vast majority of financial support for this program goes directly to the recipients and only a small percentage goes to overhead and administrative costs. The dollars dedicated to overhead and/or administrative costs for Santa Clara County would be similar. Since the program would be aimed at families who are currently system-involved, there should not be any difficulty in locating them. These families already are participating in some form of case plan services and the GI would be an addition to services they already receive.

Infrastructure

SFHSA's structure as a superagency encompassing the City/County's Social Service department provides the knowledge, experience, and operational ability to support the distribution of monthly financial support. Additionally, SFHSA's expertise in eligibility was necessary in order to provide this financial support without negatively affecting this population's existing qualification for Medi-Cal, CalFresh, CalWORKS, utility discounts, transportation discount programs, childcare subsidies, housing subsidies, and other safety net programs. This expertise supported SFHSA in obtaining waivers for the above-named programs, however, there was some difficulty with waivers for SSI. Thus, SFHSA supported recipients with financial counseling to help decide if GI was right for them.

Santa Clara County Social Services Agency, which is similarly structured, can also use its experience with serving impoverished populations and providing financial disbursements and supportive services to also serve this population. To ensure that there are no unintended consequences, those

who receive SSI may not be good candidates for GI.

Participant Voice

In the creation of a program grounded in social justice, it is imperative to listen to participants about what they believe is most beneficial to them. SFHSA built in several opportunities for participants to provide feedback and listened to their specific needs during the planning of the disbursements. In SCC, this can be built in by both surveying the population to be served and also including participants on an advisory board for the planning and implementation of the program.

Data Tracking

Gathering data for a pilot is one of the most important parts of any new initiative. In SFHSA's pilot, data tracking is being performed by both CDSS and SFHSA. Aid Kit, the CDSS data tracking platform for this grant, is being utilized by all grantees to ensure data points are consistent throughout the project. For Santa Clara County, the proposed population is current clients, and their contact information/addresses are in the Child Welfare System/Case Management System (CWS/CMS). This system will also be used to track if there are subsequent referrals and re-entries into the child welfare system, which are the least desired outcomes. It is also in alignment with SCC's current System Improvement Plan (SIP).

Stakeholders

SFHSA relied on existing partners and relationships with stakeholder agencies such as First Place for Youth and Bay Area Legal Aid for optional support throughout the pilot project. Similarly, Santa Clara County could use existing parent mentors, cultural brokers, linkages employment counselors or even the family's assigned social workers to

support enrollment and navigation of any additional and optional supports for a similar pilot program. Additional community stakeholders' support may also be garnered by creating an advisory board for interested parties/agencies.

Funding

While the majority of SFHSA's GI pilot program has been funded by a grant, there were additional dollars raised to support this program from the City/County and private donations. Other similar programs used COVID recovery funds and additional dollars from public and private sources. However, for programs such as these to be sustainable, there needs to be a continuous source of funding. Unfortunately, grants and COVID Recovery funds are time-limited and the ability to utilize County General funds may shift dramatically depending on whether there is a surplus or deficit.

If these types of programs are shown to be successful, the existing funding sources will need to be sustainable. A possible funding source could be FFPSA (Family First Prevention and Safety Act) which, in California, could fund programs such as these until 2028, at which time they could move to federal sources if they gain the status of being evidence-based. However, it seems that dollars from several sources (federal, local, philanthropic) will likely be the way to ensure the longevity of these programs.

Conclusion and Considerations

Guaranteed Income Programs are a promising way of supporting disenfranchised populations with dignity. The time-limited extra income provided allows participants a chance to "breathe," move towards self-sufficiency, and increase family connections. Low overhead costs and the use of existing infrastructure to

disburse funds make these programs ideal to administer. Results of GI projects with low-income adults/families in several cities and counties nationwide have yielded preliminary positive results. While GI is not being touted as a panacea for all that ails society, there have been benefits on multiple fronts. For example, Stockton California's SEED⁵ program for low-income families has allowed recipients time to seek more gainful employment, feel less anxiety and depression, and feel less body pain associated with poor emotional health. Los Angeles' pilot, named "Breathe"⁶ also yielded similar results with participants reporting more time to spend with their family and children, strengthening their family bond and relationships.

These benefits are exactly what is needed for struggling families in the child welfare system. Poverty and its accompanying stressors are highly correlated with neglect and child welfare system involvement. Currently, we have a known population of child welfare-involved families who could greatly benefit from this type of time-limited support. If Santa Clara SSA were to use GI to provide support to families who were reunifying with their children, it would allow time for the family to reestablish relationships without the burden of financial instability while also combating overrepresentation and disproportionality.

⁵ Bendix, A. (2021, March 3). *A California city gave some residents \$500 per month. after a year, the group wound up with more full-time jobs and less depression.* Business Insider. <https://www.businessinsider.com/stockton-basic-income-experiment-success-employment-wellbeing-2021-3>

⁶ Reyes-Velarde, A. (2024, January 30). *They're getting \$1,000 a month for 3 years. How guaranteed income is changing lives in L.A. County.* CalMatters. <https://calmatters.org/california-divide/2024/01/guaranteed-income-program/>

Appendix

Table 1: Santa Clara County: Child Welfare Disparity Indices by Ethnicity, 2023

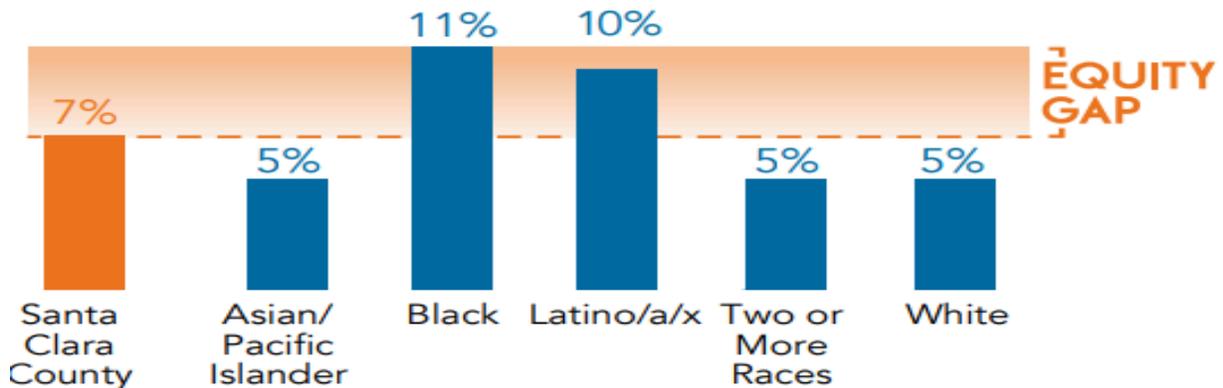
Ethnicity	Compared with Black	Compared with White	Compared with Latino	Compared with Asian	Compared with Native American
Black	1.00	7.84	2.53	40.54	2.27
White	0.13	1.00	0.32	5.17	0.29
Latino	0.40	3.10	1.00	16.05	0.90
Asian/P.I.	0.02	0.19	0.06	1.00	0.06
Native American	0.44	3.45	1.11	17.83	1.00

Source: California Child Welfare Indicators Project (CCWIP), University of California, Berkeley. California Department of Social Services, Research and Data 2023 Disparity Indices by Ethnicity, Selected Subset: Type of Analysis: Entries, Santa Clara.

Figure 1

Percentage of Children Living in Poverty (2022)

(Below Federal Poverty Level of \$31,200 for a family of four)



Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates; Data.census.gov.