Homeless Children In South Hampton Roads: Estimating The Costs To Society

HOMELESS CHILDREN IN SOUTH HAMPTON ROADS: ESTIMATING THE COSTS TO SOCIETY[1]

The proportion of homeless Americans may have declined in recent years, but homelessness remains an acute problem in Hampton Roads. We know this from data published by the U.S. Department of Housing and Urban Development (HUD), which is required by law to conduct an annual census of homeless people in the United States. HUD's census is done at a particular point in time (PIT), that is, on a particular day, and the PIT day typically is in the month of January.

Relying primarily on this data, HUD publishes its Annual Homeless Assessment Report,[2] which goes to the Congress. The 2013 report revealed that 610,042 people in the United States in January 2013 were homeless on a given night in that month. Most (65 percent) "were living in emergency shelters or transitional housing," while 35 percent were unsheltered.[3]

Of these homeless individuals, 138,149 (or 23 percent) were children under age 18. Another 10 percent were age 18 to 24. Nearly 41,000 (40,727) of the homeless children were "unaccompanied" – on their own – and 23,461 were unsheltered at all.[4] These data are depicted in Graph 1, which reveals that more than 22 percent of homeless people in the United States are children under age 18.[5]

Problems of homelessness are especially challenging when they involve children. Not only are the needs of children different from those of adults, but also a failure to deal with those problems comes back to haunt society for decades to come. Ill-housed, ill-fed children typically lag in school academic achievement, and they are more likely to miss school days. Ultimately, this often leads to higher dropout levels, lower rates of graduation and sharply diminished job prospects. In turn, these conditions are highly correlated with increased use of social services, higher rates of criminal activity and incarceration, increased rates of teenage pregnancy, deteriorating health conditions and a variety of other antisocial behaviors.[6]

Of course, none of these phenomena is inevitable; they simply represent increased likelihoods. Nevertheless, left untended, such possibilities often mature into very expensive outcomes.

[1] This chapter is based upon work performed by James V. Koch for the ForKids Inc. organization in Hampton Roads, which is dedicated to breaking the cycle of homelessness and poverty for families and children. http://forkidsva.org/Main/nivo-slider2.5.1/nivo-slider/index/index.html

[2] The 2013 Annual Homeless Assessment Report to Congress, Part 1. www.onecpd.info/resources/documents/AHAR-2013-Part1.pdf

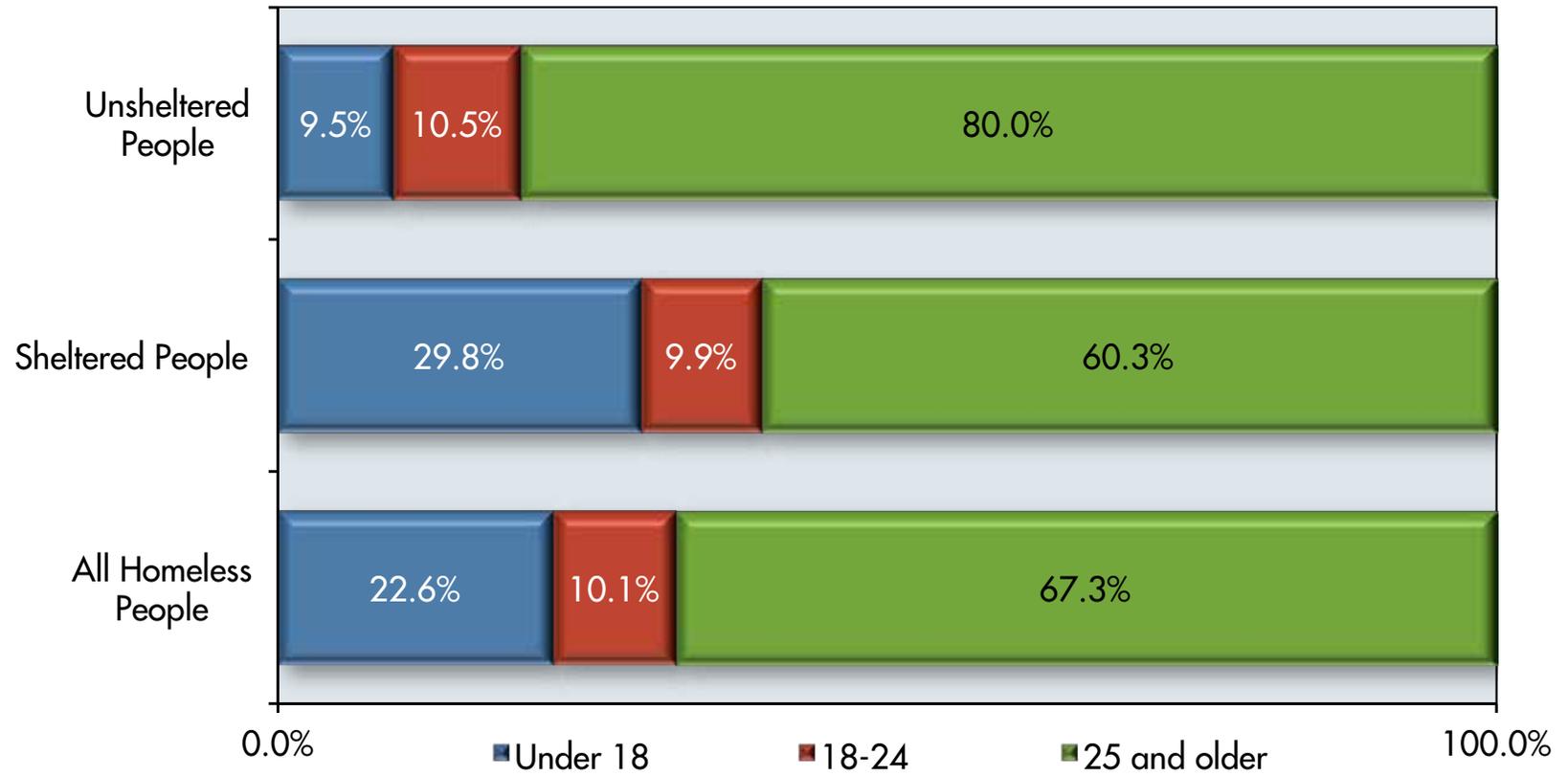[3] 2013 Annual Homeless Assessment Report, p. 1.

[4] 2013 Annual Homeless Assessment Report, p. 1.

[5] One CPD Resource Exchange, 2013 AHAR: Part 1 - PIT Estimates of Homelessness (January 2014), www.onecpd.info/resource/3300/2013-ahar-part-1-pit-estimates-of-homelessness

[6] Numerous studies exist that have documented some or all of these effects. Especially useful studies within the past five years include Dennis P. Culhane, "The Cost of Homelessness: A Perspective from the United States," 2008, http://works.bepress.com/dennis_culhane/82; Gerard Barber et al., "Cost of Homeless in Metropolitan Louisville," Kent School of Social Work, University of Louisville, 2008, http://www.louhomeless.org/coal%20files/cost-study.pdf; D. Flaming et al., "Where We Sleep: The Costs of Housing and Homelessness in Los Angeles," Los Angeles Homeless Services Authority, www.economicrtorg; Abt Associates, "Costs Associated with First-Time Homelessness for Families and Individuals," Washington, D.C.: U.S. Department of Housing and Urban Development, Office of Policy Development and Research, 2010; J. Spangler and A.L. Niblett, "Cost of Homelessness in Oklahoma City, April 1, 2009 to March 31, 2010," Report to the Oklahoma City Planning Department, 2010, www.okc.gov/planning/homelessness/homelesscosts.pdf; Stephen Gaetz, "The Real Cost of Homelessness: Can We Save Money by Doing the Right Thing?" The Homeless Hub, 2010, www.homelesshub.ca; "Estimated Annual Cost of Child Homelessness in Pennsylvania," Institute for Children, Poverty and Homelessness, American Almanac, Pennsylvania, 2012, www.icphusa.org/Publications/AmericanAlmanac/Almanac_state_PA.pdf; D.R. Poulin et al., "Service Use and Costs for Persons Experiencing Chronic Homelessness in Philadelphia: A Population-Based Study," Psychiatric Services, November 2010, 61(11): 1093-8; http://works.bepress.com/dennis/culhane_culhane/99; D. Flaming et al., "Getting Home: Outcomes from Housing High Cost Homeless Hospital Patients," 2013, www.economicrt.org; and The Economic Roundtable, "Getting Home: Outcomes from Housing High Cost Homeless Hospital Patients," 2013, http://bit.ly/19YEWPR

GRAPH 1

PERCENTAGE OF ALL HOMELESS PEOPLE IN EACH AGE CATEGORY BY SHELTERED STATUS, 2013

Category	Under 18	18-24	25 and older
Unsheltered People	9.5%	10.5%	80.0%
Sheltered People	29.8%	9.9%	60.3%
All Homeless People	22.6%	10.1%	67.3%

0.0% ■Under 18   ■18-24   ■25 and older 100.0%

Source: 2013 Annual Homeless Assessment Report, p 1

Homelessness In South Hampton Roads

The PIT data provide us with a window on homelessness in South Hampton Roads, but appear to undercount the actual number of homeless children. More useful are the homeless data collected by the U.S. Department of Education (DOE). DOE collects its homeless data from individual school districts and these figures are both more reliable and more useful because school districts are on the front line and know firsthand the number of homeless children.

Table 1 contrasts the PIT data from HUD with the DOE data provided by the school districts in South Hampton Roads. It is evident that the school districts report serving far more homeless children than the PIT data identify for the same cities. For example, while the 2013 PIT number of homeless children for Virginia Beach was 122, the Virginia Beach school district reported serving 771 homeless children in the 2012-13 school year – a 532 percent difference.

How can we explain these disparities?

• The PIT data represent a count of homeless children on a single day – a point in time – while the school district data reflect an entire school year. Because students come and go, the school districts serve a much larger number of students than might be present on a single day. Thus, the two measures apply different standards and essentially are non-comparable views of the same general phenomenon.[7]

• Cities in South Hampton Roads are not uniform in the ways they count homeless children in their schools.

• The PIT homeless counts miss some homeless adults and homeless children – though this is an argument that the National Alliance to End Homelessness (NAEH) and HUD believe has limited validity. However, the NAEH does agree that "the PIT counts do miss people, as do most censuses."[8] In fact, if one is interested in annualized numbers of homeless children, then PIT data

are much less useful because they represent only a single-snapshot look at the number of homeless.

There is strong reason to conclude that the school district homeless children counts are closer to the mark than the PIT homeless children numbers, which may miss highly mobile homeless families whose location may change multiple times during a single year.

TABLE 1 NUMBER OF HOMELESS PEOPLE AND STUDENTS IN SOUTH HAMPTON ROADS ACCORDING TO 2013 PIT DATA AND THE SCHOOL DISTRICTS, 2012-2013		
Chesapeake Homeless PIT All Ages		64
Homeless Children PIT	27	
School District Reported Homeless Children	89	
Norfolk Homeless PIT All Ages		580
Homeless Children PIT	105	
School District Reported Homeless Children	499	
Portsmouth Homeless PIT All Ages		154
Homeless Children PIT	NA	
School District Reported Homeless Children	211	
W. Tidewater, incl. Suffolk Homeless PIT All Ages		93
Homeless Children PIT	31	
School District Reported Homeless Children	35	
Virginia Beach Homeless PIT All Ages		389
Homeless Children PIT	122	
School District Reported Homeless Children	771	
South Hampton Roads Totals		1,280
PIT Totals	285	
School District Totals	1,605	

Note: Western Tidewater includes Franklin, Suffolk, Isle of Wight County and Southampton County, but data typically are available only for Suffolk.

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[7] National Alliance to End Homelessness, Media Resource: 5 Myths about PIT Counts (February 2014) www.endhomelessness.org/library/entry/5-myths-about-pit-counts

[8] National Alliance to End Homelessness, Media Resource: 5 Myths about PIT Counts (February 2014) www.endhomelessness.org/library/entry/5-myths-about-pit-counts

Direct School District Costs Associated With Homeless Children

South Hampton Roads school districts incur two primary costs serving homeless children: (1) administrative costs, including the expense of a coordinator responsible for meeting the requirements of the McKinney-Vento Act, and (2) transportation costs.

With respect to administrative costs, McKinney-Vento requires that every school district designate a liaison for homeless children. The Act requires the liaisons to ensure that homeless children actually are identified so that they can be offered appropriate services and it further charges the liaisons with ensuring that this occurs. Liaisons refer homeless children to other community support services, such as medical and dental care and mental health support. School districts are required to train school personnel on requirements of the McKinney-Vento Act, and this must be done on a yearly basis. Typically, school district liaisons meet with the families and some even make visits in order to make accurate determinations about McKinney-Vento eligibility.

With respect to transportation costs, McKinney-Vento requires that school districts provide transportation for homeless students to their school of origin, if a parent or guardian requests them to do so, or in the case of an unaccompanied child, upon the request of the liaison. That school of origin may be in the same school district, but it might also be located in another school district in another city or state. This holds true regardless of any other transportation the school district provides for any other class of student. Transportation provided homeless students must be comparable to that provided to housed students. There cannot be any barriers to the enrollment of homeless students, including those that might be undocumented immigrants.

McKinney-Vento does not specify any mileage limitation with respect to how far away a student must be transported to his/her school of origin. Only if the length or duration of the trip would be harmful to the student's educational progress may a school district opt not to supply the requested transportation and the school

district's judgment can be appealed. Thus, McKinney-Vento students in Maryland are transported into Virginia, and vice versa, and at least 669 students were transported from their Hampton Roads neighborhood school to another school inside the same city in Hampton Roads, while 172 students were transported from their neighborhood school to another school outside of their neighborhood school city. For example, Virginia Beach indicated that in 2012-13, it transported 165 McKinney-Vento students to schools inside Virginia Beach and another 60 to schools outside Virginia Beach (see Table 3). The average cost of transporting a student in South Hampton Roads was $1,434 in 2012-13.

When students leave one school district and are transported to another, McKinney-Vento specifies that the two districts should share the transportation costs. In the absence of any agreement, they share those costs equally. It's not clear how these matters are settled within South Hampton Roads. Grumbling from some cities suggests that not all agree with the current division of costs.

Table 3 summarizes the transportation of McKinney-Vento students within Hampton Roads in terms of numbers and costs.

TABLE 2		
ADMINISTRATIVE COSTS ASSOCIATED WITH MCKINNEY-VENTO STUDENTS, 2012-2013		
City	**Coordinators**	**Other Administrative/ Operational**
Chesapeake	$ 7,900	$2,000
Norfolk	$19,929	$108,792
Portsmouth	$61,206	$8,147
Suffolk	$ 0	$2,000
Virginia Beach	NA	$274,606[9]

[9] This includes $50,000 of in-kind gifts and donations from the public. It also includes funds expended for coordination.

TABLE 3		
NUMBER AND COST OF TRANSPORTING MCKINNEY-VENTO STUDENTS FOR SOUTH HAMPTON ROADS CITIES, 2012-2013		
City	**Transportation of Students Inside City/Outside City**	**Annual Cost**
Chesapeake	39/50	$252,113
Norfolk	416/26	$280,000
Portsmouth	49/18	$247,035
Suffolk	22/18	$135,000
Virginia Beach	165/60	$458,138
Totals	**691/172**	**$1,237,286**
Average Cost Per Transported Student = $1,434		

Homeless Children And Academic Performance

The ultimate societal costs of homelessness go far beyond the direct, easily quantifiable costs that school districts expend when they serve homeless students. Let's delve into these spinoff costs that individual cities and counties must bear, or that require expenditures and action by the states and the federal government. Several South Hampton Roads cities generously provided extensive data concerning the academic performance of a variety of their students, including those that are homeless.

CHESAPEAKE

Chesapeake provided useful anonymous attendance and achievement data for 90 homeless students and 9,272 other students. Table 4 summarizes several important student performance variables within these two samples.

TABLE 4 **ATTENDANCE, SOL PERFORMANCE AND GRADE POINT AVERAGES FOR 90 HOMELESS AND 9,272 OTHER STUDENTS IN CHESAPEAKE**		
	(N = 90) **Homeless Students**	**(N = 9,272)** **Other Students**
Average Days in Attendance	150.8 (N = 90)	166.2 (N = 9,272)
SOL Performance		
Passed All	36.7% (N = 24)	41.1% (N = 3,599)
Failed Some	48.5% (N = 32)	42.6% (N = 3,722)
Failed All	15.2% (N = 10)	16.2% (N = 1,418)
Grade Point Average	2.18 (N = 24)	2.40 (N = 3,340)
Source: City of Chesapeake Public Schools		

The data in Table 4 are simultaneously discouraging and encouraging. The typical homeless student attended school about 10 percent fewer days than the typical other student. He/she also earned a lower grade point average, and a smaller percentage of homeless students passed all parts of the Standards of Learning (SOL) tests. However, a slightly smaller percentage of homeless students than other students failed all of the SOL tests. Further, the grade point average of homeless students in Chesapeake (2.18), if maintained, was sufficient for them to graduate from high school. The small sample of 24 homeless students for whom grade point averages were available contained one student with a 3.8 GPA and another with a 3.5 GPA.

NORFOLK

Norfolk provided a detailed anonymous sample of 502 students consisting of 161 homeless students, 173 "low socioeconomic status" students and 168 "high socioeconomic status" students. A student was considered to come from a lower-income family if he/she was eligible for a free or reduced-price meal at school. Children from households receiving Supplemental Nutrition Assistance (food stamps) or from families receiving Temporary Assistance for Needy

Families (TANF) are automatically eligible and hence were considered to come from housed, but lower-income families in Norfolk.

The Norfolk sample enables us to infer some of the impact of homelessness on student performance because it roughly takes account of household income. Both students in the homeless student group and in the low socioeconomic status group come from lower-income households, but the first group of students is homeless, while the second is not. To be sure, nothing else is held constant between the two groups and hence there are many other unobserved influences present. Nevertheless, because these subsamples address the vitally important income factor, these data do provide us with a window on some of the impact of homelessness on Norfolk students.

Table 5 summarizes the impact of homelessness and economic status on several measures of academic performance for the Norfolk sample. As was true in Chesapeake, homeless students do not attend school as many days as other students, but the difference is not as large as we observed in Chesapeake. Proportionately, however, Chesapeake has fewer homeless students and perhaps this has something to do with the willingness and desire of those students to go to school.

The median grade point average (3.04) of high socioeconomic status students in Norfolk was more than one full grade point higher than that of homeless students (2.02). Housed, though low socioeconomic status students in Norfolk recorded a median grade point average of 2.34. The difference between the median grade point averages of the latter two groups (homeless and low socioeconomic status) was 0.32, and this might be interpreted as a rough measure of the impact of homelessness on student academic performance. "Might" is the operational word here since other factors also could be in play, such as parental presence, the number of children in the household, the number of times the household moved, etc. Still, it is reasonable to assume that homelessness is an important factor in the observed differences in grade point averages.

The typical high socioeconomic status student passed 73.7 percent of his/her SOL examinations during 2012-13, while the comparable averages were only 54.8 percent for low socioeconomic status students and 41.7 percent for homeless students. It should be borne in mind that students cannot earn a

regular high school diploma unless they pass the SOL examinations. Thus, the comparatively low passage rate for homeless students does not bode well for their future. Note that the median passage rate (the 50th percentile achievement rate) was 100 percent for high socioeconomic status students, 66.7 percent for low socioeconomic status students and 33.3 percent for homeless students. Hence, the typical (50th percentile) student from the "high" group passes all of his/her SOL exams, while the typical student from the "low" group passes two-thirds of his/her SOL exams and the typical student from the "homeless" group passes one-third of his/her SOL exams.

TABLE 5 HOMELESSNESS, ECONOMIC STATUS AND SEVERAL MEASURES OF ACADEMIC PERFORMANCE IN NORFOLK, 2012-2013			
	(N = 161) Homeless	(N = 173) Low Socioeconomic Status	(N = 168) High Socioeconomic Status
Attendance (Percentage of Days Eligible)			
Mean	87.9%	92.8%	95.1%
Median	92.2%	95.5%	97.2%
Grade Point Average			
Mean	1.98	2.27	2.86
Median	2.02	2.34	3.04
SOL Percentage of Exams Passed			
Mean	41.7%	54.8%	73.7%
Median	33.3%	66.7%	100.0%
Number of Suspensions from School During Academic Year			
Mean	1.18	0.79	0.13
Median	0.00	0.00	0.00
Source: City of Norfolk Public Schools			

The typical homeless student in Norfolk was suspended from school (either via an in-school or an out-of-school suspension) 1.18 times during the 2012-13

academic year. The comparable averages were 0.79 for low socioeconomic status students and 0.13 for high socioeconomic status students. Suspensions usually are symptomatic of a variety of problems afflicting a student and they have practical consequences – they reduce grade point averages and graduation rates.

VIRGINIA BEACH

Table 6 describes a very large anonymous sample provided by the city of Virginia Beach. It compares 772 homeless students to 25,464 anonymous housed students that the city has identified as coming from low-income households.[10] This provides several very interesting comparisons that enable us to infer some of the impact of homelessness on student performance. Both groups of students come from low-income households, but one group of students is homeless, while the other is not. To be sure, nothing else is held constant between the two groups and hence there are many other unobserved influences present. Nevertheless, because they address the vitally important income factor, these data do provide us with a window on some of the impact of homelessness on Virginia Beach students.

Performance patterns in Virginia Beach are familiar. Homeless students in Virginia Beach attend school about 10 percent fewer days than the housed, low-income students; as a group, they earn a lower grade point average. Both groups pass all of the SOL tests at virtually the same rate, but the homeless students are more likely to fail all of the tests. Holding other things constant, there do appear to be distinct academic costs associated with homelessness, and this is despite the substantial resources that Virginia Beach uses to address the challenge of homelessness in that city.

Table 7 discloses what happened to homeless and housed low-income students in Virginia Beach at the end of the 2012-13 academic year. As noted here, 91.6 percent of homeless children were promoted or graduated; the comparable number for housed, but low-income, children was 93.6 percent. A somewhat larger percentage of homeless children was not enrolled in Virginia

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[10] A student is considered to come from a low-income family if he/she is eligible for a free or reduced-price meal at school. Children coming from households receiving Supplemental Nutrition Assistance (food stamps) or from families receiving Temporary Assistance for Needy Families (TANF) are automatically eligible and hence are considered to come from housed, but low-income families in Virginia Beach.

Beach schools at the end of the 2012-13 academic year compared to children coming from a low-income but housed household.

Table 8 compares the five South Hampton Roads school districts in terms of on-time high school graduation rates, GED completion rates and high school dropout rates. However, Table 8 also supplies interesting information concerning the impact that economic disadvantage and homelessness have upon on-time high school graduation rates. These data follow cohorts of students from ninth grade (2009) through 12th grade (2013); their on-time graduation date was spring 2013. Regionwide in South Hampton Roads, a noticeable decline in on-time graduation rates is apparent for students classified as coming from an economically disadvantaged household. A further decline can be seen for students that were homeless sometime during their high school career.

Graph 2 illustrates the average impact of economically disadvantaged status and homeless status upon on-time high school graduation rates in South Hampton Roads. Unfortunate though these relationships are, they cannot be described as surprising. We saw in Table 6 that economically disadvantaged and homeless students don't attend school as often and don't pass as many SOL exams. Ultimately, this translates into high dropout rates and lower graduation rates.

TABLE 6 ATTENDANCE, SOL PERFORMANCE AND GRADE POINT AVERAGES FOR 772 HOMELESS AND 25,464 LOW-INCOME, BUT HOUSED STUDENTS IN VIRGINIA BEACH		
	(N = 772) Homeless Students	**(N = 25,464) Low-Income, but Housed Students**
Average Days in Attendance	136.3 (N = 772)	151.1 (N = 25,464)
SOL Performance		
Passed All	43.8% (N = 269)	43.9% (N = 7,324)
Failed Some	34.0% (N = 209)	38.4% (N = 6,411)
Failed All	22.1% (N = 136)	17.8% (N = 2,975)
Grade Point Average	2.38 (N = 24)	2.52 (N = 1,061)

Source: City of Virginia Beach Public Schools

TABLE 7 ACADEMIC DISPOSITION OF HOMELESS AND HOUSED, LOW-INCOME STUDENTS IN VIRGINIA BEACH AT THE END OF THE 2012-13 ACADEMIC YEAR		
	(N = 728) Homeless	**(N = 24,454) Housed, But From a Low-Income Household**
Promoted	552 (75.8%)	21,990 (89.6%)
Graduated	115 (15.8%)	988 (4.0%)
Not Enrolled at the End of the Year	61 (8.4%)	1,568 (6.4%)

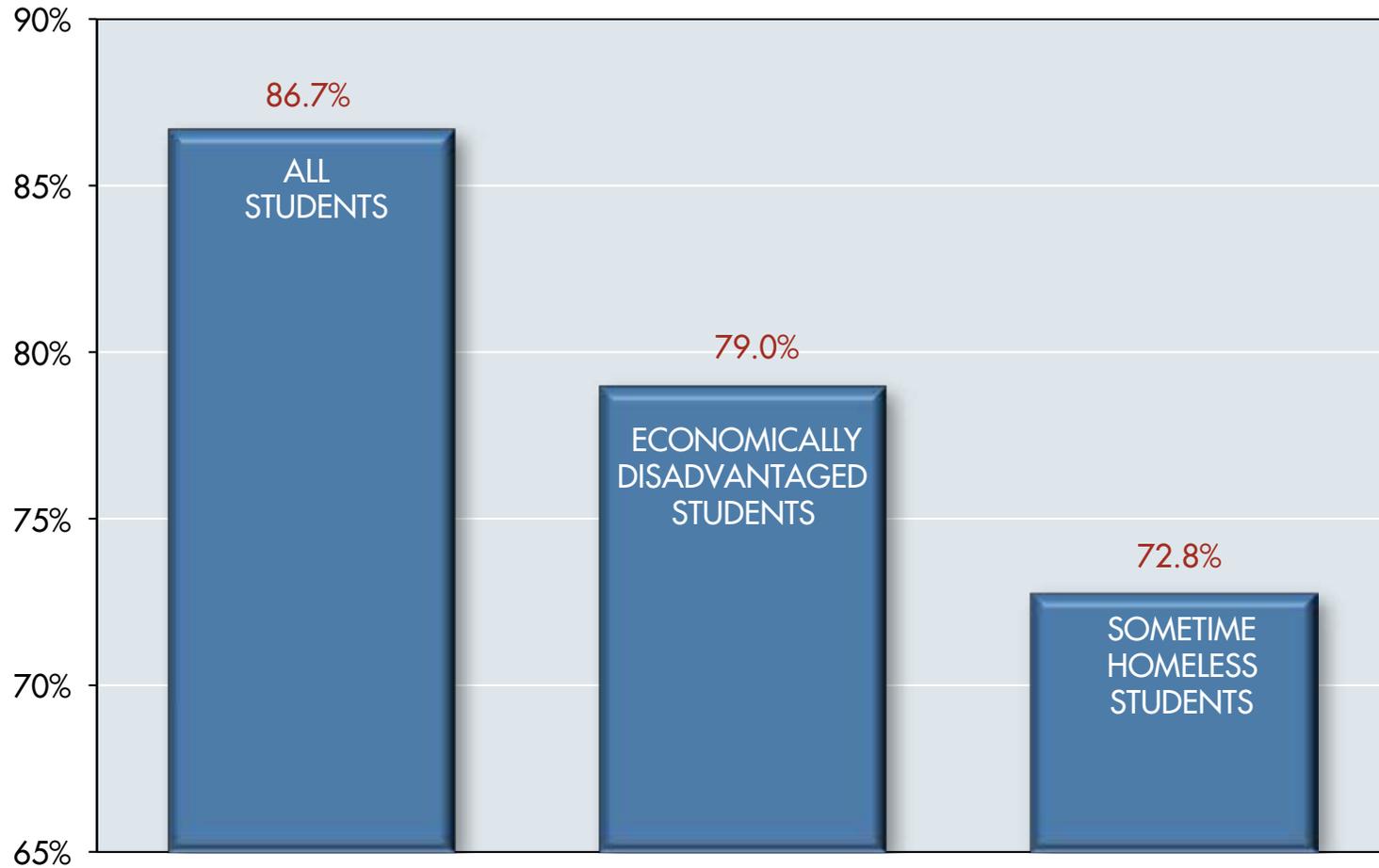Source: City of Virginia Beach Public Schools

	Chesapeake	Norfolk	Portsmouth	Suffolk	Virginia Beach	Averages for South Hampton Roads
TABLE 8						
PROGRESS AND GRADUATION STATISTICS, SOUTH HAMPTON ROADS SCHOOL DISTRICTS, 2012-2013						
Cohort Size, 2012-2013	3,283	2,062	1,113	1,097	5,355	
District Student Percentages						
On-Time Graduation Rate						
All Students	92.0%	77.9%	80.9%	87.2%	88.0%	86.7%
Males	89.3%	72.4%	74.9%	84.5%	84.4%	82.9%
Females	95.0%	82.9%	87.0%	90.3%	91.6%	90.6%
Economically Disadvantaged Anytime	83.9%	73.4%	77.7%	79.1%	78.5%	79.0%
Homeless Anytime, 9th to 12th Grade	79.5%	67.1%	76.2%	79.1%	68.9%	72.8%
GED Completion	2.3%	7.6%	5.0%	2.0%	4.0%	4.1%
Males	3.1%	10.2%	3.5%	1.4%	5.0%	4.9%
Females	1.6%	5.2%	1.5%	.6%	3.1%	2.7%
Dropout Rate	3.8%	10.1%	10.4%	8.1%	4.9%	5.7%
Males	5.3%	11.7%	14.3%	8.5%	6.4%	7.8%
Females	2.3%	8.7%	6.4%	6.6%	3.4%	4.5%

Source: Virginia Department of Education, "School, School Division and State Report Cards," www.doe.virginia.gov/statistics_reports/school_report_card. The student cohorts entered four years previously.

GRAPH 2

PERCENTAGE OF STUDENTS OF VARIOUS BACKGROUNDS THAT GRADUATED ON TIME IN 2013, FIVE LARGEST SOUTH HAMPTON ROADS CITIES

Bar chart showing graduation rates:
- ALL STUDENTS: 86.7%
- ECONOMICALLY DISADVANTAGED STUDENTS: 79.0%
- SOMETIME HOMELESS STUDENTS: 72.8%

Tables 3 through 8 are revealing, but one should resist the urge to reach overly strong conclusions based upon them. Consider that:

- There is a lack of consistency among the cities both in terms of their propensities to count homeless students and their attribution of resource expenditures (especially transportation) focused on those students. **Hampton Roads needs a single entity that is the initial focal point for all homeless inquiries and which also collects and audits homeless children data and information for all of the region's cities and counties.** It is a challenge to assess either the costs of homelessness, or the impact of programs designed to combat the effects of homelessness, when data variously are not available, not standardized or not reliable. No study, including this one, can be better than the underlying data upon which it relies. Similarly, public policy makers always will be handicapped if they do not have an accurate vision of the actual state of homelessness.

- The "housed, but low-income" samples provided by several of the cities appear to contain proportionately smaller numbers of students actually eligible for graduation.

- We don't know what happened to most of the students that no longer were in the various school districts at the end of the academic year. GED high school equivalency certificates represent one avenue students may take when they drop out. We know, for example, that 4 percent of the large 5,355 Virginia Beach high school cohort earned a GED certificate. Beyond this, we do not know much more. **Tracking dropouts across district and even state lines, and over time, is important if we really want to know the impact of homelessness on students.**

- The most important reason why we should be prudent in our conclusions, however, is that there are many unobserved characteristics of homeless students (and those that are housed) that we would like to know, but don't. For example, we would like to know if a homeless student came from a single-parent home, how many different places he/she lived, the education and employment characteristics of his/her parents or guardians, his/her encounters with the justice system, etc.

Even with these caveats, however, the apparent effects of homelessness upon student academic performance can be seen in Tables 4 through 8. We know that homeless students attend class between 5 and 10 percent less often than other students. In Norfolk, for example, the correlation between student grade point averages and student daily attendance is +.54. Put in different terms, this means that we can explain almost 30 percent of the variance in student grade point averages (the other 70 percent being due to other factors) if we know how often these students attend school.

This is not a trivial relationship. The percentage of homeless students in a city is negatively correlated with on-time graduation as one would expect (r = -.86) and positively correlated as one would expect with each city's high school dropout rate (r = +.54).

Homelessness is negatively and strongly related to performance on individual SOL tests. In Norfolk, for example, the passage rate of students coming from homeless households is 13.1 percent less than those students coming from low socioeconomic status households and fully 32 percent less than students coming from high socioeconomic status households.

These results are entirely consistent with the reputable national and regional studies noted previously. The bottom line is that homelessness has destructive effects on student academic performance.

The Impact Of Homelessness Follows Students Throughout Their Lives

What difference do these lower levels of academic performance make to homeless students later in their lives? The most measurable impact of homelessness is on homeless students' ability to find jobs and earn income. Put simply, if homeless children do not graduate from high school, then they will enter job markets at a tremendous disadvan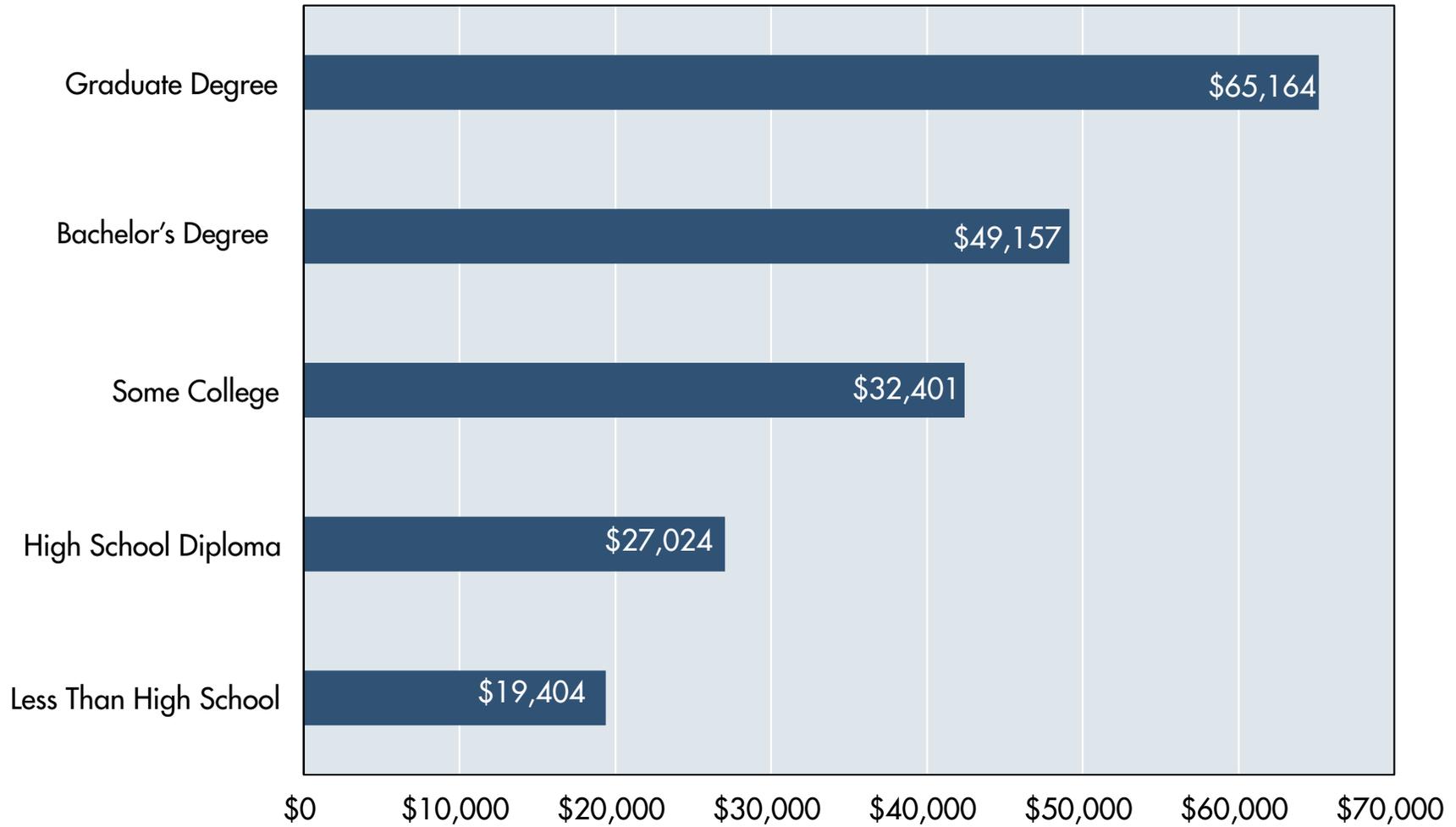tage. Graph 3, which relies upon data from the U.S. Census, reveals that the median (50th percentile) income of individuals with less than a high school education was only $19,404 in 2012. This was almost 40 percent less than the median income of high school graduates ($27,024). To be sure, some individuals do well even though they have not acquired a high school diploma, but as the data in Graph 3 record, they are exceptions to the general rule.

Graph 4 illustrates the unfortunate reality that those individuals that do not graduate from high school also are burdened by much higher rates of unemployment. Because homeless students are less likely to graduate from high school, they are more likely to become unemployed throughout their lives.

GRAPH 3

MEDIAN INCOME OF INDIVIDUALS WITH VARING LEVELS OF EDUCATION, 2012

Education Level	Median Income
Graduate Degree	$65,164
Bachelor's Degree	$49,157
Some College	$32,401
High School Diploma	$27,024
Less Than High School	$19,404

Source: "American Fact Finder," U.S. Census Bureau, http://factfinder2.census.gov

GRAPH 4

UNEMPLOYMENT RATES AND WEEKLY EARNINGS BY EDUCATIONAL LEVEL, 2013

Unemployment Rate in 2013 (%)

Education Level	Unemployment Rate (%)
Doctoral degree	2.2
Professional degree	2.3
Master's degree	3.4
Bachelor's degree	4.0
Associate degree	5.4
Some college, no degree	7.0
High school diploma	7.5
Less than a high school diploma	11.0

All workers: 6.1%

Median Weekly Earnings in 2013 ($)

Education Level	Median Weekly Earnings ($)
Doctoral degree	1,623
Professional degree	1,714
Master's degree	1,329
Bachelor's degree	1,108
Associate degree	777
Some college, no degree	727
High school diploma	651
Less than a high school diploma	472

All workers: $827

Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

Source: Bureau of Labor Statistics, Current Population Survey, www.bls.gov/emp/ep_chart_001.htm

Summing It Up For The Major Cities Of South Hampton Roads

Table 9 provides estimates of many of the societal costs associated with homeless children in the context of the five major cities of South Hampton Roads. Some of these costs already have been identified and include administrative costs connected to the McKinney-Vento obligations of school districts (for example, the salary of the district's coordinator) and the costs of transporting homeless students to their "school of origin."

Administrative and transportation costs, however, constitute only a small slice (perhaps 5 percent) of the total additional costs associated with homeless children. Far more important are additional medical and social services costs that homeless children impose on the cities in which they live. It is undeniable that such costs exist. Homeless children appear in hospital emergency rooms more often and are more likely to suffer from chronic health problems, such as obesity and diabetes, even while some are undernourished.

There is abundant evidence that homeless families and their children require emergency and transitional housing at a higher rate than the housed population and that on a per capita basis, homeless people utilize larger than usual amounts of social services, including Temporary Assistance to Needy Families (TANF) and food stamps (the Supplemental Nutrition Assistance Program). These general types of costs are included in the social services variable in Table 9.

What is not clear, however, is the best way to allocate those costs to specific homeless children because many of the costs are incurred jointly with other members of a family. Consider social safety net services such as food stamps. Suppose a single mother of a homeless family of four applies for and receives food stamps. Should three-quarters of that expense be attributed to the homeless children, or a different proportion? What proportion of a family's emergency or transitional housing costs should be apportioned to a homeless child? The national and regional studies cited in footnote 5 do not always answer such questions identically. In such cases, this report has adopted their average conclusions or assessments.

Some social costs associated with homeless children are more easily measured on an individual child basis, for example, hospital emergency room use and prison/incarceration expenses. However, these costs are not identical across the United States and so we have relied on their average values. Emergency medical and hospital room use provides a useful example. We have used a $772 per homeless student per year estimate of the total cost to society of emergency room use by homeless students. This estimate may be too high, or too low, for South Hampton Roads. Therefore, no one should impute precision to the estimates contained in Table 9. These estimates are, however, reasonable approximations of the total additional costs that society incurs when certain events occur.

School districts also must devote extra resources to homeless children. We have attempted to capture these at the K-8 level and also to estimate special education costs (which apply to homeless children more often than other students). We have not computed "in-school" high school costs attributable to homeless children. Clearly, such costs exist, but we could not find a reputable, rigorous source to backstop any estimates, and so we have not included them in Table 9.

With these caveats in mind, note that the largest cost incurred by society from homeless students is the cost of emergency and transitional housing, which accounts for more than 29 percent of the total cost. When other housing-related costs are added to emergency and transitional housing, together they account for slightly more than 48 percent of all of the costs incurred by society because of homeless children. This underlines once again the conclusion of informed observers concerning homelessness, namely, that finding housing for homeless individuals quickly is vitally important. However, paying to house homeless individuals actually is cost-efficient relative to more expensive alternatives. This is a counterintuitive conclusion for citizens not familiar with the data found in Table 9, but an induction that is quickly grasped by those who have taken the time to dive into the numbers.

TABLE 9

ESTIMATED ANNUAL ADDITIONAL TOTAL COSTS ASSOCIATED WITH 1,548 REPORTED HOMELESS SCHOOLCHILDREN, SOUTH HAMPTON ROADS, 2012-2013, BASED ON NATIONAL STUDIES

	N = 89) Chesapeake	(N = 442) Norfolk	(N = 211) Portsmouth	(N = 35) Suffolk	(N = 771) Virginia Beach	Totals
Medical and Health						
Emergency Room Use	$68,708	$341,224	$162,892	$27,020	$595,212	$1,195,056
Recurring Health Problems	$283,020	$1,157,146	$670,980	$111,300	$2,451,780	$4,674,226
Mental Health Care	$122,909	$610,402	$291,391	$48,335	$1,064,751	$2,137,788
Social Services and Housing						
Foster Care	$233,568	$1,159,967	$530,032	$87,920	$1,936,752	$3,948,239
Emergency and Transitional Housing	$518,425	$2,547,650	$1,229,075	$203,875	$4,491,075	$8,990,100
Other Social Service Use	$109,025	$541,450	$258,475	$42,875	$944,475	$1,896,300
Education						
Preschool and Elementary	$163,493	$881,954	$387,607	$64,295	$1,416,327	$2,843,676
Special Education Programs	$154,682	$768,196	$366,718	$60,830	$1,338,998	$2,689,424
Administrative and Transportation						
Administrative	$9,900	$128,721	$69,353	$2,000	$274,606	$ 652,696
Transportation	$252,113	$280,000	$247,035	$ 0	$458,138	$1,237,286
Penal System and Incarceration	$12,638	$62,764	$29,962	$4,970	$109,482	$ 219,816
Failure to Graduate from High School						
Average Present Value of Annual Lost Income						
(2013 Incomes and Prices)	$38,337	$190,392	$90,899	$15,076	$332,112	$ 666,816
Totals	$1,966,818	$8,599,866	$4,334,419	$668,496	$15,413,708	$30,983,307
Average Cost Per Homeless Student	$22,099	$19,457	$20,542	$19,100	$19,992	$20,015

Notes: The estimates rely upon: (1) the number of homeless children in each school district; (2) each school district's graduation rate; (3) the assumption that the costs of homelessness per student found in national studies apply to South Hampton Roads; (4) U.S. Census income data that were used to project future incomes and these incomes were discounted to present value so that future income dollars are equivalent to those in 2013; (5) a 3.724 percent rate of discount, the 30-year U.S. government bond rate on March 9, 2014. The present value (PV) estimate is for a single year, not for all the years of a student's work life. The present value estimates also assume that many homeless students will leave their original school district and live elsewhere. While all of the estimates above must be understood to be approximations, they do provide useful information about the relative magnitude of these costs if South Hampton Roads mirrors national trends. The individual city averages are bunched together because identical costs per student are assumed for a majority of the services identified above. Hence, the most meaningful per-student statistic is the regional average, $20,015 per student.

Housing-related costs are followed in importance by recurring health problems, at 15 percent. Recurring health problems include conditions ranging from the common flu to obesity and diabetes. Together, medical- and health-related challenges account for slightly more than $8 million in annual costs.

Among the cities of South Hampton Roads, Virginia Beach bears the most annual additional costs ($15.4 million), primarily because it reports the largest total population of homeless students (N = 771). Portsmouth, however, identifies the most homeless students on a per capita basis. Chesapeake and Suffolk identify the smallest per capita proportions of their populations as homeless students. Norfolk and Virginia Beach are roughly similar on a per capita basis.

A portion of the city-to-city per capita homeless children disparities in Table 9 reflects well-known demographic and economic differences among the cities. After all, they are not clones of each other. **Nevertheless, while the same laws (especially McKinney-Vento) apply to all of the cities, the cities do not always appear to interpret and apply the laws and accompanying regulations in the same fashion. Perhaps the observed disparities in application represent unofficial city policies pursued by administrators, or instead, simply tradition.**

Finally, while we have computed per-child costs for homeless children, most homeless children are part of some kind of larger family unit. How does the approximate $20,000 per homeless child computation relate to the cost for an entire family unit? Other studies suggest a 2.5X to 3X multiplier for those costs, that is, something in the range of $50,000 to $60,000 as the cost to society of an entire "typical" homeless family. Reality is, however, that homeless families differ substantially in size and character and therefore family cost estimates are less precise than those for individuals. One of the most important variables, for example, relates to whether or not both parents are present. We would need to know such things if we were going to make a reliable estimate of the family costs connected to homelessness.