



COMPASS  
WORKING CAPITAL



## Expanding the Scope and Impact of HUD's Family Self-Sufficiency (FSS) Program

# About Compass

Compass provides financial coaching and savings programs that support families with low incomes to build assets, achieve their financial goals, and become financially secure.

# Client Story



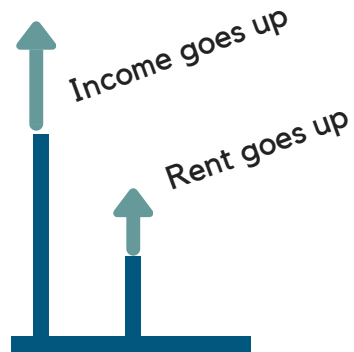
"Now that I own my own house, I feel like I can breathe. I feel free. I feel like myself. When I see my house, I laugh. I feel so good when I come home and turn the key."

*-Rosa Paulino, Graduate of Compass FSS Program operated in partnership with Lynn Housing Authority & Neighborhood Development, Lynn, MA*

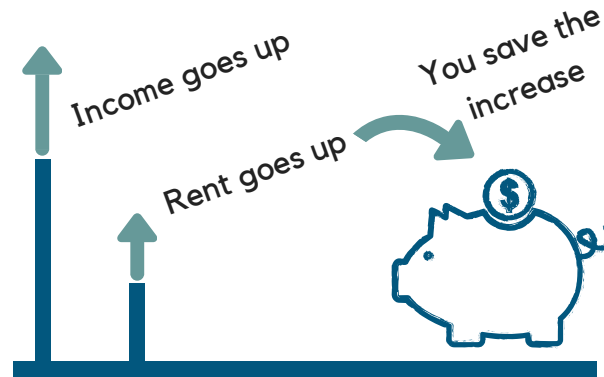
# HUD's Family Self-Sufficiency (FSS) Program

Anti-poverty programs focus on income supports to help families meet basic consumption needs, but inadvertently create disincentives for families to move forward.

*Without FSS:*



*With FSS:*



The FSS Program allows families to capture a portion of their rent payment as savings when they increase their income.

# The Compass FSS Model

In 2010, Compass developed and launched a new, asset building and financial capability model to expand the scope and impact of the FSS program.

## Compass FSS approach: Wealth Building model

- ✓ Aspiration-focused marketing in "surround sound"
- ✓ Client-driven financial coaching, counseling, and education
- ✓ Strategic use of FSS savings account to achieve goals and promote economic mobility
- ✓ Public-private model – philanthropic investment leverages additional public funds
- ✓ Rigorous evaluation and analysis to drive stronger outcomes

# Program Outcomes

## Rigorous, multi-year evaluation:



**\$6,305**

AVERAGE INCREASE  
IN HOUSEHOLD EARNINGS



**\$764**

AVERAGE DECREASE  
IN DEROGATORY DEBT



**23 POINT**

AVERAGE INCREASE  
IN CREDIT SCORE

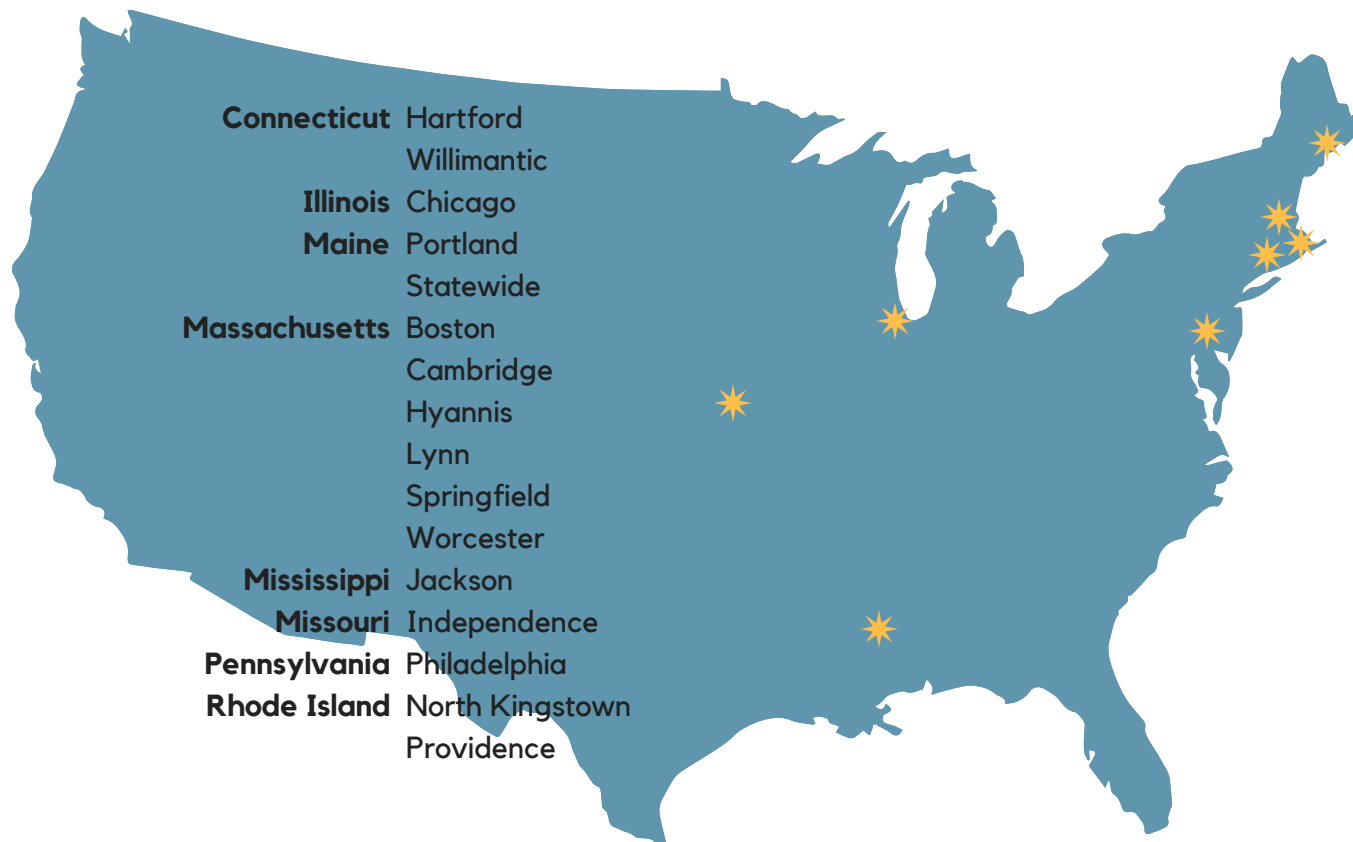
## Interim cost-benefit study:

Participants gained more than **\$10,000** in **increased income** over a five-year period as a result of participation in the program, at a net **cost to the government of only \$276** per participant

*For more on both studies, visit: [abtassociates.com/CompassFSS](http://abtassociates.com/CompassFSS)*

# National Network

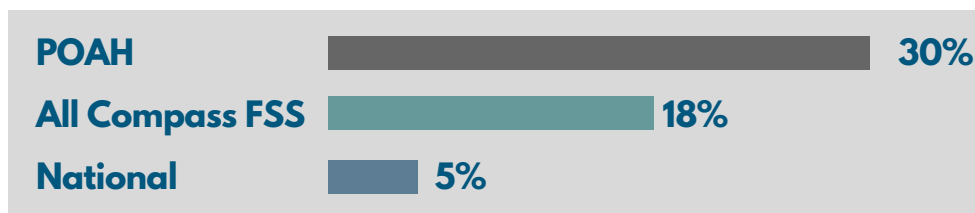
Compass now serves 1,200 families each year in our local FSS programs, at nine sites in MA, CT, and RI. In 2016, we launched a National FSS Network to support local partners to implement core aspects of our program in their communities. Partners include public housing authorities, private owners, and other community-based organizations.



# Early Results in Multifamily Housing

In 2015, Preservation of Affordable Housing (POAH) partnered with Compass to begin to implement FSS at several sites within its portfolio.

## High participation rates



## Strong initial participant progress toward greater financial security

### Increased household income



**\$5,511**

increase in  
average annual  
earned income

### Reduced unemployment



**12  
point**

reduction in percentage  
of participants who are  
unemployed

### Increased credit score



**29  
points**

increase in average  
FICO score

Full report available at: [www.poah.org/fss-report](http://www.poah.org/fss-report)



# Learn More

- To learn more about the Compass National FSS Network and initiate a conversation with our team, visit: [www.compassworkingcapital.org/national](http://www.compassworkingcapital.org/national)
- Spring 2018: release of **Multifamily FSS Launch Course**

## Contact:

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