# Texas Non-Custodial Parent Choices:

## Program Impact Analysis

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## Key Findings

In 2005, the Office of the Attorney General, Texas Workforce Commission, and child support courts initiated a five-site child support compliance and employment pilot project linking IV-D courts, OAG child support, and local workforce development boards. The project, called NCP Choices, provides employment services linked to enhanced child support monitoring to low-income non-custodial parents (NCPs) who have fallen behind on their child support payments. The pilot was expanded to an additional five sites with the service equivalent of 12 sites in 2007.

Researchers at the Ray Marshall Center for the Study of Human Resources at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin estimated impacts of NCP Choices on key outcome measures after several years of operation in the four of the five original sites, and studied the implementation and process of NCP Choices. Program impacts were estimated using a scientifically valid quasi-experimental comparison group design.

**Results indicated that, relative to the comparison group, NCPs ordered into the program**:

- **Paid their child support 50% more often, and paid $54 per month more, for a 44% increase in total collections**
- **Paid their child support 53% more consistently over time**
- **Continued to pay their child support more often, in greater amounts, and more consistently over time even two to three years after the program**
- **Were employed at 18% higher rates, an effect that also persisted at least two to three years after the program**
- **Were about one quarter as likely to file an unemployment claim in any given month in the first two years after the program**
- **Participated in NCP Choices workforce development 80% more than did the comparison group**

- **The custodial parents (CPs) associated with NCP Choices participants were 17% less likely to receive TANF benefits in the first year after the program, and 13% less likely two to three years after the program**
- **Although the earnings of employed NCP Choices participants was initially lower in the first year – likely a result of more of them entering new employment at a somewhat lower wage – there was no difference in average earnings two to three years after program entry.**

In summary, NCP Choices appears to have successfully achieved all of its program goals. The combination of increased frequency, amount, and consistency of child support payments made by those ordered into NCP Choices, increased employment rates, reduced unemployment claims by NCPs, and reduced TANF receipt by associated CPs all point to greater economic self-sufficiency on the part of CPs and NCPs. Also very encouraging is the fact that these positive findings persisted for two to three years after the program, whereas the one negative finding, of reduced earnings among the employed, dissipated after the first year. Finally, the fact that positive impacts were reported in all sites on most of the outcome measures suggests that NCP Choices has a sustainable and replicable program design that should continue to produce benefits in all of the sites. This bodes well for any future expansion, perhaps even statewide.

A formal cost-benefit analysis was not part of this report. It is nonetheless clear that the economic benefits to the state, to taxpayers, and to the NCP Choices participants and their families were substantial. Even a conservative tabulation would suggest that the economic benefits were roughly twice the costs. Given the high level of success observed thus far, a statewide expansion of this program would significantly benefit the state of Texas and low-income families alike.

# Executive Summary

The Non-Custodial Parent Choices (NCP Choices) program grew out of a collaborative effort between the Texas Office of the Attorney General (OAG) and the Texas Workforce Commission (TWC) to implement a model employment project for low-income non-custodial parents (NCPs) of children who are current or recent recipients of public assistance, and who are behind on their child support payments. NCP Choices was initially implemented as a demonstration project in four sites in late 2005, then expanded to six additional sites in late 2007. The project establishes links among IV-D courts responsible for child support issues, OAG child support enforcement staff, and local workforce development boards, with the goal of providing employment services to these NCPs so that they may better support their families.

To provide an objective outside perspective on the program, the Ray Marshall Center for the Study of Human Resources at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin (RMC) was contracted to conduct an analysis of program impacts on key outcome measures after several years of operation in the four original sites, and to study the implementation and process of NCP Choices. This evaluation estimates program impacts on child support collections, workforce development participation, employment and earnings levels of NCPs, unemployment claims among NCPs, and TANF receipt by the custodial parents (CPs). It also complements the previous implementation and process studies with analysis of an opinion survey of all staff in partner agencies in 10 NCP Choices sites.

A review of the child support enforcement literature indicates that, for those who receive it, child support can be one of the most important sources of income in assisting single parent households to escape from poverty. Unfortunately, despite significant gains over the last decade or so, receipt of child support among public assistance families still remains low. Many of the NCPs responsible for this are unable to meet their financial obligations due to unemployment or underemployment. Previous programs designed to engage low-income NCPs in workforce programs often suffered from low enrollment, implementation, and service coordination challenges, and as a result found modest impacts at best. Evidence suggests, however, that mandatory programs with "swift and certain consequences" for non-participation can help alleviate enrollment problems, and that low-

income NCPs, if successfully engaged in workforce services, are better positioned to meet their child support obligations.

The NCP Choices service model is straightforward: noncompliant NCPs are given the choice of paying their child support, participating in workforce services, or going to jail. The primary distinguishing features of NCP Choices are mandatory participation and clear choices—pay, play or suffer the consequences.

Results from an early implementation study on NCP Choices (Schroeder et al, 2005), and a detailed analysis of the processes involved in a more mature NCP Choices program (Schroeder et al, 2007) are summarized in the process analysis chapter. To update this analysis for this evaluation report, the research team conducted an online survey of all persons responsible for the various components of the NCP Choices program, including staff from the Office of the Attorney General, the Texas Workforce Commission and its local contractors providing workforce development services, and the IV-D (Child Support) court judges and their staff.

The purpose of the survey of staff opinions was to quantitatively measure site differences in important features of the NCP Choices program, and ultimately to determine whether one or more of these features is related to the success experienced at the various sites. Preliminary analysis of survey responses suggests that the four original sites vary on four major dimensions, including:

- NCP Motivation, measuring opinions about typical NCPs;
- Perceived Program Follow-through, measuring opinions about whether NCPs in the program are adequately tracked, compliance is ensured, and they are otherwise not allowed to "slip through the cracks;"
- Adequate and Available Workforce Services, gauging opinions about the extent to which workforce services are immediately available, convenient, and adequate to help NCPs gain employment; and
- Partners Capable and Collaborating, measuring the extent to which all three partners, the OAG, Court, and workforce agency or contractor, are believed to be performing their respective roles adequately, and collaborating and communicating well.

The results of this survey are utilized later to aid in interpretation of the results of the impact analysis.

The research design for the impact analysis included the selection of a quasi-experimental comparison group of non-participating NCPs from the same areas. Tests indicated that the selected comparison group was highly similar to NCP Choices clients in their observable characteristics just before program entry. This suggests that the design has high internal validity for determining the impacts of the NCP Choices program, and thus a high level of confidence that subsequent differences observed were likely due to NCP Choices itself. It is important to recognize, however, that the effects reported here do not solely measure the impact of the Choices program on NCPs, but the *impact of being given the choice:* to participate in Choices, make a payment, or go to jail.

Impact analysis results indicate that, first of all, those ordered into NCP Choices displayed far greater levels of participation in NCP Choices workforce development than did their comparison group counterparts. Eighty percent of those ordered into the program participated at some point within one year of this order, as compared to zero participation among comparison group members. These findings confirm a high degree of compliance with the order, with levels of participation by NCPs well above the range of what has been reported for other programs serving low income NCPs, including other 'mandatory' programs.

Moving on to the outcomes of primary interest, results indicated that those who were ordered into NCP Choices subsequently paid child support more often and in greater amounts. Monthly collection rates from NCP Choices participants were almost fifty percent higher than from the comparison group in the first year after the program, and the amounts collected averaged $54 per month higher. Moreover, these positive impacts continued well into the second and third years after the program, suggesting that the long-term economic benefits will continue to accrue. Eighty-five percent of NCP Choices clients made at least one payment within one year of program entry. Finally, of great importance to the economic self-sufficiency of the custodial parents, those ordered into NCP Choices were significantly more *consistent* in making child support payments over time, and these positive impacts also persisted into at least the second and third years after the program.

Those ordered into NCP Choices were subsequently employed at much higher rates than were their comparison group counterparts, a seven percentage point increase in quarterly employment that was seen both in the short term as well as in the second and third years after the program. NCP Choices participants who were employed had lesser total earnings in the short term, however, an effect that is sometimes observed in programs that successfully move significant numbers of people into employment. This reduction in earnings was fleeting, however, as the earnings differences disappeared in the longer term outlook, two to three years after the program. In summary, then, the short term employment and earnings effects of NCP Choices were somewhat mixed, but the longer term gains are clear: NCP Choices led to substantially increased employment rates over the longer term with no loss of average earnings.

Further confirming the positive employment effects, those ordered into NCP Choices were about one quarter as likely to file an unemployment claim in any given month during the first two years after the program, relative to the comparison group. And finally, in a sign that the benefits of NCP Choices were also transmitted to the custodial parents, CPs associated with NCP Choices participants showed about a seventeen percent decrease in TANF receipt in the short term, relative to that of CPs associated with the comparison group members. These effects also persisted into the longer term, as TANF receipt was reduced by thirteen percent in the second and third years after the program.

The impacts of NCP Choices were also found to vary by site, with the Galveston/Brazoria and Hidalgo County sites showing generally the best impacts on most measures. Consideration of these site-level impacts in conjunction with site differences on the survey scales suggests several interesting points. The Galveston/Brazoria site had the largest positive impacts on NCP Choices participation, long term child support collection frequency, and long term employment rates. This site also scored well above the other sites in Perceived Program Follow-through, and slightly above the rest in Partners Capable and Collaborating. The Hidalgo County site also did quite well, with large positive impacts on long term child support collection frequency and long term employment rates, and the greatest reduction among all sites in TANF participation by associated CPs. The Hidalgo County site stood out on the survey only for having the highest perceived NCP motivation.

On the other hand, the Bexar and El Paso County sites had positive impacts on many measures, but not as high as the two sites discussed above. The Bexar County employment impact did not persist beyond one year, and it had the smallest positive long term child support collection impact, but still managed to reduce TANF receipt among associated CPs. The survey profile of the Bexar County site suggests several cues to this lesser, but still positive performance: they fell short on perceived Program Follow-through, Partners Capable and Collaborating, and perceived NCP motivation. Similarly, the El Paso site showed the least compliance with the Choices order, small but positive long term child support collections, no long-term employment impact, and surprisingly a slight increase in long-term TANF receipt among associated CPs. El Paso also showed weak perceived Program Follow-through on the survey and low perceived Adequacy and Availability of Workforce Services, which may be responsible for some of the weak impacts observed for the El Paso site. On the whole, then, the survey subscale scores offer suggestions for why the sites may not be doing as well as they could, and perhaps areas where they could stand to improve.

In summary, the NCP Choices program appears to have successfully achieved all of its program goals. The combination of increased frequency and amount of child support payments made by those ordered into NCP Choices, increased consistency of child support payment, increased employment rates of NCPs, reduced unemployment claims, and reduced TANF receipt by associated CPs all point to greater economic self-sufficiency on the part of CPs and NCPs. Also encouraging is the fact that these positive findings generally persist for at least two to three years after the program, whereas the one negative finding, of reduced earnings among the employed, dissipates after the first post-program year. Finally, the fact that positive impacts were reported in all sites on most of the outcome measures suggests that NCP Choices is a robust program design that should continue to produce benefits in the recent expansion beyond the pilot sites, as well as any future expansion, perhaps even statewide.

Next steps for the ongoing impact evaluation will include the addition of the six expansion sites, for a total of ten sites in both the impact analysis and continuing work with the site survey. This should add substantially to the ability to discern which aspects of sites are responsible for the overwhelmingly positive program impacts. Also, we will continue seeking to include better measures of offender status, both for improvement of the

comparison group selection procedure, and as a potentially superior measure of incarceration as an outcome. Longer-term outcomes will also be examined up to four years after the program, which, in addition to the new sites, will broaden the generality of the results.

Although a formal cost-benefit analysis was not part of this report, it is clear that the economic benefits to the state, to taxpayers, and to the NCP Choices participants and their families were substantial. Considering that primarily existing staff time was utilized by all partners in the implementation of the program, the bulk of the cost was for the workforce services themselves. Even a conservative tabulation suggests that the economic benefits were roughly twice the costs. Given the high level of success observed thus far, the Texas Legislature should seriously consider funding a statewide expansion of this program, so that low-income families all over the state can benefit from this proven successful model.

# I. Introduction

The Non-Custodial Parent Choices initiative (NCP Choices) began in 2005, when the Texas Office of the Attorney General (OAG) partnered with the Texas Workforce Commission (TWC) to implement a model employment project for unemployed and underemployed non-custodial parents (NCPs) of children who are current or recent recipients of public assistance, and who were behind on their child support payments.[1] The project established links among IV-D courts responsible for child support issues, OAG child support staff, and local workforce development boards to provide employment services and child support compliance monitoring to NCPs who need them.

In order to obtain an objective outside assessment of the program, the OAG contracted with the Ray Marshall Center for the Study of Human Resources (RMC) at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin to conduct an analysis of the program impacts on key outcome measures, and to study the implementation of NCP Choices at various stages. This report presents results from an impact analysis, utilizing scientifically valid methodology involving a pre-post comparison group design to estimate program impacts after several years of operation in the four original sites. It also updates the previous implementation work using insights gleaned from a site visit to Bexar County and an electronic survey of staff in partner agencies in 10 NCP Choices sites. These include four original sites that began operations in late 2005: Bexar County, Hidalgo County, Galveston/Brazoria Counties, and El Paso County; as well as six that started in late 2007: Cameron County, Dallas County, Harris County, Jefferson County, Lubbock County, and McLennan County. Program impacts for these latter sites will be included in a future report.

## Choices Program Overview

To understand the NCP Choices program, one should examine the original Choices program, established by the Texas Workforce Commission (TWC) to address the employment and training needs of welfare families and custodial parents. The Choices

[1] Note that appendix table A-12 includes explanations of most acronyms used in this report.

program is the Temporary Assistance for Needy Families (TANF) Employment and Training program (formerly the JOBS program) operated under TWC's primarily work-first oriented service model. The TWC website provides the following rationale for the Choices program: "both State and federal welfare reform legislation emphasizes personal responsibility, time-limited cash assistance benefits, and the goal of work instead of welfare." The Choices program provides workforce development services to both single- and two-parent families. Although the program emphasizes work-first strategies such as job search, it has features of a mixed model, in that it provides some training to those who are not work-ready.

Participation in Choices begins with a workforce orientation for applicants as their introduction to workforce center services. The initial activities provided to the Choices participants include both job readiness and job search. Those participants who do not find immediate employment are required to participate in community service. Participants who are actively pursuing employment are eligible for support services, including child care, transportation assistance, work-related expenses, and other support services to help in employment efforts. Some training opportunities are made available as well. Those public assistance recipients who are required to participate but fail to do so without "good cause" suffer sanctions and discontinuation of benefits. Finally, Choices participants are granted post-employment services to assist in "job retention, wage gains, career progression and progression to self-sufficiency." Given this model, the NCP Choices program was developed to provide non-custodial parents with similar services.

**NCP Choices in Brief**

The NCP Choices program is a model employment program for unemployed or low-income NCPs whose child was either currently receiving or had ever previously received public assistance. The program involves links between the IV-D courts, OAG's child support enforcement efforts, and TWC's local workforce boards. This particular approach and model grew out of research and experience with serving this target population over at least a decade.

In previous efforts involving NCPs, workforce providers, child support agencies, and non-profit community based organizations had attempted to connect unemployed non-

custodial parents with employment services to enable those individuals to better support their children financially. The outcomes or impacts from these projects were typically modest, generally resulting in only slight increases in earnings among participants and some gains in child support paid. Programs with the best outcomes—that is, higher and more consistent child support payments—"were those that linked a strong judicial order to participate in employment services, close monitoring of NCP program participation by workforce staff, reports of non-participation back to the courts, and 'swift and certain consequences' for non-participation (in other words, jail time!)"

The NCP Choices program targets unemployed NCPs with unpaid child support orders in cases managed by the OAG's Child Support Division that involved custodial parents who currently or previously had received Temporary Assistance for Needy Families (TANF) benefits or had been enrolled in Medicaid. The NCPs must also reside in the geographical areas served by the participating local workforce boards.

**NCP Choices Program Model**

The NCP Choices model is straightforward: targeted NCPs are given the choice of paying their child support, participating in workforce services, or going to jail. The primary distinguishing features of NCP Choices are *mandatory participation* and *clear choices*—pay, play or suffer the consequences.

Key elements of the NCP Choices model include the following:

- The OAG identifies NCPs on its caseload who are currently noncompliant with their child support payments, whose children either are or have been on welfare, and who also reside in the designated workforce service areas.
- The IV-D Court either sets an enforcement docket for the identified NCPs, or includes eligible NCPs on a regularly scheduled docket.
- OAG staff prepares court orders or modified probation orders.
- NCPs have the choice of signing the consent order to participate in workforce services, making a payment, or going to jail.
- Contractor staff for the local workforce board attends the enforcement docket, enrolls NCPs at the IV-D court, and explains the contract outlining NCP rights and responsibilities and the consequences of non-participation. Depending on the site, they then either set appointments for NCPs to come to one-stop

centers to receive workforce services or the local workforce representative offers immediate assistance at the courthouse in a designated office.

- A Choices On-Line Tracking System (COLTS) allows both OAG and workforce staff to track the progress of identified NCPs and securely exchange such information.
- A 14-day or 30-day compliance report regarding NCP program participation and/or reported employment is sent to OAG and the IV-D courts from the boards' contractor staff. This evidence on NCP participation and employment is entered at a scheduled compliance hearing.
- Capias—court orders to take custody—can be issued for noncompliant NCPs. The individual Judges have discretion to evaluate the reason for noncompliance and decide whether to give these NCPs another chance with the program.
- NCPs who successfully find employment are monitored for six months by the local workforce representative to ensure they remain employed.

**Impact Analysis Overview**

The impact analysis is primarily concerned with assessing the impact of the NCP Choices Program on several outcomes of interest. These outcomes fall into categories of participation by NCPs in workforce development, to gauge the effectiveness of mandatory program participation; child support collections, which affects the self-sufficiency of families and potential cost savings to the state; and employment/earnings, unemployment claims among NCPs, and TANF receipt by custodial parents (CPs), as measures of economic self-sufficiency. Specific outcomes of interest include:

- Workforce development participation by NCPs,
- Frequency of child support payments,
- Consistency of child support payments over time,
- Employment rates and earnings levels for NCPs, and
- Unemployment Insurance claims by NCPs
- TANF participation among associated CPs and their children.

## Organization of the Report

This report is organized into five chapters. Following this introductory chapter, Chapter II reviews the research literature on non-custodial parents and programs referring and providing them with workforce development services. This review emphasizes programs designed for non-custodial parents in Texas, including earlier research and evaluation projects conducted by the Ray Marshall Center. Chapter III provides a summary of process analysis observations and findings from prior NCP Choices reports, followed by new analysis based on a site visit to Bexar County as well as an online survey of all important actors in all the local sites. Chapter IV details the research questions and expected effects, describes the comparison group research design for the impact analysis, and presents results of the comparison group selection. Finally, Chapter V provides estimated program impacts in both short-term (one year) and longer-term (two to three years) time frames. It also discusses implications, particularly in light of the survey findings, and includes discussion of limitations of the analysis and next steps.

# II. Non-Custodial Parents in the Literature

## Background

The number of children living in single-parent households in the United States has increased dramatically since the 1960s. While an estimated nine percent of children under 18 years of age lived with a single parent in 1960 (Sigle-Rushton & McLanahan, 2002), by 2005 this rate had increased to nearly 31 percent (U.S. Census Bureau, 2005). As a result, most children living in the United States today will spend some part of their childhood in a single-parent household (Legler, 2003).

Policymakers are especially concerned with the disproportionate number of single-parent households living in poverty. According to the 2005 American Community Survey, while 10.2 percent of all U.S. families had incomes below the poverty level, 37.7 percent of families with a female head of household and no husband present fell below the poverty level in 2005. In Texas the picture is even worse, with 14.2 percent of all families below the poverty level in 2005, and 42.7 percent of families comprised of a female head of household with no husband present living below the poverty level.

## The Significance of Child Support

Policymakers view child support as a key strategy for reducing high poverty rates among single-parent families and reducing the public costs associated with supporting these families. Child support can be an important source of income for single-parent households, especially for poor families:

- Twenty-two percent of poor women who received child support in 1995 were lifted above the poverty line by child support receipts (Miller et al., 2005).
- In 2001, child support payments accounted for 30 percent of income ($2,550) in families with incomes below 100 percent of the federal poverty guidelines. Child support accounted for 15.5 percent of income ($3,980) for families between 100 and 200 percent of the poverty guidelines (Sorensen, 2003).
- In 2007, 13.6 percent of child support cases included families currently receiving public assistance and 46 percent included families who had previously received assistance (DHHS, 2007). In Texas, on the other hand, the child support caseload is less dominated by TANF and former TANF

recipients. Only 7.4 percent of Texas FY 2007 child support cases included families currently receiving public assistance and 40 percent included families who previously received assistance.

- Nationwide in 2007, child support enforcement (CSE) collected about $950 million for families currently receiving public assistance and $9.5 billion for families who had previously received assistance.
- In Texas in 2007, the current/former TANF disparity was greater, with CSE collecting $13.6 million for families currently receiving assistance and $761 million for families who had previously received assistance.

Compliance with child support orders has improved substantially in recent years, in part because of changes implemented as part of national and state welfare reforms. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) enacted in 1996 made nearly 50 changes to the child support enforcement system, including streamlined paternity establishment procedures, implementation of the National Directory of New Hires to track NCPs with child support arrears, and uniform interstate child support laws (DHHS, 2004). As a result of these and other changes:

- The proportion of families in the child support program receiving payments more than doubled from 1996 (20 percent) to 2003 (50 percent) (Turetsky, 2005). In Texas, Schexnayder et al. (1998) found that "paternity establishments, established orders and collections have all increased as a result of Texas' efforts to strengthen enforcement procedures."
- The number of parents receiving the full amount due increased from 37 percent in 1994 to 45 percent in 2005 (Miller et al., 2005).
- In 2007, child support enforcement collected almost $25 billion nationally, a 3.8% percent increase from 2006. Texas had the highest collections in the country in 2007, overtaking California with $2.2 billion in collections, an increase of 11.5% from 2006 (DHHS, 2007).

Despite these gains, the system continues to have its shortcomings:

- The proportion of custodial mothers receiving support has remained fairly constant (75 percent) over the past decade.
- Child support receipt rates for TANF recipients have increased over time but remain lower than receipt rates for non-recipients of TANF.

- Fewer TANF parents (53 percent) have child support awards than their non-TANF counterparts (63 percent).

And perhaps most disturbingly, recent federal legislation, in the form of the Deficit Reduction Act of 2005 (DRA), substantially reduced federal financing of state child support enforcement. Effects of this incentive funding reduction are projected to reduce child support enforcement performance, particularly in higher-performing states like Texas (Lewin Group, 2007). In the absence of state replacement of these funds, expected effects include:

- Reduced establishment of orders,
- Reduced current collections, and
- Increasing effects over time, as current order establishment declines affect future collections.

The full effects of the DRA on child support collections for poor families have yet to unfold. Even if the projected child support declines fail to materialize, because so many (37.7 percent) single-head-of-household families continue to subsist on poverty-level wages, increasing child support compliance remains a key strategy for lifting these families out of poverty.

**Reasons for Noncompliance**

Non-custodial parents who fail to comply with child support orders are often stereotyped as "deadbeats," or mean-spirited individuals who are indifferent to their children's needs. However, research demonstrates that parents' actual reasons for noncompliance are far more complex. In fact, there is strong evidence that most NCPs care about the well-being of their children and want to be involved in their lives (Sylvester and O'Connell, 2002). The complex reasons NCPs fail to meet their formal child support obligations include general mistrust and suspicion of child support enforcement, use of informal supports, disputes with the custodial parent, and perhaps most importantly of all, lack of financial resources.

### *Mistrust and Suspicion*

NCPs may view the child support enforcement system as unfair, insensitive, and punitive. Non-custodial parents:

- Often assume that orders are pre-set and allow no room for negotiation, creating a "resentment of the insensitivity of the system towards their precarious and shifting circumstances" (Furstenberg et al., 1992).
- Complain that the system is more diligent in enforcing child support orders than enforcing their visitation rights (Baron and Sylvester, 2002).
- Perceive the child support system as equivalent with the criminal justice system, and assume that the primary goal of the program is punitive action towards them (Reichert, 1999; Doolittle and Lynn, 1998).
- Have "a general feeling that the courts should not interfere in their families" (Furstenberg et al., 1992).

### *Informal Supports*

For a variety of reasons, many NCPs provide their children with an "informal" version of child support such as gifts of cash, clothing, diapers, formula, or toys (Sander and Rosen, 1987). Possible explanations for a tendency towards provision of informal support include distrust of government, a personal preference for tangible gifts, potential for increased contact with the children, concerns that income earned illegally will draw unwanted attention to the NCP's finances, and avoidance of TANF pass-through policies, which in some states (Texas included) retain a portion of child support payments for the state as a reimbursement for public assistance funds paid to the family.

### *Disputes with the Custodial Parent*

NCPs sometimes withhold child support due to disagreements with the custodial parent (Baron and Sylvester, 2002). Common sources of tension between the parents include disputes over custody, visitation rights, or child support; hostile relations with custodial parent's extended family; jealousy over competing romantic relationships; disputes over child-rearing practices; and poor personal relationships between the parents as a result of immaturity and limited exposure to positive relationship role models.

### *Lack of Financial Resources*

Perhaps the biggest barrier to paying regular child support that NCPs face are that many are poor themselves and face a variety of financial challenges. For example:

- Boyd (1999) found that 41 percent of low-income, non-custodial fathers had been unemployed for at least one year.
- Sorensen and Zibman (2001) found that 2.5 million non-custodial fathers lived in poverty and had a limited ability to pay child support.

The reasons for NCP financial challenges are complex. Economic trends over the past thirty years – including the decline in the manufacturing sector and emigration of jobs out of the inner city – have left unskilled men especially with fewer opportunities for meaningful employment (Knox and Miller, 2001). Other barriers to gainful employment faced by NCPs include:

- **Limited Education** – Sorensen (1997) found that an estimated 40 percent of low-income NCPs had not completed high school or earned a GED.
- **Limited Work History** – Many NCPs have little or no work experience, making it difficult for them to obtain well-paying jobs (Sylvester and O'Connell, 2003).
- **Mental Health & Behavioral Issues** – NCPs may experience feelings of depression, anxiety, and hopelessness (Weinman, Smith and Buzi, 2002).
- **Substance Abuse** – Some NCPs have drug or alcohol addictions that affect their employability (Baron and Sylvester, 2002).
- **Insufficient access to transportation** – The lack of reliable transportation makes it difficult for NCPs to secure and retain good jobs.
- **Transience** –Many low-income NCPs move frequently, have no stable home setting, and are difficult to contact (Doolittle and Lynn, 1998).
- **Criminal Backgrounds** – Reichert (1999) indicates that up to 70 percent of all low-income NCPs have had contact with the criminal justice system. Criminal backgrounds create serious obstacles to securing employment.

If research demonstrating that NCPs want to be responsible parents is correct, addressing the complex array of issues facing this population may be the most promising route to improving child support enforcement and, subsequently, improving the lives of children in single-parent families. The following section discusses some of the strategies programs are trying in order to address these issues.

## Enhanced Child Support Enforcement

Given the continuing challenge of improving child support compliance, there is considerable interest in "enhanced child support enforcement" programs which go beyond traditional child support enforcement activities in order to test innovative approaches to increasing compliance. These programs typically focus on efforts to connect unemployed and underemployed non-custodial parents with employment services so they can better support their children financially. Common services include job training and/or job placement assistance; group and individual counseling; mediation and/or legal assistance with custody or visitation issues; parenting education; mentoring; case management; and assorted supportive services such as basic needs assistance and substance abuse counseling.

To date, the effects of the majority of NCP programs have been modest and, at times, equivocal. A recent literature review (Looney and Schexnayder, 2004) found that programs for non-custodial parents:

- Encourage participation in workforce activities;
- Increase employment, at least in the short term;
- May increase earnings; and
- Sometimes increase the frequency of child support payments.

Because of data collection issues and difficulties in comparing programs with greatly varying approaches, quality of services, and intensity of services, the reasons for these relatively weak impacts are not entirely clear. However, research does suggest that - excluding circumstances beyond programs' control (e.g., an economic downturn) - there are two fundamental challenges facing enhanced child support enforcement programs for NCPs: difficulty implementing services as designed, and difficulty recruiting, enrolling, and retaining participants.

### *Implementation Challenges*

Difficulties in implementing services as designed are certainly not unique to programs that serve NCPs. The most commonly cited problems relate to the timeframe for a program: longer-than-expected startup periods and overall program evaluation durations that are too short for the interventions to have their desired effect (Looney and Schexnayder,

2004; Schroeder, Looney, and Schexnayder, 2004). Research suggests that these problems could be resolved if 1) program designers will allow sufficient time for a development phase to test and refine interventions prior to full implementation and 2) funders will adapt their schedules to provide programs with ample time to implement a program and sustain it long enough for effects to take hold and be measured.

There are also noteworthy challenges associated with coordinating services across multiple organizations. Substantial time should be reserved for planning, coalition building, and testing prior to full-scale implementation. Looney and Schexnayder (2004) recommend that staff have a demonstrated ability to "build referral networks with local organizations, effectively communicate priorities to staff members, and be open to considering feedback and suggestions, and approach programmatic challenges with creative solutions."

***Participation Challenges***

Participation issues are even more complex. A disconcertingly large share of programs serving NCPs in the past decade found it difficult to recruit the targeted number of parents. Some of the challenges associated with participation rates can be mitigated through thoughtful planning, more effective program management, and changes in program design. But some of the challenges are so persistent they suggest a paradigm shift may be necessary. The first and most important step is to address these implementation challenges so that programs are able to provide significant numbers of NCPs with the services the programs advertise. This not only helps with retention but can also help with organic recruiting because NCPs alerting other NCPs about the program is known to affect NCP program participation (Looney and Schexnayder, 2004). Program designers must also pay attention to eligibility rules: casting a wider net is likely to engage a larger number of NCPs. It is important to keep eligibility issues in mind when selecting a funder; many grants – especially those provided by the federal government – have stipulations that limit eligibility for potential participants.

Once these two underlying issues are addressed, program directors must next choose whether they wish to run a voluntary program or a program that compels participation through a judicial mandate (or a mix of both). Voluntary programs typically need to engage

in creative, aggressive outreach campaigns to attract participants. Strategies include media campaigns, posting fliers, canvassing, and house visits. Referrals from partner agencies may also be helpful. If a program is able to gain the trust and approval of its participants, they may also be a good source of recruits. One site of the Bootstrap project had 14 "peer referrals" in which fathers referred friends and family members to the program (Looney and Schexnayder, 2004).

While some NCPs will *voluntarily participate* in enhanced child support enforcement programs out of concern for their child's well being, these parents are, in fact, rare. As discussed previously, many NCPs fear and distrust the formal child support system and are reluctant to get involved in any program associated with it. Furthermore, because most government and social service programs have historically targeted women and children, there may be a stigma associated with men's participation (Looney, 2004). Given the fact that the overwhelming majority of NCPs are male, this stigma could act as a major deterrent to participation.

To overcome these challenges, most voluntary programs employ some sort of incentive to encourage participation. Past incentives include adjustments to child support orders, arrears forgiveness, the opportunity to access legal counsel, and cash stipends. The efficacy of using incentives is unclear. While programs that provided cash stipends have had modest success with incentives, they nevertheless struggled to reach their enrollment goals (Schroeder, Looney, and Schexnayder, 2004; Looney and Schexnayder, 2004).

An alternate strategy for improving participation rates is *mandating participation* through judicial orders reinforced by "swift and certain consequences" for non-participation. Experience suggests that these strategies may have some promise. The Shawnee County Non-custodial Project began as a voluntary Welfare-to-Work project. After multiple outreach attempts, only two NCPs enrolled in the program, both of which dropped out the same day. However, when the program shifted to a model in which a judge mandated participation or jail, 65-80 percent who agreed to participate did so and 65-90 percent of the participating NCPs made monthly payments (Hayes, 2004). The Parents' Fair Share Demonstration also found that the likelihood of sanctions for nonappearance made a difference in appearance rates (Doolittle and Lynn, 1998).

Nevertheless, sanctions also have their limitations. Getting NCPs to appear at a meeting to review or set their child support orders—the first step to establishing a participation mandate—can be very challenging. The Parent's Fair Share initiative had appearance rates ranging from 5 percent to 70 percent. Furthermore, cost issues present a challenge, as it sometimes costs taxpayers more to support the parent in jail for a few days than the parent's total monthly child support obligation (NASWA, 2002). Imposing sanctions for nonappearance proved to be more difficult than anticipated under the Parent's Fair Share program (Doolittle and Lynn, 1998). Most importantly, sanctions alone fail to address the root causes of noncompliance for poor NCPs who have difficulty paying due to low or nonexistent earnings and problems with mental illness or substance abuse, among others.

Further research evaluating programs such as NCP Choices is needed to clarify whether sanctions 1) improve program participation rates, and 2) result in positive outcomes for NCPs and their families. By further exploring this topic, the NCP Choices project will bolster our understanding of the efficacy of sanctions.

# III. Process Analysis

An early implementation study on NCP Choices was described in a previous report (Schroeder et al, 2005), followed by detailed analysis of the processes involved in a more mature NCP Choices program (Schroeder et al, 2007). Results of the latter report are summarized briefly below.

In lieu of conducting extensive site visits to gather process data for the present evaluation report, the research team decided instead to conduct an online survey of all persons responsible for the various components of the NCP Choices program, including staff from the Office of the Attorney General, the Texas Workforce Commission and its local contractors providing workforce development services, and the IV-D (Child Support) court judges and their staff. This survey was administered in June through August of 2008. It was completed by staff at the four original NCP Choices sites: Bexar County (San Antonio), El Paso County, Galveston/Brazoria Counties, and Hidalgo County; as well as six additional sites that established NCP Choices programs in late 2007: Cameron County, Dallas County, Harris County (Houston), Jefferson/Orange Counties (Beaumont), Lubbock County, and McLennan County (Waco). The survey was also administered to the site in Tarrant County (Ft. Worth), which has been conducting a similar program under the NCP Choices name since 2006, but which was not included as a study site for the impact analysis because its program differed in several key respects from the other four sites. Preliminary analysis of survey responses is presented below. The results of the survey are used later to aid in interpretation of the results of the impact analysis.

## Summary of Prior Process Studies

The following general observations are offered based on the detailed review in the summer of 2007 of implementation experiences in El Paso County, Bexar County, Galveston/Brazoria Counties and Hidalgo County in the Rio Grande Valley.

First, the NCP Choices model—with its emphasis on limited but clear choices, mandatory participation, and "swift and certain" consequences (i.e., jail) for NCPs failing to participate—appeared consistent with the evaluation literature on such efforts and had definite "buy-in" from the key players at the state level and in each of the local sites visited.

This is critical for successful implementation of the model. In Bexar County, with its unique challenge due to jail overcrowding, the threat of jail time is thought to be less of a deterrent to non-compliant NCPs.

Second, the program is widely believed to be a success at all four sites. This belief is largely confirmed by empirical evidence presented below, although the degree of success was found to vary by site. All respondents seemed fully engaged in and committed to project implementation and anxious to continue and expand the project.

Third, some NCPs have significant barriers to participation, employment, and career advancement that may be difficult to fully address in the NCP Choices program. Helping individuals with substantial barriers—including poor education, uneven work history, limited skills, criminal backgrounds, substance abuse, mental illness, and transportation difficulties—to become economically self-sufficient and make consistent child support payments may take more than is envisioned in this initiative. There has been an ongoing mismatch between the job skills and qualifications that NCPs embodied and well-paying employment in the areas of growth in these local labor markets. On the other hand, addressing some of these issues through long-term training would pose equity concerns with the custodial parents who were in need of child support. Providing both long-term training to NCPs and contemporaneous monetary support to the associated CPs could solve the equity issues, but would be an expensive (though possibly worthwhile) proposition.

Fourth, NCPs ordered into NCP Choices tend to have very high child support arrears balances – on the order of $30,000 or more, about three times higher than for the typical NCP in these counties. Thus, these are arguably some of the harder-to-serve NCPs; however, they also have the highest potential for program success in terms of arrears reduction. By concentrating limited program resources on those with the greatest arrears balances, NCP Choices provides an opportunity to make substantial progress in collecting these debts.

Finally, new problems will likely surface with the expansion of the program into six new sites that will provide challenges to the program coordinators. The utilization of annual Peer Learning Colleges, or full-day collaborative meetings among front-line staff of both the old and newly operating sites, should be helpful in disseminating best practices information as well as coming up with new solutions.

**Online Survey of Staff Opinions**

The purpose of the online survey was to measure in a quantitative fashion important features of the NCP Choices program in order to discern variations from site to site, and ultimately to determine whether one or more of these features is related to the level of success experienced at the various sites. Although the survey was administered to all staff from eleven sites, the bulk of the analysis in this report is limited to the four original sites. Thus far, data from the seven additional sites were used only for internal analysis and development of subscales to summarize responses to the survey (described below). Data collected from these additional sites, as well as qualitative data that have not yet been analyzed, will be used in support of an impact analysis for all ten sites to be completed in the summer of 2009, after the new sites have had enough time in operation to observe program impacts.

The survey instrument has 42 questions, including six background questions, 32 questions about the program, and three survey development questions. The background questions established the recipient's relationship to the program; the program questions measure the recipient's opinions about the program; and the survey development questions helped us determine the usability of the survey and potential for future improvement. Twenty-eight of the 32 program questions were rated on a 5-point Likert-type scale with responses including "Strongly Agree," "Agree," "Neutral," "Disagree," and "Strongly Disagree," and with an additional choice for "Don't Know/Not Applicable." These 28 items (see Appendix Table A-1 for items) will be the focus of extensive analysis below.

Survey Monkey (www.surveymonkey.com) was used to deliver the survey via the Internet because it is readily accessible from all sites, affordable, reasonably secure, and has features for easy tracking and follow-up with respondents. One-hundred-sixty recipients, consisting of all front-line staff in the eleven sites, were each sent an initial email invitation to take the survey. Those who did not respond were sent several reminders, including for many a follow-up phone call after several email attempts. Recipients had at least three weeks from the initial email to respond before the survey was closed and no more responses were collected.

### *Survey Scoring*

Of the 160 email invitations sent out, 132 respondents eventually completed the survey, yielding a very good response rate of 83 percent. The 28 survey response items related to the NCP Choices program that were answered on a 5-point Likert scale had been designed to address a number of specific topic areas deemed to be relevant to the likelihood of success of the NCP Choices program at each site. There were not nearly enough responses to do a factor analysis (500 would be good), so instead a scoring scheme was developed based on internal consistency analysis of items comprising the initial topic areas. Some of the topic areas had items that were found to cluster together well in the results and some didn't. Some of the topic areas had items removed, and/or were then combined with items from other areas based on item-total correlations. In the end, seventeen items were found to cluster into four subscales with respectable internal consistency, while the remaining eleven items were deemed less useful. The four subscales thus created from these seventeen items provided the basis for further analysis, and are described next.

### *Subscales*

**NCP Motivation**. The first subscale, which will be referred to as NCP motivation, consists of four items measuring opinions about typical NCPs and their motivations (see Table 1 for items). The scale was found to have decent internal consistency, with a Cronbach's coefficient alpha of 0.65, not bad for a one-shot survey. Further development of the questionnaire based on analysis of data from this administration would likely improve matters for the next time the survey is administered, but the present level of internal consistency is good enough to measure meaningful differences among the sites.

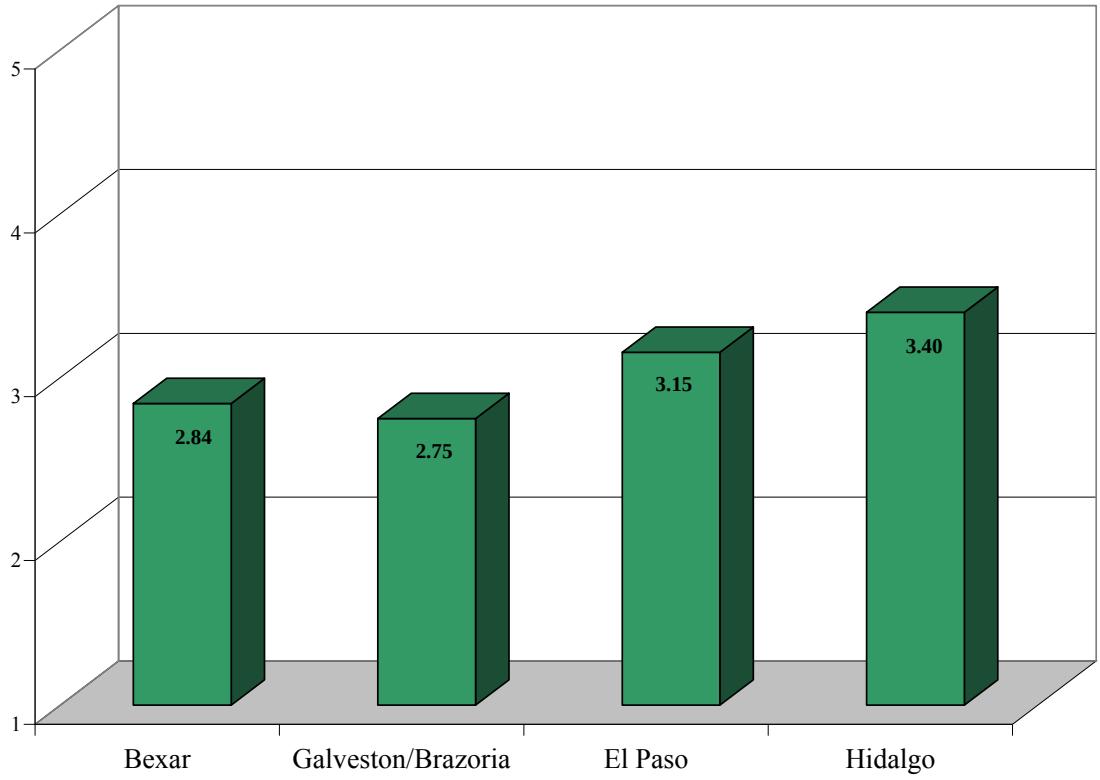
**Table 1: Items for NCP Motivation**

| | |
|---|---|
| Q12 [R] | Some NCPs truly are deadbeats, and will do everything they can to avoid their responsibilities. |
| Q18 [R] | Some NCPs are not ordered into the NCP Choices program because the services would be wasted on them. |
| Q21 [R] | Some NCPs would rather go to jail than get a regular job or join NCP Choices. |
| Q26 | Most NCPs ordered into the program really want to earn money and support their children. |

Note: [R] indicates the item is reverse-scored, otherwise higher values signify higher agreement.

Differences among the four initial NCP Choices sites on the NCP motivation subscale are illustrated in Figure 1. Hidalgo County appears to have the most motivated NCPs among these sites, or at least the partners there seem to think they do. Although the patterns among sites on this subscale may be meaningful, statistical tests reveal that the four sites' scores do not differ significantly from each other, so this subscale may or may not be particularly diagnostic for discerning the source of program impacts.

**Figure 1: NCP Motivation, scores by site**




**Perceived Program Follow-through**. The next subscale, Perceived Program Follow-through, consists of four items measuring opinions about whether NCPs in the program are adequately tracked, compliance is ensured, and they are otherwise not allowed to "slip through the cracks" (see Table 2 for items). The scale was found to have a coefficient alpha of 0.60, an adequate level of internal consistency for present purposes.

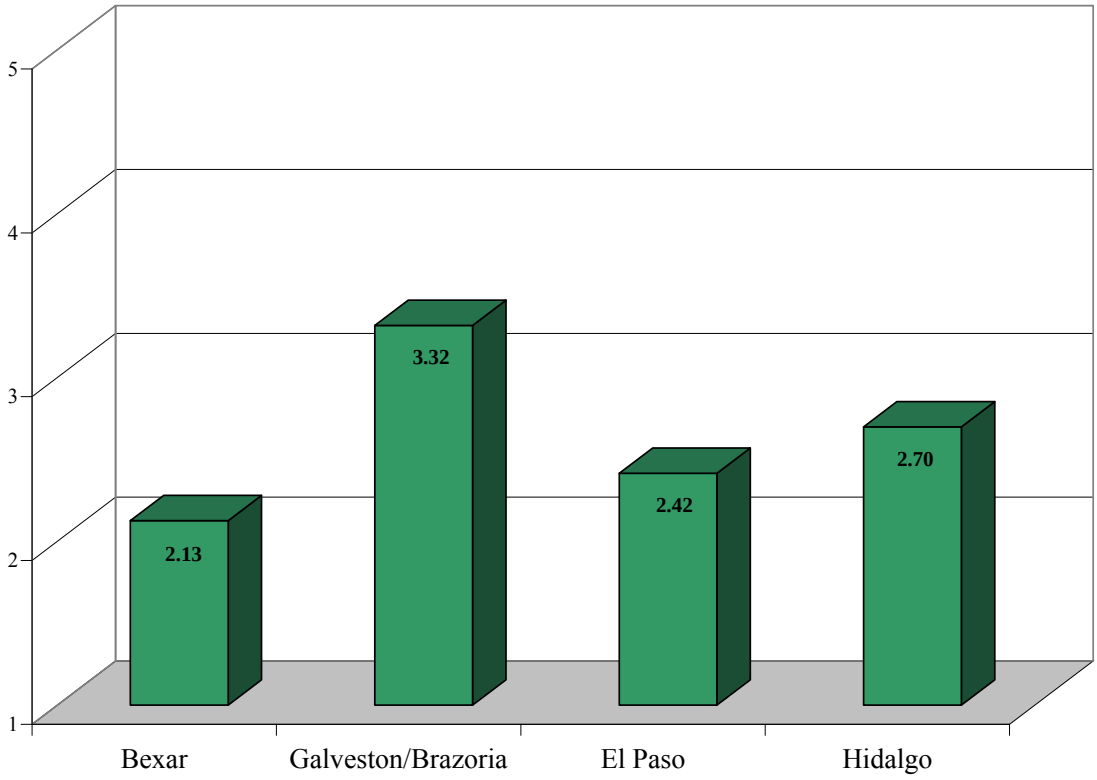
**Table 2: Items for Perceived Program Follow-through**

| | |
|---|---|
| Q10 | Nearly all NCPs who fail to meet NCP Choices program requirements are sent to jail the next time they see the judge. |
| Q11 | All NCPs ordered into the NCP Choices program are brought back before the judge within 15 to 45 days to ensure their compliance with program requirements. |
| Q15 [R] | Occasionally, an NCP ordered into the NCP Choices program can go more than two months before being brought back before the judge to ensure their compliance with program requirements. |
| Q28 [R] | Some NCPs get ordered into NCP Choices but fail to show up for follow-up appointments or otherwise slip through the cracks. |

Note: [R] indicates the item is reverse-scored, otherwise higher values signify higher agreement.

Differences among the four initial NCP Choices sites on the Perceived Program Follow-through subscale are illustrated in Figure 2. Unlike the first subscale noted above, the four sites' scores do differ significantly from each other on Perceived Program Follow-through, so the patterns could be particularly meaningful for discerning what aspects of sites might be responsible for program impacts. The Galveston/Brazoria County site appears to be well out ahead of the other sites on this, indicating highest follow-through, with Hidalgo County in a distant second.

**Figure 2: Perceived Program Follow-through, scores by site**




**Adequate and Available Workforce Services**. The third subscale, Adequate and Available Workforce Services, consists of five items gauging opinions about the extent to which workforce services are immediately available, convenient, and adequate to help NCPs gain employment (see Table 3 for items). A decent internal consistency among items of this subscale, with a coefficient alpha of 0.64, is adequate for present purposes.

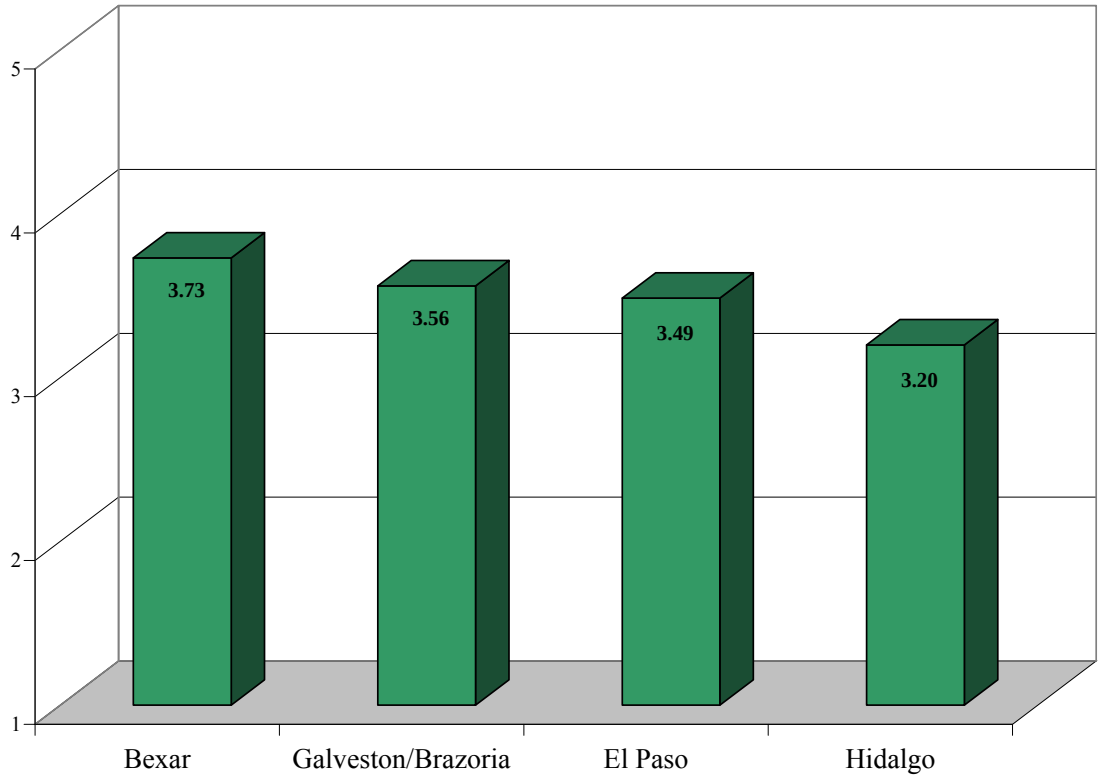
**Table 3: Items for Adequate and Available Workforce Services**

| | |
|---|---|
| Q8 | The workforce services offered to NCPs through the NCP Choices program are adequate to help them gain employment. |
| Q16 [R] | Many NCPs need more help gaining employment than the services typically provided through the NCP Choices program. |
| Q17 | There is always a workforce representative in court, or immediately available by phone, when NCPs are ordered into the NCP Choices program. |
| Q19 | The workforce representative has adequate resources (workspace, technology, etc.) at the courthouse to effectively assist NCPs when they are initially ordered into NCP Choices. |
| Q20 | The workforce facility is very convenient to the courthouse. |

Note: [R] indicates the item is reverse-scored, otherwise higher values signify higher agreement.

Differences among the four initial NCP Choices sites on the Adequate and Available Workforce Services subscale are illustrated in Figure 3. The four sites' scores differ significantly from each other on Adequate and Available Workforce Services, with the Bexar County site scoring highest, and Hidalgo County the lowest.

**Figure 3: Adequate and Available Workforce Services, scores by site**




**Partners Capable and Collaborating**. The next subscale, Partners Capable and Collaborating, consists of four items measuring the extent to which all three partners, the OAG, Court, and workforce agency or contractor, are believed to be doing a good job performing their respective roles, as well as the extent to which they collaborate and communicate well (see Table 4 for items). A coefficient alpha of 0.68 on this scale is quite good.

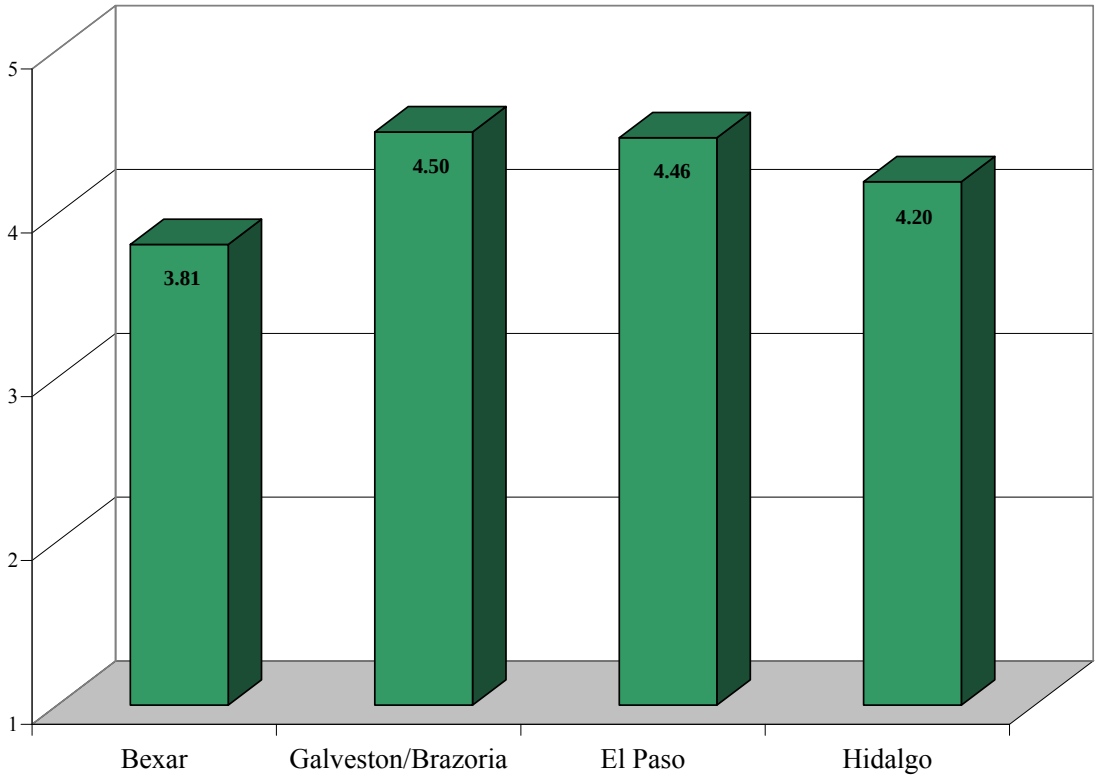
**Table 4: Items for Partners Capable and Collaborating**

| | |
|---|---|
| Q2 | The partner(s) from the OAG do a good job performing their role to make the NCP Choices program a success. |
| Q14 | There is adequate collaboration and communication among all partners on the NCP Choices team (OAG, judge, and workforce) for NCP Choices program success. |
| Q23 | The partner(s) from the workforce agency do a good job performing their role to make the NCP Choices program a success. |
| Q27 | The judge and court do a good job performing their role to make the NCP Choices program a success. |

Note: [R] indicates the item is reverse-scored, otherwise higher values signify higher agreement.

Differences among the four initial NCP Choices sites on the Partners Capable and Collaborating subscale are illustrated in Figure 4. The four sites' scores differ significantly from each other on Partners Capable and Collaborating, so the differences among the sites are meaningful. The Galveston/Brazoria County and El Paso sites score highest on this, indicating the highest level of perceived collaboration and capability, with Bexar County scoring lowest. Note also that this subscale shows a high level of agreement with the items overall, with average responses near 4-"agree" and 5-"strongly agree," so that even in the lowest site the collaboration and capability of partners should be regarded as good.

**Figure 4: Partners Capable and Collaborating, scores by site**




Score profiles of the four original NCP Choices sites on these four survey subscales will be used to enhance the discussion of site-level differences in program impacts, below.

# IV. Impact Analysis Research Design

The goal of providing Choices program services to unemployed and underemployed non-custodial parents (NCPs) was to assist them in becoming responsible parents who can meet their financial and other obligations to their children. The impact analysis was designed to determine the extent to which those ordered into NCP Choices and their families benefit from the services received, in terms of increased payment of child support and other measures, as compared to similarly situated unemployed and low-income NCPs who are not offered such services.

The NCP Choices impact analysis is presented in two chapters. This Research Design chapter presents the research questions, the expected effects of the NCP Choices program, a description of the quasi-experimental comparison group selection, and the results of this procedure including quality of the matches produced. The next chapter, Program Impacts and Discussion, presents estimated program impacts and a discussion of their implications, including limitations of the analysis and next steps.

## Research Questions

The impact evaluation addresses six research questions. The questions aim to discover the effects of being ordered into the NCP Choices program on unemployed and low-income non-custodial parents whose children are currently or formerly receiving TANF by comparing NCP Choices clients' outcomes to those of a comparison group. The comparison group consists of similarly situated NCPs in the same geographical areas who are not ordered into the NCP Choices program. As described in the following section, this comparison group is formed through quasi-experimental selection procedures.

The NCP Choices program model includes mandatory, court-ordered participation in workforce development services with the threat of jail time for non-participation for non-custodial parents of children who were or are receiving welfare benefits. The research questions are designed to elucidate effects of the NCP Choices program on child support collections, workforce development participation, employment and earnings, unemployment

claims, and TANF receipt by associated custodial parents. Detailed research questions on these outcomes of interest are as follows:

1. Does the NCP Choices program lead to increased child support payments by non-custodial parents?
2. Does NCP Choices lead to more *consistent* payment of child support over time?
3. Does NCP Choices lead to increased workforce development participation by non-custodial parents? Alternatively, does it lead to increased incarceration rates for non-payment of child support?
4. Does NCP Choices lead to increased employment rates and earnings levels by non-custodial parents?
5. Does NCP Choices lead to reduced unemployment claims by non-custodial parents?
6. Does NCP Choices for non-custodial parents lead to decreased TANF participation for the associated custodial parents (CPs) and their children?

These questions and the expected effects of the NCP Choices program, as informed by the literature, are summarized in Table 5. In particular, based on recent studies of Texas low-income NCP populations (Schroeder, Looney, and Schexnayder, 2004; Schroeder, King, and Hill, 2005), the NCP Choices program is expected to lead to increased and more consistent child support collections, increased employment, reduced unemployment claims, and reduced reliance on TANF by the associated custodial parents.

**Table 5: Research Questions and Expected NCP Choices Effects**

| Research Question | Expected NCP Choices Effect |
|---|---|
| Q1. Payment of child support. | + |
| Q2. Consistent payment of child support. | + |
| Q3. Workforce development participation by NCP. | + |
| Q4. Employment and earnings of NCP. | + |
| Q5. Unemployment claims by NCP. | – |
| Q6. Use of TANF by CP. | – |

## Quasi-Experimental Comparison Group Design

Ideally, from the perspective of impact evaluation, the NCP Choices demonstration would have been conducted as a true experiment by randomly assigning potential participants to experimental and control groups. However, because a random assignment design was not feasible for the NCP Choices demonstration, an alternative approach to comparison group selection was utilized. Over the years, researchers have developed a number of 'quasi-experimental' approaches for creating counter-factual comparison groups when random assignment is not possible for whatever reason (NRC, 2001). Although the methods are not perfect, they represent the best approach available, short of random assignment, for selecting near-equivalent comparison groups.

One approach to creating a 'quasi-experimental' comparison group that is as similar as possible to the experimental group in all measurable respects involves selection of multivariate 'nearest neighbors.' This involves systematically comparing each experimental group member to all potential comparison group members on a number of characteristics using a formula to compute multivariate distance. The dimensions on which they are compared typically consist of demographic, economic, program participation and other

characteristics. The potential comparator with the closest matching characteristics, known as the 'nearest neighbor,' is then selected to be in the comparison group. This process is continued until all members of the experimental group have had their own nearest neighbors chosen. Outcomes are then compared for the two groups in order to compute net impacts (e.g., Heckman, 1992; Heckman & Hotz, 1984). A detailed discussion of comparison group selection is provided below.

## Comparison Group Selection Procedure

The following procedures and variables were used in the selection of nearest neighbors to comprise the quasi-experimental comparison group. The selection of nearest neighbors for the NCP Choices project began with the identification of an appropriate pool of clients from which to choose the comparison group. Because it was desirable to have members of the comparison group be as similar as possible to those ordered into NCP Choices, the statewide database of NCPs with active child support cases was utilized as a starting point. From this, the matching procedure considered detailed geographic, demographic and historical information on their child support collections, earnings, and other relevant information to select similarly situated NCPs, as described below.

### *Matching Procedure*

Nearest-neighbor matching is an iterative computational process done for one NCP Choices participant (or target) at a time, as follows. First, the initial pool of potential neighbors for the target participant was restricted to those with an exact match on important categorical dimensions, including county of residence, gender, time, and others, for which 'distance' is difficult or impossible to quantify. Next, the target participant was compared against every remaining potential neighbor on all important near-continuous dimensions that could be measured through our administrative data sources. To objectively measure the degree of similarity between a target and potential comparator, standardized absolute distances between each pair on relevant dimensions were summed to arrive at a measure of total multivariate distance (Mahalanobis, 1936). When all potential neighbors had been compared to the target, the one with the shortest distance, or the person most similar to the target in multivariate space, was selected as the nearest neighbor. This neighbor was retained

for the comparison group, then removed from further matching consideration[2], and the process was repeated for the remaining NCP Choices participants until the selection of the comparison group was complete.

### *Basic dimensions for matching*

The basic dimensions for selecting a comparison group of non-custodial parents not ordered into the NCP Choices program would typically consist of variables from the following categories:

- Demographics at program entry, including age, marital status, and race/ethnicity;
- Employment and earnings histories, as measured from the UI earnings database;
- Child support case features, including number and ages of children, collections history (including the current arrears balance that makes the NCP a target), and number of other cases with which the NCP is associated;
- Features of the custodial parent (CP) on the case to which the NCP is linked, including demographics, employment, earnings, and assistance histories, and number of other child support cases on which the CP is listed;
- Geography, as measured by county of residence (exact match required);
- History of NCP participation in workforce development services; and
- Date of entry into the NCP Choices program was controlled for implicitly by selecting comparison group members based on their characteristics as of each NCP Choices group member's program entry date.

Not all of the dimensions identified above were included in the match procedure. However, the subset of measures used (see Table 6 and Table 7) includes all the most important ones, and should ensure adequately matched comparison group members.

[2] This is known as sampling without replacement, and it prevents the same comparator being selected for the comparison group multiple times. While it is possible to sample with replacement and get slightly better matches, this requires a complex adjustment to the standard errors, and can lead to the undesirable situation of having one person serve as comparator for a large number of treatment group members.

## Comparison Group Selection

This section describes the situation before and after the selection of a comparison group for evaluating the impacts of NCP Choices. First, Table 6 presents a comparison of NCP Choices clients against the *entire pool* of available, comparable NCPs with active child support cases in the same counties as those served by NCP Choices. This comparison illustrates the ways in which the NCPs ordered into the NCP Choices program differed systematically from other NCPs in the same areas. Later, after the selection is completed, Table 7 compares NCP Choices clients against members of the comparison group selected to be as similar as possible to NCP Choices clients on these measured dimensions.

### *Before selection: NCP Choices clients compared to all NCPs*

Table 6 compares relevant pre-program characteristics of NCP Choices clients and the entire pool of NCPs from which a comparison group is to be chosen. Initially, the comparison group pool consists of all other similarly situated NCPs with child support cases in one of the five target counties served by the four sites (including Bexar, Brazoria, El Paso, Galveston, and Hidalgo counties). Results of this comparison indicate that, on average, NCP Choices clients differ considerably from other NCPs in the same geographic areas. NCP Choices clients tend to be younger, are slightly more likely to be female, less likely to be Hispanic, more likely to be black, have more active child support cases, and have longer earnings histories than other NCPs in the area. NCP Choices clients also are less likely to have been employed in the quarter of entry, earn less than half as much as other NCPs, and are twice as likely to have experienced a recent dip in their earnings levels. Among those experiencing a dip in earnings, the dip was greater, as a percentage of income, as compared to the experience of other NCPs in the area. NCP Choices clients have greater ongoing child support obligations. NCP Choices clients are also much less likely to have made a payment recently, made payments only about half as often in the prior year, and have greater child support arrears balances[3]. They are slightly more likely to have made a payment through a federal offset in the prior year, and were more likely to have a recent capias issued for

[3] Note that arrears balances for various points in the past, such as when an NCP was ordered into the program, were projected using an estimation procedure with known flaws. For example, the presence of collections via federal offsets can be inferred, but the exact dollar amount is unknown due to data restrictions. There is no reason to believe, however, that the estimated arrears balances are any less accurate for NCP Choices clients that for other NCPs.

noncompliance, as compared to other NCPs in the target areas, both signs of their reduced cooperation levels. Many of the differences shown here could be regarded as somewhat indicative of why these NCPs were targeted for selection into the NCP Choices program.

**Table 6: Comparison of NCP Choices Clients with Other NCPs in Same Counties**

| | NCP Choices | All Other NCPs in Target Counties | |
|---|---|---|---|
| **All NCPs** | N=1,072 | N=182,101 | |
| NCP age (years) | 33.9 | 37.5 | ** |
| NCP male | 95.6% | 98.6% | ** |
| NCP Hispanic | 62.6% | 67.4% | ** |
| NCP black | 26.1% | 12.4% | ** |
| NCP number of active CS cases | 1.6 | 1.2 | ** |
| Time since first observed NCP earnings (quarters) | 21.8 | 19.8 | ** |
| NCP employed at program entry | 44.4% | 49.4% | ** |
| Percent of time NCP employed over 4 years prior to program | 40.2% | 50.5% | ** |
| NCP average quarterly earnings over 4 years prior to program | $1,933 | $3,971 | ** |
| NCP experienced earnings dip of at least 20% within prior 2 years | 51.5% | 24.7% | ** |
| Any Unemployment Insurance claims filed in year prior to program | 7.1% | 5.4% | ** |
| Any Unemployment Insurance benefits received in year prior to program | 2.9% | 3.5% | ** |
| Time since CS first collected on this case (months) | 35.1 | 34.3 | ** |
| Time since CS last collected on this case (months) | 8.2 | 4.5 | ** |
| Percent of time CS collection was made in prior year | 21.4% | 50.0% | ** |
| Any CS collection made via federal offset in prior year | 14.7% | 11.5% | ** |
| Percent of time TANF received by associated CP(s) in prior 2 years | 16.2% | 5.1% | ** |
| Any low-intensity workforce development participation in year prior to program | 12.8% | 3.6% | ** |
| Any high-intensity workforce development participation in year prior to program | .8% | .3% | ** |
| Capias issued for arrest of NCP in 6 months prior to program | 22.0% | 1.7% | ** |
| Approximate arrears balance at program entry | $30,810 | $10,714 | ** |
| Total current support obligation (PP1) at program entry | $512 | $329 | ** |
| Total arrears obligation (PP2) at program entry | $128 | $74 | ** |
| **Those experiencing an earnings dip** | N=552 | N=91,292 | |
| Time since earnings dip occurred (quarters) | 4.7 | 4.9 | ** |
| Percent of earnings which earnings dip represents | 83.5% | 76.2% | ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

### *After selection: NCP Choices clients and the selected comparison group*

For research that utilizes quasi-experimental evaluation techniques, the results hinge critically on differences in outcomes for NCP Choices participants and those of the comparison group. Thus, it is vitally important to ensure that the groups are as equivalent as possible before any services are received. Researchers could expect to observe, if the comparison group selection were done well, that the measurable characteristics of the groups at program entry should differ only by chance. In order to test whether the characteristics of the groups differ at a level that could be explained by chance alone, tests were performed on the means of the continuous matching variables that describe the two groups. It was expected that few or no significant differences would be found.[4]

Table 7 presents a comparison of these same NCP Choices clients against the quasi-experimental comparison group that was selected from the larger pool of NCPs in the same five counties identified above. A comparison of the second and third columns of Table 7 indicates that the aggregate-level characteristics of these two groups were nearly identical at the point of entry into the program. T-tests comparing the two groups on all listed characteristics confirmed that there were only a handful of significant differences between them on the observed dimensions. Those ordered into NCP Choices had, on average, slightly more child support cases, greater experience with low-intensity workforce development, greater arrears balances (though much closer than before the match), greater ongoing child support payments, and greater TANF history among associated CPs. Although these differences are greater than observed in prior reports, the direction of the effects tends to be toward harder-to-serve clients in the NCP Choices group, so these pre-existing differences would not provide a credible alternative explanation to any positive program impacts. This comparison of NCP Choices versus comparison group members was also done separately by site, in order to support site-level impact estimation. Detailed results by site, which essentially replicated the overall findings of few differences, are listed in the Appendix. Despite the fact that most differences were not statistically significant, the slight differences

[4] Due to the nature of statistical inference, when using a 95 percent confidence level one can expect to find approximately one spurious difference for every twenty comparisons made. This is because the probability of a type I error (concluding there is a difference when in fact no difference exists) is 0.05, or one in twenty. Due to the large number of comparisons involved in these tests, researchers should only be concerned if the number of statistically significant differences exceeds that which could be expected due to chance alone.

remaining between the groups are to a large extent controlled for statistically when estimating impacts, as described in the next chapter.

In summary, the selection procedure appears to have created a comparison group whose observable characteristics are quite similar to those of NCP Choices clients at the point of entry into the program. Although there are now more statistically significant differences between the two groups than have been previously observed, this could be due in part to increased statistical power for observing such differences, due to the larger sample sizes. It could also be an early indication that the NCPs most eligible for targeting by the NCP Choices program are beginning to be depleted at these sites. This is not a bad result, if true, as it would indicate that NCP Choices is reaching those most likely to benefit from its services. It could also mean, however, that finding comparable non-participants in the same geographic areas will become more difficult. If this is true, then future evaluation efforts may need to consider using NCPs from outside the target counties for comparison purposes, an approach that has been avoided thus far due to a host of complications it would introduce. At present, however, results suggest that the quasi-experimental design implemented above is likely to have decent internal validity for determining the impacts of the NCP Choices program. Note, however, that this does not mean that the groups are necessarily as similar as possible on dimensions that were not capable of being measured through the available administrative data sources. The limitations of a quasi-experimental approach are such that it can only ensure comparability on aspects that can be measured with the available data. In particular, it would be desirable to acquire additional data on offender status of NCPs prior to targeting for entry into the program, but such efforts have thus far been unsuccessful.

**Table 7: Comparison of NCP Choices Clients with Selected Comparison Group**

| | NCP Choices | Overall Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=1,071 | N=1,071 | |
| NCP age (years) | 33.9 | 33.6 | |
| NCP male | 95.6% | 95.6% | |
| NCP Hispanic | 62.6% | 65.0% | |
| NCP black | 26.1% | 24.8% | |
| NCP number of active CS cases | 1.61 | 1.51 | ** |
| Time since first observed NCP earnings (quarters) | 21.8 | 22.3 | |
| NCP employed at program entry | 44.4% | 42.5% | |
| Percent of time NCP employed over 4 years prior to program | 40.2% | 40.9% | |
| NCP average quarterly earnings over 4 years prior to program | $1,931 | $1,942 | |
| NCP experienced earnings dip of at least 20% within prior 2 years | 51.5% | 51.5% | |
| Any Unemployment Insurance claims filed in year prior to program | 7.2% | 6.4% | |
| Any Unemployment Insurance benefits received in year prior to program | 2.9% | 2.9% | |
| Time since CS first collected on this case (months) | 35.1 | 35.4 | |
| Time since CS last collected on this case (months) | 8.2 | 8.2 | |
| Percent of time CS collection was made in prior year | 21.4% | 21.5% | |
| Any CS collection made via federal offset in prior year | 14.8% | 12.5% | |
| Percent of time TANF received by associated CP(s) in prior 2 years | 16.2% | 12.2% | ** |
| Any low-intensity workforce development participation in year prior to program | 12.8% | 9.8% | * |
| Any high-intensity workforce development participation in year prior to program | .8% | .4% | |
| Capias issued for arrest of NCP in 6 months prior to program | 22.0% | 21.9% | |
| Approximate arrears balance at program entry | $30,839 | $25,470 | * |
| Total current support obligation (PP1) at program entry | $512 | $429 | ** |
| Total arrears obligation (PP2) at program entry | $128 | $113 | |
| **Those experiencing an earnings dip** | N=552 | N=552 | |
| Time since earnings dip occurred (quarters) | 4.7 | 4.8 | |
| Percent of earnings which earnings dip represents | 83.5% | 82.8% | |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

# V. Program Impacts and Discussion

As discussed above, the quasi-experimental comparison group selection procedure produced comparison groups of matched NCPs who were quite similar in all measured ways to the NCP Choices participants before their entry into the program. The impact estimates reported below were further adjusted for the minor differences that remained between the two groups.

Because of the success of the matching procedure, we can be confident that the impacts reported in this section were at least partially due to NCP Choices participation. Although only a true experiment with random assignment can unambiguously determine that NCP Choices services *caused* these outcomes, we are far more certain about the true cause of the observed differences than if we had simply observed pre-post changes in outcomes or used a comparison group selected unscientifically from a convenience sample.

## Workforce Development Participation by Non-custodial Parents

The first set of outcome analyses examines one of two research questions related to the extent to which those ordered into NCP Choices were engaged in the program and services were received:

- Does NCP Choices lead to increased workforce development participation by non-custodial parents?,
- Does NCP Choices lead to increased incarceration rates of NCPs?

One of the major goals of the NCP Choices program was to get eligible NCPs into workforce development services that they may need in order to improve their employment prospects. Thus, the first question was included as a check on whether and to what extent NCP Choices clients actually followed through with workforce development services. The second question was designed as an attempt to measure the near opposite outcome: the extent to which NCPs were subjected to greater rates of incarceration for either a failure to cooperate with NCP Choices requirements, or for non-payment of child support. Unfortunately, the best measure of incarceration currently available in administrative data for

both NCP Choices clients and comparison group members has several weaknesses that led us to exclude it from this report. Better measures of potential incarceration are being sought for future reports.

It is important to recognize, as discussed elsewhere in this report, that this impact evaluation does not measure the impact of workforce development participation per se. Instead, the impact of NCP Choices captures the effect of *being ordered into* the program, together with the corresponding threat of jail time for noncompliance. Thus, it was expected that not all NCPs ordered into the program would participate in NCP Choices, and in fact, some portion would likely end up being ordered to serve time in jail.

***Overall***

Table 8 reveals that, as expected, being ordered into the NCP Choices program was associated with significantly greater levels of NCP participation in the NCP Choices program subsequent to program entry. The first measure, capturing the percent of time NCPs participated in the NCP Choices program, reveals that those ordered into NCP Choices participated 29 percent of the time subsequent to program entry, as compared to virtually zero participation by comparison group members. In other words, those ordered into NCP Choices received such services for 3.5 months, on average. Because Choices services do not typically last more than a year, the measures in this section were only examined for the first year after the order to participate in the program. The second measure of workforce development participation, which gives a better idea of the total share of NCPs participating in NCP Choices, shows that 80 percent of those ordered into the program participated at some point within one year of this order, as compared to zero participation among comparison group members. These findings confirm a high degree of compliance with the order.

The third and fourth measures of NCP workforce development participation capture NCP involvement in *any* program, including NCP Choices, Employment Services (ES), Workforce Investment Act (WIA), Food Stamps Employment and Training (FSE&T),

Project RIO (Re-Integration of Offenders), and Trade Adjustment Act (TAA) services[5]. These measures, shown in Table 8, also revealed significantly increased participation by NCP Choices clients, relative to that of the comparison group. Those ordered into NCP Choices participated in some form of workforce development about 31 percent of the time in the year subsequent to the order, as opposed to two percent for the comparison group. Further, about 83 percent of clients ordered into NCP Choices participated in some form of workforce development within twelve months of program entry, while only about eight percent of their comparison group counterparts participated. Again, this indicates that the program was highly successful in getting NCPs into workforce development services, while only a handful of comparison group members found their way to similar services on their own.

**Table 8: NCP Choices Impact on NCPs' Workforce Development Participation**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCPs participating in NCP Choices program, year 1 | 28.8% | .1% | 28.7% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 80.1% | .0% | 80.1% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 30.7% | 1.7% | 29.0% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 82.5% | 7.6% | 74.9% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

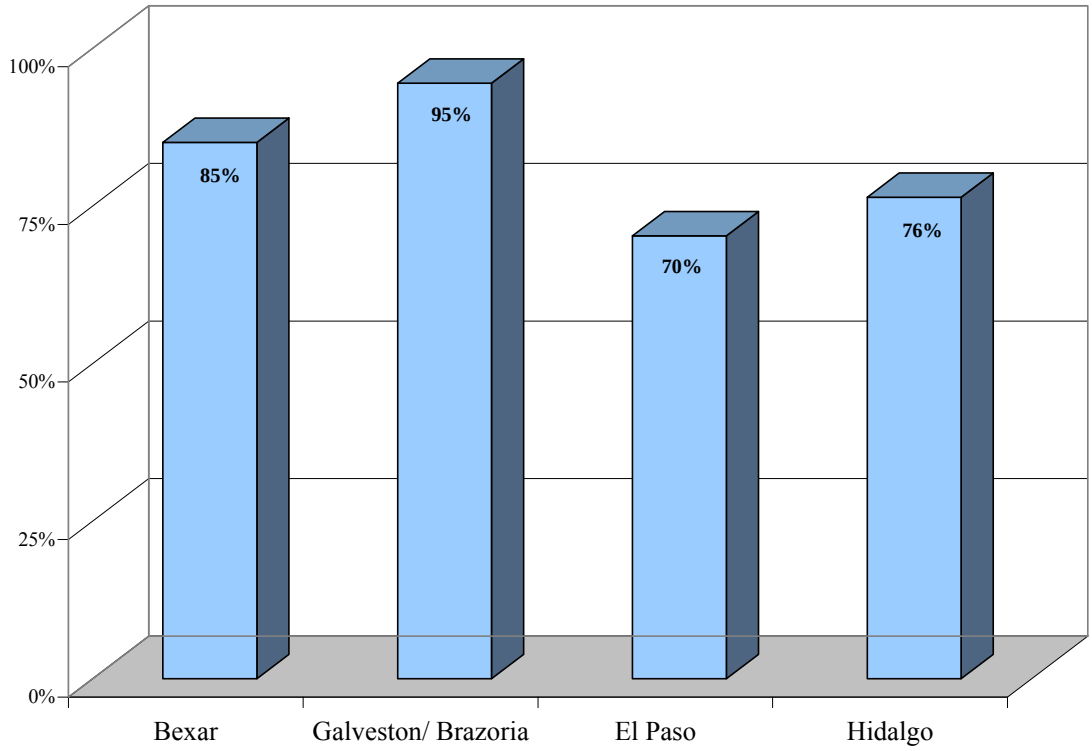
### *Impacts by Site*

Tests indicated that the estimated impacts of NCP Choices on all workforce development measures varied significantly by site. An illustration of one of these effects, the

[5] Note that these 'any workforce development' measures are not strictly independent of the 'any Choices' measures above. They are presented as additional descriptive information only.

NCP Choices effect on any NCP Choices Participation in year one, is shown in Figure 5, while the results of all five of these site-level comparisons are tabulated in Table 9. For ease of comparison, only the impact column is shown in this table (see Appendix Tables A-6 through A-9 for complete results by site for all measures).

**Figure 5: Impact on Any NCP Choices Participation in Year 1, by Site**




The Galveston/Brazoria County site showed the greatest impacts on workforce development participation, suggesting that this site achieved the greatest compliance among NCPs. Hidalgo and El Paso Counties achieved the least compliance in terms of workforce development participation.

**Table 9: NCP Choices Impacts on NCPs' Workforce Development Participation by Site**

| | Bexar | Galveston/ Brazoria | El Paso | Hidalgo |
|---|---|---|---|---|
| Percent of time NCPs participating in NCP Choices program, year 1 | 49.5% ** | 27.9% ** | 13.6% ** | 24.4% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 85.1% ** | 94.5% ** | 70.3% ** | 76.4% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 49.4% ** | 28.7% ** | 12.8% ** | 27.1% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 82.1% ** | 87.6% ** | 65.0% ** | 68.9% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

## Payment of Child Support

The next set of analyses attempts to answer the following: Does the NCP Choices program lead to increased child support payments? Several measures address this question[6], with one gauging the frequency of any child support collections and another examining the average dollar amount of collections. These measures are computed on a monthly basis, and since the post-program follow-up period now extends up to three years for some of the earliest participants, results for these and many other measures to follow are further divided into short-term and long-term impacts. Short-term impacts are those observed in the first year after the program, while long-term impacts occur in the second and later years after the program. The final measure of child support collection constrains the time interval to ask what share of NCPs made *any* payment within twelve months of program entry. Related measures in the next section will attempt to quantify the *consistency* with which such payments were made over time.

[6] Note that because of data limitations, child support payments that were collected via federal offset (i.e., income-tax refund intercept) were not included in these collections figures. Because they were equally excluded for NCP Choices and comparison group members, this should not substantially bias the net impacts reported.

***Overall***

As illustrated in Table 10, NCP Choices participation was associated with a substantial 15 percentage-point increase in the frequency of any child support collections in the first year after being ordered into the program. Although the absolute frequency of collections is not very high, occurring in less than half of the months following program entry, the increased frequency for NCP Choices participants represents more than a 49 percent gain in collections rate relative to the comparison group, which is quite impressive for this population. Furthermore, while the impacts of most social programs typically tend to fade over time, frequency of child support collections among those ordered into NCP Choices was still more than ten percentage points higher than the rate among comparison group members two to three years after the order to participate. This indicates that the benefits of NCP Choices participation tend to persist over time.

In addition to increased frequency of collections, the NCP Choices program was also found to be associated with a substantial increase in the average monthly dollar amount of child support collections. Overall, in the first year after the program, NCP Choices participants paid approximately $54 per month more in child support than their comparison group counterparts, a substantial 44 percent increase in total collections.[7] And again, looking at longer term impacts, child support was still being collected at a rate of $31 per month more than from comparison group members two to three years after the order to participate in the program.

[7] Although a statistical test on the average collections across all months, including months with zero collections, can be misleading due to the non-normal nature of the underlying distributions, research suggests that this concern is unwarranted with sufficiently large sample sizes, as in the present study.

**Table 10: NCP Choices Impact on Child Support Collections**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time any child support collections made, year 1 | 45.5% | 30.5% | 15.0% ** |
| Percent of time any child support collections made, later years | 42.8% | 32.4% | 10.4% ** |
| Monthly average child support collections, year 1 | $176 | $122 | $54 ** |
| Monthly average child support collections, later years | $161 | $130 | $31 ** |
| Any child support collection made within 12 months of program entry | 85.0% | 63.5% | 21.5% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

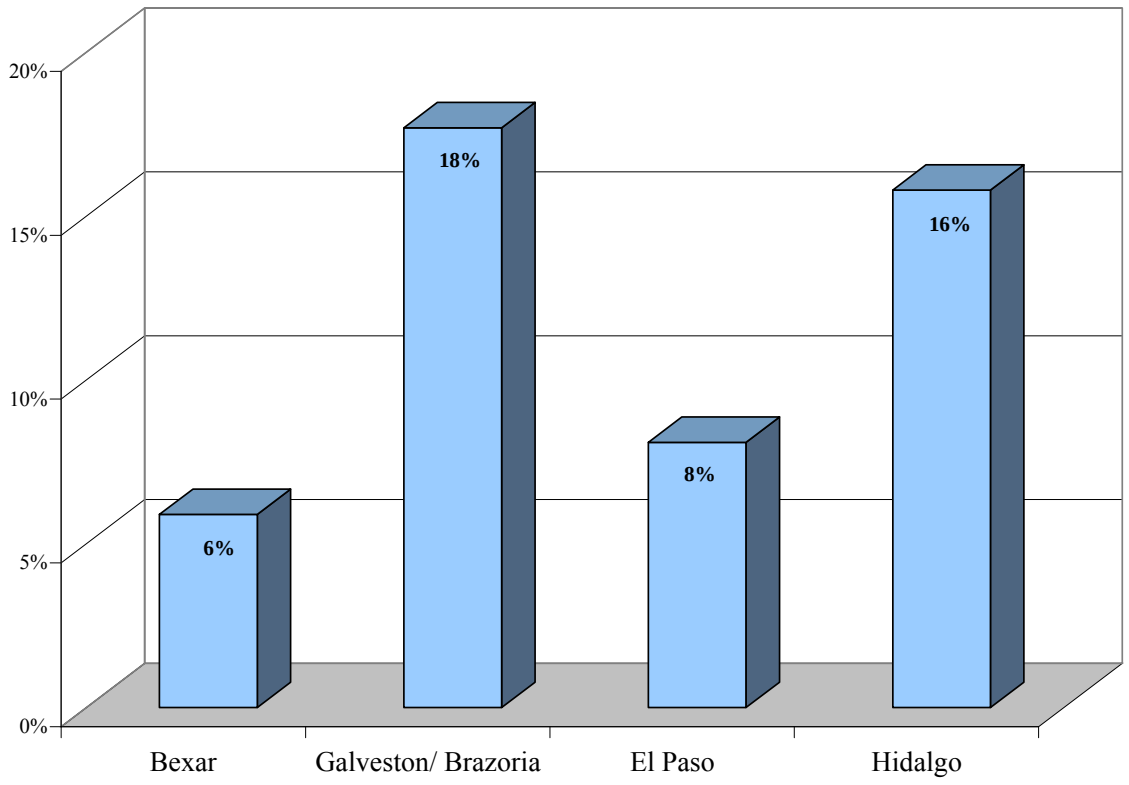
Modest rates of child support collection like those seen above can be due to either small numbers of people paying most of the time or to large numbers of people paying less frequently. Thus, the final measure was created to distinguish between these two possibilities to see which was responsible for the effects observed above. When looking at whether any child support payment was made within one year after program entry, one finds that 85 percent of NCP Choices clients made payments, or almost twice as many as the share making payments in any given month. The estimated impact of NCP Choices on this measure was a statistically significant 22 percentage-point increase in collections.

***Impacts by Site***

Statistical analyses were also done to test whether the estimated impact of NCP Choices varied across the four pilot sites, and the results indicated that the impacts did vary significantly by site on all five child support collections measures discussed above. Figure 6 illustrates one of these effects, the long term impact of NCP Choices on child support collections frequency, by site. Galveston/Brazoria and the Hidalgo County sites tended to

have the greatest impacts on long-term child support collections. Table 11 shows the estimated impacts of NCP Choices participation by site for all five of these measures.

**Figure 6: Long Term Impact on Child Support Collections Frequency, by Site**




Note that all sites were generally successful at increasing the frequency of child support collections, with these impacts persisting over time, while only some sites successfully increased the average amount of child support collected, and for some sites these effects did not persist over time.

**Table 11: NCP Choices Impacts on Child Support Collections by Site**

| | Bexar | Galveston/ Brazoria | El Paso | Hidalgo |
|---|---|---|---|---|
| Percent of time any child support collections made, year 1 | 10.1% ** | 20.2% ** | 9.9% ** | 24.8% ** |
| Percent of time any child support collections made, later years | 5.9% ** | 17.7% ** | 8.1% ** | 15.8% ** |
| Monthly average child support collections, year 1 | $38 ** | $56 ** | $8 | $129 ** |
| Monthly average child support collections, later years | $6 | $58 ** | $2 | $114 ** |
| Any child support collection made within 1 year of program entry | 20.9% ** | 29.6% ** | 16.1% ** | 23.7% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

## Consistent Payment of Child Support

To gauge the *consistency* of child support collections over time, measures were constructed that tabulated, for every three month period subsequent to program entry, the proportion of time any collections were made in 1) at least two out of the three months, and 2) in all three out of three months.[8] Furthermore, as above, these two measures were computed separately for both short-term outcomes in the first year after the program and long-term outcomes in subsequent years.

### *Overall*

Results of these child support consistency comparisons, shown in Table 12, indicate that the NCP Choices impact on consistency of child support payment was positive and statistically significant for all the measures. NCP Choices participants were 16 percentage points more likely to pay child support in at least two out of every three months in the first

[8] These child support payment consistency measures were first introduced in Schroeder, Looney, & Schexnayder, 2004.

year after the program than were their comparison group counterparts. This relative increase in consistent payment is quite substantial, representing more than a 53 percent increase in the frequency of consistent payment. Furthermore, the increase in payment consistency persisted into the longer term, with an eleven percentage point increase in payment consistency on this measure two to three years after the program.

The second measure of payment consistency sets the bar higher, requiring NCPs to make child support payments in all 3 months of every 3 month period. The significant NCP Choices impact on this measure, at about eight percentage points in the first year after the program, was approximately 39 percent greater than the level of payment consistency achieved by the comparison group. And again in the longer term, two to three years after the program, payment consistency on this measure was seven percentage points higher among those ordered into NCP Choices.

**Table 12: NCP Choices Impact on Consistency of Child Support Collections**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 45.6% | 29.8% | 15.8% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 42.7% | 32.0% | 10.7% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 27.2% | 19.5% | 7.7% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 30.4% | 23.4% | 7.0% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

### *Impacts by Site*

Further tests indicated that the estimated impact of NCP Choices on consistent payment of child support varied significantly by site for each of the four measures. Table 13 lists these impacts by site. Again, all four sites were found to be successful to varying

degrees at increasing the consistent payment of child support. However, the Hidalgo County NCP Choices program once again showed the greatest impacts on consistency of child support payment in the short term, while Galveston/Brazoria had the strongest impacts on payment consistency in the longer term.

**Table 13: NCP Choices Impacts on Consistency of Child Support Collections by Site**

| | Bexar | Galveston/ Brazoria | El Paso | Hidalgo |
|---|---|---|---|---|
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 9.0% ** | 21.5% ** | 10.9% ** | 27.3% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 6.0% ** | 17.7% ** | 8.6% ** | 16.7% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 2.6% ** | 10.2% ** | 4.3% ** | 16.6% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 3.8% ** | 15.3% ** | 3.0% ** | 11.6% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

## Employment and Earnings of Non-custodial Parents

The next set of analyses answers the question: Does NCP Choices lead to increased employment rates and earnings levels by non-custodial parents? This question was answered with two measures, one that gauges the percent of time NCPs were employed subsequent to program entry, and another that measures the quarterly earnings levels of those who were employed in any given calendar quarter. As before, these measures are calculated both for short term, one year impacts, as well as longer term impacts looking two to three years out.

**Table 14: NCP Choices Impact on Employment and Earnings**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCP employed, year 1 | 48.4% | 41.1% | 7.3% ** |
| Percent of time NCP employed, later years | 43.8% | 37.0% | 6.8% ** |
| Average quarterly earnings, among employed NCPs, year 1 | $2838 | $3303 | -$465 ** |
| Average quarterly earnings, among employed NCPs, later years | $3435 | $3298 | $137 |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

***Overall***

As shown in Table 14, the NCP Choices program appeared to have significant impacts on both NCP employment rates and earnings levels, but in the short term at least, these two effects went in opposite directions. Although seven percent more NCP Choices participants were employed at any given time in the first year after program entry, those who were employed earned about $465 *less* per quarter than did employed comparison group members. This substantial increase in employment is consistent with program goals, but the short-term reduction in earnings levels is somewhat troublesome. One could speculate that the reduced earnings levels of those employed is a direct result of a greater share of NCP Choices participants gaining employment, albeit in lower-wage entry-level jobs. If this were the case, then the negative earnings effect might be expected to diminish over time, as those recently entering jobs gain more experience. In fact, with the results now broken out into short and longer term impacts, the tendency toward lesser earnings among NCP Choices enrollees does disappear with the passage of time. In the longer term analysis, when looking at impacts two to three years after entering the program, one finds there are no longer any significant differences in average earnings of the two groups. Yet the employment gains observed in the short term for those ordered into NCP Choices did persist into the longer term, in the form of a nearly seven percentage point gain. Thus, short term employment and

earnings effects of NCP Choices are somewhat mixed, but the longer term gains are clear: substantially increased employment rates with no loss of average earnings.

### *Impacts by Site*

Impacts of NCP Choices on employment and earnings were found to vary significantly by site only for the longer term employment measure. Thus, no site-specific comparisons are presented below for the other measures (for these, one can assume that the overall effect cited above applies equally to all sites). As seen in Figure 7, the pattern of effects on longer-term employment was such that in the Galveston/Brazoria and Hidalgo County sites, two to three years after the program those ordered into NCP Choices were employed thirteen to seventeen percentage points more than were those in the comparison groups. Longer term employment gains for NCP Choices in the other two sites were not significantly different from zero.

**Figure 7: Long Term Impact on Employment Rates, by Site**

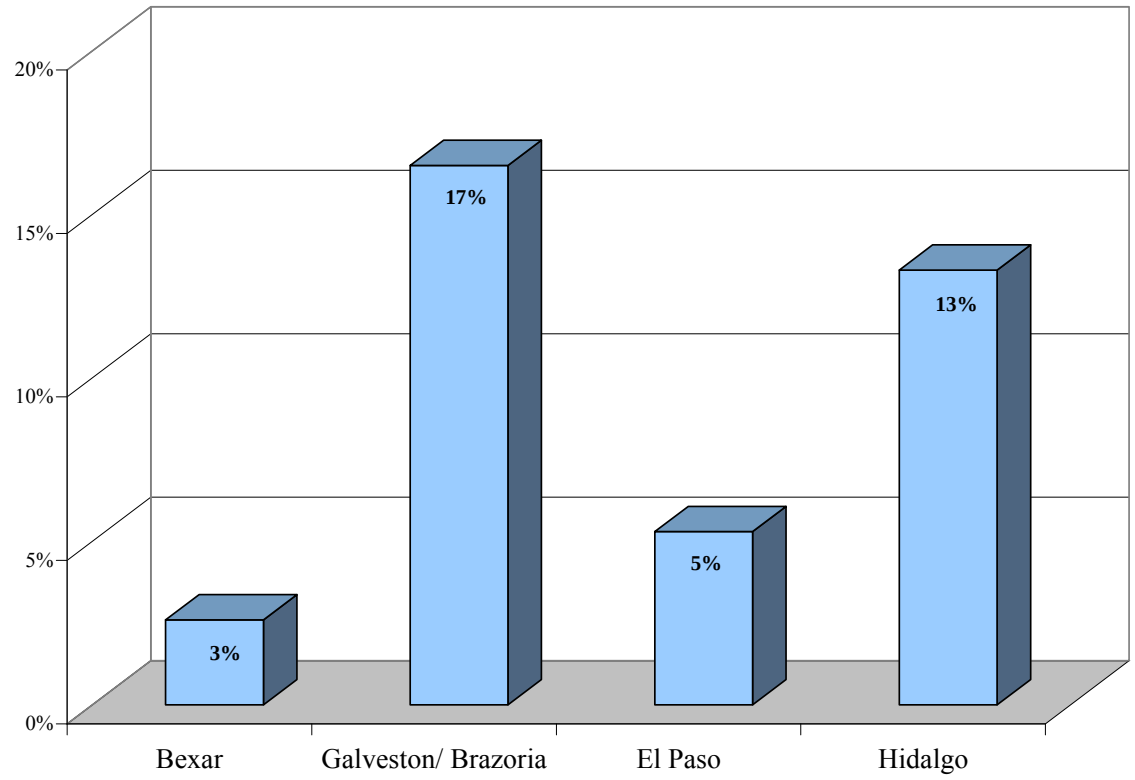


**Table 15: NCP Choices Impacts on Employment and Earnings by Site**

| | Bexar | Galveston/ Brazoria | El Paso | Hidalgo |
|---|---|---|---|---|
| Percent of time NCP employed, year 1 | --- | --- | --- | --- |
| Percent of time NCP employed, later years | 2.6% | 16.5% ** | 5.3% | 13.3% ** |

Note: --- indicates that the significant overall effect for this outcome did not vary significantly by site. ** indicates statistically significant difference at the .01 level, * at the .05 level

## Unemployment Insurance Claims by Non-custodial Parents

Does NCP Choices lead to reduced rates of filing unemployment claims among non-custodial parents? This question was answered using two slightly different time perspectives, one that gauges the percent of months in which NCPs filed unemployment claims subsequent to program entry, and another that measures the proportion filing any claim within one year after the program. Due to reduced availability of this administrative data source, the follow-up interval was substantially shorter (by approximately one year) for this category of outcomes, so there was insufficient data to compute longer-term impacts beyond two years after the program.

**Table 16: NCP Choices Impact on Unemployment Insurance Claims**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of months in which NCPs filed unemployment claims | .3% | 1.2% | -.9% ** |
| Percent of NCPs who filed unemployment claims within one year of program entry | 3.0% | 6.6% | -3.6% |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

***Overall***

As shown in Table 16, the NCP Choices program was associated with significantly reduced rates of filing unemployment claims among NCPs ordered into the program. In the first two years after the program, NCPs in the comparison group were about four times as likely to file an unemployment claim in any given month. When measured as the share of NCPs filing claims within one year of the program, however, the pattern of differences was in the same direction but the effect was not statistically significant.

***Impacts by Site***

Impacts of NCP Choices on rates of filing unemployment claims among NCPs were not found to vary significantly by site. Thus, no site-specific comparisons on unemployment claims measures are presented here.

**Receipt of TANF by Custodial Parents**

The remaining analysis addresses this question: Does NCP Choices for non-custodial parents lead to decreased TANF participation for the associated custodial parents (CPs) and their children? This measure counts the percent of post-program-entry months in which the custodial parent(s) received TANF benefits, with receipt of benefits for any part of the month

considered as receipt for the entire month. As with other measures, these outcomes are divided into short-term and longer-term outcomes.

### *Overall*

Table 17 illustrates that, consistent with program goals, custodial parents associated with those NCPs ordered into NCP Choices were significantly less likely than those associated with comparison group members to be receiving TANF following program entry. In the first year after the program, the 1.6 percentage-point decrease in TANF receipt that was observed, although seemingly small in absolute terms, represents about a seventeen percent decrease in TANF receipt relative to that of CPs associated with the comparison group. And in the longer term, in the second and third years after the program, TANF receipt was reduced by one percentage point, for a thirteen percent reduction in TANF receipt. This suggests that the NCP Choices program successfully led to decreased reliance on TANF benefits among custodial parents associated with NCP Choices participants, and that this reduced welfare dependency persisted for at least several years after the program.

**Table 17: NCP Choices Impact on Receipt of TANF by Custodial Parent**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time CP(s) receiving TANF benefits, year 1 | 8.0% | 9.6% | -1.6% ** |
| Percent of time CP(s) receiving TANF benefits, later years | 6.7% | 7.7% | -1.0% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

### *Impacts by Site*

The NCP Choices impact on TANF receipt by the custodial parent was found to vary significantly by site, both in the short and longer term follow-up intervals. As illustrated in Figure 8 and Table 18, the greatest reductions in TANF receipt were found in the Hidalgo and Bexar County sites. No significant impact on TANF receipt was found in the

Galveston/Brazoria site, while in El Paso it appears than TANF receipt was increased slightly.

**Figure 8: Long Term Impact on TANF Receipt, by Site**

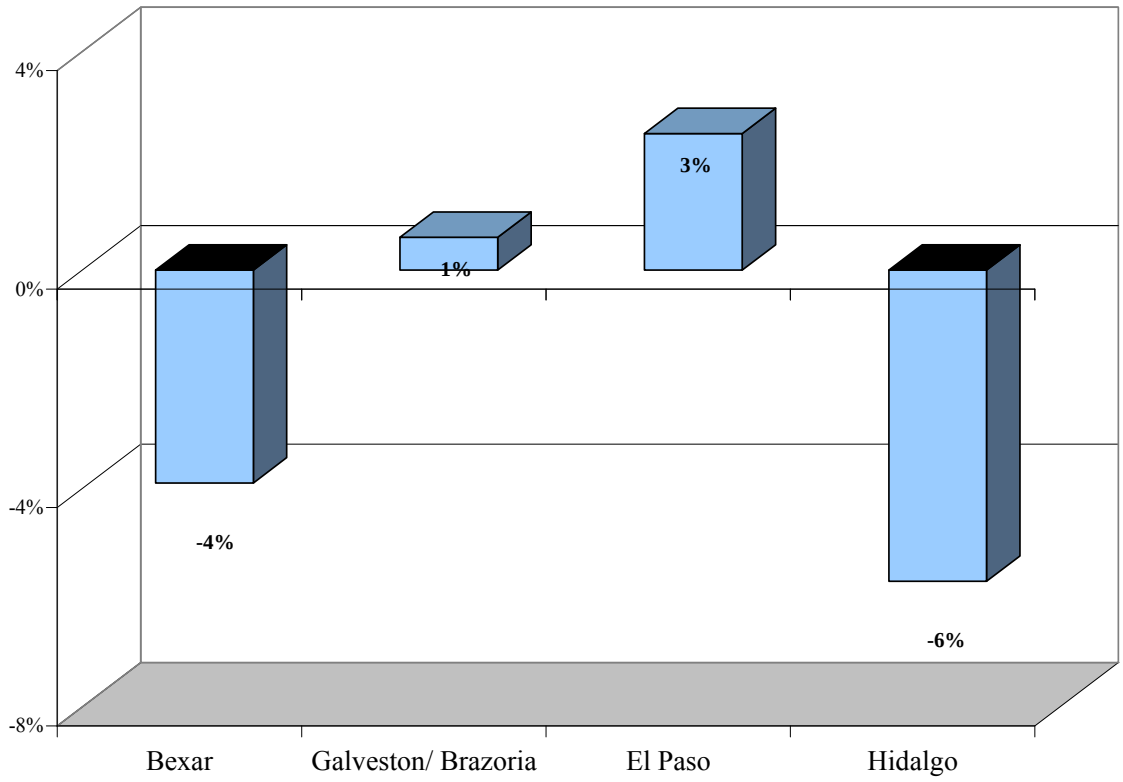



**Table 18: NCP Choices Impacts on Receipt of TANF by Custodial Parent by Site**

| | Bexar | Galveston/ Brazoria | El Paso | Hidalgo |
|---|---|---|---|---|
| Percent of time CP(s) receiving TANF benefits, year 1 | -4.8% ** | .6% | 2.0% ** | -4.5% ** |
| Percent of time CP(s) receiving TANF benefits, later years | -3.9% ** | .6% | 2.5% ** | -5.7% ** |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

## Discussion

In summary, the results of the impact analysis suggest that those ordered into the NCP Choices program displayed greater participation in workforce development, as compared to comparison group members, whether measured as participation in Choices itself, or in any major workforce development program. Those ordered into NCP Choices were more likely to pay their child support obligations, paid more of it, and paid it more consistently over time. Those ordered into NCP Choices were also subsequently employed at higher rates, and this effect persisted even two to three years after the program. Among those who were employed subsequent to the program, those ordered into NCP Choices had lesser average earnings in the short term. In the longer term outlook, these earnings deficits disappeared, leaving only the positive employment impact. Those ordered into NCP Choices were also less likely to file unemployment claims. Finally, the custodial parents associated with NCP Choices participants showed lesser rates of TANF receipt subsequent to program entry, and this effect also persisted at least two to three years subsequent to program entry.

In short, the NCP Choices program appears to have successfully achieved nearly all of its program goals, with significant and dramatic positive impacts on all outcomes except short-term earnings levels of the employed, and even in this case, long-term earnings levels were unaffected. The combination of increased child support payment frequency and amount, increased consistency of payment, increased employment by NCPs, and reduced TANF receipt by CPs all point to greater economic self-sufficiency on the part of both custodial and non-custodial parents. The finding of reduced earnings levels among the employed in the short term is not a surprise in a program whose purpose is to get large numbers of low-income individuals into jobs, and in fact the same pattern was observed for non-custodial parents in the Bootstrap Project (Schroeder et al, 2004). The theory behind the work-first approach to workforce development is that many of these NCPs should learn valuable work skills, and hopefully either advance within their organizations or move on to better-paying jobs. It is not yet clear whether the local job markets can provide sufficient advancement opportunities to allow these NCPs to increase their earnings over time, but the evidence from the longer-term outcomes thus far indicates that two to three years after the program they have at least eliminated the earnings deficit that occurred in the short term.

The finding of positive impacts on nearly all the outcome measures at all four of the sites suggests that the NCP Choices program is robust to local variation in implementation and environment. Generally, one can expect to see lesser statistical significance of impacts when estimated at the site level, due to reduced statistical power associated with smaller sample sizes at this level of analysis. That does not appear to have been the case with NCP Choices, however, as the local impacts also tended to be statistically significant to a large degree. This robustness of findings across sites serves as a testament to the strength of the design of the NCP Choices program, and should bode well for the expansion of NCP Choices beyond these four sites. Sometimes the strength of social programs relies too heavily on the unique characteristics of personalites at pilot sites to make them work, and thus might fail a wider rollout when such dedicated staff members cannot be placed at all locations. Although there is clearly no shortage of highly dedicated staff members at the four NCP Choices sites, the success of the program does not appear to be dependent on personalities.

Notwithstanding the previous discussion, some trends in NCP Choices impacts among the sites did emerge, and these can be interpreted in light of the site differences that were documented by the survey. To assist in making these comparisons, Appendix Table A-10 (below) lays out graphical representations of survey subscale scores for each of the sites on the left pane, with selected impacts graphed on the right pane of the table (note that all of these figures appear elsewhere in the paper, so if they are difficult to read at this small scale one can refer to the larger versions). From this comparison, it is apparent that the Galveston/Brazoria and Hidalgo County sites showed generally the best impacts on most measures.

The Galveston/Brazoria site had the largest positive impacts on any NCP Choices participation in year 1, long term child support collection frequency, and long term employment rates. In searching for clues why this site did so well, one might note that Galveston/Brazoria scored well above the other sites in Perceived Program Follow-through, and slightly above the rest in Partners Capable and Collaborating. From this, one might conclude that these features – program follow-through and capable collaboration among partners -- are critical to maximizing positive impacts. On the other hand, the program at the Galveston/Brazoria site did not impact TANF receipt, so that is a bit of a puzzle.

The Hidalgo County site also did quite well, with large positive impacts on long term child support collection frequency and long term employment rates, and the greatest reduction among all sites in TANF participation by associated CPs. These differences are difficult to explain in terms of site differences identified by the survey, however, unless one assumes that the highest perceived NCP motivation achieved by Hidalgo was primarily responsible.

On the other hand, the Bexar and El Paso County sites had positive impacts on many measures, but not as high as the two sites discussed above. Bexar County, in particular, had no long term employment impact, and the smallest positive long term child support collection impact, but still managed to reduce TANF receipt among associated CPs in both the short and long term. The profile of the Bexar County site on survey scales suggests that although they had the highest perceived adequacy and availablity workforce services, they fell quite short on program follow-through, had the lowest Partners Capable and Collaborating score, and rather weak scores on perceived NCP motivation. One or more of these weaknesses is likely responsible for Bexar County's lesser, yet still positive, outcomes.

Similarly, the El Paso site showed the least compliance with the NCP Choices order, small but positive long term child support collections, no long-term employment impact, and surprisingly a slight increase in long-term TANF receipt among associated CPs. Like the Bexar site, El Paso showed weak perceived program follow-through on the survey, and this combined with their somewhat low perceived adequacy and availability of workforce services was perhaps responsible for their low rate of compliance with the NCP Choices order. This low rate of NCP Choices participation could, in turn, have caused some of the other relatively weak impacts observed for the El Paso site.

Although a formal cost-benefit analysis was not part of this report, it seems likely that the economic benefits that accrued to the state, to taxpayers, and to the NCP Choices participants and their families as a result of this program were substantial. The costs of the NCP Choices program, for example, consisted primarily of the workforce services delivered. All site-level staff members held positions that existed before the program, so the only additional staff needed were a couple of employees at the OAG state office who were responsible for coordinating the program. And the cost of the workforce services delivered

to those NCP Choices participants included in this report (those entering the program by November, 2007) was estimated to be around $1 million[9].

Cost savings attributable to the impacts of NCP Choices, on the other hand, were likely to be substantial. Appendix Table A-11 shows rough calculations estimating the savings attributable to NCP Choices for three programs for which such estimation can be done easily while making few assumptions. Between increased child support collected, reduced TANF receipt, and reduced Unemployment Insurance benefits paid, the NCP Choices program was associated with estimated savings of nearly $2 million in its first few years of operation. Furthermore, since the program impacts revealed numerous longer-term impacts on these measures, these savings can be expected to continue growing over time. Thus, even a conservative tabulation suggests that the economic benefits were at least twice the costs, and likely to grow in the future.

### Caveats and Limitations of Analysis

It is critical to emphasize that, as noted above, to the extent that not everyone ordered into the program participates in NCP Choices, the design of this evaluation does *not* test for effects of the Choices program itself. This is because some who are ordered into the program will almost certainly prefer to find a job on their own, or may already have found one, while some will find the money to make a child support payment to avoid going to jail, and others will simply go to jail. Thus, instead of measuring the effects of the Choices program, this impact evaluation measures the effects of being given the chance to participate in the Choices program or make a payment, with the threat of jail time for non-compliance. Potential incarceration is clearly one of the most effective inducements to encourage participation in workforce development among NCPs identified in the literature. The results for Texas NCP Choices bear this out. However, with 80 percent participation among those ordered into the program, it is still not quite perfect. As a result, we can conclude only that a portion of the measured effect is due to Choices participation, and a portion is due to the motivating properties of the choice NCPs are given.

[9] According to William Minor of TWC, expenditures on workforce services to NCP Choices participants through May 2008 totaled $998,833. This includes some services delivered to participants not included in this report (those entering the program after Nov, 2007), and excludes some services likely received by those included in this report after May, 2008, so $1 million is a reasonable approximation of the cost of services by NCPs included in this report.

Furthermore, the utilization of a quasi-experimental comparison group design to some extent limits our ability to conclude that the effects observed were caused by the NCP Choices program. The results of a well done quasi-experiment can suggest but not prove a causal connection between the NCP Choices program and the outcomes observed. The strength of this conclusion depends on the ability of researchers to identify a comparison group that is as equivalent as possible to the NCP Choices group just before being ordered into the program. In this case, the NCP Choices and comparison groups appeared nearly identical on most of the measured dimensions. However, the possibility still exists that the two groups differed on some *unmeasured* dimensions that could at least partially account for the impacts. Several improvements were made to the comparison group selection for this report, including dividing workforce development experience into low-intensity (such as job search) and high-intensity services (like training), and specifying the propensity regression that underlies the weighted match separately for each area. These improvements had the effect of substantially increasing confidence levels in these findings, as compared to the similarly positive findings in earlier reports (e.g., Schroeder et al, 2007). Continuing to refine the comparison group selection for subsequent reports should help to ensure the equivalence of the two groups before program entry, and thus add to our confidence that the NCP Choices program itself was solely responsible for the positive impacts.

**Next Steps**

For the final report due in the summer of 2009, ten sites will be included in both the impact analysis and continuing work with the site survey. This should add substantially to our ability to discern which aspects of sites, as measured by the survey, are responsible for the positive program impacts. Also, as described above, the comparison group selection will continue to be further refined to enhance the confidence in the internal validity of this study. To this end, we will continue seeking to include better measures of offender status, both for inclusion in the matching procedure, and as a potential measure of incarceration as an alternative outcome in response to the order to participate in NCP Choices. Outcomes to be reported for additional sites and including longer-term impacts up to four years after the program will broaden the generality of the results, and thus increase confidence that this program can be successfully implemented elsewhere.

Finally, given the high level of success observed thus far, the Texas Legislature should seriously consider funding a statewide expansion of this program. Based on the discussion above, it could likely result in millions of dollars of savings. Meanwhile, non-custodial parents could get the assistance they need to enable them to live up to their responsibilities, and low-income families all over the state could benefit from this proven successful model.

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# Appendix A

This appendix includes Table A-1, with survey items from the program section, followed by detailed results of the matching procedure, separately by site, in Tables A-2 to A-5. Next are detailed outcome results, also by site, in Tables A-6 to A-9. Table A-10 provides a visual summary of site-level survey subscale scores as well as selected impacts by site. Table A-11 provides details on some rough calculations of cost savings attributable to NCP Choices. Finally, Table A-12 lists acronyms used throughout this report, along with brief explanations of their meaning.

**Table A- 1: Survey Questions from Program Section**

| | |
|---|---|
| q1 | Some NCPs have difficulty finding the workforce representative at the courthouse immediately after they have been ordered into the program. |
| q2 | The partner(s) from the OAG do a good job performing their role to make the NCP Choices program a success. |
| q3 | The threat of jail time is a significant motivator for NCPs to enter the NCP Choices program. |
| q4 | Even if an NCP can come up with enough money to make a lump sum payment, the judge usually orders him/her into NCP Choices (or to jail if necessary). |
| q5 | Most NCPs just need to get into any available job so they can learn good work habits. |
| q6 | All NCPs who fit the eligibility criteria are ordered into the program. |
| q7 | The NCP Choices program could be more successful if partners (OAG, judge, and workforce) communicated or collaborated more effectively. |
| q8 | The workforce services offered to NCPs through the NCP Choices program are adequate to help them gain employment. |
| q9 | There is a special docket, on certain days of the week or some other schedule, for NCP Choices so it is easy to be prepared for an NCP Choices order. |
| q10 | Nearly all NCPs who fail to meet NCP Choices program requirements are sent to jail the next time they see the judge. |
| q11 | All NCPs ordered into the NCP Choices program are brought back before the judge within 15 to 45 days to ensure their compliance with program requirements. |
| q12 | Some NCPs truly are deadbeats, and will do everything they can to avoid their responsibilities. |
| q13 | Sometimes, an NCP can be ordered into NCP Choices on a day that is not part of the regular docket for such orders. |
| q14 | There is adequate collaboration and communication among all partners on the NCP Choices team (OAG, judge, and workforce) for NCP Choices program success. |
| q15 | Occasionally, an NCP ordered into the NCP Choices program can go more |

| | |
|---|---|
| | than two months before being brought back before the judge to ensure their compliance with program requirements. |
| q16 | Many NCPs need more help gaining employment than the services typically provided through the NCP Choices program. |
| q17 | There is always a workforce representative in court, or immediately available by phone, when NCPs are ordered into the NCP Choices program. |
| q18 | Some NCPs are not ordered into the NCP Choices program because the services would be wasted on them. |
| q19 | The workforce representative has adequate resources (workspace, technology, etc.) at the courthouse to effectively assist NCPs when they are initially ordered into NCP Choices. |
| q20 | The workforce facility is very convenient to the courthouse. |
| q21 | Some NCPs would rather go to jail than get a regular job or join NCP Choices. |
| q22 | Some NCPs need more extensive job training to secure gainful employment than what is available to them through NCP Choices. |
| q23 | The partner(s) from the workforce agency do a good job performing their role to make the NCP Choices program a success. |
| q24 | Most NCPs do not need education or training; they just need help finding a job. |
| q25 | The child support judge encourages NCPs to make a lump sum payment instead of going to jail or being ordered into NCP Choices. |
| q26 | Most NCPs ordered into the program really want to earn money and support their children. |
| q27 | The judge and court do a good job performing their role to make the NCP Choices program a success. |
| q28 | Some NCPs get ordered into NCP Choices but fail to show up for follow-up appointments or otherwise slip through the cracks. |

**Table A- 2: Comparison of NCP Choices Clients with Selected Comparison Group, Bexar County**

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=310 | N=310 | |
| NCP age (years) | 33.4 | 33.2 | |
| NCP male | 95.5% | 95.5% | |
| NCP Hispanic | 45.8% | 49.0% | |
| NCP black | 46.1% | 46.1% | |
| NCP number of active CS cases | 1.9 | 1.9 | |
| Time since first observed NCP earnings (quarters) | 22.3 | 22.6 | |
| NCP employed at program entry | 47.4% | 47.1% | |
| Percent of time NCP employed over 4 years prior to program | 40.7% | 41.7% | |
| NCP average quarterly earnings over 4 years prior to program | $1,726 | $1,715 | |
| NCP experienced earnings dip of at least 20% within prior 2 years | 51.9% | 51.9% | |
| Any Unemployment Insurance claims filed in year prior to program | 3.9% | 2.7% | |
| Any Unemployment Insurance benefits received in year prior to program | .0% | .0% | |
| Time since CS first collected on this case (months) | 36.6 | 37.1 | |
| Time since CS last collected on this case (months) | 8.5 | 8.4 | |
| Percent of time CS collection was made in prior year | 23.0% | 21.5% | |
| Any CS collection made via federal offset in prior year | 13.5% | 10.0% | |
| Percent of time TANF received by associated CP(s) in prior 2 years | 19.7% | 15.8% | |
| Any low-intensity workforce development participation in year prior to program | 8.1% | 1.9% | ** |
| Any high-intensity workforce development participation in year prior to program | .6% | .3% | |
| Approximate arrears balance at program entry | $44,479 | $42,792 | |

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=310 | N=310 | |
| Total current support obligation (PP1) at program entry | $642 | $616 | |
| Total arrears obligation (PP2) at program entry | $145 | $129 | |
| **Those experiencing an earnings dip** | N=161 | N=161 | |
| Time since earnings dip occurred (quarters) | 4.6 | 4.6 | |
| Percent of earnings which earnings dip represents | 84.1% | 83.6% | |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 3: Comparison of NCP Choices Clients with Selected Comparison Group, Galveston/Brazoria Counties**

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=224 | N=224 | |
| NCP age (years) | 34.6 | 34.4 | |
| NCP male | 93.8% | 93.8% | |
| NCP Hispanic | 17.4% | 20.5% | |
| NCP black | 51.3% | 47.3% | |
| NCP number of active CS cases | 1.6 | 1.4 | * |
| Time since first observed NCP earnings (quarters) | 22.3 | 23.3 | |
| NCP employed at program entry | 37.9% | 34.4% | |
| Percent of time NCP employed over 4 years prior to program | 37.4% | 38.8% | |
| NCP average quarterly earnings over 4 years prior to program | $2,252 | $2,384 | |
| NCP experienced earnings dip of at least 20% within prior 2 years | 51.3% | 51.3% | |
| Any Unemployment Insurance claims filed in year prior to program | 5.0% | 3.1% | |
| Any Unemployment Insurance benefits received in year prior to program | 2.5% | 1.9% | |
| Time since CS first collected on this case (months) | 32.5 | 32.6 | |
| Time since CS last collected on this case (months) | 8.0 | 8.0 | |
| Percent of time CS collection was made in prior year | 16.7% | 17.4% | |
| Any CS collection made via federal offset in prior year | 12.1% | 9.8% | |
| Percent of time TANF received by associated CP(s) in prior 2 years | 13.2% | 9.0% | * |
| Any low-intensity workforce development participation in year prior to program | 16.5% | 13.8% | |
| Any high-intensity workforce development participation in year prior to program | .0% | .0% | |
| Approximate arrears balance at program entry | $35,738 | $22,362 | * |

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=224 | N=224 | |
| Total current support obligation (PP1) at program entry | $553 | $382 | ** |
| Total arrears obligation (PP2) at program entry | $156 | $136 | |
| **Those experiencing an earnings dip** | N=115 | N=115 | |
| Time since earnings dip occurred (quarters) | 4.7 | 4.9 | |
| Percent of earnings which earnings dip represents | 83.7% | 84.4% | |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 4: Comparison of NCP Choices Clients with Selected Comparison Group, El Paso County**

| | NCP Choices | Comparison Group |
|---|---|---|
| **All NCPs** | N=336 | N=336 |
| NCP age (years) | 33.6 | 32.9 |
| NCP male | 96.4% | 96.4% |
| NCP Hispanic | 87.8% | 90.5% |
| NCP black | 6.3% | 5.1% |
| NCP number of active CS cases | 1.5 | 1.4 |
| Time since first observed NCP earnings (quarters) | 21.4 | 21.7 |
| NCP employed at program entry | 50.0% | 50.0% |
| Percent of time NCP employed over 4 years prior to program | 45.8% | 45.8% |
| NCP average quarterly earnings over 4 years prior to program | $1,917 | $1,929 |
| NCP experienced earnings dip of at least 20% within prior 2 years | 56.3% | 56.3% |
| Any Unemployment Insurance claims filed in year prior to program | 12.5% | 12.1% |
| Any Unemployment Insurance benefits received in year prior to program | 5.0% | 5.4% |
| Time since CS first collected on this case (months) | 32.9 | 32.9 |
| Time since CS last collected on this case (months) | 8.4 | 8.2 |
| Percent of time CS collection was made in prior year | 20.8% | 21.2% |
| Any CS collection made via federal offset in prior year | 15.8% | 15.8% |
| Percent of time TANF received by associated CP(s) in prior 2 years | 17.9% | 14.9% |
| Any low-intensity workforce development participation in year prior to program | 8.3% | 6.3% |
| Any high-intensity workforce development participation in year prior to program | 1.2% | .6% |

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=336 | N=336 | |
| Approximate arrears balance at program entry | $21,130 | $17,798 | |
| Total current support obligation (PP1) at program entry | $448 | $373 | * |
| Total arrears obligation (PP2) at program entry | $138 | $117 | |
| **Those experiencing an earnings dip** | N=189 | N=189 | |
| Time since earnings dip occurred (quarters) | 4.8 | 4.9 | |
| Percent of earnings which earnings dip represents | 82.7% | 80.7% | |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 5: Comparison of NCP Choices Clients with Selected Comparison Group, Hidalgo County**

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=201 | N=201 | |
| NCP age (years) | 34.5 | 34.2 | |
| NCP male | 96.5% | 96.5% | |
| NCP Hispanic | 96.5% | 96.5% | |
| NCP black | .5% | .0% | |
| NCP number of active CS cases | 1.4 | 1.2 | * |
| Time since first observed NCP earnings (quarters) | 21.4 | 21.8 | |
| NCP employed at program entry | 37.8% | 31.8% | |
| Percent of time NCP employed over 4 years prior to program | 33.3% | 33.9% | |
| NCP average quarterly earnings over 4 years prior to program | $1,912 | $1,820 | |
| NCP experienced earnings dip of at least 20% within prior 2 years | 43.3% | 43.3% | |
| Any Unemployment Insurance claims filed in year prior to program | 4.9% | 5.6% | |
| Any Unemployment Insurance benefits received in year prior to program | 4.2% | 4.2% | |
| Time since CS first collected on this case (months) | 39.4 | 40.2 | |
| Time since CS last collected on this case (months) | 7.6 | 8.1 | |
| Percent of time CS collection was made in prior year | 25.2% | 26.7% | |
| Any CS collection made via federal offset in prior year | 17.9% | 13.9% | |
| Percent of time TANF received by associated CP(s) in prior 2 years | 11.3% | 5.9% | ** |
| Any low-intensity workforce development participation in year prior to program | 23.4% | 23.4% | |
| Any high-intensity workforce development participation in year prior to program | 1.5% | .5% | |
| Approximate arrears balance at program entry | $20,573 | $15,043 | * |

| | NCP Choices | Comparison Group | |
|---|---|---|---|
| **All NCPs** | N=201 | N=201 | |
| Total current support obligation (PP1) at program entry | $375 | $288 | * |
| Total arrears obligation (PP2) at program entry | $55 | $57 | |
| **Those experiencing an earnings dip** | N=87 | N=87 | |
| Time since earnings dip occurred (quarters) | 5.0 | 4.7 | |
| Percent of earnings which earnings dip represents | 83.6% | 83.5% | |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 6: NCP Choices Impacts by Site, Bexar County**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time any child support collections made, year 1 | 39.4% | 29.3% | 10.1% ** |
| Percent of time any child support collections made, later years | 37.9% | 32.0% | 5.9% ** |
| Monthly average child support collections, year 1 | $146 | $108 | $38 ** |
| Monthly average child support collections, later years | $134 | $128 | $6 |
| Any child support collection made within 1 year of program entry | 82.0% | 61.1% | 20.9% ** |
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 38.0% | 29.0% | 9.0% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 37.5% | 31.5% | 6.0% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 21.6% | 19.0% | 2.6% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 25.3% | 21.5% | 3.8% ** |
| Percent of time CP(s) receiving TANF benefits, year 1 | 9.1% | 13.9% | -4.8% ** |
| Percent of time CP(s) receiving TANF benefits, later years | 7.4% | 11.3% | -3.9% ** |
| Percent of time NCPs participating in NCP Choices program, year 1 | 49.5% | .0% | 49.5% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 84.9% | -.2% | 85.1% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 50.2% | .8% | 49.4% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 86.3% | 4.2% | 82.1% ** |

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCP employed, year 1 | 48.3% | 41.2% | 7.1% ** |
| Percent of time NCP employed, later years | 44.5% | 41.9% | 2.6% |
| Average quarterly earnings, among employed NCPs, year 1 | $2342 | $2752 | -$410 ** |
| Average quarterly earnings, among employed NCPs, later years | $2936 | $3038 | -$102 |
| Percent of months in which NCPs filed unemployment claims | .2% | 1.0% | -.8% |
| Percent of NCPs who filed unemployment claims within one year of program entry | 5.6% | -.9% | 6.5% |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 7: NCP Choices Impacts by Site, Galveston/Brazoria Counties**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time any child support collections made, year 1 | 48.4% | 28.2% | 20.2% ** |
| Percent of time any child support collections made, later years | 48.0% | 30.3% | 17.7% ** |
| Monthly average child support collections, year 1 | $181 | $125 | $56 ** |
| Monthly average child support collections, later years | $185 | $127 | $58 ** |
| Any child support collection made within 1 year of program entry | 89.2% | 59.6% | 29.6% ** |
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 49.3% | 27.8% | 21.5% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 48.5% | 30.8% | 17.7% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 28.6% | 18.4% | 10.2% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 37.0% | 21.7% | 15.3% ** |
| Percent of time CP(s) receiving TANF benefits, year 1 | 7.1% | 6.5% | .6% |
| Percent of time CP(s) receiving TANF benefits, later years | 5.8% | 5.2% | .6% |
| Percent of time NCPs participating in NCP Choices program, year 1 | 27.9% | .0% | 27.9% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 94.4% | -.1% | 94.5% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 30.7% | 2.0% | 28.7% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 95.4% | 7.8% | 87.6% ** |

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCP employed, year 1 | 50.9% | 38.2% | 12.7% ** |
| Percent of time NCP employed, later years | 47.0% | 30.5% | 16.5% ** |
| Average quarterly earnings, among employed NCPs, year 1 | $3665 | $3982 | -$317 |
| Average quarterly earnings, among employed NCPs, later years | $4473 | $3903 | $570 |
| Percent of months in which NCPs filed unemployment claims | .1% | 1.2% | -1.1% |
| Percent of NCPs who filed unemployment claims within one year of program entry | 1.3% | 7.8% | -6.5% |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 8: NCP Choices Impacts by Site, El Paso County**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time any child support collections made, year 1 | 43.4% | 33.5% | 9.9% ** |
| Percent of time any child support collections made, later years | 43.3% | 35.2% | 8.1% ** |
| Monthly average child support collections, year 1 | $138 | $130 | $8 |
| Monthly average child support collections, later years | $150 | $148 | $2 |
| Any child support collection made within 1 year of program entry | 81.1% | 65.0% | 16.1% ** |
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 43.5% | 32.6% | 10.9% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 43.2% | 34.6% | 8.6% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 26.5% | 22.2% | 4.3% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 30.6% | 27.6% | 3.0% ** |
| Percent of time CP(s) receiving TANF benefits, year 1 | 10.2% | 8.2% | 2.0% ** |
| Percent of time CP(s) receiving TANF benefits, later years | 7.9% | 5.4% | 2.5% ** |
| Percent of time NCPs participating in NCP Choices program, year 1 | 13.6% | .0% | 13.6% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 70.0% | -.3% | 70.3% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 14.1% | 1.3% | 12.8% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 71.6% | 6.6% | 65.0% ** |

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCP employed, year 1 | 51.2% | 45.3% | 5.9% ** |
| Percent of time NCP employed, later years | 42.9% | 37.6% | 5.3% |
| Average quarterly earnings, among employed NCPs, year 1 | $2706 | $3274 | -$568 ** |
| Average quarterly earnings, among employed NCPs, later years | $3189 | $3161 | $28 |
| Percent of months in which NCPs filed unemployment claims | .5% | 1.7% | -1.2% |
| Percent of NCPs who filed unemployment claims within one year of program entry | 3.2% | 8.9% | -5.7% |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

**Table A- 9: NCP Choices Impacts by Site, Hidalgo County**

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time any child support collections made, year 1 | 55.0% | 30.2% | 24.8% ** |
| Percent of time any child support collections made, later years | 45.3% | 29.5% | 15.8% ** |
| Monthly average child support collections, year 1 | $269 | $140 | $129 ** |
| Monthly average child support collections, later years | $220 | $106 | $114 ** |
| Any child support collection made within 1 year of program entry | 93.1% | 69.4% | 23.7% ** |
| Consistent payment of child support, at least 2 out of 3 months, year 1 | 56.6% | 29.3% | 27.3% ** |
| Consistent payment of child support, at least 2 out of 3 months, later years | 45.3% | 28.6% | 16.7% ** |
| Consistent payment of child support, 3 out of 3 months, year 1 | 34.6% | 18.0% | 16.6% ** |
| Consistent payment of child support, 3 out of 3 months, later years | 31.4% | 19.8% | 11.6% ** |
| Percent of time CP(s) receiving TANF benefits, year 1 | 3.8% | 8.3% | -4.5% ** |
| Percent of time CP(s) receiving TANF benefits, later years | 2.4% | 8.1% | -5.7% ** |
| Percent of time NCPs participating in NCP Choices program, year 1 | 24.3% | -.1% | 24.4% ** |
| Any NCP Choices participation by NCPs within 1 year of program entry | 76.4% | .0% | 76.4% ** |
| Percent of time NCPs participating in any workforce development program(s), year 1 | 29.4% | 2.3% | 27.1% ** |
| Any workforce development participation by NCPs within 1 year of program entry | 83.4% | 14.5% | 68.9% ** |

| | NCP Choices Adjusted Mean | Comparison Adjusted Mean | NCP Choices Impact |
|---|---|---|---|
| Percent of time NCP employed, year 1 | 40.2% | 34.3% | 5.9% * |
| Percent of time NCP employed, later years | 41.3% | 28.0% | 13.3% ** |
| Average quarterly earnings, among employed NCPs, year 1 | $3175 | $3738 | -$563 |
| Average quarterly earnings, among employed NCPs, later years | $3681 | $4932 | -$1251 |
| Percent of months in which NCPs filed unemployment claims | -.1% | .8% | -.9% |
| Percent of NCPs who filed unemployment claims within one year of program entry | 1.5% | 3.2% | -1.7% |

Note: ** indicates statistically significant difference at the .01 level, * at the .05 level

## Table A- 10: NCP Choices Survey and Impacts Summary by Site

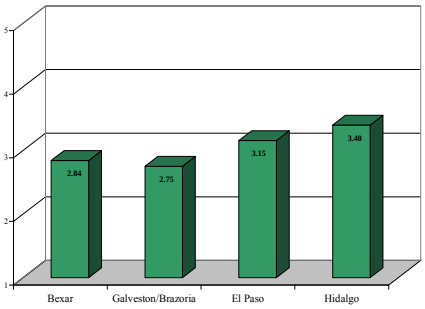
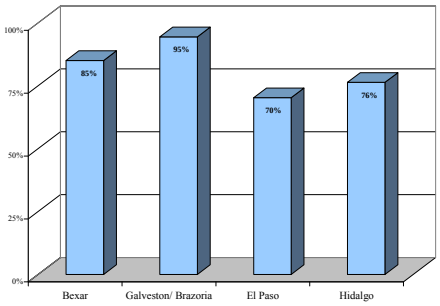
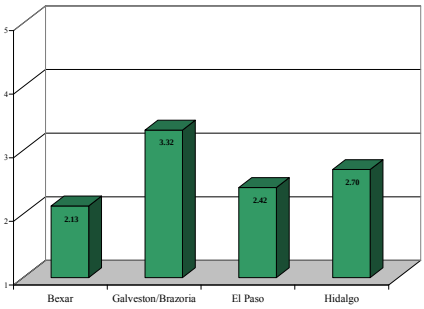
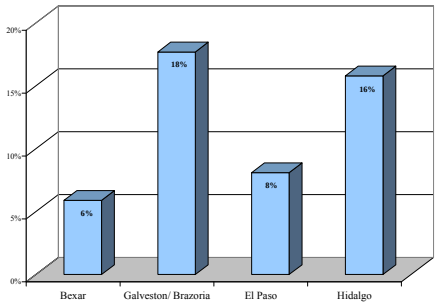
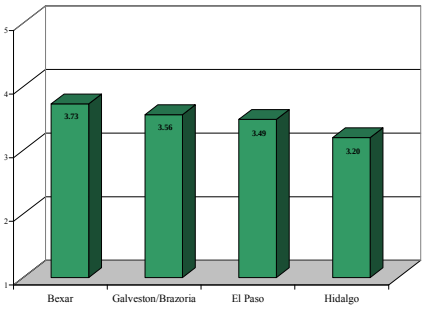
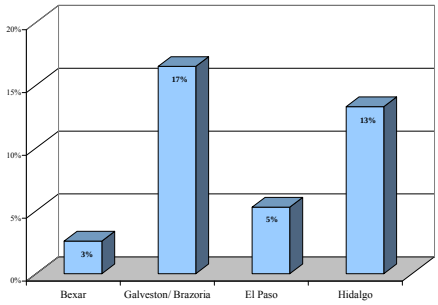
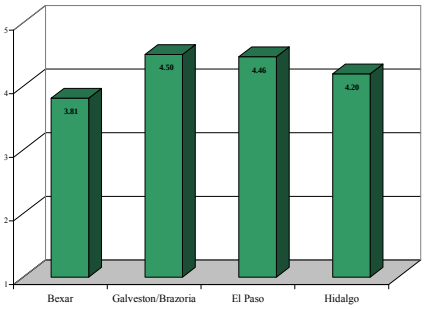
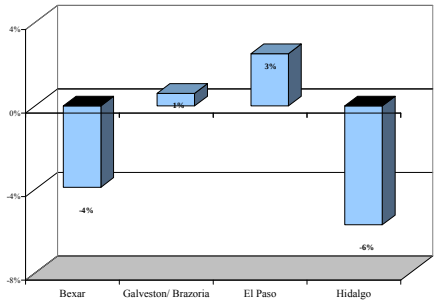
| | Survey Subscales | Impacts | |
|---|---|---|---|
| NCP Moti-vation |  |  | Impact on Any Choices Participa-tion in Year 1 |
| Perceived Program Follow-through |  |  | Long Term Impact on Child Support Collection Freq-uency |
| Adequate and Available Work-force Services |  |  | Long Term Impact on Employ-ment Rates |
| Partners Capable and Collabor-ating |  |  | Long Term Impact on TANF Receipt |

**Table A- 11: Details on Cost Savings Estimation**

| Cost category | Estimated Impact | Total Follow-up Interval | Estimated Savings |
|---|---|---|---|
| Child support, short term (year1) | $53.66 per month | 23,603 case-months | $1,266,537 |
| Child support, longer term (years 2-3) | $31.61 per month | 15,791 case-months | $499,154 |
| Child support, total cost savings | | | $1,765,690* |
| TANF, short term (year 1) | $2.98 per month | 23,764 case-months | $70,817 |
| TANF, longer term (years 2-3) | $1.86 per month | 15,904 case-months | $29,581 |
| TANF, total | | | $100,398 |
| Unemployment Insurance benefits, first two years | $11.05 per quarter | 2,704 case-quarters | $29,879 |
| | | | |
| Overall savings, total | | | $1,895,968 |
| | | | |
| Notes on estimation: | | | |
| * Note that the child support cost savings does not reflect total collection amounts from NCP Choices participants (which as of this writing were well over $4 million), but rather the increase in collections beyond what would have been collected in the absence of the program. | | | |
| TANF, short term (year 1) impact = $185.96 per case-month of receipt X 1.6 pct point reduction = $2.98/month impact | | | |
| TANF, longer term (years 2-3) impact = $185.96 per case-month of receipt X 1pct point reduction = $1.86/month impact | | | |
| Unemployment Insurance benefits, first two years impact = $14.23/quarter (comparison group) - $3.18/quarter (NCP Choices) = $11.05/quarter impact | | | |

**Table A- 12: Common Acronyms and their Meanings**

| | |
|---|---|
| CP | Custodial parent |
| CSE | Child Support Enforcement |
| HHSC | Texas Health and Human Services Commission |
| IV-D | Refers to courts that deal with child support enforcement |
| NCP | Non-custodial parent |
| OAG | Texas Office of the Attorney General |
| PRWORA | Personal Responsibility and Work Opportunity Reconciliation Act, responsible for welfare reform |
| RMC | Ray Marshall Center for the Study of Human Resources at the Lyndon B. Johnson School of Public Affairs, the University of Texas at Austin |
| TANF | Temporary Assistance for Needy Families |
| TWC | Texas Workforce Commission |
| UI | Unemployment Insurance |