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Memorandum

To: Advisory Committee Minority Female Single Parent Program  
From: Bernard E. Anderson   
Subject: Developments since the February 1984 meeting  
Date: May 18, 1984

Several important developments have occurred in the MFSP Program since the last meeting of the Advisory Committee. We want to keep you informed about such developments, so we can continue to share your advice and counsel as the program unfolds.

Fourth MIS Report

In late April, we received the revised fourth MIS report, and sent each committee member a copy of the report under separate cover. Several modifications will be made in the format of key tables in order to improve the clarity with which information on project information is presented. We hope the revised format for presenting the MIS information will improve its value as a source of information for monitoring the progress of the CBOs.

Status of National Council of Negro Women Project

After a long and careful consideration of all the evidence, the Foundation reluctantly withdrew the National Council of Negro Women from further participation in the MFSP Program, effective after the conclusion of the second grant year in August 1984.

The Advisory Committee will recall the discussion of problems with the Council project at each of our meetings, and the suggestions by both Advisory Committee members and Foundation officers on how the problems might be corrected. Unfortunately, satisfactory progress toward an acceptable level of performance by the Council did not seem likely and the only reasonable option available to the Foundation was to discontinue funding the Council project.



In brief, the funding withdrawal decision was based largely on indisputable evidence that the Council's employability development model is inappropriate and ineffective for serving low income members of the target population. You will recall that the Council expected to offer counseling services, and World of Work seminars for project enrollees, and to refer them both to skills training courses offered by the Private Industry Council of New York City, and referral to employers for direct on the job training. Because almost all the persons who applied to the Council for participation in the project had serious deficiencies in basic academic skills, it was not possible for the Council to approach, much less meet its skills training and job referral targets.

The disparity between the project model and the needs of the participants generated low levels of enrollment in the project which, in turn, exacerbated the Council's difficulties in meeting the impact evaluation survey requirements. In order to correct the problem, Council staff attempted to modify the project in several ways, including (a) requiring high school graduation or GED certification for enrollment eligibility, (b) reducing the World of Work workshop from 12 to 6 weeks duration, (c) introducing an on-site clerk typing course scheduled to begin in June, but not yet fully funded, and (d) introducing a linkage with basic skills remediation services, in order to strengthen the reading and computational skills competencies of project participants. It is not at all certain, however, that these project modifications, some of which are still in the planning stage, will be fully effective, but the change in enrollee eligibility has already had a negative impact. For example, the most recent project operations data show only forty-four new enrollees admitted between September 1983 and March 1984. At that rate of enrollment, fewer than 100 new participants will be admitted into the project during the second grant year, although the goal set by the Council at the time it submitted its second year work plan was 200 new enrollees.

Because Foundation support of the Council represented a significant part of its total operating funds, the withdrawal of support could possibly be very damaging to the organization. Much for that reason, and also because the Council might have potential for offering effective services to minority-group women other than single parents, the Foundation has offered Dr. Dorothy Height, President of the Council, modest support for alternative program activities, which, in her view, would be of high priority after the termination of Foundation support for the Council's participation in the MFSP Program. The Foundation's willingness to consider modest assistance for up to two years after August 1984, includes possible support for consulting assistance to the Council in identifying alternative funding from both private and public sources. Dr. Height is now considering those options and is expected to report back to the Foundation with her recommendations during the next several weeks.

In the meantime, the Council will maintain the operating status quo through August 1984. Current enrollees in the project will be permitted to complete their participation before that time, but no new enrollees who cannot complete services funded by the Foundation during the next 3½ months will be admitted. Also, basic management information system data



will be collected on all enrollees during the remainder of the second grant year, but the impact evaluation research, including baseline interviews and the selection of a comparison group has been discontinued. The on-site researcher will remain in place for the duration of the project, and will continue to report on important matters related to project implementation.

#### Review of MFSP Research and Evaluation Plan

In January 1984, the Foundation initiated a review of the Equal Opportunity Program, the grantmaking category under which the MFSP program is supported. The EOP review, the last in a series of major program reviews initiated by Dr. Lyman when he assumed the presidency in late 1980, will focus on each of the components of the program, i.e., expanding economic opportunities, broadening career opportunities, and securing and protecting basic rights. The purpose of the review is to determine whether foundation resources are being deployed to maximum advantage in addressing important areas of interest, and whether more effective grant-making strategies might strengthen the foundation's capacity to pursue its interests in the immediate years ahead.

An examination of the MFSP program is part of the review of grantmaking supported under the economic opportunities component of the EO program. In the examination of the MFSP program, the single largest program now supported under the EOP, attention has been drawn to the research and evaluation plan through which the knowledge development goals of the program might be achieved.

During the past six months, concern about the research and evaluation content of MFSP was heightened by increasing evidence of project operating difficulties in the CBOs, and difficulties displayed by Abt Associates in implementing the MIS and impact evaluation plans. Members of the Advisory Committee expressed such concerns at length during their last meeting in February.

Research and evaluation looms large in the expenditures devoted to the MFSP program. The six year contract for the MIS and evaluation work by AAI is estimated to cost about \$2.6 million, of which \$800,000 had been expended through 4/84. Because of this significant expenditure, Dr. Lyman and the officers became increasingly concerned about whether the research and evaluation under current and prospective CBO operating experience would produce the desired impact and implementation data. For that reason, the officers thought it would be useful to obtain a mid-course assessment of the research plan as part of the overall EOP review process.

The assessment of the research plan is now being conducted by Professor Robinson Hollister, of the Department of Economics, Swarthmore College. Hollister has extensive experience in evaluation research, having participated in evaluations of the income maintenance experiments, Supported Work, and other demonstration/evaluation projects of the type.



The review will assess the research and evaluation objectives of the program and the appropriate means for their attainment. Special attention will be given to the effect of the lower than expected enrollment in the CBO projects on the measurement of CBO impact on the economic and other outcomes achieved by project participants. Hollister will inquire into several important areas of the research plan, but especially (1) what questions can most reasonably be answered concerning the impact of the MFSP Program on its participants, (2) how should the research design for the MFSP Program be modified to assure the production of useful and policy relevant information based on the five year demonstration project, and (3) what lessons from the MFSP Program are likely to be most useful as a guide to future program planning and implementation as regards community-based efforts to help improve the economic status of single parents.

A report on the assessment of the research plan will be available in time to be considered as part of the ongoing review of the Foundation's Equal Opportunity Program. Consultation with the Advisory Committee, however, is desirable before any significant changes in the program are made. Toward that end, arrangements for such consultation will be discussed with Dr. Wallace.

#### MFSP Cost Analysis

In view of the heavy commitment of time and effort to the EO Program Review, further consideration of a cost-analysis of the MFSP Program has been temporarily delayed. Preliminary inquiries are being made to identify an appropriate person to investigate the issues and make recommendations to the Foundation on the best way to approach the cost-analysis, but a final decision on going forward with such work will not be made at this time.

#### Future Reports

A number of materials related to the program will soon be submitted to the Foundation: AAI Annual Report, three volumes due June 1. (copies to be distributed to the Advisory Committee) and CBO Annual Reports and Third Year Work Plans, due July 1. Site visits to the CBOs, based on a review of the Annual Reports and Work plan will be made from mid-July through early-August, and grant renewal decisions for third year project funding will be made before September 1.

Please note that the next meeting of the Advisory Committee is scheduled for Thursday, October 11, 1984. We hope all members of the Advisory Committee will be able to attend, and we will keep you informed about additional developments in the program as they occur.



The Rockefeller Foundation  
Employment Program For  
Minority Female Single Parents

Summary of  
Advisory Committee Meeting

March 1 and 2, 1984

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PRESENT

Advisory Committee

Dr. Phyllis Wallace (Chair)  
Massachusetts Institute of Technology

Dr. Patricia Gurin  
Russell Sage Foundation

Dr. Juanita Kreps  
Duke University

Dr. Robert Lampman  
University of Wisconsin

Dr. Lloyd H. Rogler  
Hispanic Research Center  
Fordham University

Dr. James Teele  
Boston University

Regrets: Ms. Eleanor Holmes Norton  
Georgetown Law Center

Abt Associates

Dr. Stephanie Wilson  
Dr. Joe Frees  
Ms. Donna Davis  
Mr. Mike Battaglia

Rockefeller Foundation

Dr. Richard W. Lyman  
President

Dr. Lawrence D. Stifel  
Vice President

Dr. Bernard E. Anderson  
Director  
Social Science Division

Dr. Phoebe H. Cottingham  
Associate Director  
Social Science Division

Dr. Bruce E. Williams  
Associate Director  
Social Science Division

Ms. Marie Guzman  
Executive Secretary  
Social Science Division

Ms. Aida Rodriguez  
Research Associate  
Social Science Division

Ms. Elizabeth Tauranac  
Program Associate  
Social Science Division

Dr. Michael Borus  
Consultant



Thursday, March 1--Afternoon Session

[Committee members absent from session: Dr. Lampman]

The meeting began with a brief discussion about the fourth MIS report (January 31, 1984) from AAI. Foundation officers mentioned the problems with this report and indicated it was being revised by AAI and resubmitted to the Foundation in late March. Dr. Stifel indicated that the Foundation must be candid with AAI about the quality of their report checking before reports are submitted. Dr. Cottingham noted that under the contractual obligation with the Foundation AAI is not required to include any interpretation in their MIS reports. The Foundation has pushed AAI to have more consistency checks built into the program that processes the MIS data. The Foundation reviews drafts of all AAI reports except the MIS reports.

Current Demonstration Projects on Female Single Parents

Dr. Anderson began the meeting with a brief presentation on two other major demonstrations that like the Rockefeller Foundation's MFSP program are trying to reduce dependency for minority single parents. He highlighted the features of MDRC's Work/Welfare experiments and the Ford Foundation's Project Redirection. His presentation was followed by questions from those present at the meeting. Dr. Stifel asked if MDRC included a cost-benefit analysis as part of the Work/Welfare demonstration. Dr. Anderson replied in the affirmative and Dr. Stifel responded that the Foundation's evaluation of the MFSP program should also include such an analysis.



Dr. Gurin asked if one of the results of Project Redirection had been a big difference in schooling between program participants and non-participants. Dr. Cottingham responded by reviewing some of the results of the impact analysis of Project Redirection.

Status Report on Community Based Organizations (CBOs)

Dr. Anderson reviewed highlights from the February 1, 1984 Rockefeller Foundation report on the Employment Program for Minority Female Single Parents. He indicated that 40 percent of all program participants had received skills training, one-third received some form of basic education and all participants received child care. Committee members wanted to know why women without jobs leave the program. They were told that basic education problems limited the training opportunities available to some women through the CBOs. It is clear in the case of the Council, for example, that participants leave the program when they fail to see a connection between program activities and getting a job.

Dr. Anderson then introduced three implementation issues still confronting the CBOs: (1) Integrating basic skills and basic education; (2) Strengthening the occupational training capacity of the CBOs; and (3) Identifying jobs appropriate to this population. He noted that while the economic recovery had completed one year, many of the communities in which the MFSP projects are located still had a paucity of entry level jobs. Moreover, in Washington, D.C., Atlanta, and New York City, the structure of the labor market may exacerbate job placement. In Washington, more clerical jobs are available but the skills required for these jobs are increasing. In Atlanta, the target population is competing with Asians and in NYC there is competition with Asian and Hispanic workers. In summary, not many semi-skilled jobs seem available to low-skilled persons.



Dr. Rogler asked if CET was succeeding in integrating skills training and basic education, strengthening their training capacity, and identifying jobs for the target population. He was told that CET is right in the middle of the Silicon Valley where many semi-skilled entry level jobs are available in the electronics industry. In addition, CET is a job training center and has more training courses than all the other sites combined. Lastly, CET does not provide adult basic education simply for the sake of providing basic education but teaches enrollees the basic vocabulary, mathematics, and reading that are necessary to become job eligible in their chosen field.

Dr. Gurin next stressed that we knew in the sixties that basic education alone was not sufficient; it had to be integrated with skills training. She wondered why the Foundation did not "scrap" the other CBOs and reproduce the "CET model" throughout the country. She wants to know why CET is so successful and was concerned that the MFSP program results would end up sounding like the results of programs in the sixties. "Are we going to know anything we did not already know at the beginning of the program?" The Foundation officers responded that this is the first time the CBO models are being tested for this population. Furthermore, the CET model is probably not replicable on a large scale. It is costly and tied to a particular labor market situation. It was noted that the CET model was really the OIC model implemented in San Jose and that the skills of those running CET have a lot to do with the success of the organization. Mr. Russell Tershy has been with CET for a very long time, there has been no funding interruption, and strong community support exists. All of these ingredients cannot be replicated elsewhere.



Dr. Anderson stressed that WOW also knows how to adjust to the needs of the target population and WOW's model may have greater potential for replication. He noted that the implementation research will tell the Foundation not only why the CET model works but also why the model had not worked elsewhere and if a modified CET model is a possible alternative. Dr. Kreps stated that Dr. Gurin's question was really one of resource allocation. Given limited numbers of dollars, wouldn't the Foundation want to tip in the direction of things we knew would work way back in the 1960s. She indicated that she felt impatient with some of the CBOs and thinks the Foundation should not put money into projects that do not seem to work. Given the rate at which women are leaving some of the MFSP projects and the lack of training, she would tip in the direction of increasing job placement.

Dr. Lyman interjected at this time that he would not be at the meeting the next day but wanted to stress that he could not see continuing with MFSP projects (i.e. the projects at the NYC sites) that would not supply the Foundation with the necessary data. Dr. Anderson stated that a minimal number of enrollees is needed for research purposes and it seemed that the NYC organizations would not be able to reach these numbers. They should only be dropped, however, from the impact analysis because the implementation analysis will tell us what the NYC CBOs are doing and how well they do it. The Committee members stressed that two main questions had to be addressed: (1) Are the NYC sites able to continue in the impact study? and (2) Are the NYC sites really doing enough? Dr. Stifel noted that the Council is having problems with IRS records and license fees; it seems the Council is operating the MFSP project with funds from other sources.



Dr. Teele felt it was premature to say we knew the answer to some of the questions being addressed. He felt the cost-analysis discussion was appropriate here. In the case of CET you would have to tie in the twenty years of CET experience not just the Foundation money spent. Money spent by clients in the last twenty years would also have to be tied in.

Dr. Teele felt this was germane to the discussion at hand because we wanted to know how to go into other situations with different constraints and find out how to help these women. He stressed learning was the goal. One Committee member responded by saying that while WOW, AUL, and OIC have learned a lot in one year not all the CBOs have been as responsive. She suggested that a list be made of the problems at each of the six CBOs followed by a decision about what needs to be done at each site. It was stressed that most of the CBOs have tried to change to deal with the target population.

Following a presentation and brief discussion of the basic education component at the six CBOs, with a special emphasis on the few changes at the Council in the first year, the discussion returned to the issue of whether the Foundation should continue to fund the NYC MFSP projects.

The Foundation officers reminded the Committee members that the initial objective of the MFSP program was to measure the impact of the six CBO models on the target population and to determine which, if any, is effective. It was stressed that the question before the Advisory Committee is whether the Foundation should continue to support those models that may not be working. In other words, should the Foundation stop funding the one or two models that may not be effective?



Dr. Kreps responded that what was being suggested depended on what the Foundation was primarily interested in funding, i.e., ways to help women find jobs or documenting what works and does not work. If the Foundation's objective is the latter than the suggestion is to not drop the ineffective models, but if the objective is the former, some of the projects should no longer be funded. The Committee members were told that learning was a principle objective of the demonstration, not just getting women into jobs. While the MFSP program gives women supportive services such as child care, from the onset the demonstration was an effort to find out if organizations of this type can contribute to the quality of life of these women.

Dr. Eleanor Holmes Norton had indicated at a previous meeting that she wanted to see if the projects can help women through basic education even if no jobs were found. Dr. Lyman agreed that a central feature of the program was that the Foundation accepted the fact that it was not going to help more than a few women. If we cannot test the effectiveness of a project, however, then a problem exists. He wondered how we can justify funding a project for three years if we cannot learn what we are most concerned in learning from the NYC sites. Dr. Borus noted that you cannot test a model that is not implemented. The Council's model may not be necessarily "bad" but just not being implemented. Dr. Gurin disagreed and stated that the Council has implemented a model but it does not work. The Council is just not flexible enough. She suggested that we ask them to change their model.

Dr. Wallace closed the session by noting that MDRC had been forced to drop two projects from the Supported Work demonstration and the Foundation may be forced to do the same.



Thursday, March 1 -- Discussion During Dinner at the Princeton Club

It was suggested that the discussion continue through dinner because Dr. Kreps was forced to leave immediately after dinner. Dr. Cottingham began the discussion with a presentation on the progress of the National Congress of Neighborhood Women MFSP project. She also reviewed the various options for improving the basic education components at the six CBOs.

Dr. Wallace recalled that when the Committee reviewed the various CBO proposals they had ignored the problem of basic education. What do you do with women who even with a GED cannot get good jobs in a high-tech society? It was noted that Mike Miller's latest book stressed that we have overestimated the number of high-tech jobs. The discussion on basic education continued with Dr. Borus stressing that one question is what kind of basic education the CBOs wish to provide? Basic education courses can teach coping skills, reading for doing, or reading for learning. In response to a question about how specific the basic education courses were at CET and whether participants would need additional help in the future, Ms. Rodriguez indicated that the staff at CET consider it one of their main objectives to teach participants to learn because this may not be the last time the participants are in a learning situation.

The discussion next returned to the earlier question of what we can reasonably expect to learn from continuing to fund the NYC MFSP Projects. A question was asked about how big the problem of determining program impact was with a small sample. Dr. Anderson stated that the question was what kind of analysis we wanted from the research, pooled analysis or site-specific analysis. If you look at past program evaluations for the disadvantaged, the results show small differentials between the comparison group and participant group. This is important to know for this evaluation.



He continued by discussing the Council's potential for increasing their enrollment level and stressed that this might mean additional "creaming" of program applicants. It was noted that one possibility might be additional creaming but the other possibility was to provide technical assistance to the Council so they could change their basic education model to take in more of the disadvantaged and teach them basic education. Dr. Cottingham added that the Council had failed to attract the Board of Education to give them money for basic education. The Foundation can insist that the Council get an instructor and design a basic education course. A third option is for the Foundation to take the allocated money and use it for other activities.

The Committee members considered the possible threat to the validity of the impact analysis if the Council, for example, implemented more than one project model in the course of a few years. The point was made that if we continue interviewing at the Council for a third year the next two years would be enough for the impact analysis (the same as if the Council had had one model for two years consistently).

In response to a question about why the decision had been initially made to include the Council, Dr. Anderson stated that at the time the CBO proposals were being reviewed, the Council did not look bad. The question at the time was whether we should fund more than five sites and the decision was made to fund two CBOs at a lower level of funding than the other four. The Foundation thought it could learn from the NYC models. The Advisory Committee had decided early on that if any CBO started failing the parent organization would come in and help them. Those present were reminded that this particular "parent," however, is in trouble because of recent budget cuts. Just at the time the Foundation started funding the Council, the federal government reduced its funding of CBOs. JTPA is very biased against CBOs.



Dr. Williams asked if the Foundation could provide technical assistance to the Council site in Manhattan and bypass the parent. Dr. Anderson answered that unlike some of the other CBOs, the Council cannot seem to readily make the necessary changes in management perhaps because of a lack of foresight on the part of the staff.

Dr. Lyman stressed that the Committee should not spend any time considering the possible political implications of dropping the NYC sites; the Foundation wants the Committee members to provide advice on how to improve the MFSP program. It is the Foundation's responsibility to figure out what to do with any programs that get dropped. Dr. Lyman was reassured that the next day would be spent trying to come up with recommendations for improving the MFSP program.

One Committee member noted that we should not keep any "weak" sites in the impact analysis because this would make it difficult to find any program impact. Dr. Borus stressed that while the questions we would be trying to answer with a pooled analysis are interesting, they cannot be answered re the design of the program; site-specific analysis is what is possible. Dr. Borus was asked if it was possible to do a pooled analysis to determine general impact of the services that are known to be the same across all six sites, e.g., counseling. He responded that we will be able to say that a combination of three services, for example, had an impact but not which of these three services is the most important.

In response to the feeling among the Committee members that "enrollment," "exiting," etc., must have the same meaning across the six sites, the Foundation officers stressed that the On-Site Researchers (OSR) at the six sites help AAI determine how the sites are defining enrollment, exiting, etc.



Dr. Teele asked if the Council could do anything to convince the Foundation that it should continue to be funded. It was suggested that Council change, to some extent, its 12 week employability program. Dr. Gurin stated that she felt a lot of Americans wanted to know if the Council's model (i.e. stress on counseling) works or does not work. Dr. Borus noted that proving something does not work is very difficult because someone will say the model was right but just incorrectly implemented. He suggested that maybe we could take another model and try to replicate it at the Council. A good test might be to see if the CET model works in less hospitable grounds. Dr. Anderson felt the B.E.S.T. component at WOW may be easier to replicate at the Council. [Dr. Lampman joined the meeting at this time]

This prompted a question about the Council's ability to learn from the other CBOs, for example, from WOW. Dr. Lyman asked if the Committee was sure that the Council could do a better job given a second choice. Those at the meeting agreed that the Council was having trouble learning from the experiences of the CBOs. Dr. Cottingham added that the Council site in Manhattan only had funds from the Ford Foundation and the Displaced Homemakers program and thus, it was never as hurt by budget cuts as the national organization. Dr. Anderson responded that the Women's Center had been affected by being associated with the national organization, for example, the Council did not get Women's Bureau funds because it was part of the national organization.

[Dinner discussion ended at 8:30 PM.]



Friday, March 2--Morning Session (9:30 AM -12:45 PM)

[All committee members present. Dr. Lyman and Dr. Williams were absent]

Research and Evaluation Issues

In the Friday morning session, research and evaluation issues were discussed. Dr. Cottingham began by explaining that the resurvey work done by AAI was necessary because changes, particularly in the child care questions, were made after the baseline questionnaire was in the field. Dr. Wilson next reviewed the original research design and the changes made in this design in the first year.

Ms. Donna Davis provided a summary of the survey work in Year 1 (October, 1982 - August, 1983). She indicated that 870 baseline interviews had been completed (59 in NYC). Re the resurvey work she indicated that 625 interviews were planned but only 491 (79 percent) were completed. In addition, she noted that 900 baseline comparison group interviews were completed in Year 1.

In response to a question posed by Dr. Gurin, Ms. Davis indicated that the only participants who had to be reinterviewed were those initially interviewed before March 1983.

Dr. Cottingham asked the AAI representatives to address three issues: (1) Attrition in the first year sample; (2) Comparison group response rates; and (3) The characteristics of the comparison group versus those of participants. On the issue of attrition, Ms. Davis indicated that except for a loss of some surveys in Rhode Island, due to the timing of participant interviews in OIC, all baseline survey interviews have been verified as being in the MIS database. Ms. Davis did not address the other two issues,



instead Dr. Wilson responded to a request by Dr. Cottingham to discuss the difficulty in interviewing the August, 1983 WOW enrollees.

Dr. Wilson explained that the reason for AAI's failure to interview the women who enrolled in WOW in August, 1983 was the fact that WOW established a new intake schedule and proceeded to enroll women two months after AAI's contract with the local survey center in Washington had expired for the first year. In response to Dr. Borus' question about why the OSR at WOW was not able to warn AAI about WOW's new intake schedule, Dr. Wilson answered that the OSR had warned AAI but AAI had only two week lead time. AAI decided that two weeks was not enough time to train survey people to conduct 40-50 baseline interviews. The problem was a result of both the CBO's lack of communication with AAI and the fact that the local survey center was no longer under contract to conduct interviews. In Year 2, AAI will have eleven months of interviewing (Oct.-Sept.).

AAI representatives next explained why there was a difference between the total number of enrollees in Year 1 and the total number of Year 1 participant baseline interviews. At the NYC sites, AAI decided not to interview those women who were enrolled but who AAI suspected were not going to return to the program. At OIC, too many women were interviewed who in fact never returned to the project.

Dr. Wilson was asked if it was possible to figure out the survey response rate given the confusion about the definition of enrollment and exiting. She indicated that AAI has found out, slowly, how the sites have been assigning women to enrollment and status. In response to a question from Dr. Wallace, she next described the function of the OSR's and stressed that the questions raised by the MIS data are often resolved by going back to the OSRs. Dr. Stifel asked if AAI was trying to improve the system so future data



would be consistent and if the first year data was consistent. He was told that to the extent the sites could tell AAI what was wrong with the first year data this data would be revised.

Dr. Anderson asked Dr. Wilson to describe the status of the MIS at each of the six sites. OIC has the most serious problem but corrections are being made. It is hard to get at the problems at the Manhattan site; all the problems at this site may not be solved. The Brooklyn site is spending a lot of time fixing up last year's MIS data. It is evident that staff at this site have no idea what happens to people after they are referred out of the program--a follow-up problem. WOW, OIC and AUL are having no problems. Dr. Anderson concluded that serious MIS problems only exist at OIC and the Council. Dr. Wilson agreed and indicated that she was surprised the MIS system was going as well as it was. The MIS reports will be improving each year. She was then asked if in light of the high turnover rate among MIS specialists it would not be possible for the OSRs to complete the MIS forms. Dr. Wallace thought this would meet with a lot of resistance from the CBOs. Dr. Frees indicated that the problem is not always the competence of the MIS person but also the lack of cooperation on the part of teachers and other staff members who complete the MIS forms.

By this time, Ms. Davis had completed calculating the response rates by site for the participant survey and provided the Committee members with the following information: the participant survey response rate at AUL and CET was 70-80 percent and 76 percent at OIC (56 percent if we consider the surveys that had to be dropped at this site). Before Ms. Davis had a chance to present the response rates at the last three sites, Dr. Wallace asked that the Committee move on to a discussion of the research options being considered.



### Research Options

The Committee members were given the reasons why AAI and the Foundation are considering alternatives to the original research design and Mr. Battaglia reviewed the various research options submitted to the Foundation for consideration. He stated that he had recently reassessed the assumptions underlying the research option recommended by AAI (see Option 1 in Rockefeller Foundation report on the Employment Program for Minority Female Single Parents). After studying actual second year enrollment figures, he realized the option recommended by AAI was not possible. He presented a new research design based on more realistic enrollment expectations. The new option excluded the NYC sites from the impact analysis and would result in a total, after three years of interviewing and an attrition rate at follow-up of 30 percent, of 2,707 baseline and follow-up interviews. The new option recommended is less expensive than the original option proposed by AAI.

Two questions were next directed to the AAI staff: (1) Given the facts that when the mean of an outcome variable is at either extreme, the precision is better and that we don't know what the means will be, why assume a mean of .05; and (2) Is the attrition rate going to be higher than expected in light of the results of the resurvey work? Mr. Battaglia responded that there will be many outcome variables, some continuous variables some not. Because we do not know what will happen we should prepare for the worst. Dr. Wilson added that we cannot "trust" the CBOs, and have had to keep changing optimistic scenarios. Dr. Anderson wanted to know specifically how much of a dollar differential between the earnings of the participants and those of the comparison group will be statistically significant given Option 1. Mr. Battaglia did not have a ready answer to



this question. Dr. Anderson persisted by asking what the chances will be that we will be able to pick up significant differences given the experiences of past demonstrations. Dr. Wilson answered that we do not know what the differences are likely to be. We know that at the NYC sites the impact of the program on participants is going to be minimal. Assuming the NYC case is what is happening all around, we need to have sample sizes large enough to pick up the most minimal effects. Dr. Borus immediately responded that we are not living in a world of ignorance. AAI should be looking at the results of past studies and not just assuming the worst. He was told that AAI had in fact looked at the results of other studies but many of the programs evaluated in the past were more standardized. In past studies, site-specific analysis was not so important. Dr. Borus again asked what the standard error of the mean was and what are the means which form the base of AAI's assumptions. Mr. Battaglia responded that if he remembered correctly the mean was \$3,000 annual earnings; a difference of \$800 in earnings between participants and the comparison group would have to exist for the impact to be considered statistically significant. In that case, Dr. Borus noted, AAI's recommendation of a larger sample size should be based on the fact that in past studies the difference between participant and comparison group earnings has only been \$600.

Going back to the earlier question about attrition rates, Ms. Davis indicated that a 70 percent rate is expected for the follow-up survey (60 percent by phone and 10 percent by mail). For the resurvey, AAI got an 80 percent response rate by phone and on the tracking effort to date, a 28 percent return on cards mailed out to participants and 26 percent return on cards mailed to the comparison group. Of course, a large variance exists among the six sites, for example, 40 percent returned the cards in D.C.



(unclear if she meant participants, comparison group, or both) and 17 percent in San Jose. AAI is now taking a sample of those who did not return the tracking cards in San Jose to see why the cards were not returned.

AAI was asked to discuss who is in the comparison group and whether the participant baseline interviews completed were actually a sample. Mr. Battaglia indicated the participant sample was a sample of the infinite number of women who are eligible to enroll in the program. AAI, however, is interviewing almost all participants in the MFSP program. He next explained how the comparison group was selected. The Foundation officers stressed that what the Committee wanted to know was the characteristics of the comparison group members. They were told that this information would be ready in time for inclusion in the Second Annual Report. The following volumes will be included in the Second Annual Report: (1) Volume I: Implementation Report - This volume will use MIS and OSR information to review the development of the program at the six project sites during Year 1; (2) Volume II: Participant Profile - The volume will review and compare characteristics of participants, comparison group members and the national population of minority female single parents; and (3) Volume III: Administrative Report covering response rates, etc. AAI is now attempting to figure the characteristics of program participants. In response to a question about the data source AAI will use for the national population, Mr. Battaglia mentioned that both the ISR Survey of Black Americans (Michigan) and the Survey of Chicanos (University of Texas, Austin) will be available this summer.



### Cost-Proposal

The last topic discussed in the Friday morning session was the cost proposal submitted by AAI to the Foundation. Dr. Wilson explained the three choices: (1) Simple cost analysis (cost per participant in the program); (2) Cost-benefit analysis (monetize benefits--would result more in discussion of methods than actual outcomes); and (3) A cost-effectiveness study (focus on net benefits with no monetizing of variables). The Committee members discussed the pros and cons of a cost-benefit analysis.

Various arguments were presented in support of doing a cost-benefit analysis. It was stressed that what we want to know is increases in labor market participation, savings in welfare--we are not concerned with attitude changes. We would not have to monetize attitudes but indicate savings in the public component. Dr. Borus stated that a benefit cost ratio in terms of public assistance, etc., should and could be calculated--the staff would need the same data and skills as for any other type of cost-analysis. He stressed that we should make projections into the future; beyond knowing that the program impact was a \$500 gain in earnings at a cost of \$7,000 we need to know the lifetime earnings to calculate cost-benefits. Dr. Kreps and Dr. Lampman both expressed support for doing more than just a simple cost-study; we should go all the way with a cost-benefit analysis and project earnings over a few years.

Some Committee members expressed concern about funding a cost-benefit study. It was noted that such a study would not be useful because the psychological and unmeasurable benefits would have to be carefully discussed. Dr. Wallace said that because of the assumptions underlying some of the cost-benefit analysis, MDRC had found the exercise useless. In addition, AAI representatives were asked if the cost-benefit analysis would



require a lot more data and be much more costly than the other cost studies. They responded that most of the cost for the cost-effectiveness analysis had to do with the data collection effort and so the cost and data requirements for a cost-benefit analysis should be about the same. In response, Dr. Anderson wondered if the Foundation could get absolutely no valuable cost analysis without spending the amount of money needed for a cost-benefit analysis. He felt the Foundation could just get the audited records from the CBOs and ask a good accountant to determine the cost of generating some simple cost-analysis. Dr. Wilson felt a cost-study could be done at a lower cost than a cost-benefit analysis but one Committee member stressed that even an auditor will have to determine what funds come from other sources rather than the Foundation and what services are "free."

The Friday morning session ended with no firm decision reached by those at the meeting about the type of cost study the Foundation should fund. The Foundation officers will continue to consider the various levels of cost analysis possible and reach a decision at a later time.

Friday, March 2--Afternoon Session (1:45 PM - 3:30 PM)

[AAI representatives and Dr. Kreps were not present]

CBO Second Year Work Plans

A brief presentation was given on the second year project activities of the CBOs (the information presented is summarized in the Second Year Project Activity forms distributed before the meeting).

After this presentation the Committee members further discussed the situation at the Council. It was suggested that the Foundation express clearly to the Council its dissatisfaction. A recommendation was made that



we get the Rockefeller Foundation money to go to something not already taking place at the Council, for example, replace the 12 week program at the Council with a program like the B.E.S.T. component at WOW or ask the Council to submit a proposal for a program like LOC at OIC. The members were reminded that a question exists about the Council's capability to implement a new program like the B.E.S.T. component at WOW. Dr. Anderson stressed that the usual Foundation reaction is to stop funding an organization that is not doing what it proposed to do in its initial proposal. Dr. Stifel confirmed Dr. Anderson's statement of RF procedure for funding. Only if the Foundation is jointly responsible should it help to remedy the problems of the organization.

#### Response to Second Year Annual Report Outlines

Dr. Wallace asked the Committee members if they had any comments on AAI's Second Year Annual Report outlines. She then asked Dr. Anderson if the members can respond to the outlines by calling or sending written comments to the Foundation. He said that would be fine.

#### Response to AAI Work

The Committee members expressed their dissatisfaction at AAI's response to questions about the comparison group sample and indicated that there is a quality problem at AAI. The level of concern about precision does not make sense in light of basic deficiencies in AAI's work. It was felt that the AAI staff should have been better prepared for today's meeting. The Committee recommended that the Foundation stop asking AAI to do additional tasks. The Foundation officers indicated that a meeting will take place between the Foundation and AAI to discuss these problems and the Foundation would appreciate the Committee members' comments on this issue. They added that it seems that much of AAI's report writing is being done by junior staff.



In response to a question about what the Foundation expects to get out of the demonstration after five years--what is the ultimate objective, Dr. Anderson responded that the Foundation is concerned about improving the economic opportunities for minorities and the Trustees are concerned about the Foundation making a statement on minorities and this problem. The Foundation not only wants to help this population but also wants to make a contribution to research methodology. He was asked in what way the reports from the study would be conveyed to the members of this population. Dr. Anderson stressed that the goal is to help a small number of the target population while a second objective is finding out if community based organizations can help this target group. The degree to which the information from this program is helpful will depend on two things: (1) the level of reliability of the research; and (2) the scope of the research. This is the Foundation's biggest domestic allocation. The program was developed in six months, a high risk venture, but so far the program is doing well.

Dr. Teele asked whose responsibility it is to assure the CBOs cooperate with AAI. He was told that it is ultimately the Foundation's responsibility and in February 1983 there was a meeting of representatives from the CBOs and it was explained to them the importance of the evaluation work and the role of the OSRs.

Dr. Lampman recommended that in the future the Foundation contract with one organization to do the survey and another organization to do the MIS. Dr. Anderson indicated that the Foundation had considered just that but because of the overlap in the two finances we decided on AAI to do both. AAI has done both MIS and survey work in the past.

After Dr. Wallace and Dr. Anderson made a few closing remarks, the meeting was adjourned at 3:30.