

Improving Child Support Outcomes through Employment Programs

The Promoting Child Well-Being & Family Self-Sufficiency Fact Sheet Series discusses how and why the child support program provides innovative services to families across six interrelated areas to assure that parents have the tools and resources they need to support their children and be positively involved in raising them.

This fact sheet focuses on how the child support program can coordinate or partner with employment programs to help noncustodial parents find and keep a job so that they can meet their responsibilities toward their children.¹

Child support programs in all corners of the country are coordinating or partnering with work-oriented programs that serve unemployed noncustodial parents to help them meet their responsibilities to their children. At least 28 states and the District of Columbia are operating at least 38 work-oriented programs for noncustodial parents with active child support agency involvement.² While economic realities have contributed to the need for these programs, the innovative nature of the child support program, which includes a family-centered approach, has made it possible for these programs to thrive. The child support program has also benefited from strong collaborative partners in the family courts, the fatherhood field, and the workforce development community, all of which have been eager to work with child support programs to create effective work-oriented programs.



Why Should Child Support Partner With Employment Programs?

Strong partnerships between child support and employment programs help make child support a secure source of income for all children who rely on it. Children are much more likely to receive reliable child support when the noncustodial parent has a stable job. Two-thirds of child support collections come from wage withholding. But some noncustodial parents, about 25 percent, have no or limited earnings.³ These parents, and their nonresident children, often live in poverty. Administrative child support enforcement tools, such as wage withholding, do not work well for this population. Most of these parents face multiple employment barriers, such as a criminal record, limited education, and intermittent work history. Enrolling these parents in employment services will benefit the parent and, most importantly, their nonresident children. The child support program is uniquely positioned to identify these men, link them to services, and assure that children benefit as their parents improve their capacity to maintain regular employment.

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Child support involvement in employment services is not new. The Family Support Act of 1988 authorized the first national demonstration of an employment-oriented program for noncustodial parents tied to the child support program. This demonstration, called Parents' Fair Share, showed that court-ordered employment programs for unemployed noncustodial parents can increase child support collections and improve the employment outcomes of the most disadvantaged noncustodial parents.⁴ Since Parents' Fair Share, the federal government has funded several other employment-oriented programs that have targeted noncustodial parents, including Welfare-to-Work,⁵ OCSE Responsible Fatherhood Programs,⁶ and Partners for Fragile Families.⁷ The U.S. Department of Labor is currently conducting a national demonstration of the effectiveness of transitional jobs for unemployed noncustodial parents, called the Enhanced Transitional Jobs Demonstration. The federal Office of Child Support Enforcement (OCSE) will launch a demonstration of employment programs for unemployed noncustodial parents in fall 2012.

Recent research suggests that a variety of models can increase child support payments and help parents work. The keys to their success appear to be strong monitoring and comprehensive employment services. Other services, such as peer support, training, job retention assistance, and financial incentives also appear to improve outcomes. Below we discuss three program models, all of which have impact evaluation results that suggest these programs work.

1. Court-Ordered Programs

Many state child support programs operate "jobs not jail" programs, where unemployed noncustodial parents who are behind in their child support payments are court-ordered into a work-oriented program. The underlying premise of these programs is that ordering unemployed noncustodial parents into a work-oriented program is a more effective alternative to ordering jail time or "seek work" activities. Jail time is more expensive than work-oriented programs and it reduces a person's ability to find work after they are released. "Seek work" orders do not help parents find work, and they do not provide a mechanism for the court to monitor a parent's job search. In contrast, "jobs not jail" programs help noncustodial parents find work and give courts information about the noncustodial parent's progress at relatively little cost.

The key services offered by the court-ordered employment programs are employment services and case management. Although the primary employment service is job search assistance, most of these programs go beyond that help if a client needs it. If necessary, they will develop job leads and help place individuals into jobs. Programs will also help with retention issues. Case management typically consists of assessment, follow-up meetings with the client until employment is secured, monitoring to see that employment is retained, and keeping the court and child support program informed of progress.

Early evidence of court-ordered employment programs yielded mixed results. Conducted in the 1990s, Parents' Fair Share was a national random assignment demonstration of a court-ordered employment program for unemployed noncustodial parents who owed arrears to the government, which was conducted in seven sites from 1994 to 1996. It found a large "smoke-out" effect that resulted from the extra outreach and additional hearings that sites held for individuals assigned to the treatment group to ascertain whether these individuals were unemployed. Many of them were employed and paid their child support rather than be ordered into an employment program. This extra outreach and additional hearings increased the amount of child support paid by nearly 20 percent. The impact of the employment services, however, was less impressive. As a result of receiving employment services, members of the treatment group were more likely to pay child support than those in the control group, but the amount of child support that they paid collectively was not any larger than the amount paid by the control group. In addition, the employment services did not increase the employment or earnings of the entire treatment group.⁸ Nonetheless, it did increase the earnings of those without a high school diploma and with limited work experience.⁹

More recent evaluations of court-ordered programs have shown more promising results.¹⁰ One example of a successful program is called *NCP Choices*, which is operated by the Texas Office of the Attorney General, Division of Child Support in collaboration with the Texas Workforce Commission and family court judges. NCP Choices is a court-ordered program that serves unemployed noncustodial parents who are behind in their child support payments and whose children are current or former recipients of public assistance. The goal of the program is to help noncustodial parents overcome substantial barriers to employment while becoming economically self-sufficient and making consistent child support payments.

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Elements of this program that contribute to its success are:

- A parent's failure to participate leads to swift and certain consequences, up to, and including, jail time.
- Workforce Center staff are present at the court to begin the intake process with the noncustodial parent immediately after they are ordered into the program.
- A comprehensive set of employment services are available to participants, which mirror those provided to TANF recipients under Texas' Choices program. The services emphasize work first, providing job search assistance, job referrals and job development; support services; short-term training; subsidized employment/work experience; General Educational Development (GED) and English as a Second Language (ESL) classes; and retention and career advancement assistance.
- Intensive case management is offered for six months after enrollment, including weekly contact until the parent enters employment, and monthly contact thereafter.
- NCP Choices developed an online management information system to facilitate close communication among the program partners regarding the parent's participation and progress in the program. Multiple agencies use the system to track noncustodial parents' program participation and share compliance status. Program information is live – the system instantly updates when users add or edit information. And it is secure – noncustodial parents' private information is protected.¹¹

NCP Choices has been evaluated using a non-experimental method called propensity score matching, which compares the outcomes of participants to non-participants who have similar characteristics. Results indicated that, relative to the comparison group, participants:

- Paid their child support 47 percent more often, and paid \$57 per month more, for a 51-percent increase in total collections.
- Paid their child support 50 percent more consistently over time.
- Continued to pay their child support more often, in greater amounts, and more consistently over time even two to four years after program enrollment.
- Were employed at 21 percent higher rates, an effect that also persisted at least two to four years after program enrollment.

- Were about one third less likely to file an unemployment claim in any given month in the first year after program enrollment.

Results further indicate that custodial parents associated with NCP Choices participants were 21 percent less likely to receive TANF benefits in the first year after program enrollment, and 29 percent less likely two to four years after program enrollment.¹²

Cost savings and child support collections from NCP Choices have also been impressive:

- NCP Choices has collected almost \$30 million during fiscal years 2006 to 2010.¹³
- 10 percent of child support collections are recovered payments.¹⁴
- Average cost per participant is about \$1,000, while child support collections per participant is over \$3,000.¹⁵

More recently, Texas tested two enhancements to the highly successful NCP Choices program. The first added a fatherhood curriculum, taught in a peer support format, to the standard workforce development services. The second enhancement consisted of operating the NCP Choices program at the time of order establishment. The evaluation of these projects shows that both enhancements increased child support payments.¹⁶

Problem-solving courts are also quite common in the child support arena. They are similar to "jobs not jail" programs since both are court-ordered programs, but problem-solving courts tend to offer a continuum of services to address the needs of noncustodial parents who are behind in their child support payments rather than just employment services.¹⁷ The court system is usually the lead agency in these programs and the court creates a specialized docket to manage the program.

One example of a problem-solving court that has been evaluated operates in Wake County, North Carolina. This evaluation found that participants increased their child support payments after the contempt hearing regardless of whether they were ordered into a work-oriented program or given a jail sentence, but those who were ordered into a work program increased their child support payments over time, while those who were given a jail sentence did not increase their payments over time.¹⁸

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2. Voluntary Programs

Child support programs can also partner with a workforce agency or fatherhood program that offers employment services rather than rely upon court-ordered referrals. In these programs, referrals are internal to the host program or outreach is conducted to recruit participants. If a family court does refer individuals to these programs, they are not court-ordered into the program. Although participation in these kinds of employment-oriented programs is voluntary, noncustodial parents remain responsible for their child support obligations whether or not they choose to participate. Child support enforcement is not voluntary.

The services provided by these programs are similar to those provided by court-ordered programs. Both programs focus on workforce development services and case management. However, voluntary programs often provide more intensive employment services, such as short-term job training, and are more likely to include a fatherhood component than court-ordered programs.

The role of the child support program varies in these programs, from leading the program to a more supportive role. The child support program can take a lead role in a voluntary program – contracting with a workforce development firm, deciding who will be served and what services will be provided, managing the flow of participants, and ensuring the quality of services. On the other hand, the child support program can play a supportive role. For example, it can verify eligibility, provide one-on-one child support services, be part of a case management team, and conduct child support workshops.

As part of New York's *Strengthening Families through Stronger Fathers Initiative*, the Office of Temporary and Disability Assistance (OTDA) conducted a pilot employment program in four cities for unemployed parents behind in their child support payments. The purpose of the pilot was to test the effectiveness of providing employment and other support services to unemployed noncustodial parents. The pilot operated for 3 years and served 3,700 people.

Unlike NCP Choices, these pilot programs had to be voluntary by statute. As a result, the programs relied upon a variety of methods to recruit participants, including court referrals, internal referrals, advertisement, and outreach. One program was co-located in a high-volume one-stop career center and received large numbers of referrals from the center. The lead agencies tended to be workforce development programs, but a local child support program was the lead agency in one city.¹⁹

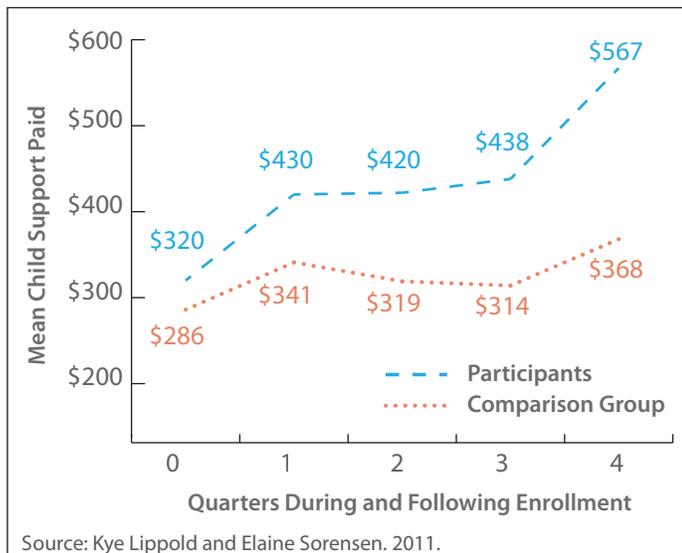
All programs used a case management model to deliver services: participants worked with a case manager to assess their needs, develop a service plan, and manage service delivery. The services focused on employment and included job readiness training, job search assistance, and job placement. Some sites offered job skills training, transitional jobs, and work supports. Each site also provided parenting or relationship skills workshops and child support-related services.²⁰

An impact evaluation was conducted of the New York's pilot employment programs using a propensity score matching approach to identify a comparison group, similar to that used in the NCP Choices evaluation. The New York evaluation found that:

- Participants of the employment program earned significantly more than the comparison group. Specifically, participants earned an average of \$986 more than the comparison group, a 22-percent increase in wages, during the year after enrollment. Results for child support payments were similar.
- Participants paid more child support than the comparison group in the first quarter following enrollment and this difference grew over time. During the four quarters following enrollment, participants paid, on average, \$504 more in child support than the comparison group, a 38-percent increase.²¹

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Figure 1. Child Support Paid by Participants and the Comparison Group in the New York Strengthening Families Through Stronger Fathers Initiative Pilot Employment Programs During Enrollment and One Year Following Enrollment (in final year of program only)



Another example of a voluntary employment program for noncustodial parents that has been evaluated with a comparison group design is the **FATHER Project**, which operates in Minneapolis. This program was initially part of the Partners for Fragile Families Demonstration project, which operated from 2000 to 2003. The mission of the FATHER Project is to assist fathers in overcoming the barriers that prevent them from supporting their children economically and emotionally.

The FATHER Project directly provides case management, comprehensive employment services, and curriculum-based, facilitated parenting support groups. The Minneapolis child support program is an integral part of service delivery. Child support staff hold regular office hours at the FATHER Project, screen all prospective participants' case information, participate in regular case review meetings, and provide individualized support to fathers to establish paternity, reduce child support barriers, and bolster child support payments.

The evaluation of this program found that the long-term benefits of operating the FATHER Project in fiscal years 2008 to 2009 was \$2.7 million, while the cost of operating the program was \$785,000, returning \$3.41 for every dollar invested in one year of the program.²² Long-term benefits include the estimated impact of the FATHER Project on earnings, child support, and taxes.

3. Transitional Jobs Programs

Recently, some programs have begun to offer transitional jobs to unemployed noncustodial parents. A transitional job is a temporary, paid work experience, which is paid for with public funds and intended to improve participants' employability in the unsubsidized labor market. This type of employment service is usually targeted to individuals who are considered hard-to-serve, such as long-term TANF recipients, ex-offenders, and disadvantaged noncustodial parents.

Research shows that transitional jobs programs have successfully increased unsubsidized employment among TANF recipients and decreased recidivism among ex-offenders.²³ A recent cost-benefit analysis of a transitional jobs program for ex-offenders showed that the financial benefits of this program exceeded the costs for taxpayers, victims, and participants using a wide range of assumptions, with the majority of benefits resulting from reduced criminal justice system expenditures.²⁴

The U.S. Department of Labor is currently undertaking a national demonstration called the Enhanced Transitional Jobs Demonstration, which is providing transitional jobs to ex-offenders and noncustodial parents in seven sites.²⁵ Four of these sites target noncustodial parents; three sites target ex-offenders. The overlap between these two populations, however, is quite large. Each site is required to provide participants with a transitional job that lasts at least four months. In addition, sites are required to enhance the transitional job in some way, such as offering a debt compromise program, which will increase the likelihood that the participant will succeed in the unsubsidized labor market.

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Lessons Learned

Much has been learned during the past twenty years about how to implement a successful employment program for noncustodial parents:

- Child support-led programs work better.
- Partnerships are more effective when each player focuses on their core competency.
- Regular communication between the child support program and the workforce development program is critical.
- Recruitment can be a challenge.
- Job search and job readiness training are not enough.
- Job developers and job placement services, along with some short-term training, seem to be enough to generate positive earnings results.
- Fatherhood/parenting workshops can increase child support payments.
- Child support and related services are a critical program component.
- Financial incentives can help with recruitment, retention, and meeting outcome goals.

Although resources are constrained, child support programs across the country are finding it cost-effective to operate work-oriented programs for unemployed noncustodial parents. States are starting small and building capacity over time. They are utilizing partnerships, purchasing services where needed, and redirecting staff and court time from unproductive cases toward work-oriented programs. While approximately 25 percent of noncustodial parents in child support cases have limited earnings, only 1 to 3 percent of the caseload has been participating in work-oriented programs at any given time. Thus, the demand for these services has been manageable.

The parents participating in these programs tend to be quite disadvantaged, facing multiple employment barriers, yet the programs are successful in helping these parents find work and pay child support. These programs generate sizable benefits for disadvantaged noncustodial parents and their children and so child support programs are likely to continue to pursue and refine these kinds of programs.

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