

Urban Fathers Asset Building

**Final Report
BAFF Grant**

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LIST OF ACRONYMS

| | |
|----------|--|
| ACF | Administration for Children and Families |
| AFI | Assets for Independence |
| BAFF | Building Assets for Fathers and Families |
| Baylor | Baylor Teen Health Clinic |
| BBT | Bring it Back to Texas |
| CDFI | Community Development Finance Institution |
| CEO | Chief Executive Officer |
| Covenant | Covenant Community Capital Corporation |
| CS4C | Child Support for College Program |
| DRO | Domestic Relations Office |
| F & F | Father and Finance |
| FFP | Federal Financial Participation |
| FFY | Federal Fiscal Year |
| FTE | Full-time equivalent |
| GED | General Educational Development |
| WIB | Workforce Investment Board |
| HGAC | Houston-Galveston Area Council |
| IDA | Individual Development Account |
| MOU | Memorandum of Understanding |
| NCP | Non-Custodial Parent |
| NEAP | Northeast Adolescent Program |
| OAG | Office of the Attorney General |
| OCSE | Office of Child Support Enforcement |
| RAISE | Resources, Assets, Investments, Savings, Education |
| RMC | Ray Marshall Center |
| TFFI | Texas Fragile Families Initiative |
| UFAB | Urban Fathers Asset Building |
| USHHS | U.S. Department of Health and Human Services |

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Lastly, the authors would like to thank our administrative and project support staff at the Ray Marshall Center, especially Susie Riley and Alanna Burney for technical assistance with document review and preparation.

EXECUTIVE SUMMARY

The Urban Fathers Asset Building (UFAB) project demonstrated the potential benefits that might be realized, as well as limitations encountered, of an innovative nexus between the child support system, fatherhood programs, and the Assets for Independence (AFI) grant-funded services. UFAB is a collaborative initiative of the Texas Office of the Attorney General (OAG), Baylor College of Medicine’s Teen Health Clinic, and Covenant Community Capital Corporation, the local AFI grantee. UFAB targeted low-income, young fathers—a population sub-group notably under-represented among those presently participating in and benefitting from the financial services regularly provided under AFI—prior to their need for enforcement of child support orders. The project is a Section 1115 Demonstration Grant program from the Administration for Children and Families (ACF) of the U.S. Department of Health and Human Services (USHHS).

UFAB sought to recruit and enroll up to 200 new or expectant young fathers who reside in the urban core of Houston, Texas, at or near the time of the births of their children and prior to the accumulation of actionable child support arrearages, in order to encourage financial literacy and asset building to become more economically self-sufficient. The demonstration presented the opportunity to provide information about child support laws and enforcement to young fathers at this early stage of family formation, and to personnel of collaborating entities at the community level. Additionally, the grant helped to build awareness and support for the UFAB model and other Building Assets for Fathers and Families (BAFF) efforts throughout the state.

The combined expertise and experience of UFAB’s primary partners with fatherhood programs, case management, financial education, matched savings, and child support and paternity establishment services exhibited core capacity for UFAB to identify, outreach, enroll, and serve young economically marginalized males at or near the time of birth of their child. OAG served as the grant administrator and primary source of child support information. Baylor Teen Health Clinic referred young or expectant fathers in its fatherhood, prenatal, or other programs whom staff identified as having earnings through work and deemed capable of benefitting from financial services. Covenant provided the financial education services and access to Individual Development Accounts (IDAs). UFAB

initiated collaboration between the OAG and RAISE Texas, the statewide association of AFI grantees, for the purpose of disseminating child support information, including family stability initiatives to the grantees and their local partners.

OAG contracted with the Ray Marshall Center for the Study of Human Resources of the LBJ School of Public Affairs at the University of Texas at Austin as the project evaluator to conduct process and outcomes analyses of UFAB. This Final Report presents evaluation results of the UFAB demonstration across the grant period of September 30, 2010 through September 29, 2014.¹ Additionally, the Report presents the accomplishments of related efforts of OAG's Child Support Division throughout the state supported by the BAFF grant including:

- Outreach and information presentations to stakeholder groups regarding child support policies, practices, and innovative programs;
- A survey of financial stability goals and habits of custodial and non-custodial parents in the child support program;
- Advancing the Bring It Back to Texas Pilot Program (BBT), which encourages non-custodial parents (NCPs) with child support arrearages to use free tax preparation centers to file federal income tax forms and use their federal tax offset to pay down arrears; and
- Developing, implementing, and evaluating the Child Support for College Program (CS4C), wherein custodial parents can convert lump sum child support payment into a 529 college savings plan.

The 1115 BAFF grant enabled OAG and partners to initiate and refine efforts to improve the child support system through expanded community engagement, to identify promising practices that may be sustained in the future, and to increase the knowledge regarding the child support population and programs.

UFAB partners rapidly became acutely aware of the challenges of providing financial education and IDA services to young fathers faced with multiple barriers to participation, employment, and income stability. As a result of these challenges, UFAB remained in almost constant adjustment mode throughout the demonstration period, working to realign

¹ The Administration for Children and Families awarded the three-year UFAB Demonstration grant for the period September 30, 2010 through September 29, 2013, and subsequently authorized a one-year, no-cost extension.

the demonstration service model to overcome the low numbers of IDA-ready young fathers in the Baylor system; revamp outreach to draw participants from additional community sources; and adjust services to better prepare and appropriately serve those who might potentially benefit from UFAB services.

UFAB recruitment and enrollment began in July 2011. After March 2013, partners focused primarily on enhancing services and outcomes for those young males currently enrolled in UFAB services. Since then OAG and partners have made steady progress to improve performance through participation, persistence, and advancement of the population through services. UFAB far exceeded expectations regarding outreach and information activities and services, but moved only smaller number of clients through financial services, due to low referral rates, weak client follow through with enrichment opportunities, and other challenges inherent to the target population. Towards the end of the demonstration and through service adjustments tailored to the population challenges, Covenant had begun to make inroads towards financial information and opportunity as indicated by the growth in IDAs, savings, financial education training completers, and asset purchases. OAG exceeded its performance targets in all related measures.

Covenant responded proactively to the challenges moving those with weak employment attachment and sparse income stability through financial services funded under AFI by supplementing those allowable services with others specifically designed to enhance the prospects for success of the young fathers and families using local resources and community networks. For example, Covenant has:

- Defined a new client “financial services only” category to register young males who might not yet be ready for steady savings and asset-building, but will benefit from exposure to information and opportunities;
- Strengthened community partnerships and become a spokesman for fathers and family financial challenges at THRIVE, a local continuum of care coalition in the Houston area;
- Adopted more of a “two-generation approach” by adding parenting and relationship-building modules within its educational workshops to strengthen family formation and the value of financial stability;
- Addressed the transportation needs of low income workers by allowing (with non-AFI funding) automobiles as an asset purchase that facilitates employment and increased earnings prospects; and

- Introduced additional service options to better serving young, mostly minority fathers, including transition services for ex-offenders and opening accounts with military veterans (whose disability pay is disallowed as “earnings” under AFI).

OAG has made successful inroads with RAISE Texas and the AFI community partners for disseminating child support information, implementing innovative projects like Bringing It Back to Texas and the Child Support for College pilots, and improving prospects for child well-being as well as collections efforts under the grant. UFAB did reveal the constraining effects of engaging local OAG staff with efforts to reach young fathers and NCPs prior to the need for child support enforcement: local OAG staff have no contact with the target population who may not have cases established and staff have minimal contact with NCPs prior to enforcement. Relatedly, the target population *may* accumulate enforceable arrearages while participating in a program like UFAB. Collections enforcement would negate their savings under current rules, constraining the effectiveness of the model. This fundamentally limits the prospects for further statewide rollout.

Partners in the Houston area will, however, continue to implement practices developed under UFAB that may preclude the need for enforcement through helping to build a stronger economic foundation beneath the young fathers. Baylor will continue to provide some form of child support information in their Bootstrap and fatherhood programs, while continuing to refer persons to Covenant for financial services to build economic stability. Baylor will also continue to engage those businesses that employ their participants, keeping them informed of the IDA and financial services opportunities at Covenant for their job placements and other employees. UFAB has created an awareness of child support practices and the need for a continuum of workforce training, employment, and supportive services, particularly asset-building opportunities, which help young fathers and families to attain and maintain economic viability.

The following report provides further details of these accomplishments and prospects, as well as the constraints. UFAB and the related BAFF projects have established a system of practice for strengthening and sustaining these young fathers and families efforts in the future.

UFAB DEMONSTRATION AND BAFF INITIATIVES BACKGROUND

OVERVIEW

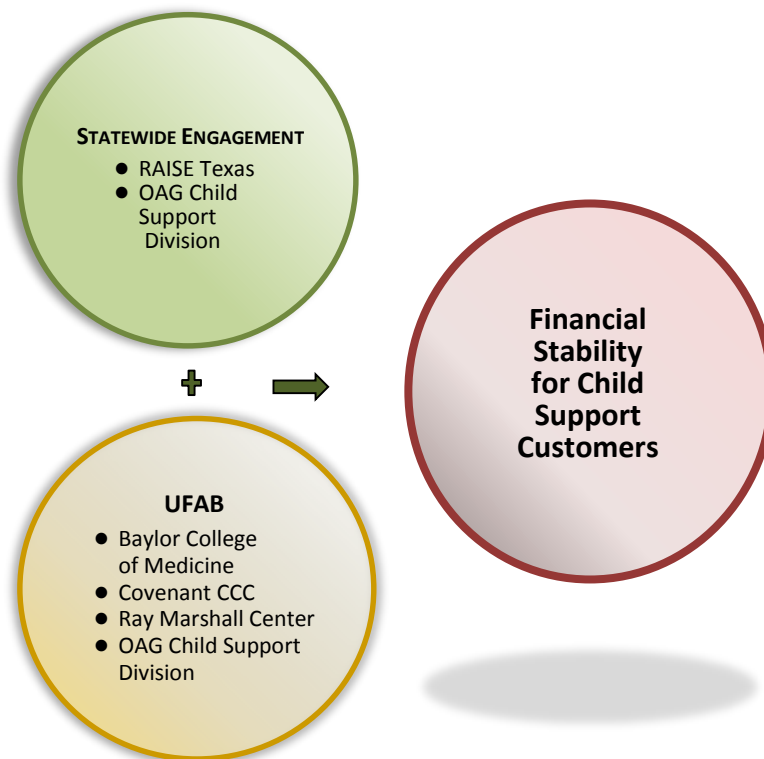
The Urban Fathers Asset Building (UFAB) demonstration project is a core project of the Section 1115 Demonstration Grant under the Building Assets for Fathers and Families (BAFF) program of the Administration for Children and Families (ACF) of the U.S. Department of Health and Human Services. Through UFAB, the Family Initiatives section of the Child Support division at the Texas Office of the Attorney General (OAG) proposed to expand the knowledge base and to promote the Assets for Independence (AFI) program by targeting low-income, young fathers—a population sub-group notably under-represented among those presently participating in and benefitting from the matched savings accounts (known as Individual Development Accounts or IDAs) and financial education services provided under AFI.² UFAB project pursued an innovative nexus between the child support system, fatherhood programs, and the AFI grant-funded services as a collaborative initiative of the OAG, Baylor College of Medicine’s Teen Health Clinic, and Covenant Community Capital Corporation, the local AFI grantee. UFAB targeted, young fathers prior to their need for enforcement of child support orders.

The demonstration planned to recruit and enroll up to 200 new or expectant young fathers who reside in the urban core of Houston, Texas, near the time of the births of their children—that “magic moment”—in order to encourage their participation in financial literacy and asset-building services that would support their financial stability and prospects for becoming economically self-sufficient. Additionally, the demonstration enabled OAG and its partners to provide information about child support laws and enforcement to the young fathers at this early stage of family formation and to personnel of collaborating entities at the community level.

² Assets for Independence (AFI) is a community-based approach for giving low-income families “a hand up” out of poverty. AFI programs provide financial education and services, including access to banking, credit-building, and Individual Development Account (IDA) services to low-income working people. AFI IDAs match each dollar of participants’ savings from earnings with dollars from grant and local funding to build savings for allowable asset purchases: capitalizing a small business, acquiring a first home, or enrolling in postsecondary education or training.

The Texas OAG partnered with Baylor College of Medicine’s Teen Health Clinic, particularly its Young Fathers/Bootstrap program, and local AFI grantee Covenant Community Capital Corporation (Covenant) in the Houston area to implement UFAB. At the statewide level, the BAFF funding supported collaboration between the OAG and Resources, Assets, Investments, Savings, Education (RAISE) Texas, the statewide association of AFI grantees, for the purpose of disseminating child support information, including family stability initiatives to the grantees and their local partners. The OAG-RAISE collaboration also served as a mechanism for potentially scaling promising practices refined in the UFAB model in other localities throughout the state. Figure 1 portrays the collaborative UFAB demonstration model.

Figure 1. Goal Oriented Collaboration Model



Other activities and projects supported by the BAFF grant included:

- Outreach and information presentations to stakeholder groups regarding child support policies, practices, and programs;

- A survey of financial stability goals and habits of custodial and non-custodial parents in the child support program;
- Introducing the *Bring It Back to Texas Pilot Program* (BBT), which encourages NCPs with child support arrearages to use free tax preparation centers to file federal income tax forms and use their federal tax offset to pay down arrears; and
- Developing, implementing, and evaluating the *Child Support for College Program* (CS4C), wherein custodial parents can convert lump sum child support payment into a 529 college savings plan.

UFAB and related BAFF initiatives have followed complementary paths and collectively have made substantive progress through their innovative practices to prospectively reduce the need for the Child Support program to enforce legal and financial orders for children, to enhance the prospects for child support collection, and to contribute to the development and maintenance of child and family well-being in Texas. This Final Report:

- **Summarizes** UFAB’s operational features and outcomes;
- **Depicts** the demonstration’s challenges and innovative responses;
- **Reviews** the accomplishments of the ancillary projects supported by BAFF funds; and
- **Assesses** the prospects for sustaining demonstration practices in the Houston area, as well as extending promising practices to other areas of the state.

OAG contracted the Ray Marshall Center to conduct a primary evaluation of UFAB that included process and outcome analyses.³ The process analysis examined the design, initial implementation, and operational phases of the demonstration by means of site visits; participatory observation in monthly partner meetings; review of UFAB planning, policy, and management reports; and guided conversations with active and prospective collaborators in the Houston area, as well as RAISE Texas.⁴ The data analysis captures the

³ RMC had intended to conduct a quasi-experimental impact analysis as part of the evaluation, but small sample sizes would have limited the usefulness of such approach. Comprehensive evaluation details are contained in *Urban Fathers Asset Building Initiative: Evaluation Plan* (Schroeder and O’Shea, July, 2011.)

⁴ An Interim Implementation Report (O’Shea, et al., 2013) described the demonstration’s design and

services provided under UFAB, noting particularly the achievements of the young fathers who enroll and receive services at Covenant. This small subset of individuals engaged in UFAB services has been matched with data found in related public administrative data sets as a basis for providing further insights into the subpopulation positioned to benefit from financial services and IDAs.

The UFAB evaluation clearly highlights the challenges of recruiting, enrolling, and advancing the use of financial services among low income fathers with weak labor force attachments. Furthermore, without steady income and employment the target population remains at risk for accumulating arrearages and triggering enforcement actions prior to attaining economic stability. Nevertheless, UFAB made notable advances with a small core of participants as Covenant adopted practices to better serve young fathers in their mainstream program that can be sustained in the post-demonstration future.

ORGANIZATION OF THE REPORT

The following section presents UFAB's implementation experiences from the process analysis, depicting the demonstration's challenges and innovative, adaptive practices introduced in response to those challenges. The section closes by presenting outputs and outcomes from quantitative results of program and administrative data analyses. Section III reviews the accomplishments of the ancillary projects supported by BAFF funds. The final section, Concluding Observations, assesses the key findings from the evaluation and identifies prospects for sustaining demonstration practices in the Houston area, as well as extending promising practices of UFAB and related BAFF initiatives to other areas of the state.

early implementation experiences in detail, and provided formative guidance to help refine the model in behalf of improving enrollments and outcomes.

UFAB IMPLEMENTATION AND OUTCOMES ANALYSES

The UFAB design remained subject to adjustment and refinement to increase knowledge and attain success throughout the demonstration's post-planning, operational timeframe of July 2011 through August 2014. Roles and responsibilities of collaborators remained basically consistent, while specific service delivery practices changed regarding outreach efforts, case management, and services. This section introduces demonstration partners, and activities and services, client flow model, and adjustments within these areas of practice. The section closes with quantitative descriptive analyses of outputs and outcomes from program management and administrative data sets.

COLLABORATING ENTITIES

The combined expertise of UFAB's primary partners with fatherhood programs, older and out of school youth services, case management experience, financial education, matched savings, and child support and paternity establishment services provided potential capacity for UFAB to identify, outreach, enroll, and serve young economically marginalized males at or near the time of birth of their child. UFAB partners engaged relevant workforce, human services, and education providers as part of their outreach and marketing strategy to stimulate referrals and enrollments of promising target group prospects. Baylor Teen Clinic brought broad and deep contacts with young fathers through its fatherhood, prenatal, and other programs—points of contact deemed to be rich in referrals to Covenant. Covenant, in turn, supplied the grounded experience in helping lower income individuals and families attain financial stability through financial education, banking, credit recovery and access to IDAs, among other services. OAG provided the child support system expertise and project administrative oversight.

Office of the Attorney General

OAG viewed the 1115 grant proposal for UFAB as a logical fit with the Family Initiatives efforts to broaden the child support strategy beyond enforcement and collections to test approaches that strengthen families and help improve child well-being, while

enhancing payment capacity and pre-empting the need to enforce legal and financial orders. OAG saw the UFAB demonstration grant funding as an opportunity to test an innovative means to deepen connections with and services to young non-custodial parents (NCPs) that aligned with such objectives. OAG submitted a proposal for the UFAB 1115 grant in July 2010 as a partnership with RAISE Texas, Baylor Teen Clinic, and Covenant Community Capital.

OAG was the grant recipient and provided administrative oversight to the UFAB demonstration. Agency staff assigned to the demonstration include a full-time program coordinator paid with combined grant and Federal Financial Participation (FFP) monies and in-kind contributions from the Program Manager for Youth and Forming Families Outreach and Educations (.10 FTE) and the Director of the Family Initiatives section (.05 FTE). In addition to direct program oversight, the Program Coordinator responsibilities, often in partnership with Covenant and Baylor, included:

- Assistance with the development and distribution of marketing materials;
- Development of an integrated Fathers and Finance Workshop as an outreach tool that combines information about child support, fatherhood programs, and financial education and asset-building services, as well as participation in the delivery of such workshops, as feasible;
- Serving as primary point of contact for UFAB affiliates and clients regarding child support policies and case issues;
- Providing information to local offices of the Child Support Division regarding UFAB and other projects of the Family Initiatives section at OAG;
- Collaborating with RAISE Texas affiliates to disseminate information about child support rights and responsibilities, market and implement innovative OAG and cooperative programs to enhance family formation and financial stability;
- Assess the feasibility of extending and scaling the UFAB model in other locales throughout the state; and
- Designing, implementing, and monitoring data collection for monthly program management reports, quarterly performance reporting to USHHS, and evaluation purposes.

Covenant Community Capital Corporation

Covenant is a Community Development Finance Institution (CDFI) serving the Houston area that has been an AFI grantee since September 2004. Over the years, Covenant has used successive AFI grants totalling \$1.3 million— matched by \$1.5 million in non-federal support— to help over 800 participants open IDAs and save more than \$1.5 million through its Smart Saver IDA Program. Nearly 400 residents have completed the financial education course. Some 175 of these have used their IDAs to purchase one of three qualified assets: a first home; enrolling in postsecondary education or training; and starting or expanding a small business. Covenant provides a complete array of basic financial management training and services, such as financial education on opening and managing a bank account or a credit card; credit counselling and repair; guidance in accessing refundable tax credits, including the Earned Income Tax Credit and the Child Tax Credit; and specialized training in the acquisition of qualified assets through IDAs.⁵

With UFAB funding, Covenant provided a full-time program coordinator/financial coach to provide case management and other services in mid-September 2011. Covenant also provided an undetermined amount of leveraged, in-kind contributions of staff time, including that of the CEO (who helped develop and deliver the Fathers and Finance Workshops—regularly scheduled at the Baylor Teen Health Clinics—as well as consistent outreach to community-providers), data management services, and financial counselling staff supported by non-federal, local sources.

Covenant’s key roles and responsibilities in the initial demonstration design included:

- Shaping content of materials and co-presenting the Fathers and Finance Workshops;
- Incorporating fatherhood and parenting responsibilities into financial coaching sessions;
- Conducting intake and eligibility determination for UFAB and Covenant’s services;

⁵ <http://idaresources.acf.hhs.gov/granteedetailsite?id=0017000000OxbxsAAB>

- Opening bank accounts and IDAs for UFAB participants;
- Providing case management and financial coaching services;
- Conducting a series of 6 Financial Education Workshops, inclusive of asset-specific training for each IDA enrollee—a necessary prerequisite for asset purchases with matched savings;
- Encouraging and monitoring matched savings;
- Conducting and monitoring data collection for monthly program management reports, quarterly performance reporting to USHHS, and evaluation purposes.

Baylor College of Medicine Teen Health Clinics

For four decades, the Baylor Teen Clinics within the Baylor College of Medicine have integrated low or no-cost comprehensive health services infused with education and social services for area teens and young adults. Across this continuum of care, the clinics address the social determinants that underlay individual prospects for becoming healthy and productive members of their communities. The close and successful working relationship between the Baylor Teen Health Clinics and the OAG under the early Bootstrap program serving young and prospective fathers provided a foundation for partnering in the UFAB demonstration. UFAB funding supports a Program Coordinator position in the New Fathers Program unit that operates the Bootstrap and Fatherhood Programs, as well as a small share (.05 FTE) of the Director of Social Services. The Baylor Teen Health Clinics Director and a medical social worker account for in-kind contributions of .02 FTE and .15 FTE, respectively. In addition to Project Bootstrap and health services delivered in seven local teen clinics (three of which are male only clinics), current social services programs that might produce referrals to UFAB included:

- Northeast Adolescent Program (NEAP), a collaborative healthcare extension program for at-risk youth in local schools involving Baylor, Harris County Precinct One, the Harris County Hospital District, the Houston Independent School District, and the March of Dimes;
- Centering Pregnancy Program (formerly known as Project Passport), a prenatal and postpartum care program for expectant mothers aged 13 through 22 years;

- Nurse Family Partnership Program, a no-cost nurse home visitation program for low-income women during pregnancy and up to 2 years after childbirth, which also helps with parenting skills, education, training, support services, and planning; and
- Fatherhood Program that provides parenting classes to young males (13-23 years of age) and encourages their engagement with education and job training programs.

The Bootstrap program serves as the main program gateway to UFAB from the clinics. Bootstrap emphasizes GED or high school diploma acquisition as a prerequisite for successful workforce engagement. It is an incentive-based (up to \$1100 per participant) program serving mainly fathers between 16 and 25 years of age. Incremental incentive payments are distributed to participants who “communicate” regularly with their case manager and progress in agreed upon education and job preparation activities identified in their signed individual service plans. Attainment of a GED or high school diploma, completing job readiness, successful job placements, and employment entry are considered positive outcomes on a path to self-sufficiency for young or expectant fathers. Those employed during participation or placed through the program are referred to Covenant for financial services.

The key role and responsibilities of the Baylor Teen Health Clinics in the UFAB design included:

- Incorporating financial and child support information into fatherhood interventions at Bootstrap and within other clinic program offerings;
- Conducting outreach and generating referrals to the Fathers and Finance Workshops, as well as direct referrals of qualified young men to UFAB and Covenant’s services from the young father contact points across programs;
- Contributing to the development, co-presenting, and regularly hosting the Fathers and Finance Workshops at the Teen Health Clinics;
- Providing case management services;
- Conducting and monitoring data collection for monthly program management reports, quarterly performance reporting to USHHS, and evaluation purposes.

RAISE Texas

RAISE Texas is a statewide network of non-profit organizations, private sector businesses, and public institutions that help local and state leaders as well as community-based organizations to offer asset-building training and assistance to low- and moderate-income residents. In addition to directly providing financial support, resources, and technical expertise, RAISE Texas is a leading policy research and advocacy organization promoting programs and practices that enhance financial stability for the target populations.

RAISE Texas shares OAG's interest in stimulating financial stability for low-income fathers and became a willing partner in the 1115 grant proposal by providing a letter of support and its in-depth knowledge of IDA products and practitioners to OAG staff. RAISE Texas recommended Covenant Community Capital to OAG as the lead entity for money management training and IDA services in the Houston area for the collaborative demonstration.

Equally important for the demonstration, RAISE Texas has been the partnering entity for disseminating child support information, as well as implementing cooperative initiatives between OAG and asset-building programs throughout the state. RAISE Texas has provided the platform of its statewide network for the OAG Coordinator to strengthen child support contacts at the local level. This association is central to scaling UFAB in key locales beyond Houston. OAG and RAISE Texas affiliates have conducted the Child Support for College Program (CS4C) and the Bring It Back to Texas Program.

OPERATIONS

Demonstration implementation reflected consensus with UFAB's purpose and objectives, yet —given the inherent instability of the target population of low-income, urban males—required persistent adjustment of practices related to the client flow pattern, particularly regarding outreach and enrolment; the availability and intensity of activities and services, including case management; and challenges regarding consistent management and performance data.

Program Goal and Objectives

The institutional mission of each UFAB partner shared the demonstration's goal to strengthen families through the provision of parenting and financial skills that can also reduce the need of the child support program to enforce legal and financial orders. At the same time, partners recognized the significant challenges associated with key objectives of the UFAB demonstration to:

- Exhibit a clear process by which large numbers of eligible young fathers could advance from Baylor's fatherhood programs or other points of client contact in the Teen Health Clinics into Covenant's asset-building services;
- Operate as a coordinated effort combining fatherhood, job-readiness services, financial education and asset-building, and child support information for new and expecting fathers without child support arrearages who have earned income through employment;
- Develop a program that may be replicated or inform similar efforts in other parts of the state;
- Provide productive pathways for young fathers unable to enter the IDA program immediately, yet may contribute to their progress toward financial stability.

UFAB initially planned to recruit and enroll up to 200 male, low-income, new or expectant fathers from the urban core of Houston in financial education and IDA services. UFAB set ambitious performance targets, given that as a demographic group, young fathers have not historically enrolled in asset-building services. Although Baylor will continue to refer Bootstrap and other program participants to Covenant, most of their young male population have not yet achieved sufficient academic readiness, labor force attachment, income, basic transportation or housing stability to benefit from financial services at Covenant.

The coordinated effort to combine fatherhood, job-readiness services, financial education and asset building, and child support information for new and expecting fathers will continue with several adjustments. Covenant has begun providing relationship-building and parenting modules within their array of educational workshops to strengthen family

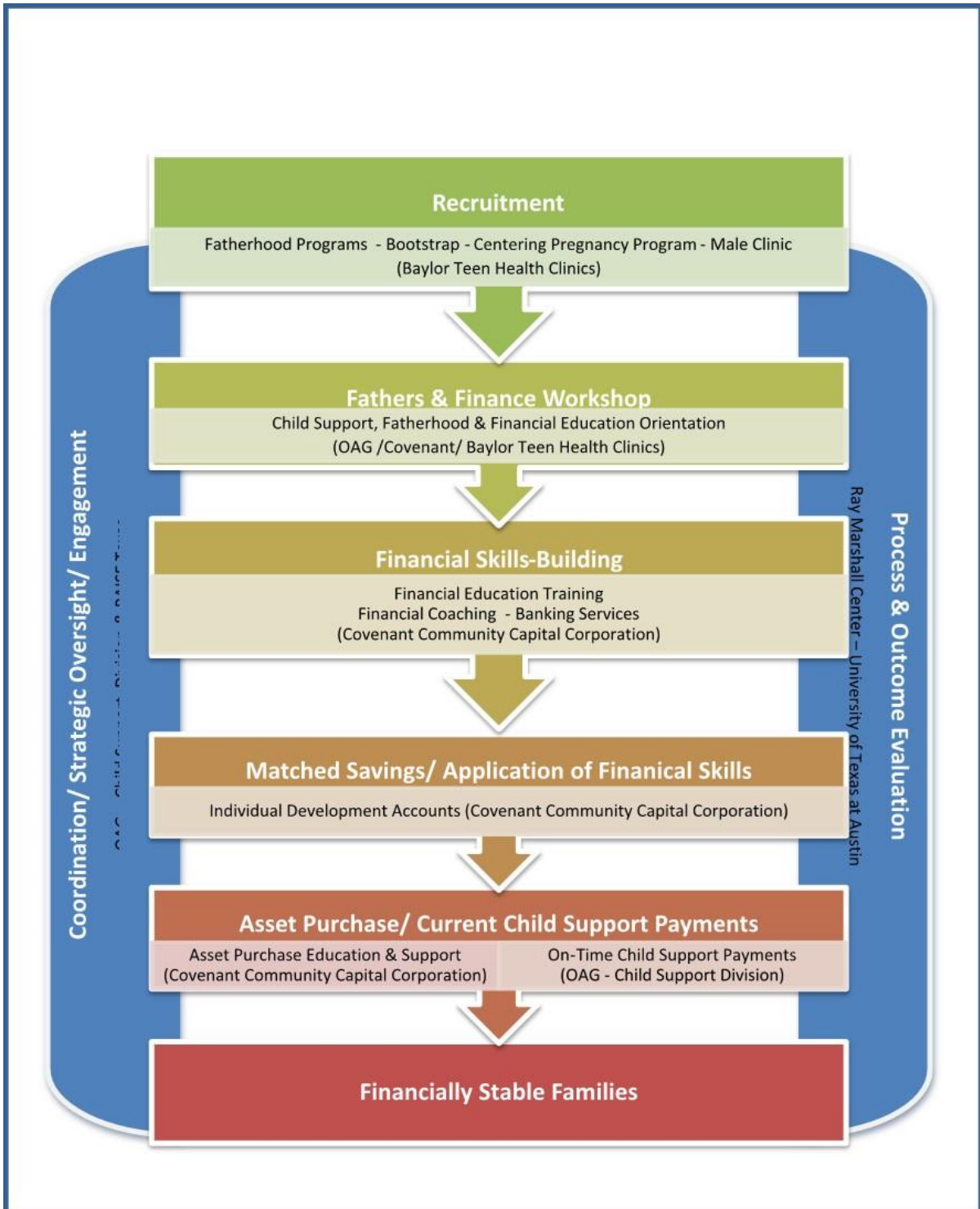
formation, while reinforcing the value and opportunities associated with financial capacity. Covenant and Baylor, through their early intensive outreach efforts to other community groups and workforce development providers, as well as employers, have broadened in the outreach/intake potential beyond dependence on Baylor as a sole source provider. Covenant now “mainstreams” young fathers who are not yet prepared to benefit from IDA’s as “financial services” customers, which allows them to partake in banking and credit-building services, while ramping up to IDA readiness. Covenant has also started a “Monthly Homebuyer’s Club” that reinforces persistence. Child support information is embedded in outreach presentations, and staff at both Covenant and Baylor are better informed of child support rules and practices. These practices may be attractive to other AFI grantees, should they become interested in better serving young fathers.

Client Flow

Outreach, Information, and Referral: During the first quarter of operations, (Yr1/Q3) partners quickly recognized that the numbers of Bootstrap participants willing and able to participate in Covenant’s financial services might be insufficient to meet program targets.⁶ Figure 2 represents the initial design of UFAB wherein a linear progression of young fathers from Baylor through Covenant AFI services might occur. Insufficient intake numbers at the early implementation stage (July 2011 through December 2012) pushed collaborators to expand outreach efforts.

⁶ According to program management reports, only five of the 130 fathers attending the Fathers and Finance Workshop at Baylor in the first year were referred to Covenant for financial services

Figure 2. Urban Fathers Asset Building Initiative⁷



⁷ Adapted from figure provided by Chris Giangreco, OAG

Early expectations for referrals to the Fathers and Finance Workshop or directly to Covenant from local Child Support Offices faltered due to target group misalignment: child support caseworkers primarily have contact only with young fathers who were already having difficulty with court orders for support. UFAB targeted those *without arrearages* that might subject them to collections.

In mid-September 2011, the Financial Coach at Covenant began identifying and contacting community- and faith-based organizations, employment and training providers, and local postsecondary institutions with programs serving young males and fathers to expand the outreach universe. Additionally, the Baylor case manager made direct overtures to employers with a known history of hiring young males or Bootstrap participants. Staff contacted, often repeatedly, more than forty potential referral sources during this early period.

These contacts seeded the ground for future referrals in both directions: UFAB clients referred out for provider services and reverse referrals were made from these provider clients to UFAB for financial services. Successful inroads were established with several of these, including, among others:

- WorkFaith Connection, a job-readiness and placement program targeting difficult to serve populations;
- THRIVE/United Way of Greater Houston, a social services provider collaboration addressing the income and livelihood prospects of low-income residents;
- Workforce Solutions/Gulf Coast Workforce Investment Board, the administrative entity for comprehensive federal and state workforce development programs and supportive services;
- Interfaith Freedom Initiative, a prison “in-reach” and transitional services agency for currently incarcerated and recently released criminal offenders; and
- The Urban Experience Program for first generation, mostly minority, college students at the University of Houston.

Enhanced outreach efforts took other forms as well. OAG sent successive batches of roughly 300 UFAB information letters (numbering nearly 1000 total) to recently opened child support cases. OAG connected with the Harris County Domestic Relations Office (DRO), the agency responsible for child support actions in cases not served by OAG, to refer fathers who are current in child support payments to UFAB. Partners intensified efforts to outreach and engage mothers linked to potential program participants through public marketing across the community. Baylor increased group presentations to female and male clients in other Baylor's Teen Health Clinic programs, many of which were small groups. Baylor also reached out to former Bootstrap participants and employers with whom the programs have placed participants in the past.⁸

Intake and Eligibility Determination: Partners conducted intake and eligibility determination for Bootstrap and Covenant services by means of standard forms and procedures already in practice. Individuals receiving services at Baylor had likely already completed a "Baylor Fatherhood Program Intake Form" or "Baylor Male Clinic Intake Form," both of which collect demographic and descriptive data, as well as health and behavioural survey data. Intake and eligibility for Covenant was administered by means of its "Financial Services Application" and its "Financial Education and Coaching Enrollment" form, which contain detailed referral, demographic, employment, income, and assets information. The latter form contains behavioural and attitudinal assessment data as well. Standard eligibility requirements for IDA services at Covenant include regular earnings from work, income below 200 percent of the federal poverty level, federal income tax filing records from the prior year, and an asset goal.

UFAB introduced three additional forms during the implementation phase. At the Fathers and Finance Workshop, those interested in receiving additional financial services completed an "Urban Fathers Asset Building Initial Intake Form Cover Sheet" eliciting basic contact information for follow-up. Facilitators also provided to participants the "Urban Fathers Asset Building Initial Intake Form," which was to be completed immediately or at a

⁸ Additionally, UFAB considered placing low-cost poster advertisements on public transit buses, but deferred such action.

subsequent appointment with the case manager. The form collected personal information and baseline data about the individual's current situation in several areas. These include personal identity data; information of employment, education, marital and paternity status, and child support; and present financial goals and expectations. OAG used data from this form for demographic profiles contained on Quarterly Performance Reports to OCSE. Lastly, the "Urban Fathers Asset Building Progress Report Form" was designed to update client situational or attitudinal data at three-month intervals to monitor changes during program participation. This form proved untenable because of irregular client contacts due to erratic phone service, unstable housing, and erratic participation patterns ("no shows").

Service Planning: Baylor's Bootstrap Program requires a signed service agreement through which participants and case managers identify client goals. Incentives are tied to milestones in the service agreement. The Financial Coach conducting the intake at Covenant explains the financial services offerings and expectations, schedules services, and guided UFAB participants through the sequence.

Participation: Participation in UFAB services is voluntary, reflecting prevailing practices of Baylor and Covenant.⁹ Staff can market the opportunity and demonstrate the benefit, but cannot supply client motivation. Both Bootstrap and Covenant also have relatively open enrollment practices; most participant cases are kept open for extended periods after the last client contact. Although both programs are tied to milestones (e.g., Bootstrap incentive payments) or benchmarks for advancement (e.g., Covenant's completion of Financial Education Training to qualify for match share and asset purchase), there are no set criteria to distinguish active and inactive cases. Providers try to be responsive to the sometimes-tumultuous conditions of participant's lives and considerate of the effects these may have on continuous participation. That said, the general population served by Covenant is generally motivated by their goals to complete services. For example,

⁹ For the majority of clients in Baylor's Bootstrap and Fatherhood Programs, participation is open and voluntary. Some fraction of young males in the programs may be required to participate by a Truancy Court judge; mandatory compliance is further encouraged by suspension of truancy fines (up to \$500) upon satisfactory completion of the program.

Covenant estimates that, among the typical participants they serve, 40 percent of those who open an IDA eventually purchase an asset.¹⁰

It is clear to all that the majority of young males in Baylor’s Bootstrap and Fatherhood programs are more concerned with immediate circumstances than longer-term financial services, and thus they have limited interest to open, save, and benefit from IDA accounts at this point in their lives. Partners recognize that few participants are job-ready and employed with sufficient earnings.

In response to this reality, UFAB partners adjusted internal client sorting procedures to better select individuals ready for financial services. Beginning during the spring of 2012, Bootstrap and Fatherhood program participants who were deemed more “motivated to improve their financial situation as fathers,” yet have no steady income, were assigned to a “Developmental” Group and remained in Baylor services only. Those considered IDA-ready—as evidenced by motivation, the absence of actionable child support arrears, and earned income from employment—were assigned to the “Advanced” Group and enrolled at Covenant. Upon attaining better capacity to benefit from services—most notably, steady employment and earnings—Developmental Group members migrated to the Advanced Group at Covenant. Covenant’s records indicate that 18 Advanced Group members of their total 75 UFAB clients remain on their caseload as of August 2014.

UFAB partners began considering steps to be taken to improve the rate of successful referrals from Baylor to Covenant in August 2012. Baylor offered to tie final incentive payments—an estimated \$150-\$300 normally remained of the \$1100 incentive cap per client at this point in service—to participants’ following through with the referral, meeting with the Financial Coach and initiating Covenant Services. Partners discussed the feasibility of participants using part of their incentive payment to open a bank account and possibly an IDA. Staff discussed various payment schedules and the role of client choice with allocation of the incentive funds. Ultimately, UFAB did not adopt formal arrangements to use incentive payments to support successful referrals and enrollments.

¹⁰ Conversation with Covenant Executive Director, Stephen Fairfield. Nationally the rate is approximately 25 percent.

Covenant substantially modified the role of the Financial Coach/Project Coordinator during the fall of 2012 in order to follow-up on Developmental Group referrals and focus on guiding current Advanced Group enrollees to progress through financial services. This required reducing the time and effort allocated to community information and outreach that had been so intensively conducted during the first year of services, and concentrating on case management. Additionally, the Financial Coach added open office hours one day per week for walk-ins who had heard about the program via the marketing efforts throughout the community and for those who had missed a scheduled appointment. This adjustment had achieved no apparent immediate success by the end of the year.

With the relaxation of community outreach efforts from Covenant, Baylor accelerated “in-reach” into the Baylor system for potential referrals. These mothers, family members and other attendees may have generated second party referrals of young fathers to Covenant.

Program Exit: Completion and successful exit from Covenant services are indicated by completion of the Financial Education Workshops, six monthly contributions to a matched savings account, and the purchase of a qualified asset. According to common experiences, IDA holders usually take about five years to purchase assets. Thus, given that the demonstration time frames and the population challenges, the four-asset purchases through August 2104 is notable.

Program exit at Baylor is associated with completion of a GED or high school diploma and entering employment. There is greater emphasis on the education component as a prerequisite to labor market success. Those who enter employment have and will continue to be referred to Covenant for financial services. Both providers develop ongoing, lasting relationships with participants and alumni/peer interactions are encouraged. Covenant plans to market its services with video messages of its successful young fathers as a stable outreach mechanism for this group.

Services and Activities

The UFAB model established a set of activities and services designed to engage young fathers with financial stability services and child support information.

Fathers and Finance Workshop: The first step in UFAB was attendance at a scheduled Fathers and Finance Workshop. The workshop integrated child support and financial services information with fatherhood responsibilities. This outreach and information mechanism was jointly developed by the OAG and Covenant, with input from Baylor, to ensure that appropriate presentations were delivered to young fathers. Covenant adapted financial literacy education modules and OAG developed a child support “Fact” vs. “Myth” approach for the young urban father audience. The two-hour workshops were originally scheduled for the first Thursday of each month at one of two Baylor clinics, but were expanded to additional locations as part of the expanded outreach in the Houston area.

By July 2012, partners had a good sense of which session locations could be expected to attract mostly Advanced versus Developmental audiences. (In some outreach locations, there is no clear differentiation.) At that time, UFAB modified the content somewhat to more appropriately target members of the two groups. Sessions at which mostly Developmental Group members were expected placed less emphasis on financial awareness and instead concentrated on child support and fatherhood. Baylor anticipates continued use of a form of the workshop internally, retaining a reduced emphasis on child support. Covenant expects to continue with the more balanced format.

Financial Coaching: Covenant’s Project Coordinator provided direct financial coaching assistance to the Advanced Group of UFAB participants, who also may have received similar services from the Credit Coalition staff during the Financial Education Training. As Covenant introduced “financial services only” client category in YR3/Q2 (January-March 2013) as part of its effort to mainstream young fathers, its services moved away from intensive case management provided to UFAB participants up to that time and returned to the core institutional strength of financial coaching. Covenant reduced the intensive outreach and motivational efforts previously conducted on behalf of the

demonstration. The Financial Coach now concentrates on core strengths of guidance and providing service to help already motivated individuals identify and reach their financial goals, but does so with inclusive targeting of young fathers.

Banking Services: The first significant action was to open regular bank accounts with young fathers who were otherwise unattached to formal banking arrangements. This is the prerequisite step to opening an IDA and savings. Staff members indicate that young fathers who enter Covenant services are typically not resistant to formal banking services, but have limited attachment to the practice of banking, given their weak earnings and employment histories.

Financial Education Training/Asset-specific Training: The six-week Financial Education Training provides money and credit management skills to maximize limited assets and develop a habit of savings. The Credit Coalition, an independently funded, co-located working partner of Covenant delivers this service. Participants learn to track their money flow, defer unnecessary expenditures, and plan. The modules offer asset-specific training, and the final module is dedicated solely to home purchasing education. Completion of the training is required for matched asset purchases. The Credit Coalition issues a certificate of completion, which is registered with Covenant in their administrative database. The Financial Coach may also offer asset-specific training on an individual basis. Covenant developed and introduced the “Covenant Keepers Homebuyer Club” for individuals who prefer or might benefit from spreading their commitment over time, while increasing their capacity to purchase a home asset.

Individual Development Accounts: Once attached to formal banking services, UFAB participants can open an IDA. Every \$1 placed in IDA savings is matched with \$2 of combined AFI and local leveraged funding. Normally, Covenant’s IDA enrollment requirements include regular savings from earnings, income below 200 percent of the federal poverty level, federal income tax filing records from the prior year, and an asset goal. In line with AFI directives for UFAB, Covenant is “flexibly” responsive to the needs and circumstances of the UFAB participants to assist their taking advantage of the opportunity

to initiate an IDA as soon as possible. Many have not filed income taxes, and most do not have a clear asset goal in mind at entry. To jump start client financial habits and opportunities, Covenant has provided “\$20 of seed money” from non-federal sources to help at least a dozen UFAB participants open an IDA. This is regarded as a significant engagement effort to awaken a sense of potential among the young fathers who, for the most part, currently lack the earnings capacity to benefit fully from the IDA opportunity. After completing Financial Education Training, Covenant clients must make at least six monthly deposits to qualify for a matched asset purchase.¹¹

Asset Purchase: UFAB fostered client capacity to make an asset purchase as a major step to financial stability. Qualified AFI purchases during the demonstration period included home buying, education, and proprietary business investments.¹² Covenant had dropped small business investment as a direct IDA asset purchase option, in part because less than 5 percent of the participants choose this purchase, but also because another agency in the area had developed specialized expertise in this field. Covenant reinstated the small business asset purchase for UFAB, but did so with some concern for the viability of the option for young fathers. Education that advances occupational prospects and home buying are seen as less risky options than operating a business for young fathers with little labor force or business experience and marginal academic achievements

In the fall of 2012, Covenant added reliable transportation— a consistent primary barrier to regular employment— as an asset purchase option, through a THRIVE/United Way partner, Ways to Work, for UFAB participants. Savings matched with non-AFI local funds at a 1:1 rate may be applied to the down payment for quality inspected used vehicles valued at up to \$8000. Auto loans at 6 percent interest on a 36-month term are available through Ways to Work, an established local program. Covenant and UFAB partners are keeping this option open as a means to attain employment and earnings that support IDA growth and asset purchases.

¹¹ Participating banks record monthly savings and provide data to Covenant on a quarterly basis. Wells Fargo is the predominant financial institution working with Covenant; Capital One and Promise Credit Union serve very small shares of the client population.

¹² New guidance indicates that education is being phased out of AFI asset purchase options.

Case Management: UFAB participants received case management type services from Baylor and Covenant. By early 2013, (Yr3/Q2) case management focused more exclusively on persistence and advancement through the service sequence, i.e., preparation for Advance Group transfer status at Baylor and financial education, IDAs, and related services at Covenant for those who were currently active in UFAB. A reduced effort for outreach and recruitment accompanied this adjustment.

The change in case management style represents the turning point for UFAB's operations toward sustainability in the post grant future. UFAB's strategy had evolved to concentrate case management and financial coaching on success with current participants. Achieving success is viewed as the principal agent for attracting new participants through community networks, informal referrals from family and peers, and regular outreach and information mechanisms.¹³ UFABs activities and services, as well as the client flow sequence, for young fathers have been enriched with child support information, and pathways of opportunity are part of the mainstream continuing program operations of Covenant and Baylor.

PERFORMANCE RESULTS

Table 1 portrays the UFAB performance outputs and outcomes achieved through Yr4/Q3 (July 2014) through the combined efforts of OAG, Baylor and Covenant. These data have been adjusted to eliminate duplication of services provided jointly by Covenant and Baylor contained in their monthly reports to OAG, and include activities conducted independently by OAG or jointly with the local partners.¹⁴ UFAB far exceeded expectations regarding outreach and information activities and services, but moved only smaller number of clients through financial services, due to low referral rates, weak client follow through

¹³ Informal referrals were found to play a large role in successful recruitment of young fathers in an early Bootstrap evaluation (Schroeder et al, 2004).

¹⁴ Covenant and Baylor collected participation data and submitted this monthly to OAG for ACF quarterly UFAB Performance Reports. OAG added their outputs to totals and adjusted the data to remove duplication.

Table 1. UFAB Quarterly Performance Indicators for Three-Year Grant and One-Year Extension Period

| | YEAR ONE | | | | YEAR TWO | | | | YEAR THREE | | | | YEAR FOUR | | | | Total thru YR 3 | Total thru YR 4 |
|--|----------|----|--------|--------|----------|--------|--------|--------|------------|--------|--------|--------|-----------|--------|--------|--------|-----------------|-----------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Grant | Ext. |
| PARTICIPANT SERVICES | | | | | | | | | | | | | | | | | | |
| Information sessions | | | 7 | 18 | 13 | 11 | 24 | 20 | 32 | 20 | 17 | 16 | 14 | 17 | 23 | | 178 | 232 |
| | | | 5 | 10 | 10 | 10 | 10 | 10 | 10 | 5 | 5 | 5 | 5 | 5 | 0 | | 80 | 90 |
| | | | 140.0% | 180.0% | 130.0% | 110.0% | 240.0% | 200.0% | 320.0% | 400.0% | 340.0% | 320.0% | 280.0% | 340.0% | N/A | | 222.5% | 257.8% |
| Fathers and Finance workshops | | | 2 | 3 | 4 | 8 | 11 | 22 | 28 | 20 | 17 | 16 | 5 | 5 | 9 | | 131 | 150 |
| | | | 3 | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 3 | 3 | 3 | 3 | 0 | | 40 | 46 |
| | | | 66.7% | 100.0% | 133.3% | 160.0% | 220.0% | 440.0% | 560.0% | 400.0% | 566.7% | 533.3% | 166.7% | 166.7% | N/A | | 327.5% | 326.1% |
| Fathers and Finance workshop completers | | | 15 | 28 | 36 | 63 | 120 | 81 | 38 | 12 | 30 | 32 | 5 | 5 | 25 | | 455 | 490 |
| | | | 15 | 15 | 15 | 25 | 25 | 25 | 25 | 25 | 15 | 15 | 15 | 15 | 0 | | 200 | 230 |
| | | | 100.0% | 186.7% | 240.0% | 252.0% | 480.0% | 324.0% | 152.0% | 48.0% | 200.0% | 213.3% | 33.3% | 33.3% | N/A | | 227.5% | 213.0% |
| Family/Workforce case management | | | 9 | 22 | 12 | 17 | 51 | 12 | 9 | 12 | 14 | 18 | 38 | 8 | | 158 | 222 | |
| | | | 10 | 10 | 15 | 15 | 20 | 20 | 15 | 15 | 10 | 15 | 15 | 10 | | 130 | 170 | |
| | | | 90.0% | 220.0% | 80.0% | 113.3% | 255.0% | 60.0% | 60.0% | 80.0% | 140.0% | 120.0% | 253.3% | 80.0% | | 121.5% | 130.6% | |
| Child support case services | | | 3 | 10 | 14 | 19 | 12 | 10 | 12 | 42 | 21 | 11 | 16 | 13 | | 143 | 183 | |
| | | | 5 | 10 | 15 | 15 | 15 | 15 | 15 | 15 | 5 | 10 | 10 | 5 | | 110 | 135 | |
| | | | 60.0% | 100.0% | 93.3% | 126.7% | 80.0% | 66.7% | 80.0% | 280.0% | 420.0% | 110.0% | 160.0% | 260.0% | | 130.0% | 135.6% | |
| Bank accounts opened | | | 2 | 4 | 0 | 5 | 3 | 3 | 0 | 20 | 7 | 0 | 0 | 0 | | 44 | 44 | |
| | | | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 10 | 5 | 5 | | 45 | 65 | |
| | | | 40.0% | 80.0% | 0.0% | 100.0% | 60.0% | 60.0% | 0.0% | 400.0% | 140.0% | 0.0% | 0.0% | 0.0% | | 97.8% | 67.7% | |
| IDAs opened | | | 0 | 0 | 0 | 9 | 3 | 3 | 0 | 20 | 7 | 0 | 0 | 0 | | 42 | 42 | |
| | | | | | | 5 | 10 | 10 | 10 | 10 | 5 | 5 | 5 | 5 | | 50 | 65 | |
| | | | | | | 180.0% | 30.0% | 30.0% | 0.0% | 200.0% | 140.0% | 0.0% | 0.0% | 0.0% | | 84.0% | 64.6% | |
| Asset-specific training | | | 9 | 18 | 3 | 24 | 71 | 9 | 0 | 13 | 8 | 3 | 5 | 9 | | 155 | 172 | |
| | | | 0 | 10 | 10 | 15 | 20 | 20 | 20 | 15 | 5 | 5 | 5 | 5 | | 115 | 130 | |
| | | | | | 180.0% | 30.0% | 160.0% | 355.0% | 45.0% | 0.0% | 86.7% | 160.0% | 60.0% | 100.0% | 180.0% | | 134.8% | 132.3% |
| Financial education training completers | | | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 7 | 0 | 1 | 2 | 3 | | 9 | 15 | |
| | | | 0 | 0 | 0 | 5 | 10 | 10 | 10 | 10 | 5 | 5 | 5 | 5 | | 50 | 65 | |
| | | | | | 0.0% | 0.0% | 0.0% | 10.0% | 70.0% | 0.0% | 20.0% | 40.0% | 60.0% | | 18.0% | 23.1% | | |
| Assets purchased | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 2 | 0 | 4 | |
| | | | | | | | | | | | | 15* | 0 | 10 | 15 | 0 | 30 | |
| | | | | | | | | | | | | | | 10.0% | 13.3% | | 13.3% | |
| SYSTEMS CAPACITY BUILDING | | | | | | | | | | | | | | | | | | |
| Staff training workshops/consultation with Child Support staff | | | 3 | 2 | 6 | 13 | 6 | 4 | 3 | 3 | 5 | 4 | 5 | 8 | 2 | | 49 | 64 |
| | | | 2 | 2 | 4 | 4 | 6 | 6 | 6 | 6 | 4 | 4 | 4 | 3 | 3 | 3 | 44 | 57 |
| | | | 150.0% | 100.0% | 150.0% | 325.0% | 100.0% | 66.7% | 50.0% | 50.0% | 125.0% | 100.0% | 125.0% | 266.7% | 66.7% | 0.0% | 111.4% | 112.3% |
| Staff training workshops with AFI collaborators/RAISE TX | | | 15 | 19 | 6 | 8 | 13 | 7 | 5 | 2 | 6 | 6 | 5 | 3 | 2 | | 87 | 97 |
| | | | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 3 | 3 | 3 | 50 | 64 |
| | | | 300.0% | 380.0% | 120.0% | 160.0% | 260.0% | 140.0% | 100.0% | 40.0% | 120.0% | 120.0% | 100.0% | 100.0% | 66.7% | 0.0% | 174.0% | 151.6% |

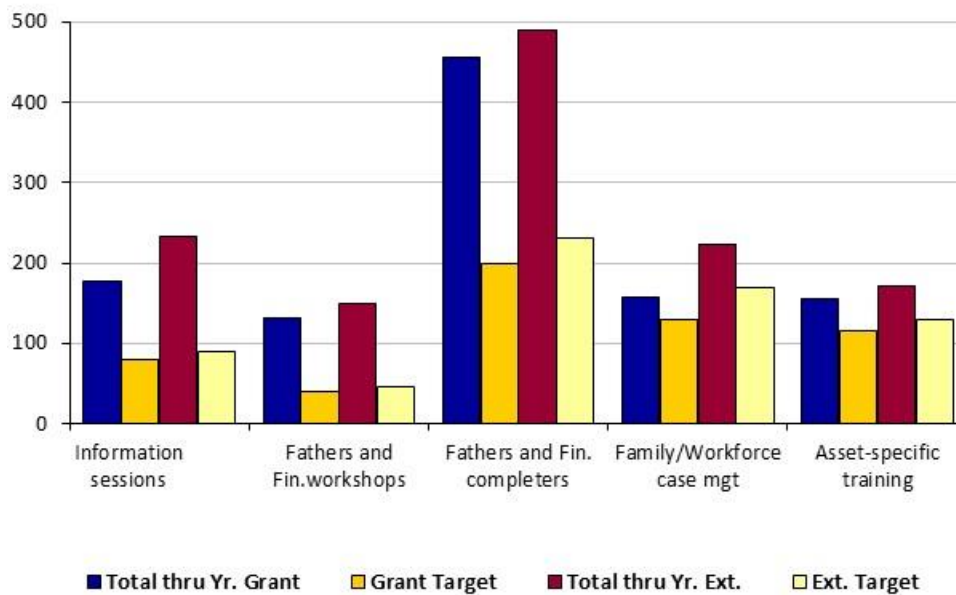
Source: OAG Quarterly Reports to OCSE. * 15 IDA Year 3 target pushed back to Year 4 and other performance targets selectively increased as part of no-cost extension.

with enrichment opportunities, and other challenges inherent to the target population. Towards the end of the demonstration and through service adjustments tailored to the population challenges, Covenant had begun to make inroads towards financial information and opportunity as indicated by the growth in IDAs, savings, financial education training completers, and asset purchases. OAG exceeded its performance targets in all related measures.

UFAB surpassed performance targets for participant services in activities related to information, orientation and case management output (Figure 3). UFAB delivered:

- *178 Information Sessions* during the initial grant period, and continued these activities, providing an additional 54 sessions through Q3 of the extension year. These actions reflect the continuing efforts of Baylor and Covenant to engage prospective referring entities and target populations with capacity-building information and opportunities. The partners exceeded the number of targeted information sessions by more than 250 percent.
- *150 Fathers and Finance Workshops* with 490 *Fathers completing the workshop*, far above the anticipated 46 workshops and 230 participants expected through the extension year. This measure represents the expansive reach of this “light touch” engagement due to BAFF funding. Moreover, the workshops—containing beneficial child support and basic financial information—are a sustainable feature of UFAB adopted by Baylor and Covenant.
- *222 Family/Workforce Case Management* service units, which reflect information and guidance actions on an individual or group basis, again vastly exceeded the target 170 units. Many of these service units were delivered to encourage and guide young males through offerings, and include the case management provided at Baylor across the demonstration period, as well as at Covenant through March 2013 and the continuous Financial Coaching provided thereafter.
- *172 total units of Asset-Specific Training*—155 of which occurred in the initial three-year period—exceeded the targeted 130 units. In addition to intensive financial education workshops, Covenant started a monthly homebuyers club to keep participants focused and learning, while working and saving in the latter operational quarters.

**Figure 3. UFAB Outreach, Information, and Case Management
July 1, 2011-June 30, 2014**



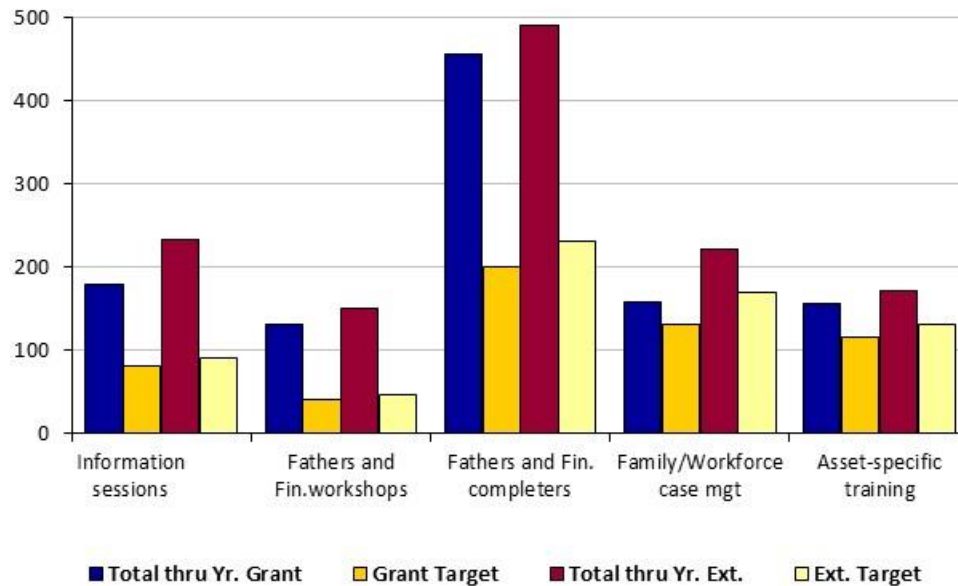
Note: Combined services of OAG, Covenant Community Capital Corporation, and Baylor Teen Health Clinic

As shown in Figure 4, achievement in the substantive and quantifiable financial services area has not been as successful. Nonetheless, the limited accomplishments of the 75 fathers who enrolled in financial services are notable, given the challenges of serving economically marginal young fathers. Whereas initial efforts concentrated on outreach, enrollment, and case management, efforts in the last 6 quarters of the demonstration focused on financial services and moving clients forward. Through the AFI partner Covenant, UFAB has provided a path to banking, savings, and financial literacy services, as recorded by:

- 44 of the 45 targeted *Bank Accounts Opened* in the first three years of the grant.
- 42 of the 50 targeted *IDAs Opened* prior to the extension year. Covenant provided \$20 seed grants to participants at the end of year three in order to encourage IDAs and savings.
- 14 of 15 total *Financial Education Completers* in the last 6 quarters of the demonstration. Although well below the extension total 65 completers, the distribution suggests the incipient progress at Covenant with the target population.

- *4 Assets Purchased.* Again, this outcome is short of 30 asset purchases total anticipated. Nevertheless, these purchases (3 for home purchase, 1 for postsecondary education) are promising early prospects as Covenant adapts services to more effectively reach and keep young fathers on track financially.

**Figure 4. UFAB Financial Education and Asset-Building
July 1, 2011-June 30, 2014**



Note: Services provided by Covenant Community Capital Corporation. *Chart includes Assets purchased through July, 2014.

OAG has exceeded service expectations for UFAB-related child support case services in the Houston area, as well as System Capacity Building targets through statewide efforts. During the grant period, OAG has:

- Provided 183 instances of *Child Support Case Services* for participants and partners in UFAB, over one-third more than the 135 units of such services targeted;
- Conducted 64 Staff training workshops and consultations with Child Support staff, 12 percent more than the 57 contacts anticipated; and
- Delivered 97 *Staff training workshops with AFI collaborators and RAISE/Texas* regarding prospects for the UFAB model and supporting related BAFF grant projects of the Family Initiatives section, more than 50 percent above the 64 workshops expected.

ADMINISTRATIVE DATA MEASURES

Researchers used administrative data records from the Texas OAG, Texas Workforce Commission (TWC), and Health and Human Services Commission (HHSC) to provide additional information on the situations of savers before, around the time of, and after they opened IDA accounts. Table 2 presents a historical snapshot of the 36 of the 42 Covenant IDA clients who could be unambiguously identified in administrative records data by linking through their social security numbers (SSNs). As expected, these savers tended to have low wage, unsteady employment in the two years prior to their opening IDAs with Covenant. Unemployment Insurance (UI) wage records indicate that these participants were employed in 59% of quarters with average quarterly earnings of \$3185 across the timeframe. Researchers also reviewed their earnings records to estimate how long they had been participants in the UI-covered labor market, and found that on average they had been UI-covered for more than 20 quarters, or just over five years. UI does not cover all employment, and these numbers may underestimate actual employment and earnings due to informal or self-employment. Records also indicate that over 30% of these current savers had experienced a 20% or greater decline in earnings in the two years prior to their opening IDAs.

In examining benefits receipt histories of IDA savers, researchers found that these young fathers had received Medicaid or SNAP, formerly known as Food Stamps, over 18% of the time during the year prior to their opening IDAs. None had received TANF benefits, mostly a reflection of their status as non-custodial parents. Just over 11% had applied for Unemployment Insurance in the prior year.

Table 2. Historical Snapshot of Covenant IDA Savers

| Historical Outcomes at Baseline | At entry |
|--|-----------------|
| Percent of time employed over prior 8 quarters | 59.0% |
| Average quarterly earnings over prior 8 quarters | \$3,185 |
| Time since first observed earnings (quarters) | 20.9 |
| Experienced earnings dip of at least 20% within prior 8 quarters | 30.6% |
| Percent of time receiving SNAP benefits in prior year | 18.8% |
| Percent of time enrolled in Medicaid in prior year | 18.1% |
| Percent of time receiving TANF benefits in prior year | 0.0% |
| Filed for unemployment within prior year | 11.1% |

Table 3 illustrates similar outcomes for participants during the month in which they enrolled in IDAs at Covenant, and six months later. In contrast to their more shaky historical earnings, we see over 69% employed when their accounts were opened, and over 80% employed six months later. Average earnings are higher as well, though still low in absolute terms at \$3820 to \$3981 per quarter at entry and six months later. Also confirming this improving picture is a lower rate of SNAP receipt, 16.7% at entry decreasing to 5.6% six months later. Medicaid receipt follows a similar pattern, decreasing from 8.3% at entry to 5.6% six months later. These more positive indications include all IDA holders, who are working, earning, and saving (or not) at different rates. For example, Covenant IDA savings data, already subject to a time lag, further indicate that 8 participants alone have saved nearly \$6000 in their IDAs as of August 2014.¹⁵ Their work effort, income, and capacity to save represent the incipient and promising progress UFAB is generating at Covenant.

¹⁵ Active case data shared with RMC researchers At Covenant, August 26, 2014.

Table 3. Snapshot of Covenant IDA Clients at Entry and Six Months Later

| Outcome | At entry | Six months after entry |
|--|-----------------|-------------------------------|
| Percent of time employed | 69.4% | 80.6% |
| Average quarterly earnings | \$3,820 | \$3,981 |
| Percent of time receiving SNAP (Food Stamp) benefits | 16.7% | 5.6% |
| Percent of time receiving TANF benefits | 0.0% | 0.0% |
| Percent of time enrolled in Medicaid | 8.3% | 5.6% |

Table 4 illustrates child support outcomes for the approximately one-third of account holders who had open child support cases. Many of these fathers have multiple child support cases, which typically means children with multiple partners. Among those with open cases, less than one in four, or 23%, made child support payments around the time they opened IDAs, and even fewer (15.4%) of them made full payments. Neither category showed improvements six months later. Recall that at enrollment, none of the UFAB participants had child support arrearages significant enough to prompt enforcement actions. Low income, marginally employed young fathers remain at risk of accumulating actionable arrearages. This risk raises feasibility concerns for the UFAB design from the OAG perspective. The small sample size and limited data available preclude any reliable inference at this time.

Table 4. Snapshot of Covenant IDA savers Child Support Outcomes

| Child Support Outcome | At entry | Six months after entry |
|---|-----------------|-------------------------------|
| No child support case | 63.9% | |
| One child support case | 19.4% | |
| Two child support cases | 13.9% | |
| Three child support cases | 2.8% | |
| Percent of time any child support collections made | 23.1% | 15.4% |
| Percent of time full current child support amount collected | 15.4% | 7.7% |

ANCILLARY BAFF PROJECTS ASSESSMENT

The BAFF grant enabled a collaboration at the state level between the OAG and RAISE Texas, the statewide association of AFI grantees, for the purpose of disseminating child support information, including family stability initiatives to the grantees and their local partners throughout the state. Ancillary activities and projects supported by the BAFF grant included:

- ❑ **Outreach and information** presentations to stakeholder groups regarding child support policies, practices, and programs;
- ❑ **A survey of financial stability goals and habits** of custodial and non-custodial parents in the child support program;
- ❑ Advancing the ***Bring It Back to Texas Pilot Program (BBT)***, which encourages NCPs with child support arrearages to use free tax preparation centers to file federal income tax forms and use their federal tax offset to pay down arrears; and
- ❑ Developing, implementing, and evaluating the ***Child Support for College Program (CS4C)***, wherein custodial parents can convert lump sum child support payment into a 529 college savings plan.

This section presents an overview and assessment of these recent efforts led by the OAG to introduce innovation and improve services that may reduce the need for enforcement, enhance the prospects for child support collection, and more effectively contribute to the maintenance of child and family well-being in Texas.

OUTREACH AND INFORMATION

The UFAB portion of the BAFF grant supported a Project Coordinator position at OAG-CSD who, in addition to UFAB operational oversight, bore principal responsibility for statewide outreach regarding child support program and services. Working closely with the state director of RAISE Texas, the project coordinator scheduled and conducted nearly 40 presentations and panel discussions with and for established, as well as prospective, stakeholders in the effort to improve the financial stability of lower-income populations and

their relationship to the child support system. These stakeholders included community-based, non-profit organizations (e.g., RAISE Texas AFI member groups, United Way chapters, Catholic Charities), service coalitions (e.g., Fathers & Families Coalition of America, Coalition of Community Assistance Volunteers), foundations (e.g., Amarillo Area Foundation), and public/quasi-public entities (local housing authorities, Federal Reserve Bank of Dallas-El Paso branch), as well as a variety of venues (LBJ School of Public Affairs panel, Corporation for Enterprise Development Webinar).¹⁶

One of the unanticipated outcomes of the OAG Family Initiatives outreach and information activities with BAFF funding was the development and implementation of the Child Support for College (CS4C) pilot program that encouraged child support customers to participate in an incentivized college savings plan. CS4C, an innovative collaboration between public and private organizations—the first of its kind in the nation—arose from the chance attendance of an executive of Citi Community Development at one of the Family Initiative outreach presentations in San Antonio.¹⁷ The executive, impressed by the prospect of financial inclusion by this underserved child support population, approached the OAG and RAISE Texas with a grant offer from Citi Community Development that led to the design and implementation of CS4C.

These outreach and information efforts effectively communicated the interests of the OAG in the promotion of child and family well-being, as well as the responsibilities of the child support system for administering obligations and collections. The Family Initiatives section works to pre-empt negative and adverse relations between NCPs and child support by promoting father and family financial stability prospects.

¹⁶ Attachment One has a complete listing of information sessions and presentations conducted between the Spring, 2011 and Spring, 2014.

¹⁷ Citi Community Development is a public service unit of Citibank committed to “achieving financial inclusion and economic empowerment for underserved individuals, families and communities by working with nonprofit and public agencies across the country to expand access to financial products and services ...and forge innovative partnerships.” (<http://www.citigroup.com/citi/citizen/community/about us.html>)

CHILD SUPPORT AND FINANCIAL STABILITY STRATEGIES SURVEY

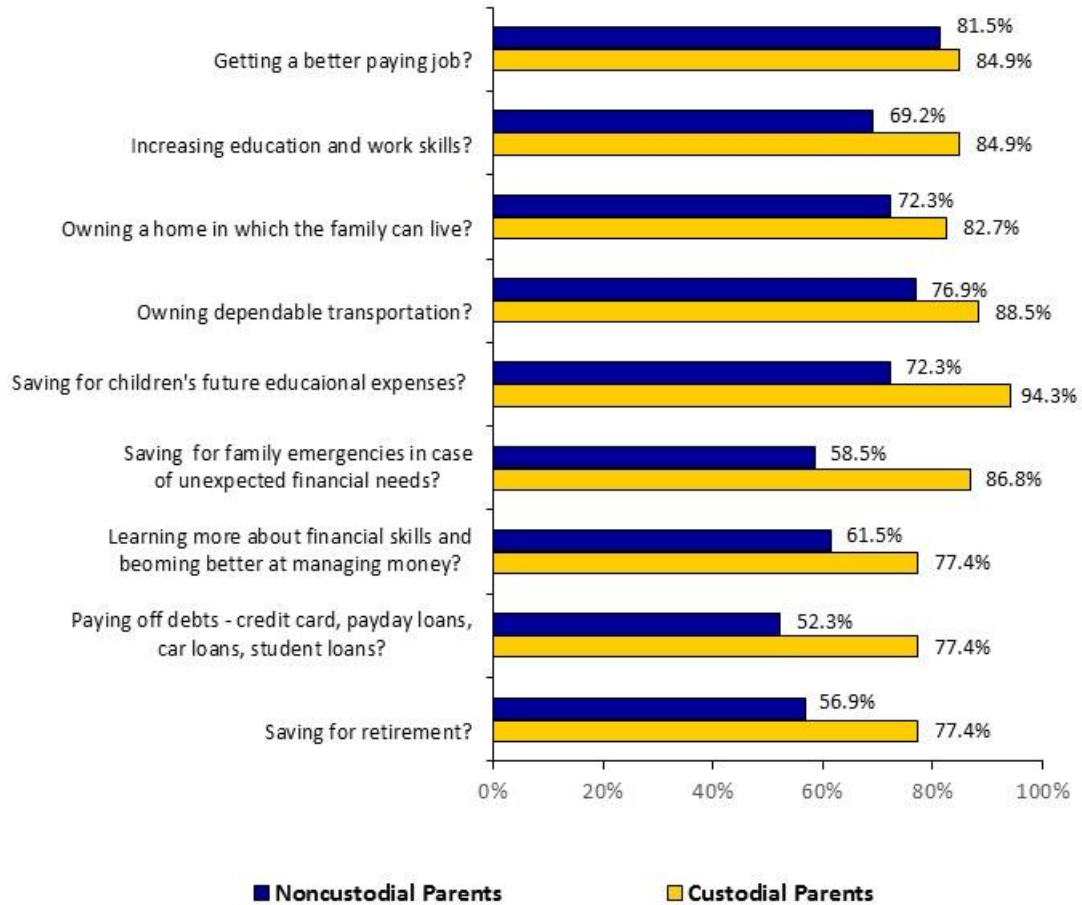
As part of the BAFF initiative, OAG developed and conducted a brief survey of custodial and noncustodial parents' use of various financial services, financial goals, and interest in a range of asset building opportunities. The OAG survey provided a baseline look at the financial practices and aspirations of parents in the child support system and gave a preliminary indication of financial services that would be most attractive to child support customers, both custodial parents (CPs) and non-custodial parents (NCPs). The survey results indicate that the mostly male (92%) NCPs who responded are less inclined to financial literacy and asset-building options and more detached from mainstream financial services. CPs placed higher value than NCPs in actually accessing specific financial tools and opportunities. (Figure 5). Whereas both parent groups assign a high degree of importance to obtain better paying jobs, but CPs appear more receptive to increasing their educational and occupational skills associated with the path to doing such.

These findings align with the under-representation of low income males in IDA programs and financial literacy services. Responses also reflect low-income male preoccupation with reliable transportation and better paying jobs, as well as the struggle to make ends meet and reliance on alternative financial services to manage cash flow.

Specific findings relevant to UFAB and affiliated BAFF efforts in Texas include *saving for their child's future educational expenses* and *financial management and IDAs*. CPs and NCPs ranked saving for their child's future educational expenses as a highly worthy financial goal. At 94% and 72% respectively this goal ranked first among CPs and was among the highest aspirations for NCPs.¹⁸ As discussed in the next session, when offered such an opportunity, the initial response was not as robust as may have been estimated. Custodial parents also expressed interest in financial management classes (74%) and in IDAs (84%) at notably higher rates than NCPs among whom 45% were responsive to the idea of enrolling in financial management classes and 65% indicated an interest in an IDA program.

¹⁸ Percentages reflect the share of respondents who ranked the goal 8 thru 10 in the 1 thru 10 scale.

Figure 5. Importance of Financial Goals for Custodial & Noncustodial Parents



Source: Child Support and Financial Stability Strategies: Understanding Financial Goals and Habits of Texas Child Support Customer (2012). Percentage of goal ranked 8-10 on a 1-10 Scale.

Clearly, both CPs and NCPs embrace financial goals and respond positively to options to enhance financial knowledge, practice, and stability, CPs do so at notable higher rates than NCPs. Low income and other parents receiving child support services in Texas want to save for their children’s education and achieve financial goals that will improve their families’ financial situation.

BRING IT BACK TO TEXAS PILOT

The *Bring it Back to Texas Pilot* (BBT)—a collaboration between RAISE Texas, local AFI grantees in the cities of Fort Worth and Lubbock, and the Texas OAG—encouraged NCPs

likely subject to refund intercept to use free tax preparation sites in local communities to obtain tax refunds that can be applied to child support arrears. A secondary goal of the project was to connect eligible NCPs to free tax preparation services as an alternative to commercial, fee-based services. RAISE Texas continues to work with organizations across the state for potentially scaling the pilot project in other localities.

BBT produced a statistically significant increase in federal tax refund offsets from returns of NCPs targeted for outreach. Though the effect is small, the BBT indicates that a simple, inexpensive outreach intervention can increase federal offset collections by encouraging those who qualify by earnings and arrearages to file taxes. IRS tax returns and credits positively contribute to child support collections at no cost to the NCP tax filer.¹⁹

The evaluation data indicate that there was an increase of \$134,573.48 in federal offsets in the Fort Worth area as a result of this treatment. The average federal offset amount in the treatment group was \$1,456.89. The Family Initiatives section at OAG estimates that the pilot test effects, if applied to the entire Texas child support caseload, have the potential for increasing federal offsets by \$12 million annually (OAG, 2013, pp.5).

In 2012, less than 25% of NCPs in Lubbock and Fort Worth, with arrears, that met the offset threshold and with a current employer match in child support files, had their tax refund intercepted. Nearly \$4 million either owed to custodial parents or to the state of Texas (for the recovery of Temporary Assistance for Needy Families (TANF) or Medicaid costs) was recovered through federal offset in Lubbock and Fort Worth. The potential to increase this amount lies in the ability to get the roughly 75% of eligible NCPs to file their taxes, thus increasing the likelihood of a federal offset.

Notably and not surprisingly, the outreach and recruitment experiences of the BBT reflect the transient nature of the low-income segments of the NCP population. Residential addresses, phone numbers, and email addresses are quickly and commonly out-dated, reflecting the transient nature and the difficulty of maintaining regular contact with this population frequently residing on the economic margins of society.

¹⁹ The total cost of the pilot was \$13,219, which includes design, printing, postage, travel to the tax sites for training and staff time to evaluate the intervention.

CHILD SUPPORT FOR COLLEGE ASSET-BUILDING INITIATIVE

The Child Support for College (CS4C) pilot program was an innovative collaboration – the first of its kind in the nation – between public and private entities developed to promote college savings among those in the Texas child support system through incentivized 529 college savings plans. The program provided matched contributions and financial coaching services to encourage college savings among eligible parents. This 18-month pilot began in February 2012 and concluded in August 2013.

The CS4C partnerships consisted of the OAG-CSD, RAISE Texas, Citi Community Development, and three RAISE Texas member organizations: Brazos Valley Affordable Housing Corporation, United Way of San Antonio and Bexar County, and Foundation Communities in Austin.

- The Office of the Attorney General designed the CS4C program and conducted outreach activities for CS4C, including identifying and marketing the project to the initial target group of custodial parents who recently received a lump sum child support payment and reside in the service area of one of the three community based non-profit partners implementing the program.
- Citi Community Development (Citi) provided funding for the program. Citi is a public service unit of Citibank committed to achieving financial inclusion and economic empowerment for underserved individuals, families and communities by working with non-profit and public agencies across the country to expand access to financial products and services for underserved individuals, families and communities.
- Resources, Assets, Investments, Savings, Education (RAISE) Texas is a statewide network of community development financial institutions and asset-building agencies that promote policies and programs to advance the financial success and economic stability for low- and moderate-income Texans. RAISE Texas acted as the fiscal agent for the CS4C, disbursing program funds to the implementing non-profits and incentive payments to participants.

Three local non-profit RAISE member organizations implemented the program.

1. The Brazos Valley Affordable Housing Corporation provides first time homebuyer's seminars, credit counselling, and other housing assistance to families in the Brazos Valley: including Bryan-College Station and the surrounding rural counties.
2. United Way of San Antonio and Bexar County focuses on improving early care and education for children and provides a free tax preparation program for low- to moderate-income families.
3. Foundation Communities of Austin provides support services to low-income families, including affordable housing, adult education, financial coaching, and tax services.

The original program structure was designed with the core principles of asset building in mind, including matched contributions, mandatory financial education workshops, and financial coaching services. During the course of implementation, the CS4C partners adjusted participation requirements and the incentive structure to reduce barriers and enhance participation.

At the outset of the program, outreach focused on custodial parents who received lump sum payments and resided in one of the three regions served by the local partners. Lump sum payments occur when a NCP makes a large arrears or "catch-up" payment to the child support system which is passed through to the custodial parent. Program partners hypothesized that the sudden windfall provided by a lump sum payment would present an opportunity to encourage college savings.

Participants who opened accounts through CS4C selected from two different savings options: the Texas College Savings Plan (529) or the Texas Tuition Promise Fund. At the start-up, according to the design, participants who enrolled in the program received a 20% match on an initial deposit after six months and the completion of three financial coaching sessions. Participants receive an additional 10% match on subsequent deposits following the fourth financial coaching session.

Due to an initial low response from potential participants, program partners incrementally began to modify policies and requirements. Partners enhanced the incentive structure first by applying the 20% match rate on all deposits up to \$500, followed by offering a \$100 seed deposit for accounts opened with a minimum of \$25 at 8-months into the program. Program partners subsequently made additional changes to the financial counselling requirement, making coaching optional instead of required at 12-months into the program, and increased the match rate to 100% of deposits. As these modifications were implemented account openings increased, as demonstrated in Figure 3. The final modification to the program allowed for outreach to focus on low-income families receiving consistent child support payments, resulting in continued expansion of enrollment when added to the design that made financial coaching optional, provided \$100 of seed money and matched deposits at a 100% rate up to \$400.

The escalation of enrollment corresponding to the design adjustments suggests that custodial parents were not motivated to participate by the receipt of a lump sum child support payment as originally hypothesized. In fact, participants who failed to open accounts often cited inconsistent child support and insufficient money as substantial barriers to participation. In response to these barriers, the final months of the project targeted the more potentially stable group of child support recipients who received consistent child support payments.

Because program partners made considerable and varied changes to the program design and execution, the exact cause of the increase in accounts opened cannot be isolated. Results in Figure 3 suggest that this increase emerged from changes to the incentive structure and financial coaching requirements. The surge in accounts in April coincides with tax season, a time when prospective participants may have been more likely to receive lump sums due to tax refunds or tax intercepts from NCPs with arrears. Additionally, program partners expected the program to end in April 2013 and warned participants of this deadline, possibly stimulating participation and spend-down. Due to these external factors, it is difficult to fully attribute the increase in accounts to changes in program design with any statistical confidence, yet the obvious correlation persists.

An unexpected outcome of the CS4C program was a rule change at the Texas State Securities Board that will help Texas families receive professional assistance when signing up for college savings programs. Many financial coaches working with low-income families are employed through community organizations, few of these coaches are registered with the Texas Security Board and therefore were legally restricted in their ability to help clients navigate investment options, leading some clients to forgo college savings accounts altogether. RAISE Texas worked with the Texas State Securities Board to draft a new rule to provide a registration exemption for charitable organizations and their financial coaches when assisting economically disadvantaged clients with Texas qualified tuition program plans. On January 14, 2014 the Texas State Securities Board approved and passed these changes in rule 139.24.

The Child Support for College Asset-Building Initiative marked the beginning of college savings for most of the participants who opened accounts. Research supports that the act of saving for college, no matter how small, has a significant psychological effect of families. Even a small monetary commitment creates in a family the belief that college is attainable and is linked to significantly higher rates of enrollment and graduation. This project demonstrated that asset-building programs are most effective when they are simple and facilitate ease of participation. Moreover, the less stringent program requirements and more generous match and seed rates correlate with higher participation rates, particularly at tax season when tax returns and credits may facilitate account openings. The Special Collections Unit at OAG is widely recognized for its success in enforcement actions, which may prove a future source for lump sum payments year round that could be applied to CS4C investment opportunities.

EXPANDING OPTIONS FOR CHILD SUPPORT IN TEXAS

The Urban Fathers Asset Building (UFAB) project demonstrated the potential benefits that might be realized, as well as limitations encountered, of an innovative nexus between the child support system, fatherhood programs, and the Assets for Independence (AFI) grant-funded services. The collaborative initiative of the Texas Office of the Attorney General, Baylor College of Medicine's Teen Health Clinic, and Covenant Community Capital Corporation targeted low-income, young fathers for services that might address their barriers to economic stability and enhance their capacity to provide for their children, and pre-empt the need for enforcement of child support orders at a subsequent time period in their lives.

UFAB touched many more lives than the 200 new or expectant young fathers whom the demonstration had originally planned to serve, and though only a handful have been able to save sufficient funds to purchase a home or invest in their future through education, the demonstration has introduced or induced a number of practices that will benefit those who strive to improve their current circumstances. The demonstration also provided broad access to information about child support laws and enforcement to the young, as well as to personnel of collaborating entities at the community level. Funding provided an operational opportunity for OAG to build awareness and support for the model and related child support efforts throughout the state.

UFAB recruitment and enrollment began in July 2011 and partners rapidly became aware of the challenges of providing financial education and IDA services to young fathers faced with multiple barriers to participation, especially their lack of steady employment and income stability. Consequently, UFAB remained in almost constant adjustment mode throughout the demonstration period, working to realign the demonstration service model to overcome the low numbers of IDA-ready young fathers in the Baylor system; revamp outreach to draw participants from additional community sources; and adjust services to better prepare and appropriately serve those who might potentially benefit from UFAB services.

After March 2013, partners focused primarily on providing services and improving outcomes for those young fathers currently enrolled in UFAB, while adapting practices

deemed sustainable in the future. Since then OAG and partners have made steady progress to improve the participation, persistence, and advancement of the population through services. Many of these practices can and will be sustained in future operations of the UFAB partners. OAG has made successful inroads with RAISE Texas and the AFI community partners for disseminating child support information, implementing innovative projects like Bringing It Back to Texas and the Child Support for College pilots, and improving prospects for child well-being, as well as collections efforts under the grant.

Covenant responded proactively to the challenges moving those with weak employment attachment and sparse income stability through financial services funded under AFI, by supplementing those allowable services with others specifically designed to enhance the prospects for success of the young fathers and families using local resources and community networks.

For example, Covenant has:

- Defined a new client “financial services only” category to register young males who might not yet be ready for steady savings and asset-building, but will benefit from exposure to information and opportunities;
- Strengthened community partnerships and become a spokesman for fathers and family financial challenges at THRIVE, a local continuum of care coalition in the Houston area;
- Adopted more of a “two-generation approach” by adding parenting and relationship-building modules within its educational workshops to strengthen family formation and the value of financial stability;
- Addressed the transportation needs of low income workers by allowing (with non-AFI funding) automobiles as an asset purchase that facilitates employment and earnings prospects; and
- Introduced additional service options to better serving young, mostly minority fathers, including transition services for ex-offenders and opening accounts with military veterans (whose disability pay is disallowed as “earnings” under AFI).

UFAB also revealed the constraining effects of engaging local OAG staff with efforts that reach NCPs and young fathers prior to the need for child support enforcement. Local OAG staff have no contact with the sector of the target population that may not have a case

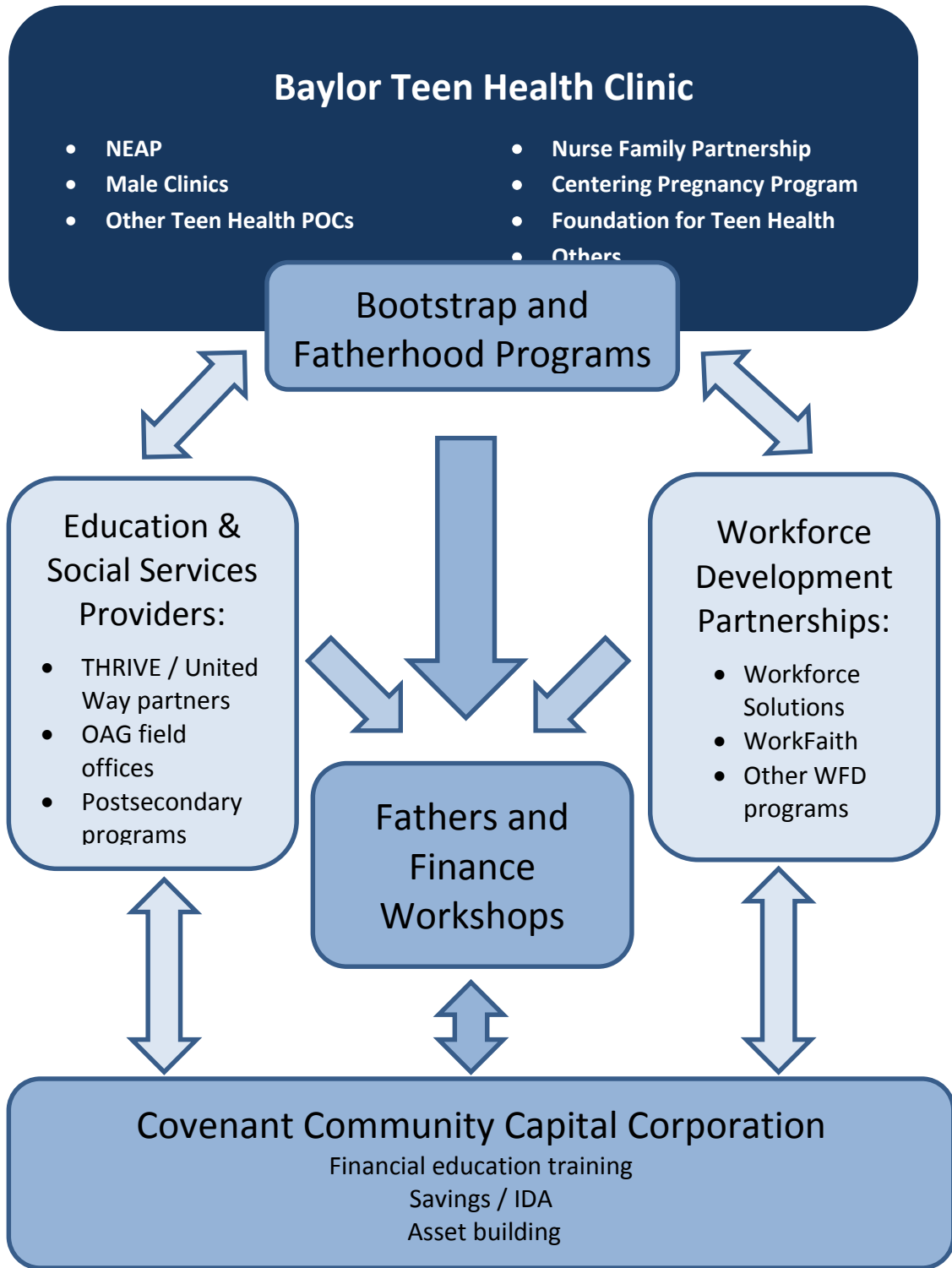
established and minimal contact with registered NCPs prior to enforcement. Relatedly, the target population *may* accumulate enforceable arrearages while participating in a program like UFAB. Collections enforcement would negate their savings under current rules, constraining the effectiveness of the model. This fundamentally limits the prospects for further statewide rollout.

Partners in the Houston area will, however, continue to implement practices developed under UFAB that may preclude the need for enforcement through helping to build a stronger economic foundation beneath the young males. Baylor will continue to provide some form of child support information in their Bootstrap and fatherhood programs, while continuing to refer persons to Covenant for financial services to build economic stability. Baylor will also continue to engage those businesses that employ their participants, keeping them informed of the IDA and financial services opportunities at Covenant for their job placements and other employees. UFAB has created an awareness of child support practices and the need for a continuum of workforce training, employment, and supportive services, particularly asset-building opportunities through earnings, that help young fathers and families to attain and maintain economic viability.

UFAB's operations began moving toward sustainability in the post grant future when it began to "mainstream" UFAB clients in March 3013 (Yr3/Q2) and to focus on success with current participants, rather than extensive outreach efforts dedicated solely to UFAB. Success is viewed as the principle agent for attracting new participants through community networks, informal referrals from family and peers, and regular outreach and information mechanisms.²⁰ UFABs activities and services, as well as the client flow sequence, for young fathers have been enriched with child support information. Pathways of opportunity are part of the mainstream continuing program operations of Covenant and Baylor. As stated by one spokesperson, "We can't provide the drive, but can show that the possibility is real!" Future marketing will offer a video of UFAB success stories as a primary recruitment tool.

²⁰ Informal referrals were found to play a large role in successful recruitment of young fathers in an early Bootstrap evaluation (Schroeder et al, 2004).

Figure 6. Sustainable UFAB Design



The BAFF Grant funds applied to the UFAB project for outreach and information helped stage a more visible presence of the Child Support Division in the community outside the OAG offices—particularly through collaboration with RAISE Texas and AFI partners. The OAG Project Coordinator position facilitated this community presence, as well as the development and strengthening of several Family Initiatives section efforts, including Bringing It Back to Texas and Child Support for College described in this paper. The child support customer survey that BAFF funds supported provided useful, baseline insights regarding the practices, aspirations, and needs of custodial and non-custodial parents. One specific relationship, the partnership with Citi Community Development, emerged unanticipated through the network of public and private entities sharing an interest in asset building for underserved populations that resulted in CS4C. BBT also has had a promising start for future child support collections. As the OAG-CSD expands its reach to include not only the enforcement of child support, but also supports to encourage family economic stability, the projects such as these may reduce the needs for enforcement, enhance the prospects for child support collection, and more effectively contribute to the maintenance of child and family well-being in Texas.

In response to the low numbers of referrals and active enrollments, UFAB partners originally extended considerable effort to seek out community partners for referrals, job training, and placements. These efforts instigated a movement away from the more linear flow of clients from Baylor to Covenant in the original design to the more dynamic model emerging portrayed in Figure 6. This represents the sustainable program design that is replacing the UFAB demonstration-based model.

The design involves multiple sources of referrals through enhanced community collaboration, attracting more “IDA ready” young fathers, restructuring financial services to maximize potential gains for young, low-income participants, and mainstreaming such practices in Covenant’s business model. Direct referrals to Covenant or Baylor for services might come from any of multiple sources. Equally important, reverse referrals might originate from Covenant or Baylor to community partners whom may provide workforce, education, or supportive human services that help young fathers increase their livelihood prospects and financial stability. Although Covenant is more actively involved with the

expansion and maintenance of relations with multiple, community-based, external partners and collaborative projects than Baylor, Baylor posits that its institutional strengths and renowned health care practices require de facto relations with multiple agencies in the Houston area. Fatherhood, economic challenges for urban youth, and healthy families have a place in the continuum of available services for low-income and challenged populations that is gaining strength in part as a result of the UFAB demonstration and related efforts of the Child Support Division at OAG.

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ATTACHMENT ONE

| Outreach & Information Points of Contact |
|--|
| Abilene Housing Authority & Other Nonprofit, Government Service Providers in Abilene |
| ACF/ Federal Reserve/ Prosperity Works Conference |
| Amarillo Area Foundation |
| Baylor Clinic |
| Brazos Valley Affordable Housing Corporation Staff; Invited Guests from local asset building services |
| Catholic Charities Fort Worth |
| CFED – webinar |
| City of Lubbock & Lubbock Housing Finance Authority |
| Coalition of Community Assistance Volunteers - Lubbock |
| Concho Valley Community Action Agency |
| Corporation for Enterprise Development |
| El Paso Affordable Housing & Asset Building Coalition |
| Family Services of Greater Houston |
| Fathers & Families Coalition of America |
| Federal Reserve Bank of Dallas - El Paso Branch & RAISE Texas members |
| Foundation Communities |
| Harris County Domestic Relations Office |
| Harris County Juvenile Probation Center |
| Harris County Precinct One - Commissioner and Senior Staff |
| LBJ School of Public Affairs |
| Local Initiatives Support Corporation - Houston |
| Midland Asset Building Coalition |
| NCSEA Policy Conference |
| OCSE - with child support administrators from across the country |
| Plainview City Manager, local financial institution partners and community-based organizations |
| RAISE Texas Summits (4) |
| San Angelo Head Start |
| South Texas Affordable Housing Corporation |
| Texas Dept. of Assistive and Rehabilitative Services |
| THRIVE Coalition-Houston |
| United Way Greater Houston |
| United Way of Southern Cameron County & Boarder Philanthropy Partners Meeting |
| WISCES Conference |
| YWCA Dallas |