

Fiscal Year 2024

REPORT TO CONGRESS

**Family Self-Sufficiency Program (FSS)
2017-2024 Annual Report Survey**



September 2025

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Office of Public Housing Investments**

I. Background

This report to Congress addresses the requirement under [42 US Code Section 1437\(u\)](#):

(m) Reports

(1) To Secretary Each [eligible entity](#) that carries out a local self-sufficiency program approved by the [Secretary](#) under this section shall submit to the [Secretary](#), not less than annually a report regarding the program. The contents of the report shall include—

(A) a description of the activities carried out under the program;

(B) a description of the effectiveness of the program in assisting [families](#) to achieve economic independence and self-sufficiency;

(C) a description of the effectiveness of the program in coordinating resources of communities to assist [families](#) to achieve economic independence and self-sufficiency; and

(D) any recommendations of the [eligible entity](#) or the appropriate program coordinating committee for legislative or administrative action that would improve the self-sufficiency program carried out by the [Secretary](#) and ensure the effectiveness of the program.

(2) HUD annual report

The Secretary shall submit to the Congress annually, as a part of the report of the Secretary under [section 3536 of this title](#), a report summarizing the information submitted by public housing agencies under paragraph (1). The report under this paragraph shall also include any recommendations of the Secretary for improving the effectiveness of the self-sufficiency program under this section. (42 U.S.C. 1437u(l)(2))

Between 2017 and 2023, HUD responded to this requirement via program data provided in the annual Congressional Justification.

In June of 2022, HUD implemented FSS re-authorization through the FSS Program Final Rule. In conjunction with this process, the FSS program developed a new reporting mechanism that collects comprehensive information about program implementation policies, successes, and challenges.

Going forward, to satisfy the annual reporting requirement for the FSS program, HUD will continue to include program metrics in the annual Congressional Justification and will provide a report to Congress highlighting program effectiveness, any critical programmatic shifts, and recommendations for program improvements.

II. Executive Summary

The Family Self-Sufficiency Program (FSS) is the nation's largest asset-building program for low-income families, giving residents a unique opportunity to build consistent savings. It is not a requirement that graduates of FSS leave rental assistance, but approximately 30 percent of graduates from the program exit rental assistance within one year of their graduation from the program. Because there is variation in where families are positioned along the spectrum of self-sufficiency at the time they enter FSS, many families may see substantial increases in earnings and employment during their time in the program but still be eligible for rental assistance when they graduate. Aside from the requirement for the FSS Head of Household to be employed and

for the entire household to be free of welfare assistance, the goals of program participation are unique to each family. The program is highly customizable so that it can support participants in setting and achieving goals that are both attainable and impactful for their families.

In 2024, HUD launched its first ever national FSS Annual Report Survey. While there are programmatic requirements that all FSS programs must meet in order to be in regulatory compliance under the [FSS Final Rule](#), which was published in May 2022, there are many areas in which PHAs and PBRA owners have discretion to determine how they will operate their FSS programs. The goal of the Annual Report Survey was to collect information from FSS program staff to understand the ways in which FSS programs are using the flexibility of the program and to learn about how FSS is implemented across the country. The program flexibilities allowed by the Final Rule informed aspects of the survey design. This report is the first of its kind, assessing qualitative data and key implementation trends found across the over 900 sites implementing the FSS program.

Data from this report will be used to improve program oversight, identify resource gaps, and target technical assistance.

Key Findings

- The top three types of services coordinated for FSS participants were financial empowerment, employment supports, and education.
- Childcare is the service type with the most significant reported divergence between program coordination and perceived importance. Program staff rated childcare as the fifth most important need of their participants, but of the service areas named as options on the survey, it was the least commonly coordinated.
- The greatest reported need for interim disbursements is transportation for work, followed by personal educational expenses and credit repair and debt reduction.
- FSS Coordinators are often isolated in their host settings and need more support in understanding the program and implementing best practices.
- The majority of organizations surveyed are not trained in trauma-informed care program models, and most programs do not use a triage system to help determine the acuity of needs of the FSS participants and guide how often they need to receive support. Both of these are areas where HUD can provide further support in the future.
- Most programs allow participants to take interim disbursements of their escrow savings, and 98 percent of FSS programs allow for extensions to the Contract of Participation. Both of these policies are in line with HUD's programmatic best practices for FSS.
- 77 percent of respondents indicated that they are using forfeited escrow to support FSS participants in reaching their goals, but the variety of uses that are reported indicates that programs are still determining best practices for the use of forfeited escrow, which was part of new regulation introduced in 2022.

Recommendations for the Future

- HUD can put greater focus on defining the goals of the FSS program and the mechanisms through which the model should work to accomplish these goals.
- By leveraging the FSS Achievement Metrics (FAM) score, HUD can identify programs that need additional technical assistance and target resources towards them.

- HUD can encourage the creation and growth of regional peer-led FSS collaboratives.
- HUD can continue to encourage grantees to utilize the option to request funding for coordinators' training as part of fringe benefits to ensure that all FSS programs are implementing programs within regulation and utilizing best practices.
- In an effort to provide further support to FSS participants, HUD can identify opportunities that support barrier removal for families in the program, particularly by coordinating with other Federal agencies, such as the Department of Labor and the Department of Transportation.

III. Introduction

FSS is a program implemented by over 1,000 Public Housing Agencies (PHAs), both in Public Housing (PH) and Housing Choice Voucher (HCV) programs, and Project-Based Rental Assistance (PBRA) owners across the United States to serve HUD-assisted residents. HUD provides grants to the majority of eligible programs, which can be used to fund the salary, fringe benefits, and training costs of FSS coordinators. In 2023, 752 programs were funded by HUD, and the rest operated unfunded programs, utilizing funds from other sources to support the salaries and benefits of their FSS coordinators. The total amount of HUD funding awarded to these programs in 2023 was \$115,594,134, for an average of \$153,716 per program.

Through FSS, residents work with an FSS coordinator to set and work towards goals, with the overall objective of increasing their economic empowerment. The program has two main components: an escrow savings account, which allows participants to save money as their earnings increase, and case management that is designed to connect participants to resources and help them work towards the goals that they set for their futures.

FSS has had a positive impact on the lives of thousands of participants and their families in the 34 years since it was first established. In 2023, the program supported over 58,000 residents, with 3,740 families completing their contracts and graduating from the program. Given that families can participate in the program for up to 7 years, this equates to approximately 40 percent of families who were eligible to graduate doing so. Among the 860 families who graduated from the program with escrow in 2023, there was an average of approximately \$10,400 in escrow earned upon graduation. Some families graduate from the program without an escrow balance, but this does not indicate that these families did not accrue escrow while in the program. Based on this survey, 89 percent of FSS programs allow families to take interim escrow disbursements during their participation in the program if they need funding to help them achieve their goals, which can result in participants graduating without appearing to have saved escrow. These disbursements are explored in greater depth later in this report.

Several key themes were clear in the results of the 2024 Annual Report survey, which analyzed data from calendar year 2023, the first year where HUD fully implemented the reauthorization of the FSS program. First, many programs are implementing best practices that HUD recommends FSS practitioners follow. This includes strategies such as allowing for extensions to participants' contracts of participation when necessary and permitting interim escrow withdrawals to support participants in reaching their goals. Simultaneously, a second clear throughline in the results is that while many programs implement best practices, there is still a need for technical assistance from HUD to encourage wider adoption of these practices. The results from this survey will be

critical in informing HUD’s outreach and messaging, providing valuable direction on the areas in which FSS programs around the country are most in need of support.

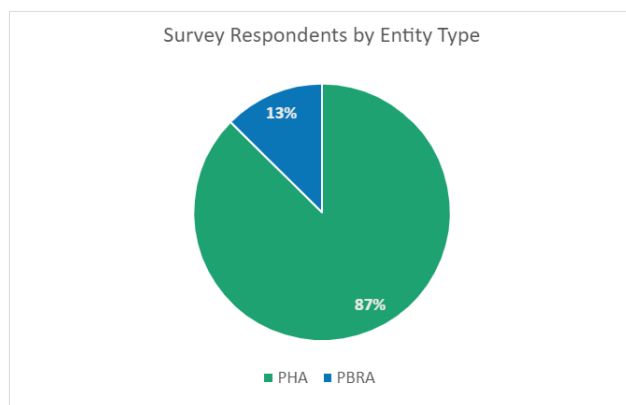
Lastly, it is apparent in the results of this report that FSS is strongly supported by practitioners and that the program is well-positioned for growth as a result of the increased funding that Congress has provided over the last several years. Respondents emphasized the positive impact that they see the program having on the families they serve, and they repeatedly indicated a need for expanding existing programs and funding new programs at agencies that do not yet have FSS grants. These themes and other survey findings are explored in greater depth in this report.

IV. Survey and Respondents

Survey Design and Administration

The FSS Annual Report Survey was designed by HUD staff over the course of over a year. The online survey was made up primarily of multiple-choice questions and was designed with the goal of being streamlined so that respondents could complete the survey, on average, in less than one hour.

Response collection began on February 7, 2024, and continued until May 24, 2024. HUD staff conducted outreach and publicized the survey using the FSS mailing list, announcements during monthly FSS office hours sessions, and targeted outreach through HUD field office staff. In accordance with the OMB-approved collection instrument, HUD used Microsoft Forms to collect survey data. In order to collect data from any organization with an FSS program, respondents accessed the survey using a public link. As a result, HUD received responses from individuals and from organizations that do not operate FSS programs who mistakenly completed the survey. To ensure that all responses included in the analysis were from eligible entities, HUD validated all responses against its records of approved FSS programs. After removing 117 duplicate responses, responses from ineligible individuals and organizations, and responses from organizations without an FSS program, there were 959 valid survey responses. 87 percent of responses were from PHAs, and 13 percent were from PBRA owners. This ratio is consistent with the ratio of FSS grants made to PHAs and PBRA owners: in the Fiscal Year 2023 funding cycle, 85 percent of FSS grants were made to PHAs and 15 percent were made to PBRA owners.



Records tracking the number of PBRA owners who are implementing FSS programs are not definitive, so it is not possible to reliably estimate the response rate among PBRA owners. However, this data is clearer for PHAs. There were approximately 950 FSS programs serving

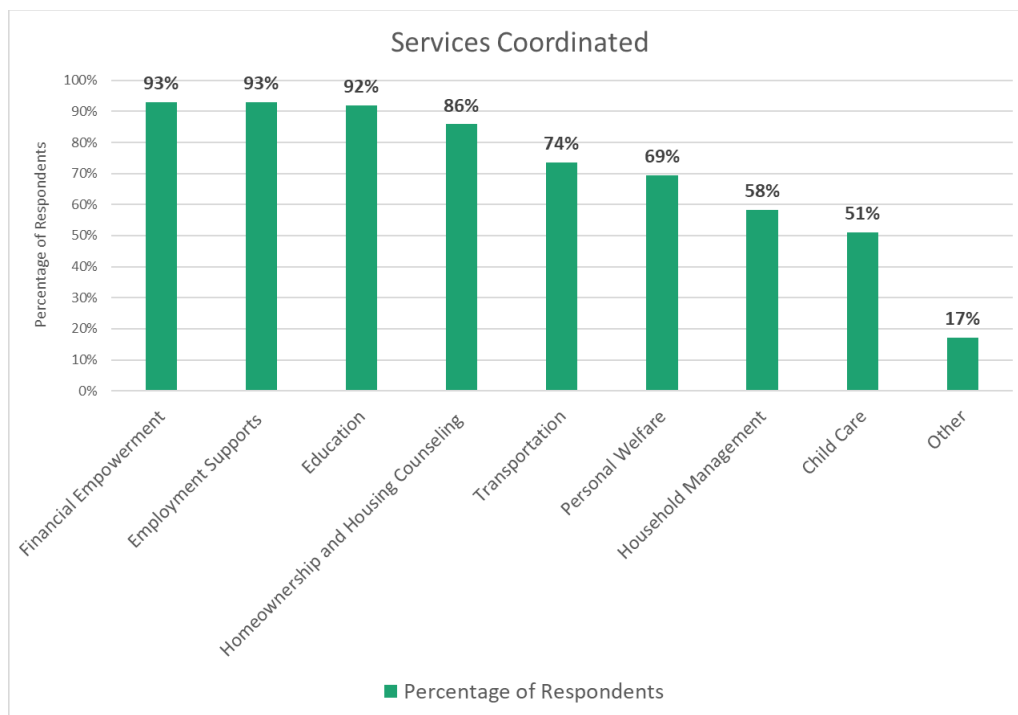
residents of Public Housing or Housing Choice Vouchers, including both funded and un-funded programs, in 2023, and HUD received 838 responses from PHAs. This results in a response rate among PHAs of approximately 88 percent. The survey was designed so that respondents could not submit their responses without filling out every question, so all survey responses were complete.

These results represent a comprehensive picture of the FSS program across the country, with responses from 49 States, as well as Washington, D.C., Puerto Rico, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands. The only State not represented is Wyoming, where there are currently no active FSS programs.

V. Participant Services

A key function of an FSS program is connecting participants to services in areas in which they need support, for example, in financial literacy or transportation assistance. Respondents reported on the services that they coordinate for their participants, with results shown in the figure below.

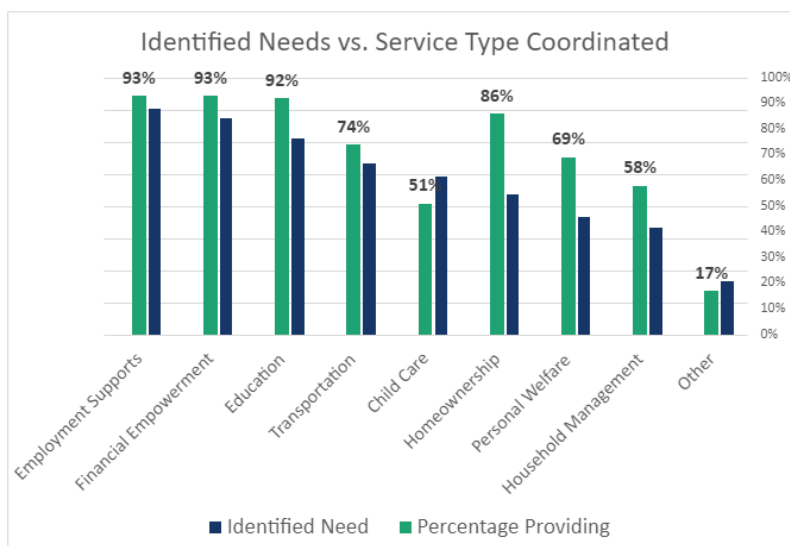
There was significant consistency among FSS programs in several service areas: 93 percent of respondents indicate that they coordinate financial empowerment and employment support services, respectively, and 92 percent coordinate education services for participants. After the top three choices, there is a decline before the next most common service, with 86 percent of programs coordinating homeownership and housing counseling services. All other choices, including transportation, personal welfare, household management, and childcare, were selected by less than 75 percent of respondents.



Respondents were also asked to rank the services that their participants most need. For the most part, there is consistency between the services that FSS programs coordinate and the services respondents indicated that FSS participants need; however, there are also several ways in which responses to these questions diverge. The three areas ranked as most needed – employment supports, financial empowerment, and education – match with the services most commonly coordinated. This indicates that almost all FSS programs are coordinating services in the areas in which FSS participants most need support.

There are two significant areas in which the services FSS programs coordinate deviate from the ranked importance of these service areas. First, 86 percent of programs indicate that they coordinate homeownership and housing counseling services for their participants, making it the fourth most commonly coordinated type of service, but respondents ranked this service area sixth in terms of its importance for their participants.

Second, of the service areas named as options on the survey, childcare is the least commonly coordinated, with only 51 percent of programs indicating that they coordinate these services for their clients. However, respondents also indicated that this is an area in which their participants have significant need, ranking it fifth in importance. Childcare is the only type of service named in the survey where FSS programs' responses showed that participants' need for the service was ranked higher than how commonly the service is coordinated. Based on these results, it is clear that supporting FSS programs in service coordination, especially childcare, is critical to the success of FSS participants. Additionally, it is important to note that many FSS programs report a lack of available services in key areas where participants need support, particularly childcare. The role of an FSS coordinator is to coordinate services, but they are only able to do this successfully to the extent that services are available in their community. These responses may illustrate a need for increased partnerships between HUD and other Federal agencies who are responsible for services that FSS participants may need, such as the Department of Labor or the Department of Health and Human Services. Additionally, this may be an area where further technical assistance from HUD would be useful in guiding FSS coordinators in how to seek out the childcare services already available in their communities (e.g., churches and home based businesses).



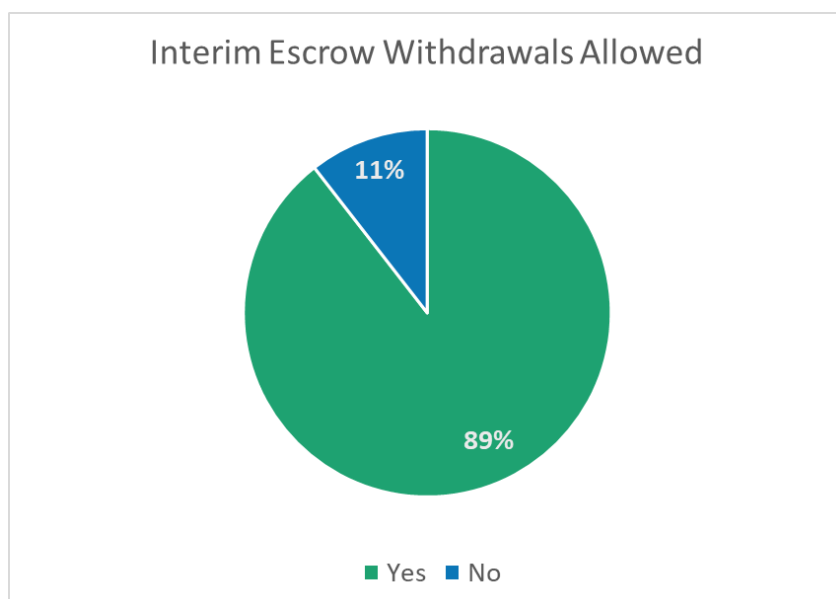
In addition, respondents listed a number of other types of services that their participants need. Common themes among the needs listed by survey respondents include resources for English language learners, legal aid, utility assistance, digital literacy, and access to food. Overall, these results show that the services that FSS programs provide are well-aligned with the services that they see as the most important for their participants. As discussed above, the exception to this is childcare, which is a clear area for improvement. While there are some areas in which there is a divergence between the services coordinated and the services participants most need, these results indicate that FSS programs are aware of the needs of their participants and are making efforts to provide the services that are most important for their participants.

VI. FSS Action Plan Policies

There are several elements of the FSS program that are required by regulation, but there are also many areas in which FSS programs have discretion to determine their own local policies that will have a significant impact on the experiences of their participants. FSS programs outline the policies that they will follow in an FSS Action Plan, usually following a [template](#) provided by HUD. Respondents answered a series of questions indicating how they use the flexibility that is built into the program.

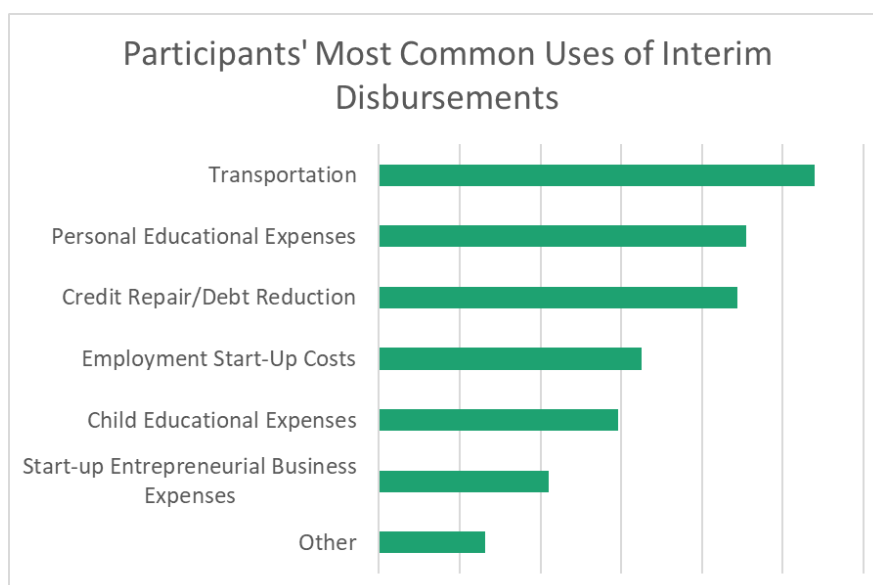
Interim Withdrawals

While it is required that when participants graduate from FSS, they receive the savings in their escrow account, each program can decide whether they will allow participants to make withdrawals from this savings account while they are still enrolled in the program. While it is not required that programs allow participants to make interim withdrawals, the vast majority do. 89 percent of respondents indicated that they allow interim withdrawals. It is a best practice to allow for interim withdrawals under at least some circumstances, so these results highlight that while most FSS programs are implementing this best practice, there may be more work to be done to communicate the benefits of allowing participants this flexibility.



Additionally, FSS programs that allow for interim withdrawals have the freedom to create policies around the specific circumstances under which withdrawals are allowed. For example, a program may make a policy to allow participants to withdraw only up to a certain amount of escrow savings to help them achieve one of their goals in the program. Another program may set a limit on how often participants can make withdrawals, while another may place very few limits on participants' ability to access their savings. In this survey, HUD did not gather information on these more detailed elements of how FSS programs are implementing interim withdrawals. This could be a productive area for further exploration in future FSS Annual Report surveys.

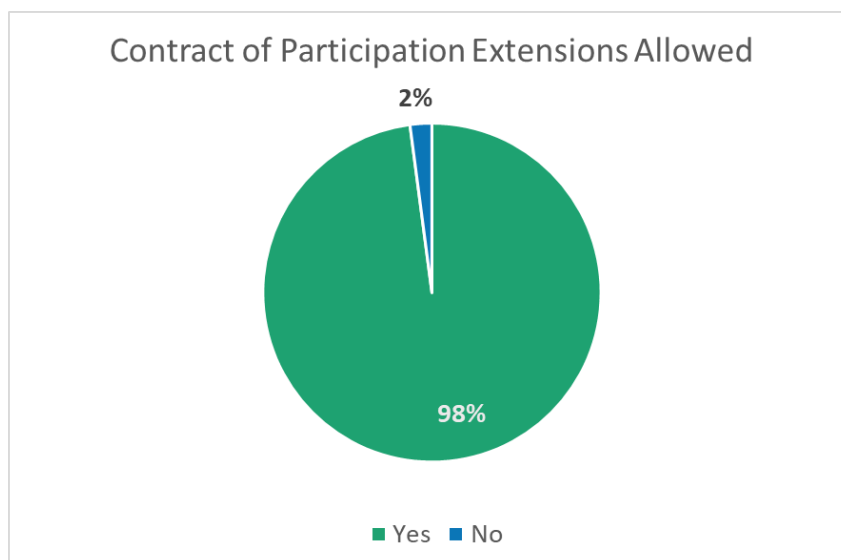
Respondents who indicated that they allow for interim escrow withdrawals were also asked to rank the most common uses of withdrawn escrow. The most highly ranked purpose was for transportation, followed by personal educational expenses and credit repair and debt reduction. These results are consistent with the guidance that interim disbursements be made for the purpose of increasing a participant's ability to reach their goals. For example, a participant may take an interim escrow disbursement in order to repair their car so that they can travel to work, to pay for the cost of tuition, or to improve their credit by paying down debt.



Other uses of interim escrow withdrawals noted by survey respondents include costs associated with homeownership, purchasing a computer, medical expenses, and legal costs.

Contract of Participation Extensions

Under the FSS Final Rule ([24 CFR 984.303\(c\)](#) and [\(d\)](#)), the base length of participation in FSS is approximately five years. However, if participants need additional time in the program to continue working towards their goals, then a program may allow them to extend their participation for up to two additional years, for a total of approximately seven years in the program. Almost all respondents indicated that they utilize this flexibility, with 98 percent of respondents indicating that they allow for extensions to the contract of participation, and only 2 percent saying that they do not. There were no apparent commonalities across programs who do not allow for contract extensions; this group was made up of PHAs and PBRA owners, Moving To Work (MTW) and non-MTW agencies, and programs from a variety of geographic regions.



HUD recommends that FSS programs allow participants to extend their time in the program using this policy. This recommendation, among others, is outlined in the FSS guidebook, which was created by a team of experienced FSS practitioners operating various types of FSS programs. The guidance was informed by the extensive experience of these practitioners and reflects the policies that they have found are most effective. These survey results are encouraging, as they indicate that the vast majority of FSS programs are following this guidance on FSS best practices.

Tracking Escrow Use

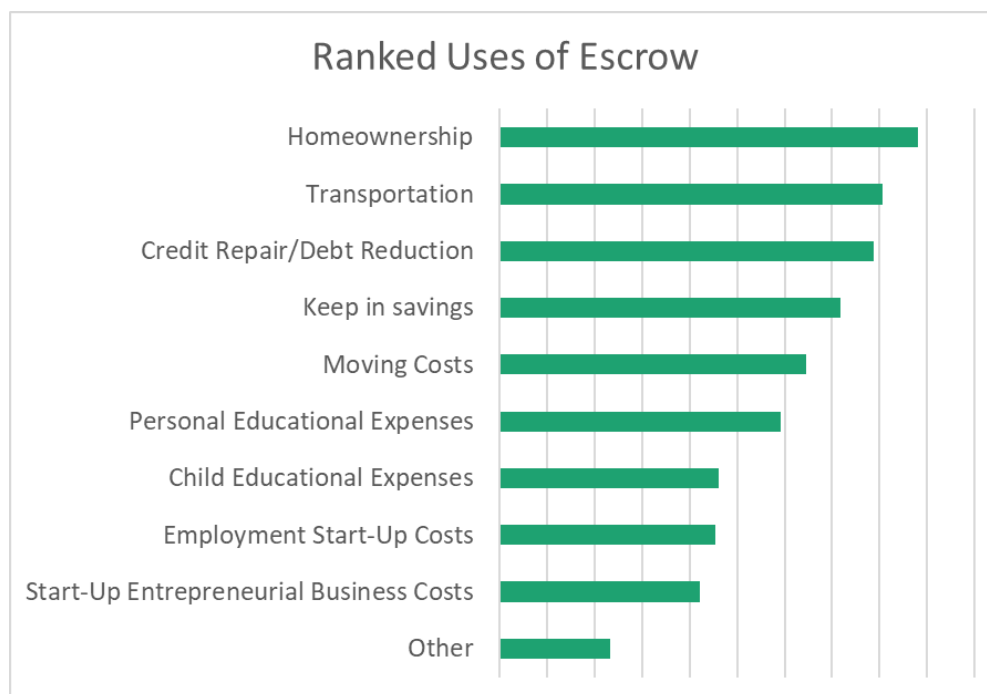
In 2023, 3,740 households graduated from the program nationally, and 23 percent of these graduates had a positive escrow balance. It is important to note that graduating without a positive escrow balance does not mean that a participant did not accrue escrow. As explained above, FSS programs have the flexibility to allow participants to take interim disbursements of their escrow savings to support them in working towards their goals. Participants may have utilized their escrow savings during their time in the program as a means towards graduating, for example, by paying tuition for community college courses, paying for a work uniform, or purchasing a car that would allow them to drive to work. HUD encourages FSS programs to allow these disbursements so that participants can leverage the savings they have accumulated to help them achieve their goals.

Among those who graduated with a non-zero amount of escrow, the average amount of escrow accrued was about \$10,400. It is left to the discretion of each individual FSS program to determine whether they will track the ways in which graduates from the program use their escrow savings. The majority of programs do not track escrow usage post-graduation; only 23 percent indicated on the survey that they collect this data. This result is to be expected, as tracking escrow usage is outside the parameters of program implementation.

The 23 percent of respondents who indicated that they track how FSS graduates use their escrow were then asked to rank the most common ways in which graduates use their savings. The top

use respondents selected was homeownership, followed by transportation, credit repair and debt reduction, keeping the funds in savings, and covering moving costs.

In addition to the uses of escrow named as options in the survey, respondents listed other ways in which graduates used their escrow. Common uses provided include health costs, travel and vacation, and buying items such as furniture or clothing.



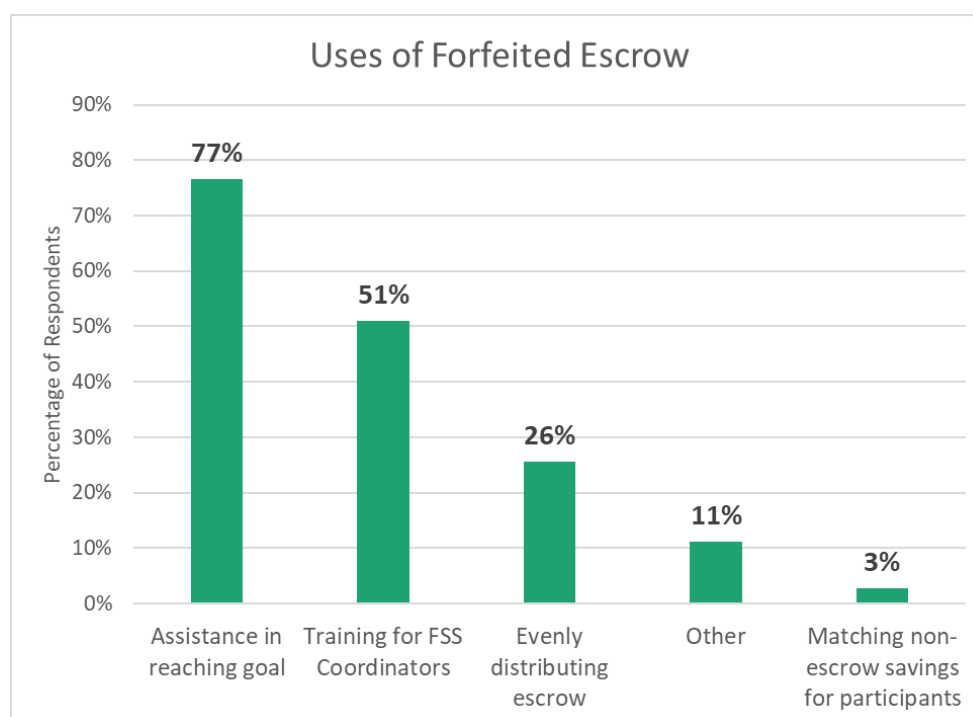
It should be noted that because a relatively small percentage of programs track this data, these results may not be a completely representative sample of how FSS graduates across all programs use their escrow savings. Additionally, it is possible that homeownership in particular is overrepresented as a use of escrow, as it is an outcome that would be easier for a PHA or PBRA owner to track. However, it is significant to note that there are some commonalities between the ranked uses of interim escrow withdrawals and final escrow payments; notably, transportation and credit repair and debt reduction were ranked in the top three uses under both questions. This may suggest that there is some consistency in the ways in which FSS participants use the savings they have earned, whether that is during their time in the program or after they graduate.

Forfeited Escrow

By regulation, when an FSS participant does not complete their obligations under their contract and does not graduate from the program, in most cases, they forfeit their escrow savings. ([24 CFR § 984.305\(f\)](#)). There are a variety of reasons why a participant may not graduate from the program. For example, they may withdraw from the program after determining that it is not a good fit at the time at which they are enrolled, they may not complete their obligations under their contract by their initial or extended end date, or they may leave housing assistance (for positive or negative reasons) and lose their eligibility for the program. In calendar year 2023, among those who accrued escrow but exited without graduating from the program, the average amount of escrow per participant was \$3,857.

Since the Congressional re-authorization of the FSS program, all programs are required to use these forfeited savings to benefit current FSS participants. Beyond this basic guidance, individual FSS programs have the freedom to set their own guidelines on how they will utilize forfeited escrow.

The majority of FSS programs use these funds to provide support to FSS participants which will help them to achieve one of their goals, for example, by helping to pay for tuition or covering the cost of a vehicle repair that is necessary to ensure the participant can travel to work. 77 percent of programs indicate that they use forfeited escrow funds for this purpose. While this is by far the most common use of forfeited escrow funds among survey respondents, it is not the only way in which FSS programs use these funds. 51 percent of respondents selected that they use forfeited escrow to pay for training for FSS coordinators, and 26 percent stated that they evenly distribute forfeited escrow savings to the escrow accounts of current participants on a regular basis.



HUD allows FSS grantees to spend grant funds on training for FSS coordinators as part of the fringe benefits provided for these employees. As a result, HUD encourages funded FSS programs to use their forfeited escrow funds for the direct benefit of program participants rather than for training for coordinators. The large percentage of respondents who stated that they use forfeited escrow funds for FSS coordinators' training indicates that it could be beneficial to provide further guidance to grantees, suggesting that if they need additional funds for training, they access these funds through their grant rather than using forfeited escrow.

The re-authorization of the program included regulations that allowed for termination with escrow distribution for the first time. This can happen when an FSS Head of Household

becomes disabled and unable to work while in the program or ports to another PHA for good cause, such as moving to be nearer to employment or supports. The program has also been issuing guidance encouraging FSS programs to work with participants who are leaving housing assistance to be able to graduate before they leave.

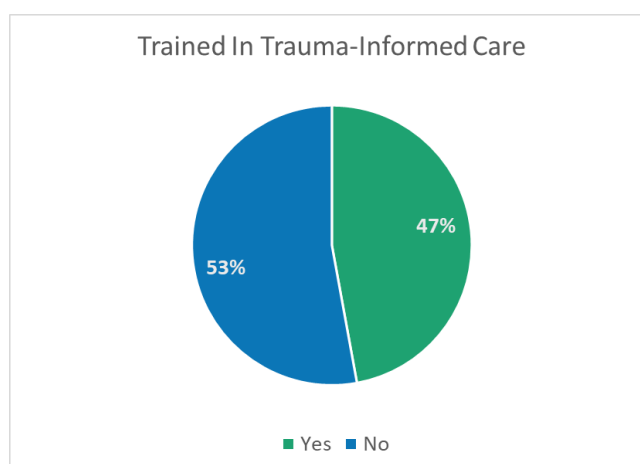
Having limited forfeited escrow funds available is a positive outcome, as this would indicate that most program participants are graduating from the program and receiving their escrow savings. HUD aims for the graduation rate of the program to increase, which would result in decreased forfeited escrow funds. One of the ways in which HUD is working towards the goal of increased graduation rates is the inclusion of this measure as one of the components of the FAM score. Tracking graduation rates through the FAM score will be a means by which HUD can target technical assistance and program monitoring. If a program is repeatedly receiving low graduation measures in the FAM score, then this would indicate that they could benefit from additional technical assistance to support them in raising their graduation rates. In the future, HUD would like to dedicate additional time and resources towards these programs with the goal of increasing the number of participants who graduate.

VII. Organizational Details

There are a variety of certifications PHAs and PBRA owners can earn and programs which they can implement that, while not directly related to FSS, interact with the program in meaningful ways. HUD asked respondents to provide details on how their agency engages with several of these types of programs and certifications which are particularly relevant to FSS.

Training in Trauma-Informed Care

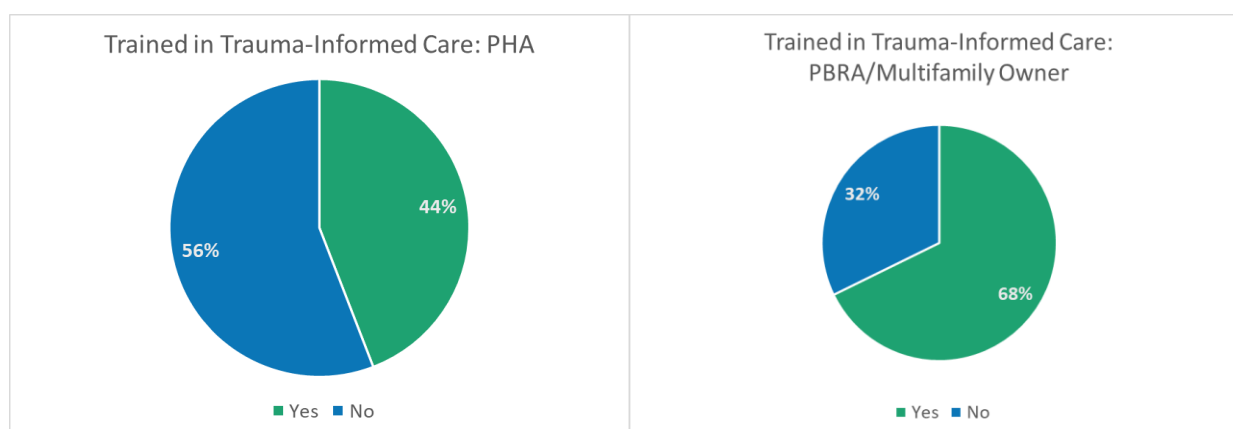
Many HUD-assisted residents have experienced trauma, and as a result, it is a best practice to train staff who work with residents in trauma-informed care and how to utilize this model in program design. 47 percent of respondents indicate that they or their organization is trained in trauma-informed care. While this is a significant proportion of FSS programs, given the importance of this kind of training in both coaching and program design, HUD will continue to emphasize that high-quality FSS programs have this orientation.



HUD staff have provided training in trauma-informed care to FSS programs in the past, and a recording of this training is available on the program's resources website page. New FSS grantees are informed that they are able to access this resource during new grantee orientation.

However, these survey results may indicate that further communication is necessary to publicize the availability of this resource and to emphasize the importance of trauma-informed care training for FSS coordinators.

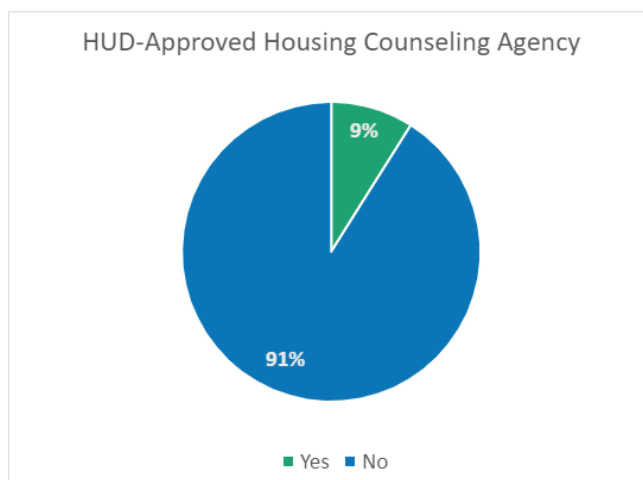
When separating responses by entity type, there is a notable difference in the rate of trauma-informed care training between PHAs and PBRA owners. Among PHAs, 44 percent of respondents indicated that someone at their organization has been trained in trauma-informed care, while 68 percent of PBRA respondents noted that there is someone at their organization who has received this training. One potential reason for this could be the concentration of PBRA FSS programs within a small number of management organizations; if it is the policy of one management organization to provide employees with training in trauma-informed care, this could result in an increased percentage of PBRA FSS programs indicating that they had access to this training. Regardless of the reason for this difference, these responses indicate that further messaging towards PHAs in particular would be useful in increasing the number of FSS program staff who are trained in trauma-informed care.



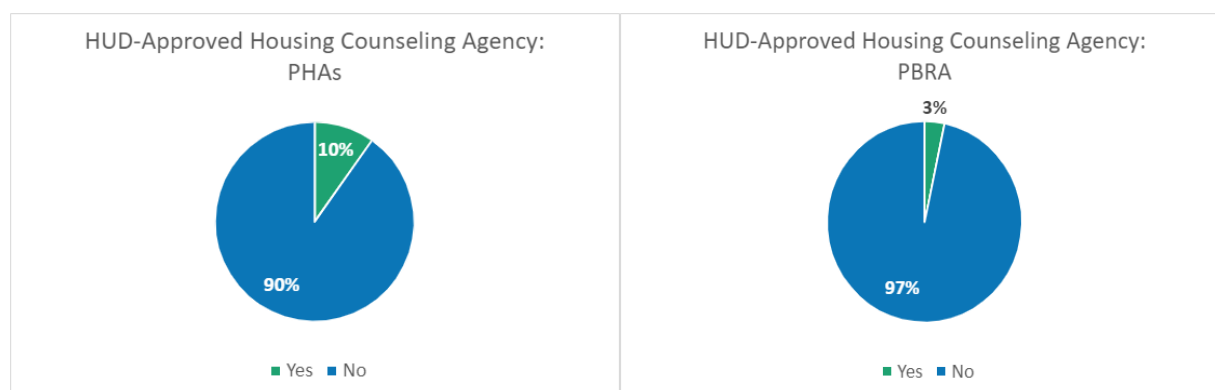
HUD-Approved Housing Counseling Agency

Historically, many PHAs have also acted as HUD-Certified Housing Counseling Agencies. HUD-certified housing counselors who work for organizations that are part of HUD's network of housing counseling agencies are able to provide individuals with guidance that is tailored to their own unique housing needs. Access to these services can be very valuable for FSS participants, especially for those who have made such progress in the program that they are considering moving into fair-market housing or preparing for homeownership. Since the changes in the Certification requirements, fewer PHAs are Housing Counseling agencies themselves but most partner with HUD-Certified Housing Counseling Agencies in their community.

Only nine percent of respondents overall indicated that they are a HUD-Approved Housing Counseling Agency. While this is a small percentage of FSS programs, this result is expected, as there is an in-depth process required to become a HUD-certified housing counselor.



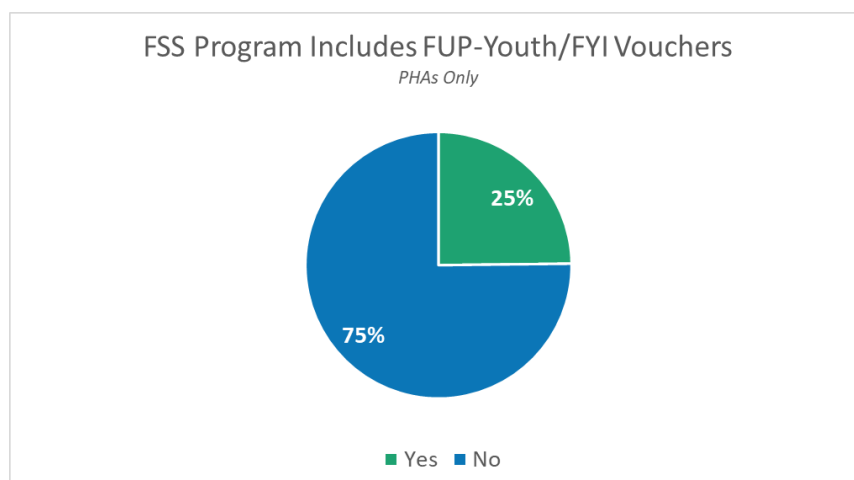
Similarly to the topic of trauma-informed care training, there is a divergence between PHAs and PBRA properties in the percentage of respondents who indicated that they are HUD-Approved Housing Counseling agencies. 10 percent of PHAs reported having this certification, while just 3 percent of PBRA properties stated the same.



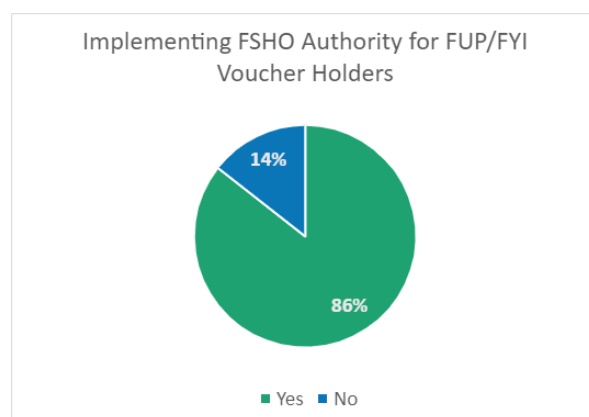
Family Unification Program Youth and Fostering Youth Initiative Vouchers

In December 2020, Congress enacted the Fostering Stable Housing Opportunities (FSHO) Amendments, which create a relationship between FSS and Family Unification Program (FUP) Youth and Fostering Youth to Independence Initiative (FYI) Vouchers. Under these amendments, which were implemented under [Federal Register \(FR\) Notice FR-6284-N-01](#), those using FYI or FUP-Youth vouchers are entitled to extend the length of time for which they can use their vouchers for up to an additional 24 months beyond the 36-month time limit if they are participating in FSS.

The Annual Report survey included a series of questions on FSHO which applied only to PHAs. Just 25 percent of respondents reported that their FSS programs include individuals using FUP-Youth or FYI vouchers.

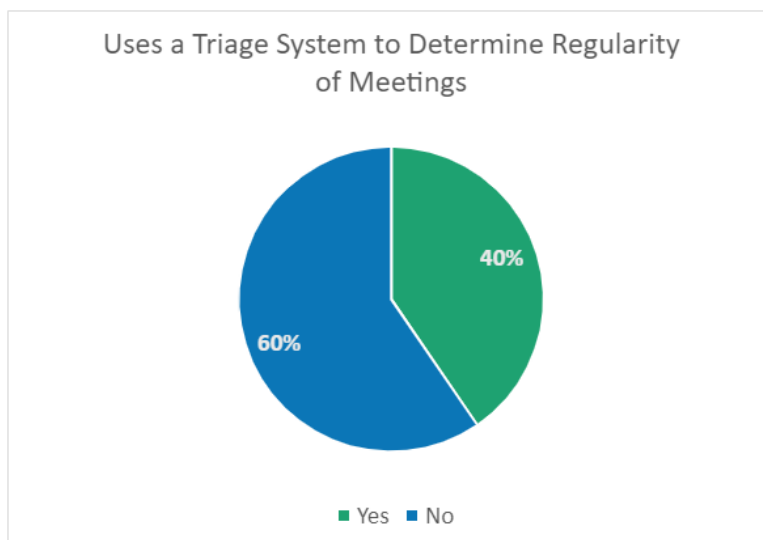


Of those respondents who indicated that young adults using FUP-Youth and FYI vouchers are included in their FSS program, 86 percent reported that they have provided extensions to the voucher assistance, as required by FSHO. The 14 percent who stated that they do not extend the life of these participants' vouchers were asked to explain why. Many stated that while individuals using these vouchers are included in the program, none have been in the program long enough yet to reach the 36-month time limit of their vouchers and need the extension. Others said that it is common for participants to transition onto another type of standard voucher once their FUP-Youth or FYI assistance expires, so it is not necessary to extend the length of time in which they can participate in FUP-Youth or an FYI voucher program. The Office of Public Housing and Voucher Programs is providing ongoing training to PHAs that have FUP-Youth or FYI vouchers to ensure that the FSHO provisions are being implemented properly.

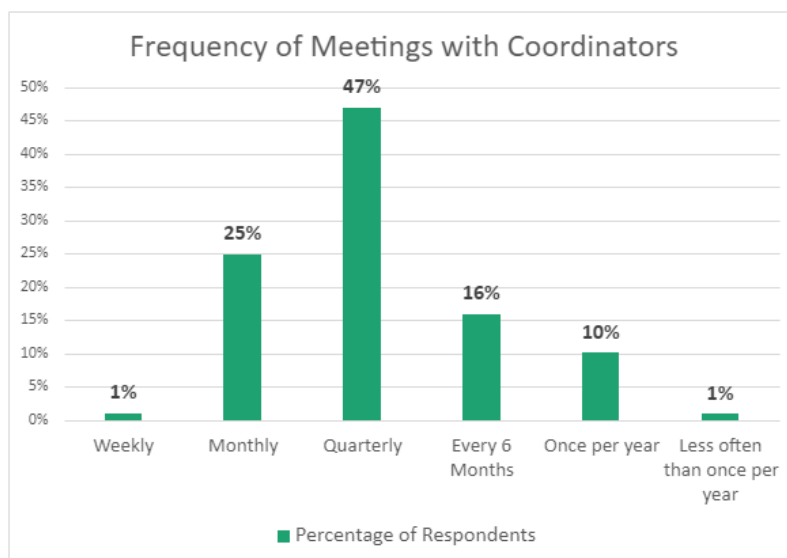


Triage System Usage

FSS coordinators may use a variety of strategies for how they manage their portfolio of program participants, but one primary strategy which HUD recommends is a triage system. Under a triage system, an FSS coordinator prioritizes participants who have more intensive needs and provides them with a greater amount of time and resources than those who have fewer intensive needs. When asked whether they use a triage system to determine how regularly they meet with clients, 40 percent of respondents indicated that they do.

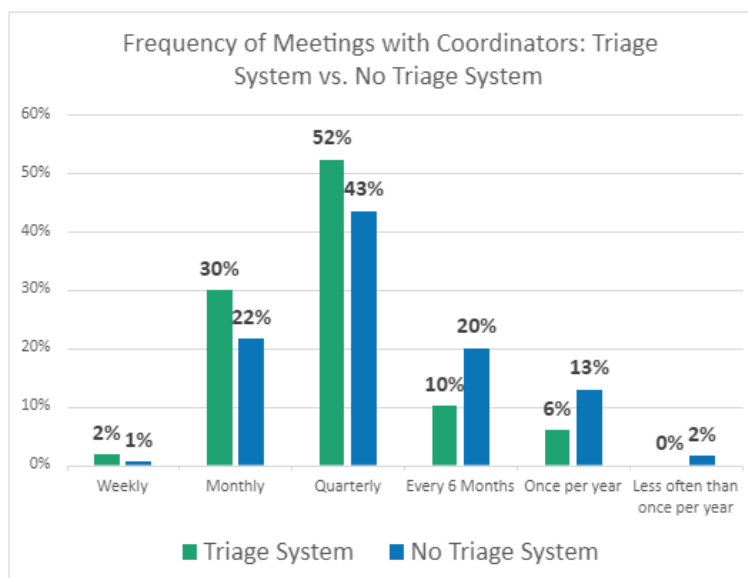


Additionally, respondents reported the frequency with which most of their participants meet with a coordinator. Among the full pool of respondents, the most common response was that most participants meet with a coordinator quarterly, with 47 percent of respondents selecting this option. Monthly was the next most common choice, with 25 percent of respondents indicating that this is their most common meeting frequency.



To further examine how the prioritization strategies that programs employ impact participants' experiences, HUD analyzed programs' reported meeting frequency, separated by whether they implement a triage system. Though there is wide variation in meeting frequency among both programs that implement a triage system and those that do not, there are indications that programs that use a triage system tend to hold more frequent meetings with their participants. For both groups, the most common meeting frequency is quarterly, but it was more common among programs with a triage system to report that most of their participants met with a coordinator weekly or monthly than it was for programs without a triage system to report the same. In contrast, it was more common among programs without a triage system than among

those with a triage system to report that most of their participants meet with a coordinator every six months or once per year.

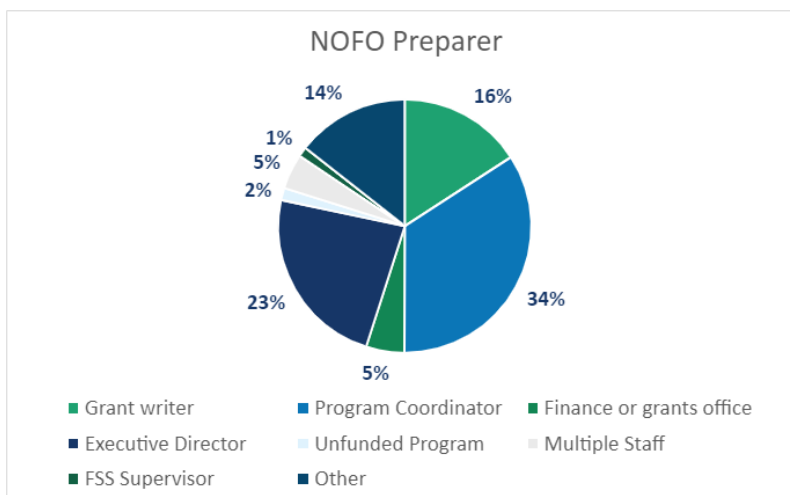


Further, while two percent of programs without a triage system reported that most of their participants meet with a coordinator less than once per year, there were no programs who implement a triage system who reported the same. HUD considers a triage system to be a best practice for program implementation; the relatively small percentage of respondents who stated that they utilize a triage system may indicate that it would be a productive area of technical assistance for HUD to provide further guidance on how to successfully implement a triage system.

VIII. FSS Program Funding and HUD Resources

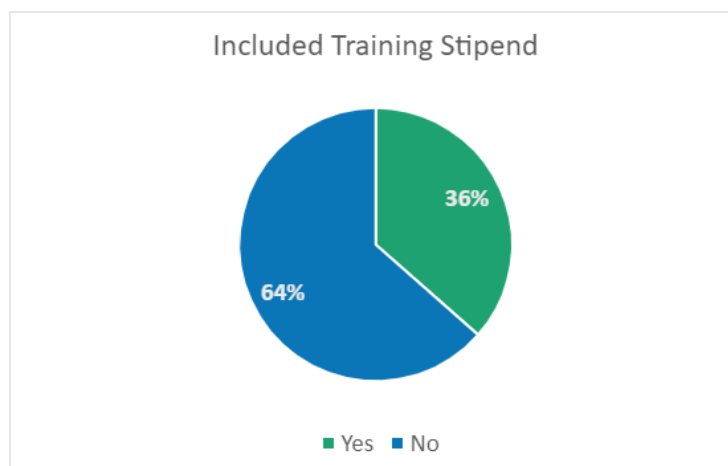
NOFO

As part of the Annual Report survey, HUD was interested in learning more about the administrative burden of the funding process on applicants, since it is intended to be a simple formula with a very low administrative burden. The survey asked how FSS programs are preparing their funding applications and what decisions they are making as part of this process. As part of this section of the survey, HUD asked that programs select the staff member who is responsible for preparing their funding application. There were a wide variety of responses, but the most common was that the FSS Coordinator is responsible for preparing the FSS funding application, with 34 percent of respondents falling into this category. 23 percent of respondents indicated that their Executive Director prepares their funding application, and 16 percent reported that they use a grant writer to create their FSS funding application. In the FY24 funding cycle, early reports indicate that the new structure requires less than an hour to apply and HUD hopes that even fewer applicants will choose to expend funds on a grant writer in the future.



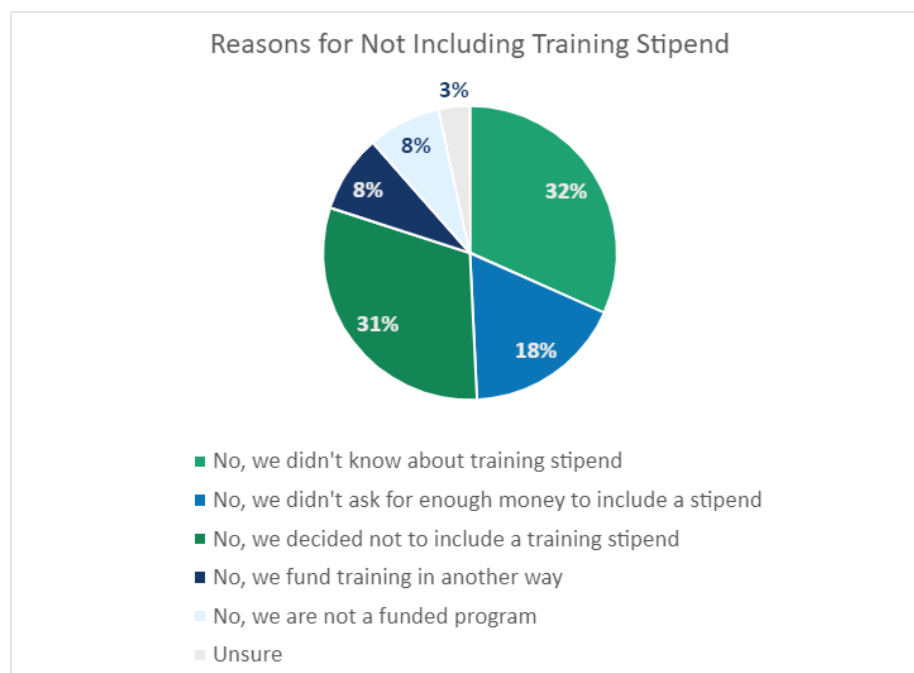
HUD funding for the FSS program can only be used for the salary and fringe benefits of FSS coordinators, but as part of fringe benefits, grantees can include funding for a training stipend for their coordinators. In funding applications, HUD only collects the total amount an applicant is requesting, so there has not historically been data on the percentage of their request that is designated for fringe benefits or whether they intend to use any of this funding for FSS coordinators' training.

To learn more about whether FSS programs are utilizing the training stipend, respondents indicated whether they requested a training stipend, and if not, why they chose not to make this request. 36 percent of respondents stated that they had included a training stipend in their funding request, while 64 percent had not.



Of those who did not include a training stipend, 32 percent stated that they did not know about the training stipend, 31 percent indicated that they made the choice not to include a training stipend, and 18 percent responded that they did not request enough money in their grant to include a training stipend. These results indicate that it could be beneficial for HUD to conduct more outreach to ensure that applicants know they may include a training stipend in their funding

request, as the most common reason for not including a training stipend was simply that the grantee did not know that they were able to do so.

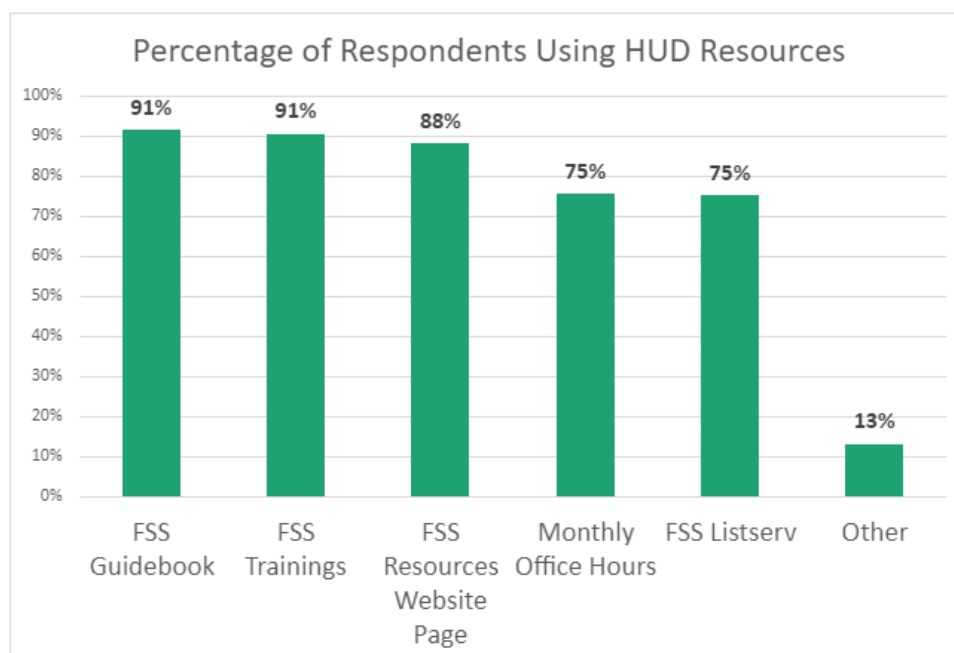


Respondents who indicated that they did request a training stipend were then asked to report the amount that they requested for this purpose. However, due to the ambiguous wording of the question, respondents may have reported either the total amount of training funding they requested or the amount per coordinator that they requested. As a result, firm conclusions cannot be drawn using this data. HUD will revise this question to make it clearer in the 2025 Annual Report Survey.

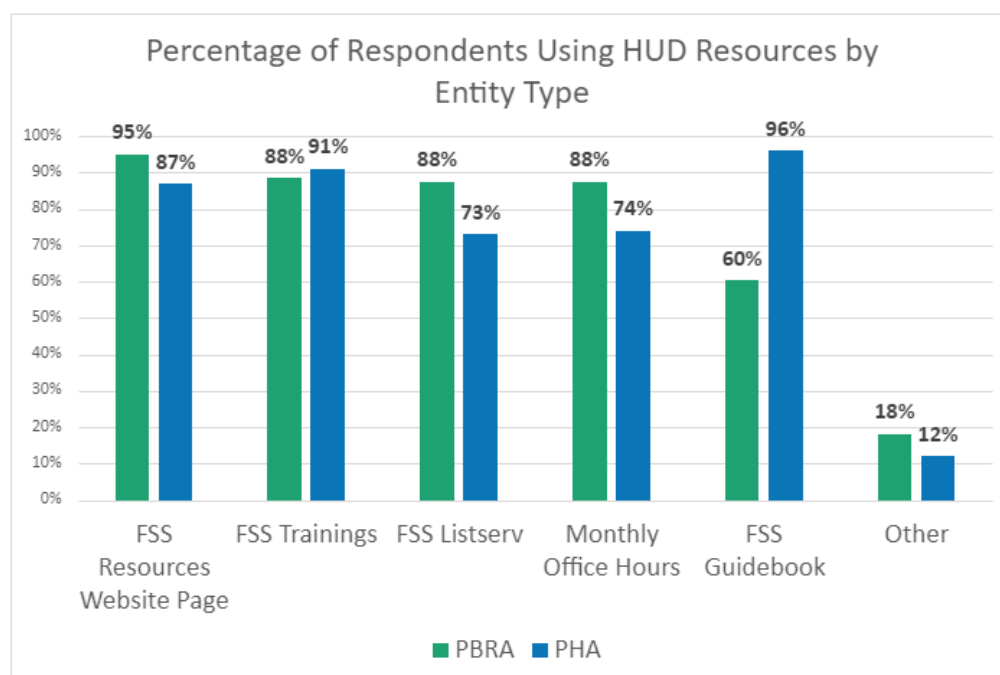
HUD Resources

HUD strives to provide a variety of tools and resources to FSS programs in order to give them the support they need to operate a successful program. Through this survey, HUD sought to gather information on which currently available resources are most useful to FSS programs, with the goal of using this information to better serve FSS programs in the future.

Respondents were asked to indicate which resources they utilized. In the full group of respondents, the three most popular resources are the FSS guidebook, FSS trainings, and the FSS resources website page.



When separating responses by entity type, there are some differences in the resources utilized most by PHAs and PBRA owners. The most popular resources among the full population of respondents are reflective of those that are most popular among PHA FSS programs: the FSS guidebook, FSS trainings, and the FSS resources website page. Among PBRA owners, the most utilized resources are the FSS resources website page, FSS trainings, the FSS email listserv, and monthly office hours.



This divergence in responses between PHA and PBRA programs may indicate differences in the types of supports that are best geared to the unique needs of each entity type. Understanding these differences could be useful in informing the way that HUD offers assistance and support to PHAs and PBRA owners in the future. This may also reflect a difference between newly funded and more established programs, as all PBRA programs were newly funded in CY23 and may have been actively looking for training and resources in a way that the more established programs were not. Regardless, HUD will work to ensure that all programs are aware of the technical assistance resources available in the future.

IX. Recommendations

In addition to structured questions focused on FSS programs' current operations, respondents were asked to provide feedback on two open-ended questions designed to inform HUD's strategy for continuing to improve the FSS program in the future.

Additional Resources

When asked whether there are additional resources that respondents would like HUD to provide, several primary themes emerged in the responses. Many respondents requested additional training focused on specialized topics. Examples that respondents provided included training specific to regional and local resources, creating Individual Training and Services Plans (ITSPs) and setting goals, marketing the program to residents, tracking program data, and utilizing forfeited escrow. This feedback is in line with actions that HUD has already taken to continuously improve the support and resources available to grantees. For example, HUD is in the process of creating explainer documents on specialized topics such as those named by survey respondents and hopes that these resources will help address this need.

A significant proportion of respondents also requested more opportunities for in-person training and convenings. Many expressed that they would find it beneficial to have opportunities to meet other FSS practitioners and learn from what other programs are doing. Some of these respondents noted that it would be useful to have more regional convenings so they could meet with FSS coordinators in their area, while others indicated interest in national conferences in order to learn from the broadest possible group of FSS practitioners. One respondent said, **"It would be advantageous to arrange for onsite training sessions or establish a robust network to facilitate the resolution of queries, with the aim of enhancing our program. Such measures would enable us to stay abreast of the latest trends in the field and optimize our operations."** Through this response and the comments of many other grantees, it is clear that in-person connections with colleagues would provide a significant benefit to FSS coordinators. HUD has heard this feedback and has also seen the success that many existing regional groups have had and wishes to encourage this type of collaboration. In the future, HUD aims to do more work to connect regional sites to enhance collaboration among FSS programs.

Third, many PBRA owners responded that it would be useful to have more resources and guidance directed specifically towards their organizations. As one respondent summarized, **"The NOFO award acceptance process for Multifamily owners can be very cumbersome. It would be helpful for the FSS team to provide tailored guidance, regular training, referrals to other HUD staff in Grant Solutions, eLOCCS, etc., to that group, who may be managing multiple awards under multiple owner entities."** Currently, most resources that HUD

provides for grantees are general and are designed to serve all FSS programs, both PHA and PBRA. However, the responses of many PBRA owners on this survey indicate that the specific needs that they have would be better served by creating resources and offering support that is targeted to address the nuances of Multifamily FSS programs or newer FSS programs in general. Additionally, HUD has already begun implementing changes to the FSS funding process with the goal of streamlining the funding cycle and reducing burden on grantees by moving from a NOFO to a funding notice. These changes were implemented in the funding cycle for FY24 and were met with positive feedback from grantees, as they have already significantly simplified the process of applying for FSS renewal funding. The process could be increasingly simplified through the introduction of multi-year awards, wherein grantees would be awarded funding for multiple years at once rather than needing to apply for new funding each year. Currently, the FSS program is appropriated funds on a yearly basis, so multi-year awards are not possible, but if the program receives multi-year appropriations in the future, this could function as a strategy to further streamline the FSS funding process.

In addition to recommendations for changes or additions to existing resources, many respondents provided positive feedback on the support that HUD currently offers. Particularly, there was a theme of appreciation for the ways that FSS programs can access support from HUD staff through monthly FSS office hours and the FSS mailbox. One respondent expressed the utility of these resources, saying, **“I appreciate access to the team through email and the updates are good. Questions are well received and answered in a timely manner. Office hours are super and updates provided there are great as well. I do appreciate the emphasis on trauma. That is helpful in working to motivate our participants. Achieving self-sufficiency is hard work!!!”**

Legislative and Administrative Recommendations

Respondents were also asked to list their top three recommendations for legislative or administrative action that would improve FSS. By far the most common response to this question was to increase funding in order to fund more programs and to expand the number of positions for which current grantees are funded. Respondents pointed out that this would allow existing programs to serve more residents, expand the number of housing providers who could offer the program to residents, and make it possible for FSS programs to retain staff for longer periods of time. Similarly, many respondents also asked that the regulations be changed to allow grantees to use grant funds for a variety of purposes, rather than the current structure, which only allows funding to be used for the salary and fringe benefits of FSS staff. Suggestions for other uses of funds included administrative costs of the FSS program (such as participant outreach, community events, and local travel costs) and for providing direct services to participants in the FSS program.

One respondent connected these two ideas, saying, “A significant increase in appropriations directed towards the FSS program by Congress would enable the expansion of the program’s capacity and reach. This funding should be aimed at not only supporting the operational costs of the program but also at increasing the number of FSS coordinators available to participants. With more coordinators, participants can receive more personalized and effective guidance, leading to higher success rates. Additionally, increased funding could support technological

advancements to improve program administration, participant tracking, and the delivery of services.”

In addition to these primary themes in recommendations, there were several other recurring suggestions. Many respondents recommended allowing participants to request interim income recertifications after the Housing Opportunities Through Modernization Act (HOTMA) is implemented, as HOTMA rules will change all rent re-certifications to take place only on an annual basis. HUD included this request in the FY25 Legislative Proposal on Triennial Recertifications and is waiting for Congressional direction. Other respondents suggested changing the funding process for new grantees from a lottery to an assessment of applicants past qualifications and experiences, moving FSS from an opt-in enrollment model to an opt-out model where residents are enrolled in the program automatically, and a variety of structural changes to the program. HUD is already exploring some of these suggested structural changes. For example, the proposed Helping More Families Save Act would introduce a pilot program wherein select PHAs and PBRA owners would receive funding to support the automatic creation of savings accounts for residents. While this would not be an opt-out structure for the full FSS model, it would utilize a similar mechanism for a key aspect of the program. Some respondents also recommended reverting to a standard 5-year base Contract of Participation, moving away from the update that was made in the re-authorization of the program to have the Contract of Participation end five years from the first re-certification after enrollment (see [24 CFR 984.303\(c\) and \(d\)](#)), and others proposed adjustments to program graduation requirements, with some favoring more restrictive requirements and others recommending making the requirements less restrictive. Finally, a number of respondents suggested a variety of ways in which the way escrow is structured could be revised, such as simplifying the calculation process, allowing for escrow at higher than 80 percent AMI, where it is currently capped, or moving to various alternative escrow models that are being implemented by MTW agencies.

Overall, survey respondents provided positive feedback on the program and emphasized the good that they see FSS doing for families who participate. As one respondent noted, **“Our one recommendation would be to continue fully funding the FSS program. It has made a significant difference in lives of many families who have been able to achieve greater economic independence as a result of their participation.”**

X. Conclusion

Taking into account the feedback respondents shared in this survey, HUD has identified several potential improvements that could be implemented moving forward. First, HUD will continue to define and further center FSS program design, with the intention of clearly defining the goals of the program and the mechanisms through which programs should be working towards these goals. HUD intends for this clarity to help inform the day-to-day work of FSS coordinators. Second, HUD will leverage the FAM score, which scores the performance of all funded non-MTW PHA FSS programs, to identify programs that are in need of additional technical assistance and provide them with increased support. For example, in an effort to improve graduation rates, HUD may target technical assistance towards FSS programs that have a low percentage of participants graduating from the program, as measured by the graduation component of the FAM score. HUD further intends to encourage FSS programs to use the FAM score to evaluate their own performance and identify ways in which they can improve.

Third, HUD intends to foster collaboration among FSS programs by encouraging the creation of new regional FSS collaboratives and supporting the flourishing of existing collaboratives. These organizations have proven to be beneficial for States and regions where they already exist, and HUD has received feedback that further support for their expansion and the creation of new collaboratives would be instrumental in allowing for networking between FSS coordinators and increased creative problem solving among organizations who may face similar challenges and opportunities given their proximity to one another. This could also include the creation of distinct groups for PHAs and PBRA owners, as PBRA owners may face unique circumstances and challenges and could benefit from additional supports tailored specifically to their programs. Fourth, HUD will continue to encourage grantees to request training funds as part of their fringe benefits calculation under the FSS grant. This will ensure that FSS coordinators have access to high-quality training and will have the knowledge and skills necessary to run programs that are compliant with regulation and incorporate best and promising practices.

Lastly, HUD intends to identify opportunities that support barrier removal for FSS participants. FSS practitioners frequently report that barriers, such as a lack of transportation or childcare services, make it difficult for FSS participants to reach their goals and progress towards self-sufficiency. HUD aims to find ways to assist FSS programs as they work with participants to overcome these barriers, such as through increased inter-agency collaboration and partnerships or providing more guidance for FSS programs on best practices for barrier removal. In particular, there is an imbalance in the perceived importance of childcare to FSS participants and the rate at which FSS programs coordinate these services. Childcare is a particularly challenging service to coordinate, and many coordinators report a lack of available services in their area. This is a key point where improvement is needed in order to support FSS participants in attaining self-sufficiency. As a result, this may be a productive area for HUD to provide additional supports to service coordinators as they work with participants on obtaining childcare services. In the future, should there be a regulatory change that allows for more expansive uses of FSS funding beyond salary and fringe benefits for FSS coordinators, HUD could also provide funding for programs to use for the purpose of barrier reduction or providing direct services to participants. While this is not currently permissible under FSS regulations, this may be an area to explore should Congress make structural changes to the program in the future.

The results of the survey clearly indicate deep support for the program among those who implement it. Respondents expressed a significant desire to expand the program, both within their own organizations and to new organizations who have not been funded by HUD in the past. HUD will use the data and qualitative feedback from survey respondents to continue to improve the program and the supports that are available to FSS practitioners. These findings show that the program is prepared to effectively utilize the increased funding provided by Congress over the last several years to expand the reach of FSS and to serve more families across the country as they work towards self-sufficiency.

As this report provides an overview of the information submitted by public housing agencies and PBRA owners on the operation of the FSS program in 2023, the Department believes that it has satisfied its congressional directive.