

**TOPIC: Impact for WorkFirst Participants of Reaching the ‘Tipping Point’**

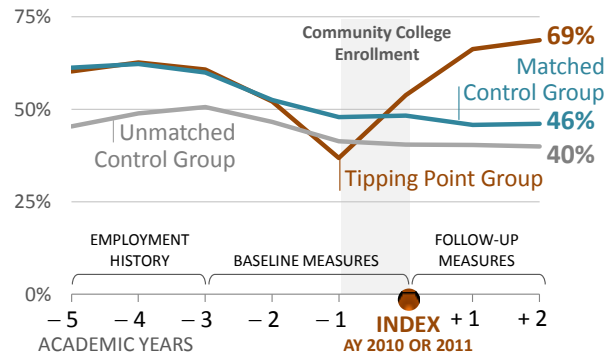
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**DATE** 3/3/2015

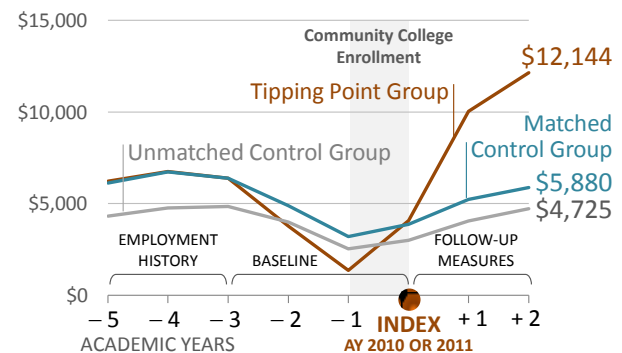
**SUMMARY.** This document summarizes an analysis of the impact of reaching the ‘Tipping Point’—one year of college level credit plus a certificate or credential—on self-sufficiency outcomes among WorkFirst clients. WorkFirst parents were included in the analysis if they were on TANF for at least one month in Academic Year (AY) 2010 or 2011 and in the prior year. Outcomes were observed for those who achieved the Tipping Point in the community college system relative to a matched comparison group who had never engaged in the state’s community college system (see Table 2 for key baseline measures). We note that clients engage in different WorkFirst activities based on their individual needs, skills and circumstances, not all of which can be controlled for using the available administrative data. A degree of selection bias still may be present after matching on observable baseline characteristics, and the true impact of achieving the Tipping Point may be somewhat less than estimated here.

**KEY FINDINGS.** Compared to their statistically matched peers and controlling for prior employment history, in the second year follow-up, WorkFirst parents who reached the Tipping Point: 1) were more likely to be employed (69 percent compared to 46 percent), 2) had annual earnings that were, on average, \$6,265 higher, and 3) spent, on average, 0.28 fewer months on TANF. All three of these findings were statistically significant.

**EMPLOYMENT RATE**



**AVERAGE ANNUAL EARNINGS (includes \$0 earnings)**



NOTE: The Tipping Point group attained one year of college credit and a certificate or credential in the index year. However, many took longer than a year to achieve the Tipping Point. The grey area represents the minimum period of college enrollment for the Tipping Point group.

**Impact of Reaching the Tipping Point**

	Difference Associated with Reaching the Tipping Point			P-VALUE
	Tiping Point Group Mean (regression-adjusted)	Matched Control Group Mean		
Average annual earnings, 1 year follow-up	\$10,035	\$5,233	<b>+\$4,802</b>	<0.0001
Average annual earnings, 2 years follow-up	\$12,144	\$5,880	<b>+\$6,265</b>	<0.0001
Months on TANF, 1 year follow-up	3.3	3.3	<b>-0.02</b>	0.92
Months on TANF, 2 years follow-up	1.5	1.8	<b>-0.28</b>	0.05

	Percent Change Associated with Achieving the Tipping Point			P-VALUE
	Tiping Point Group Percent (regression-adjusted)	Matched Control Group Percent		
Employment, 1 year follow-up	66%	46%	<b>45%</b>	<0.0001
Employment, 2 years follow-up	69%	46%	<b>49%</b>	<0.0001

## Baseline Characteristics of Tipping Point and Control Groups, Pre- and Post-Matching

	Tipping Point TOTAL = 1,202	1:1 Matched Control Group TOTAL = 1,202	Unmatched Control Group TOTAL = 52,391
Female	79%	79%	77%
White only, non-Hispanic	57%	56%	54%
Hispanic	11%	10%	14%
African American	20%	19%	14%
American Indian	5%	5%	9%
Asian/Pacific Islander	7%	8%	9%
Age 18 - 24	19%	19%	28%
Age 25 - 34	48%	48%	38%
Age 35 - 44	25%	25%	22%
Age 45 - 54	6%	6%	9%
Age 55+	1%	1%	1%
Less than high school (according to ACES)	11%	9%	32%
High school graduate (according to ACES)	59%	61%	53%
Some post-secondary education (according to ACES)	28%	27%	12%
Associate's degree or above (according to ACES)	3%	2%	2%
Average number of children	1.88	1.87	1.81
Youngest child under 1 year-old	11%	12%	22%
Youngest child age 1 - 2	33%	34%	25%
Youngest child age 3 - 5	24%	24%	16%
Youngest child age 6 - 11	20%	19%	18%
Youngest child age 12+	11%	11%	14%
Two parent household	25%	27%	30%
County unemployment rate	9.7%	9.7%	9.8%
County urbanicity: rural	0%	1%	1%
County urbanicity: high density urban	50%	48%	39%
County urbanicity: med density urban	31%	32%	36%
County urbanicity: low density urban	19%	20%	24%
Homeless/unsheltered in prior 24 months	17%	15%	21%
Homeless without housing in prior 24 months	6%	7%	12%
Family violence identified in CE	2%	2%	3%
Financial management issues identified in CE	2%	2%	4%
Criminal background issue identified in CE	1%	2%	3%
School challenge identified in CE	3%	3%	6%
Employability challenge identified in CE	7%	6%	13%
Pregnant or caring for others identified in CE	2%	2%	6%
Chronic illness risk score at or above 1	41%	43%	51%
Alcohol/drug treatment need in prior 24 months	14%	14%	21%
Mental health need in prior 24 months	43%	42%	42%
Ever incarcerated in Dept. of Corrections facility	3%	3%	3%
Arrested in prior 24 months	11%	10%	21%
Conviction in prior 24 months	17%	16%	25%
Average months on TANF, 3 <sup>rd</sup> year prior to index	2.9	2.9	2.5
Substance abuse treatment (WF activity), prior 3 years	7%	7%	7%
Family violence resolution (WF activity), prior 3 years	8%	8%	6%
Mental health services (WF activity), prior 3 years	11%	11%	14%