Return on Investment of a Family Resource Center to the Child Welfare System:

Community Partnership Family Resource Center, Teller County, CO

For every $1 invested in Community Partnership FRC in 2018, the Teller County child welfare system saved an estimated $2.92

Background and Importance

Family Resource Centers (FRCs) are strengths-based, family-centered community hubs that offer programs designed to strengthen parent-child relationships, help families access programs and services through resources and referrals, meet the multi-generational needs of family members, and more.[1] Currently, 33 states and the District of Columbia have networks that include over 3,000 FRCs.[2] FRCs often partner with local child welfare jurisdictions to prevent child maltreatment across the child welfare continuum.[3] The majority of child maltreatment cases include neglect[4] that stem from challenges accessing resources (e.g., food, shelter),[5] and FRCs connect families to resources in their communities. Studies have also found that FRCs increase protective factors for children's safety[6] and can reduce subsequent family involvement in the child welfare system.[7] Involvement in the child welfare system can be disruptive for children and families, and it also results in substantial costs to public systems. In 2015, the lifetime economic burden of child abuse and neglect in the United States was estimated at $428 billion.[8] Services that focus on building family strengths and promoting long-term growth are critical to reducing and preventing incidences of child abuse and neglect.[6]

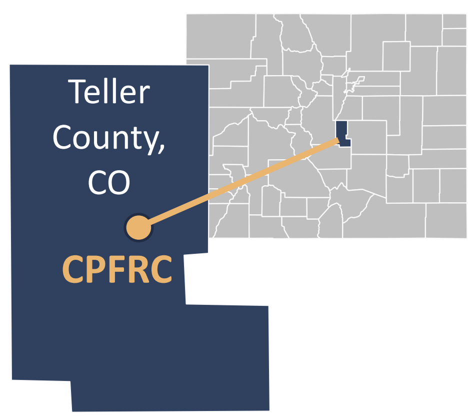
There is evidence that by serving families, FRCs generate economic returns to the community; a 2014 analysis found that the Alabama Network of FRCs provided a return on investment of $4.93 in direct and long-term social benefits to the State of Alabama.[9] Studies estimating the return on investment of FRCs to local child welfare systems would help advance our understanding of the important role that these community-based services provide and provide a more granular understanding of how the return on investment is realized within this particular sector. In 2020, with support from Casey Family Programs, the National Family Support Network (NFSN) contracted with the OMNI Institute to explore opportunities to leverage existing research, evaluation, and data to quantify the economic return on investment that FRCs provide to child welfare systems.

In this report, the OMNI Institute quantified the savings to the child welfare system for Teller County, Colorado from investment in Community Partnership Family Resource Center (CPFRC). CPFRC is the sole FRC that serves Teller County, and after beginning a formal partnership with the local child welfare system, there was a 63% reduction in the rate of child abuse in the county.[10]

A companion report quantifies the savings to the child welfare system for Orange County, California, from investment in Westminster Family Resource Center.[11]

Community Partnership Family Resource Center

Since 1992, CPFRC has delivered programs and services which aim to strengthen families in Teller County in pursuit of a vision in which all Teller County families are self-reliant, fully-functional, and positive contributors to the community.[12] Teller County is located in central Colorado and has a predominantly (94%) White population of approximately 25,000.[13] Families who participate in services at CPFRC often experience economic challenges; 42% have annual incomes below the federal poverty line (FPL), relative to 8% overall in the county.[14]



Child Maltreatment Prevention Programming

In 2016, CPFRC partnered with Teller County Department of Human Services to offer the Colorado Community Response program at scale.[7] Colorado Community Response fills a gap in the child maltreatment prevention continuum by creating referral pathways from child welfare systems to local community support resources. It is a voluntary service for families who are reported for child abuse or neglect but are either screened out from receiving a response due to the nature of the report (e.g., it does not indicate an imminent safety threat) or are screened in but have their cases closed without the provision of child welfare services. That same year, CPFRC also expanded Family Development Services through additional funding provided by the Colorado Office of Early Childhood. Family Development Services is a primary prevention program designed to support families who are experiencing hardships, with the overall goal of improving family health and well-being, as well as reducing child maltreatment. The implementation of Colorado Community Response and expanded Family Development Services created an opportunity to examine the return on investment for CPFRC to the child welfare system by comparing maltreatment outcomes prior to and after establishment of the new practices. To best isolate the influence of these practices, OMNI considered the broader context of child welfare initiatives within Teller County and Colorado as a whole.

We selected **2015 as the baseline year**, as neither Colorado Community Response nor Family Development Services were available to the whole CPFRC population, but a statewide child abuse hotline and recent changes to county-level child welfare initiatives were in place.

We selected **2018 as the comparison year**, as it is the only year that both Colorado Community Response and Family Development Services were in full implementation with no other major system-wide changes taking place; it was also prior to programmatic changes and the impacts of the COVID-19 pandemic.

Methods

Social Return on Investment Model

Broadly, return on investment is a metric used to determine the efficiency of an investment, quantified as the net present value of benefits relative to the net present value of the investment. To calculate the return on investment for the child welfare system, we used a *social* return on investment, or SROI, approach to measure the impact of the FRC. An SROI describes the impact of a program or organization in dollar terms relative to the investment required to create that impact.[15] Because we were focused on benefits for the child welfare system in particular, we only considered that sector's outcomes.

We specified our SROI model as follows:[16]

$$\text{SROI} = \frac{\overbrace{\left(\text{Outcome of Interest} - \text{Deadweight}\right) \times \text{Attribution} \times \text{Monetized Value of the Outcome}}^{\text{Net Value of Benefits}}}{\underbrace{\text{CPFRC Intervention Cost}}_{\text{Net Value of Investments}}}$$

Such that:

- **Outcome of Interest** is reduction of substantiated assessments of child maltreatment.
- **Deadweight** is the counterfactual number of substantiated assessments that would have occurred in the absence of CPFRC.
- **Attribution** is the share of those substantiated assessments that is attributable to, or results from, CPFRC.
- **Monetized Value of the Outcome** is the child welfare expenditure per substantiated assessment.
- **CPFRC Intervention Cost** is the cost of operating CPFRC.
- **Net Value of Benefits** is the amount of money the child welfare system saved.
- **Net Value of Investments** is the amount of money spent to achieve the reduction in substantiated assessments.

Results

There were 51 fewer cases of child maltreatment in 2018 compared to 2015 after adjusting for population changes. Attributing all reduced cases to CPFRC, and with an estimated cost per case of child maltreatment in Teller County of $49,026, the reduction in child maltreatment saved the Teller County child welfare system an estimated $2,500,326 (as represented by the net value of benefits shown below). For details underlying these estimates, see the Technical Appendix at omni.org/cpfrc-roi.

The reduction in child maltreatment saved the Teller County child welfare system an estimated $2,500,326

SROI =

Outcome – Deadweight: There was a reduction of **51** cases of child maltreatment in Teller County from 2015 to 2018

X

Attribution: Estimates calculated based on family income-to-needs ratio and child age suggest that CPFRC is reaching **100%** of children at risk for child maltreatment in Teller County

X

Monetized Value: In 2018 the estimated cost per case of child maltreatment in Teller County was **$49,026**

=

Net Value of Benefits: $2,500,326

CPFRC Intervention Cost:
CPFRC annual expenses in 2018 were **$856,194**

Given the net value of investments that is represented by the intervention cost of $856,194, these costs savings translate to a return on investment of 292%, or $2.92.

The Return on Investment is 292%.
For every $1 invested in CPFRC in 2018, the Teller County child welfare system saved an estimated $2.92

Sensitivity Analyses

We conducted sensitivity analyses to identify the minimum number of reduced cases of child maltreatment attributed to CPFRC that results in a positive return on investment. As noted above, the return on investment estimate includes attribution of all 51 reduced cases of child maltreatment in Teller County between 2015 and 2018 to CPFRC. The sensitivity analyses answer the question: How many of these cases of reduced child maltreatment need to be attributed to CPFRC in order to have a positive return on investment?

Sensitivity analyses showed that if at least 18 cases of reduced child maltreatment are attributed to CPFRC, there is a positive return on investment to the Teller County child welfare system.

Conclusions

This report quantifies the estimated return on investment to a local child welfare system from investment in a Family Resource Center, providing economic evidence of the benefit of community-based family support services. These findings estimated a measurable benefit to the Teller County child welfare system provided by Community Partnership Family Resource Center, with a return of $2.92 for every $1 invested.

We examined the return on investment of a long-standing, well-established FRC that began implementing and expanding programs designed to serve children and families who may be at heightened risk for child welfare involvement. Specifically, CPFRC became a key referral resource for families screened out of child welfare and began implementing enhanced family supportive services through additional state funding. It is likely that CPFRC's nearly thirty-year history in Teller County and direct partnership with the Department of Human Services allowed them to effectively serve families, and in turn generate economic benefits to the child welfare system.

These findings suggest that even in places where FRCs already exist, there is opportunity to expand impact and strengthen the benefit provided to families, communities, and the child welfare system through prevention programming designed to reach families most at risk for system involvement.

The return on investment of $2.92 can be considered in tandem with the 2014 estimate that the Alabama Network of FRCs provided a return of $4.93 in immediate and long-term social value to the State of Alabama.[7] Due to conceptual and methodological differences in how these estimates were generated, we do not recommend making direct or relative comparisons between the dollar values. Rather, both studies provide evidence for the economic benefits that FRCs can provide, and this study estimates one way that these benefits are realized by one sector.

These findings contribute to a growing body of evaluative data on the benefits of FRCs for their communities.[7,17] Specifically, they provide support for the economic benefits that an FRC can provide to a local child welfare system through reduction of incidences of child maltreatment. Because this evaluation used a pre-post design and relied on only two years of data, future evaluations should seek to replicate these finding using rigorous study designs and in other localities and contexts. However, such evaluations rely on the availability of sufficient data; to support these efforts, FRCs, networks and states should pursue efforts to link information that would allow tracking of service provision by FRCs and child welfare outcomes over time. In the meantime, these findings suggest that in Teller County, Colorado, CPFRC provides a meaningful return on investment to the child welfare system, with a return of nearly three dollars for every one dollar invested.

Want to Learn More?

For more context on this work, details on the data and assumptions used to generate model estimates, and a discussion of limitations, please see the Technical Appendix at omni.org/cpfrc-roi.

Recommended Citation

OMNI Institute (2021). A *Brief Report on the Return on Investment of a Family Resource Center to the Child Welfare System: Community Partnership Family Resource Center, Teller County, CO*. Submitted to National Family Support Network, Washington, D.C.

References and Notes

[1] OMNI Institute (2013). *Key components of Family Resource Centers: A review of the literature*. https://docs.wixstatic.com/ugd/20e556_7d6b57ed42d34674a87ac78d28f01bc8.pdf

[2] National Family Support Network (2021). *Members*. https://www.nationalfamilysupportnetwork.org/membership

[3] Russo, A. (2019). Partnering Family Success. *Policy and Practice*. https://gallery.mailchimp.com/ed250daa64bb471a0a16ac92e/files/1c3d397d-9f03-493d-86eb-adc37c86f5c9/P_P_December2019_FamilySuccess_NFSN.pdf

[4] U.S. Department of Health & Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau. (2021). *Child Maltreatment 2019*. https://www.acf.hhs.gov/cb/report/child-maltreatment-2019

[5] Child Welfare Information Gateway. (2019). *Definitions of child abuse and neglect.* Washington, DC: U.S. Department of Health and Human Services, Children's Bureau. https://www.childwelfare.gov/topics/systemwide/laws-policies/statutes/define/

[6] Casey Family Programs (2019). *Supportive communities: Do place-based programs, such as Family Resource Centers, reduce risk of child maltreatment and entry into foster care?* https://www.casey.org/family-resource-centers/

[7] Social Work Research Center: Colorado State University (2018). *Colorado Department of Human Services Colorado Community Response final evaluation report 2014-2018.* https://earlychildhoodframework.org/wp-content/uploads/2018/10/CCR-Evaluation-Report-FINAL-DRAFT-2014-2018.pdf

[8] Centers for Disease Control and Prevention (2021). *Preventing child abuse and neglect.* https://www.cdc.gov/violenceprevention/childabuseandneglect/fastfact.html

[9] Community Services Analysis Company LLC (2014). *Alabama Network of Family Resource Centers: Social return on investment analysis*. http://csaco.org/files/103503730.pdf

[10] Estimate includes adjustment for population changes from 2015 to 2018. KidsCount Data Center (2021). *Child abuse rate (per 1,000) in Teller County, CO*. https://datacenter.kidscount.org/data/tables/445-child-abuse-rate-per-1000?loc=7&loct=2#detailed/5/1274/false/1729,37,871,870,573,869,36,868,867,133/any/1104. See the "Outcome and Deadweight" section of the Technical Appendix for further details at omni.org/cpfrc-roi

[11] This companion report can be accessed at omni.org/wfrc-roi-es

[12] Community Partnership Family Resource Center (2021). http://www.cpteller.org/

[13] U.S. Census Bureau (2021). *Population estimates, July 1, 2019 (V2019) – Teller County, Colorado, Quick Facts*. https://www.census.gov/quickfacts/fact/table/tellercountycolorado/AFN120212

[14] OMNI Institute (2018). *Community Partnership Family Resource Center CFSA 2.0 evaluation report: July 1, 2017-June 30, 2018.*

[15] Olsen, S. & Lingane, A. (2003). *Social return on investment: Standard guidelines*. UC Berkeley: Center for Responsible Business. https://escholarship.org/uc/item/6xp540hs

[16] New Economics Foundation (2008). *Measuring value: A guide to social return on investment.* https://commdev.org/pdf/publications/Measuring-Value-A-Guide-to-Social-Return-on-Investment.pdf

[17] National Family Support Network (2021). *Advancing the family support and strengthening field project.* https://www.nationalfamilysupportnetwork.org/resources