BEYOND POVERTY

PRELIMINARY FINDINGS FROM THE 2013-2014
EMPOWERING OPPORTUNITIES: GATEWAYS OUT OF POVERTY INITIATIVE
Pennsylvania House of Representatives Majority Policy Committee
APRIL 2014
ACKNOWLEDGEMENTS

Throughout the past months, the House Majority Policy Committee received a variety of input from groups we call our stakeholders. Listed below, these groups were more than helpful in providing suggestions, guidance, and research for our various hearings, roundtables, and tours. It is with sincere thanks and appreciation that they receive acknowledgement and recognition for aiding in the Empowering Opportunities: Gateways Out of Poverty initiative.

PA Coalition Against Domestic Violence
Housing Alliance of PA
Feast of Justice
Welcome Church of ELCA
People’s Emergency Center
Project Home
JEVS Human Services
Jewish Federation of Greater Philadelphia
University of the Sciences
Philadelphia Youth Network
CityYear
Congreso
Delaware County Community College KEYS Program
Delaware County Community College New Choices Career Development Services
PathWaysPA
Pittsburgh Community Food Bank
Pennsylvania Partnerships for Children
Family Promise of Indiana County
Temple Center on Regional Politics
Hunger Free PA
Feeding PA
PA Hunger Action Center
Edinboro University
Community Action Association of Pennsylvania
Family Promise of Harrisburg
Capital Region
Coalition for Low Income Pennsylvanians
Center for Rural Pennsylvania
Community Action of Clearfield County
Shepherd of the Hills Lutheran Church
Saint John Lutheran Church
Medical Assistance Transportation Program in Clearfield
Clearfield County Commissioners
Children and Youth of Clearfield County
Commonwealth Foundation
Partnering for Health Services, UPMC
SEIU
YMCA

Palmyra Circles of Lebanon County
Palmyra Church of the Brethren
Poverty Forum, Dauphin County
Human Services
Pennsylvania Department of Community and Economic Development
Indiana County Cross-Systems
Multi-Disciplinary Team
Drexel University Center for Hunger Free Communities
Project Homeless Connect-Dauphin County
Indiana County Head Start Inc.
Coalition for Evidence-Based Policy
Nurse-Family Partnership
Family Promise of Monroe County
Monroe County Homeless Advisory Committee
Pocono Alliance
Pocono Family YMCA
Pocono Services for Families and Children
Pocono Area Transitional Housing
Lincoln Leadership Academy
Communities in Schools
United Way of Greater Lehigh Valley
Allentown Neighborhood Improvement Zone
Allentown Economic Development Corporation
Community Action Development Corporation
The Rising Tide Community Loan Fund
Lehigh Valley Workforce Investment Board
Family Answers
Northampton Community College
Brandywine Health Foundation
T&I Care
Coatesville Soup Kitchen
La Comunidad Hispana
Philadelphia Alliance
String Theory High School
Belmont Charter School
Flight Program
Harrisburg School District
Safe Harbour
County Commissioners of Pennsylvania Association
AFL-CIO
PA Budget and Policy Center
Public Citizens and Youth
Capital Area Head Start
Together for Tomorrow
Bethesda Mission
County Commissioner’s Association
Harrisburg Foundation
Just Harvest
Interfaith Justice Coalition
ABOUT THE POLICY COMMITTEE

The Majority Policy Committee is the main legislative policy development arm of the House Republican Caucus. Through a variety of hearings, roundtable discussions and policy tours, the House Majority Policy Committee exists to provide a broad array of research and foundational information regarding legislative policy. The committee works in conjunction with the state House standing committees, and therefore works on a wide variety of policy issues, notwithstanding any particular subject matter.

The Majority Policy Committee is chaired by Representative Dave Reed (R-Indiana). Rep. Reed was nominated and voted into the position through the House Republican Caucus in 2010. The Deputy Policy Chairs are Representatives from a wide variety of professions and locations throughout the Commonwealth. The deputies are chosen by House Leadership to serve with the Chairman and lead on key legislative issues and responsible policy development. The diversity of this group provides a varied assessment on matters facing the state and helps develop consensus on policy solutions. By traveling throughout the state, the committee is able to collect information from stakeholders, citizens, and government entities affected by policy changes — all with the objective of building a stronger Pennsylvania.

DEPUTY POLICY CHAIRS

Monroe & Pike Counties  Clearfield & Elk Counties  Bucks County

Lancaster County  York County  York & Cumberland Counties

Cumberland County  Chester & Montgomery Counties  Northampton & Lehigh Counties

Lancaster County  Berks & Lehigh Counties  Montgomery County

Westmoreland County  Allegheny County
CHAIRMAN’S INTRODUCTION

The year was 1964. Our nation, still grieving the loss of President John F. Kennedy, found itself searching for its economic identity. With a poverty rate of 19 percent, 36 million of our nation’s citizens were seeing that great American Dream slip further and further away from their grasp.

Impassioned by his own childhood of poverty, President Lyndon Johnson took the burden upon his own shoulders, declaring his administration’s “unconditional war on poverty” during his first State of the Union address.

Built on the foundation of President Franklin D. Roosevelt’s “New Deal,” Johnson’s “Great Society” sought to attack poverty by greatly expanding government’s role in the education and health care of Americans.

Johnson’s declaration set forth a strategy to bring poverty to its knees, but it also began a great debate across the nation on the government’s role in combatting poverty. It is a debate that rages on today.

Fifty years later, we live in the wealthiest and most developed nation in the history of the free world. Yet, shamefully, there are still 46 million of our fellow citizens living in poverty. It remains true even though we continue to spend nearly $1 trillion per year on programs aimed at fighting poverty. We should not allow those results to be acceptable in today’s America, for the neediest among us and for taxpayers.

Thus began the House Majority Policy Committee’s initiative Empowering Opportunities: Gateways Out of Poverty. With more than 1.6 million Pennsylvanians struggling in poverty today, our responsibility is to begin the discussion anew on the most effective and successful means on transitioning our citizens from a life of poverty to self-sustainability.

That discussion must include identifying the barriers entrapping folks within an impoverished life, as well as the most successful models of outcome-based anti-poverty programs. We must transform our approach in assisting our most needy citizens, in order to empower them in seeking new opportunities.

Our goal is simple, to bring the great American Dream of economic freedom to each one of our citizens, in both spirit and in reality. This report is meant to serve as the first step toward those efforts – a narrowing of the focus to areas of public policy in which we as a Commonwealth can be most successful in effectuating positive change.

...our goal is to empower the lives of our most needy citizens by transforming our approach to empowering their opportunities.”
It has become far too easy in today’s world to surrender to the cynicism and frustrations associated with the enormity of the challenges facing our nation. To many, America’s discussion on poverty rarely seems to move beyond the talking points of our major political parties. However, these notions run directly contrary to the spirit in which our country was founded. History demonstrates that the collective will of Americans is all that is needed when embarking upon the journey toward a brighter future. Let us begin that journey together and let us do it today.

Chairman Dave Reed, Majority Policy Committee
POVERTY AT A GLANCE

“We can’t continue trying to ‘fix’ things like poverty without understanding it from the eyes of the people who are experiencing it.” -Kristina Marshall, Network Director, Family Promise of Harrisburg Capital Region

By the time President Johnson declared his formal War on Poverty in 1964, the poverty rate in America was already declining. From a high of 22.4% in 1959 to 19% in 1964, Johnson's goal was to continue the decline in an exponential fashion, a goal he unmistakably accomplished in the short term.

By 1970, the poverty rate in America would drop to 12.6%, and the number of Americans living in poverty would decline from 36 million to 25 million as the new decade began.

However, as evidenced from the graphs to the right, the national poverty rate hit its floor about a decade after the War on Poverty began, continuing to fluctuate between 12% and 15% for the next four decades. In 2011, the real number of impoverished Americans hit an all-time high at 46 million.

As investment in anti-poverty efforts among the federal, state, and local governments has continued to grow to nearly $1 trillion annually since the onset of the “Great Society,” one must begin to question the structure of those investments with such stagnant results.

While that graph gives us a good sense of the change in poverty rates nationally, the data from Pennsylvania underscores that poverty rates are unique across different regions. High poverty rates can appear in every type of community, not just the preconceived notion that poverty only exists in big cities. While the high poverty rate in Philadelphia may not be surprising to most, the fact that rural Fayette County and suburban Berks County also have high levels of poverty may surprise many.
## Poverty by the Numbers

### 13.1% of Pennsylvanians are in poverty

**Source:** U.S. Census Bureau 2008-2012 American Community Survey 5-Year Estimates

### County Poverty Percentages

<table>
<thead>
<tr>
<th>County</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philadelphia (Urban)</td>
<td>24.8%</td>
</tr>
<tr>
<td>Fayette (Rural)</td>
<td>19.3%</td>
</tr>
<tr>
<td>Berks (Suburban)</td>
<td>12.6%</td>
</tr>
</tbody>
</table>

**Source:** U.S. Census Bureau 2008-2012 American Community Survey 5-Year Estimates

### Racial and Ethnic Demographics in Pennsylvania

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>1,031,539</td>
<td>10.1%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>369,489</td>
<td>28.7%</td>
</tr>
<tr>
<td>Asian</td>
<td>51,899</td>
<td>15.3%</td>
</tr>
<tr>
<td>Native Hawaiian, Other Pacific Islander</td>
<td>677</td>
<td>20.4%</td>
</tr>
<tr>
<td>Some Other Race</td>
<td>86,964</td>
<td>37%</td>
</tr>
<tr>
<td>Hispanic or Latino Origin (of any race)</td>
<td>222,233</td>
<td>32%</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>4,768</td>
<td>26%</td>
</tr>
</tbody>
</table>

**Data Provided from Map from Center for Rural Pennsylvania**

### Impoverished Americans (in Millions)

- 1959: 39
- 1965: 33
- 1971: 26
- 1977: 25
- 1983: 35
- 1989: 32
- 1995: 36
- 2001: 33
- 2007: 37
- 2012: 46

**Source:** U.S. Census Bureau 2008-2012 American Community Survey 5-Year Estimates

### American Poverty (Percentage)

- 1959: 22
- 1965: 17
- 1971: 13
- 1977: 12
- 1983: 15
- 1989: 13
- 1995: 14
- 2001: 12
- 2007: 13
- 2012: 15

**Source:** U.S. Census Bureau 2008-2012 American Community Survey 5-Year Estimates
In addition to the national poverty trends and statewide geographical poverty statistics, it is also worth noting the breakdown of impoverished individuals by ethnicity and race. As indicated in the graph, minority communities are facing poverty at rates more than two to three times that of their Caucasian counterparts and our children are twice as likely to live in poverty than our senior citizens across Pennsylvania.
Identified Barriers

Over the last year, as we have traveled the Commonwealth with our Empowering Opportunities: Gateways Out of Poverty initiative, we have been presented with a unique perspective on the many barriers preventing our citizens from escaping the trap of an impoverished life.

While meeting with nearly 100 stakeholder groups and community organizations, as well as everyday citizens, both Republican and Democratic members of the General Assembly were afforded the opportunity to hear first-hand accounts of the many trials and tribulations our neediest neighbors face on a daily basis.

From a health clinic serving the working poor in Altoona, to a regional food bank operation in Pittsburgh, to a community charter school in West Philadelphia, one common theme came through: poverty does not continue to exist in America today because of a lack of caring, dedicated individuals.

As we evaluated the different barriers presented to us, a central connection developed—employment. Most barriers fell into one of two categories: either they represented a barrier preventing an individual from gaining the employment necessary to transition out of poverty, or they represented a barrier that occurred as the result of a lack of employment to begin with.

The following is a brief summary of the many barriers presented throughout our travels over the last year:

“We’ve seen a lot of our Circle Leaders make real progress—receiving promotions, going from unemployed to management tracks. They’re really setting and achieving their personal goals.”

- Lee Smedley, Executive Director, Palmyra Circles of Lebanon County
Family Support
There is perhaps no greater precursor to poverty than the breakdown of a family support system. Who do we turn to when the unexpected happens? Whether it is a medical emergency, child care, transportation, a financial shortfall, or even a roof over your head, having a reliable family support system can make all the difference between overcoming a short-term hurdle or spiraling quickly towards disaster.

Child Care
Both affordability and quality are lacking in many communities when families are considering their childcare needs. These voids are not only impacting a family’s ability to enter the workforce, but also endangering the early learning years of our most valuable resource – our children.

The Economy
The impact of the Great Recession cannot be minimized when considering the issue of poverty in America. Not only does unemployment impact one’s ability to be self-sustaining, but underemployment does as well. For many workers, the recession forced them into employment below their skill set; thus, leading to the individuals who previously sought those positions to be left with no employment options.

Health Care
Far too many individuals and families are living in a world where they are one health care disaster away from falling into poverty. This is especially true for the working poor across the Commonwealth—those who are above the income threshold for government benefits, but still lacking in employer provided benefits as well. This gap truly epitomizes one of the great struggles we face in America today.

Criminal Record
This is a classic chicken-or-egg dilemma. We want folks with a criminal record to be able to rehabilitate themselves and become contributing members of society, but we often prevent them from doing just that because of their past mistakes. The right balance must be struck between public safety concerns and serious efforts to reduce recidivism.

Financial Literacy
It’s no secret that commonsense, financial literacy is lacking among many in America today. The absence of basic skills like balancing a checkbook, understanding interest rates, and managing a monthly budget is robbing many of our citizens of any hope of financial security and independence. These skills are lacking throughout all income brackets, but are amplified among the impoverished because of the lack of any financial cushion upon which to fall back.

Education
If employment is the house in which self-sustainability resides, then education is the foundation from which that house is built. From the basic competencies needed to navigate the world at large, to the specific skill sets needed to compete in a global economy, our educational system has the power to act as a true equalizer in today’s world. Without access to a safe, meaningful educational experience at all levels, far too many of our young children are at risk of being left behind.

“If we start high-quality education early, we level the playing field for all children in all income brackets.”
-Joan L. Benso, President and CEO, Pennsylvania Partnerships for Children
Homelessness
Employment and stability are nearly impossible without a roof over your head and your own bed to sleep in. Even filling out a job application becomes a challenging task without a home address. The lack of secure, permanent housing can even become a gateway to many other barriers, such as mental illness, medical problems, and even the development of a criminal record.

Mental Health
Mental health issues can quickly turn any individual’s life upside down. If left untreated, a mental health crisis can easily escalate to the point where a person loses their job, their home, and their family support network. In its worst phase, a mental health crisis can leave someone in poverty, or worse, a danger to themselves or others. Access to mental health services can often help these individuals manage their illnesses, preventing a dangerous escalation.

Substance Abuse
Many of the others barriers that were identified could be traced back to substance abuse in one form or another. The onset of addiction often leads to the lack of sound decision making, becoming the root cause of problems in areas like personal finance, family structure, housing, mental illness, domestic violence, employment, etc...

Transportation
As employers continuously change employment hours and move operation locations, all to compete in today’s economy, a transportation network based upon flexibility and convenience is essential. In many urban and suburban environments, the various nuances of the mass transit systems can greatly impede one’s professional growth. In most rural communities, the road and bridge infrastructure, as well as the reliance on personal vehicles, are the chief concerns.

The Benefits Cliff
The phenomenon known as the “benefits cliff” is one of the most disturbing consequences of the current structure of many of public assistance programs—a true disincentive for an individual to climb up the ladder of success. When a system traps its participants within a certain income bracket because any upward movement eliminates access to assistance on items like food and child care, that system is broken. A common outcome becomes one choosing to revert backward as opposed to continuing forward—a transition step is needed to prevent this phenomenon from continuing.

“The idea that there are these two groups of people in society...that there are these poor people and there are these un-poor people is the biggest mistake that we all make together.”

-Ken Regal, Executive Director of Just Harvest
GUIDING PRINCIPLES

As we met with various organizations and individuals representing all facets of anti-poverty efforts across the Commonwealth through our Empowering Opportunities: Gateways Out of Poverty initiative, we noticed common themes and trends among many of the most successful programs and policies producing measurable results.

In fact, we were able to glean a number of guiding principles that held true across the spectrum of outcome objectives as well as demographics served. These best practices can and should be replicated throughout the Commonwealth with regard to anti-poverty efforts. They are listed below:

CONSTANT PROGRAM REVIEW

The best methods of combating poverty in 1964 may not still hold true in 2014. The continuous need for program evaluation, review, and revamping may never be truer than in our anti-poverty efforts in America.

The nonprofit community is light-years ahead of the government in creating such performance measurement standards. Two prime examples in Pennsylvania are found in the United Way of Pennsylvania and Congreso.

Several years ago, the national model for the United Way moved away from the funding of agencies and moved toward the financing of specific programs with measurable outcomes in mind. This model not only necessitates a “working together” philosophy among many different agencies to produce such a program, but also allows for a constant evaluation as to whether the desired outcomes are actually met.

Congreso, a Latino social services agency in North Philadelphia, became increasingly frustrated with the lack of hard data on the long-term results they were seeking to achieve through their efforts. Thus, it developed and implemented its own performance measurement matrix for the entire agency. Instead of just tracking short-term services and outcomes, Congreso’s leadership also began monitoring data geared toward measuring the long-term results they were seeking to effectuate. Not only did data on items like GED attainment, literacy and mathematics proficiency, new home purchases, wages, and number of adults employed lead to a better understanding of the programs’ successes and failures, but it also allowed the agency to constantly readjust its service delivery mechanism based upon real-time data.
LEADERSHIP MATTERS

The buck stops at the top. The common denominator of almost every successful anti-poverty program across the Commonwealth is charismatic, dynamic leadership propelling the organization forward. Leaders with a clear vision and the matching skill set to make that vision a reality are rare; but, when found, they can truly transform an entire community.

Not only are an organization’s successes and failures often directly dependent upon its leader, but often times the recruitment of volunteers as well as private, monetary contributions are also dependent upon that individual.

Strong leadership can also lead to a constant evaluation of a program or organization’s vision, as well as measurable outcomes. Effective leaders set high standards and build a structure that is intent on achieving those standards.

One prime example of such a leader is Farah Jimenez of the People’s Emergency Center in West Philadelphia. With a clear vision in mind and a resilient passion for success, Jimenez produced a remarkable track record for permanently transitioning people out of homelessness. By taking a very personal approach to serving the homeless in her community, Jimenez focuses not only on one’s need for shelter, but also on transforming lives and leading individuals to more hopeful futures.

COORDINATION AND DUPLICATION

The best anti-poverty program is the program that constantly focuses on its ultimate goal—putting itself out of business. All too often, the immediate struggles of the day to day can overshadow the greater, overarching principles of eradicating the problem a program seeks to combat.

Often times, individuals with a heavy heart are led to starting a well-meaning organization, sometimes without adequately evaluating whether the needs they seek to service are actually being addressed by an already existing organization.

The duplication of services produces not only a confusing network of human service agencies for those in need to navigate, but also creates an unbalanced drain on funding by requiring more overhead in totality.

The key to reducing duplication is the active coordination of all facets of the anti-poverty network of services. The more governmental agencies, faith-based organizations, foundations, and the nonprofit community can join efforts, the stronger and more effective that network becomes. This also allows groups to play to their strengths while recognizing that another group may actually be better prepared to provide the services they find as their weaknesses.

A great example of such coordination is found with Project Homeless Connect in Dauphin County. Project Homeless Connect is an annual day of service organized each year at the Farm Show Complex as a one-stop shop for the homeless or near-homeless
population in the community. Hundreds of volunteers gather to assist participants as they work through a variety of services including the Social Security Administration, PennDOT, the Department of Public Welfare, the Housing Authority, the medical community, mental health professionals, dentists, spiritual leaders, and even barbers—all focused on preparing the participant for secure housing. Led by the Capital Area Coalition on Homelessness, Project Homeless Connect is a remarkable coordination of services from all ends of the spectrum with a single goal in mind—finding secure housing and a better life for those in need.

Project Share, through the Indiana County Department of Human Services, is another collaborative project of twelve churches and nine human services entities providing assistance to individuals including: rent and utility payments, gift or gas cards, prescription costs, lodging costs, car repairs, bus tickets, meals, and holiday items such as toys. By sharing the information, duplication of effort is curtailed and resources are maximized in the instances when one entity can’t assist with the total needs.

**FLEXIBILITY**

Government tends to take legislative and policy action based on smaller facets of problems, as opposed to the overarching principle at hand. This often leads to unintended, strict, and stringent parameters. There is no greater example of this than within anti-poverty programs in America.

Bureaucrats and politicians in Washington, D.C. and Harrisburg have created a network of programs with such stringent parameters and funding that appears only in silos with almost all common sense removed from the equation.

This one-size-fits-all mentality may sound like a good idea in the Capitol. In reality, similar problems require different solutions, depending on the environment in which a particular problem exists. All too often, local service providers spend far too much time seeking grant funding opportunities, only to receive the funding with such narrow parameters that it can actually hinder local anti-poverty efforts because of its restrictive nature.

The actual implementers of anti-poverty programs should be leading the discussion on how our limited dollars can best be put to use. Unfortunately, that is often not the case in today’s world. Flexibility and common sense go hand in hand in successfully combating poverty; the more local the decision making, the better the results.

“One size fits all mentality may sound like a good idea in the Capitol. In reality, similar problems require different solutions, depending on the environment in which a particular problem exists. All too often, local service providers spend far too much time seeking grant funding opportunities, only to receive the funding with such narrow parameters that it can actually hinder local anti-poverty efforts because of its restrictive nature. The actual implementers of anti-poverty programs should be leading the discussion on how our limited dollars can best be put to use. Unfortunately, that is often not the case in today’s world. Flexibility and common sense go hand in hand in successfully combating poverty; the more local the decision making, the better the results.”

- Lancaster County Commissioner Scott Martin

One prime example was pointed out by the Clearfield County Board of Commissioners when they described their own frustrations with the many funding streams of state and federal monies that all require such specific criteria. Often times, monies had to be returned due to not meeting all criteria, even though the need clearly existed within their community.
THE NEXT STEP

“With nearly $1 trillion spent nationwide combatting poverty coupled with 1.5 million Pennsylvanians and 46 million Americans still living in poverty, clearly we must readjust our focuses.” - Dave Reed

As a public policy issue, combating poverty in America can be a daunting task. One can easily find oneself lost amid the myriad of causes of, and the proposed solutions to poverty. Holding out for a solution to all problems at once often leads to a lack of progress altogether.

This report is intended to be our mid-term report on the findings throughout the past year. We have identified barriers, set forth guiding principles, and we will now seek to narrow the scope of the discussion as we head into phase two of Empowering Opportunities: Gateways Out of Poverty.

To move forward, we have chosen five different areas for exploration for which we believe specific legislative and policy recommendations can be produced to better combat poverty in Pennsylvania.

OUTCOMES THAT MATTER

How do we define a successful anti-poverty program? What outcomes are we seeking to effectuate through these programs? Is government making budgetary decisions based upon a true vision for combating poverty with an eye toward producing real results?

Too often, government seeks to measure program results by merely counting the number of people participating in the program. The more bodies that come in the door and the more bodies that go out the door, the more successful the program must be. Is this really the outcome we should be measuring? Is this really an adequate performance measurement standard for an anti-poverty effort?

For example, would a program be considered more successful if it helped an individual with the same need twice a month for a year, or whether it helped the same individual once with a short-term need and then helped guide them toward resolving their need permanently? Common sense, of course, says the latter; but how many programs have funding based upon the number of contacts they have as opposed to the actual result of the program’s efforts?

In the end, unless we have a long-term vision for that of which we seek to accomplish with anti-poverty programs and measurable outcomes that lead to the vision, it becomes almost impossible to make sound investment decisions in combating poverty in our communities.

“Funding efforts that have both community-wide impact and measurable outcomes result in programs that are effective for both consumers and tax payers.”

- Bob Nelkin, President and Chief Professional Officer, United Way of Allegheny County
LIFE SKILLS 101

What skills are needed to help our citizens make sound decisions while pursuing a life of prosperity? Is an individual capable of truly being financially secure without basic, commonsense financial literacy skills? What are the other soft skills needed for success in today’s world? What is the appropriate time to insert such education into one’s life?

Education and workforce development are often focused on specific academic criteria and skill sets, both of which are necessary; but, often times the commonsense side of life is absent in any formal setting. A competitive economy requires a workforce that not only understands the rules of the workplace, but also the rules of life.

A prime example of the need for basic life skills came to light while meeting with the Circles of Palmyra mentoring group in Lebanon County. One of the participants noted the difference the program had made on her perspective on managing her own finances. Given $100 before she began the program, she noted how she would have had the money spent within an hour, and within hour two she would have already forgotten how she spent the money.

However, because of the money management side of the program, she now keeps a ledger of all incomes and expenses and would now immediately reference her ledger on how to best spend that $100 to pay her existing obligations. By tracking every dime coming in and out of her house and learning to take control of her finances, she has begun the journey back to financial security.

The soft skills of life are often engrained in the individual through family and cultural settings. The lack of these basic skills is not just evident within our impoverished communities, but is also just as absent within all income brackets – the only difference being the cushion individuals with higher incomes have to fall back upon.

Without a return to basic, commonsense life skills, our citizens and our nation will be destined to repeat many of the mistakes that ultimately led to the collapse of our economy in recent years.

“The Bethesda Mission just shows what a community can do to help our neediest citizens when and if they choose to act.”

Chuck Wingate, Executive Director of the Bethesda Mission located in Harrisburg
BENEFITS THAT WORK

Are public assistance programs designed for the most effective and efficient use of our tax dollars? Does the structure of the programs actually operate in a manner that is consistent with helping individuals successfully transition out of poverty? Is there a better way?

When constructing our public assistance programs from a policy perspective, we must keep an eye toward the interests of both our neediest citizens and also our taxpayers. Public assistance programs are intended to lead one to a life of financial independence from one’s government, not toward a life of financial dependence upon that government. Unless our programs are carefully structured, the latter result may be more dominant than the former.

The “benefits cliff” is a prime example of a structure that fails both the neediest among us and our taxpayers. In essence, as an individual gradually progresses up the ladder to self-sustainability, the structure of many public assistance programs pushes them back down. For instance, an individual may qualify for X amount of child care and food subsidies while making $10 an hour. However, if that same individual works hard and earns a $2 an hour raise at work, all of a sudden many of those subsidies disappear and the individual is worse off—the “Cliff Effect.”

In the end, the “benefits cliff” forces many of our citizens into choosing between continual progress towards self-sustainability and providing for the basic needs of their families. As one might suspect, the family concerns generally win out, and back down the ladder the individual goes—transitional benefits must be a consideration. Public assistance programs should reward work, not discourage it.

Equally important is protecting the integrity of these assistance programs. Through a review of the actual structure and barriers built into particular programs, the Commonwealth is in a better position to protect taxpayer dollars from fraud, abuse, mismanagement, and misdirection. There is a serious need for a comprehensive evaluation of program effectiveness.

Families shouldn’t need to choose between earning extra income and losing their benefits. Benefits should incentivize work, not the other way around

- Joe Ostrander, Community Action Association of Pennsylvania

THE ESSENTIALS

Can you even attempt to transition out of poverty when the basic needs of life are lacking? Is it possible to think about financial security when you are constantly concerned about essentials like food, clothing, and the roof over your head? After these need are met, are we successful in transforming an individual’s life to self-sufficiency?

It is impossible to successfully combat poverty without first addressing the basic needs of life. Expecting an individual to be ready for employment or a job training program without having adequate access to food and shelter is an expectation without hope. Preparing a child for their future becomes equally as fruitless if their stomachs are empty and they question where home will be on any given night.

Food, water, shelter, and clothing are the basic essentials for human life. Access to all four does not necessarily guarantee success, but the lacking in any such category can lead to almost certain failure. Meeting these basic needs of our citizens is the first step towards providing a transformational experience from poverty to self-sufficiency.
Successful programs and organizations focus first upon securing these essential needs before seeking to provide the long-term guidance necessary to permanently transition one out of poverty. Such a program is Family Promise. With locations across the Commonwealth, Family Promise first seeks to stabilize the basic needs of homeless families, and then moves toward a more holistic approach with community partners in the arenas of social service programs, community groups, nonprofit organizations, and interfaith networks. By focusing on the physical, mental, and spiritual well-being of the individual and the family, Family Promise is a perfect example of the transformational approach that needs to be replicated across the Commonwealth.

EDUCATING FOR OPPORTUNITY

Is education the single, most accurate determination of one’s future? Are we looking at our educational system from the broad perspective we need to in order to ensure no one is left behind? Are we educating for success in today’s global economy?

From early childhood education to basic education to higher education, our educational system has the ability to be a true equalizer in our society. This is especially true with early childhood education programs. When the importance of learning is not stressed in the home, these programs may be the only hope for children to begin their prime learning years prepared and ready to learn.

When it comes to the future of our nation, especially with an eye toward combating poverty, all educational options must be on the table. Our public school system provides a tremendous foundation for the education of our children across the Commonwealth; however, we must also recognize that not all public schools are created equal. If a school fails its students, the teachers, parents, and the entire community must come together to question not only why, but also how those students can be saved.

Charter schools can often be considered an option to fill in the gaps throughout our most endangered communities. Operating within a failing school district, a public charter school can often provide the safe and secure learning environment needed for a child to succeed. These schools often also provide for a particular focus on a certain skill set. For example, the String Theory Charter School in Philadelphia provides its at-risk students within Philadelphia with an education geared toward science, mathematics, and the fine arts, with an amazing use of technology as a backdrop.

In essence, the same education provided by many successful traditional public schools is now accessible to our youth trapped in the handful of failing school districts in our Commonwealth through the introduction of charter schools.

“What we have learned at the Belmont Charter School is that every child, no matter what their socioeconomic background, has the potential to succeed.”

Jennifer Faustman, CEO of Belmont Academy Charter Schools
As we examine and evaluate what role our educational system plays in combating poverty, a meaningful discussion must ensue on educating our young people on opportunities that will be available to them in the future. Apprenticeship programs, career and technical schools, and college all must be part of that discussion.

We must remember that life-long learning is essential and it is far easier to accomplish if one is adequately prepared to lead a life absent from poverty.

**MOVING FORWARD**

As we have explored the issue of poverty in Pennsylvania over the last year through our *Empowering Opportunities: Gateways Out of Poverty* initiative, a single thought comes to mind—we can do better!

To spend nearly $1 trillion a year on anti-poverty programs across the country and still have 46 million Americans living in poverty is not an acceptable outcome in the year 2014.

We must put the traditional talking points of the political parties behind us and focus on real, tangible results. By narrowing the discussion to Outcomes that Matter, Life Skills 101, Benefits that Work, The Essentials, and Educating for Opportunity, we hope to now engage in a meaningful discussion with all interested parties on specific remedies to the barriers that continue to entrap our citizens in poverty to this day.

We have a responsibility to work to fully transform the lives of the neediest among us. Merely meeting their short-term needs is not enough; long-term results must be our barometer of success.

The great American Dream has been stolen from so many among us by the plague of poverty. The charge we must keep is to restore that dream for all.
With more than 1.6 million Pennsylvanians struggling with poverty today, our responsibility is to begin the discussion anew on the most effective and successful means of transitioning our citizens from a life of poverty to one of self-sustainability.