

Effects of My First Place on Labor Market and Postsecondary Educational Outcomes:



Executive Summary

The 2008 Fostering Connections to Success and Increasing Adoptions Act allowed states to extend the end of eligibility for federally funded foster care from 18 to 21 years old. California began implementing its version of extended foster care in 2012. Although studies have shown that staying in foster care beyond age 18 is associated with better outcomes for young adults across a range of domains, many young adults still struggle to support themselves after they age out. In part, this reflects that few programs have been shown to put young adults in extended foster care on a path towards lifelong self-sufficiency.

This report presents findings from an evaluation of My First Place (MFP), a program that provides fully subsidized transitional housing and intensive case management to 18- to 25-year-olds who are or were in extended foster care in 6 California counties. The evaluation focused on young adults' labor market and postsecondary educational outcomes.

Methodology

Sample. Our sample included 571 young adults who enrolled in and completed the program, 1,207 young adults who enrolled in but did not complete the program, and 820 young adults who were referred to the program but did not enroll.

Data sources. We analyzed aggregate employment and earnings data from the California Employment Development Department and college enrollment and graduation data from the National Student Clearinghouse (NSC). We linked the NSC data to First Place for Youth data on the demographic and background characteristics of the young adults in our sample.

Analysis. We used chi-square tests to determine whether there were pre-existing differences between the three groups of young adults. We analyzed the employment and earnings data using descriptive statistics. We tested for between-group differences using chi-square tests, t-tests, and ANOVAs. We used the NSC data to measure college enrollment, semester completion, and credential attainment. We examined those outcomes descriptively and used chi-square tests to test for between-group differences. We used propensity score matching to create comparable treatment and comparison groups and estimated proportional hazard models to estimate the effects of program participation on postsecondary educational outcomes.

Between-Group Differences

Statistical tests revealed significant differences between groups with respect to county, gender, parenting status, history of homelessness, and legal system involvement.

Labor Market Outcomes

Employment

The “enrolled and completed” group had significantly higher employment rates than the “enrolled but did not complete” and the “did not enroll” groups before and after the program exit year. Additionally, young adults who enrolled in the program had significantly higher employment rates than young adults who did not enroll.

Earnings

The “enrolled and completed” group earned significantly more, on average, than the “enrolled but did not complete” and the “did not enroll” groups starting 1 year before program exit year and continuing after. Additionally, young adults who enrolled in the program earned significantly more, on average, than young adults who did not enroll.

Employment and earnings trajectories varied by exit cohort. Regardless of the exit cohort, the trajectories for the “enrolled and completed” group started at a higher level and showed more steady increases than the trajectories for the “enrolled but did not complete” and the “did not enroll” groups. However, the COVID-19 pandemic seemed to have more of an adverse impact on the “enrolled and completed” group than on either of the other two groups.

We found a number of statistically significant between-group differences in employment and earnings that were consistent across years. Young adults with more education were more likely to be employed and earned more, on average, than young adults with less education. Young adults with no history of homelessness were more likely to be employed (but did not earn more, on average, if they were employed) than young adults with a history of homelessness. Young adults in San Francisco/Alameda Counties were more likely to be employed and earned more, on average, than young adults in Los Angeles County and Solano County. Additionally, longer program stays, planned program exits, and exits to stable housing were all associated with higher employment rates and higher mean earnings.

Postsecondary Educational Attainment

Sixty-one percent of the young adults in our sample enrolled in college and 58% completed at least one semester. Most young adults who enrolled in college enrolled in a community college and the vast majority of schools in which they enrolled were located in California. Only 9% of the young people who enrolled in college earned a postsecondary credential.

We found a number of statistically significant between-group differences in our postsecondary educational outcomes. Women were significantly more likely to enroll in college, complete a semester, and earn a credential than young men. Latino/a young adults were less likely to enroll in college but more likely to earn a credential if they enrolled in college than Black young adults. Young adults in Los Angeles were less likely to enroll in college or complete at least one semester than young adults in any of the other counties.

At the bivariate level, MFP participants were more likely to enroll in college and complete at least one semester than non-participants, but many participants had enrolled in college or completed a semester prior to entering the

program. Additionally, among young adults who enrolled in college, MFP participants were no more likely to earn a credential than non-participants.

Using the propensity score-matched groups, we found that MFP entry increased the "risk" of first enrolling in college by 32% and the "risk of first completing a semester by 39%. However, MFP entry had no effect on the "risk" of first earning a credential. Our analysis also indicated that (1) the "risk" of enrolling in college, completing a semester and earning a credential were higher for women than young men; (2) the "risk" of enrolling in college and completing a semester were lower for young parents than for their non-parenting peers; and (3) the "risk" of enrolling in college and completing a semester were higher for young adults the hazard of enrolling in college and completing a semester were higher for young adults from San Francisco/Alameda than for young adults from Los Angeles.

Discussion

The evaluation indicates that MFP participants who complete the program have higher employment rates and earnings before and after program exit compared to non-participants or those who did not complete the program. However, pre-existing group differences and program eligibility criteria complicate causal interpretations. Factors such as county, education, length of stay, exit type, and housing stability also influence labor market outcomes. MFP participation is linked to higher rates of college enrollment and semester completion but not to credential attainment among those who enroll in college.

Study limitations include the lack of individual-level employment and earnings data, potential inaccuracies in NSC data, and nonrandom enrollment in MFP, which propensity score matching only partially addresses.

Policy and Practice Implications

The findings suggest the importance of supporting youth in extended foster care through programs like MFP that provide housing stability and intensive case management to improve labor market and educational outcomes. Attention to county-level disparities, extended program engagement, and planned exits may enhance effectiveness. Further research is needed to understand barriers to credential attainment and refine program strategies.