



## Building Assets for Fathers and Families (BAFF) Demonstration Grant

### What are BAFF grants?

The Building Assets for Fathers and Families (BAFF) demonstration grants began October 2010 as three-year collaborations between two federal offices within the Administration for Children and Families: the Office of Community Services and the Office of Child Support Enforcement.<sup>1</sup>

BAFF grants encouraged new partnerships between child support programs and local Assets for Independence (AFI) organizations to help low-income parents who owe support develop new financial management skills and build assets.<sup>2</sup> Seven child support agencies were awarded grants: Colorado, Florida, Michigan, Ohio, Tennessee, Texas, and Washington. The grantees tested how to create these new AFI partnerships and whether beneficial outcomes could be derived.

BAFF's primary goals were to

- improve financial capacity for parents so improved child support outcomes are achieved, and
- establish Individual Development Accounts (IDAs) for participants.

### What is AFI?

The Assets for Independence program helps community-based nonprofits and government agencies move low-income families out of poverty. AFI grantees receive federal funds from the Office of Community Services that are paired with other funding streams to provide IDAs, financial education training, and support

In coordination with the Office of Community Services, OCSE launched the BAFF grants in 2010 to educate and help low-income noncustodial parents build assets and improve financial literacy skills to result in more consistent and timely child support payments.

This fact sheet provides an overview of the grants, emerging best practices, resources and outcomes from this demonstration grant.

services.<sup>3</sup> Training and services include learning to manage a bank account, repairing bad credit, financial counseling, accessing refundable tax credits, and building assets through saving. The BAFF grants added addressing child support obligations to the mix.

### What are IDAs?

An Individual Development Account is an asset-building tool that AFI grantees offer to qualified participants. An IDA provides an individual with a defined savings plan dedicated to a specific goal like home ownership, college education, or starting a small business. IDAs provide an incentive to save by matching the saver's contributions to the account, often at multiplied rates. AFI grantees typically require financial education coaching services prior to opening an IDA. Although matched-savings IDAs help savers achieve their goal relatively quickly, not everyone is "IDA-ready." IDA savers need a stable source of income so they can make regular investments into the IDA as required.

## What research methods and evaluation approaches were used?

Over the course of the project, separate evaluators worked with each site. These seven evaluators are listed in the Appendix.

Coordinated technical assistance across the seven grantees encouraged sharing and collaborative thinking. However, no overarching or uniform multi-site evaluation was performed. Each site was encouraged to be creative in developing their own local partnerships and approaches to serving parents. Therefore, the seven evaluations are independent.

Most of the evaluators collected qualitative information from both parents and project staff through interviews, focus groups, surveys and site visits. Common themes emerged in these evaluations around recruiting and retaining, starting and sustaining new community partnerships, and examining barriers and lessons learned when trying to integrate child support services with these partners.

Each evaluator collected self-reported client characteristics like age, education level, employment status, incarceration history, and family status. Pre- and post-intervention data were also collected by some of the evaluators to gauge changes in rates of employment and earnings; general savings, banking habits and IDA purchases; child support debt and payment information; and attitudes about the child support program.

## What partnership models emerged and what service delivery approaches were used?

BAFF grantees customized their AFI partnerships based on organizations within their local community. A wide array of partnerships and approaches emerged. While an AFI grantee and child support agency were required partners, some grantees also partnered with employment services and training providers, responsible fatherhood organizations, and teen parent health clinics. In Washington, the AFI grantee itself was a community action agency able to provide wrap-around services to BAFF participants for issues like housing, legal services, and employment and training services.

In most cases, participation in BAFF was voluntary. Beyond the potential to open an IDA, incentives were sometimes used to encourage participation. Tennessee recruited noncustodial parents whose licenses were suspended. Completion of certain BAFF components could lead to the license being reinstated. Colorado offered the possibility of eliminating state-assigned child support debt after completing financial education and other debt management milestones.

Some locations designated a particular child support case manager to provide focused child support services to all BAFF clients. In other locations, BAFF participants were directed to their regular assigned child support case manager. Neither case management model was shown to have significantly different results.<sup>4</sup>

## Who was the typical BAFF client and what was their experience in the program?

Six of the seven BAFF grantees focused on low-income noncustodial parents who potentially qualified for IDAs and who were not consistently making their full monthly child support payment. However, Texas focused on first-time expecting teen parents, testing a unique model to determine if early financial and child support education interventions could prevent child support debt altogether. About 4,000 low-income parents received varying levels of service across the seven BAFF grantees.

BAFF participants faced an array of challenges that inhibited their ability to make regular child support payments and kept them from being able to open an IDA. Many had a history of incarceration, lacked full-time employment or stable housing, and owed significant child support debt.

Percentages of BAFF participants with a history of incarceration included 83 percent in Florida, 81 percent in Michigan, 60 percent in Tennessee, and 67 percent in Washington. Unemployment rates among the participants were reported as 57 percent in Florida, 67 percent in Michigan, and 90 percent in Tennessee. These unemployment percentages increased when considering participants who were employed seasonally or part time. Few participants reported working full time at enrollment. The average child support debt levels for BAFF participants were \$15,355 in Florida, \$8,792 in Michigan, \$28,599 in Tennessee, and a median debt of \$8,255 in Washington.

It was challenging to find, recruit and retain low-income parents who potentially qualified for an IDA.<sup>5</sup> After being recruited to the program, BAFF participants would ideally complete a series of financial education classes on topics like creating and managing a budget, credit and debt management, understanding

financial services and taxes, and saving for future goals and emergencies. Grantees reported difficulty keeping participants engaged in financial education classes due to the number of required classes and inconvenient class schedules and locations.<sup>6</sup>

In many cases, participants also received individualized financial coaching and mentoring, referrals to needed support services, individual child support case management, and then if qualified, they would begin an IDA matched savings plan for a particular savings goal. Although only two percent of the BAFF participants eventually opened an IDA, other positive outcomes deserve a deeper look by child support programs.

BAFF partners provided unique entryways to the child support program for many parents who have misperceptions regarding their rights and responsibilities or distrust the child support program. In Tennessee, 71 percent of parents report not trusting the child support agency. However, 84 percent of Tennessee's parents report being pleased with the information they learned from the financial education classes, and 85 percent feel better about their financial future. One BAFF grantee reported that, although it was difficult to get participants interested in formal financial education classes, participants appreciated the individualized case management they received on their child support case.

***BAFF participants faced an array of challenges that inhibited their ability to make regular child support payments and kept them from being able to open an IDA.***

## What child support outcomes emerged from BAFF?

Grantees reported that BAFF partners provided a trusted entry point for parents to reengage with the child support program, modify child support orders, reinstate suspended licenses, and pursue debt compromise options. But what about actual improvement in child support payments?

The benefit of re-engaging parents who do not trust the child support program is certainly noteworthy but difficult to quantify. Four of seven grantee evaluations suggest inconclusive but promising child support payment findings.<sup>7</sup> A small sample size, a variety of research methodologies, limited pre-participation payment data in some states, and an inability to factor-out other influences led some evaluators to be cautiously optimistic but inconclusive in describing child support outcomes.

Conversely, Tennessee noted an increase in the annual amount of child support paid after BAFF services were provided. Prior to BAFF the average participant in Tennessee paid \$850 in child support annually whereas after BAFF services were provided, an annual average of \$1,020 was paid.

Participants cumulatively paid 19.9 percent of the total current support due on their cases collectively in the 12 months prior to BAFF services compared to 28.9 percent in the 12 months after BAFF services. Fifty-one percent of their BAFF participants completed the steps required to get their licenses reinstated. Tennessee observed that more significant increases in payments occurred when the BAFF participant received one-on-one coaching beyond merely attending financial education classes.

Colorado showed a decrease in the arrears balances due when looking at pre- and post-participation periods, whereas Tennessee did not.<sup>8</sup> Washington observed that 81 percent of BAFF participants made at least one payment towards current support after enrollment and 66 percent made at least one payment towards arrears after enrollment.<sup>9</sup> Washington reports 37 percent of BAFF participants received a modification of their child support order and 50 child support cases were successfully closed. Colorado participants increased their use of a checking account by 19 percent, use of a general purpose savings account by 31 percent, and participants that created a personal spending plan increased by 46 percent.

Making child support payments is one of many financial challenges associated with poverty. Research indicates that financial insecurity also makes it more difficult to solve problems, make decisions, and take action.

Child support agencies are encouraged to consider how financial capability resources could enrich the programs and services provided to the parents in their caseload. Child support initiatives designed to address barriers that limit financial and economic mobility for both parents have the power to continue poverty reduction and economic success from one generation to the next.

*Grantees reported that BAFF partners provided a trusted entry point for parents to reengage with the child support program.*

## What did participants and child support professionals say about the BAFF program?

BAFF participant surveys indicate the program was positive and showed improvements in certain financial stability indicators. In Tennessee, 90 percent of the participants rated the BAFF program as excellent or good. Some Colorado participants suggest they gained a better understanding of the child support program, and others indicate lasting changes in their attitude toward the child support agency. In Michigan, 54 percent indicated a better understanding of how child support is calculated, and 54 percent have a better understanding of how child support enforcement tools are used to collect support. Participants also expressed appreciation for the intensive case management BAFF case managers provided. In Tennessee, 38 percent reported their view of the child support program had improved after participating in BAFF.

Child support professionals who worked on this project also pointed out it was rewarding and fulfilling work. One professional said that setting a positive, long-term trajectory for the participants' cases and helping them shift their mindset about child support made these the best years of her career. It's rare to receive a thank you from a parent when doing normal casework, but by providing more intensive, one-on-one support, she received more notes of appreciation, which made her feel very good about her job.

*The BAFF grants show that local partnerships with financial education providers can help child support programs engage low-income parents...*

## What positive opportunities emerged for child support programs to build similar partnerships?

The BAFF grants show that local partnerships with financial education providers can help child support programs engage low-income parents who need support services and help with child support issues, even when there is not a strong incentive to open an IDA.

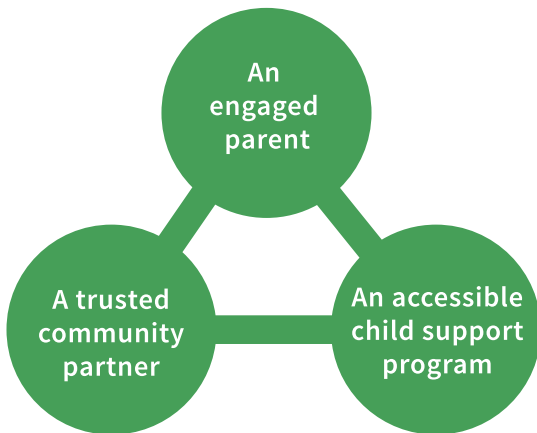
Most communities have organizations that provide financial education and coaching services. Although agencies that offer IDAs may not exist in every community, child support programs can achieve good outcomes by developing partnerships with local financial education providers. These types of partnerships ensure child support debt awareness is woven into the curriculum and referrals to child support services are easily made.

Financial education partners can be a viable portal for child support programs to reach disengaged parents and provide them with individualized child support services. This may be particularly helpful when paired with employment and training or other wrap-around services. Financial education partners can learn about parental responsibility and legal processes from the child support program to identify individuals who need help with child support issues. Once attuned, financial education partners can coach parents and help to bridge the connection with child support programs so parents reengage and follow-through on child support processes.

Early in some BAFF partnerships, the child support program referred most BAFF participants within the child support caseload to AFI grantees for services. As these partnerships matured, AFI partners instead became the entity identifying and referring parents to the child support program for assistance. BAFF-like partnerships can create a mutually beneficial relationship, leading parents to services and assistance they need to meet their child support obligation.

## What does a BAFF client success story look like and how is it created?

When looking for common themes in BAFF success stories, a triad of key ingredients emerges. These three ingredients flavor all BAFF success stories, including this one about Xavier.



**AN ENGAGED PARENT** willing to follow through on tasks, address child support issues, and be open to coaching. Willingness can be demonstrated by attending financial education classes, working with a financial coach, establishing a budget, completing order modification paperwork, and making child support payments. Finding and engaging willing parents who have barriers to making regular payments is a challenge in all segments of the child support caseload.

**A TRUSTED COMMUNITY PARTNER** offering a safe “front door” to the world of budgeting, financial education, and issues of child support debt and payment. Whether an AFI grantee or other community agency, this partner’s ability to coach the parent and be a trusted intermediary and facilitator with the child support agency cannot be underestimated.

**AN ACCESSIBLE CHILD SUPPORT PROGRAM** able to provide individualized case management and strong customer service to both the engaged parent and the community partner. Assistance may be coupled with program flexibility and creative problem-solving to

## Xavier’s Success Story

Xavier came to the BAFF program unemployed, never having a bank account, and owing a large child support debt for six children he rarely saw.

The AFI community partner worked with Xavier to help him secure a job and worked in tandem with the child support agency to address the child support debt.

The child support agency helped Xavier modify his child support orders to appropriate levels, establish a workable payment plan, and navigate the court system to improve his parenting time with his children. And because he was cooperating and engaged in this program, the state agreed to return half of his intercepted federal tax refund to help him start his IDA.

Xavier completed six of eight financial education classes, a home ownership class, and began saving \$15 a week into a matched savings IDA program. Within a few months, he had successfully built an \$800 IDA savings account, had opened his first regular bank account, was seeing his children and was making child support payments regularly.

address both the parent’s immediate issues and long-term outcomes. This could include reinstating a driver’s license, eliminating assigned debt, or not using heavy collection tools like bank account seizures or contempt while the parent is actively engaged with the program.

## Appendix – BAFF sites and partnership composition

### Colorado – Triple Play: Three Paths to Success

Evaluator: Center for Public Policy Studies

Project Location	AFI Grantee	Other Partner	Target Population
Adams County	Mile High United Way	NA	Parents in enforcement status or active in fatherhood program.
Jefferson County		Jefferson County Responsible Fatherhood Program	

### Florida – Bringing Relief, Education and Assets for Children and their Households (BREACH)

Evaluator: Dr. Irma Cruz-White

Project Location	AFI Grantee	Other Partners	Target Population
Nassau County	Family Foundations and North East Florida Community Action Agency	CareerSource, Occupational Safety and Health Administration and Florida State College of Jacksonville	Parents with child support debt.
Duval County			

### Michigan – Referrals for Employment, Asset Development, Cooperation and Hope (REACH)

Evaluator: Courtland Consulting

Project Location	AFI Grantee	Other Partner	Target Population
Kent County (Grand Rapids)	Inner City Christian Federation	Hope Network (job-readiness and training)	Low-income parents with past-due child support debt.

### Ohio – Building Assets for Fathers and Families (BAFF)

Evaluator: Rodney Thomas, M.A.

Project Location	AFI Grantee(s)	Other Partner	Target Population
Cuyahoga County (Cleveland area)	Ohio Community Development Corporation, Cleveland Neighborhood Progress, and SmartMoney Community Services	Cuyahoga County Healthy Fathering Collaborative	Early: Employed, willing and able to pay low-income obligors. Later: Non-paying obligors with licenses suspended or active in fatherhood programs.
Hamilton County (Cincinnati area)		NA	
Franklin County (Columbus area)*	Ohio State University Extension	NA	

\*Franklin County added in early 2014 during the last year of the grant.

### Tennessee – Building Assets for Fathers and Families (BAFF)

Evaluator: Center for Policy Research

Project Location	AFI Grantee	Other Partners	Target Population
Shelby County (Memphis area)	RISE Foundation	Local reentry and fatherhood programs	Obligors whose licenses have been suspended.

### Texas – Urban Fathers Asset Building (UFAB)

Evaluator: University of Texas at Austin Ray Marshall Center for the Study of Human Resources

Project Location	AFI Grantee	Other Partner	Target Population
Houston, Texas	Covenant Community Capital Corporation	Baylor College of Medicine's Teen Health Clinic (New parent outreach)	Expecting teen parents, even before a child support obligation may exist.

### Washington – Building Assets for Fathers and Families (BAFF)

Evaluator: MEF Associates

Project Location	AFI Grantee	Other Partner	Target Population
Vancouver, Washington	Lower Columbia Community Action Program	NA	Low-income parents with past-due child support debt in the general child support caseload.
Spokane, Washington	Spokane Neighborhood Action Program	Washington State Department of Corrections	

1. For an overview about collaboration between AFI grantees and child support, see <http://idaresources.acf.hhs.gov/page?pageid=a04700000ArRPP>.
2. “How OCSE Grantees Can Support ‘Building Assets for Fathers and Families’ (BAFF);” Funding Opportunity Number HHS-2010-ACF-OCSE-FD-0113, pg. 1.
3. For a list of AFI grantees by state, see <http://www.idaresources.acf.hhs.gov/apex/afigrantees>.
4. This dual approach is especially evident in Colorado where Jefferson County had a dedicated case manager and Adams County used a general population case assignment model. Similarly, the Vancouver, Washington site used a dedicated case manager approach while the Spokane site did not.
5. All seven BAFF grantees received 6- to 12-month no-cost extensions to their original 3-year grant periods in order to serve the number of participants anticipated.
6. In Florida, only 42 percent of the participants completed the financial literacy training modules whereas 84 percent completed the fatherhood training.
7. Colorado, Michigan, Tennessee and Washington’s evaluations analyze child support payment data to some extent.
8. The Colorado sample size was small making “statistical comparisons difficult and generalizations of the findings to the larger population of NCPs impossible.” Tennessee on the other hand notes the average arrears debt increased for BAFF participants.
9. The Washington BAFF program intentionally selected non-paying obligors for participation. Unfortunately, pre-participation child support data was not made available for a deeper analysis.