

Colorado Compromise and Cooperation

**Project
Evaluation
Final Report**

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Executive Summary

The Colorado Compromise and Cooperation Project, which operated in Denver and Larimer counties, was designed to develop, implement, and test procedures to promote payment of current support and/or arrears among noncustodial parents (NCPs) who owe back-due child support, reduce child support arrears balances, and close cases, where appropriate. Each county targeted NCPs with arrears who had been formerly incarcerated or were disabled. Both of these groups are likely to be low income and to have accrued child support arrears during time periods they had a limited capacity to work, earn income, and meet their child support obligations.

To identify potentially eligible cases, the Colorado Division of Child Support Enforcement generated an automated list of cases in Denver and Larimer counties with NCPs who were believed to be disabled and/or formerly incarcerated who had state-owed arrears. In an attempt to pursue an experimental design, noncustodial parents (NCPs) with a Social Security number ending in 0 through 3 were assigned to the comparison group and those with a Social Security number ending in 4 through 9 were assigned to the experimental group.

In experimental cases where the NCP was successfully contacted, child support technicians explained the purpose of the Compromise and Cooperation Project and attempted to negotiate an agreement regarding the payment of state-owed arrears. If the NCP had a current monthly support order, the agreement always included the requirement that he or she would pay the ordered amount or pursue a modification of the order if the ordered current support amount no longer matched the NCP's actual circumstances. The amount of the monthly payment the NCP needed to make towards state-owed arrears was open to negotiation. The 277 NCPs reaching agreements included 184 who had a history of incarceration and 93 who were disabled. The rate of agreement making was 65.6 percent among formerly incarcerated NCPs and 71.5 percent among the disabled. Nearly half (43%) agreed to comply with a financial payment plan. Another 51 percent agreed to make monthly payments and to also participate in programs and services aimed at addressing barriers to employment and parenting. A small percentage (7%) was only given non-financial requirements. In addition, 60 percent of all NCPs had their driver's licenses reinstated, enforcement actions were suppressed for 29 percent of all participants, and 9 percent of the participants had their orders reviewed and adjusted.

Once they established contact with the NCP, child support technicians were able to elicit information from them about their case histories. Key characteristics were as follows:

- Nearly three-quarters (73%) of disabled NCPs had also been previously incarcerated, while only 10 percent of the NCPs who were ex-offenders reported being disabled.
- Almost three-quarters (73%) of all NCPs were unemployed at contact, with 91 percent of the disabled population and 62 percent of the formerly incarcerated population reporting being unemployed. Chronic unemployment was reported by 58 percent of the disabled population and 17 percent of formerly incarcerated NCPs.
- At project entry, NCPs owed an average of \$11,037 in state-owed arrears, with a range of \$291 to \$75,751. Taken together, NCPs in the experimental group who reached an agreement owed a combined amount of \$3,013,272.

Child support technicians tracked NCP performance and recorded their compliance with the agreement at two time points: six and twelve months following the agreement signing. The NCP received forgiveness of 25 percent of the state-owed arrears obligation at the time of the agreement. If the NCP complied with the agreement for six months, he or she received another 25 percent forgiveness of state-owed arrears. And if the NCP continued to comply with the terms of the agreement for the full twelve months, the remaining 50 percent of the state-owed arrears was forgiven.

Of the 258 NCPs with information available, 61 percent were reported by child support technicians to be in compliance with the terms of the agreement at six months and 55 percent at twelve months. The percentage of disabled participants who were reported by child support technicians to have complied with their agreement at twelve months was significantly larger than the percentage of formerly incarcerated participants (73% versus 45%). A small percentage of NCPs at both time points were given more time to pay the amount in their agreement (7% at six months and 4% at twelve months). Another 30 to 39 percent were rated by child support technicians as being noncompliant. The most common reasons given by NCPs for nonpayment were unemployment (25%), low earnings (13%) and/or medical bills and other personal issues (33%).

When compliance with agreements was measured based on payment data recorded in the automated system, the picture changed, with objective compliance rates falling below the levels noted by child support technicians. Both formerly incarcerated and disabled NCPs paid an average of only 23 percent of what was due in arrears payments (plus current support if this was relevant), with formerly incarcerated and disabled NCPs making 3.6 and 4.7 payments during this twelve-month period, respectively. In addition, there were no statistically significant differences between the payment performance of formerly incarcerated and disabled NCPs, with the automated data showing the two groups paying comparable percentages of what they owed.

This suggests that child support technicians exercised some of the “flexibility” they were allowed in categorizing NCPs as compliant. For example, they could give NCPs credit for trying to comply with the agreement, even if they could not meet their full obligation each month.

Overall, NCPs in compliance at the six-month time point had \$2,471 of state-owed arrears forgiven while those who were compliant at twelve months had an average of \$6,168 of debt forgiven. Taken together; the amount of child support paid by project participants in the twelve months following project enrollment was \$212,321 and the amount of forgiven state debt was \$1,043,074.

To gauge the overall impact of the Compromise and Compliance Project on payment behavior and the growth of arrears, researchers with the Center for Policy Research (CPR) compared the 581 cases selected for the experimental group with the 777 cases selected for the comparison group. Although the two groups of cases were generated using random techniques, the randomization process was compromised by the fact that many NCPs with experimental group cases could not be located and did not participate in the program and the comparison group was subject to less stringent qualification procedures than was the case for the experimental group. The comparison revealed that state arrears balances for the two groups of cases generated for this project were equivalent with state-owed arrears for cases in the experimental group averaging \$7,185 as compared with \$8,158 for cases in the control group (plus approximately \$10,000 owed to the custodial parent). In addition, payment behavior in the two groups of cases was statistically identical, with both exhibiting a payment rate of 19 and 22 percent, respectively.

Telephone interviews were completed with 129 noncustodial parents in the experimental group approximately six months after they entered the project. This represents 46 percent of NCPs who reached an agreement about their child support arrears balances. Almost all NCPs had wanted to enroll when they heard about the program, but only about half were able to recall all the terms of their agreements. Nevertheless, most (71 percent of disabled NCPs and 49 percent of formerly incarcerated NCPs) reported that their performance had been successful and were very happy with the project, with 78 percent rating it as “excellent.” Ninety-two percent reported feeling that the child support agency cared about them.

These findings yield the following conclusions about Colorado’s Compromise and Cooperation Project.

- Identifying and enrolling eligible NCPs in debt compromise programs is a labor-intensive process. Although it seems straightforward to generate an automated list of

cases that involve previously incarcerated and/or disabled NCPs who have arrears balances, most NCPs have multiple cases necessitating time-consuming qualifying activities. More to the point, reaching NCPs who were judged to be eligible required multiple phone attempts, multiple mailings and face-to-face meetings.

- Among NCPs whom child support technicians are able to reach, project participation is high, with 67.6 percent of targeted NCPs developing an agreement to discharge their state-owed arrears. As previously noted, the process of identifying and communicating with previously incarcerated and disabled NCPs requires a big staffing effort but the project attracts strong interest once contact with eligible NCPs is achieved.
- Lump-sum payments are not practical for previously incarcerated and disabled NCPs. Although this was an optional arrangement for the payment of arrears, no NCP who participated in the project agreed to do this. All of them opted for making a modest, monthly arrears payment.
- Worker-generated measures of program compliance do not necessarily track with compliance patterns based on automated child support payment records. Colorado child support technicians were highly subjective in their assessment of NCP compliance and used the flexibility they were given to reward NCPs for their efforts and responsiveness, even if they failed to make required payments. Workers rated approximately 50 percent of NCPs as “compliant” even though the objective payment records showed that they paid approximately 23.6 percent of what they were expected to pay.
- Workers may be more sympathetic to some groups of NCPs (*e.g.*, disabled NCPs) than to others (previously incarcerated NCPs) and see them as more deserving of accommodation and debt compromise treatments. Colorado child support technicians gave disabled NCPs higher compliance ratings than previously incarcerated NCPs (73% versus 45%), even though their payment patterns were identical based on automated payment records.
- If programs seek to generate accurate measures of payment performance, they should automate the tracking process and dispense with manual methods. Several jurisdictions such as Maryland and Washington, D.C. delayed the initiation of their debt compromise programs until they could automate the process of monitoring payments and making arrears adjustments in order to improve accuracy and relieve workers of time-consuming reviews.

- Ultimately, NCPs in the experimental group paid \$212,321 in child support during the 12 months following project enrollment and realized approximately \$3 million in arrears forgiveness. Although debt compromise programs are not “money-makers” for child support agencies, they do generate some child support revenue that likely would not otherwise be realized. On the other hand, the project did not improve payment behavior for members of the experimental group in such a fundamental way that arrears balances ceased to grow. Average arrears balances were virtually identical for members of the experimental and comparison groups 12 months following project enrollment, averaging \$12,323 and \$13,857, respectively.
- Non-financial provisions were often combined with financial terms in the debt compromise agreements that workers generated with ex-offenders and disabled NCPs, but were rarely used alone. Compliance with non-financial agreements appeared to be weak, but may have contributed to the higher compliance ratings provided by child support technicians and the seeming rewards they accorded to NCPs who showed some measure of cooperation and responsiveness even if they failed to make full monthly payments.
- Cases in the experimental group that were scrutinized by child support workers and considered for debt compromise treatments were significantly more likely than cases in the comparison group to be closed during the 12 months following project enrollment. Indeed, while 27 percent of experimental cases were closed following project participation, this was the case for only 8 percent of comparison cases.
- NCPs who enroll in debt compromise projects like the Compromise and Cooperation Project appreciate the opportunity to “start over.” Participation in the project also improves their view of the child support agency.
- NCPs cite financial issues including lack of employment, low earnings, and other bills as primary reasons why they are unable to pay their current support and/or monthly arrears payment and comply with their agreements. Although the project attempted to address the critical issues of un- and under-employment by referring NCPs to employment services, many NCPs in the project struggled to find employment and realize wages that would allow them to meet their financial obligations. To realize stronger outcomes, future debt compromise projects should consider putting in place a strong plan to find jobs for hard-to-employ NCPs.

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Chapter 1: Background on Arrears Forgiveness

Child Support Arrears in Colorado and the Nation

On many occasions, the federal Office of Child Support Enforcement (OCSE) has communicated with states about their rights to negotiate with noncustodial parents (NCPs) and compromise their state-owed, child support arrears. For example, in 1999, OCSE issued Policy Interpretation Questions (PIQ) 99-03 to remind states that debt compromise is an option and that legislatures and state child support agencies are authorized to design their own debt compromise programs and determine eligibility. OCSE reiterated this position in 2000 with PIQ-00-03 noting that “Child support arrearages that have been permanently assigned to the State...may be compromised.”

Soon afterward, OCSE began to fund initiatives to help states investigate the nature and components of child support debt. Colorado was one of the first states to undertake an analysis of its child support arrears. The goal was to gain a better understanding of what was owed and how the debt accrued, so that the state could determine the most promising approaches for managing current, and preventing future, arrears. The study (Thoennes, 2001) identified and analyzed a random sample of child support cases with arrears balances drawn from the automated child support system (2001) and concluded that:

- Nearly half of all arrears are owed to the state, with the remainder owed to the custodial parent.
- Forty-seven percent of all arrears in Colorado are arrears owed to the state to reimburse for Temporary Aid to Needy Families (TANF).
- On average, arrears cases have been open to the child support system for approximately seven years.
- Nearly three-quarters of the arrears cases are intrastate cases.
- Nearly 70 percent are cases with current support orders as well as arrears.
- Virtually all of the cases have been the subject of numerous previous enforcement actions.
- When payments are made towards arrears, they are typically the result of wage assignments or intercepts of IRS refunds.
- Cases with default orders are less likely than other cases (stipulations or court hearings) to make payments towards arrears or current support obligations.
- About a third of the NCPs have more than one case in the system, and almost 60 percent of those with more than one order owe back due support on more than one case.

Following the Colorado study, a number of other states analyzed their child support arrears including California (Sorensen *et. al.*, 2003) and Washington (Formoso, 2003). OCSE and the Assistant Secretary for Planning and Evaluation (ASPE) commissioned a comprehensive analysis of the composition of child support arrears and the causes of their dramatic growth based on data drawn from nine large states (Arizona, Florida, Illinois, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Texas) (Sorensen *et. al.*, 2007).

All of these studies showed that most child support debt is owed by a relatively small number of noncustodial parents, each of whom has a large amount of arrears and typically lacks evidence of reported income. Sorensen's study (2007) in nine states found that 11 percent of noncustodial parents with orders were responsible for 54 percent of the total arrears balance with each owing over \$30,000. Nearly three-quarters of these high debtors had no reported income or reported incomes of \$10,000 per year or less. They were also more likely than other noncustodial parents to have multiple current support orders (30%), at least one interstate order (19%), orders that were established more than twelve months after the IV-D case was opened (22%), and orders that were exclusively for arrears balances (29%) with no current support obligation.

A noteworthy finding from these studies is that low-income noncustodial parents often have high child support obligations and that unrealistic orders lead to nonpayment and the growth of arrears. For example, an Urban Institute study (2006) that matched noncustodial parents in seven states to earnings from the quarterly wage files found that median current support orders represent 83 percent of reported earnings for noncustodial parents with incomes up to \$10,000 per year. A 2002 Office of Inspector General (OIG) study of TANF in 10 states found that support obligations represented 40 percent of noncustodial parents' reported earnings and comprised 69 percent of the income of noncustodial parents with earnings below the poverty line. An evaluation of OCSE responsible fatherhood programs in five states found that support obligations averaged over 100 percent of the incomes of those noncustodial parent participants with reported earnings of \$500 per month or less, and 21 percent to 60 percent of earnings for those making \$500 to \$1,000 per month. Only at income levels exceeding \$2,000 per month did monthly child support obligations comprise more realistic percentages of incomes, ranging from 8 to 21 percent (Pearson *et al.*, 2003).

A recent analysis of over 100,000 California child support cases confirms that order levels that are set high result in nonpayment and the growth of arrears (Takayesu, 2011). Conducted by the Research and Reports Unit of the Orange County, California Department of Child Support Services, the study found that orders set above 19 percent of noncustodial parent (NCP) income, which they term the ROTW or Ratio of Order to Wage, led to lower

performance and arrears growth. This finding was found to be true regardless of differences in NCP income, size of family, and a host of other factors. Another specific finding was that cases with imputed income lead to lack of payment and high arrears growth (Takayesu, 2011).

Washington State found that noncustodial parents in “hard-to-collect cases” had pervasive “serious, recurring barriers to collection,” the main characteristics of which were multiple cases per father, a history of incarceration and the current or recurrent receipt of public assistance or disability payments. Washington State also found that arrears accrue when the child support order is burdensome and exceeds 20 percent of the noncustodial parent’s income (Peters, 2003).

In Wisconsin (Bartfield, 2003), an analysis of factors associated with child support arrears underscored the negative consequences of high interest charges, the failure to modify orders during incarceration, the failure to modify orders on a regular basis, limited earnings, high order levels relative to actual income, and default orders.

Outcomes Associated with Previous Debt Compromise Programs

Following the analysis of its child support arrears, Colorado launched one of the first pilot programs to explore how a debt forgiveness program might operate and what it might accomplish (Pearson and Davis, 2002). The study, “An Evaluation of the Colorado Arrears Forgiveness Demonstration Project,” was conducted during 2001-2002 in Larimer and Jefferson counties. NCPs in Jefferson and Larimer counties with state debt of \$1,500 or more were sent letters on fatherhood program letterhead offering forgiveness of all state debts in Larimer and up to \$5,000 in Jefferson in exchange for complete and punctual payments of support obligations over a 10-month period of time. The key findings from this pilot study included the following:

- **It is difficult to enroll noncustodial parents in debt forgiveness programs.** Ultimately, only 7.5 percent of Jefferson and 13 percent of Larimer NCPs targeted for the project agreed to participate. Many NCPs who received material about the project thought it was a “sting” operation and failed to appear at required meetings.
- **Debt forgiveness opportunities attract partial payers rather than nonpayers.** In both counties, most project participants were payers who wanted to reduce and/or eliminate their arrears balances. Although program architects had hoped that the project would transform nonpayers into payers, this failed to materialize since few nonpayers responded to the appeal.

- **Project rules and procedures affect the number and types of NCPs who participate, the success rate, and project costs.** Jefferson County limited project participation to NCPs with current child support cases, capped debt forgiveness to \$5,000, required complete and on-time payments for ten months to realize any debt forgiveness, and avoided all communication with NCPs until the end of the project. As a result, only about one-third of NCPs were successful, and the amount of arrears that was forgiven was almost completely offset by the amount of payment realized. Larimer County extended the offer to arrears-only cases and reduced the complete arrears balance by 10 percent each month in exchange for a complete and on-time payment. As a result, the county forgave more than three times what it collected in payments from participants and the success rate was nearly twice as high (60.7%).
- **Participation patterns track with NCP earnings.** NCPs in Jefferson County who expressed an interest in participating but failed to sign up were most likely to have no income in the UI wage database and lower earnings compared to program participants.

A number of other states have also implemented pilot or permanent arrears forgiveness programs. These projects have generally confirmed the findings of the early Colorado research. Among the shared findings of these evaluations are the following:

Success patterns track with NCP earnings and barriers. NCPs who make the required payments and receive the full forgiveness benefit have higher earnings and/or more wage growth than their non-successful counterparts. They also report fewer problems or barriers to payment, including incarceration and unemployment.

Scale of the programs. With few exceptions, debt compromise programs enroll relatively small numbers of cases. A 2012 study of programs in five sites (California, Illinois, Maryland, Minnesota, and Washington, D.C.) conducted by the Center for Policy Research included 688 cases (CPR, 2012). A study by the Office of the Inspector General (OIG, 2007) of five large, statewide programs (California, Massachusetts, New Mexico, Texas, and Washington) involved 6,719 cases that had been subject to debt compromise since the inception of their programs. A Texas program processed 589 cases from 2001 to 2006. A New Mexico program enrolled 325 cases between 2005 and 2006. Massachusetts enrolled 530 cases from 2000 to 2006. And from 2003 to 2006, California enrolled 992 cases in its Compromise of Arrears Program (COAP).

Payments pre- and post-program enrollment. Some studies have considered the payment behavior of noncustodial parents prior to and following their enrollment in a debt compromise program. For example, OIG researchers compared the regularity of payments

made twelve months prior to and twelve months following compromise agreements. Although the results are not reported in the formal report, researchers informally report that there was improvement with a higher proportion of post-compromise cases exhibiting regular payment, defined as no more than three missed payments on a biweekly payment schedule or one missed payment on a monthly schedule (Dorrill, 2008). The 2012 study of debt compromise programs completed by the Center for Policy Research found that payment performance improved at nearly all program sites in the post-enrollment time period relative to pre-enrollment. Thus, payment performance improved by at least 20 percentage points among COAP participants in California and almost 30 percentage points among program participants in Maryland and Washington, D.C. In Illinois, payment performance following program enrollment increased by 14 percentage points.

Program Outcomes. States typically record whether an enrolled case is terminated from the program, partially completes the program, or fully completes the program. Rates of success and termination vary by case type and program rules. In the five-state study conducted by CPR (2012), the rate of termination was highest in Washington, D.C. where 41 percent had been dropped when follow-up data were collected. This probably reflects the fact that the program targeted noncustodial parents who had made no voluntary payments for 36 months prior to their enrollment. In other words, the program attempted to engage non-payers and working with this population yielded a higher rate of termination. In Illinois and California, the rate of termination was approximately 6 percent, while in Maryland, it was 14.2 percent. Maryland and Washington, D.C. require program participants to make full, timely payments for 24 months in order to be classified as fully compliant. California allows participants a little more flexibility in the timing of their payments. Illinois only imposes a six-month payment requirement.

Colorado had similar experiences in an earlier pilot on debt forgiveness in Jefferson and Larimer counties that offered debt forgiveness in exchange for regular and complete payment of child support. As previously noted, Jefferson County achieved a success rate of 36.6 percent, which reflected its more exacting requirements such as limiting the program to noncustodial parents with current support cases, capping debt forgiveness to \$5,000, requiring on-time and complete payments for 10 months to receive any forgiveness, and avoiding all communication with noncustodial parents until the end of the project. In contrast, Larimer County had a success rate of 60.7 percent. Larimer extended the project to arrears-only cases as well as those with continuing obligations, reduced arrears balances by 10 percent each month in exchange for a complete and on-time payment, and communicated with participants during their project tenure.

Arrears Forgiven. In its analysis of five programs, OIG found debt compromise agreements resulted in settlements that averaged \$9,383 per case, compared with an average of \$22,029 owed. The CPR study of five programs concluded that the programs were effective in discharging state debt with noncustodial parents experiencing state debt reductions that ranged from 26 percent in Washington, D.C. to 83.3 percent in Illinois.

The Present Study

There are clearly many compelling reasons to continue to study the components of effective debt compromise programs:

- By 2010, the amount of national debt that had accumulated as a result of unpaid child support exceeded \$110 billion. While child support agencies collected 61.8 percent of the \$32 billion due in current support in 2009, they only collected 6.9 percent of the \$110 billion due in arrearages.
- Over a third (37%) of noncustodial parents paid nothing toward their arrearages in 2009. This pattern negatively affects state and local child support agencies that derive incentive funds based on five criteria that include the proportion of noncustodial parents who make arrears payments.
- High arrearage balances may discourage noncustodial parents from paying the current support they owe and drive them away from their families.
- High arrears may undermine public confidence in the child support agency.
- Large numbers of cases with uncollectible arrears may distract child support workers from taking effective action with cases that are more amenable to payment (Turetsky, 2000).

There is also considerable evidence that local and state child support agencies want more information about debt compromise programs. In its national survey, the OIG (2007) found that 17 of 31 states with informal or no programs were “considering implementing debt compromise programs and are in the process of weighing the costs and benefits” (OIG, 2007:11).

This study provides further information to Colorado and the nation in the ongoing effort to understand how debt compromise programs may be structured and what they can achieve.

Chapter 2: Overview of Colorado Compromise and Cooperation

The Colorado Compromise and Cooperation Project, also known as the Arrears Forgiveness Project, was designed to develop, implement and test procedures to meet the project goal of avoiding and reducing arrears. The original grant proposal called for the project to target noncustodial parents who had been formerly incarcerated with the objective of reviewing and modifying their child support orders to a minimum amount and promoting payment of current support (and/or a negotiated monthly arrears amount) through the development of a generous schedule to compromise state-owed arrears. Soon after the proposal was submitted, Colorado enacted a law requiring that actual earnings be used for child support orders for an incarcerated noncustodial parent sentenced to one year of prison or more and that imputed earnings be avoided (14-10-115 (5) (b) (1) C.R.S.). As a result, a large majority of child support orders of noncustodial parents were reviewed and reduced to the minimum of \$50 per month once the legislation became effective on July 1, 2008. Since this accomplished some of the goals posited for the grant, it was necessary to modify the project objective after funding was awarded in September 2008.

Conducted in two Colorado counties, Denver and Larimer, from May 2009 to 2012, the Compromise and Cooperation Project was managed by an advisory committee comprised of state and local child support personnel. After much discussion, in February 2010, the advisory committee decided to broaden the project focus to include formerly incarcerated noncustodial parents as well as those who were disabled. Project architects outreached to the Division of Vocational Rehabilitation to develop cooperation arrangements. Both of these groups are likely to be low income and have accrued child support arrears during time periods when they had a limited capacity to work, earn income, and meet their obligations. The goals of the project continued to involve promoting payment of current support in cases with continuing monthly support obligations and to close cases when only state-owed arrears were involved.

The specific project procedures for the Compromise and Cooperation Project were as follows:

- Outreach to disabled and formerly incarcerated noncustodial parents;
- Discuss and develop a customized plan for the NCP to pay a monthly amount of current child support and/or a negotiated arrears payment;
- Where a financial payment toward current support and/or arrears was impossible, develop a customized plan for the NCP to address some barriers to payment that

principally involved attending a program dealing with workforce services, fatherhood, vocational rehabilitation, and/or community service;

- Provide reductions in state-owed arrears to noncustodial parents who satisfied the terms of the customized plans they developed with child support workers; and
- Award the reductions based upon a uniform schedule of 25 percent when the plan or agreement was developed, another 25 percent after six months of compliance, and the remaining 50 percent at the twelve-month mark.

The Project Settings

The project was conducted in Denver County and Larimer County, Colorado. In July 2012, Denver County had 26,576 open child support cases and a staff of 56 child support technicians. Larimer County, on the other hand, is a smaller county with 6,649 cases and 28 child support technicians. Denver County has 23,101 cases that owe arrears, with 60.8 percent of those cases making an arrears payment in July 2012. Larimer County has 5,651 cases that owe arrears, with 66.0 percent making a July payment made towards arrears. Both counties exceed the state's minimum paternity establishment target of 90 percent, with Denver's rate being 97.5 percent and Larimer's being 98.1 percent. Similarly, both counties exceed the state's order establishment goal, with Denver and Larimer having 87.3 percent and 88.2 percent of cases under order, respectively. Larimer County's rate of current support paid is slightly higher than Denver's (64.4% versus 58.1%).

Grant funds were used to fund a single, dedicated child support technician in Larimer County and two dedicated child support technicians in Denver. Turnover and lack of experience were staffing issues in both counties. Denver County initially used a new staff member along with a child support technician with six-months experience. Although Larimer County assigned an experienced child support technician to the project, they hired a second worker who was new to child support enforcement when the first worker moved to a new position.

Identifying Eligible Cases

In order to identify potentially eligible cases, programmers with the automated child support enforcement system (ACSES) for Colorado generated a list of cases in Denver and Larimer counties with NCPs who were believed to be disabled and/or formerly incarcerated. In an attempt to pursue an experimental design, noncustodial parents with a Social Security number ending in 0 through 3 were automatically assigned to the control group and those with a Social Security number ending in 4 through 9 were assigned to the experimental group.¹ The initial ACSES list was generated in May 2009. Although subsequent, monthly lists were produced from the automated system and attempts were made to generate referrals from other sources including child support workers in the participating agencies and various community partners, these efforts did not result in many project referrals. As a result, virtually all case identification and project enrollment activities relied on system-generated lists produced at the start of program activities in May 2009.

Outreaching to Noncustodial Parents

Child support technicians attempted to contact all noncustodial parents (NCP) in the experimental group in Denver and Larimer counties. They used multiple mailings and attempted to achieve telephone contact with all NCPs. If child support technicians still were unable to reach the NCP, some contacted the custodial parent (CP) on the case to try to obtain more up-to-date address and phone information for the NCP.

In cases where the NCP was successfully contacted, child support technicians explained the purpose of the Compromise and Cooperation program and attempted “negotiate an agreement.” Child support technicians in Denver County negotiated all agreements in a face-to-face format. Child support technicians in Larimer County negotiated agreements with NCPs either on the phone, by U.S. mail, or by fax.

State child support personnel conducted several training programs for county child support workers including a one-day session that focused on effective methods of outreach and how to message about the project with potentially eligible noncustodial parents. Other topics addressed in training sessions were appropriate adjustment of enforcement actions during project participation, case qualification criteria, procedures for establishing a \$50 minimum order, and early intervention techniques.

¹ After several months of low enrollment in the experimental group, the numbers were shifted and those ending with a Social Security number ending in a 3 were added to the experimental group to assign more cases for treatment.

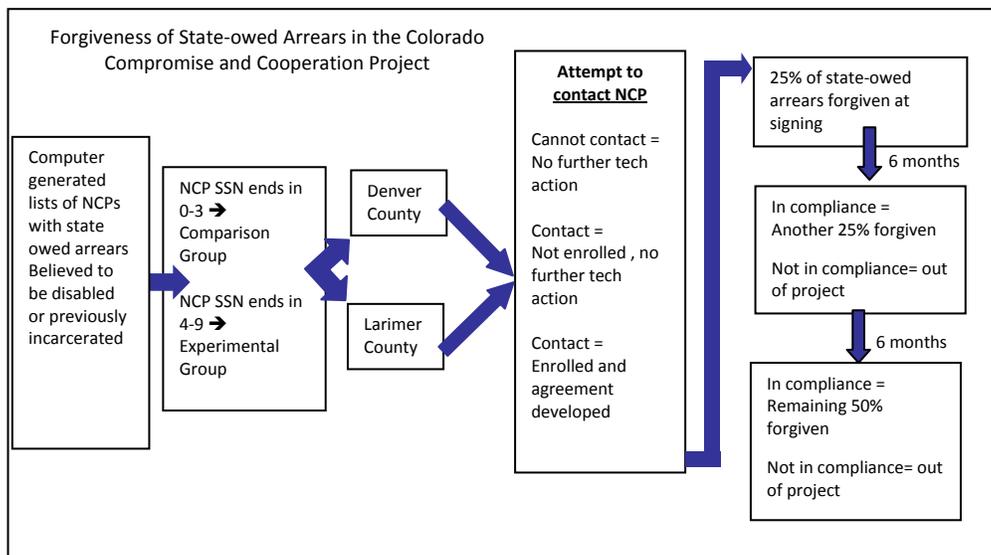
Producing Agreements

Agreements always included the requirement that the NCP would pay the current monthly support order he was obligated to pay or pursue a modification if the order was unrealistically high. The amount of the monthly payment the NCP needed to make toward state-owed arrears was open to negotiation.

Agreements could also include stipulations such as:

- Requiring that the NCP stay in touch with the child support technician;
- Requiring that the NCP keep a job search diary;
- Providing evidence of participation in a fatherhood or workforce program;
- NCPs (Denver County) would contact a prisoner re-entry program;
- NCPs (Larimer County) would contact a vocational rehabilitation program; and
- Follow-up by the child support technician with other service providers to document the NCP's level of participation.

Once an agreement was reached, noncustodial parents received a 25 percent reduction in their state-owed arrears. If the NCP continued to comply with the agreement for six months he or she received abatement of another 25 percent of the state-owed arrears balance. After twelve months of compliance with the terms of the agreement, he or she would receive forgiveness of the remaining 50 percent of state-owed arrears. Those who fell out of compliance retained the abatements they previously had received but failed to realize future adjustments.



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To track compliance for each of the NCPs who enrolled in the project and generated a preliminary agreement, child support technicians in Denver and Larimer counties were required to monitor their performance and to collect data using manual techniques. Since many of the cases involved referrals to service providers outside of the child support agency, this involved contacting them about NCP participation in services as well as monitoring payment behavior.

Chapter 3: Evaluation Methodology

Identifying Qualified Cases

As noted above, ACSES programmers generated an ad hoc report of cases² that met prescribed criteria developed by the advisory committee for the Compromise and Cooperation Project. Cases were on the ad hoc list if they:

- Owed state-owed child support arrears;
- Had evidence of current or recent incarceration;
- Applied for or were receiving disability benefits; and
- Did not involve a child placed in the foster care system.

If the case had a noncustodial parent with a social security number ending in 4 through 9, it was assigned to the experimental group and was eligible for participation in the Compromise and Cooperation Project and the possibility of negotiating a customized plan to achieve debt relief. If the noncustodial parent on the case had a Social Security number ending in 0 through 3, the case was assigned to the comparison group and was reviewed for research purposes only.

While the case selection criteria seemed straightforward, it was challenging to identify cases on the ad hoc list that actually qualified for project participation. The primary reasons why cases did not qualify for project enrollment included:

- The case was closed;
- The case was open, but had less than \$500 owed in IV-A arrears;
- No location information was available for the NCP;
- The NCP was incarcerated/reincarcerated;
- The NCP in disability cases was denied SSI/SSDI; and
- The case involved foster care.

Ultimately, it was necessary for child support technicians in Denver and Larimer counties to review each case identified on the initial ACSES computer list to determine that the above noted factors were not issues and that the case was eligible for project participation. However, cases in the comparison group were not reviewed by child support technicians to determine if there were ineligible cases on this list as well. The result is that

² “Cases” is not the same as “people” or as “noncustodial parents.” One noncustodial parent may have multiple cases because he may have children by several different women.

the comparison group, unlike the experimental group, probably contains a mix of qualified and nonqualified cases. The initial ACSES ad hoc list contained a total of 2,297 child support cases: 1,304 in the experimental group and 993 in the comparison group. The lists were distributed to the child support technicians in Denver and Larimer counties in August 2009 and case investigation and recruitment began soon after that.

Cases versus Noncustodial Parents

Table 3-1 shows how the number of cases initially generated from the ACSES ad hoc report was reduced based on subsequent investigation by child support technicians. The reduced number reflects the number of cases that appeared to be eligible to participate in the project. Overall, only 45 percent of the cases generated on the ACSES ad hoc reports were suitable for enrollment in the experimental group. Although an attempt was made to subject the pool of cases generated for the comparison group on the ACSES ad hoc report to the same eligibility criteria, this was not an entirely satisfactory exercise. It was done retrospectively by a different child support technician and did not include all the criteria used for the experimental group. As a result, a much higher proportion of comparison group cases -- 78 percent -- were judged to be qualified to participate in the project.

Another important distinction is the difference between child support cases and child support obligors, or NCPs. The ad hoc report consisted of child support cases, not NCPs. In other words, one NCP (who was believed to be disabled or previously incarcerated) could have three child support cases, and each of these three cases may or may not appear on the ad hoc list.

Whenever possible, project results and outcomes are presented in terms of NCPs. However, in some instances, data are only available on child support cases and it was impossible to “roll up” the cases to the NCP level. This is the result of multiple data files being generated for the evaluation and the lack of common identifiers across some of these files.

Table 3-1. Number of Cases and NCPs Identified for Project Enrollment from ACSES ad hoc Report and Numbers Determined to be Eligible for Project Participation			
	Experimental	Comparison	Total
Initial child support cases identified from ACSES ad hoc report	1,304	993	2,297
Number of child support cases determined to be eligible for project participation	581	777	1,358
Number of NCPs these cases determined to be eligible for project participation	410	575	985

Data Sources for the Evaluation

The project evaluator, Center for Policy Research (CPR), developed a comprehensive set of data collection forms to record information on noncustodial parents enrolled in the experimental group. All data for the comparison group was generated from an ACSES extract prepared by the Colorado Child Support Enforcement Division at the conclusion of the project. The data collection forms designed for the experimental group included:

- **Program Entry Form:** The form was designed for child support technicians to complete for all noncustodial parents who qualified for and enrolled in the Compromise and Cooperation Project. This form collected information on the NCP's child support case, the reason he or she was referred to the project (formerly incarcerated or disabled), a summary of actions taken on the case by the child support technician, all contact with the NCP and others associated with the case, immediate outcomes such as NCP's willingness to sign up to participate in the project, and initial terms of the agreement on arrears compromise, if one was reached.
- **Release of Information:** This form was signed by all NCPs enrolled in the project. It indicated willingness to be included in the project and allowed information to be shared with all parties involved in the project, including the evaluator.
- **Agreement to Participate:** This form was developed as a tool for the child support technician to fill out and review with NCPs who signed up to participate in the Compromise and Cooperation Project and reached an agreement with the child support technician. The form outlined the balances due on all of the NCP's child support cases included in the agreement, and spelled out the dates and conditions of potential forgiveness of arrears. The NCP was required to sign this form acknowledging a willingness to participate in the project and abide by the terms of the agreement reached with the child support technician.
- **Case Summary Form:** The case summary form was designed to summarize information on the NCPs who reached an agreement with child support technicians concerning payment and forgiveness. If the NCP reached an agreement on debt-forgiveness across multiple cases, the case summary form recorded the actions taken with the NCP, balances due and amounts of arrears to be forgiven across all cases.
- **Six and Twelve Month Performance Form:** Researchers developed the Six and Twelve Month Performance Form to track participant progress and adherence to the terms of the agreement. This form encouraged child support technicians to follow up with project participants and ensure that they were meeting the terms of the agreement either

by making payments towards their child support or participating in agreed-upon services to which they were referred to at the time of agreement. This form also tracked the amount of arrears forgiven at the six- and twelve-month time points.

- ACSES Data Extract: CPR created a spreadsheet of data items to be extracted from Colorado's Automated Child Support Enforcement System (ACSES). The data extracted from ACSES for both experimental and comparison cases included child support case class/status, order establishment date, method of order establishment, interstate status, and the existence of an active income assignment. Data was also extracted on the amount of current support due, arrears balance, and child support payments due and paid over the twelve months following project enrollment.

A six-month follow-up telephone survey was developed for use with all NCPs in the experimental group who generated an agreement with child support technicians regarding their proposed payment. The interview asked respondents questions about the Compromise and Cooperation Project, what they thought of the agreement they had generated with the child support technician, whether their views of the child support agency had changed since participating in the project, and their child support payment behavior following participation in the program.

The interviews were conducted by the Public Opinion Laboratory (POL) of Northern Illinois with surveying beginning in December 2010 and ending in December 2011. All potential respondents were sent a postcard alerting them to the upcoming interview and reminding them of the \$20 grocery store gift card that they would receive upon completion of the interview.

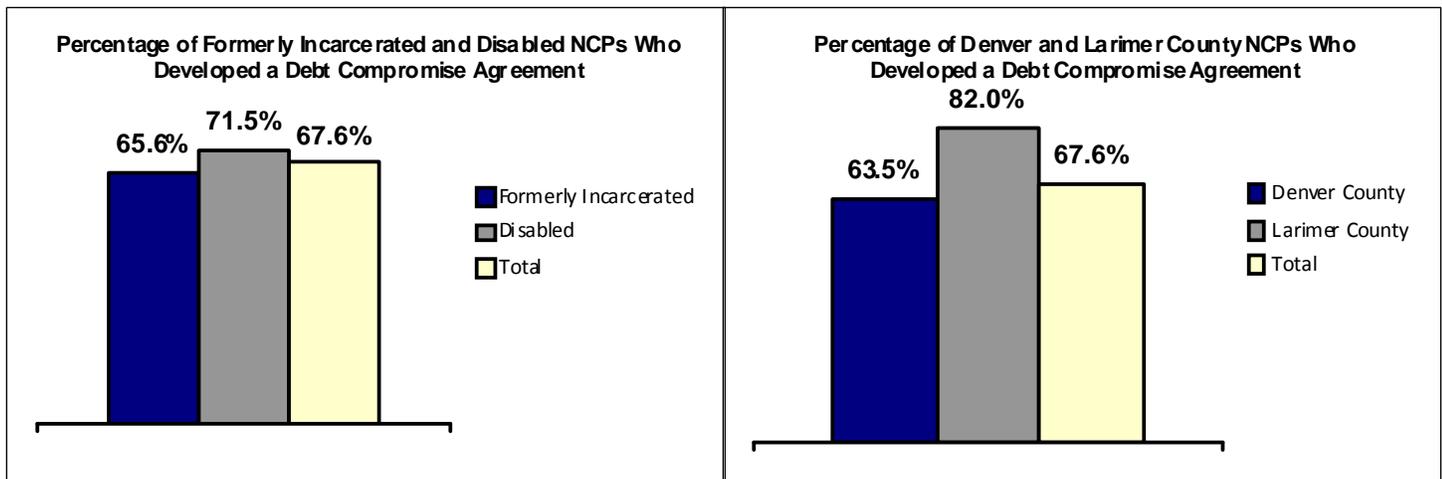
Interviewers attempted to contact and interview 266 NCPs. Ultimately, they completed telephone interviews with 129 NCPs, for a response rate of 48.5 percent. The most common reasons why interviews were not conducted were the incidence of non-working, disconnected telephones and wrong numbers (36% of targeted NCPs). Another 16.5 percent of potential respondents were unavailable after eight attempts to reach them by telephone at each provided number. The average number of calls it took to complete the interview was 6.0.

Chapter 4: Participation in Compromise and Cooperation Project

NCPs in the Experimental Group Who Reached Agreements On Debt Compromise

A total of 410 noncustodial parents with 581 child support cases met the criteria for project eligibility and were enrolled in the experimental group. Child support technicians in Denver and Larimer counties attempted to contact all 410 NCPs to negotiate an agreement about debt compromise. Each county used a slightly different protocol; however, both attempted phone contact, mailings, and scheduled in-person meetings. Ultimately, 277 of the 410 NCPs targeted for the project produced agreements on debt compromise (68%). Most of the remaining NCPs could not be reached, but a small percentage (6%) either agreed to participate but did not appear for meetings or refused to work with the child support agency. The 277 NCPs reaching agreements included 184 who had a history of incarceration and 93 who were disabled. Participants who were both formerly incarcerated and disabled were categorized as formerly incarcerated as this was their designation on the ACSES ad hoc report that had been used to generate the list of potentially eligible cases.

The rate at which NCPs produced agreements concerning debt compromise was 65.6 percent among formerly incarcerated noncustodial parents and 71.5 percent among the disabled. The rate of agreement making by county was 63.5 percent in Denver and 82.0 percent in Larimer. As previously noted, Larimer is a smaller county and relied on a single child support technician to handle all project cases. It also enrolled a higher proportion of disabled NCPs. In contrast, Denver County had two different workers involved with contacting a much larger pool of NCPs and focused heavily on the ex-offender population, which proved to be less receptive to project participation than the disabled population.



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Because a large proportion of noncustodial parents had more than one child support case, the child support technicians combined arrears balances owed to the state across all relevant cases when developing a debt compromise agreement. Table 4-1 indicates that the number of child support cases covered under the debt compromise agreement did not vary between the formerly incarcerated and disabled. On average, formerly incarcerated and disabled NCPs had 1.5 and 1.3, orders, respectively, covered under their agreements.

The table also provides a breakdown of the agreements reached in Denver and Larimer counties. Denver had two child support technicians assigned to work with NCPs in the Colorado Compromise and Cooperation Project. One child support technician worked exclusively with the formerly incarcerated caseload and one child support technician worked with disabled noncustodial parents. With its smaller caseload, Larimer County assigned one child support technician to work all types of project cases. Denver county child support technicians reached agreements with 204 noncustodial parents, 126 of which were formerly incarcerated and 78 of which were disabled. In Larimer County, the child support technician reached agreements with 73 noncustodial parents, the majority of whom were formerly incarcerated (58) and the rest disabled (15).

	Formerly Incarcerated	Disabled	Total
Total agreements reached with NCPs	184	93	277
Number of child support cases agreement covers			
Mean	1.5	1.3	1.5
Median	1.0	1.0	1.0
Range	1-5	1-5	1-5
Total	273	131	404
Site			
Denver County	126	78	204
Larimer County	58	15	73

Actions Taken with Experimental Group NCPs Who Reached Agreements

Child support technicians attempted to contact noncustodial parents to discuss their arrears situation and develop an agreement using a variety of techniques (see Table 4-2). The primary source of contact was via telephone. Child support technicians were able to reach 84 percent of the participants who reached an agreement by phone. Telephone contact proved to be more effective in reaching formerly incarcerated noncustodial parents (88%) than disabled NCPs (22%).

Hoping to reach noncustodial parents in another way, child support technicians sent mailings with information about the project to 79 percent of all noncustodial parents in the

experimental group; 88 percent of disabled NCPs and 74 percent of formerly incarcerated NCPs. Child support technicians were able to conduct in-person meetings with 63 percent of all noncustodial parents in the experimental group who reached an agreement: 73 percent of disabled NCPs and 58 percent of formerly incarcerated NCPs.

Child support technicians also tried to contact community professionals who worked with noncustodial parents in some capacity in order to facilitate a connection with them. For 20 percent of the formerly incarcerated NCPs, child support technicians were able to reach Department of Corrections (DOC) staff, parole officers, probations officers, and community corrections officers. For 95 percent of the disabled NCPs who produced agreements, child support technicians were able to contact vocational rehabilitation professionals and workers in the Social Security income and Social Security disability programs.

Table 4-2. Contact With Community Professionals in Cases With NCPs Who Reached Agreements

Actions	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Spoke with obligor NCP by phone	88%	22%	84%
Spoke with obligee CP by phone	13%	11%	12%
Mailed information to obligor	74%	88%	79%
Conducted in-person meeting with NCP	58%	73%	63%
Spoke with parole officer, probation or community corrections officer	20%		
Spoke with vocational rehabilitation, SSI, or SSDI worker		95%	
Spoke with child support worker in other county or in other state	4%	15	3%
Spoke with other community professional	2%	7%	3%

Selected Characteristics of NCPs Who Reached an Agreement

Once they established contact with the NCP, child support technicians were able to elicit information from them about their cases and situations. Table 4-3 displays the results. One important finding was that a very large percentage of the disabled NCPs also had been previously incarcerated (73%). On the other hand, only 10 percent of the NCPs who were identified as incarcerated on the ad hoc list of potentially eligible cases self-reported being disabled.

Economic problems were common for both groups:

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- Almost three-quarters (73%) of all NCPs were unemployed at contact. More specifically, 91 percent of the disabled population and 62 percent of the formerly incarcerated population reported being unemployed.
- Chronic unemployment was reported by 58 percent of the disabled population and 17 percent of formerly incarcerated NCPs.
- A significant statistical difference was found among disabled (75%) and formerly incarcerated (21%) NCPs who reported not having enough money to pay their current support orders or arrears balances.
- Homelessness was a problem for 47 percent of disabled NCPs and 8 percent of formerly incarcerated NCPs.
- Disabled NCPs were also significantly more likely to report problems with access and visitation (42%) than was the case for formerly incarcerated NCPs (4%).
- Almost half (49%) of disabled noncustodial parents reported needing a review and adjustment of their existing child support order, and 27 percent said they needed or wanted a minimum order. Colorado allows child support technicians to set a minimum monthly support order of \$50 for NCPs who meet specific criteria including being mentally or physically incapacitated. Among formerly incarcerated NCPs, 11 percent requested or needed a review and adjustment of their orders and only 1 percent reported needing a minimum support order.
- A much larger percentage of the disabled population reported having another family to support (53%), as compared with formerly incarcerated NCPs (14%).

Table 4-3. Selected Characteristics of NCPS Producing Agreements, by Case Type

	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Information obtained by child support technician			
Learned about previous incarceration		73%	
Learned NCP is disabled	10%		
Learned NCP is currently unemployed ★	62%	91%	73%
Learned NCP had been chronically unemployed ★	17%	58%	32%
NCP cannot afford to pay current support/arrears ★	21%	75%	42%
NCP needs/requests a review and adjustment ★	11%	49%	23%
NCP needs/requests minimum order ★	1%	27%	9%
NCP has multiple cases in other states and/or counties ★	10%	50%	23%

Table 4-3. Selected Characteristics of NCPS Producing Agreements, by Case Type

	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Information obtained by child support technician			
NCP reports working for cash informally	5%	16%	8%
NCP is homeless ★	8%	47%	22%
NCP reports access and visitation problems ★	4%	42%	17%
Learned there has been a change in legal custody ★	5%	23%	10%
NCP reports paying informal support ★	4%	16%	8%
NCP reports having another family to support ★	14%	53%	28%
Obligee request for case closure	6%	17%	9%
NCP has criminal justice fees, payments, fines to pay	28%	30%	29%
NCP needs drivers' license reinstatement	74%	74%	74%
NCP has transportation problems ★	12%	38%	21%
NCP has mental health issues ★	4%	53%	21%
★Chi square is significant, at .05 or less.			

Description of Noncustodial Parents Arrears at Agreement

Table 4-4 shows the total amount of arrears owed to the state in outstanding child support debt from NCPs who reached an agreement on debt compromise. Average arrears balances for formerly incarcerated and disabled NCPs were very comparable, as were the median arrears balances for the two groups. Overall, NCPs owed an average of \$11,037, with a range of \$291 to \$75,751. The NCPs in the experimental group who reached an agreement owed a combined amount of \$3,013,272 to the State of Colorado.

Table 4-4. Amounts of Arrears owed to State (N=273)

	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Mean	\$10,495	\$12,007	\$11,037
Median	\$7,196	\$6,189	\$6,803
Range	\$500 - \$75,751	\$291 - \$60,706	\$291 - \$75,751
Sum	\$1,836,566	\$1,176,706	\$3,013,272

Description of Agreement Terms and Program Activities with NCPs

As part of the negotiation of their state-owed arrears, all noncustodial parents with current support orders agreed to stay up to date on these payments. To pay off arrears, NCPs were asked to either make a lump-sum payment, or agree to make a full or reduced-monthly payment towards their arrears balance. If they negotiated a monthly payment

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towards arrears, they were required to agree to make that payment for the next twelve months in order to satisfy the terms of the agreement and realize full debt compromise. In a few cases, non-financial requirements, such as participation in work programs, were substituted for payments towards arrears (see Table 4-5).

	Formerly Incarcerated (N=179)	Disabled (N=98)	Total (N=277)
Agreed to financial terms only	54%	21%	43%
Agreed to both financial and non-financial terms	45%	68%	51%
Agreed to non-financial terms only	5%	10%	7%
★Chi square is significant at .05 or less.			

As Table 4-6 indicates, no one took the child support agency up on the offer to make a lump-sum payment. Almost half (45%) of those who developed a plan had a current support obligation, and they uniformly agreed to make monthly payment towards current support. The vast majority of NCPs (92%) agreed to make continuous monthly payments toward their arrears balance; however, a significantly larger percent of formerly incarcerated NCPs (96%) agreed to make monthly arrears payments than did disabled NCPs (83%). On average, these monthly arrears payments were \$34 and ranged from \$3 to \$300.

Financial Terms of the Debt Compromise Agreement	Formerly Incarcerated (N=166)	Disabled (N=93)	Total (N=259)
Agreed to make lump-sum payment	0%	0%	0%
Agreed to make monthly current support payment	49%	37%	45%
Agreed to make monthly arrears payment*	96%	83%	92%
Amount of monthly arrears payment agreed to make			
Mean	\$36	\$31	\$34
Median	\$20	\$10	\$20
Range	\$5-250	\$3-300	\$3-300
*Chi square is significant at .05 or less.			

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As noted above, in a few exceptional cases, NCPs only had non-financial terms in their agreements. In many of the cases with financial requirements, there were also non-financial requirements. The majority of NCPs agreed to both financial and non-financial terms (50%), while 44 percent agreed to financial terms only and the remaining 6 percent agreed to participate in other non-financial activities.

Table 4-7 displays the activities and services that NCPs agreed to pursue as conditions of arrears forgiveness.

- Just over a quarter (27%) of all NCPs agreed to perform activities related to workreadiness and job search.
- Less than five percent (4%) agreed to participate in activities related to substance abuse treatment.
- A total of 9 percent of all NCPs agreed to participate in a fatherhood program, with significantly more disabled NCPs (20%) agreeing to this activity than formerly incarcerated NCPs (4%).
- Similarly, 3 percent of all NCPs agreed to participate in a parent education program, with 8 percent of disabled NCPs and no formerly incarcerated NCPs agreeing to this activity.
- No participant was interested in services to develop a parenting plan and very few agreed to receive services to help them resolve conflict with the custodial parent.

Table 4-7 Non-Financial Terms of Agreements Reached by NCPs in the Experimental Group, by Case Type

Additional Terms of the Debt Compromise Agreement	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Activity related to work readiness	28%	25%	27%
Activity related to job search	26%	28%	27%
Activity related to substance abuse treatment	3%	7%	4%
Participation in fatherhood program ★	4%	20%	9%
Participate in parent education program ★	0%	8%	3%
Services to develop parenting plan	0%	0%	0%
Services to resolve parental conflict	0%	1%	0%

★Chi square is significant at .05 or less.

In addition to arrears forgiveness, some NCPs realized other benefits when they agreed to participate in the program. Sixty percent of all NCPs had their driver's licenses reinstated,

and only 1 percent of the NCPs were required to pay a fee for reinstatement. Child support enforcement actions were suppressed for 29 percent of all participants, and 9 percent of the participants had their orders reviewed and adjusted. There were significantly more disabled NCPs (20%) who received an order review and adjustment than formerly incarcerated NCPs (4%).

Table 4-7. Child Support Enforcement Actions Taken on Behalf of NCPs in the Experimental Group, by Case Type

Actions	Formerly Incarcerated (N=184)	Disabled (N=93)	Total (N=277)
Reinstate driver’s license	63%	52%	60%
Lift reinstatement fee	100%	98%	99%
Suppress enforcement actions	31%	25%	29%
Conduct review and adjustment *	4%	20%	9%

*Chi square is significant at .05 or less.

Table 4-8 provides an overview of agreements reached within each county. Procedures for contacting and negotiating agreements with NCPs varied in each county and Table 4-8 presents a picture of the differences in agreement terms reached in Denver and Larimer counties. Regardless of case type, each county failed to negotiate lump-sum payments up front and opted to primarily negotiate the terms of monthly payment towards arrears balances. While nearly half of NCPs who reached an agreement in each county agreed to make their current monthly support payments (most often set at a minimum order of \$50 per month), the majority also negotiated a reduced payment towards their arrears balance. Negotiated monthly payments towards arrears balances varied significantly by county, with Denver setting orders at a significantly reduced payment average of \$28, compared with the average negotiated payment of \$60 in Larimer County. As previously noted, child support technicians had a lot of flexibility in developing monthly arrears payment amounts and county differences reflect differences in worker philosophy. One possible reason for the low rate of review and adjustment activity during the project was the recent implementation of simplified modification procedures for incarcerated and mentally and physically incapacitated noncustodial parents. Colorado statute allows for a minimum \$50 order when an NCPs income falls below \$800 per month and the parent is physically or mentally incapacitated (Colorado Rev. Stat. § 14-10-115(5)(b), Colorado Rev. Stat. § 14-10-

115(7)(a)). Denver and Larimer counties, prior to the beginning of the Colorado Compromise and Cooperation Project, had recently implemented simplified modification procedures in order to more efficiently and effectively modify orders that meet these qualifications.

Denver County also had more community resources to access. As part of the non-financial terms of the agreement, NCPs in Denver County were referred to community agencies for help finding employment, with significantly more clients being referred to activities related to work-readiness and job-search (34% and 32%, respectively) as part of the negotiated terms of their agreement. To contrast, only 8 and 11 percent of Larimer County NCPs were referred to other non-financial resources as part of the terms of their agreement. Denver County also had access to a local fatherhood program as a referral source, and thus referred 13 percent of participants to this activity. This was significantly more than Larimer County, as it did not have an active fatherhood program in the community.

Table 4-8. Selected Terms of Agreements Produced with NCPs, by Site		
	Denver County (N=204)	Larimer County (N=73)
Financial Terms of the Debt Compromise Agreement		
Agreed to make lump-sum payment	0%	0%
Agreed to make monthly current support payment	44%	47%
Agreed to make monthly arrears payment	87%	79%
Amount of monthly arrears payment agreed to make ★		
Mean	\$28	\$60
Median	\$15	\$50
Range	\$3-300 (174)	\$6-253 (41)
Additional Terms of the Debt Compromise Agreement		
Activity related to work readiness ★	34%	8%
Activity related to job-search ★	32%	11%
Activity related to substance abuse treatment	5%	1%
Participation in fatherhood program ★	13%	0%
Participate in parent education program	3%	0%
Services to develop parenting plan	0%	0%
Services to resolve parental conflict	0.5%	0%
★ Chi square is significant at .05 or less.		

Chapter 5: Noncustodial Parent Compliance with Debt Compromise Agreement

Compliance At Six and Twelve Months

After a noncustodial parent reached a debt compromise agreement, the study tracked NCP performance to determine how well he or she complied with the terms the agreement over the twelve-month period of time required to realize 100 percent forgiveness of state-owed arrears. Child support technicians recorded NCP compliance behaviors at two time points: six and twelve months following the agreement signing. As noted above, the NCP received forgiveness of 25 percent of the arrears obligation at entry to the program. If the NCP complied with the agreement for six months, he or she received another 25 percent forgiveness of state-owed arrears. If the NCP continued to comply with the terms of the agreement for the full twelve months, the remaining 50 percent of the state-owed arrears was forgiven.

When child support technicians categorized an NCP as “compliant” or “noncompliant,” there was some flexibility allowed. The child support technicians could give the NCP credit for trying to comply with the agreement even if he or she could not meet the full obligation each month. This would allow the NCP to continue to be in the program and not be dropped for non-compliance. If the NCP could not meet the full payment requirement, he or she might be allowed to do something else in lieu of payment such as participate in workforce activities, a fatherhood or re-entry program, or vocational rehabilitation for those who were disabled.

Of the 258 NCPs with information available,³ 61 percent were rated by the child support technician as being in compliance with the terms of the agreement at six months. However, compliance rates vary significantly by case type. The disabled population was more likely to be classified by child support technicians as compliant (85%) compared to their counterparts in the program who were formerly incarcerated (48%).

Over the twelve-month project period, 55 percent of participating NCPs were categorized by child support technicians as being “in compliance.” As was true at six months, the percentage of disabled participants who were judged to be compliant with their agreement was significantly greater than the percentage of formerly incarcerated participants (73% versus 45%). A small percentage of NCPs at both time points were given more time

³ The sample size at six months is slightly reduced due to the inability to locate a few noncustodial parents after initially reaching an agreement.

to pay the financial terms of their agreements (7% at six months and 4% at twelve months). Another quarter of the disabled NCPs and 39 percent of the formerly incarcerated NCPs were categorized as noncompliant.

Table 5-1. Child Support Technicians Reports of NCP Compliance with the Financial Terms of Agreements at 6 and 12 Months, by Case Type

Compliance Status	6-Month Status			12-Month Status		
	Formerly Incarcerated (N=166)	Disabled (N=92)	Total (N=258)	Formerly Incarcerated (N=166)	Disabled (N=92)	Total (N=258)
Complied with agreement ★	48%	85%	61%	45%	73%	55%
Allowed more time to comply	8%	4%	7%	6%	1%	4%
Noncompliant, or no contact	34%	10%	25%	39%	25%	34%
Incarcerated/Re-incarcerated	7%	N/A	4%	8%	0%	5%
Other	3%	1%	2%	2%	1%	2%

★Chi square between formerly incarcerated and disabled is significant at both six and twelve months at .05 or less.

For the 87 NCPs who were classified as noncompliant at twelve months, the child support technician was asked to record the reason given by the NCP for nonpayment. Figure 5-1 shows that over a quarter of the NCPs reported being unemployed and therefore unable to pay. Another 13 percent were employed, but said their earnings were too low to allow them to meet the terms of the agreement. Nearly a third cited some other reason for noncompliance, including “personal issues” and “medical bills.”

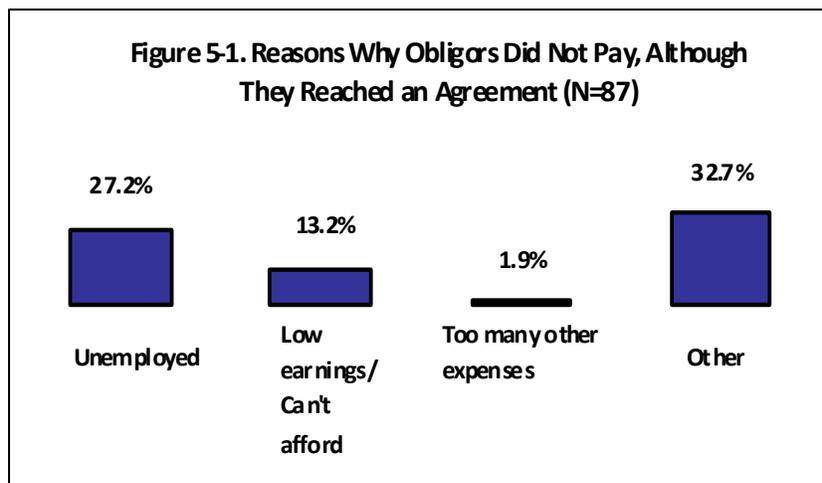


Table 5-2 presents information from the automated child support system showing the percentage of current monthly support obligations due in the twelve months following project enrollment that were actually paid by noncustodial parents in the project. It includes only those NCPs who negotiated an agreement with child support technicians regarding debt compromise. Information is presented separately for formerly incarcerated and disabled parents. The table is based on only 37 cases, because only 22 formerly incarcerated NCPs and 15 disabled NCPs had current monthly support obligations. In contrast with reports of compliance by child support technicians, payments on these obligations did not vary between the two groups. Both paid less than 10 percent of the total amount due for current support in this twelve-month period (5.7% versus 7.5%). It is relevant to note that formerly incarcerated NCPs owed significantly more current monthly support in this twelve-month period when compared to disabled noncustodial parents (\$2,779 versus \$1,722). They also paid a higher average amount (\$286 versus \$158).

Table 5-2. Percentage of the Current Monthly Child Support Obligation Paid in the 12 Months Following Project Enrollment for NCPs in the Experimental Group Who Reached an Agreement			
	Formerly Incarcerated	Disabled	Total
Percentage of current monthly support due that was paid in 12 months post-agreement			
Mean	5.7%	7.5%	6.4%
Number	(22)	(15)	(37)
Total current monthly support due in the 12 months post-agreement ★			
Mean	\$2,779	\$1,722	\$2,493
Amount of current monthly support paid			
Mean	\$286	\$158	\$241
★T-test is significant at .05 or less.			

Table 5-3 combines payments on current monthly support and monthly arrears obligations made by NCPs who negotiated agreements with child support technicians. A larger number of cases had monthly arrears obligations (sometimes in conjunction with current monthly orders) and the analysis is based on 68 formerly incarcerated NCPs and 47 disabled NCPs. Again, there were no statistically significant differences between the payment performance of formerly incarcerated NCPs and disabled NCPs with both groups paying approximately 23.6 percent of their monthly obligations. This suggests that the significant differences between the two groups noted by child support technicians were not based on a strict consideration of actual payment behavior. Child support technicians tended to classify disabled NCPs as doing a better job of complying, despite the fact that the

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automated data shows that the two groups paid comparable percentages of what they owed. Child support technicians may have exercised some of the “flexibility” described earlier in categorizing NCPs as compliant. For example, as noted above, child support technicians had the ability to give the NCP credit for trying to comply with the agreement, even if he or she could not meet the full obligation each month.

The sum of payments made by formerly incarcerated and disabled noncustodial parents in the Compromise and Cooperation Project in the 12 months following enrollment and development of an arrears agreement was \$212,321.

	Formerly Incarcerated	Disabled	Total
Percentage of obligation (currently monthly support if due plus monthly arrears) that was paid in the 12 months post-agreement			
Mean	24.5%	22.3%	23.6%
Total due (current support plus monthly arrears payments) in the 12 months post agreement ★			
Mean	\$3,396	\$1,933	\$2,999
Total paid (current support plus monthly arrears payments) in the 12 months post-agreement			
Mean	\$859.50	\$596.63	\$766.50
Sum	\$153,851	\$58,470	\$212,321
Number	(68)	(47)	(115)
★T-test is significant at .05 or less.			

Tables 5-4 shows the amount of arrears forgiven at six and twelve months for NCPs who complied with the payment terms of their agreements. Overall, NCPs in compliance at the six-month time point had \$2,471 of state-owed arrears forgiven. Although fewer NCPs were still in compliance at twelve months, those who were compliant had an average of \$6,168 of debt forgiven. Patterns were very similar for formerly incarcerated and disabled NCPs. Taken together, the amount of state debt forgiven for project participants at both points in time was \$1,043,074.

Table 5-4. Amount of Arrears Forgiveness for NCPs Who Complied with Financial Terms of their Agreement at 6 and 12 Months, by Case Type

State-Owed Arrears Forgiven	Formerly Incarcerated		Disabled		Total	
	Compliant at 6 months	Compliant at 12 months	Compliant at 6 months	Compliant at 12 months	Compliant at 6 months	Compliant at 12 months
Mean	\$2,640	\$5,962	\$2,310	\$6,453	\$2,471	\$6,168
Median	\$2,047	\$4,603	\$1,239	\$4,414	\$1,642	\$4,584
Range	\$29-13,084	\$158-24,644	\$80-10,563	\$250-26,216	\$29-13,084	\$158-26,216
Sum	\$200,604	\$369,619	\$182,464	\$290,388	\$383,068	\$660,006
Number	(76)	(62)	(79)	(45)	(155)	(107)

Finally, Table 5-5 shows the degree to which NCPs complied with non-financial aspects of their agreements. Relatively few of the formerly incarcerated NCPs who agreed to participate in a work readiness activity actually followed through. The same was generally true for disabled NCPs. Compliance with job search activities was also low for formerly incarcerated NCPs. Compliance in fatherhood activities was better for both groups; however, such activities were rarely part of the agreement.

Table 5-5. Terms NCPs Agreed To and Compliance with Terms

Terms	Formerly Incarcerated (N=179)		Disabled (N=98)		Total (N=277)	
	Agreed to	Complied with	Agreed to	Complied with	Agreed to	Complied with
Activity related to work readiness <i>Number</i>	35% (62)	7%★	36% (35)	28%★	35% (97)	14%
Activity related to job search <i>Number</i>	37% (67)	9%★	32% (31)	22%★	35% (98)	14%
Activity related to substance abuse <i>Number</i>	<i>Too few cases</i>		11% (11)	10%	4% (12)	4%
Participation in fatherhood program <i>Number</i>	5% (9)	2%	17% (17)	12%	9% (26)	6%
Other (e.g., parenting plan or mediation) <i>Number</i>	11% (19)	10%	47% (46)	40%	24% (65)	20%

★Chi square is significant at .05 or less.

Outcomes For the Experimental and Comparison Groups

As previously noted, the Compromise and Cooperation Project pursued an experimental design by generating cases in ACSES that appeared to meet project criteria. While more extensive information was available on noncustodial parents in the experimental group who agreed to participate in the project and generated a plan to engage in certain payment and non-financial activities, the most basic information on child support payment behaviors was only available for child support cases based on information drawn from ACSES. More to the point, the lack of common identifiers across different data sources used for the two groups made it impossible to convert all information from case level to individual-level data. As a result, the analysis of child support outcomes is based on data drawn from the automated child support system (ACSES) and it is done at the case level, rather than the level of the NCP.

Comparability of the Experimental and Comparison Cases

Based upon investigation by child support technicians, a total 581 cases (not NCPs) qualified to participate in the experimental group and a total 777 cases were appropriate for the comparison group. Table 5-6 compares the experimental and comparison group cases that were determined to meet the eligibility criteria for project participation.

- Nearly all cases in the experimental and comparison groups involved never-married parents (85%) with an average of 1.7 children.
- Experimental group cases were significantly more likely to involve a formerly incarcerated NCP (67.8%) compared to the cases in the comparison group (62.1%). Cases in the comparison group were significantly more likely than cases in the experimental group to include disabled NCPs (37.9% versus 32.3%).
- The majority of the cases in both groups involved children who were currently receiving TANF. About 30 percent of experimental group cases involved children who formerly received TANF benefits, and 35 percent of control group cases had children who were former TANF recipients. Nearly 6 percent of experimental group cases and 4 percent of control cases involved families that had never received TANF.
- Cases in the two groups did not differ on the method of order establishment with an equivalent 24 percent of both groups having orders established by default and just over half having orders established by court order.

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Table 5-6. Selected Characteristics of Cases Identified by the Automated Child Support Enforcement System for Inclusion in the Cooperation and Compromise Project in the Experimental and Comparison Groups

		Experimental Group (N=581)	Comparison Group (N=777)
County	Denver	81.8%	85.6%
	Larimer	18.2%	14.4%
Marital status on case	Single	86.4%	86.1%
	Married	8.1%	7.7%
	Divorced/Separated	5.5%	6.2%
Number of children on case	Mean	1.7	1.7
	Median	1	1
	Range	1-6	1-6
Case type ★	Formerly Incarcerated	67.8%	62.1%
	Disabled	32.2%	37.9%
Case class	Current TANF	63.2%	61.2%
	Former TANF	31.3%	35.4%
	Never TANF	5.5%	3.5%
Method of order establishment	Default	24.2%	24.2%
	Stipulation	23.3%	21.1%
	Court	52.6%	54.7%
★Chi square is significant at .05 or less.			

As shown in Table 5-7, at the close of the project, average current monthly support obligations for cases in the experimental and comparison group were \$165 and \$171, respectively. Monthly payment obligations for arrears balances averaged \$52 in the experimental group (where negotiations through the project undoubtedly lowered the monthly obligation) and \$80 in the comparison group.

At the conclusion of the project, cases in both groups showed statistically identical arrears balances, despite the fact that the child support technicians reduced state-owed arrears balances to \$0 for NCPs in the experimental group who fully complied with the terms of their payment agreements. It will be recalled that 155 NCPs had arrears forgiven at the six-month assessment and 107 had arrears forgiven at twelve months, suggesting that they were in compliance with project requirements (see Table 5-1). Although the 107 NCPs clearly had more child support cases than 107, they were not sufficiently numerous to counteract the growing arrears balances exhibited by the remaining cases in the experimental

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group (n=581). As a result, state arrears balances for the two groups of cases generated for this project were equivalent with state-owed arrears for cases in the experimental group averaging \$7,185 as compared with \$8,158 for cases in the control group. In addition, cases in the experimental and control groups owed the custodial parent a statistically identical \$9,080 and \$10,475, respectively.

	Experimental Group (N=581)	Comparison Group (N=777)
Current monthly support order at extract		
Mean	\$165	\$171
Median	\$149	\$149
Range	\$28-616	\$13-1,212
Monthly arrears order at extract ★		
Mean	\$52	\$80
Median	\$25	\$50
Range	\$1-790	\$4-1,000
Total monthly payment at extract		
Mean	\$134	\$149
Median	\$60	\$76
Range	\$5-790	\$4-1,454
Arrears balance at extract		
Mean	\$12,323	\$13,857
Median	\$7,550	\$9,332
Range	\$23-177,025	\$50-124,909
State owed arrears at extract		
Mean	\$7,185	\$8,158
Median	\$4,141	\$5,097
Range	\$31-62,372	\$0-61,742
Arrears owed to custodial parent at extract		
Mean	\$9,080	\$10,475
Median	\$5,461	\$6,323
Range	\$20-56,894	\$4-118,603
★T-test is significant at 0.05 or less.		

Table 5-8 presents the total amount of child support paid relative to the total amount due for cases in the experimental and comparison groups during the twelve months following enrollment in the Compromise and Cooperation Project. The table indicates that there were no significant differences in payment patterns for experimental and comparison group cases. Each group paid a statistically equivalent 19 percent and 22 percent of the current support that was due. The median amount paid toward current support in the twelve months following enrollment was 0 percent in the experimental group and an

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equivalent 2 percent in the comparison group. However, as is shown by the number of cases — 252 experimental and 320 comparison — many of the cases did not have current monthly support obligations. The analysis also examined the amounts paid relative to the total monthly amount due, including the monthly arrears payments due. Again, an equivalent 39 percent of the total amount due was paid in cases in the experimental and comparison groups, respectively

An analysis of the regularity of payment of support in the twelve months following program enrollment by treatment group indicates that there were significantly more months of payment among cases in the comparison group, with the average being 4.7 months in the comparison group, as compared with 3.6 months for cases in the experimental group. An analysis of regularity of current support, however, shows that the two groups were statistically identical, with both groups making an average of 1.3 and 1.5 payments of current monthly support. As previously explained, the two groups were subject to distinct qualifying procedures by different child support technicians and may not have been equivalent.

Table 5-8. Current Monthly Support and Total Monthly Payments in the 12 Months Following Program Enrollment, by Group			
		Experimental Group	Comparison Group
Percentage of current support paid in the 12 months following enrollment			
	Mean	19%	22%
	Median	0%	2%
	Range	0-100%	0-100%
	Number	(252)	(320)
Percentage of total monthly obligation paid in the 12 months following enrollment			
	Mean	39%	39%
	Median	17%	19%
	Range	0-100%	0-100%
	Number	(542)	(743)
Average number of payments made toward current support in the 12 months following enrollment			
	Mean	1.3	1.5
Number of payments made toward current support			
	Percentage making no payment	79%	77%
	Percentage making 1-3 payments	7%	6%
	Percentage making 4-6 payments	3%	5%
	Percentage making 7-11 payments	8%	8%
	Percentage making 12 payments	2%	4%
Payments made toward total monthly obligation in the 12 months following program enrollment (including arrears)			
	★ Mean	3.6	4.7
	Percentage making no payment	37%	30%

Table 5-8. Current Monthly Support and Total Monthly Payments in the 12 Months Following Program Enrollment, by Group		
Percentage of current support paid in the 12 months following enrollment	Experimental Group	Comparison Group
Percentage making 1-3 payments	25%	20%
Percentage making 4-6 payments	13%	14%
Percentage making 7-11 payments	19%	22%
Percentage making 12 payments	6%	14%

★T-test is significant at .05 or less.

Finally, Table 5-9 shows that a far greater percentage of experimental group cases were closed by the end of the project relative to cases in the comparison group. Experimental group cases were reviewed by child support technicians prior to assigning them to the experimental group. Cases that accepted the opportunity to negotiate debt compromise payments were subject to ongoing monitoring by child support technicians. In both of these situations, it is likely that the child support technicians became aware of conditions that would have warranted a case closure, such as the emancipation of the youngest child and arrears below specified levels. This was one of the objectives of the Compromise and Cooperation Project. The significantly higher level of income assignment cases in the comparison group may reflect the different qualifying procedures to which the two groups were subject and their basic differences, despite the use of randomized selection techniques.

Table 5-9. Case Status in the Automated Child Support Enforcement System at the End of the Project, by Group		
	Experimental Group (N=581)	Comparison Group (N=777)
Case status★		
Non-state arrears only	15.0%	19.2%
Current monthly support obligations	27.2%	23.6%
State arrears only	30.6%	49.2%
Closed	27.2%	8.0%
Income assignment status★		
Current	19.3%	31.6%
Not current	1.6%	1.3%
Pending	79.1%	67.1%

★Chi square is significant at .05 or less.

Chapter 6: Noncustodial Parent Reactions to Program

To gauge the reactions of noncustodial parents who reached a payment agreement with the child support worker about their state-owed arrears, CPR conducted follow-up telephone interviews with NCPs six months after the date on which their agreement was signed. In order to receive the full amount of arrears forgiveness, the NCP was required to have complied with the terms of the agreement for a full twelve months. The telephone interviews took place midway through the project giving NCPs the opportunity to have up to 50 percent of their arrears balance forgiven at the time of their interview. The interview was designed to explore what NCPs thought of the initial offer to participate in the project, barriers they encountered in their efforts to comply with the agreement, and their opinions about the child support agency.

A total of 129 noncustodial parents completed telephone interviews. This represents 46 percent of NCPs who reached an agreement about their child support arrears. Interview response rates were virtually identical for the respondents who were formerly incarcerated (46% response rate) and those who were disabled (47% responded).

As noted previously, approximately three-quarters of the NCPs reaching arrears agreements were from Denver County and a quarter were from Larimer County. These figures are consistent with the number of NCPs with completed telephone interviews: nearly three-quarters were from Denver County and one-quarter were from Larimer County.

Asked how they had heard about the Compromise and Cooperation Project (see Table 6-1), most respondents (formerly incarcerated and disabled) reported hearing about the project either by a mailing, by receiving a call from a worker at the child support office, or by an in-person meeting with a child support worker. About a quarter of the participants said that they had originally heard about the program from a friend or simply by word of mouth. Fewer respondents reported hearing about the program from a probation or parole officer or seeing a presentation about the program at a community agency.

Table 6-1. How Respondents Heard about the Compromise and Cooperation Project ★

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
Got a letter in the mail about program	54%	67%	59%
Received call from child support office	55%	61%	57%
Saw a presentation at a community agency	14%	0%	9%
Informed by probation/parole officer	14%	0%	9%
Informed by friend/word of mouth	18%	16%	17%
Met with child support worker in person	67%	77%	71%

★Chi square is significant by case type at .05 or less.

Noncustodial Parent Understanding of Arrears

NCPs were asked how they believed their arrears balances had accrued. Table 6-2 displays the results. Nearly 80 percent of all participants attributed their arrears balances to the fact that their child’s other parent was on welfare or public assistance. Not surprisingly, 87 percent of formerly incarcerated respondents blamed their arrears balances on being in prison or jail and not being able to pay their child support obligations. Fifty percent of the disabled participants said that they also had been incarcerated and this led to the growth of their arrears. Across both groups, 74 percent of all participants attributed the accrual of their arrears to their incarceration. Also as expected, two-thirds of disabled participants attributed the accrual of their arrears to being unable to work because of their disability. Twenty-seven percent of formerly incarcerated respondents also said that they had been unable to work because of disability.

Nearly half of all participants (49%) attributed their arrears situation to not being able to find a job. Eighty-seven percent and 80 percent of formerly incarcerated and disabled respondents, respectively, said that they could not afford to make their child support payments. Finally, 20 percent of respondents in both groups said that they did not know that they had a child support order.

Table 6-2. Respondent Understanding of Arrears Accrual

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
NCP understanding of how arrears accrue on child support cases			
The other parent was on welfare/public assistance	76%	81%	78%
★ I was in prison/jail most of the time	87%	50%	74%
★ I was unable to work because of a disability	27%	66%	40%
I couldn’t find a job	48%	52%	49%
I couldn’t afford to make the payments	87%	80%	75%
I had multiple cases and thought I was making my payments, but it only went to one of them	29%	27%	29%
I didn’t know I had a child support order	20%	21%	20%
★ Chi square is significant by case type at .05 or less.			

Reactions to the Program Invitation and Debt Compromise Agreement

As Table 6-3 shows, participants had very favorable reactions to the offer to participate in the Compromise and Cooperation Project. Almost all NCPs, both formerly incarcerated and disabled, reported that upon hearing about the program they thought that it “sounded like a good thing” and that they “wanted to enroll in the program.” Eighty-one percent of all of the participants reported that they initially thought the program “sounded too good to be true” and 88 percent did not even believe the child support worker when she explained it. A few participants were so pleased that they recalled feeling as though the invitation was “a blessing” and as though “it was really a gift from God.” Another participant said he initially thought, “I would comply in any way, shape, or form so that it would come true.” A much smaller proportion of all of the participants initially had negative suspicions about the program. Twenty percent thought that the child support agency was trying to “get” them. Thirty-six percent of participants reported that initially they simply did not understand what the child support worker was talking about.

Table 6-3. Respondent Reactions to Offer of Help Received from Child Support

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
When the worker told you about the Compromise and Cooperation Project, what did you think about the offer			
I thought it sounded like a good thing	99%	100%	99%
I wanted to enroll in the program	98%	100%	99%
I thought it sounded too good to be true	86%	73%	81%
I didn't believe the child support worker	87%	91%	88%
★ I thought child support was trying to get me	13%	34%	20%
I didn't understand what he/she was talking about	37%	36%	36%

★ Chi square is significant by case type at .05 or less.

Participants were asked about the agreements that they had reached in the Compromise and Cooperation Project (Table 6-5). Although virtually everyone negotiated an agreement (99%). Only about half were able to recall all the terms of their agreements. About a third of all respondents reported being able to recall some of the terms of their agreements and 12 percent of respondents said that they recalled few or none of their agreement terms.

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Specifically, 42 percent of formerly incarcerated participants and 34 percent of disabled participants reported agreeing to attend a workforce program, nearly 30 percent of all participants agreed to attend a fatherhood program, and nearly 20 percent agreed to set an appointment and attend vocational rehabilitation. Seventeen percent of formerly incarcerated respondents and 11 percent of disabled respondents reported that they had agreed to make a lump-sum payment. Larger percentages of participants, 63 percent of the formerly incarcerated and 75 percent of the disabled participants, agreed to make their current child support payments and 82 percent and 91 percent of formerly incarcerated and disabled participants, respectively, agreed to make regular, reduced monthly payments towards their arrears balances. Forty-six percent of formerly incarcerated NCPs and 21 percent of disabled NCPs agreed to keep a current work log of all the jobs for which they applied.

Asked whether they had been able to comply with the terms of their agreements at six-months post-enrollment, 71 percent of disabled respondents and 49 percent of formerly incarcerated respondents said that they had successfully met all the terms of their agreements thus far. Forty-five percent of formerly incarcerated participants and 21 percent of disabled participants reported that they were able to meet some of the terms of their agreements. Only 6 percent of all respondents said that they were unable to meet any of the terms of their agreements.

Table 6-4. Respondent Reports of Agreements Reached in Compromise and Cooperation Project

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
Did you reach an agreement with the child support worker about enrolling in the Arrears Grant Program?			
Yes	100%	98%	99%
No	0%	2%	1%
Current degree to which you recall the terms of the agreement			
All	53%	57%	54%
Some	33%	36%	34%
Few	9%	7%	9%
None of it	5%	0%	3%
Did you agree to do the following things?			
Go to a workforce program	42%	34%	39%
Go to a fatherhood program	29%	32%	30%
Set an appointment and go to Voc. Rehab.	21%	18%	20%
Make a lump-sum payment	17%	11%	15%
Make my current support payments	63%	75%	65%

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Table 6-4. Respondent Reports of Agreements Reached in Compromise and Cooperation Project

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
Make regular reduced monthly payments	82%	91%	85%
★Keep a work log of all the jobs I have applied for	46%	21%	37%
★Have you been able to meet the terms of the agreement, so far?			
Yes, all of it	49%	71%	57%
Some of it	45%	21%	37%
None of it	6%	7%	6%

★Chi square is significant by case type at .05 or less.

Table 6-5 displays the reasons respondents gave for being unable to satisfy the terms of their agreements. Job loss was a problem cited by 65 percent of formerly incarcerated respondents and 53 percent of disabled respondents who were unable to meet their agreement terms. Sixty percent and 53 percent had returned to jail or prison. Seventy-three percent of all participants reported that they were unable to find work. And about 50 percent of all respondents, both formerly incarcerated and disabled, said that they were disabled and unable to find work. Other popular reasons given were not being able to afford the payments (68%) and having other bills to pay (59%).

Table 6-5. Respondent Reports of Barriers to Meeting Terms of Agreement

	Formerly Incarcerated (N=49)	Disabled (N=17)	Total (N=66)
I lost my job	65%	53%	62%
Returned to jail/prison	60%	53%	59%
I haven't been able to find work	76%	65%	73%
I am disabled and unable to work	50%	53%	51%
Family member got sick	25%	41%	29%
I had other bills I had to pay	56%	65%	59%
I forgot about it	19%	29%	22%
I couldn't afford it	65%	77%	68%
I don't have reliable transportation to get to and from work	52%	65%	55%

Noncustodial Parent Reactions to the Program and Services

About half of respondents (44%) reported that they attempted to contact their child support worker to discuss their inability to satisfy the terms of their agreement, while the

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other half (56%) did not. Asked whether their child support worker appeared to be interested in helping them work out problems they had encountered in complying with their agreements, 88 percent of disabled respondents reported feeling very supported by their child support worker. This was the case for only 50 percent of formerly incarcerated participants. Across both groups, 42 percent said that their child support worker had taken actions to help them stay in the program. This included getting a time extension and being allowed to stay in the program (86%) longer than twelve months if they started paying their child support obligation. Another worker action reported by 60 percent of all participants was stopping enforcement actions from being taken on their case while they attempted to come into compliance.

Table 6-6. Respondent Reports of Contact with Child Support Regarding Agreement Reached

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
NCP attempted to contact child support worker about inability to meet terms of agreement			
Yes	46%	41%	44%
No	54%	59%	56%
★ Level of interest worker showed in helping respondent work out a solution			
Very interested	50%	88%	62%
Somewhat interested	29%	6%	22%
Not interested	21%	6%	16%
Number	(38)	(17)	(55)
Percentage of cases where child support worker took action on case to help respondent stay in the program	40%	48%	42%
Of those, actions worker took on case			
Allowed me to stay in the program for a few more months if I started paying	87%	84%	86%
Referred me to a community agency for help finding a job	32%	25%	29%
Helped me get my drivers license back	57%	50%	54%
Stopped enforcement actions on my case	57%	65%	60%
Number	(32)	(20)	(52)
Of those with no contact, percentage reporting child support worker tried to contact NCP about not meeting terms of agreement	36%	30%	34%
★ Chi square is significant by case type at .05 or less.			

Noncustodial parents were asked to rate the helpfulness of services and referrals that they received through the program. Formerly incarcerated NCPs most frequently reported that having their child support orders modified was “very helpful” (92.5%). Disabled NCPs most frequently reported that having questions answered about their child support cases was

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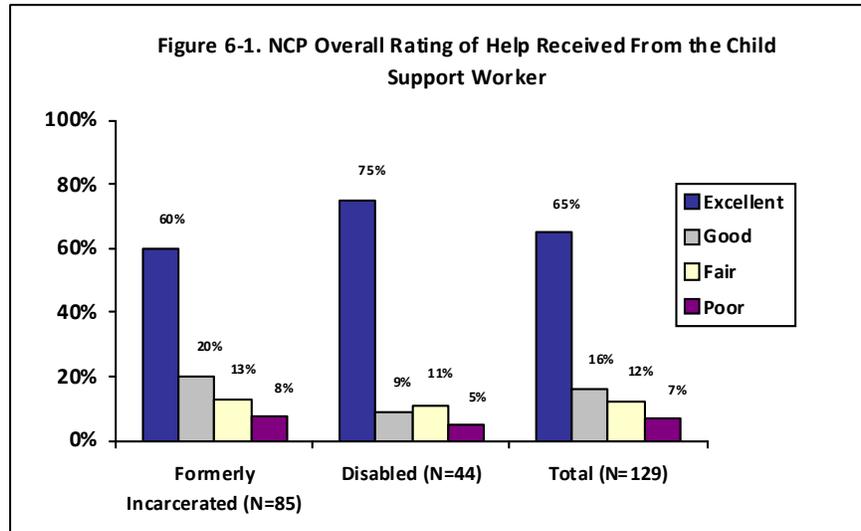
“very helpful” (87.8%). NCPs were also “very” satisfied when program workers listened to them (formerly incarcerated 86.1%; disabled 81.4%). Being referred to a workforce program or Denver Works was “not helpful” according to 17.9 percent of formerly incarcerated respondents while an equivalent proportion of disabled participants reported that being sent to a fatherhood program (18.2%) was “not helpful.”

Table 6-7. Respondent Ratings of Degree of Helpfulness of Program Services and Referrals

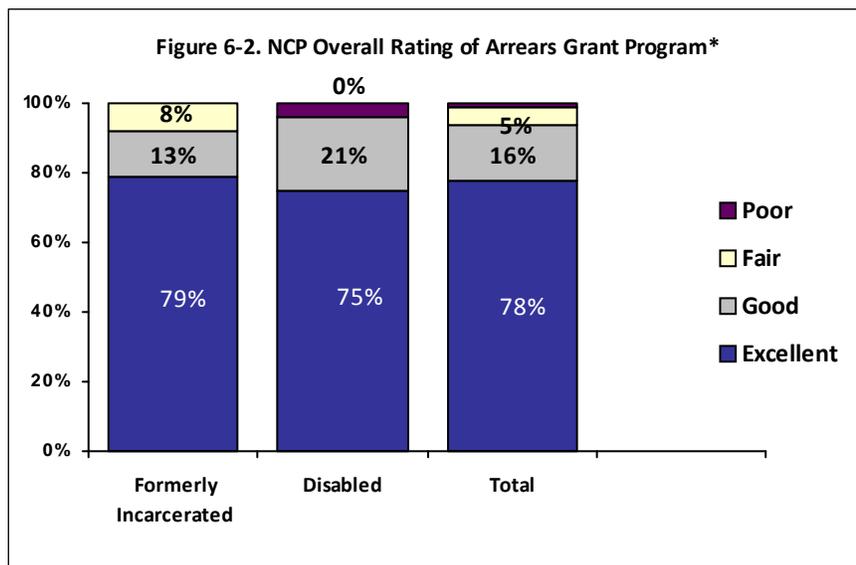
	Formerly Incarcerated (N=79) ★			Disabled (N=43) ★		
	Very Helpful	Somewhat Helpful	Not Helpful	Very Helpful	Somewhat Helpful	Not Helpful
Explained my child support situation	84.6%	15.4%	0%	81%	16.7%	2.4%
Listened to me	86.1%	13.9%	0%	81.4%	16.3%	2.3%
Answered my questions about my child support case(s)	90.7%	9.3%	0%	87.8%	9.8%	2.4%
Called other agencies to help me with problems I have	64.3%	35.7%	0%	0%	0%	0%
Sent me to a workforce program/ Denver Works	46.4%	35.7%	17.9%	0%	0%	0%
Sent me to the fatherhood program	72.7%	18.2%	9.1%	63.6%	18.2%	18.2%
Sent me to other community agencies for help with housing, substance abuse, etc.	36.4%	63.6%	0%	0%	0%	0%
Sent me to a mental health, counseling, or mediation program	0%	0%	0%	0%	0%	0%
Stopped or delayed enforcement actions on my case	88.5%	3.8%	7.7%	0%	0%	0%
Helped get my driver’s license back	84.9%	13.2%	1.9%	0%	0%	0%
Helped modify my child support order/get a modification	92.5%	7.5%	0%	86.7%	10%	3.3%
Helped me with my order in another county by talking to the worker	85.7%	7.1%	7.1%	0%	0%	0%
Other	85.7%	11.9%	2.4%	81%	19%	0%

★ N sizes for items varied from 11 to 79 formerly incarcerated respondents and 11 to 43 disabled respondents. Percentages were not reported for questions answered by 10 or fewer respondents.

Respondents generally felt that their child support workers were very helpful, as demonstrated in Figure 6-1. Sixty percent of formerly incarcerated participants and 75 percent of disabled participants rated the help they received from child support workers as “excellent.”



Overall participants were very happy with the Compromise and Cooperation Project. Seventy-eight percent of all respondents, as displayed in Figure 6-2, rated the program as “excellent.”



To determine whether project participation had affected views about the child support agency, respondents were asked to share their feelings about the agency, the Compromise and Cooperation Program, and its impact on their lives. The majority of participants gave the program a positive assessment and credited it with improving their situation. Out of all of the respondents, a heartening 98 percent said that they felt as though being in the program had given them the opportunity to start over with a “clean slate” and 92 percent

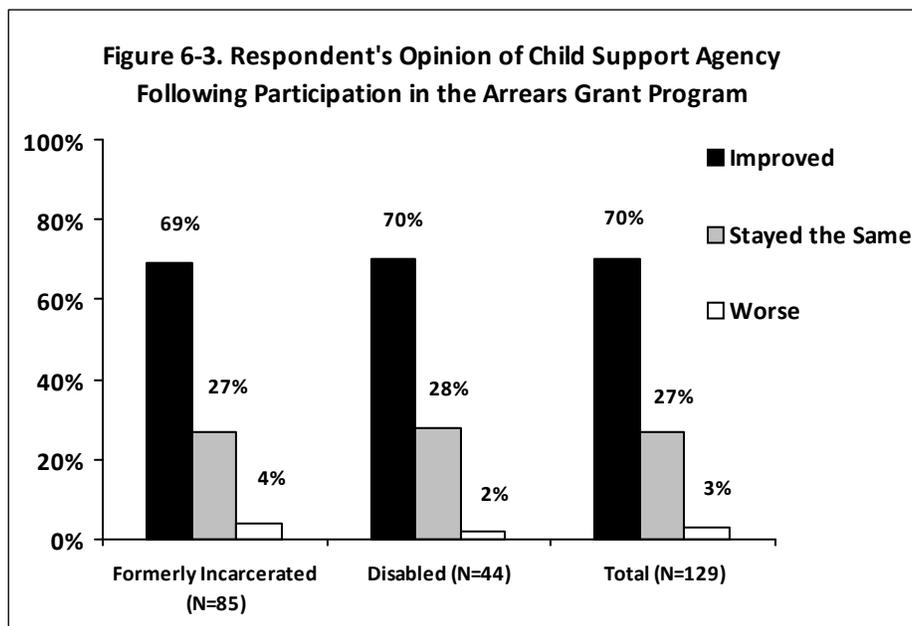
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said that being enrolled in the program had made them feel as though the child support agency actually cared about them.

Table 6-8. Respondents' Feelings Towards Colorado Compromise and Cooperation Project and the Child Support Agency

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
Percentage responding "Very" or "Somewhat True" to the following statements about their child support arrears balance...			
I never really thought I would be able to pay off my child support arrears	89%	89%	89%
I used to worry about paying off my child support arrears	91%	96%	92%
I didn't really know or understand my child support arrears debt	62%	75%	67%
Being in the program made you feel like you have a chance of getting a "clean slate" or starting over	100%	96%	98%
Being in the program made you feel like child support cares about you	94%	86%	92%

In general, participation in the Compromise and Cooperation Project had a positive influence on respondents' impressions of the child support agency. Seventy percent of all NCPs said that after participating in the program their opinion of the child support agency improved, and only 3 percent said that their opinion got worse.



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Finally, in response to the question, “What is the best way for the child support agency to contact parents?” nearly half of respondents (41%) opted for regular mail while 42 percent favored cell phone contact. Text messaging was the least popularly chosen method of contact (1%).

Table 6-9. Noncustodial Parents Report Best Way for the Child Support Agency to Communicate with Parents

	Formerly Incarcerated (N=85)	Disabled (N=44)	Total (N=129)
Regular mail	47%	30%	41%
Email	6%	2%	5%
Home phone	8%	16%	11%
Cell phone	39%	48%	42%
Text	0%	2%	1%
Other	0%	2%	1%

Chapter 7: Project Staff Reactions to Program

Interviews were conducted with key administrators in each of the participating counties, along with project staff at the state and county level to get their reactions to the Colorado Compromise and Cooperation Project. Project staff was interviewed individually in June and July 2012, after the completion of project operations. Staff was asked open-ended questions regarding their experience with the planning, implementation, operations, and outcomes of project within each county.

Project Planning and Design

Most county staff felt the program could have been strengthened with more direction from the state at the pre-planning phase of the project. “The development of the grant protocol should have been done a lot earlier. I think we should have had a process in place prior to implementation, and not develop the process while going in that direction.” For their part, state child support personnel were frustrated about the lackluster response of county staff at the early stages of the project and the challenges they faced in “getting everybody on board.”

Both counties were already implementing early intervention strategies in their offices to work their child support caseload, and this project fit naturally with those approaches to case processing. Additionally, the counties had recently implemented simplified modification procedures that were believed to be relevant to the Compromise and Cooperation Project. Since the project aimed to enroll cases that needed orders to be modified to a minimum level of \$50, it was seen as a good fit with initiatives that were already underway in both counties.

With respect to case referral, both counties adopted the “gate-keeper” approach to project design where a dedicated child support technician reviewed a list of cases generated by ACSES that contained potentially eligible cases and handled the entire review and enrollment process. Although state staff would have liked to see the enrollment function extended to the entire child support office in each county rather than centralized and assigned to one or two grant-funded child support technicians, this failed to materialize. County personnel felt that having specialized workers perform all case identification duties was more efficient. As one respondent explained, “However, both offices had to deal with a loss of staff and how to absorb the loss of staff in order to run the project.” One county administrator said the structure of the project is dependant on the size of the county’s caseload. “We have a huge caseload of formerly incarcerated and disabled noncustodial parents; it was silly for us to identify a recruitment and enrollment process that would be rolled into the general caseload population. It was more efficient and smart to centralize

those cases with a targeted child support worker who had the skills and desire to work with that population. They are very difficult cases to work and we had to identify workers who wanted to work with them in their effort. But if you had a smaller caseload it may not be more efficient to decentralize it.”

Collaborating with outside agencies to generate referrals and assist targeted clients enrolled with other barriers to child support payment could have been done earlier in the project — preferably at the planning stage. Larimer County in particular developed a good working collaboration with the Department of Vocational Rehabilitation, also known as “voc rehab;” however, this partnership was not formed until late in the enrollment phase of the project. Although both agencies benefited and continue to benefit from this partnership through ongoing communication and mutual referral activity for NCPs with a disability, both agencies wish that this partnership had been developed at the beginning phase of the project. As one county administrator said, “When we connected with voc rehab, they were very helpful with providing referrals, and they were more than willing to work with us and accept our referrals. I think the project would have received a higher success rate with the disabled population had we connected with voc rehab earlier.” According to state staff, the delay reflects the change in project scope to include disabled NCPs and subsequent discussions with the Division of Vocational Rehabilitation “to determine the correct processes for inter divisional cooperation.”

Operations

The target populations were selected by the project advisory board. Both counties had prior experience working with formerly incarcerated noncustodial parents and knew the difficulties in engaging them, assisting them with re-entry, and addressing their barriers to child support payment. Accordingly, project architects wished that they had more resources for the formerly incarcerated population. As one respondent put it, “They have so many barriers and we didn’t have a lot of answers or good referral sources for this population, especially employment resources.”

Another challenge that project staff faced was identifying suitable cases to include in the project. Many cases identified on the ACSES ad hoc report were duplicative and confusing. Even though the parameters put in place to generate the report seemed sufficient initially, project staff found that the reports contained many cases that did not qualify for enrollment in the project. Project-funded staff used the original ACSES ad hoc report for all project enrollment activities even though monthly system-generated reports were provided.

And although state personnel requested that enforcement workers throughout the county agency would refer appropriate cases to grant-funded personnel, this did not occur.

According to state staff, the project suffered large “productivity gaps” due to the resignation of grant-funded staff in both counties and the use of inexperienced child support workers to handle project duties.

Expected Outcomes

While there is general agreement that programs like the Compromise and Cooperation Project do help, staff wonder whether they can have a lasting impact without strong efforts to help noncustodial parents find long-term, stable employment. As one state-level staff asked, “Are these efforts really worthwhile?”

“These populations [formerly incarcerated and disabled] face significant barriers to participating in these types of programs. This project did not offer assistance with employment nor to addressing their barriers to employment and payment. I don’t see that we really changed their lives. We solved some of their problems, including alleviating their debt burden, but it would have been more effective to have employment assistance and offered more life-changing help, like addressing their criminal background. Ultimately I wonder if we significantly impacted the lives of the children by whether they were able to stick with the regular payment of child support. Did we change their habits and did they continue to make regular payments? This is a worthy population to make an effort with, but I think all unemployed fathers deserve this type of program.”

One county administrator felt that the project was successful when the NCP complied with the agreement. Among compliant noncustodial parents, the intervention was perceived as providing a stimulus to more regular and consistent child support payments. “For those that actually stuck with the agreement, you could hear it in their voices when they would call in and say ‘my agreement is almost over, I have one more month of payment’ and they were faithful in making that payment. It did jumpstart it for them.”

Key project personnel were asked about the issue of project sustainability. Sustaining successful projects long-term is always a key issue with projects funded through grants. In Larimer County, the administrators are taking a look at the whole structure of their office and the way they work cases, “from monthly child support to arrears-only orders.” As part of the revamping in the office, an arrears forgiveness strategy will be considered; however,

there will not be a dedicated child support technician focusing exclusively on arrears forgiveness with formerly incarcerated and disabled noncustodial parents.

Denver County sees value in continuing an arrears forgiveness program for the formerly incarcerated caseload, primarily due to the volume of cases that fit into this category. Following the conclusion of the Colorado Compromise and Cooperation project, the county administrator established a unit with four dedicated child support technicians to work incarcerated and formerly incarcerated cases exclusively as part of their new “Denver Turnaround Program.” The idea of the project is to work with paroled ex-offenders on their child support case(s). Once the child support agency is notified that an NCP is incarcerated, the assigned child support technician automatically modifies the order to \$50 per month. Upon the noncustodial parents’ release, the child support technician tries to contact the NCP and enroll him or her in the Denver Turnaround Program. The program offers re-entry assistance to the NCP and upon enrollment and participation in the Turnaround Program, the NCP will be eligible for forgiveness of up to 75% of his or her state-owed arrears balance with adjustments occurring at six months (25%), twelve months (25%), and twenty-four months (25%) post-enrollment.

While reactions from key staff familiar with the Colorado Compromise and Cooperation Project were mixed, all felt that the project had value and had provided a needed service to these targeted populations.

Chapter 8: Summary and Conclusions

Summary of Findings

The Colorado Compromise and Cooperation Project, which operated in Denver and Larimer counties, was designed to develop, implement, and test procedures to meet the project goals of promoting payment, avoiding and reducing arrears, and closing project cases, where appropriate. The project advisory committee, comprised of state and local child support personnel, decided that in each county, the project would target noncustodial parents who had been formerly incarcerated or were disabled. Both of these groups are likely to be low income and to have accrued child support arrears during time periods when they had a limited capacity to work, earn income, and meet their child support obligations.

In order to identify potentially eligible cases, the State Division of Child Support Enforcement generated a list of cases in Denver and Larimer counties with NCPs who were believed to be disabled and/or formerly incarcerated who had state-owed arrears. The lists were produced from the automated child support enforcement system (ACSES). In an attempt to pursue an experimental design, noncustodial parents with a Social Security number ending in 0 through 3 were automatically assigned to the comparison group and those with a Social Security number ending in 4 through 9 were assigned to the experimental group.

In experimental cases where the NCP was successfully contacted, child support technicians explained the purpose of the Compromise and Cooperation Project and attempted to negotiate an agreement regarding the payment of state-owed arrears. Agreements always included requirements that the NCP would pay the current monthly support order or pursue a modification if the order was unrealistically high. The amount of the monthly payment the NCP needed to make towards state-owed arrears was open to negotiation. The 277 NCPs reaching agreements included 184 who had a history of incarceration and 93 who were disabled. The rate of agreement making was 65.6 percent among formerly incarcerated NCPs and 71.5 percent among the disabled.

Once they established contact with the NCP, child support technicians were able to elicit information from them about their case histories. One important finding was that a very large percentage of the disabled NCPs had also been previously incarcerated (73%). On the other hand, only 10 percent of the NCPs who were identified as incarcerated on the ad hoc list self-reported being disabled. Economic problems were common for both groups. Almost three-quarters (73%) of all NCPs were unemployed at contact, with 91 percent of the disabled population and 62 percent of the formerly incarcerated population reporting

being unemployed. Chronic unemployment was reported by 58 percent of the disabled population and 17 percent of formerly incarcerated NCPs.

At entry to the project, the average state-owed arrears balances for formerly incarcerated and disabled NCPs were very comparable, as were the median arrears balances for the two groups. Overall, NCPs owed an average of \$11,037, with a range of \$291 to \$75,751. The NCPs in the experimental group who reached an agreement owed a combined amount of \$3,013,272 to the state of Colorado.

As part of the negotiation of their state-owed arrears, 43 percent of the noncustodial parents were required only to comply with financial payment plans. If there was a currently monthly support obligation, the NCP was required to make this payment. Arrears payments could be made in a lump sum or monthly payments over twelve months. None of the project participants chose the lump-sum option. Another 51 percent of the noncustodial parents agreed to monthly payments, but also were required to participate in programs and services designed to address the barriers they were experiencing that limited their ability to meet their child support obligations. These non-financial services included such activities as job readiness or work search programs. A small percentage of the noncustodial parents (7%) were only given non-financial requirements in their agreements.

In addition to arrears forgiveness, some NCPs received other services when they agreed to participate in the program. Sixty percent of all NCPs had their driver's licenses reinstated, and only 1 percent of the NCPs were required to pay a fee for reinstatement. Child support enforcement actions were suppressed for 29 percent of all participants, and 9 percent of the participants had their orders reviewed and adjusted.

The study tracked NCP performance to determine how well they complied with their agreement over the course of the twelve-month program. Child support technicians recorded compliance with the agreement at two time points: six and twelve months following the agreement signing. The NCP received forgiveness of 25 percent of the arrears obligation at entry to the program. If the NCP complied with the agreement for six months, he or she received another 25 percent forgiveness of state-owed arrears. And if the NCP continued to comply with the terms of the agreement for the full twelve months, the remaining 50 percent of the state-owed arrears was forgiven.

Of the 258 NCPs with information available, 61 percent were reported by child support technicians to be in compliance with the terms of the agreement at six months. According to child support technicians, the disabled population had a significantly higher compliance rate (85%) compared to formerly incarcerated counterparts (48%).

Over 12 months, 55 percent of the NCPs were categorized by child support technicians as being “in compliance.” As was true at six months, the percentage of disabled participants who were reported by child support technicians to have complied with their agreement at twelve months was significantly larger than the percentage of formerly incarcerated participants (73% versus 45%). A small percentage of NCPs at both time points were given more time to pay the amount in their agreement (7% at six months and 4% at twelve months). Another 30 to 39 percent were rated by child support technicians as being noncompliant.

For the 87 NCPs who were categorized as noncompliant at twelve months, the child support technician was asked to record the reason given by the NCP for nonpayment. Over a quarter of the NCPs reported being unemployed and therefore unable to pay. Another 13 percent were classified as employed, but said their earnings were too low to allow them to meet the terms of the agreement. Nearly a third cited some other reason for noncompliance, including “personal issues” and “medical bills.”

When compliance with agreements was measured based on payment data recorded in the automated system, the picture changed. First, both formerly incarcerated and disabled NCPs paid an average of only 23 percent of what was due in arrears payments (plus current support if this was relevant), with formerly incarcerated and disabled NCPs making 3.6 and 4.7 payments during this twelve month period, respectively. Objective compliance rates were clearly much lower than the 55 percent noted by child support technicians. Second, there were no statistically significant differences between the payment performance of formerly incarcerated and disabled NCPs. This suggests that the significant differences between the two groups observed by child support technicians involved a certain amount of worker subjectivity. Child support technicians tended to classify disabled NCPs as doing a better job of complying, despite the fact that the automated data shows the two groups paid comparable percentages of what they owed. It may be that the child support technicians exercised some of the “flexibility” they were allowed in categorizing NCPs as compliant. For example, child support technicians could give the NCP credit for trying to comply with the agreement, even if he could not meet his full obligation each month.

Overall, NCPs in compliance at the six-month time point had \$2,471 of state-owed arrears forgiven. Although fewer NCPs were still in compliance at twelve months, those who were compliant had an average of \$6,168 of debt forgiven. Patterns were very similar for formerly incarcerated and disabled NCPs. Taken together; the amount of child support

paid by project participants in the twelve months following project enrollment was \$212,321 and the amount of forgiven state debt was \$1,043,074.

The Compromise and Cooperation Project attempted to pursue an experimental design by generating cases in ACSES that appeared to meet project criteria. Based upon investigation by child support technicians, a total 581 cases (not NCPs) qualified to participate in the experimental group and a total 777 cases were appropriate for the comparison group. The randomization process was compromised by the fact that many NCPs with experimental group cases could not be located and did not participate in the program and the comparison group was subject to less stringent qualification procedures. This may help to explain why at the conclusion of the project, cases in the experimental and comparison groups showed statistically identical arrears balances. Child support technicians reduced state-owed arrears balances to \$0 for NCPs in the experimental who fully complied with the terms of their payment agreements. However, it appears that there were not enough NCPs in the experimental group who participated in the project and realized an arrears abatement to counteract the growing arrears balances exhibited by the remaining cases in the experimental group (n=581). As a result, state arrears balances for the two groups of cases generated for this project were equivalent with state-owed arrears for cases in the experimental group averaging \$7,185, as compared with \$8,158 for cases in the control group. In addition, cases in the experimental and control groups owed the custodial parent a statistically identical \$9,080 and \$10,475, respectively.

Reactions to the project were available for 129 noncustodial parents who completed telephone interviews approximately six-months after they entered the project. This represents 46 percent of NCPs who reached an agreement about their child support arrears balances. Interview response rates were virtually identical for the respondents who were formerly incarcerated (46% response rate) and those who were disabled (47% responded).

Almost all NCPs, both formerly incarcerated and disabled, reported that upon hearing about the program they thought that it “sounded like a good thing” and that they “wanted to enroll in the program.” Although virtually everyone negotiated an agreement (99%), only about half were able to recall all the terms of their agreements. Asked whether they had been able to comply with the terms of their agreements at six-months post-enrollment, 71 percent of disabled respondents and 49 percent of formerly incarcerated respondents said that they had successfully met all the terms of their agreements thus far. Among those with less than full compliance, job loss was a problem cited by 65 percent of formerly incarcerated respondents and 53 percent of disabled respondents.

Overall participants were very happy with the Compromise and Cooperation Project. Seventy-eight percent of all respondents rated the program as “excellent,” 98 percent said that being in the program had given them the opportunity to start over with a “clean slate,” and 92 percent felt as though the child support agency actually cared about them.

Conclusions

These findings yield the following conclusions about debt compromise programs.

- Identifying and enrolling eligible noncustodial parents in debt compromise programs is a labor-intensive process. Although it seems straightforward to generate an automated list of cases that involve previously incarcerated and/or disabled noncustodial parents who have arrears balances, further inspection of cases on the list revealed that many did not qualify for enrollment. Most NCPs had multiple cases that were not initially identified on the extract and the child support technician had to pursue time-consuming investigation and qualification activities. More to the point, reaching noncustodial parents who were judged to be eligible required multiple phone attempts, multiple mailings, and face-to-face meetings.
- For noncustodial parents that child support technicians were able to reach, project participation is high, with 67.6% of targeted NCPs developing an agreement to discharge their state-owed arrears. As previously noted, the process of identifying and communicating with previously incarcerated and disabled noncustodial parents requires a big staffing effort but the project attracts strong interest once contact with eligible NCPs is achieved.
- Lump-sum payments are not practical for previously incarcerated and disabled noncustodial parents. Although this was an optional arrangement for the payment of arrears, no NCP who participated in the Compromise and Cooperation Project agreed to do this. All of them opted for making a modest, monthly arrears payment.
- Worker-generated measures of program compliance do not necessarily track with compliance patterns based on automated child support payment records. Colorado workers were highly subjective in their assessment of NCP compliance and used the flexibility they were given to reward NCPs for their efforts and responsiveness, even if they failed to make required payments. Workers rated approximately 50 percent of

noncustodial parents in the experimental group who developed a debt compromise agreement as “compliant,” even though the objective payment records showed that they paid approximately 23.6 percent of what they were expected to pay.

- Workers may be more sympathetic to some groups of noncustodial parents (*e.g.*, disabled NCPs) than to others (previously incarcerated NCPs) and see them as more deserving of accommodation and debt compromise treatments. Colorado child support technicians gave disabled noncustodial parents higher compliance ratings than previously incarcerated NCPs (73% versus 45%) even though their payment patterns were identical based on automated payment records.
- If programs seek to generate accurate measures of payment performance, they should automate the tracking process and dispense with manual methods. Several jurisdictions such as Maryland and Washington, D.C. delayed the initiation of their debt compromise programs until they could automate the process of monitoring payments and making arrears adjustments in order to improve accuracy and relieve workers of time-consuming reviews.
- Ultimately, NCPs in the experimental group paid \$212,321 in child support during the twelve months following project enrollment and realized approximately \$3 million in arrears forgiveness. Although debt compromise programs are not “money-makers” for child support agencies, they do generate some child support revenue that would likely not otherwise be realized. On the other hand, the project did not improve payment behavior for members of the experimental group in a fundamental way such that arrears balances ceased to grow. Average arrears balances were virtually identical for members of the experimental and comparison groups twelve months following project enrollment, averaging \$12,323 and \$13,857, respectively.
- Non-financial provisions were often combined with financial terms in the debt compromise agreements that workers generated with ex-offenders and disabled NCPs, but were rarely used alone. Compliance with non-financial agreements appeared to be weak but may have contributed to the higher compliance ratings provided by workers and the seeming rewards workers accorded to noncustodial parents who showed some measure of initiative, cooperation, and responsiveness even if they failed to make proscribed monthly payments.

- Cases in the experimental group that were scrutinized by child support workers and considered for debt compromise treatments were significantly more likely than cases in the comparison group to be closed during the twelve months following project enrollment. Indeed, while 27 percent of cases in the experimental group were closed following project participation, this was the case for only 8 percent of cases in the comparison group.
- Noncustodial parents who enroll in debt compromise projects like the Compromise and Cooperation Project appreciate the opportunity to “start over.” Participation in the project also improved their view of the child support agency.
- Noncustodial parents who were unable to comply with the financial terms of their agreement cite financial issues, including lack of employment, low-earnings and other bills, as primary reasons why they are unable to pay their current support and/or monthly arrears payment. Although the project attempted to address the critical issues of un- and under-employment by referring NCPs to employment services, many NCPs in the project struggled to find employment and to realize wages that would allow them to meet their financial obligations. To realize stronger outcomes, future debt compromise projects should consider putting in place a strong plan to find jobs for hard-to-employ NCPs.

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