



My Future, My Career

Works Wonders™: A Cost Study

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*A Report on Works Wonders™ from Foster Forward,
in partnership with Rhode Island College,
Children's Bureau and Workplace Center, Columbia University*

Works Wonders™ is a career exploration/employment preparation program that assists youth to develop work-related skills and promotes relational competency. The program has worked exclusively with youth in the care of Rhode Island's public child welfare agency and with those who have recently left the system at age 18, without achieving permanency. Interventions included a classroom experience using an evidence-informed curriculum designed to address workplace preparation and relational competencies, time spent with an employment specialist, and support services to assist with finding and maintaining employment.

Works Wonders™ was established through a demonstration grant provided by the Department of Health and Human Services, Administration for Children and Families, Children's Bureau.

Its proposed budget for a five-year period, from October 1, 2011 through September 30, 2016 was \$1,999,958; this was adjusted to \$1,986,983 at the time of program implementation. At the end of the five-year period, funds remained and the program continued to operate as designed until March 31, 2017. As of March 31, it had actual expenditures of \$1,922,454. The following expense items were supported by the grant:

- ▶ Foster Forward staff, who managed the project overall, conducted its classroom experience (called E² training) and provided recruitment, support and follow-up services. Other staff collected and maintained data for the project. In addition, one staff member served as the Youth Leader, encouraging youth in the program to participate in discussions, explore their ideas about themselves, their relationships and about work. It also assigned its Finance Director to spend 10% of her time working with financial data and materials for the project. Foster Forward staffing costs for the five-year period, including fringe were \$971,910, 50.6% of the total project costs.
- ▶ Foster Forward contracted with the Workplace Center at Columbia School of Social Work to develop the curriculum, assure its implementation, and evaluate the outcomes of the demonstration. It contracted with Rhode Island College for other monitoring and evaluation services. Foster Forward also included auditing and other financial services under these contracted services. Total expense for these services for the duration of the project was \$801,805, 41.7% of the overall expenses.

- ▶ Foster Forward staff provided incentives, food, youth leader stipends, computer access, clothing, transportation, and other barrier assistance for youth participants. These youth resources amounted to \$66,971, 3.5% of the budget during the project's duration.
- ▶ Works Wonders™ incurred occupancy costs, including space and telephone expenses of \$39,059 or 2% of the budget.
- ▶ Works Wonders™ used office and program supplies and provided program materials to participants, at a cost of \$8,253, .4% of the total budget.

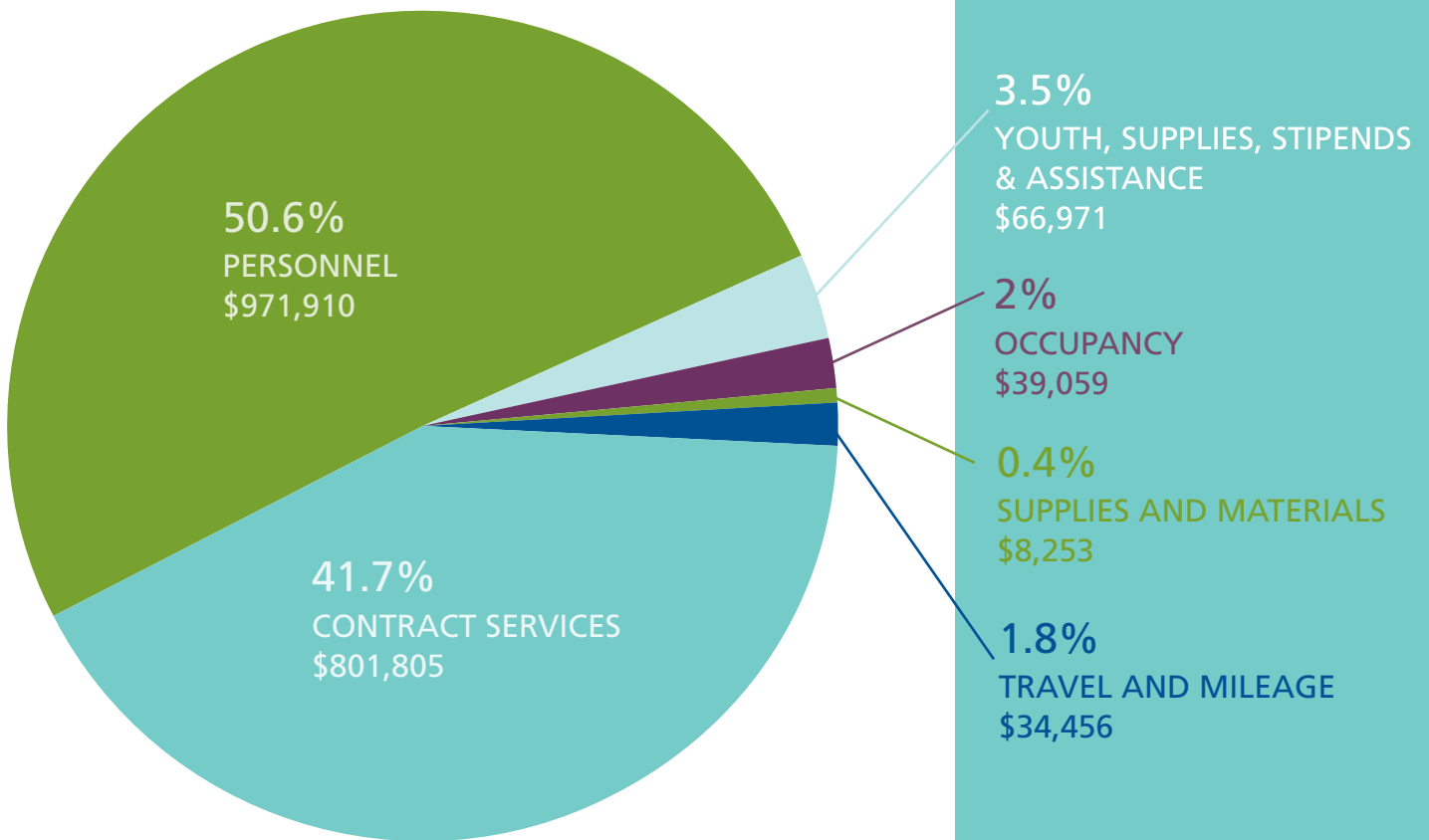


Figure 1. Total Expense for Works Wonders™ by category
 Source: Foster Forward financial data; Analysis: Pearlmutter

The financial data in Table 1 show the detail of funds available and used for Works Wonders™. During the 5.5-year period, the program spent 97% of the funds initially allocated for its work. More than 60% of the total variance (\$39,124) is found in personnel costs. Salary savings accrued as positions were not filled immediately in years 4 and 5 of the grant. Although many of the variance amounts may seem significant, none of them exceeds 5% and none of them shows statistical significance.



Table 1. Initial budget and actual expenditures for Works Wonders™

Expense	Budget	Actual Expense	Variance
POSITION			
Project director - .5 FTE	226,641	211,960	14,681
Youth Leader - 1 FTE	132,725	135,321	(2,596)
Employ specialist-1FTE	187,000	194,596	(7,596)
Data specialist-1FTE	51,000	55,000	(4,000)
Project Eval Coord-.25FTE	42,216	49,675	(7,459)
Group Facilitator-1FTE	123,596	89,834	33,762
Group Facilitator-1FTE	52,500	44,000	8,500
Finance Director-.10FTE	20,290	26,461	(6,171)
Total Salaries	835,968	806,847	29,121
Total Fringe	175,066	165,064	10,002
Total Salary/Fringe	1,011,034	971,910	39,124
CONTRACT/CONSULTANT EXPENSES			
Subcontract:			
Columbia Workplace Center	701,746	690,805	10,941
Evaluation: RIC	65,000	65,000	
Accounting	46,000	46,000	
Sub-total contract	812,746	801,805	10,941
OTHER EXPENSE			
Travel/Conf./Miles	21,000	18,875	2,125
Mileage	16,800	15,581	1,219
Sub-total Travel/Conf./Miles	37,800	34,456	3,344
SUPPLIES & MATERIALS			
Office supplies	4,850	4,753	97
Program material		2,000	(2,000)
Data Extraction	1,500	1,500	
Sub-total Supplies & Materials	6,350	8,253	(1,903)
OCCUPANCY			
Office and Classroom Space	26,044	28,235	(2,188)
Telephone	12,800	10,822	1,978
Sub-total Occupancy/Phone	38,850	39,059	(210)
YOUTH STIPENDS/SUPPLIES/ASSISTANCE			
Incentives	42,500	33,850	8,650
Group meetings/food	21,209	18,405	2,803
Youth leader stipends	12,500	10,869	1,631
Computer-Youth Leader	750	760	(10)
Transport assistance for youth	3,250	3,087	163
Sub-total Youth Stipends/Supplies/Assist.	80,209	66,971	13,238
Sub-total Other Expense	163,203	148,734	14,469
Sub-total All Non-personnel	975,949	950,545	25,410
Total Expense	\$1,986,989	\$1,922,454	\$64,533

Source: Foster Forward financial data



**COST OF WORKS
WONDERS™ PER
YOUTH/YOUNG
PERSON**



**COSTS PER
SERVICES
DELIVERED**

Notes:

Total number of hours of service = 9,826, an average of 24.5 hours per youth or young adult. The average cost per hour ($\$1,922,454/9,826$) = \$195.65. The average cost per hour X the number of hours = total cost per youth.

*Total cost determined for the number of hours in each component differs from the actual dollar cost of the program services because of rounding.

We developed a unit cost for the services provided by Works Wonders™. We used methods described by Burwick, Zaveri, Shang, Boller, & Daro (2014).¹ Using the total number of dollars spent (\$1,922,454) and the total hours of service provided per youth or young person (9,826 hours), we determined that the cost per youth, per hour was \$195.65. The average number of hours of service was 24.5 (SD=23.62). The average cost per youth for the full duration of the Project was \$4,794.13. Individual costs ranged from \$195.65 to \$30,113.80. More than 150 youth participated only in the initial interview, a process of up to three hours. Two youth participated for 100 or more hours. Table 2 below shows opportunities to participate in E² club classes, in employment portfolio development, and in extensive supportive services.

We examined hours of service delivery for each youth across specific components of the program. In Table 2 below, we present data indicating the hours of service delivered and associated costs.

Table 2. Services and total costs

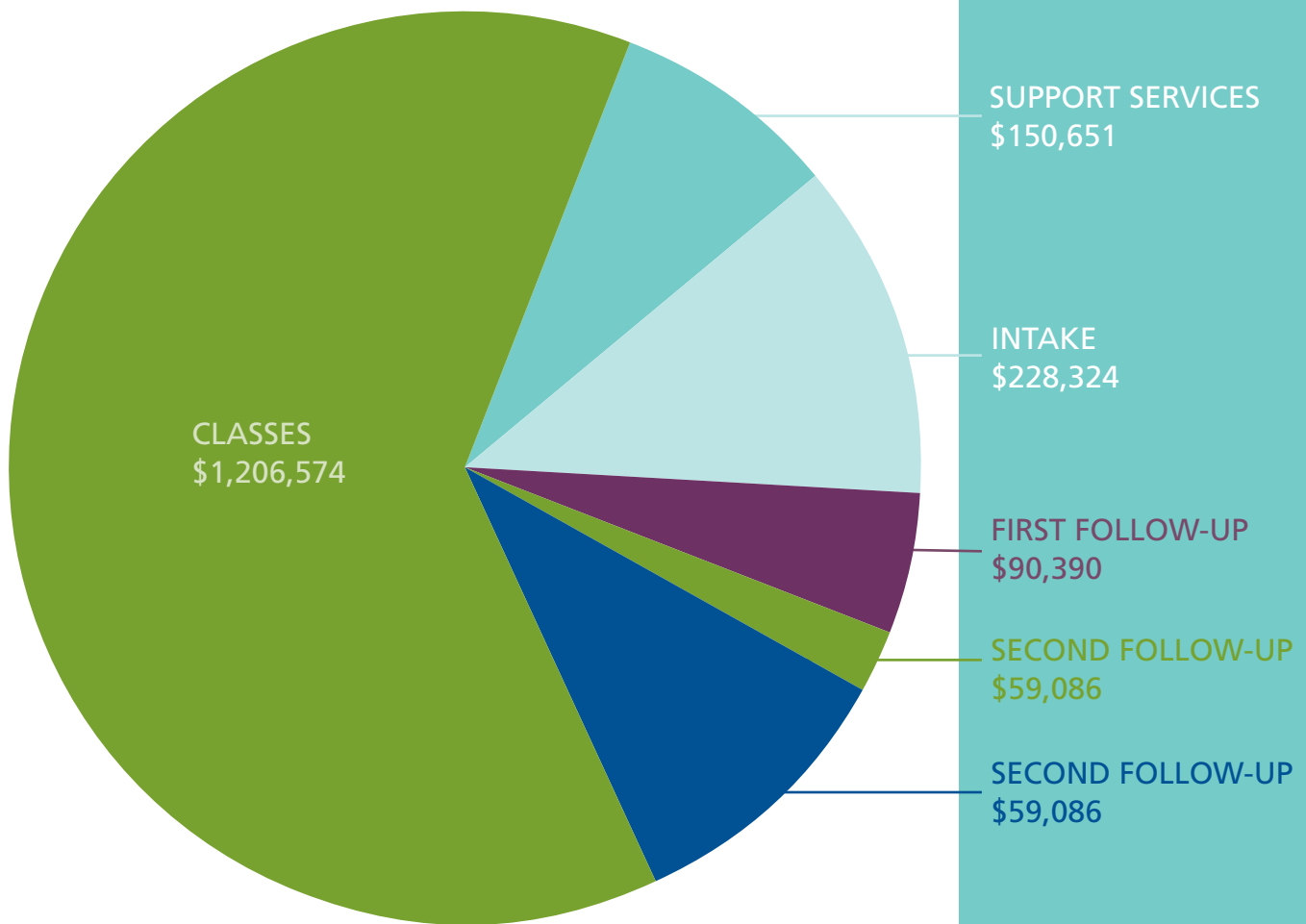
Type of Service	Total Hours	Total Cost	Mean, SD	Range
Intake/Baseline Survey, Ecomap (N=392)	1,168	\$228,519	2.98, .267	1-6
Six Month Follow-up (N=154)	462	\$90,390	3.0, .00	3
One-Year Follow-up (N=100)	302	\$59,086	3.02, .317	2-6
Employment Portfolio (N=188)	958	\$187,433	5.1, .998	1-6
Classroom Hours (N=232)	6,167	\$1,206,574	26.58, 12.47	3-52.5
Other Supports (N=232)	770	\$150,651	3.32, 7.71	.08-107.4
Total Hours & Cost	9,826	\$1,922,457*		

Source: Foster Forward Finance Office & ETO Information System; Additional analysis: Pearlmutter

¹ Burwick, A., Zaveri, H., Shang, L., Boller, K., & Daro, D.A. (2014). Costs of early childhood home visiting: An analysis of programs implemented in the supporting evidence-based home visiting to prevent child maltreatment initiative. Princeton, NJ: Mathematica Policy Research. Downloaded from: <https://www.mathematica-mpr.com/our-publications-and-findings/publications/costs-of-early-childhood-home-visiting-an-analysis-of-programs-implemented-in-the-supporting>

Figure 2 below shows the program components in which youth participated and indicates the cost of each component. Most expensive was the E² training classroom activity, which accounted for 63% of the expense. Portfolio development and other supportive services accounted for 18% of the expense and recruitment, follow-up and other data collection activities accounted for an additional 20% of the expense. During the demonstration, changes occurred in the number of hours youth spent in the classroom; as the curriculum was refined overall hours in the classroom activities were reduced. In addition, some costs incurred in initial intake and follow up activities are specific only to the demonstration project and would not be required for sustainability.

Figure 2. Expenditures by program component
 Source: Foster Forward financial and program data (ETO); Analysis: Pearlmutter





ADDITIONAL
RESOURCES
FOR WORKS
WONDERS™

Foster Forward’s staff was able to garner significant other support to assure that youth had enhanced experiences in the demonstration. Additional funds allowed Works Wonders™ to strengthen employment preparation and expand activities open to the youth. The Governor’s Workforce Board grant of \$282,978 over three years of the project brought work experience opportunities and employment connections for youth and young adults.



DEFINING
SUSTAINABILITY
FOR WORKS
WONDERS™

As reported above, our average cost per participant during the project’s duration was \$4,794.13. Costs per youth ranged from \$195.65 to \$30,113.80. At the lowest end of the range were youth who completed only the initial interview and at the highest end of the range were youth who attended every class and used all available services and supports. Annual expenditures for the Works Wonders™ program ranged from \$255,850 in Year 1 to \$461,322 in Year 3. Our sustainability budget is shown below in Table 3 and is compared to the Year 3 actual operational expenses, the largest annual expense period. It projects total expense of \$233,061. We made several shifts in expenditure categories to arrive at this budget.

Table 3. Year 3 actual expenditures and a projected sustainability budget

Works Wonders™ 10/1/2011-3/31/2017	Actual Expense Year 3		One Year Sustainability Budget	
Personnel Costs	\$234,163	50.8%	\$135,361	58.1%
Consultants & Contracts	183,315	39.7%	60,000	25.7%
Miles/Travel/Conferences	4,794	1.0%	5,000	2.1%
Supplies & Materials	1,578	0.3%	2,500	1.1%
Occupancy	13,421	2.9%	15,000	6.4%
Youth Stipends, Supplies, & Assistance	24,051	5.2%	15,200	6.5%
Total Expense	\$461,322		\$233,061	

Works Wonders™ is sustaining the project with the following staffing pattern, permitting flexibility and additional cost reduction. Fifty-five percent of the sustainability budget (\$135,361) is invested in staff, as compared to 51% of the demonstration program's personnel budget (\$234,163).

- A project director (.25 FTE) to provide oversight and consultation;
- Two employment specialists (2 FTE) who have responsibility for conducting the E² training, for data collection and for assisting youth to develop training, and/or employment opportunities.

Additional costs in the sustainability budget include expenditures for direct and indirect expenses:

- **Contract/Consultants:** The primary consultation component that resulted in the curriculum and complete evaluation has been removed from the sustainability budget; it has been replaced with a smaller evaluation contract at \$25,000 and additional contractual arrangements of \$45,000 that would be available for seeking financial or curricular supports. Twenty-eight percent of the sustainability budget pertains to consultants versus 40% of the demonstration project's budget (\$183,315).
- **Travel and local mileage:** Expenses are projected to be \$5,000, permitting staff to attend conferences and have sufficient funds for local travel to meet with clients and employers. Two percent of the sustainability project's budget and 1% of the demonstration project's budget (\$4,794) are/were used for this expense.
- **Occupancy:** This expense is projected to be higher for sustained projects, recognizing that some programs would need to pay additional market rate costs for program space. Eight percent of the sustainability budget (\$19,000, 7.7%) is projected versus only 3% of the demonstration project budget (\$39,059).
- **Participant expenditures:** Stipends, assistance, and supplies are projected at 6% of the sustainability budget (\$15,200) versus 5% of the demonstration budget \$24,051). Some expenses in this area were supported by additional dollars that Foster Forward obtained during the demonstration. We wanted to assure that sufficient dollars were available to meet participant needs as the program is sustained.

Overall, the sustainability budget provides resources to implement the E² training, involve youth in planning and ongoing activities, and offer needed supports and services. Youth in the program will be able to work with an employment specialist to enhance the employment focus and experience component of the program. The sustainability budget is 47% less than one year of actual operations of Works Wonders™. It would result in a considerably reduced unit cost; In the current sustainment of the program, Foster Forward indicates that it is operating at a cost of \$1,700 - \$2,000 per participant.





COST COMPARISON

There are few studies including data on costs of service provision for youth and young adults in or exiting from the public child welfare system. It is not possible to compare costs directly. However, costs have been reported for a few projects that worked with youth and had interventions at the individual level. Caution should be taken on direct comparison as the intensity and duration of the different types of individual interventions vary. For example, Garafolo and Pearlmutter (2009)² established a unit cost for adoption of youth older than age 10 from a public child welfare agency. All youth had been freed for adoption, but not yet connected with a family. Most were living with a foster family, or like the children and youth in Works Wonders™, had been in congregate care. Recruiters were disbursed among several private, nonprofit organizations and worked to secure permanency among children and youth familiar to them. The unit cost to achieve permanency for an involved child was \$15,560. This cost reflected the work of the recruiter, a supervisor, project manager, and additional agency resources (training, participation incentives for youth, a week-long summer residential camp, and adoption navigator services for potential and actual adoptive parents and youth). This would compare to the average cost per youth or young adult for Works Wonders™ services, including all of its components (\$4,794.13).

More recently, Pearlmutter (2017)³ reported results of a cost study of the Together Forever Project indicating a unit cost per child or youth of \$31,247.44. This project sought permanency for a group of children and youth who had experienced significant trauma, had been freed for adoption but not yet placed. The project had significant staff involvement, a recruiter, project manager and other supports. The project also provided Trauma Systems Therapy (TST), which increased the unit cost to more than \$40,000 per child or youth.

Works Wonders™ intervened through small groups and individual supports. It offered services for a year-long duration, with only moderate intensity. When the career readiness class was completed, additional activities were more voluntary and fewer youth participated. Two hundred thirty-two youth participated in at least some of the classes and the same number of youth received some type of individual support; however, 188 youth met with the Employment Specialist or developed an employment portfolio. Thus, Works Wonders™ cost of service reflects differences in type and intensity of service from permanency-focused efforts cited above.

² Garafolo, T., & Pearlmutter, S. (2009). *Project CONNECT: Final evaluation*. Providence, RI: Authors.

³ Pearlmutter, S. (2016). Final evaluation report: *Together Forever Project (TFP)*. Providence, RI: Author



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