

The Effectiveness of Non-Custodial Parent Referrals to Workforce Services in Bexar and Harris Counties: An Initial Assessment

Dan O'Shea
Christopher T. King
Daniel Schroeder
Patricia Norman

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Ray Marshall Center for the
Study of Human Resources



Lyndon B. Johnson School of Public Affairs
The University of Texas at Austin
3001 Lake Austin Blvd., Suite 3.200 Austin, TX 78703 (512) 471-7891

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Executive Summary

The Ray Marshall Center for the Study of Human Resources of the LBJ School of Public Affairs at The University of Texas-Austin prepared this report under contract with the Texas Workforce Commission and the Office of the Attorney General. These state agencies, along with the Office of Court Administration, were required by the 76th Texas Legislature (1999) to report to the next legislative session regarding the effectiveness of referring obligors to an employment assistance program as a means of increasing child support collections.

This report assesses the effect on child support collections of referring non-custodial parents from the Office of the Attorney General's Child Support Division and IV-D Family Law Courts to workforce and other services designed to increase their income-producing and parenting capacities in Bexar County (San Antonio) and Harris County (Houston).

Child Support Division administrators and staff worked with local workforce and domestic court collaborators to establish procedures for service referrals from the IV-D courts as part of child support adjudication. Referrals are frequently a condition of probation for non-payment of child support or contempt of court. In addition to mandatory, court-based referrals, Child Support Division staff in Harris County initiated voluntary referrals from the child support offices.

Results

During the implementation phase of the Bexar and Harris County non-custodial parent referral initiatives:

- Child Support Division staff and the IV-D court masters, in cooperation with the local Boards, workforce service providers and local fatherhood initiatives, have laid a foundation for building effective non-custodial parent service delivery structures and practices. Both the Bexar County and Harris County efforts adapted non-custodial parent referral procedures to accommodate ongoing service delivery practices.
- In Bexar County, the non-custodial parent referrals were associated with statistically significant impacts on child support collections. Average monthly child support collections increased by \$116, and the percent of months that support was collected increased by 21.5 percent compared to a statistically matched comparison group.

- In Harris County, workforce referrals had no statistically significant impact on child support collections or the frequency of payments.
- The operational costs of non-custodial parent referrals on behalf of Child Support Division and IV-D courts are negligible; non-custodial parent referral procedures are subsumed as part of ongoing staff duties. The primary costs entailed by the initiatives are in the form of net workforce service costs.
- The enrollment of non-custodial parent referrals in workforce services was limited during most of the study period in both sites due in large part to constraints caused by restrictive federal eligibility criteria, as well as underdeveloped workforce linkages in Bexar County. The Welfare-to-Work Amendments of November 1999 broadened eligibility, leading to increased enrollments in WtW services in Harris County after January 2000.
- Workforce participation clustered about job search, job readiness and job placement services. Few individuals participated in Education or Job Skills Training services.
- Inter-site differences regarding voluntary and mandatory referrals and the presence of the Bexar County Child Support Probation Office confound the analysis. Marshall Center researchers are unable to discern with certainty whether referring non-custodial parents to workforce services is an effective means to increase child support collections. Additional time and information would be required to make a definitive judgement.
- Because of the uncertain effectiveness of workforce referrals regarding child support collections and the limited number of workforce enrollments, a detailed cost-effective analysis was deferred.

Operational Implications

The report offers several observations regarding operational implications of non-custodial parent referrals to workforce and other services as Texas prepares to expand initiatives similar to the Bexar and Harris projects statewide.

Institutional Context. Policymakers and program administrators are facing the challenges of aligning subsystems (e.g., child support collections, workforce services, and fatherhood programs) with different operational outlooks, missions, service mix and outcome expectations. Effective collaboration requires new modes for external linkages, as well as transformation of internal policies and procedures.

Thinking “Systemically.” Texas workforce and welfare reforms of the past decade have been improving systemic approaches for service delivery that can be extended to the needs of non-custodial parents. A more systemic service array might

include access to job training and education, peer and professional counseling, legal and financial services, access and visitation services, and supportive services.

Non-Custodial Parent Workforce Services. Workforce services rendered to non-custodial parents in this study were largely confined to job readiness and job search activities. The service mix could be expanded to include more access to pre-employment vocational education and job skills training to enhance employment prospects for non-custodial parents.

Targeting Resources. The non-custodial parent referral partnerships emerging in Texas should act to target resources based on more standardized referral and enrollment criteria across the workforce, fatherhood and IV-D child support systems in order to provide appropriate services and expand based on its own success.

Monitoring Compliance/Information-Sharing. The initial efforts in Bexar County and Harris County point to the importance of compliance monitoring and performance information-sharing regarding non-custodial parent referrals.

Voluntary and Mandatory Referrals. The distinction between voluntary, office-based referrals and mandatory, IV-D court-based referrals very likely influences compliance rates, participation patterns and outcomes in terms of child support collections. The nature of the referral should be visible to collaborators; it should also be clearly indicated on any database that might be used for future evaluations.

Policy Implications

The report also has several broader implications that policymakers and providers might consider.

Work-First and Human Capital Strategies. The non-custodial parent referral effort once again brings tensions between the Work-First and Human Capital workforce strategies to the forefront of policy discussions. Texas must decide which paths it will offer to increase the earnings and child support contributions of non-custodial parents.

Child Support Collections and Referrals. Non-custodial parents face a “signaling crisis” regarding referrals to workforce and other services and their child support obligations. Inherent conflicts between current obligations and prospective capacity-increases should be resolved for both “deadbeat” and “dead broke” dads.

Incentives. Stronger participation in workforce services could be encouraged through incentives. Several alternative approaches are under-consideration in the nation, including alternative minimum support orders, individual development accounts (IDAs), cash incentives and reductions in arrearages linked to satisfactory participation in training programs and/or employment retention.

Formal and Informal Child Support. Policymakers and administrators would do well to strengthen recognition of the relationship between and value of formal and informal child support in order to more fully address parent-child well-being.

Texas should continue building upon the progress in the delivery of workforce and other services to non-custodial parents found in the early implementation phase of the Harris County and Bexar County referral projects.

INTRODUCTION

Overview

Researchers from the Ray Marshall Center for the Study of Human Resources of the LBJ School of Public Affairs at The University of Texas-Austin prepared this report under contract with the Texas Workforce Commission (TWC) and the Office of the Attorney General (OAG). TWC and OAG, along with the Office of Court Administration, were required by Section 8 of House Bill 3272 of the 76th Texas Legislature (1999) to study and report to the legislature regarding the effectiveness of referring obligors to an employment assistance program as a means of increasing child support collections. This report assesses the effectiveness in terms of child support collections of referring non-custodial parents (NCPs) from the Office of the Attorney General's Child Support Division (CSD) and IV-D Family Law Courts to workforce and other services designed to increase their income-producing and parenting capacities. Additionally, the analysis discusses the provision of workforce services to non-custodial parents and provides estimates of the referral and service delivery costs.

The report primarily concerns the effects of referrals for services available to NCPs in Bexar County (San Antonio) and Harris County (Houston) through their respective workforce systems. Workforce services in Texas are provided through local workforce development boards (Boards) and their provider networks in the 28 local workforce development areas. In addition, several non-custodial fathers in Bexar County received referrals for social service assessments and peer discussion groups. Various "fatherhood" initiatives are presently gaining momentum in Texas and will undoubtedly provide increasing levels of ancillary services to those provided NCPs by the Boards in the future.¹

In each of these counties, CSD administrators and staff worked with local workforce and domestic court collaborators to establish procedures for service referrals

¹ The Lewin Group (1997, 1999) provides structural considerations and an information management system that Texas policymakers and practitioners might consider as interest in fatherhood projects expands.

from the IV-D courts as part of child support adjudication. The majority of such referrals are part of court orders, and are frequently a condition of probation for non-payment of child support or contempt of court. In addition to court-based referrals, CSD staff in Harris County initiated referrals from the child support offices.

Research Approaches

There were originally three interlocking research approaches for this assessment: a process study, an impact analysis, and a cost-effectiveness analysis. The *process study* describes the goals, target population, roles and responsibilities of the collaborating entities, activities and services, data collection procedures, referral and workforce service delivery costs, and the flow of participants through the initiatives. The process study also notes the divergence between the service delivery design and actual practices, as well as addresses similarities and differences between NCP referral operations in the two sites.

The quasi-experimental *impact analysis* measures the effects of referrals for workforce services on child support collections. NCPs with court-based or CSD referrals to workforce or other services are compared to similar NCPs who were not referred to workforce services. Marshall Center systems analysts applied a “nearest neighbor” methodology to match these otherwise very similar sets of individuals.

Researchers originally proposed a *cost-effectiveness study* to examine NCP referrals in terms of the cost of added child support collections. This study has been deferred as explained in Section III.

Respective sections of this report and Appendix B provide greater detail regarding methodologies applied within each component.

Limitations of the Study

Operational and data limitations constrain this report. Foremost, it should be explicitly noted that the analyses contained in this report assess the effects of *referrals to*, not actual participation in, workforce and other services. The referral itself is the event that may or may not increase individual work effort and child support collections. Only a small subset of those referred actually participated in workforce or other services

subsequent to their referral date. Additional analyses would be necessary to measure the effects of actual participation in workforce services for those who were *referred and enrolled*. An assessment of the impact of workforce and fatherhood services who “self-initiated” participation would be useful as well to understand and identify effective services for NCPs. These are beyond the scope of the present report.

Second, the service delivery model in Bexar County had not yet matured to the extent originally anticipated by agency staff. The service delivery model for Bexar County identifies Goodwill Industries, Inc., and the Alamo Workforce Development Board, which contracts with SER Jobs for Progress, Inc., as the workforce service providers. Linkages between these entities and CSD, the IV-D Family Law Court, the Dixon Clinic and MELD were not well articulated. In fact, none of the individuals referred from the court appear on Goodwill’s competitive grant roster of workforce participants. Services provided to referred NCPs at Texas Workforce Centers operated by SER do not appear on workforce administrative records in significant numbers until mid-year 2000.

Alternatively, Houston Works, the primary provider of workforce services to NCPs in Harris County, and the CSD/IV-D Family Law Courts, have a well-articulated service delivery system. The model was constrained by narrow federal eligibility requirements for the Welfare-to-Work competitive grants prior to January 2000, after which enrollments increased substantially. Unfortunately, time lags in obtaining Unemployment Insurance wage data preclude fully measuring the impact of these later referrals in terms of increased employment and earnings.

Third, the research plan also originally proposed to assess the prospects for expanding enrollments of NCPs in workforce services as the Office of the Attorney General makes contact information available to TWC and local workforce development boards through their recent data-sharing arrangement. These contact data were not available to the Boards during the research time frames.

Last, this analysis also intended to investigate NCPs who were referred to or enrolled in workforce services in association with their participation in a Houston fatherhood initiative. The director and staff of the Young Fathers in Families Program (YFIF), administered by the Fifth Ward Enrichment Project of Houston, have been

working closely with a CSD Assistant Attorney General and the Houston Fatherhood Collaborative to develop better service relationships between the YFIF, the Attorney General's Office and the Texas Workforce Centers in the Gulf Coast area.² Since YFIF collects neither social security numbers that would have permitted cross referencing to workforce and child support data nor individual-level administrative data in automated format, researchers were unable to assess child support payments and workforce participation by YFIF participants.

Time Frames

Marshall Center staff began investigating the NCP referral processes in March 2000. Fieldwork began in May and continued through October 2000. The administrative data used to prepare this analysis of workforce service provision and outcomes encompass the period between January 1998 and August 2000. Local staff initiated referral procedures at both sites between January and March 1999, and the analysis includes referrals through June 2000. Workforce cost data is based on State Fiscal Year 2000 (September 1, 1999 to August 31, 2000). Actual time frames for the three components of this assessment vary due to the appropriateness of the time frames to the specific analysis, time lags in the reporting and the availability of data. The research component sections and technical appendix provide details regarding these variations.

Organization of Report

The process, impact and cost discussion comprise Section II and Section III of this report. The concluding Section IV discusses implications of the research results for policies and programs, particularly as Texas prepares for a statewide roll-out of initiatives similar to those operating in the metropolitan areas of Houston and San Antonio.

² YFIF has served approximately 107 young men between the ages of 16 and 26 years of age with children three years of age or younger, providing case management, peer discussion and referrals since initiating services in January 1999. The project is seeking a closer relationship with local housing authorities and the criminal justice system, as well as apprenticeship programs to meet the needs of this population. YFIF staff believes that the project has successful impacts on participants regarding their parenting and personal obligations.

Appendix A provides a list of key contacts and the interview guide used for the process analysis. Appendix B contains the technical attachment for the impact analysis.

PROCESS STUDY

Introduction

Marshall Center researchers conducted a process study of the NCP referral initiatives in Bexar County and Harris County, Texas. The purpose of the process study was to develop a clear understanding of program procedures and the operational context in the two study sites. The study describes the target population, service delivery configuration, activities and services available to the NCPs, data collection procedures, and the flow of participants through the initiatives. It notes divergence between the service delivery design and actual practices, as well as similarities and differences between study sites. The process study results help to guide the impact and cost effectiveness studies. Lastly, it provides a basis for immediate feedback regarding program policies and practices, a basis that is reinforced by the impact and cost-effectiveness results.

A basic understanding emerging from the fieldwork is that the design and implementation of the two ongoing projects varied significantly. For example, Bexar County referrals came solely from the IV-D Family Law Court, and by design only one of the four child support offices serving the county was actively pursuing referrals to the Father-Child Connection, the name assigned to the referral initiative. Although the referrals were part of a court order, they should be considered “limited mandatory,” since CSD staff, the IV-D court master, and the Bexar County Child Support Probation Office did not consider non-compliance an enforceable act. Furthermore, these referrals—much smaller in number than those generated in Harris County—directed NCPs to the Dixon Health Clinic of Methodist Healthcare Ministries for a social services assessment. Almost all of those referred to the Dixon Clinic were subsequently referred to the MELD project (Mutual Enrichment through Learning and Discussion) to participate in peer discussion groups regarding the roles and responsibilities of fatherhood. Few received referrals for workforce services at Goodwill Industries or to one of the Texas Workforce Centers operated by SER Jobs for Progress, Inc., the primary workforce contractor for the Alamo Workforce Development Board in Bexar County.

In contrast, the Harris County NCP referral project generated a much higher number of referrals directly to workforce services provided by Houston Works, the WtW competitive grantee and the major Texas Workforce Center contractor for the Gulf Coast Workforce Development Board in Harris County. These referrals came from the IV-D Family Law Courts as part of a court order, as well as from the local child support offices serving parts of Harris County. Although a large proportion of the referrals was associated with a few offices, all nine CSD offices whose service delivery area included part of Harris County generated referrals. Office-based referrals included custodial, as well as non-custodial parents, whom child support staff thought would benefit from workforce services.³

Because of this mix, Harris County referrals included both “voluntary” office-based referrals made by CSD staff or “limited mandatory” court-based referrals included in a court order. Moreover, there is no local child support probation office. Also unlike Bexar County, CSD staff and the Harris County IV-D court masters did consider non-compliance an enforceable act, and local court masters would remand non-compliant NCPs to jail.

Methodological Approach

The process study methodology is a straightforward application of three approaches: documentation analysis, site work combining interviews and field observations, and data integration and analysis. Researchers first requested background information and discussed design features, including goals, the scope and scale of the referral initiatives, the service delivery models, and information management systems, among other features, with state level administrators and staff. These helped to refine the design of the process study and to identify the major on-site collaborators.

In preparation for the field work, researchers developed and tested the Field Interview Guide contained in Appendix A and requested additional information from collaborative entities either in advance or during field work, as available and appropriate. These included proposal work statements, planning documents, staff training materials,

³ Ray Marshall Center researchers eliminated custodial parents from the referral list, prior to investigation.

policy manuals, service delivery guides, project management reports, memoranda of understanding (MOUs) between collaborators and standardized forms. Researchers also investigated program/project information management systems to ascertain the availability of automated participation and cost/expenditure data that subsequently serve the impact and cost-effectiveness components.

Background

In recent years, legislators, policymakers and program administrators in Texas and across the nation have become increasingly attentive to the prospects of increasing the employability and earnings of non-custodial parents. Current policy and program efforts are a logical extension of the welfare reform and personal responsibility movement that began with the federal Family Support Act of 1988. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 eliminated the federal cash assistance entitlement. In its place, the legislation authorized Temporary Assistance for Needy Families (TANF) block grants to the states, delegating greater responsibility to states and localities for encouraging independence of public cash assistance, mainly through activities and services that prepare individuals to find and retain employment.⁴ Among many other behavioral requirements, the Act also requires custodial parents to establish child support orders with the responsible state agency as a condition of eligibility for TANF cash assistance.

Both Acts primarily focused resources on poor custodial, mostly female, parents and two-parent households with children who depended on public cash assistance to meet their subsistence needs. PRWORA also began to focus on the target group to which little attention had been previously paid by welfare and workforce systems—non-custodial parents with the responsibilities of providing for their children. PRWORA authorizes expenditures of TANF funds to provide workforce services to NCPs.

Additionally, the Balanced Budget Act of 1997 authorized the U.S. Department of Labor to allocate \$3 billion in Welfare-to-Work (WtW) grants to states and communities to supplement workforce activities provided under TANF, particularly for long term

welfare recipients and NCPs.⁵ These funds, which are drawn down as both formula and competitive grants, enhance local capacity to serve NCPs.⁶

Title VIII of H.R. 3424 (also known as the Welfare-to-Work Amendments of 1999), enacted as part of the Consolidated Appropriations Act for FY 2000, broadened eligibility for the Welfare-to-Work formula and competitive grants in order to more easily serve NCPs.⁷ The Amendments also permit the state IV-D agency to share NCP contact information. As a result of this law, CSD is providing individual contact information that TWC will pass through to Boards to outreach NCPs. The Act requires NCPs to enter into a Personal Responsibility Agreement (PRA) to enroll in WtW activities. It also requires WtW grantees to consult with domestic violence organizations to develop effective procedures for serving NCPs.

HB 3272 of the 76th Texas Legislature (1999) required TWC to collaborate with the CSD of the Office of the Attorney General to better serve NCPs, in effect blessing an effort that had already been ongoing for some time. Across the state, child support officers, local workforce board staff, workforce services providers, and IV-D Family Law court personnel have begun to collaborate with local fatherhood and other social service providers to establish procedures for assisting NCPs to meet their parental obligations.

Several concurrent events have enhanced the focus on NCPs. Federal and state welfare reforms and a strong economy have led to stunning reductions in cash assistance caseloads, raising concerns about how to strengthen family well-being and reduce the chances of welfare recidivism, particularly in an economic downturn. Many

⁴ Nathan and Gais (1999) provide a succinct overview of the devolution of welfare responsibilities to state and localities and the behavioral -changing intent of the federal/state welfare reforms.

⁵ On December 21, 2000, President Clinton signed into law the Consolidated Appropriations Act of 2001, which included a two-year extension to the WtW program. All grantees, both competitive and formula, are eligible for the extension of their grants. Originally, the Act required that all funds be spent within three years of the award date. First-year funds, issued July 31, 1998, and scheduled to expire July 30, 2001, have now been extended to July 30, 2003. Second-year funds, issued September 29, 1999, are now available through September 28, 2004.

⁶ There is a 2 to 1 /federal-to-state dollar match requirement for formula grants to the states. Up to 50 percent of the state match can be in-kind; after February 12, 2001, this will increase to 75 percent. Texas set local targets for workforce boards to identify a match share of the dollars allocated to their area. There is no match requirement for competitive grants.

⁷ The eligibility requirements as amended were introduced incrementally. H.R. 3424 permitted competitive grantees to introduce the new criteria January 1, 2000. Formula grant recipients could introduce the changes for individuals served with state match dollars and for individuals served with federal match dollars July 1, 2000 and November 1, 2000, respectively.

policymakers and practitioners also believe that stronger child support collections could help individuals exit and become independent of public cash assistance.⁸

Texas, like many other states, was slow to draw down and expend federal WtW grants.⁹ These funds permit a considerable amount of local creativity regarding underserved groups.¹⁰ The availability of these funds and their potential to reduce enforcement proceedings support a convergence of interests that encourages collaboration between the CSD and the TWC.

The OAG's Child Support Division has embraced the concept of referring NCPs to workforce services and has begun working with TWC and the Boards in several ways. In addition to providing IV-D caseload contact information to TWC and the Boards that local providers may use to outreach NCPs in their service delivery areas, the CSD Outreach and Volunteer section and an Assistant Attorney General have been working to establish referral procedures from the IV-D courts and local CSD offices in each OAG region of the state.

These OAG efforts have attempted to establish a service delivery model that includes a primary role for the Texas Fragile Families Initiative (TFFI), as well as the Boards. TFFI provides peer counseling and other services designed to enhance parental responsibility and parenting skills. CSD administrators and staff are seeking to replicate and build upon the successes of the Parents Fair Share Demonstration Project and other fatherhood initiatives.¹¹

In support of improved services, TWC awarded a contract of up to \$1.5 million to the Washington D.C.-based Institute for Responsible Fatherhood and Family Revitalization (IRFFR) in September 2000. IRFFR will design and implement pilot fatherhood programs in Harris (Houston) and Tarrant (Fort Worth) counties, refine the model for statewide roll-out and develop an evaluation mechanism to measure the

⁸ Researchers at the Ray Marshall Center found that child support payments were associated with higher probabilities of welfare exit (Schexnayder, et al., 1998).

⁹ See Perez-Johnson and Hershey (1999) and Trutkow, et al. (1999) regarding early implementation of WtW grants.

¹⁰ See Center on Budget and Policy Priorities (1998); also TWC's WtW strategic plan (1999).

¹¹ See Knox and Redcross (2000) regarding the effects of PFSD on parenting and providing; Martinez and Miller (2000) regarding PFSD effects on employment. The Lewin Group (1997) provides an evaluability assessment and overview of an array of fatherhood projects across the nation.

effectiveness of these efforts. The feasibility of statewide rollout will be determined by September 2001.

Workforce Services for NCPs

Welfare-to-Work competitive and formula grants administered by the U.S. Department of Labor (USDOL) can be used to provide most workforce services for NCPs in Texas. NCPs are commonly co-enrolled in WtW competitive and formula-funded activities in areas where both grants are available. Individuals in this group could be served by and are sometimes co-enrolled in activities provided under several other categorical funding streams. These include the Workforce Investment Act (WIA), Food Stamp Employment & Training (FSE&T), TANF Choices, and regular Employment Services, as well as more narrowly prescribed funds like Project RIO and Veterans Services.

Texas received its first-year WtW formula grant of approximately \$76.0 million on July 31, 1998; thereafter WtW program services were rolled out incrementally in Texas.¹² The second-year formula grant, available in September 1999, was slightly less at about \$70.9 million. Eighty-five percent of these funds are distributed directly to the Boards; 15 percent are held at the state level in the “Governor’s Reserve” for special discretionary projects. In Texas, local allocations to the Boards are based on the area’s share of individuals in poverty and long-term TANF recipients. To access these funds, Texas must match each federal dollar with a state dollar contribution at a 2-to-1 /federal-to-state match rate. Through February 12, 2001, up to one-half of the state match may be in-kind contributions (Table 1).

¹² The last local Board initiated WtW-funded activities in September 2000, completing the statewide rollout.

Table 1
WtW Texas Formula Grant Allocations
FFY 1998 and FFY 1999 (millions)

	Federal Allocation	State Match	Total
FFY 1998	\$76.06	\$38.03	\$114.01
FFY 1999	\$70.93	\$35.47	\$106.40

Source: <http://wtw.doleta.gov/formula>

The Gulf Coast Workforce Development Board, which is responsible for workforce programs in Harris County and twelve surrounding counties, received its formula grant allocation in July 1999 and shortly afterward initiated services. The Alamo Workforce Development Board, which administers workforce programs in Bexar County and twelve surrounding counties, received its formula grant in the fall of 1999 and initiated services in December of that year. TWC has set match targets for the Boards equal to one-half of the federal match required of the state to draw the formula grant that flows to the local areas. TWC is disallowed by USDOL from withholding local allocations to specific areas that do not meet their match target. Table 2 presents the local allocations and the match targets in Alamo and Gulf Coast Boards for 1998 and 1999.¹³ Originally these funds expired three years from issuance. The Consolidated Appropriations Act of 2001 included a two-year extension to the WtW program. Texas and its Boards have not accessed or spent all available federal WtW funds and the extension, along with the 1999 Amendments, provide an opportunity to extend services to NCPs.

¹³ State General Revenue funds and the Governor's Reserve Funds were applied as match funds to first year formula allocations.

Table 2
Local Formula Grant Allocations
Alamo and Gulf Coast Workforce Development Boards
FFY 1998 and FFY 1999
(millions)

	FFY 1998 Allocation	FFY 1999 Allocation	FFY 1998 Match Target	FFY 1999 Match Target
Alamo WDB	\$6.85	\$6.02	\$1.71	\$1.50
Gulf Coast WDB	\$11.88	\$12.33	\$2.97	\$3.00

Source: <http://wtw.doleta.gov/formula>; TWC LWDBA Expenditure Report 5211-013A;
TWC WtW Website,

USDOL has awarded fourteen WtW competitive grants in three rounds of competition to Texas entities. Three of these grantees are located in Bexar County, and two are in the Gulf Coast area. Houston Works, a competitive grantee and one of six contracted Texas Workforce Center operators in the Gulf Coast area, serves residents of Harris County.¹⁴ Houston Works targets services to NCPs with activities provided under their WtW competitive grant and also receives WtW formula grants administered by the Gulf Coast Workforce Development Board. Houston Works received their \$5 million grant in October 1998 and began delivering services in January 1999.

USDOL awarded Goodwill Industries of San Antonio a \$5 million grant in October 1998 as well and began to provide transitional assistance to hard-to-serve and long-term welfare recipients in Bexar County shortly thereafter. Goodwill was identified as the major provider of workforce services in the NCP referral design for the county. Goodwill is not a formula grantee; the Alamo Board has contracted with SER Jobs for Progress, Inc., in San Antonio to provide formula grant services.

¹⁴ Texas Workforce Center is the generic title that refers to “One-Stop” employment and training centers in LWDAs in Texas. In some substate areas, for example the Gulf Coast, Texas Workforce Centers are called Gulf Coast Career Centers. This report uses the term Texas Workforce Center exclusively to refer to local employment and training offices.

Overview of the NCP Referral Initiatives¹⁵

Within this legislative and programmatic environment, Marshall Center researchers began to investigate the NCP referral programs in Bexar County and Harris County. CSD staff initiated a few referrals as early as January 1999, but fuller implementation began in earnest by March 1999 at both sites.

Referral Patterns

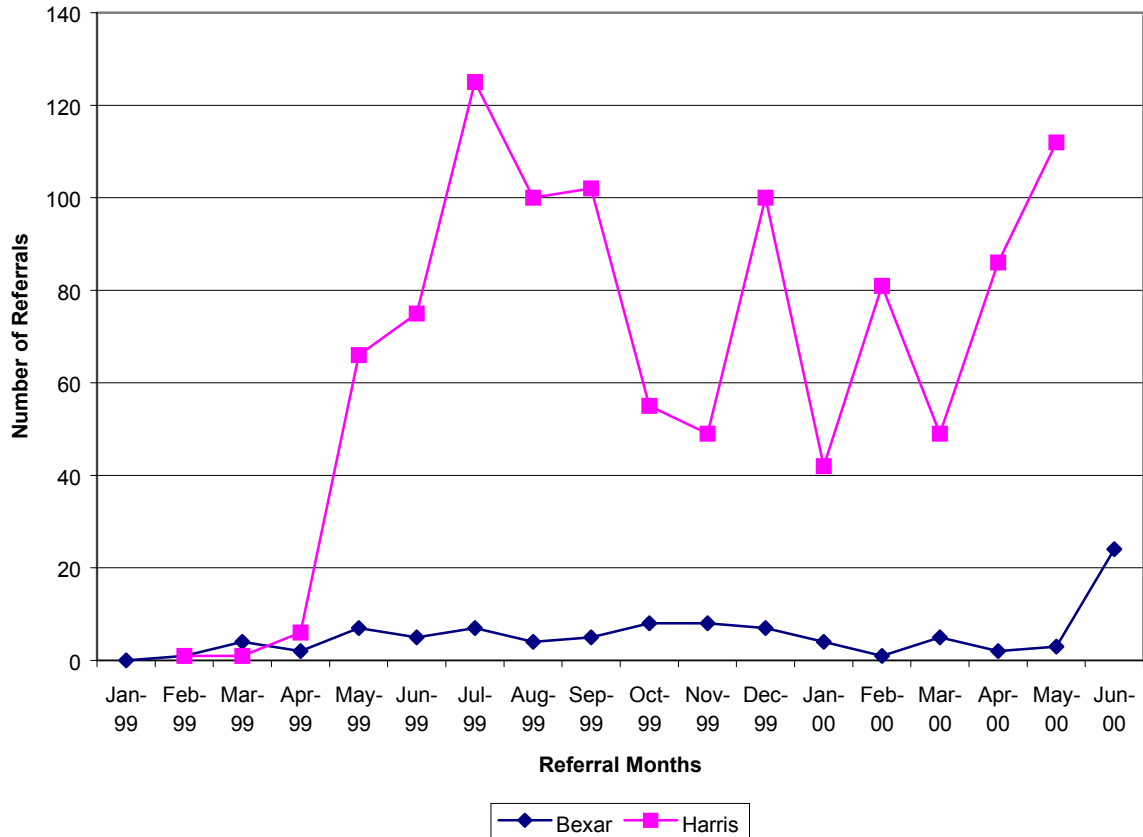
Between January 1999 and June 2000, CSD and IV-D court staff referred a total of 1,147 individuals for services. Referral volume was much smaller in Bexar County, which accounted for 97 of those referred compared to Harris County, which accounted for 1,050 referrals.¹⁶ Figure 1 charts the number of monthly NCP referrals for each county. Bexar County referrals remain consistently low until June 2000, the last month of the study period. Harris County referrals increased dramatically in June 1999, just after a workforce representative was outstationed at the IV-D Family Law Court.

Approximately 45 percent of the Harris County referrals occurred after the WtW eligibility requirements were broadened, enabling Houston Works to more consistently enroll NCPs in workforce services. The impact analysis in Section III of this report indicates that participation in workforce services was not high at the two-sites across the entire eighteen-month study period. Manually collected data from Bexar County indicate that 31 individuals or 32.0 percent of those referred followed through for services at the Dixon Health Clinic. Of these, 19 subsequently participated in the MELD project.

¹⁵ The Ray Marshall Center agreement with OAG and TWC initially described the Bexar and Harris County referral efforts as “pilot programs.” Field staff quickly confirmed that “pilot” somewhat overstated the matter. In both sites, OAG staff and IV-D court masters had worked closely with consortia of local workforce and social services providers to develop referral procedures that complemented ongoing service delivery policies and practices. For example, Houston Works spokespersons posit that their agency worked extremely closely with the OAG and IV-D court masters to append referral procedures to the already ongoing WtW service delivery structures; never did the agency consider itself part of a structured pilot with clear goals and outcome expectations that would be subject to independent evaluation.

¹⁶ OAG manually collected data at the two sites indicated a total of 1872 referrals, 211 from Bexar County and 1661 from Harris County. From these, Ray Marshall Center staff eliminated NCP referrals without a case number, custodial parents and duplicate referrals. Researchers then matched the remaining NCPs with the OAG administrative data, resulting in the lower number of referrals used for this analysis.

Figure 1
Monthly NCP Project Referrals
Bexar County and Harris County



Client Flow

Figure 2 shows the planned NCP participant flows for the two counties. The model distinguishes paths that were planned and used from paths that were planned, but not used.

The Bexar County referral initiative is described in program materials as the Father-Child Connection (FCC). Although CSD staff clearly comprehend the FCC design, its implementation is weak, particularly regarding workforce services. To begin with, CSD participation was limited; by design only one of the four regular child support offices serving Bexar County was actively referring NCPs. The CSD attorneys and staff of that unit entered the referral as a condition of a court order that the full-time, local IV-

D Court Master approved. The referral directed the NCPs to the Dixon Health Clinic of Methodist Health Care Ministries, a health and social services provider in east-central San Antonio for case management and counseling services. Dixon staff provided a social services assessment and generally referred participants to the nearby offices of MELD for peer counseling sessions.

Although Dixon staff and MELD staff could refer individuals to workforce services at SER or Goodwill, they seldom, if ever, did.¹⁷ Of the 97 referrals between January 1999 and June 2000, nine individuals or 9.4 percent of those in the referral group appeared on workforce administrative records during the study period. Additionally, Dixon staff had the option of referring NCPs to an array of health and social services including health care, dental care and substance abuse counseling. Reportedly, few of those referred availed themselves of these opportunities. Dixon staff also provided information and referral services regarding other basic needs, including information about the Children's Health Insurance Program (CHIP).

The NCP referral model in Harris County had a much more direct connection with workforce services, yet still produced limited numbers of workforce enrollments during most of the study period. Broadened eligibility requirements, effective January 2000, helped to increase enrollments in Houston.¹⁸ CSD staff at nine offices serving parts of Harris County and the surrounding area actively referred non-custodial and custodial parents to workforce services. CSD staff in Harris County perceived access to workforce services as an opportunity to increase family well-being, either by increasing earnings and support payment capacity of the NCP or the earnings of the custodial parent. These referrals occurred during office-based establishment as well as court-based enforcement proceedings.

¹⁷ None of the CSD referrals to the Dixon Clinic and MELD appear on Goodwill's participant roster for services provided with WtW competitive grant funds.

¹⁸ Houston Works staff report that by June 2000, their competitive grant was serving more NCPs than the rest of the state combined. These NCPs came from the referral project, as well as an array of local outreach and referral sources

Figure 2
NCP Referral Projects
Participant Flow Design

(printed separately)

Both of the full-time IV-D Court Masters worked with CSD attorneys and staff to include the workforce referral as a condition of the court order. Beginning in May 1999, representatives of Houston Works or one of their eight subcontractors were present at the IV-D courts at the point of referral and initiated preliminary intake on-site the same day. Workforce staff directed NCPs to the Houston Works Downtown office to complete the eligibility certification and assessment process. Two full-time and one part-time staff provided case management services. All NCPs participated in a group workforce orientation. They also either participated in employment-related workshops at Houston Works or were referred to one of the eight contract providers for similar and additional workforce services, depending upon their needs assessment.

Additional Cross-site Comparisons

In addition to referral source, destination and initial intake location mentioned above, Table 3 portrays other similarities and differences between the NCP referral practices in the two sites. Houston Works developed posters, brochures and public service announcements regarding responsible fatherhood and the availability of training and support services for NCPs. The Father-Child Connection in San Antonio did not develop similar materials.

Table 3
NCP Referral Projects:
Comparative Features

	Bexar County	Harris County
Outreach/Marketing	None	Posters, brochures, public service announcements
Referral Source	IV-D Courts	CSD Offices IV-D Court
Referral Destination	Health & Social Services	Workforce Services
Initial Intake	Dixon Health Clinic	IV-D Court
Referral Criteria	Unevenly applied	Unevenly applied
Referral Tracking	Manual	Manual
Outcomes Monitoring (CSD)	None	None
Referral Compliance	Limited Mandatory	Limited Mandatory Voluntary
Collections Enforcement	CSD, IV-D Master, Bexar County Child Support Probation Office	CSD, IV-D Master

Targeting Resources

CSD staff ostensibly target referrals to NCP males under 30 years with:

1. Cases in IV-D Court
2. Employment barriers, low education levels and weak work histories
3. A child or children on or recently on TANF cash assistance

In neither site were referral criteria clearly applied or matched with provider criteria. Those actually referred included many older males. MELD traditionally targeted services to young school age males and dads between 13 and 22 years of age, but developed a group session for the older IV-D referrals. Radio announcements in Harris County (rap vs. “plain English”) were targeted to the under 30 and over 35 age groups, respectively. CSD office staff in Harris County referred non-custodial parents, as well as custodial parents for workforce services.

Tracking Referrals

In both sites, CSD staff manually tracked referrals; Dixon Clinic and Houston Works staff either faxed or sent original copies of the referral form back to the CSD unit that made the referral. With these, CSD staff maintained manual tabulations of the individuals who arrived for services.¹⁹ This was the extent of information sharing between collaborators.

Monitoring Compliance

Despite these many commonalities and differences, inter-site differences regarding child support enforcement may have proved to be a critical factor regarding the effect of referrals on child support collections. The court master in Bexar County was not prone to remanding a probationary NCP on the basis of non-compliance with the referral requirement, yet the Bexar County Child Support Probation Office closely monitors payments for many NCPs. Court masters in Harris County have and will revoke the

¹⁹ Ray Marshall Center systems analysts subsequently matched individuals contained in these tabulations with workforce, employment and child support data to estimate referral impacts.

probation and remand the NCP to the county jail for non-compliance in some cases, but these decisions are made at hearings three to six months after the referrals are issued.

Additionally, multi-source referrals may have inadvertently confused some of those referred; the service delivery geographies and multiple contractors in the Gulf Coast area can be confusing to prospective clients, as well as CSD staff. The Gulf Coast Board has administrative oversight of 28 career centers, five of which are operated under contract by Houston Works. Houston Works produces its own brochures that locate the five Gulf Coast Careers of Houston workforce centers. The Board produces brochures that locate all 28 Gulf Coast Careers workforce centers. It is likely that NCPs and others referred for services at times went to career centers other than the Houston Works' downtown office centers that were not targeting services to NCPs.²⁰

Monitoring Outcomes

One perceived shortcoming at both sites was the lack of feedback to CSD and the IV-D Courts as to what activities and services these individuals actually received and what the results may be in terms of employment, earnings and child support.

Bexar County Child Support Probation Office

Child support collections of many individuals placed on civil probation by the IV-D court are monitored more closely in Bexar County than in Harris County. The Bexar County Child Support Probation Office supervises child support collections for NCPs who are in contempt, have a six-month suspended sentence and are on civil probation. Six probation officers supervise approximately 1,600 NCPs; another 3,300 are on unsupervised probation. NCPs remain on supervised probation for a minimum of three months. If they maintain compliance with their child support order during this time, they are transferred to unsupervised probation. If they violate the support order, their probation may be revoked and the IV-D court master can remand them to jail. OAG staff monitor the child support payments of those in unsupervised probation; the case status of

²⁰ Houston Works introduced a number-coded referral form that identified the source and destination of the referral to more closely guide and track referrals in June 2000, near the end of the field research.

these individuals is usually reviewed for compliance at three-to-six month intervals. Houston has no such system in place.

The Bexar County Child Support Probation Office is potentially a major catalyst for collections, particularly in the three-month initial supervisory period. The Probation Office claims a 75 percent collection rate among supervised cases. Although referral to workforce or social services could be an explicit condition of probation, the probation officers and the courts do not perceive this as incumbent upon them to do so; non-payment of child support is the only enforceable condition.

NCP Population Characteristics

OAG administrative data indicates that between January 1999 and June 2000, Bexar and Harris counties contained 267,616 NCPs; Harris County accounted for 167,665 of these and Bexar accounted for the remaining 99,951. Of this total NCP population, 97 in Bexar County and 1,050 in Harris County received service referrals from child support staff and the courts. Table 4 presents demographic characteristics of the total IV-D NCP population and the project referrals in the two counties.

Age

The age distribution of the IV-D NCP population is very consistent across the two counties. Nearly half fall within the 27-39 years of age range, just under 15 percent are within 18-26 years of age range, and approximately 30 percent are more than 40 years of age.

As might be expected, the 18-26 years age group is strongly over-represented among the referral group compared to the IV-D NCP population. Young NCPs are approximately two and three times more likely to be in the referral group in Harris and Bexar Counties, and in the two counties combined, young NCPs are represented in the referral group at about twice their share in the total NCP population.

Table 4
Demographic Characteristics of Non-custodial Parents
Bexar and Harris Counties
(January 1999-June 2000)

	IV-D NCP Population			Referrals		
	Bexar	Harris	Total	Bexar	Harris	Total
Unduplicated Count	99951	167665	267616	97	1050	1147
Age (percent within category)						
Unknown	6.8%	8.5%	7.9%	.	1.4%	1.3%
Less than 18	0.3%	0.1%	0.2%	.	0.3%	0.3%
18-26	14.6%	13.8%	14.1%	47.5%	30.4%	31.9%
27-39	46.8%	48.0%	47.5%	45.9%	49.7%	49.3%
40+	31.5%	29.6%	30.3%	6.6%	18.2%	17.2%
Race/Ethnicity						
Anglo/Caucasian	18.4%	18.8%	18.7%	12.9%	10.8%	11.0%
African American	14.5%	48.6%	35.8%	29.2%	63.7%	60.7%
Hispanic	61.0%	28.4%	40.7%	56.6%	23.8%	26.7%
Other	6.2%	4.2%	4.9%	1.3%	1.7%	1.7%
Gender						
Male	91.3%	92.6%	92.1%	100.0%	97.2%	97.4%
Female	7.9%	6.4%	7.0%	.	2.5%	2.3%
Children Born out of Wedlock						
Unknown	8.4%	7.5%	7.8%	0.7%	1.1%	1.0%
None	39.1%	26.3%	31.1%	18.4%	14.9%	15.2%
Some	14.7%	13.1%	13.7%	24.7%	17.7%	18.3%
All	37.8%	53.1%	47.3%	56.3%	66.4%	65.5%
Average Number of Children	1.7	1.6	1.6	2.2	2.2	2.2
Average Age of Youngest Child	8.1	7.8	8.0	4.7	5.3	5.3
Average Age of Oldest Child	10.2	9.7	9.9	7.4	8.0	8.0

Race/Ethnicity

The racial/ethnic distribution reflects the characteristics of the general population in the two counties. The total IV-D NCP population is more than 60 percent Hispanic in Bexar County and nearly 50 percent Black in Harris County. Anglos are equally distributed across the two counties and account for about 20 percent of the IV-D NCP

population. “Other” race/ethnicities make up a small share in each site (approximately 5 percent in both).

Among those who received referrals, Blacks received much higher referral rates than their share of the total NCP population would suggest. In Harris County, Blacks received nearly 65 percent of the referrals. In Bexar County, they accounted for nearly one-quarter of the referrals.

Gender

Table 4 also indicates that although between 6 and 8 percent of the NCP population is female, almost all of the referrals are male.

Children

The majority of NCPs in the IV-D population and in the referral initiatives had one or more children born out of wedlock. Shares range from a low of about 50 percent in Bexar County among all NCPs to nearly 85 percent among Harris County referrals. NCP referrals generally had larger shares of children out of wedlock than the total NCP population.

Other Characteristics

Child support officers, court masters, social service workers and others who regularly deal with the IV-D NCP population noted common features of the population during the field interviews. These generally include low education and literacy levels, weak work histories, low earnings and income, and frequent contact with the criminal justice system.

Labor Market Status

Table 5 indicates that the average monthly earnings of the IV-D NCP population were significantly higher—roughly 50 percent higher—than those of the referrals. The percent of months with earnings prior to the referral was slightly higher among the Bexar

referrals than the Bexar IV-D NCP population, but otherwise very similar across groups and locations.

Table 5
Employment and Earnings Profile
IV-D NCP Population & Referrals
Bexar and Harris Counties

	IV-D NCP Population			Referrals		
	Bexar	Harris	Total	Bexar	Harris	Total
Average Monthly NCP Wages	\$1,374	\$1,250	\$1,299	\$839	\$828	\$829
Percent of Months with Wages	63.6%	58.2%	60.4%	73.7%	59.6%	61.2%

Child Support Case Features

Table 6 provides a profile of child support case features for the IV-D NCP population and the referral groups prior to their referral date. Referrals clearly have more multiple support orders in place than the NCP populations; alternatively the referral group has fewer single support orders. This is probably associated with the larger monthly total support order in place with the referral groups, as well as the fact that they have on average more children than the IV-D NCP population. Except for Bexar County, the average monthly collection and the percent of months support collected prior to referral appear similar across the groups.

In light of the earnings and work effort indicated in Table 5 above, it appears that referrals on average earn less but contribute about the same amount to child support as the IV-D NCP population. Also, a higher share of the collections from the referral group is applied to arrearages.

Table 6
Child Support Case Features
IV-D NCP Population & Referrals
Bexar and Harris Counties

	IV-D NCP Population			Referrals		
	Bexar	Harris	Total	Bexar	Harris	Total
Number of Support Orders						
1 Support Order	87.9%	88.5%	88.2%	64.0%	79.9%	78.0%
2 Support Orders	10.6%	9.9%	10.2%	30.3%	15.6%	17.3%
More than 2 Support Orders	1.4%	1.6%	1.5%	5.6%	4.5%	4.7%
Average Monthly Total Support Order	\$275	\$290	\$284	\$345	\$303	\$308
Current	\$224	\$236	\$231	\$247	\$238	\$239
Arrearages	\$51	\$54	\$53	\$98	\$66	\$69
Average Monthly Total Collection	\$197	\$179	\$187	\$304	\$166	\$182
Current	\$124	\$116	\$119	\$136	\$98	\$102
Arrearages	\$74	\$64	\$68	\$167	\$68	\$80
Percent of Months Support Collected	48.1%	47.0%	47.5%	65.4%	43.4%	46.0%

Information Management/Reporting

Several data collection and information management systems operating at the state and local level intersect in the NCP service delivery and reporting processes. CSD field staff in Bexar and Harris County were responsible for manually tracking referrals and reporting the number and outcomes, i.e., show/no-show at the referral destination. The OAG operates a statewide information management system into which client, case activity and collection information is entered. CSD field staff and information specialists provided researchers access to the manual and automated data for this report.

In recent years, TWC has developed a statewide workforce information system, The Workforce Information System of Texas (TWIST), that consolidated multiple workforce program data entry and reporting functions in a single client/server system. The system is based on a single, centrally located database to which local workforce centers are connected for data entry and retrieval. The major workforce programs available to NCPs in Texas, with minor exception, use TWIST. TWC shared workforce data from January 1998 through August 2000 with the Ray Marshall Center in order that

researchers could assess workforce participation in the referral initiatives. Although the functionality of TWIST has been expanded incrementally, the latest significant system modifications were completed in October 1999. TWIST staff at TWC have assured the historical accuracy of the data provided.

Client-level data pertinent to WtW competitive grants, are not automatically included in TWIST. The information system has the capacity to distinguish WtW formula and competitive grant programs, as well as services delivered under the 70 percent and 30 percent criteria. Houston Works, the competitive grantee in Harris County, backloaded historical and began entering current data for participants served with these funds in May 1999 at the request of the Gulf Coast Workforce Development Board. Goodwill Industries, the WtW competitive grantee in Bexar County, has not entered client-level data in TWIST. Since their WtW roster contains no individuals on the referral group roster, the absence of these did not constrain research.

NCP Activities and Services

WtW formula and competitive grants are available to provide most workforce services to non-custodial parents. These funds are intended to complement rather than duplicate services available under other funding streams, particularly TANF resources. Alternatively, WtW grants allow states and localities to provide targeted resources to groups whose needs were not adequately addressed by these other programs, such as the NCP population. The 1999 WtW amendments have broadened eligibility requirements and expanded activities to serve NCPs.

Allowable WtW activities and services are outlined in Table 7 below. WtW activities are provided under a decidedly Work-First approach that emphasizes immediate labor force attachment as the primary step towards labor market success. Consequently, WtW services were designed to quickly prepare participants for work through job readiness and job placement activities. Post-employment, job retention and support services were designed to help individuals keep that first job and prepare for better jobs while working.

Table 7
Welfare-to Work Activities and Services

Intake, Assessment and Case management
Job Readiness
Life skills
Seminars and workshops
Pre-vocational training
Job Placement
Employment activities
Community service
Work experience
On-the-Job training (OJT)
Subsidized job creation
Unsubsidized employment
Post Employment Services
Adult basic education
ESL
GED
Occupational skills training
Job Retention and Support Services
Transpiration assistance
Child care assistance
Work-related expenses
Emergency housing assistance
Other
Amendments (11/99)
Pre-employment job skills training
Pre-employment vocational education

Within the project service delivery models, WtW grants comprise the main funding streams for serving NCPs. Nevertheless, NCPs—whether office-based, court-based or self-initiated referrals—may receive services provided by one or more of the programs available at the Texas Workforce Centers, including TANF, the Workforce Investment Act, Food Stamp E&T, Veteran’s Services and others. Each of these may be tapped to provide an activity readily available locally or not provided under WtW. To capture this broader participation array, Ray Marshall Center researchers developed the taxonomy used in Table 8 based on activity codes extracted from TWIST.²¹ By

²¹ Researchers pre-tested workforce data to observe actual distributions of NCP activity in the two counties, compared actual distributions with WtW allowable activities, then re-assembled activities under the range of taxons representing the major headings of the seamless array of activities available at the Texas

identifying and describing the distribution of NCPs across this spectrum, researchers are able to more accurately portray their actual enrollment pattern in workforce services.

Using the modified workforce services taxonomy, the Marshall Center analysis probed the distribution of NCP participation in TWC administrative data. Table 8 presents the participation patterns in person-months for the NCP referral group. The participation of referrals includes activities located in the workforce data subsequent to their referral date through June 2000. Supporting analysis indicates that only 76 individuals, (nine in Bexar County and 67 in Harris County), actually participated in workforce services. The services that they received are primarily clustered about Job Search Assistance, Job Readiness and Job Development and Placement, activities that are associated with the Work First approach. Participation was minimal in Job Skills Training and Education, activities more closely associated with the human capital development approach to workforce services.

Table 8
Workforce Participation Patterns by Component
Non-Custodial Parent Referrals
Bexar and Harris Counties
January 1999-June 2000

	Bexar	Harris	Total
Total Person-Months in sample			
Total post-referral person months in sample	1872	17735	19607
Total Person-Months in activities			
Intake, assessment, and case management	9	54	63
Job search assistance	29	116	145
Job readiness	4	110	114
Job development and placement	0	93	93
Employment activities	0	66	66
Job skills training	4	19	23
Education	1	6	7
Other activities	12	11	23
Any Choices activities	1	13	14
Total activities	61	430	491

Workforce Centers. See “Modified Participation Taxons for Workforce Services” in Appendix A for the activity codes clustered within these categories.

Table 9 portrays the distribution of referrals by major workforce program funding streams. NCPs are included in a funding stream if at any time in the twelve months subsequent to their referral, they participate in an activity delivered under that program. The distribution indicates the stronger workforce connection of the referral group in Harris County with the WtW competitive and formula grants, which are available to serve NCPs. The local WtW competitive grant served 20 individuals and the WtW formula grant served 8. None of the referral group members in Bexar County appear to have been served by either funding stream.²²

Table 9
Workforce Participation Patterns by Program
Non-Custodial Parent Referrals
Bexar and Harris Counties
January 1999-June 2000

Funding Stream	Referrals		
	Bexar	Harris	Total
WtW Competitive	0	20	20
WtW Formula	0	8	8
WIA	1	4	5
Food Stamps E&T	0	1	1
TANF/Choices	2	4	6
Other	7	36	43
Total	10	73	83

²² Of the 31 individuals who received Dixon Health Clinic services, 3 subsequently received workforce services. Two of the nineteen individuals who attended MELD sessions subsequently received workforce services.

IMPACT ANALYSIS

Introduction

The impact analysis measures the effects of the referrals on child support collections. A total of 1054 project referrals—96 from Bexar and 958 from Harris County—were matched with similar NCPs who did not receive referrals. These neighbors comprise the comparison group for the impact analysis. These numbers are slightly smaller than the actual referral numbers because records for a few of the referrals did not contain the complete data necessary for matching.

Methodological Approach

Researchers applied a quasi-experimental, nearest neighbor approach to estimate the impacts of the NCP referrals on child support collections. Neighbors were selected by first requiring an exact match on a number of categorical variables. These included county, age, gender, race, number of support orders (0, 1, >1), prior workforce services experience (yes or no), and presence of a collections history (yes or no, depending upon whether the NCP had had any child support payments due in the prior 12 months) at the time of the referral.²³

Next, a neighbor was selected from these exact matches by computing the multivariate distance between each referral and all potential neighbors across a number of continuous measures. These measures included total arrears, any collection and amount of collection histories (over the prior 12 months), NCP age, NCP employment and wage histories (over the prior 24 months), whether *a capias* (a civil warrant) was outstanding, number of children, age of the oldest child, age of the youngest child, and total monthly child support payment amount (current plus arrears). The potential neighbor with the

²³ Characteristics of the referred individuals as of the year and month of their referral were compared against the characteristics of potential neighbors as they were in the same year and month.

shortest multivariate distance from the referral in question was then chosen as that NCP’s “nearest neighbor.”²⁴

Referral and Neighbor Characteristics

Demographic characteristics presented in Table 10 indicate how closely the project referrals and their neighbors resemble one another along all variables.

Table 10
Demographic Characteristics
Referrals and Neighbors
Bexar and Harris Counties

	Referrals			Nearest Neighbors		
	Bexar	Harris	Total	Bexar	Harris	Total
Unduplicated Count	96	958	1054	96	958	1054
Age (percent within category)						
Less than 18	.	0.3%	0.3%	.	0.1%	0.1%
18-26	47.8%	31.0%	32.6%	48.5%	31.0%	32.6%
27-39	46.2%	49.8%	49.4%	42.6%	51.4%	50.6%
40+	6.0%	18.9%	17.7%	8.9%	17.6%	16.7%
Race/Ethnicity						
Anglo/Caucasian	12.3%	10.8%	11.0%	12.2%	10.9%	11.0%
African American	29.4%	64.0%	60.8%	29.1%	64.2%	60.8%
Hispanic	57.0%	23.8%	27.0%	57.4%	23.6%	26.8%
Other	1.3%	1.3%	1.3%	1.3%	1.4%	1.4%
Gender						
Male	100.0%	97.4%	97.7%	100.0%	97.2%	97.5%
Female	.	2.6%	2.3%	.	2.8%	2.5%
Children Born out of Wedlock						
Unknown	.	0.3%	0.3%	.	0.2%	0.2%
None	18.5%	15.5%	15.8%	27.8%	20.8%	21.5%
Some	24.8%	18.3%	18.9%	25.8%	22.3%	22.6%
All	56.7%	66.0%	65.1%	46.4%	56.7%	55.7%
Average Number of Children	2.2	2.2	2.2	2.1	2.2	2.2
Average Age of Youngest Child	4.7	5.4	5.3	4.9	5.5	5.5
Average Age of Oldest Child	7.4	8.2	8.1	7.2	8.2	8.1

²⁴ See Mahalanobis (1936).

Workforce Activities and Services

Table 11 presents workforce participation patterns for the NCP referral group and their nearest neighbors (who did not receive a project referral, but may have self-initiated workforce services).

Table 11
Workforce Participation Patterns by Component
Referrals and Neighbors
Bexar and Harris Counties

	Referrals			Neighbors		
	Bexar	Harris	Total	Bexar	Harris	Total
Total NCPs	96	958	1054	96	958	1054
Number participating in any post-referral workforce activities	9	67	76	4	28	32
Percent participating in any post-referral workforce activities	9.4%	7.0%	7.2%	4.2%	2.9%	3.0%
Total Person-Months in sample						
Total Post-Referral person months in sample	1872	17735	19607	1912	18402	20314
Total Person-Months in activities						
Intake, assessment, and case management	9	54	63	20	26	46
Job search assistance	29	116	145	13	178	191
Job readiness	4	110	114	2	28	30
Job development and placement	0	93	93	7	27	34
Employment activities	0	6	6	0	0	0
Job skills training	4	19	23	0	6	6
Education	1	6	7	0	4	4
Other activities	12	11	23	0	10	10
Any Choices activities	1	13	14	7	29	36
Total activities	61	430	491	49	310	359

These data indicate that although project referrals participated in workforce services at higher rates than their neighbors did, many in the comparison group found their way to workforce centers anyway. Services that both groups received are primarily

clustered about Job Search Assistance, Job Readiness and Job Development and Placement. There was very little participation in Job Skills Training and Education.

Cost Implications of Workforce Participation.

Workforce costs, nearly all of which are funded by federal and state government, vary by type and duration of service, as well as funding stream. The distribution by program funding stream of activities in which referrals and the comparison group participated provides a basis for estimating the net cost of workforce services. The process study indicates that referral costs are negligible on the part of CSD and IV-D court masters. The single most noteworthy cost associated with the referrals to workforce services is incurred when those referred actually participate in activities.

Table 12 presents the distribution of workforce participation across the major program streams for NCP referrals and their neighbors in person-years. Note that individuals may be served by more than one funding stream as a function of sequential enrollment over the time frame or contemporaneous co-enrollment.

As Table 12 indicates that most of the workforce services actually provided to NCPs who were referred in Bexar County were funded by Other sources, which is largely comprised of the “one-stop” services activity code.²⁵ None received WtW competitive and formula grant-funded services. These findings, as well as the limited enrollment numbers, verify the weak workforce linkages in the Bexar County NCP referral effort. Moreover, the net difference in program participation associated with the referrals is very small: only one WIA, one TANF/Choices and four Other enrollments.

NCP referrals in Harris County were regularly received WtW competitive and formula grant-funded services available to NCP referrals through Houston Works. Also, they received WtW-funded services at a distinctively higher participation rate than their neighbors.

²⁵ Researchers assumed that the “one stop” code captured individuals who received universal core services, i.e., mostly self-directed employment services that are available to every individual who seeks assistance at the Texas Workforce Centers. Researchers also assumed that the number of individuals who received one stop services found in the TWIST data would be equal to or greater than the number of individuals who completed an ES-511 form and who could be found in the Employment Services data that were not included in this analysis.

Table 12
Workforce Participation Patterns by Program
Referrals and Neighbors
Bexar and Harris Counties

	Referrals			Neighbors			Difference		
	Bexar	Harris	Total	Bexar	Harris	Total	Bexar	Harris	Total
Person-years of activity in each funding stream									
WtW Competitive	0	20	20	0	2	2	0	18	18
WtW Formula	0	8	8	0	1	1	0	7	7
WIA	1	4	5	0	2	2	1	2	3
Food Stamps E&T	0	1	1	0	0	0	0	1	1
TANF/Choices	2	4	6	1	1	2	1	3	4
Other	7	36	43	3	22	25	4	14	18
Total	10	73	83	4	28	32	6	45	51

Unit service costs associated with key workforce funding streams in both the Alamo and Gulf Coast Workforce Development Boards are shown in Table 13.²⁶ Rough calculations suggest that the net total cost of workforce services for these NCP referrals could be estimated as low as \$1,254 in Bexar County and \$73,827 in Harris County.

Table 13
Unit Service Costs by Workforce Funding Stream

Funding Stream	Bexar	Harris
WtW Competitive	\$1,223	\$2,302
WtW Formula	\$1,741	\$4,101
WIA	\$655	\$474
Food Stamp E&T	\$630	\$572
TANF/Choices	\$543	\$600
Other*	\$14	\$26

* Researchers selected Employment Services unit costs for predominately one-stop services costs in the other category

Source: Fiscal Reports for the period September 1, 1999 through August 31, 2000 for the Alamo and Gulf Coast Workforce Development Boards; WtW Competitive Grant Cumulative Quarterly Financial Status Report September 30, 2000 for Goodwill Industries of San Antonio and Houston Works, Inc.

²⁶ Unit service costs are annual per participant costs. They are based on Board annual enrollments and expenditures throughout the LWDA, and do not directly reflect annual per person costs in Bexar County and Harris County. Services rendered under categorical funding streams may also vary within the LWDA.

Impact Results

Child Support Collections

Table 14 presents the effects of the NCP referrals on child support outcomes both in terms of average monthly collections and the percent of months collected. These impacts are based on all NCPs who received referrals in the two counties from January 1999 through June 2000. Table 14 measures the effects before and after the referral for the individuals in the referral programs and for their nearest neighbors in each county and across both counties combined.

The results indicate that that the referral project significantly increased both the percent of months support was collected and the monthly collection amount in Bexar County. The net average collection increased by \$116 and the percent of months with collections increased by 21.5 percent. In Harris County, NCP referrals were associated with no significant change in either net average monthly collections or percent of months with collections. Across both counties combined, NCP referrals significantly increased the average number of months in which collections occurred by 3.2 percent and the monthly collection amount by \$10 compared to the nearest neighbor group.²⁷

Referring NCPs to workforce services appears to have led to statistically significant increases in child support activity, both in terms of amounts collected and frequency of payment, in Bexar County though not in Harris County. These results hold up even after adjusting for remaining differences between those referred and their “nearest-neighbor” counterparts (as explained in Appendix B). What is not clear is the mechanism by which these impacts may have occurred. At this time, it would be premature to attribute child support impacts to workforce service referrals, per se. Several caveats are worth noting in this regard.

²⁷ Procedural details and detailed results of the statistical inference tests are found in Appendix B

Table 14
Child Support Collections Impacts
Referrals and Neighbors
Bexar and Harris Counties

	Bexar County			Harris County			Both Counties		
	Referral	Neighbor	Difference	Referral	Neighbor	Difference	Referral	Neighbor	Difference
Prior to Referral									
Average Monthly Total Collection	\$147	\$123	\$24	\$153	\$144	\$10	\$152	\$141	\$12
Current	\$60	\$56	\$4	\$94	\$98	-\$3	\$89	\$91	-\$2
Arrearages	\$87	\$67	\$20	\$59	\$46	\$13	\$63	\$49	\$14
Percent of Months Support Collected	31.4%	29.7%	1.7%	38.9%	39.3%	-0.4%	37.7%	37.8%	-0.1%
Post-Referral									
Average Monthly Total Collection	\$303	\$163	\$140	\$168	\$164	\$4	\$185	\$164	\$21
Current	\$137	\$84	\$53	\$99	\$102	-\$3	\$104	\$100	\$4
Arrearages	\$167	\$80	\$87	\$70	\$62	\$8	\$82	\$64	\$17
Percent of Months Support Collected	65.4%	42.2%	23.2%	43.7%	43.5%	0.2%	46.4%	43.3%	3.1%
Difference (Post - Pre)									
Average Monthly Total Collection	\$157	\$41	\$116	\$15	\$20	-\$5	\$33	\$23	\$10
Current	\$77	\$28	\$49	\$4	\$4	\$0	\$15	\$8	\$6
Arrearages	\$80	\$13	\$67	\$11	\$16	-\$5	\$18	\$15	\$3
Percent of Months Support Collected	34.0%	12.5%	21.5%	4.8%	4.2%	0.6%	8.7%	5.5%	3.2%

First, statistically significant impacts on child support were detected in Bexar County, despite the fact that workforce referral networks were less developed in that county, and the net increase in workforce service participation in the post-referral period amounted to only a few individual NCPs.

Second, the estimated employment and earnings impacts of NCP referrals in these counties (not reported here) are weak and uneven as well, suggesting that, whatever the mechanism for increasing child support activity, it did not result from increased labor market success. Instead, it may be that the stimulus provided by the court-mandated referrals in Bexar County was sufficient to induce a payment effect, *regardless* of workforce participation. A more reasonable explanation may be the presence of the

Bexar County Child Support Probation Office. Further research and analysis is necessary to identify causal associations.

Cost Implications of Child Support Collections

There appears to be little or no relationship between net workforce service costs and net child support impacts subsequent to workforce referrals in these counties. Based on very rough estimates above,²⁸ the net increase in total workforce service costs associated with NCP referrals was low in Bexar County, approximately one-sixtieth of similarly estimated net increase in total costs in Harris County. Per-referral and per-participant costs could be estimated nearly six to eight times higher in Harris County as well. These costs exhibit wide inter-county variation in ways that do not appear related to impacts.

Thus, in light of the pattern of the estimated impacts and considerable uncertainty concerning the mechanism by which they may have occurred, the planned cost-effectiveness analysis has been deferred. Such an analysis should be undertaken in the future but would be inappropriate and possibly misleading at this time. This will require more time, both for the NCP referral process to more fully develop and for post-referral outcomes, particularly regarding employment and earnings, to be documented. It may also require the collection of qualitative (i.e., interview-based) information from NCPs themselves in order to determine the reasons for their changed payment behavior.

²⁸ These estimates are based on differential patterns of post-referral workforce service patterns between NCP referrals and their “neighbors” in these counties and unit service costs by funding stream (e.g., WtW Formula, WIA).

CONCLUDING OBSERVATIONS

Texas Prospects for NCP/Workforce Referrals

A broad array of public and private entities in Texas are in the initial stages of developing policies and practices to help NCPs meet their parental obligations. Researchers at the Ray Marshall Center examined ongoing efforts in Bexar County and Harris County that sought to strengthen positive links between CSD staff, the IV-D court masters, local workforce development boards and their providers, and health and social service agencies. Individuals from these entities have begun to commit staff, resources, knowledge and experience to increase their collectively capacity for strengthening the relationship between NCPs and their offspring.

The results of this study indicate several of the strengths and weaknesses of these emerging configurations. Given the administrative and regulatory challenges, as well as the diverse institutional outlooks of the entities comprising these emerging partnerships, perhaps the most useful outcome of these ongoing efforts in Bexar County and Harris County is that they have served as a testing ground from which the new partners can glean valuable lessons. Most of what follows in this section are observations based on the multi-method research conducted for this report.

The operational and policy implications of this report serve two purposes. First, they provide feedback to state and local partnerships in the study sites that may lead to improvements in their current procedures. Second, they may contribute to the discussion of ideas and plans among legislators, administrators, and providers in pursuit of more effective and efficient services for NCPs over time. As this report has noted, Texas is at the beginning of its programmatic journey regarding best practices for NCPs statewide.

Before turning to the implications, it is important to note that many avenues of research that would broaden and refine these findings remain to be investigated. Foremost among these is a study of the impacts of *participation* in workforce services upon employment and earnings, and the correlation of those impacts with child support collections. This study focused on the effects of *referrals* to workforce services—a much broader population than those who actually enrolled in workforce activities, and the

effects of these referrals on child support collections. Researchers and agency personnel concluded that an analysis of earnings and employment of those *referred* would be premature and potentially misleading at this time, particularly since so few had actually participated workforce services during the study's time frames in San Antonio. A quasi-experimental design similar to that applied in this impact analysis for referrals and participants would be appropriate; the utility of doing so will only increase as the employment and earnings data covering a reasonable post-intervention time frame become available.

Disregarding the impacts of referrals on employment and earnings, did referrals lead to increased child support collections? The results are equivocal. The impact analysis reveals that these early efforts to develop referral procedures and service delivery configurations that might increase NCP child support collections have had a positive effect on collection amount and frequency in Bexar County, whereas they had no significant effects in Harris County. These differential impacts may well have been influenced by operational differences between the two sites, as well as factors not fully measured.

Collections from many of the NCP referrals in Bexar County are closely monitored by the Bexar County Child Support Probation Office for at least three months after the IV-D court master first places these individuals on probation. Further analysis of this relation would likely substantiate the magnitude of the positive impact of supervised probation on child support payments. No such immediate monitoring of NCP behavior regarding child support is available to those placed on probation in Harris County.

The voluntary and mandatory nature of referrals is a second operational distinction that separates the two sites. Bexar County CSD staff and IV-D court masters referred NCPs for services exclusively as part of a court proceeding; mandatory compliance with the service referral, although not enforced, was a condition of the court order. It is extremely important to note that the primary obligation placed upon NCPs in these court orders was to maintain regular payments of their current and accumulated child support obligations. Non-payment of child support is an enforceable action. All

those referred in Bexar County had a strong basis for believing that they could be held accountable for not trying to meet their required child support payments.

Harris County CSD staff initiated voluntary referrals from the child support offices, as well as mandatory referrals which were approved by the IV-D court masters and included as a stipulation of a court order. Unlike the procedure in Bexar County, not all those referred bore the weight of a court order to maintain their child support payments, and the non-effects of the referral on child support collections in Harris County likely reflects this. The difference between voluntary and mandatory services also likely influenced the rates at which those referred actually followed through on the referral. All those referred in Bexar County had at least some basis for believing that they could be held accountable for not complying with the court's directive.

Were referrals to workforce services cost-effective in terms of child support collections? The impact analysis results and possible explanations presented preclude such an analysis at this time.

Operational Implications

Researchers offer the following observations regarding operational implications of NCP referrals to workforce and other services. Most of these observations flow from challenges associated with understanding and retooling the institutional context within which the NCP referral initiative is emerging.

Institutional Context

Policymakers and program administrators must recognize the challenges of aligning subsystems with different operational outlooks. The NCP referral initiative strives to bring together as potential collaborators agencies associated with child support collections, workforce services, and fatherhood programs; these agencies have to build trust and understanding regarding the commonalities and differences concerning their missions, services and outcome expectations. This requires new modes for external linkages, as well as transformation of internal policies and procedures.

For example, the Child Support Division of the Office of Attorney General has historically been focused on increasing and enforcing child support collections. The NCP initiative requires an internal shift towards family management, while continuing to advance the agency's primary mission. The agency is also now advancing along a learning curve of external relations, deepening its understanding of and linkages with the Texas workforce network and the array of fatherhood and associated programs that provide health and social services, particularly those associated with the Texas Fragile Families Initiative.

Similarly, local workforce development boards and their providers have begun to develop NCP referral procedures with CSD staff and the IV-D court masters across the state. Houston Works is recognized nationally for the NCP referral and service delivery procedures that such a partnership has developed in Harris County.²⁹ Additionally, in several substate areas CSD and workforce providers have begun developing linkages with the Texas Fragile Families Initiative, as well as other fatherhood and social services providers. Internally, workforce staff in the study sites are increasingly recognizing opportunities to serve NCPs not only with WtW competitive and formula grants, but also across the categorical funding streams of services which may be appropriate for this population.

The fieldwork conducted for this research also indicates that fatherhood providers face different challenges based on their experiences and perspectives. The first is lingering distrust of the OAG, which many NCPs perceive as an agent of law enforcement. The second is their limited understanding and lowered expectations regarding the quality and intensity of services now made available through the workforce network. The issue from the fatherhood perspective is whether individual NCPs will be certified eligible for education and training services that could enhance their employment and earnings prospects.

Within the institutional context, several subsidiary implications have been identified in this study.

²⁹ See Martinson, et al (2000).

Thinking “Systemically”

Texas workforce and welfare reforms of the past decade have sought to develop more systemic approaches for service delivery. Basically, these efforts involve creating a seamless array of activities and services that promote individual and family economic self-sufficiency for low-income households. Such systemic thinking can be appropriately applied to the needs of NCPs. The service array for NCPs might include access to job training and education, peer and professional counseling, legal and financial services, access and visitation services, and such supportive services as transportation, housing, child care and work-related expenses. Reportedly, many of the court-ordered referrals face barriers including substance abuse, limited literacy, poor work histories, and criminal records that constrain their economic and social viability. Texas policymakers and practitioners can work to bring together the range of public and private, for-profit and non-profit, as well as faith-based organizations, with potentially appropriate services for NCPs. The Houston Collaborative and other local efforts on the part of CSD and Texas Fragile Families organizers are excellent embryonic examples of systemic thinking and acting.

NCP Workforce Services

Workforce services rendered to NCPs in this study were largely confined to job readiness and job search activities. The service mix could be expanded to include more access to pre-employment vocational education and job skills training which enhance employment prospects for NCPs. These activities are permissible under the Welfare-to-Work Amendments of 1999 and could prevent NCPs from cycling through low-paying, dead-end jobs that characterize the bottom tiers of the labor market. The objective of NCP workforce referrals is to increase their capacity for earning and paying child support.

A creative use of the WtW local match provides a potential method for securing pre-employment vocational education and job skills training for NCPs. Under this scenario, non-federal funds and in-kind services of the Texas Fragile Families Initiative or other fatherhood initiatives could be identified and used as part of the local match. In

return, the local Boards and providers could reserve a share of the WtW funds for NCPs who workforce and fatherhood staff ascertain would benefit from these activities.

Targeting Resources

The NCP referral partnerships emerging in Texas could target resources based on standardized referral and enrollment criteria across the workforce, fatherhood and IV-D child support systems. There appears to be a consensus from the fatherhood program perspective that young fathers who are less likely to have burdensome arrearages are more likely to participate and benefit from services. The Young Fathers in Families program of Houston's Fifth Ward Enrichment Project, the Texas Fragile Families Initiative, and the MELD program all target resources to young fathers. The IV-D child support and the Texas workforce network could adapt similar criteria to the maximum practical extent. By clearly targeting individuals who are willing and able to benefit, the NCP referral initiative can provide appropriate services and expand based on its own success.

Monitoring Compliance/Information-Sharing

The initial efforts in Bexar County and Harris County point to the importance of compliance monitoring of the NCP referrals. Referral response rates leave room for improvement. Manually tracked records of which individuals actually complied with the court-ordered referral requirement were not regularly shared in a timely fashion with CSD staff and IV-D court masters. Furthermore, CSD and court staff also expressed interest in receiving information about enrollment patterns and outcomes during on-site interviews. Houston Works and local IV-D staff began introducing a number-coded referral form in June 2000 to track compliance, as well as NCP eligibility status and basic case disposition information. An electronic feedback mechanism between collaborators could be used to further facilitate information-sharing regarding compliance, enrollments and performance.

Voluntary and Mandatory Referrals

This report has also suggested that the distinction between voluntary, office-based referrals and mandatory, IV-D court-based referrals very likely influences compliance rates, participation patterns and outcomes in terms of child support collections. The nature of the referral should be visible to CSD staff and collaborators; it should also be clearly indicated on any database that might be used for future evaluations. Both voluntary and mandatory referrals serve useful purposes to the NCP initiative. Office-based referrals provide CSD staff an option to offer an ancillary opportunity to help individuals and families support themselves. Court-based referrals give attorneys and court masters a tool to force employment-related behavior upon recalcitrant NCPs.

Policy Implications

The NCP referral initiative also raises several policy issues for legislators, administrators and staff of NCP referral collaborators.

Work-First and Human-Capital Strategies

The NCP referral effort once again brings tensions between the Work First and Human Capital strategies to workforce development to the forefront of policy discussions. Research has shown that low-cost interventions that support immediate labor force attachment are associated with short-term economic gains. More intensive and costly services are associated with longer-term economic success.³⁰ Texas must decide which path it will choose to increase the earnings and child support collections of NCPs. This tension continues in the following observation.

Collections and Referrals

NCPs face a “signaling crisis” regarding referrals to workforce and other services and their child support obligations. This was particularly evident in the Bexar County model in which referrals to the Dixon Clinic were a condition of the court order. The primary directives of the court orders were to maintain current support and arrearages

payments. NCPs reportedly wondered why they had been referred for a health and social services assessment, followed by enrollment in peer counseling sessions, when what they really needed was to work to pay child support.

Obviously, a Work-First approach seems to respond to NCP concerns for immediate employment. However, the response begs further questions. If the NCPs merely find jobs similar to those they had before, is the referral effort—however minimal—even necessary? Would pre-employment vocational education and training more effectively enhance their longer-term economic prospects? Is it possible to boost enrollments in on-the-job-training that permit NCPs to learn while they earn? Which individuals within the NCP population are more likely to benefit from education and training? Further research and analysis should address these questions for the NCP population.

Incentives

The WtW grants offer a framework for providing education, training and support services to working individuals, and this may be the appropriate approach for those NCPs who can work and improve their human capital at the same time. Others however may be less able to manage work, family and training obligations. Policymakers and administrators face the question of whether to modify child support orders to enable and individual to participate in skills-building services through the Texas workforce network for up to six months. Several other alternative approaches are under-consideration elsewhere in the nation, including alternative minimum support orders, individual development accounts (IDAs), cash incentives and reductions in arrearages linked to satisfactory participation in training or employment retention

Formal and Informal Child Support

Policymakers and administrators should recognize the relationship between and value of formal and informal child support. The challenge is to introduce less tangible values into a cash collections-driven system. Fatherhood initiatives already perceive improving the relationship between fathers and children as a valuable outcome. Public

³⁰ See Barnow and King, eds., (2000), especially Plimpton and Nightingale (2000): see also Strawn (1999).

recognition and discussion of informal and well as formal support will help to encourage responsibility and restore respect between children and absent parents.

In conclusion, Texas should continue building upon the foundation that has been built for continuing improvement in the delivery of workforce and other services for non-custodial parents in the early implementation phase of the Harris County and Bexar County referral projects.

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Appendix A

Contact List

Non-Custodial Parent Referral Project Interview Guide

Modified Participation Taxons for Workforce Services

Contact List

State Level Contacts

Office of the Attorney General, Child Support Division

Will Rogers, Strategic Planning

Ann Costilow, Manager, Outreach & Volunteer Program

Frank Pierce, Assistant Attorney General, Senior Regional Attorney Region 6

Marilyn Jones, Outreach and Volunteer Program

Center for Public Policy Priorities, Texas Fragile Families Initiative

Michael Hayes, Director

Jason Sabo, State Coordinator

Texas Workforce Commission

S. Reagan Faulkner, Manager of Policy Development

Harris County Contacts

2nd Administrative Judicial Region of Texas

Honorable Karl N. Micklitz, Court Master

Honorable Gregory Wettman, Court Master

Office of the Attorney General, Child Support Division

Debra Caffee, Managing Attorney

Veronica Torrez, Managing Attorney

Janice Williams, Managing Attorney

Martha Goddard, Unit Manager

Mark Jones, Unit Manager

Jay Weda, Unit Manager

Fifth Ward Enrichment Program, Inc.

Ernest McMillan, Executive Director

Nolan Davis, YFIF Director

Houston-Galveston Area Council/ Gulf Coast Workforce Development Board

Rodney Bradshaw, Director

Mike Temple, Workforce Programs Manager

Rebecca Lapella, Workforce Planner

Nina O'Quinn, Workforce Planner

David Baggerly, Workforce Coordinator

HoustonWorks

R.V. Frank, Welfare to Work Coordinator
Billy R. Green, Welfare to Work, Tracking Specialist
Kenneth Coleman, Purchasing & Audit Manager
Georgetta Mitchell, Special Projects

Gulf Cost Careers/Houston Works

Teresa Jackson, Welfare to Work Specialist
Kevin Burns, Welfare to Work Specialist

Bexar County Contacts

4th Administrative Judicial Region of Texas

Honorable Jim Rausch, Court Master

Office of the Attorney General, Child Support Division

Irene Guzman, Sheriff's Liason/Child Support Investigator
Lucinda Mantz, Managing Attorney Unit

Bexar County Juvenile Probation Department

Michael Kopatz, Manager
Elizabeth Herrera, Child Support Probation Officer
Jose Perez, Child Support Probation Officer

Alamo Workforce Development Board

Vicki Reece, Welfare to Work Coordinator
Debbie Brinson, Planner

Bishop Ernest T. Dixon Jr. Clinic

Randy Hyde, Program Manager, Case Management/Counseling Support Services

Mutual Enrichment Through Learning and Discussion, (M.E.L.D.)

Oanh Maroney, Parenting Program Manager
Jesus C. Sanchez Jr., Young Dads Site Coordinator
Gary E. Urdiales, Young Dads Site Coordinator

SER, Jobs for Progress, Inc.

Linda Rivas, Chief Operations Officer

Goodwill Industries of San Antonio

Yolanda DeLa Cruz, Assistant Vice President for Workforce Development

Bexar County Opportunities Industrialization Center

Estre C. Geffre, NCP Recruiter

**NCP Referrals to Workforce Development System:
Towards Understanding Welfare-to-Work (WtW) Programmatic
Linkages and Effectiveness**

Interview Guide

June 2000

A. Introduction (All)

1. RMC identification and evaluation role
2. Agency/Respondent identification
 - a. Type of organization
 - b. General mission/objectives
 - c. Size—staff, annual budget, number of clients served
 - d. Major funding sources for this year (e.g., WtW?, JTPA?, TANF?, foundation, city/state funds, fee for services, etc.)
 - e. What is the organizations service area and has it changed recently?
 - f. What population groups has this organization typically served or worked with?
3. Role in WFD system
4. Association w/ Welfare-to-Work Grants Program
 - a. Formula
 - b. Competitive
 - c. Association with other E&T functions/programs
6. Role in Child Support Collections/ NCP Referrals Pilot configuration
 - a. # of staff involved; # of clients served
 - b. Budget? Funding sources?
 - c. What types of employment-related programs or services did this organization provide or refer people to before the NCP referral program?

B. WtW Grants (State/Substate Workforce Administrators and Staff)

1. Current status of the WtW formula grants
 - a. Date the received its first grant from DOL
 - b. Date grants were used by this LWDB? (enrollments/expenditures)

- c. Characterize current status of implementation ?
 - d. How has Texas/the local area benefited from WtW grant funds?
 - e. Has the state/locality faced undue constraints to most effectively using the funds? Explain.
 - f. In general how are WtW funds used across the state or locality (e.g., subsidized employment, generally expanding existing services, serving specific target groups, special initiative or service, etc.)?
 - g. Are there any particularly innovative programs being implemented at the state or local level using WtW funding?
 - i. Does the State of Texas provide all the matching funds? (Two to one rate?) Or is some generated from local level?
 - j. What comprises the state/local match: dedicated GR? In-kind? Reallocated AFDC/Jobs surplus? Other?
 - k. How has Texas been using and/or planning to use the 15% WtW funds set aside for discretionary use by states?
2. Current status of the WtW competitive grants
- a. Date the received its first grant from DOL
 - b. Date grants were used by this LWDB? (enrollments/expenditures)
 - c. Characterize current status of implementation ?
 - d. How has Texas/the local area benefited from WtW grant funds?
 - e. Has the state/locality faced undue constraints to most effectively using the funds? Explain.
 - f. In general how are WtW competitive funds used across the locality (e.g., PESD, subsidized employment, generally expanding existing services, serving specific target groups, special initiative or service, etc.)?
 - g. What is particularly innovative at local level using WtW funding?
 - i. Does the State of Texas provide all the matching funds? (Two to one rate?) Or is some generated from local level?
 - j. What comprises the state/local match: dedicated GR? In-kind? Reallocated AFDC/Jobs surplus? Other?

- k. How has Texas been using and/or planning to use the 15% WtW funds set aside for discretionary use by states?
3. To what extent are all the local WtW formula and competitive grant programs similar? (To what extent do they vary?)

C. Information Management (Administrators/Managers/MIS Specialist)

1. Describe the state/local system for tracking WtW grant/ NCP referral activity regarding the number of individuals served, participation and types of services received?
2. Can the information management system distinguish between formula and competitive grant activities and services? 70 and 30 percent eligibles?
3. Can the information management system distinguish between activities and services provided with WtW (both or either formula and competitive grant) monies and the array of very similar services that may be provided with TANF/Choices, FSE&T, WIA/JTPA, RIO, ES or other funding streams?
4. How does this information serve the LWDBs and their service providers/contractors?

D. Cost Data (Administrators/Managers; Fiscal and Budget Specialists)

1. Describe the local system for tracking WtW grant/ NCP Referral expenditures.
2. Do you have an estimate of how the local WtW dollars per year are being distributed across administration, activities/components (job search, OJT, etc) case management, support services (childcare, transportation)?
3. Can you generate detailed *local level* cost information regarding the actual cost per participant, unit costs (per slot or contact hour) or total annual costs for various types of services provided (e.g. directed job search, job readiness or life skills seminars, ABE/GED, job skills training, etc.)?
4. Do you have an estimated average cost or range for acceptable expenditures in different types of WtW cost categories (e.g., one week, 20 hr., job readiness seminars cost between \$80 and \$125 per participant or average about \$2000 per cycle; ABE/GED costs between \$2 and \$4 per contact hour, etc.)?

5. Who should I talk to about detailed cost/expenditure reports for WtW expenditures?

E. Coordination/Collaboration (All)

1. Who are the major local agency WtW/NCP Referral collaborators?
 - a. Role of TWC in administering program?
 - b. How formal is collaboration (e.g., interagency agreements, I/A committees , etc.)
 - c. Do you perceive any need or means to improve interagency collaboration?

F. Perception of WtW Capacity and its Ability to Serve NCPs (All)

1. In general, what is your overall opinion about WtW as a strategy to serve NCPs?
 - a. What would you say are the strengths of WtW?
 - b. What do you perceive as weaknesses or shortcomings?
2. What effect do you think the OAG making contact information available to TWC and the LWDBs have on the WtW services? Expenditures?
 - a. Are there policy and program guidelines established for using the contact information? Explain.
 - b. Is the state providing any direct technical assistance to LWDBs and contract providers to use the contact information?
3. Is there anything else that you consider to be especially innovative or unique about Texas's approach to serving NCPs serving?
4. Do you have any early impressions about outcomes for NCP/WtW participants to date?

G. Client Flow (All)

Are there any notable differences in the client flow patterns for all individuals served by the WtW grants and the client flow patterns for NCPs served by the WtW grants?

1. WtW Formula

- Outreach
 - Intake/Eligibility Certification
 - Assessment
 - Service Planning
 - Service Referral
 - Termination
 - Follow-up
2. WtW Competitive
- Outreach
 - Intake/Eligibility Certification
 - Assessment
 - Service Planning
 - Service Referral
 - Termination
 - Follow-up
3. NCP Referral
- Referral to WF
 - Intake/Eligibility Certification
 - Assessment
 - Service Planning
 - Service Referral
 - Termination
 - Follow-up

H. Activities and Services (All)

1. Which activities are do WtW clients usually participate in? Does this vary for NCPs? Describe the content of these activities?

(1) Occupational / Vocational Training (Amendments allow 6 mos.)

(2) ABE/GED

(3) OJT

(5) Work Experience/ Skills Training

(38) Job Readiness/Pre-Employment Skills

(40) Community Service

(42) Job Creation/ Subsidized Work

(44) ESL

(45) Mentoring

(46) Other Post Employment Services

(60) Job Placement

2. Which Supportive Services do WtW participants usually receive? Does this vary for NCPs?

(2) Family/Child Care

(3) Transportation

(4) Housing/ Rental Assistance

(7) Other

(8) Substance Abuse Treatment

(9) IDAs

I. Labor Market Context (All)

1. What is the local economy like right now?

a. Unemployment rate? Does it seem easy to find jobs?

What kinds of jobs and wages are WtW and NCP clients finding? Any differences between TANF/Choices, NCPs and WtW participants?

- b. Are there any other special conditions in the state or local area that effect employment patterns or prospects?
2. How would you generally characterize the labor market viability of participants? Are they going to encounter wages and occupations leading to individual and family self-sufficiency?

J. Conclusion/general Perceptions of NCP Referrals (All)

1. In general, what is your overall opinion about NCP referrals to workforce services? Is it a useful strategy?
2. What would you say are the main strengths of NCP referrals to workforce services?
3. What would you like to see changed in NCP referrals to workforce services to improve it or make it more successful?
4. Are there any special unique problems or issues that the local, state or federal agencies may be able to fix e.g., providing additional clarification, changing regulations, etc.)
5. Has there been any response from the employer community regarding NCP referrals to workforce services? From politicians? Church groups? Social service agencies?
6. Is there anything else that you consider to be especially innovative or unique about this effort?

Thanks

**Modified Participation Taxons for Workforce Services
(All funding streams)**

Intake, Assessment and Case management

- Orientation (30)
- Workforce orientation for applicants (WOA) (50)
- Objective assessment (08)
- Skills testing (36)
- Case management (21)
- Initial assessment (62)

Job Search Assistance

- Job search assistance (12)
- Core services (31)
- Computer usage (22)
- Information and Referral (26)
- Job referral (27)
- Jobs express (28)
- Labor market information (29)
- Resource library (33)

Job Readiness

- Job readiness (38), (52)
- Life Skills (56)
- Seminars and Workshops (35)
- Short-term pre-vocational Training (70)
- Resume/interview preparation (34)

Job Development and Placement

- Job placement (39), (60)
- Job development (51)

Employment Activities

- Community service (40)
- Work experience (05)
- Job creation (subsidized) (42)

Job Skills Training

- Job skills training (55)
- Employment skills training/other (06)
- OJT (03)
- Customized training (78)
- Occupational Skills Training (01)
- Private sector training (76)

Education

Adult basic education/GED (02), (54)
ESL (44)
Postsecondary non-vocational education (57)

Job Retention and Support Services

Transpiration assistance
Child care assistance
Work-related expenses
Emergency housing assistance
Other
Follow-up services (67)

Appendix B

Technical Appendix

Appendix B: Technical Appendix

This appendix provides more detailed information on data sources, variable definitions, statistical methods and results, and time frames.

DATA SOURCES

The following section of text provides details of the data collected from each supplying agency.

Office of the Attorney General (OAG) Data

The Office of the Attorney General is the official child support enforcement agency for the State of Texas and is responsible for helping custodial parents receive child support from the non-custodial parent of their children. The primary data source for the experiment was the OAG's automated child support system. The OAG provided data files from the automated child support system to RMC for analysis. These data included child support case files. This file, when subsetted to cases located in Bexar and Harris counties, became the master file for the referral population. All other files were linked to it by case number, member ID numbers for the NCP and others on the case, social security number (SSN), and TANF client number where applicable. The OAG also provided data files from the National Directory of New Hires (NDNH). These data included quarterly wages for employers that report UI wages to states other than Texas, as well as some federal employment that is not typically reported to any UI system. This was used to supplement the Texas UI wages provided by the Texas Workforce Commission. A complete list of the data files provided by OAG for this study include:

- child support case file, consisting of general information about the case;
- member to case cross reference files, linking members (custodial parent, non-custodial parent, dependent) to case(s);
- demographic files, consisting of general demographic information of case members;

- monthly obligations and collections file, consisting of historical monthly amounts of support owed and paid by the non-custodial parent;
- order files, indicating the date an order was established;
- site data, consisting of electronic data files from the Bexar and Harris county referral sites that identified referrals, and;
- NDNH data, consisting of wage data for in and out of state employment.

Texas Workforce Commission (TWC) Data

As the administrator for the Unemployment Insurance (UI) program, TWC maintains a wage database system that contains reported employee wages by employer by calendar quarter. The data identify employees by SSN, by which they are linked to NCP and CP members of cases in Bexar and Harris counties. These data were used by RMC researchers to measure employment and earnings.

TWC is also the source of workforce participation data, including education, training, and job search services. These historical client-level data were made available to RMC researchers for analysis. The TWC programs for which workforce participation data were collected included:

- Job Training Partnership Act (JTPA) data (through June 1999), which was then replaced by Workforce Investment Act (WIA) data from July 1999 onward;
- Welfare-to-Work (WTW) program data, including services provided through competitive and formula funding streams; and
- Choices³¹ participation administrative data, including monthly tallies of actual hours of participation in each Choices component activity.

Department of Human Services (DHS) Data

The source for public assistance, or Temporary Assistance to Needy Families (TANF), data for this study was the DHS' SAVERR data system. Historical receipt of public assistance by the custodial parents of Bexar and Harris county OAG cases was determined from an SSN-based link to these files. RMC researchers used the following DHS data sources for this purpose:

³¹ The Choices program replaced the Texas JOBS program.

- monthly TANF client strip tapes covering the demonstration period; and
- cumulative warrant files containing historical records of actual cash assistance paid to caseheads, whether by check or by electronic benefits transfer (EBT).

CREATION OF RESEARCH DATA SETS

To conduct the administrative data analysis, RMC researchers linked and merged data files from the disparate sources noted here. The first step in pulling this data together was to assimilate the OAG case file with the member to case cross reference file and the demographic file. Based on the member type indicator, separate demographic files were created for custodial and non-custodial parents and dependents. In some cases, extracts of identifying information, such as SSN, were sent to some of the agencies providing the data to be linked to records in their files. These linked records were placed in a file to be transmitted back to RMC. In other cases, the agencies sent data covering their entire universe of clients for the time periods of interest, and the linking and extracting was done at RMC.

The research team at RMC created a relational data engine that tied together a number of individual and/or case-level datasets to produce flat files for analysis. Data were first summarized into a case-month file containing all information associated with each case for every month in the study period. This was then aggregated to the NCP-month level by summing across all cases with which each NCP was associated in each unit of time. The unit of analysis of the resulting flat files differed (e.g., NCP-month, NCP in the month of referral, or NCP-year) according to the research questions they were intended to answer.

ANALYZED VARIABLES

Employment and Earnings

Employment

UI and NDNH wage data were used to measure employment and earnings for this report. UI wage data cover over 95 percent of all employment in the state of Texas. Moreover, NDNH data files were used to capture out of state wages, as well as most Federal employment both within and outside of Texas. Thus, most documented employment should be captured, with the notable exceptions being agricultural work and self-employment.

In measuring employment outcomes, RMC researchers created a variable that takes the value of one if the recipient earned money and zero otherwise. Taking the mean of this variable for a group of individuals gave the percent employed for that group. The difference in the rate of employment between the referrals and comparison groups was the employment impact of the study.

Earnings

Earnings were analyzed by comparing the average amount earned by non-custodial parents in the referral group to the average amount earned by non-custodial parents in the comparison group. This tabulation gives an overall assessment in a single easily understood number of the intervention's effect on changes in the amount of money earned by non-custodial parents.

Participation in Workforce Development Services

RMC researchers analyzed the data on non-custodial parents' participation in workforce development services, including JTPA/Workforce Investment Act, Welfare-to-Work, and Choices, to determine the extent to which referrals and comparison group members made use of these services. Measures were created to indicate whether NCPs participated in any of these programs both before and after their referral. For data

sources in which the exact dates of participation was available, the data were summarized to calendar months of participation by considering any participation in a month to represent participation for that entire month.

Child support collections and case status

As required by Section 8 of HB 3272 of the 76th Texas Legislature (1999), this study is designed to measure child support outcomes for obligors who were referred to workforce services. The status of a given NCP's child support case(s) at each point in time was used to constrain the sample of interest for each analysis. Thus, for example, five NCP referrals were removed from the overall sample because they had no child support case open in the month in which they were referred. Furthermore, the analysis of child support collections was restricted to include only those months in which an NCP had one or more support orders in place and payments due.

Two measures of child support collections were employed. One simply consisted of an indicator of whether or not a payment was made in each month. This indicator was set to one in a month when any payment was made, regardless of whether or not it was a full payment, and zero otherwise. Taking the mean of this indicator over a specified time interval gives the percent of months in which a child support payment was made. A second indicator consisted of the actual dollar amount of any payments made (set to zero if no payment was made). In both cases, these indicators were summed across all open cases for each NCP-month in which payments were due.

STATISTICAL METHODS EMPLOYED

RMC researchers applied a quasi-experimental, nearest neighbor approach to selecting a comparison group to estimate the impact of NCP referrals on child support collections. The net impact was measured as the difference between the study group (NCP referrals) and the control group (nearest neighbors) in child support collections and the percent of months collected before and after an obligor's referral date.

Selection of Nearest-neighbor Comparison Group

Perhaps the most important aspect of a quasi-experimental design for estimating impacts is the selection of an appropriate comparison group. This group should be as similar as possible to the sample of interest (pilot referrals) in every respect except one: they were not referred for workforce services. Thus, a “nearest neighbor” was selected from the overall IV-D NCP population of these two counties for every NCP who was referred to workforce services.

Nearest neighbors were chosen individually for each NCP, to be referred to here as the “focal NCP,” through a rather lengthy process. First, potential neighbors to the focal NCP were selected from among all exact matches on several categorical demographic, child support, and prior workforce service variables. These included county, gender, race, number of outstanding support orders (0, 1, more than one), prior workforce services experience, presence of a collections history, and year and month of referral³². All NCPs who exactly matched the focal NCP on this set of variables were retained for the second step. Those remaining were then compared against the focal NCP by computing the multivariate (or Mahalanobis’) distance between the two across a number of more-or-less continuous variables. These included total arrears, collection history over the prior twelve months (percent of time and average amount), age, employment and wage histories over the prior 24 months, outstanding capias for nonpayment of support, number of children, age of oldest child, age of youngest child and total monthly CS payment amount.

After such comparisons were made for all potential neighbors, the one who was the least distant from the focal NCP was then selected as that NCP’s “nearest neighbor.” This NCP was then removed from the pool of potential neighbors, and the process begun again for the next focal NCP until neighbors had been selected for all of the pilot referrals. Nearest neighbors were not found for a small number of NCP referrals (93, or about 8%) because of either missing data elements or because no exact matches on the

³² The potential neighbors were, by definition, not referred to workforce services, and so they had no referral date. Instead, the focal NCP was compared only against potential neighbors and their associated characteristics as they existed in the focal NCP’s referral month.

categorical variables existed in the statewide NCP population. These NCP referrals without neighbors were removed from analysis of net effects.

Statistical Inference Tests

The statistical significance of the impacts of referring NCPs in Bexar and Harris Counties to workforce services was estimated using ordinary least squares (OLS) regression. The observations for this analysis consisted of all person-months subsequent to the referral event. Due to the typical finding that employment and wage levels tend to be depressed *while* a person is participating in workforce services, the small number of months in which NCPs showed workforce activities were omitted from this analysis. Each of the dependent variables was tested individually in a regression whose predictors included a referral indicator, taking the value of one for pilot referrals and zero for nearest neighbors, and a covariate intended to control for remaining pre-referral differences that existed among NCPs on the variable of interest. For example, in the analysis of whether any child support collections were made, the control variable consisted of NCPs' individual collection histories (percent of time collection was made) for the 12 months prior to referral. Each of the collections dependent variables was tested in this manner for effects of workforce referrals in Bexar County alone, in Harris County alone, and in both counties combined.

The results of these regressions are displayed in Table B.1. As can be seen, referrals appeared to have large, statistically significant, positive effects on multiple aspects of child support collections in Bexar County. The percent of months in which any collection was made increased by more than 23%, and the average monthly collection amount increased by a fully \$124. No such statistically significant impacts on collections were observed in Harris County. However, the impacts of referrals on child support collections were still statistically significant when the two counties were combined. Note that child support collections impacts have been estimated as the effect of referring an NCP to workforce services, regardless of whether that referral resulted in any increased employment or earnings.

Table B.1
Statistical Inference Tests of the Impact of Workforce Referrals

Dependent Variable	County	Significant Effect	Direction of Effect	Magnitude	t value	df	p
Any collection	Bexar	Y	+	23.3%	10.67	1735	<.0001
	Harris	N			-0.35	8736	0.729
	Both	Y	+	3.6%	4.17	10474	<.0001
Monthly collection amount	Bexar	Y	+	\$124	5.40	1735	<.0001
	Harris	N			0.88	8736	0.38
	Both	Y	+	\$28	3.11	10474	0.0019

TIME FRAMES AND DATA UNAVAILABILITY

The following section presents brief descriptions of some of the limitations of this research.

Data Censoring

Although the impact of referring NCPs to workforce services can potentially have long-lasting impacts, this report had only a limited time-frame in which to observe the outcomes. Although NCPs were referred incrementally over an interval of almost a year and one-half, the follow-up period ended for everyone at a point in time. Because of this, NCPs who were referred earlier have a longer follow-up period than those who entered the sample later. RMC researchers adopted the following procedure to handle this data-censoring problem. In the measurement of collections, data were tabulated at the NCP-month level, and all post-referral months for every NCP were included in the analysis. The effect of this approach was that NCPs contributed to the analysis in direct proportion to how long they were potentially under the influence of the referral intervention.

Time Frames of Data Coverage

Most data sources used in this study were available to cover the period from January of 1998 or earlier (more than a year before the first referrals) through August of

2000 or later. The major exception to this is the UI and NDNH wage data sources, which were only available through the fourth quarter of 1999. This is due, in part, to time lags of between six and eight months which should be observed in order to get nearly complete UI wage coverage. Further compounding this problem, the timing of the referrals was such that nearly half of all referrals occurred in January 2000 or later (see Table B.2).

Table B.2
Count of Workforce Referrals by Month

	Workforce Referrals		
	Bexar	Harris	Total
Feb-99	1		1
Mar-99	4	1	5
Apr-99	2	1	3
May-99	7	6	13
Jun-99	5	66	71
Jul-99	7	75	82
Aug-99	4	125	129
Sep-99	5	100	105
Oct-99	8	102	110
Nov-99	8	55	63
Dec-99	7	49	56
Jan-00	4	100	104
Feb-00	1	42	43
Mar-00	5	81	86
Apr-00	2	49	51
May-00	3	86	89
Jun-00	24	112	136
Total	97	1050	1147

The effect of these constraints was that no post-referral wage outcomes were available for nearly half of all referrals, and for the remainder there was very little follow-up time. Thus, it was decided to exclude from analysis the employment and wage outcomes. Perhaps a future study will have a sufficient follow-up interval to allow adequate observation of meaningful patterns in post-referral NCP employment and wage levels.