

Virginia Financial Success Network

Final Evaluation Report

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Virginia Community Colleges System

Prepared by

Public Policy Associates, Incorporated



Public Policy Associates, Incorporated is a public policy research, development, and evaluation firm headquartered in Lansing, Michigan. We serve clients in the public, private, and nonprofit sectors at the national, state, and local levels by conducting research, analysis, and evaluation that supports informed strategic decision-making.

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Executive Summary

“Be ready to change. Be willing to adjust your strategies to best reach the clients.”
– Regional staff person

Helping unemployed workers get back on their feet is a central mission of the Workforce Innovation and Opportunity Act (WIOA). The Virginia Financial Success Network (VFSN), implemented by the Virginia Community College System (VCCS) and eight workforce regions in the state, sought to complement the standard WIOA services with financial coaching and additional supports, with the goal of improving outcomes for job seekers and their longer-term financial stability. This approach was tested through a Workforce Innovation Fund (WIF) grant from the U.S. Department of Labor (USDOL) between 2014 and 2019.

The VFSN has its roots in the unified approach for service delivery advanced by the Annie E. Casey Foundation beginning in 2005. The Casey model integrates services across three key pillars to assist clients: (1) employment and career advancement; (2) income enhancements and work supports; and (3) financial and asset-building services.¹

The model—called the Working Families Success Network or the Working Students Success Network—has been successfully expanded into different systems across the United States, including in community college systems, and has demonstrated improved outcomes for individuals, such as through improved college persistence and credentialing,² as well as increased incomes, decreased financial obligations, and enhanced credit scores for participating individuals.³ The coaching, focused on financial literacy, is designed to help clients set goals, develop plans, and change behaviors over time.

¹ Gewirtz, Susan and Tom Waldron, *Seeding the Field: The Creation and Growth of the Center for Working Families Approach* (Baltimore, MD: The Annie E. Casey Foundation, 2013).

² Lindsay Fox, Margaret Sullivan, and Ann E. Person, *Working Students Success Network (WSSN): Final Outcomes Evaluation Report* (Baltimore, MD: The Annie E. Casey Foundation, 2018).

³ “Working Families Success,” Ashley McIver, Community Foundation of Texas, accessed April 22, 2019, <https://www.cftexas.org/community-impact/economic-security/working-families-success>.

The VCCS adapted this intervention to the workforce system and was the first in the nation to implement the model to scale in American Job Centers (AJCs). This report shares findings from the five-year evaluation of the program.

Overview of the Evaluation Design

The study design included an implementation study, a randomized controlled trial (RCT) impact study, and a cost study. The data sources and collection methods included participant and control group surveys, participant focus groups and interviews, staff interviews and surveys, observations, and administrative data, and wage records. The evaluation included 1,731 study participants and over 50 staff in the eight regions across Virginia. The sites enrolled 1,504 participants in VFSN, including veterans.⁴

Key Findings

Implementation Findings

Table 1. Implementation Findings Summary

Research Questions	Findings
1. Who was served by the program? What are their characteristics and patterns of participation?	VFSN participants were most often female, African American, low income, between 25 and 44 years old, a high school graduate, and unemployed at entry. Seventy-eight percent of participants did not have a household budget at entry. Most had at least one asset; the median value was \$2,000. Most also had a debt of some type, with a median value of \$10,800. The VFSN participants were similar to those in the state's WIOA Adult and Dislocated Worker populations on some characteristics and differed on others.

⁴ The grant performance count and the study count differ because veterans and eligible spouses of veterans were not randomized (due to USDOL policy) and, for consistency, were not included in the implementation study. All other participants had to be enrolled in the study to participate in VFSN. The control group members are included in the study figure. The program served 188 veterans. For further information on USDOL policy, see: Pub. L. 107-288 (38 USC 4215) of the Jobs for Veterans Act and USDOL TEGL No. 10-19 (Nov. 10, 2009).

Research Questions	Findings
2. How were staff trained in the model? What was the level of satisfaction among staff with this training?	Program staff were trained by VCCS staff, vendor staff, and local staff on the state data system, using resources within the project, bundling services, delivering career coaching, and other topics. VFSN staff also pursued training online related to financial coaching. Staff were generally satisfied with the training, but some coaches indicated that not all of the trainings were available to them when they needed it. Some coaches would have liked to have had more financial training.
3. What were the primary elements of VFSN as applied in the AJCs? What were the variations in level of service received? What explains this variation? To what extent was fidelity maintained across sites? What site-specific adaptations were made and why?	The model as applied included bundling services across three pillars of service, and this occurred with collaboration across local staff, but the extent varied by region. Coaches delivered fewer financial and income supports than workforce and education services. Forty-three percent of VFSN participants did not meet with a financial coach at all. The types of services delivered varied widely, in part because the model focused on responding to customer needs and goals. The maximum service duration was 9-12 months, but very few participants were active for that long. Just 20% of participants met with their coach three or more times. Staffing approaches differed by site to align with perceived local needs. One region had case managers also do the financial coaching, rather than have a separate position, which was viewed as a strategy for sustainability. Many staff and customers believed that working on a budget and being unemployed did not go well together; others saw it as a good opportunity to think about constructing a budget using future earnings, anticipating employment. This difference affected the focus of the coaching.

Research Questions	Findings
4. Did the program unfold as planned and on the intended timeline? What resources were required to execute the planned program?	It took substantial effort and time to establish the program effectively in the sites. The program started on schedule, but the service period was extended by USDOL by nine months in order to attempt to increase the number of participants and VCCS added two regions to the project in Year 4. The program fell short of its target goal of 1,800 by approximately 300 people. One tool, The Benefit Bank®, which was developed within the project, ran into multiple challenges and not all components were developed; the tool was severely underutilized. Additional supportive services were also not used to the level first set in the grant application. The project involved eight regions' leadership, WIOA case managers, and VFSN staff; VCCS staff; technical-assistance providers; the evaluation team; and local partners.
5. How did AJCs, VCCS, and partner organizations work together to implement the VFSN? How were any challenges addressed?	The VCCS and workforce areas (including their AJCs) established effective working relationships, and these connections grew over the project period. VCCS and the sites worked together to resolve policy issues, clarify program parameters, review recruitment data, plan communications, and document processes. Partner organizations were involved in several regions to provide financial services or referrals to the program. State-level partners (contractors) provided technical assistance and training to regional staff when requested by VCCS. Challenges were addressed through monthly calls and other discussions between VCCS and regional staff, by enhancing the data system and developing clarifying documents, and additional training for VFSN staff. Memoranda of Understanding between VCCS and the regions also documented agreements.
6. To what extent were program materials and processes sensitive to cultural and economic differences among participants and locations?	The program operated with sensitivity to cultural and economic differences. Materials were made available in Spanish and English, and translation services were provided when necessary in the service context. Participants included recent immigrants to the U.S. and those with diverse backgrounds. Participants reported feeling respected by coaches and case managers.

Research Questions	Findings
7. To what extent did VCCS and the AJCs apply learning from the evaluation and other sources to decision-making about the program?	A major source of information for decision-making was the project reports compiled by VCCS and regional leads from the state management information system. VCCS used the interim feedback provided through the evaluation to see and address common challenges in the local areas and to institute additional data review. This project did not leverage information from other Working Families Success Network projects or similar programs.
8. What is the potential for sustaining and/or expanding the program?	VCCS does not intend to continue the VFSN at the state level. The regional workforce boards each made their own decisions about whether to continue the VFSN; none did in the form implemented under the project. Regions did, however, seek out new funding and partnerships to continue to offer financial literacy and coaching to their AJC customers; those sites that established new links to such services are doing so through referrals to outside organizations. The VFSN project offered important insights for implementation of the Casey model, and potentially other similar strategies in AJCs.
9. How did participants rate the value and effectiveness of the services they received? What was their overall satisfaction with the VFSN?	The most valued services were access to training, budgeting, credit reports/credit repair, resume help, and supportive services. Participants who responded to the satisfaction survey or who joined in focus groups or interviews generally saw value in the services because of the changes the program brought about for them, but some also saw shortcomings in the supportive services process and staff responsiveness. Of survey respondents, 88% would recommend the VFSN to others. Forty-three percent agreed that being in the VFSN had affected how they handled money.
10. To what extent have The Benefit Bank® and My Budget Coach® been implemented? How satisfied were staff users and partner agencies with the implementation of these tools?	VFSN staff and partner agencies were unsatisfied with The Benefit Bank® tool. Staff saw the tool as unhelpful because their customers had nearly always been screened for benefit need prior to reaching the coach, and most staff discontinued use of it. Partners were not happy with it, not because of its quality, but because the Department of Social Services had its own data system and the scope of use was too narrow within Virginia. The My Budget Coach® tool was viewed favorably by nearly all coaches, but they used it sparingly as not all customers wanted to work on their budgets. Some saw the modules as too inflexible. Both tools had very low utilization in the VFSN.

Other Key Implementation Study Findings:

- A lack of clarity at the outset of the program among VCCS and the workforce areas about supportive service policies and some processes hampered implementation in the regions.
- A successful financial coach is both knowledgeable about financial issues and resources and is skilled in helping others toward their financial goals.
- The project faced challenges in recruiting and retaining participants in service. Thirty-eight percent of WIOA customers offered the opportunity opted to join the VFSN, and 37% of VFSN participants met with their coaches just once or twice.
- Staff turnover had both negative and positive effects on the momentum of program activities.
- Customers of the workforce system face barriers that make it difficult for them to participate regularly in financial coaching; their engagement in the VFSN was helped by supportive services and persistent efforts by coaches. Program participants must be motivated to undertake financial changes.
- VCCS staff gained new perspectives on the challenges of the workforce system in working closely with the different workforce regions on the project, and the regions left the project continuing to see value in financial coaching for job seekers. After the grant concluded, several of the regions sought out additional funding and partnerships in order to make financial literacy education or coaching available to their AJC customers.

Outcome Findings

Table 2. Impact Findings Summary

Research Questions	Findings
11. Did the treatment group achieve meaningful, statistically significant impacts on the key measures of educational attainment and employment compared to the control?	The treatment group did not achieve improved educational attainment and employment as compared to the control. There was some evidence that educational attainment was better for the treatment group, but that relationship was attenuated once regional variation and individual characteristics were examined, leading to the conclusion that improvements could not be attributed to the VFSN. Employment and wage results showed no statistically significant differences between groups.

Research Questions	Findings
12. Did program intensity affect outcomes?	Program intensity did not affect most outcomes. There was some evidence that increased VFSN service usage was associated with the likelihood of earning a credential and 3 rd quarter employment, as well as increased individual and household income. Dosage was not linked to improved net worth. Note that a large proportion of the treatment group did not receive VFSN services and some outcome data sources may have had sampling and reporting bias.
13. Did outcomes differ by key demographic characteristics (e.g., race/ethnicity, gender, etc.)?	Employment, wage, and credential attainment outcomes did not differ by participant age and African-American status. VFSN participants with higher education and those who were Hispanic/Latino tended to have higher wages in some quarters after program exit. Women had more success in earning a credential but lower initial wages after exiting the program.
14. Did the program achieve the intermediate outcome goals for the treatment group? Are these outcomes statistically significant (compared to those of the control)?	The VFSN reached its intermediate outcome goals for percentage of participants staying on budget, participants increasing assets, and retaining participants in training. It did not reach the goals for employment, decreased liabilities/debts, having a budget, achieving a significant financial event, screening for public benefits, approval for work/education supports, or approval for benefits and income supports. There was no statistically significant difference between the treatment and control groups in likelihood of having and staying within a budget, increased assets, or decreased debts.
15. Does the program achieve longer-term impacts on participants' net worth and net income? Are the outcomes statistically significant when compared to the control?	The treatment and control groups' net worth and net income outcomes were not statistically different. A larger proportion of the control group than the treatment group had higher incomes at follow-up. Forty-nine percent of the treatment group and 52% of the control group had higher net worth at follow-up.
16. Do treatment group participants' credit scores increase between intake and follow-up?	For the small sample where baseline and follow-up credit scores were available (49 cases), participants had an average credit score gain of 29 points after the VFSN. Control group data were not available for this measure. Given the very small sample size and lack of a control, this finding should be treated with caution.

Other Key Outcome Findings:

- Credential earning for the treatment group was statistically significantly higher for Regions 8 and 16 and lower in Regions 11 and 17. Region 16 was particularly effective in helping VFSN participants earn a credential.
- Hispanic/Latino and more highly educated VFSN participants had more VFSN services, but these were weak correlations.
- The VFSN exceeded its target for the intermediate outcome of building assets by 11 percentage points. Goals for the percentages of participants that achieved increased quarterly wages, improved credit scores, and increased net worth were also exceeded.

Cost Findings

Table 3. Cost Findings Summary

Research Questions	Findings
17. What was the per-participant cost of the VFSN as implemented?	Overall, the program cost \$7,900 per customer. This is almost 50% higher than the cost to deliver standard WIOA adult and dislocated worker services across the regions. The VFSN service cost varied by region, from a two-year average of \$2,139 to \$12,353 per customer.
18. Did the VFSN enable greater success for participants at a reasonable cost than the standard AJC service-delivery approach?	The VFSN did not deliver better outcomes for the AJC customers than the standard approach, and was not cost effective given its higher per-participant cost.

Other Key Cost Study Findings:

- The startup costs to the workforce areas were modest.
- Additional supportive services resources, while highly valued by staff and customers, were expended at a low rate. Costs were far below the original \$1,000 per participant estimate.

Research Limitations

The findings should be understood in the context of several research limitations:

- A highly mobile and barriered study population, dispersed across the state, made it particularly difficult to gather primary data from participants over an 18-month period. This led to low survey response rates.
- Credit score increase as a measure of success was limited to the treatment group of the RCT. Scores were reported at baseline by coaches, but follow-up scores had to be obtained from participants.

- All financial data, other than wages with employers who report to the Commonwealth of Virginia, was self-reported by study participants.
- Virginia has a substantial Federal employee population and some regions border other states; it is unknown how many study participants are employed with the Federal government or others that do not report wage data to Virginia and how many are employed across state lines.

Conclusions and Recommendations

- The VFSN as implemented did not show impact on customer employment, educational, or financial outcomes when comparing treatment and control results. However, the project provided many insights into what is involved in implementing financial coaching and bundled services in AJCs, with lessons learned at the local and state levels that may have value in Virginia and for other workforce agencies.
- The lack of a smaller-scale pilot of the VFSN in AJCs prior to launching the program in six regions meant that many issues had to be worked through before it was fully operational. The number of people who would be interested in the VFSN and would be active with its financial coaches could have been more accurately predicted if a pilot had been conducted. To improve the activity level in a financial coaching program, customer motivation should be assessed prior to enrollment. A program would do well to set conservative program targets based on center intake numbers and uptake and attrition estimates of roughly 40% and 45%, respectively.
- Center operator/staffing turnover and buy-in are critical considerations for a program of this type, as are lines of authority and communication state-to-region and within regions. Where bundling of services is expected, accountability measures must also be put in place.
- Successful financial coaches may come from a variety of backgrounds, but they should have skill in working closely with diverse individuals and have knowledge of financial services and resources. If they are to work in the workforce system context, they also need knowledge of how that system operates and the ability to coordinate with other staff, such as case managers.
- Supportive services under WIOA were insufficient to meet customer needs, and the VFSN provided valuable additional resources. Future workforce development innovations should consider offering supports, with greater flexibility than possible currently under WIOA, in conjunction with other program services.
- As has been discovered in other financial coaching programs in addition to VFSN, a lengthy coaching engagement expectation for customers (i.e., 9-12 months) is not realistic; once customers complete training or find employment, they have little reason to return to the workforce centers. Shorter-term and flexible coaching services may be most practical for customers.

- Some measures of VFSN service intensity were not associated with improved outcomes. Higher dosage appears to have contributed to better results for educational attainment, individual and household income, and third quarter employment.
- The project exceeded its intermediate goals for percentages of participants increasing assets and meeting the goal of staying within their household budget, and nearly reached the goal for retention in training, but did not achieve other outcomes goals set in its logic model.
- The VFSN was not sustained in any region, although some areas planned to refer AJC customers to financial empowerment centers and other resources in their communities and sought grants for similar programming. These approaches suggest other paths for providing financial coaching in conjunction with workforce services.
- Further research of financial coaching models, how to better engage program participants in services, and why certain demographics are or are not attracted to financial coaching programs could aid the field. Financial coaching programs should include a mechanism for capturing credit scores beyond participant self-reports.

Introduction

"I think we need to do a better job of incorporating financial literacy into our centers and programs . . . We want people to have a self-sufficient wage, but you need to know how to spend it." – Regional workforce board director

Program Overview

The Virginia Financial Success Network (VFSN) provided access to a bundled set of services to help the target population—Adult and Dislocated Worker Workforce Innovation and Opportunity Act (WIOA) participants—on the path to their financial and employment goals.

The Virginia Community College System (VCCS) created the VFSN through a Workforce Innovation Fund (WIF), Round 2, grant awarded by the U.S. Department of Labor (USDOL). VCCS has responsibility for the state's workforce system and coordinating the work of its community colleges. A total of eight of the 15 Local Workforce Investment Areas (LWIAs) from across the state implemented the program in their American Job Centers (AJCs).

Program Theory and Components

Theory of Change

The VFSN was modeled after the Annie E. Casey Foundation's Working Families Success Network (Casey model) and was the first scaled application of financial coaching in a public workforce system. The Casey model had been demonstrated in community colleges across the country, and VCCS had had early experience with the model at four of its community colleges (i.e., the Working Students Success Network).⁵

⁵ Achieving the Dream, an initiative of the Lumina Foundation and seven founding partners, began in 2004 with a goal of increasing student success at colleges and universities. Among various programs undertaken within Achieving the Dream, the Working Students Success Network was implemented in four states to offer students help with their financial needs and career plans. For more information, see: www.achievingthedream.org.

The theory of change for this project was based on several assumptions:

- The best way to improve the financial stability for low- to moderate-income families is by helping to simultaneously boost income—through obtaining public benefits as well as training for, finding, and keeping a good job—and manage expenses.
- Education, training, support, financial assistance, and coaching services work best when delivered in conjunction.
- Reducing expenses, obtaining public benefits, and removing barriers to employment leads to increased net value of earnings.

The VCCS drew on previous studies of programs similar to the VFSN for its theory of change. High-touch financial coaching has been a vital component of similar interventions, programs, and models.⁶ The bundling of services had also shown value for participant outcomes in other programs.⁷ Other financial coaching programs demonstrated success by increasing participants' income, decreasing their debt, enhancing their chances of owning a home or car, and/or improving their credit scores—all key indicators of long-term financial stability. These programs have also been effective at integrating supportive programs, improving cultural responsiveness to the needs of low-income individuals, and broadening engagement and collaboration with external partners.⁸ Please refer to the appendices for the project logic model.

Services

The VFSN was designed to provide greater financial stability to job seekers by bundling three pillars of services: workforce and education services, income and support services, and financial services (Figure 1). The addition of a financial coach and expansion of income supports beyond what is normally provided to AJC customers was intended to support the success of job seekers in several ways. Additional income supports would be available to help mitigate financial crises and facilitate improved training and employment outcomes. Providing the opportunity to work one-on-one with a financial coach was expected to help customers decrease

⁶ Achieving the Dream, "Working Families Success Network in Community Colleges: Definitions and Expected Design Elements," March 2015, https://effectiveness.lahc.edu/academic_affairs/ewd/wssn/Shared%20Documents/WFSNCC%20Definitions%20and%20Design%20Elements%203-4-15.pdf, accessed April 18, 2019.

⁷ Cynthia D. Liston and Robert Donnan, "Center for Working Families at Community Colleges." (Durham, NC: MDC, 2012), 7.

⁸ Achieving the Dream, "Working Student Success Network," n.d. (a), available at <http://achievingthedream.org/resources/initiatives/working-students-success-network>, accessed April 18, 2019.

debt, build assets, improve their credit standing, and achieve increases in net income and net worth.

Workforce & Education Services		
Assessments	Career & Education Plan	Employability Skills
Basic Education	Occupational Training	Academic Supports
Job Search Support	Job Placement	Job Retention
Income & Support Services		
Financial Aid Application	Benefit Screening	Tax Preparation Service
Earned Income Tax Credit (EITC) Review	Emergency Financial Support	Benefit Application
Financial Services		
One-on-One Financial Coaching	Credit Report Review	Financial Education Workshops
Budget and Balance Sheet Creation and Review	Affordable Financial Products	Savings Vehicles

Figure 1. Service Pillars

The VFSN, as designed, included providing participants with services in all three pillars at the AJCs. The WIOA case manager was primarily responsible for the employment and education services, while the VFSN financial coach focused on income supports and financial services. The exact services delivered depended on the needs and goals of the customer. VCCS anticipated that services could continue for 9-12 months per individual, but there was no minimum VFSN service period. Exit from WIOA did not preclude continuation with the VFSN, although policies on VFSN exit were the purview of the workforce boards.

Target Population

The VFSN intervention was targeted toward those over age 18 who were also enrolled under the WIOA Adult or Dislocated Worker (Title I) programs. The project set out to serve 1,800 individuals in VFSN, with an equivalent number of individuals recruited to serve as a control group for the purposes of assessing impact.

Project Partners

The key partners in the VFSN project included select VCCS staff, local workforce area boards and directors, center operator organizations, center managers, VFSN financial coaches, WIOA Adult and Dislocated Worker case managers, WIOA eligibility specialists, and VFSN assistants, as well as staff from other partner organizations. Originally, six workforce regions joined the project: Regions 3, 6, 8, 11, 16, and 17 (2015-2019). Two additional regions joined later, Regions 9 and 12 (2018-2019).

VCCS sought out technical assistance from MDC, an organization that had been involved in launching college-based versions of the Casey model. New tools for the

VFSN included two resources: The Benefit Bank® platform, for public benefit eligibility checks and certain applications, and My Budget Coach®, a 12-module budgeting education and tracking tool.⁹

The regions varied greatly from the start and included both rural and urban areas, as well as low and high unemployment rate areas, bachelor's degree attainment, population, diversity, and income areas.

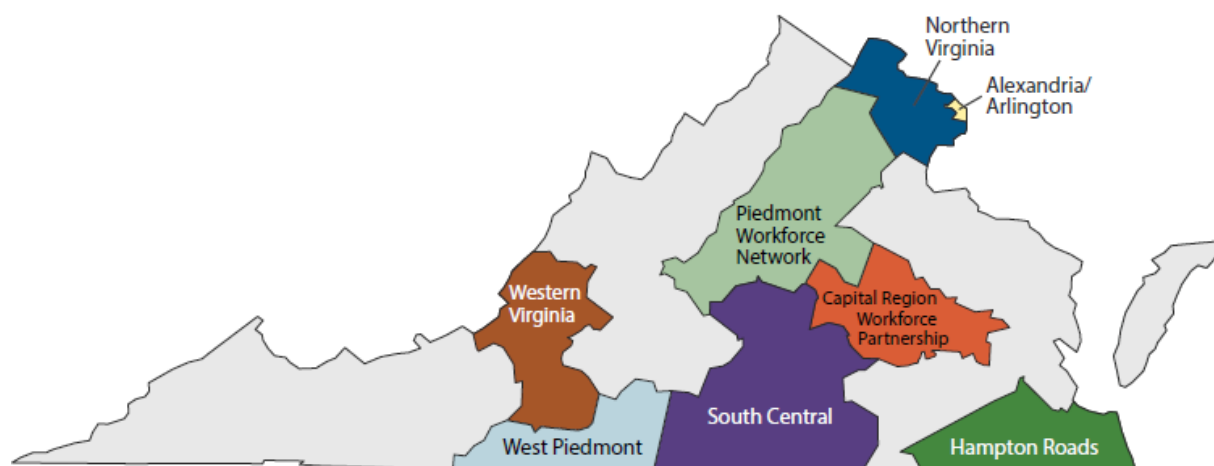


Figure 2. MAP of Local Workforce Investment Areas in Study

The participating workforce areas represented a diverse set of communities across the Commonwealth, both economically and demographically. Of the regions included in the VFSN, Areas 11 and 12 (in the Washington, D.C. metro area) had the highest per capita incomes and the highest percentage of adults over age 25 with college degrees. The heavily rural areas included in the study, such as Areas 8 and 17, had the lowest per capita income and the lowest rates of adults over age 25 with college degrees. The economic characteristics of the eight participating regions are included in Table 4 below.

During the time of the study, average unemployment for the eight regions fell from 5.9% (January 2014) to 3.2% (January 2018).¹⁰ At the same time, the average unemployment rate for the Commonwealth fell from 5.7% to 3.2%. The growth of the statewide economy and the overall low unemployment in the regions meant

⁹ My Budget Coach® is the product of About Financial Health. The Benefit Bank® is the product of Communally.

¹⁰ "Virginia's Career and Workforce-Labor Market Information," accessed March 22, 2108, Workforce Investment Regions, <https://data.virginialmi.com>.

that potential clients at the conclusion of the study were increasingly more difficult to employ and tended to have multiple barriers to employment.

Table 4. VFSN Workforce Areas: Key Characteristics

Region	Unemployment Rate (%) Jan. 2014¹¹	Unemployment Rate (%) Jan. 2019¹²	Unemployment Rate Change (%) Jan. 2014-Jan. 2019	12-Month Per Capita Income, 2017¹³	College Degree Holders, 2017 (%)¹⁴
3	5.8	3.1	-2.7	\$24,697	23.2
6	5.0	2.9	-2.1	\$32,860	32.8
8	8.0	4.2	-3.8	\$18,230	20.5
9	5.6	3.2	-2.4	\$36,497	37.5
11	4.6	2.8	-1.8	\$43,209	50.5
12	3.6	2.4	-1.2	\$57,019	61.8
16	6.1	3.4	-2.7	\$26,670	27.3
17	8.5	4.0	-4.5	\$22,544	16.2
Virginia	5.7	3.2	-2.5	\$36,268	37.6

Table 5 below shows the population by workforce area and by race and ethnicity. The regions varied in size from more than 2.1 million in Area 11 to just 183,880 in Area 8. The regions were also very diverse, both ethnically and racially. In six of the areas, African Americans, Asians, and Latinos/Hispanics comprised more than 30% of the population.

¹¹ Ibid.

¹² Ibid.

¹³ In 2017 dollars. U.S. Census Bureau QuickFacts – July 1, 2018, Income and Poverty.

¹⁴ U.S. Census Bureau QuickFacts – July 1, 2018, Education.

Table 5. VFSN Workforce Areas Population by Race and Ethnicity (2018)¹⁵

Region	Population (total)¹⁶	White¹⁷	African American	Asian	Hispanic or Latino	Other¹⁸
3	334,781	92.6%	4.5%	1.0%	2.1%	1.8%
6	430,006	84.5%	11.0%	1.5%	5.3%	3.1%
8	183,880	62.3%	34.8%	0.7%	2.9%	2.4%
9	1,084,424	68.9%	24.7%	2.5%	4.3%	3.8%
11	2,106,308	68.0%	11.0%	12.8%	22.0%	5.0%
12	395,000	68.9%	15.8%	8.5%	16.2%	4.5%
16	1,182,822	55.2%	37.8%	2.3%	4.3%	3.7%
17	184,422	67.6%	29.1%	0.5%	4.0%	2.2%
Virginia	8,517,685	69.7%	19.8%	6.8%	9.4%	3.6%

Evaluation Design Summary

The evaluation of the VFSN began with the grant award and included three components: an implementation study, an impact study, and a cost study. The implementation study design used qualitative and quantitative data collected through administrative records, interviews, site visits, surveys, focus groups, observations, and fidelity assessments. A randomized controlled trial (RCT) involving the six initial sites and 803 treatment and control group participants measured the impact of the VFSN on participant outcomes. Cost allocation and cost effectiveness analyses investigated the costs of this model at the site level, as compared to the standard service-delivery approach.

The evaluation plan included regular opportunities for learning by the VCCS team and the site staff. VCCS served as the data intermediary for the evaluation and oversaw data quality and the data-sharing process with the evaluator.

Research Questions

The evaluation was framed around research questions in each study area: implementation, impact, and cost. The questions were established through discussions with VCCS and others, the program logic model, and the literature

¹⁵ U.S. Census Bureau QuickFacts – July 1, 2018, Race and Hispanic Origin.

¹⁶ Ibid.

¹⁷ Percentages may not total 100% due to rounding.

¹⁸ “Other” includes Indian and Alaska Native, Other Pacific Islander, and Two or More

review conducted at the outset of the evaluation. The implementation questions focused on who was served, staff training, variations in services, fidelity to the model, the resources and timeline for project implementation, attention to cultural and economic differences among participants, application of learning from the evaluation, sustainability, participant satisfaction, and use of and satisfaction with key tools. The impact questions sought to test the effect of the program on participant intermediate and impact outcomes, effect of intensity (number of visits, length of participant duration) on outcomes, and differences in outcomes by key demographic characteristics. The cost questions focused on understanding the per-participant cost for the VFSN and whether the program was cost effective.

Table 6. Implementation Research Questions

Implementation Questions	Outcomes
1. Who is served by the program? What are their characteristics and patterns of participation? 2. How were staff trained in the model? What was the level of satisfaction among staff with this training? 3. What are the primary elements of the VCCS VFSN as it is applied in the targeted AJCs? What variation exists in the level of services received? What explains this variation? To what extent was fidelity to the model maintained across the sites? What site-specific adaptations were made and why? 4. Did the program unfold as planned and on the intended timeline? What resources were required to execute the planned program? 5. How did AJCs, VCCS, and partner organizations work together to implement the VFSN? How were any challenges addressed, including policy and process changes made to allow VFSN implementation? 6. To what extent were program materials and processes sensitive to cultural and economic differences among participants and locations? 7. To what extent did VCCS and the AJCs apply learning from the evaluation and other sources to decision-making about the program? 8. What is the potential for sustaining and/or expanding the program? 9. How did participants rate the value and effectiveness of the services they received? What was their overall satisfaction with the VFSN? 10. To what extent have The Benefit Bank® and My Budget Coach been implemented? How satisfied were staff users and partner agencies with the implementation of these tools?	• Positive working relationships, effective coordination • Consistent application of the model • Delivery of the service bundle to participants • Screening for public benefits • Establishment of a budget • Strong participant and partner satisfaction • Learning applied for continuous improvement • Program challenges overcome • Program positioned to be replicated, sustained

Table 7. Impact Research Questions

Impact Questions	Outcomes
11. Did the treatment group achieve meaningful, statistically significant impacts on the key measures of educational attainment and employment compared to the control? 12. Does program service intensity affect outcomes? 13. Did outcomes differ by key demographic characteristics (e.g., race, gender, etc.)? 14. Does the program achieve the intermediate outcomes goals (asset increase, liability decrease, training retention, spending within budget) for the treatment group? Are these outcomes statistically significant (compared to those of the control)? 15. Does the program achieve longer-term impacts on participants' net worth and net income? Are the outcomes statistically significant when compared to the control? 16. Do treatment group participants' credit scores increase between intake and follow-up?	• Training retention • Credential attainment • Employment and retention • Increased hours and wages (career advancement) • Credit rating improvement if poor at intake or maintenance of 630 or above • Increased net income and net worth (financial events, stability; asset increase and liability decrease) • Spending within budget

Table 8. Cost Research Questions

Cost Questions	Outcomes
17. What was the per-participant cost of the VFSN as implemented? 18. Did the VFSN enable greater success for participants at a reasonable cost than the standard AJC service-delivery approach?	• Maximize outcomes at reasonable cost • Sustainability and replication

Evaluation Period

The evaluation began with the grant start on October 1, 2014 and continued until service delivery completed in summer 2019. The WIF Round 2 grants were designed to include a planning year (year one), three implementation years (years two through four), and an evaluation follow-up year (year five). VCCS opened enrollment in VFSN as scheduled on October 1, 2015 but continued to serve participants into the fifth year with permission from USDOL (until June 30, 2019).¹⁹

Originally, the evaluation planned to include all three annual cohorts in the RCT (grant years two through four). However, at the midway point of program implementation (March 2017), given the study enrollment level and the lengthy service period of the VFSN program, Public Policy Associates, Inc. (PPA) and VCCS agreed to forego the third annual cohort for the RCT in order to provide the evaluation with more consistency in the follow-up period ²⁰ and allow the project to serve all interested clients in the VFSN. As shown in Figure 3, customers in the third cohort were still consented and included in the implementation study. Study participants from the first and second cohorts remained in their respective groups (treatment or control) and at no time were the control group clients provided the VFSN services.

¹⁹ At the time of the performance extension, VCCS understood that the project could continue to serve individuals through September 2019; however, USDOL later shortened that period to June 2019. VCCS and the sites then had less time than expected to reach the performance target.

²⁰ In the original evaluation design, the follow-up periods for the cohorts would have been staggered at 18 months, 12 months, and 9 months, due to limitations on the evaluation period. With the change in plans, the follow-up period was changed to a consistent 18-months for both cohorts in the RCT.

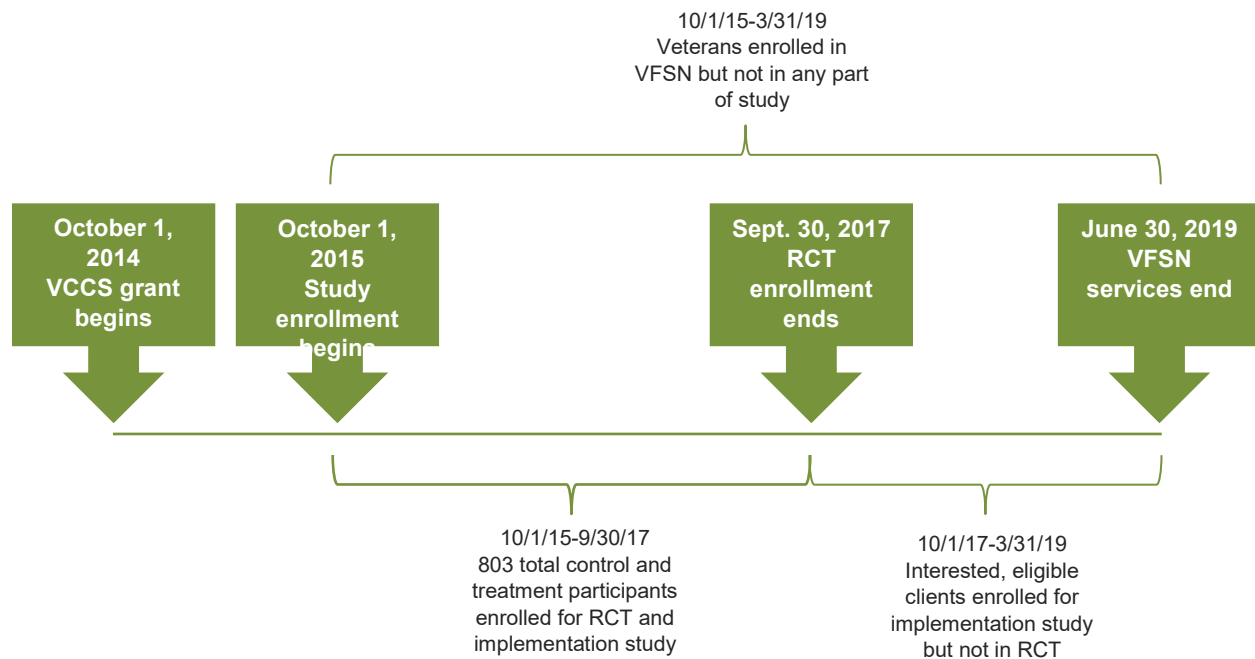


Figure 3. VFSN Study Groups Timeline

Implementation Findings

"We were living paycheck to paycheck so [the financial coach] helped me organize where to put my money (some in savings, some towards the credit card, etc.)." – VFSN participant

Preparation

The 12-month period following award of the grant to the VCCS was a planning year, as was the case with all of the WIF Round 2 grantees. From the time the WIF grant was awarded until roughly January 2015, the VCCS team worked on an implementation plan, communicated with the evaluation team about the research design, and began to form a site-selection process. The project was staffed by a small, core team at the VCCS and included a project director, communications specialist, finance and procurement specialist, and grants manager.

With an October 1, 2015 launch date on the horizon, the VCCS team intensified their efforts to ensure that the implementation plan stayed on its intended timeline. For the first several months of 2015, the team primarily focused on completing the site-selection process and approving the detailed evaluation design, but continued to move forward with other aspects of the implementation plan. For example, changes were made to the VCCS's existing data management system to include a randomizer function for the study as well as new service codes for project performance monitoring.

In April 2015, the VFSN communications campaign began. The project was branded as the Virginia Financial Success Network with its own logo. A video production company was procured to develop a video for the first step in program enrollment—orienting potential participants to the VFSN program and describing potential benefits of participation in the study and the risks. VCCS also created a program "passport" that participants could use to chart their progress through the program, and prepared a list of activities and a suggested sequence (referred to as the "syllabus") that could be part of the VFSN coaches' toolkits.

During April 2015, MDC began providing guidance on how to integrate the Casey model into Virginia's public workforce system and sequence the bundling of services. The original plan was to have secured this consultant by the end of 2014, but due to a lengthy VCCS sole-source procurement process, the contract was not executed until April 2015. This delay precluded MDC from being involved in the early stages of program development. Nonetheless, once the contract was in place, MDC and the VCCS team met to discuss the program in greater detail, describe how the AJC system operated, and identify staff training needs. MDC provided a

training schedule for staff, a sample job description for the financial coach, and weighed in on outcome targets. Initial staff training on the VFSN model was provided by MDC in September 2015.

As the evaluation design was being finalized, the VCCS team and the evaluator worked together to further specify the program's outcome metrics and charted the customer flow for enrollment into the VFSN. By the end of July 2015, VCCS also created materials to orient participants to the VFSN and began the procurement process for a benefits screening tool.

The VCCS created and issued a program manual in February 2017, after intake and services had been underway for over a year. The 200-page manual—distributed to financial coaches and the site leads—contained a communication toolkit, the Working Families Success Network implementation guide (via online link), roles and responsibilities summary, professional development guidance and training guides for coaches, and information and materials related to the study, and other details thought useful for staff reference. Site staff reported that they would have liked to have had this manual earlier, at the start of the program.

Site Selection

VCCS recognized that for the grant to be implemented effectively there would need to be local buy-in and support for the initiative. A Request for Proposals (RFP) was developed and distributed to all of the workforce areas in the Commonwealth. VCCS conducted an informational webinar for potential applicants.

Eleven local workforce areas responded with interest in participating in the program, and six areas ultimately submitted proposals. All six areas were selected to participate in the VFSN, and all six areas had at least one comprehensive center in their area.²¹ Originally, the implementation plan called for the comprehensive centers to be the locations where coaching services would be delivered in each of the participating areas. However, the areas quickly expanded their outreach and recruiting efforts to offer the opportunity to customers at their satellite locations.

By the end of July 2015, the VCCS team had developed, negotiated, and finalized Memoranda of Understanding (MOUs) with the six areas. The MOUs provided an overview of the program model, detailed the responsibilities of each of the program partners, and specified the allowable uses for funding. The MOUs also specified the guidelines for performance, documentation and reporting requirements, and

²¹ Comprehensive centers in Virginia are American Job Centers where WIOA partner agencies and other community-based providers are co-located. Other smaller satellite centers also serve customers within the regions.

expectations for communication. Enrollment targets for each of the sites were included in the MOUs based on the average per area per year proposed in the grant application; these targets were not negotiated with sites.

Participating AJCs reported that the agreement process moved quickly and with little difficulty, resulting in only minor modifications to each local area's budget and very few challenges arose. One difficulty was a change in the indirect cost rates for the sites. The original project plan included a rate of 5% but new Uniform Guidance required that rate be adjusted to 10%. This meant that all of the MOUs required revision before implementation could proceed. Following this, there was still one site that required a different indirect cost rate, one that was the same as what they receive as a direct recipient of federal funds. After some negotiation, this concern was addressed and the site proceeded with participation in the VFSN.

In addition, each of the local areas determined how they would or would not use the supportive service dollars attached to the grant and developed a number of innovative ideas. One region declined to accept these funds as the region's long-standing practice was to not provide support services that were not directly related to employment and to seek out and utilize community partners for all other needed supports.

The original six sites proceeded with the project, with an official launch date of October 1, 2015. In January 2017, VCCS added two additional workforce regions to the VFSN project bringing the total of participating sites to eight. The two new sites were both predominantly urban areas and were chosen intentionally to increase the number of job seekers exposed to and engaged in the VFSN. Both sites went through the same MOU negotiation process as the original six sites, but did not have to incorporate considerations relevant to the RCT in their customer intake and service processes since their participation commenced after RCT enrollment had ended.

Site Staffing and Training

The WIF grant supported the hiring of a full-time financial coach in each region. In addition to helping clients with budgeting, debt management and reduction, asset-building financial education, and financial coaching, financial coaches were expected to provide assistance obtaining work and income supports, such as student financial aid, public benefits, and free tax preparation. By October 1, 2015, three of the local areas had hired their financial coach. The remaining three sites had difficulty finding well-qualified individuals for this position, causing a delay implementing the provision of VFSN services. By November, the remaining three sites had hired their financial coaches. Coaches had varying levels of experience with the public workforce system and not every coach came to the position with a background in finance or related field, but most of the coaches had previous experience with coaching or advising.

The grant also supported a part-time assistant position to help with program marketing, recruitment, and to help build connections to the case management staff to support the bundled service approach. Initially, the VCCS plan was to utilize AmeriCorps VISTA members for this role, but complications to this process and the time frame for making these placements forced the VCCS to develop alternate plans. Instead, the VCCS decided to secure interns drawn from local community colleges, although this plan was also altered due to local challenges. Ultimately, the sites were allowed to hire part-time assistants to support the financial coaches. Further delays in hiring for these positions occurred as local areas waited for budget revisions due to this change. Local demand for the position was limited due to low program enrollment, but by the end of July 2016, four of the six areas had hired their VFSN assistants and by the end of the first year of implementation a fifth assistant had been added within the project.

To prepare for their role, VFSN financial coaches received training from the VCCS and a number of project partners, including MDC and Commu**ally** (formerly Solutions for Progress, the vendor for The Benefit Bank® and My Budget Coach® tools). The most extensive training was conducted in fall 2015 around the time of the launch of the VFSN. MDC also provided ongoing training to the coaches in person, through conference calls, and at periodic gatherings of VFSN staff. The coaches received financial literacy training CDs and printed materials from the FDIC Money Smart program and Virginia Credit Union's Smart Start and Money Wise curricula. The initial cohort of coaches was certified through VCCS as Virginia Adult Career Coaches by the end of 2016. The process involved attending in-person and online trainings and preparing a capstone report.

Training and Resources Available to VFSN Coaches

- Virginia Adult Career Coach Certification, provided by VCCS
- Association for Financial Counseling, Planning, and Education online courses leading to certification in financial counseling and financial coaching
- My Budget Coach® Training Manual, an online guide to how to work with clients using the tool; technical assistance was available from Commu**ally**
- The Benefit Bank® (TBB) Training Guide and training available from Commu**ally**; a help desk was also available for consultation as needed
- Money Smart for Adults, a comprehensive financial education curriculum from the Federal Deposit Insurance Corporation
- Virginia Credit Union Smart Start Financial Literacy Curriculum consisting of online modules primarily targeted for use by secondary school teachers and students
- Virginia Workforce Professionals Academy, an annual conference that focuses on a wide range of issues and practices

- HIRE Ed, an annual conference of community college and workforce development professionals focused on addressing needs of businesses and job seekers
- VFSN annual forum, a one-day gathering focused on sharing information to enhance delivery of the VFSN program
- Monthly conference calls of VFSN coaches and VCCS project team
- Events and peer learning delivered locally, generally specific to WIOA
- Other online resources sought out independently by the VFSN coaches

There was no standard process established by VCCS for preparing new coaches; on-boarding plans for the financial coaches were left to the participating regions. VCCS did provide many opportunities for training and professional development for the coaches. These included programs focused on aspects of financial literacy and wellness, such as through My Budget Coach® and the Financial Education Roundtable of Hampton Roads; adult career coaching; and practices relevant to enhancing services in the workforce system. Coaches also participated in workgroup sessions during the annual Virginia Workforce Professionals Academy to share information with one another on how to enhance delivery of the VFSN program.

Coaches noted that the frequency with which some training was available (e.g., the Career Coaching training provided by VCCS) and the extent to which their work responsibilities enabled them to participate in training were two factors that limited how quickly they were able to take advantage of training and professional development opportunities.

Coach Turnover. Program implementation was challenged by coach turnover throughout the program period. During the second year of implementation, two regions had replaced their financial coach. By the end of the third year of implementation, all but one of the sites had experienced a turnover in the financial coach position and all of the part-time assistants had turned over as well. Having become more familiar with the nature of financial coaching and what was required of a financial coach, the regions focused on identifying candidates that had stronger backgrounds in the finance industry and more experience coaching. As was the case with the first cohort of financial coaches, the new hires came from both within and outside the workforce system. In all cases, replacement coaches had the opportunity to shadow departing coaches.

Each of the regions reported that they developed an on-boarding process for their new coaches that included working with the departing coach for up to two weeks (when feasible) and/or with other local staff who could help with their orientation. That process also involved clarification of the role they were to play in the VFSN, with substantial time dedicated to how to navigate the state's workforce information management system, Virginia Workforce Connect (VaWC).

Site Partners

At the comprehensive centers, partner agencies such as social services, veterans specialists, and rehabilitation services staff were co-located with WIOA program and VFSN staff. Coaches expended considerable effort early in the program to reach out to center partners and other service provider organizations in their communities to generate referrals to the program and discover ancillary programs that would benefit VFSN participants. This outreach process was repeated each time new coaches were hired. In general, however, referrals from outside organizations did not produce many new VFSN enrollees.

For the most part, VFSN operations and collaboration was limited to each center's WIOA staff and coach, but there were some instances where regions worked more closely with an outside partner to serve VFSN participants. For instance, Region 16 partnered with an outside organization, Bank On,²² which offered a ten-month course on financial empowerment and access to financial coaches. Classes met once a month in the evening or on the weekend and participants worked through a series of financial topics designed to improve financial security. BankOn only started classes three times a year, so it was not always available to VFSN participants. The two programs' staff worked together to share best practices and guest speakers. Region 9 relied heavily on an outside credit repair organization to work with VFSN participants on issues related to their credit, using a referral process. Overall, most partnerships that were developed with outside organizations served to address customer needs the financial coach could not, but did not contribute to participant recruitment in any substantial way despite positive support for the VFSN among partners.

VFSN Customer Attraction and Intake

Recruitment

Clients that had been enrolled in WIOA since July 2015 and new WIOA enrollees were the priority populations for VFSN outreach. Sites used a variety of approaches to connect with these populations, including social media, flyers, and conversations within the community intended to spur interest in the program. VFSN assistants

²² Bank On's goal is to provide "safe and affordable financial products and services" in collaboration with local government, community-based organizations, and banks and credit unions. Among its central activities are helping consumers establish bank accounts. Source: Cities for Financial Empowerment Fund, n.d., <http://joinbankon.org/wp-content/uploads/2017/05/Bank-On-Guiding-Principles.pdf>.

sent out e-mails and letters and made phone calls to current WIOA enrollees to ensure they were made aware of the opportunity. Case managers provided information about the VFSN to WIOA clients during regularly scheduled meetings or informational sessions. Each region had a slightly different approach based on their local culture and ways of doing business. For instance, smaller regions could do the entire intake process at one meeting, whereas larger regions tended to require multiple steps and a group orientation to WIOA before VFSN enrollment. Over time, the outreach process solidified in the six original VFSN sites, although it took over a year for the process to become well-ingrained at the centers. The two newer regions established their own processes based on the experiences of the original sites.

Recruitment was a challenging process throughout the grant period, with sites making changes to their approaches along the way to try to increase the participant volume. During the second year of program implementation, VCCS began requiring that sites track outreach efforts as it became apparent that recruiting participants was a common issue across sites. Outreach data were entered into the VaWC system by local staff in order to more effectively track each region's efforts. The state set a goal for the regions to offer the VFSN opportunity to all new WIOA enrollees in the Adult and Dislocated Worker programs. The outreach activities tracked included targeted outreach via postal mailings, e-mails, and phone calls to customers, plus the viewing of the VFSN video and other study enrollment steps. In an effort to determine how aware customers were of the VFSN opportunity, PPA researchers conducted intercept surveys with a small number of customers in Regions 3, 6, 11, and 16 over an approximately one-hour period in both 2017 and 2018. Approximately one-third of the center customers had heard about the VFSN, indicating that the message about the VFSN was not consistently reaching the target population.

Leading up to the closure of the RCT in fall 2017, the sites reflected on what changes to their processes might be helpful. One of the primary changes implemented was to immediately introduce the coach to customers and set up "warm handoffs" from case managers to coaches at the time of program enrollment. Sites reported that clients seemed to be more interested in the VFSN when they had the opportunity to meet the coach prior to enrollment (something that was not allowed during the period of RCT study recruitment to avoid biasing participation decisions and creating cross-contamination). Regions also engaged case managers more actively in delivering introductions and reintroductions to the VFSN opportunity during the course of a customer's WIOA enrollment. Crucial stages identified for introductions of the program to customers included during the initial WIOA intake, at the completion of training, and at placement in employment.

Between July 2017 and June 2018, 1,666 adult and 763 dislocated workers were offered the opportunity to join the VFSN, with some receiving multiple attempts from staff. Of those offered the program via outreach materials from the sites or

shown the VFSN introductory video, 38% enrolled in the VFSN, including veterans.²³ This figure provided a sobering guideline for how many customers could be expected to join the VFSN.

Enrollment

Each region tailored the VFSN intake process to fit in with their WIOA intake process, within the general parameters of the VFSN model. Due to the nature of the RCT study, certain procedural steps had to be followed to maintain study integrity. This involved first enrolling in either the Adult or Dislocated Worker WIOA programs, then the case manager provided the customer with information about the VFSN, having the customer view the VFSN orientation video, and then providing consent and baseline financial information. Participation was optional for all customers.²⁴ Once these steps were complete, participants were selected for either the treatment or control group and informed of their status. Coaches or VFSN assistants would reach out to schedule meetings with treatment participants while those in the control group would continue working with their case manager on WIOA activities.

Variations in the intake process occurred primarily in the sequencing of providing general information about the VFSN and WIOA program enrollment. Most of the AJCs had informational flyers available and VFSN assistants would often provide general information about the VFSN to individuals utilizing the centers' resource rooms.

In total, the sites enrolled 1,504 participants in VFSN, including 188 veterans, out of the targeted 1,800. Of the VFSN participants, 387 in the treatment group, and 416 WIOA customers were randomized into the control group. VCCS had set a target of 1,800 customers in the VFSN, with an equal number in the control.

Challenges

Client Motivation. Surveys of program participants revealed that most individuals enrolled in the VFSN for the purpose of "reducing debts or repairing credit." Other motivating factors included "career planning and preparing for a new job,"

²³ "WIF – Outreach/Participant Report," July 1, 2018-June 30, 2018, provided by VCCS to PPA, August 2018.

²⁴ Veterans and eligible spouses received information about the VFSN services, but were not able to participate in the study. If they wanted to join, they were placed directly into the program, without completing the various study-related steps. This is due to veterans preference-of-service policy, which prevented veterans from being randomized. For further information on USDOL policy, see: Pub. L. 107-288 (38 USC 4215) of the Jobs for Veterans Act and USDOL TEGL No. 10-19 (Nov. 10, 2009).

“enrolling in and paying for education and training,” and “creating a household budget.” In addition, focus group and interview data revealed that many participants recognized that they needed better control over spending and do more saving and looked to the VFSN as a resource for addressing those behaviors. The availability of supportive service funds to address some of their barriers to employment and training was also a common motivation among participants. Thus, for those who participated, the VFSN offered a way to address needs they saw they had and they were motivated to act.

“Even though I’m thrifty, I guess I just don’t have the knowledge to be successful. I never have been able to be successful financially, no matter how hard I try.” – Focus group participant

Despite some customers having a ready interest in the VFSN, getting enough customers to commit to the program was a major challenge throughout the project. This is not unheard of for financial coaching programs. Findings from a 2015 study of financial coaching programs in two different sites found that, “even with the offer of free services, roughly one in two people decided to forgo the potential opportunity.”²⁵ It was noted many times during discussions with VFSN staff that customers often come to the AJC focused on training and education that would lead rapidly to employment and customers simply were not interested in bundling financial coaching with education and employment services. Customers also had multiple hurdles to contend with such as transportation and child care that prevented them from visiting centers regularly, a necessity for establishing a solid VFSN coach-client relationship. Other frequently mentioned challenges in getting customers to enroll in the program were an unwillingness to share details of their financial situations and an inability to see the value of financial coaching when they were not currently earning wages.

Staff Level of Effort. Simply maintaining consistency of effort in recruitment and enrollment was a challenge for the regions. All of the regions had some degree of staff turnover, either with a new center provider coming on line, new leadership, new case managers, new financial coaches, or new assistants. In some regions there was turnover in multiple positions at the same time. In many instances, staff turnover caused a slowdown in program enrollment as new staff had to be trained on the program and enrollment procedures.

²⁵ Brett Theodos, et al., *An Evaluation of the Impacts and Implementation of Financial Coaching Programs* (Washington, DC: Urban Institute, October 2015), 93.

Initially, the role of the case managers—and center leadership support for their participation—was not sufficiently understood as critical to the recruitment process. Small local incentive strategies for staff, including the VFSN participation in new center operator agreements, and greater attention to performance reports in the later years of the project helped to increase enrollment.

Process Efficiency. One change that was made early on to address staff concerns that the intake process involved too many steps was to provide enrollees access to the consent and baseline survey off site. To complete the baseline survey, individuals needed to access their personal financial information, e.g., bank balances, credit card statements, and loan information. This generally required that individuals had to come back to the center to complete VFSN enrollment. Case managers were given a business card with the web address so customers could access the consent and baseline survey online. In addition, VFSN-related information needs were added to the checklist of materials that customers should bring to their WIOA appointment; since potential participants were already required to bring specific paperwork to their WIOA intake appointment, this made for a smoother intake process.

Participant Characteristics

VFSN participants were recruited from existing and new Adult and Dislocated Worker WIOA customers. Understanding the characteristics of those who elected to pursue financial coaching through the VFSN can help to identify the characteristics of those for whom this program resonates and may help similar program iterations target outreach processes and materials effectively.

Demographics²⁶

Key demographic characteristics for VFSN participants and the general Adult and Dislocated Worker WIOA population statewide from October 1, 2015 (the start of VFSN study enrollment) to March 30, 2019 (the final day for enrollment) are presented in this section. This study did not examine the reasons for differences, where they existed, between the VFSN enrollees and those enrolled only in WIOA. The VFSN did not set out to serve any particular demographic, other than those

²⁶ z-tests were run for statistical significance of differences in demographics. In addition, a chi-square test was used to test differences in the distribution of age and education levels. The VFSN population was removed from the overall WIOA population for these analyses.

with low incomes. The total sample size for VFSN participants was 1,316. The total comparison sample of WIOA clients (including VFSN) was 18,101.

The most common demographic description of a VFSN participant was that of a low-income, unemployed, African-American female under 45 years old with a high school diploma or equivalent, making up 15.7% of all participants.

Low-Income Status. The VFSN served its primary target audience of low-income individuals and households. The vast majority of the VFSN population was identified as low-income, as was the overall WIOA population. The difference between the WIOA and VFSN population was not statistically significant.

WIOA – 78.6% were low-income at enrollment

VFSN – 79.9% were low-income at enrollment

Employment Status. The percentage of those employed at enrollment in the VFSN was very similar to the employment status of the overall WIOA population at the time of enrollment into WIOA; a minority of both populations was employed. The difference between the WIOA and VFSN population was not statistically significant.

WIOA – 27.7% employed at enrollment

VFSN – 29% employed at enrollment

Education Level. As shown in Table 9, the highest level of educational attainment for the majority of the VFSN population was a high school diploma or GED, which was roughly equivalent to the portion of the WIOA population with the same level of education. There were higher percentages of individuals with some college as well as those with associate's degrees or postsecondary certificates among the VFSN population than the WIOA population overall; however, the WIOA population had higher percentages of individuals with less than a high school diploma and a four-year degree or higher. This suggests that individuals with a bachelor's degree or higher as well as those with less than high school level education did not see themselves as needing financial coaching. Overall, there was a statistically significant difference in education levels between VFSN participants and the WIOA population as a whole.

Table 9. Education Level of Customers

Education Level	WIOA	VFSN
Less than H.S. grad*	12.7%	8.1%
H.S. grad or GED	52.4%	53.1%
Some college	10.7%	11.9%
Associate's degree/ postsecondary certificate*	12.1%	18.0%
Bachelor's or Graduate degree*	19.7%	8.9%

*Statistically significant difference ($p < .05$). VFSN N = 1,316. WIOA N=18,101.

Race and Ethnicity. More than half (56.7%) of VFSN participants identified as African American, slightly higher than the 50.4% of the overall WIOA population that similarly identified. There were also smaller percentages of those identifying as Hispanic/Latino or White in the VFSN than the percentages of those similarly identifying in the WIOA population.

Table 10. Race and Ethnicity of Customers

Race/Ethnicity	Virginia WIOA	VFSN
Hispanic/Latino*	6.0%	3.9%
American Indian/Alaska Native	1.7%	1.9%
Asian	3.0%	3.3%
African American*	50.4%	56.7%
Native Hawaiian/Pacific Islander	0.3%	0.2%
White*	40.3%	33.3%
Multi-racial	2.8%	2.6%

*Statistically significant difference ($p < .05$)

Gender. More women enrolled in the VFSN than men. The VFSN population also had a larger ratio of females to males than the overall WIOA population. The difference in the proportion of females reached the level of statistical significance.

WIOA – 56.2% female; 43.7% male

VFSN – 67.1% female; 32.9% male

Age. VFSN participant ages ranged from 18-74, with a mean age of 38.3 years. While the age group with the largest representation in the overall WIOA population is those aged 18-24 years, the age group with the most representation among the VFSN participants is those aged 25-34 years. Thus, those participating in the VFSN were somewhat older, on average, than the WIOA population as a whole. Overall there was a statistically significant difference in the age distribution between the VFSN and WIOA populations.

Table 11. Age of Customers

Age Range	WIOA	VFSN
18-24*	28.1%	12.2%
25-34*	22.9%	30.3%
35-44*	19.1%	25.0%
45-54*	16.4%	21.5%
55+*	9.1%	11.0%

*Statistically significant difference ($p < .05$). VFSN N = 1,316. WIOA N=18,101.

Barriers to Employment. The barriers to employment experienced by those who enrolled in the VFSN differed from Virginia's general WIOA population in several ways. While the most common barrier for both populations recorded was "low income," the next most common barrier for the WIOA population was "basic skills deficient/English language learner"²⁷ (23.9% compared to 5.6% for VFSN) while "single parent" was the next most common barrier for the VFSN participants (18.7% for VFSN and 14.6% for WIOA). The VFSN pool of participants also had a smaller percentage (8.5%) of individuals who were ex-offenders than the overall WIOA population (11.9%). The VFSN was either not set up to serve certain special populations and/or the program was not marketed to or promoted well among these populations.

The two regions with higher numbers of Spanish-speakers among their WIOA customers anticipated that this group could be served with VFSN. At the outset of the project, a Spanish-language orientation video script, consent package, and evaluation surveys were made available. Regions 11 and 12, which have larger immigrant populations than other areas, worked with individuals from diverse language and cultural backgrounds.

Table 12. Barriers to Employment

Barrier	WIOA	VFSN
Displaced homemaker	0.2%	0.3%
Older individual*	9.0%	10.8%
Homeless/runaway	2.1%	1.7%
Basic skills deficient/English language learner*	23.9%	5.6%
Single parent*	14.6%	18.7%
Long-term unemployed	7.6%	7.7%
Ex-offender*	11.9%	8.5%

*Statistically significant difference ($p < .05$). VFSN N = 1,316. WIOA N=18,101.

²⁷ These barriers are combined in the Virginia WIOA data set.

Financial Characteristics. The baseline financial survey—completed at enrollment into the study, prior to randomization—resulted in data from both the treatment and control groups, as well as those that enrolled in VFSN after the RCT intake had closed. The baseline survey asked respondents to provide information on their current assets and debts in several categories, including income, savings, homeownership, as well as mortgage debt, student loans, and credit card balances. A complete list of the information asked on the baseline survey is included in Appendix B. VFSN study enrollees were advised to have documentation with them while completing the survey, but it was not always the case that documentation was present or available. As such, the information provided through the baseline survey should be understood as estimates of financial condition that are self-reported. Between October 1, 2015 and March 31, 2019 there were 1,730 individuals that completed the baseline survey.

Assets. Eighty-three percent of all study participants reported having at least one type of asset at enrollment, such as owning a home or an automobile. The median value of all assets was \$2,000.

The most commonly held asset among participants was a bank account, with 65.1% of them having at least one. At the time of program entry, the median bank account balance was \$105.

More than half (56.6%) of VFSN participants reported owning at least one vehicle; the median value of those vehicles was \$4,500. Vehicle ownership made up approximately 9.3% of the total value of all assets held by participants.

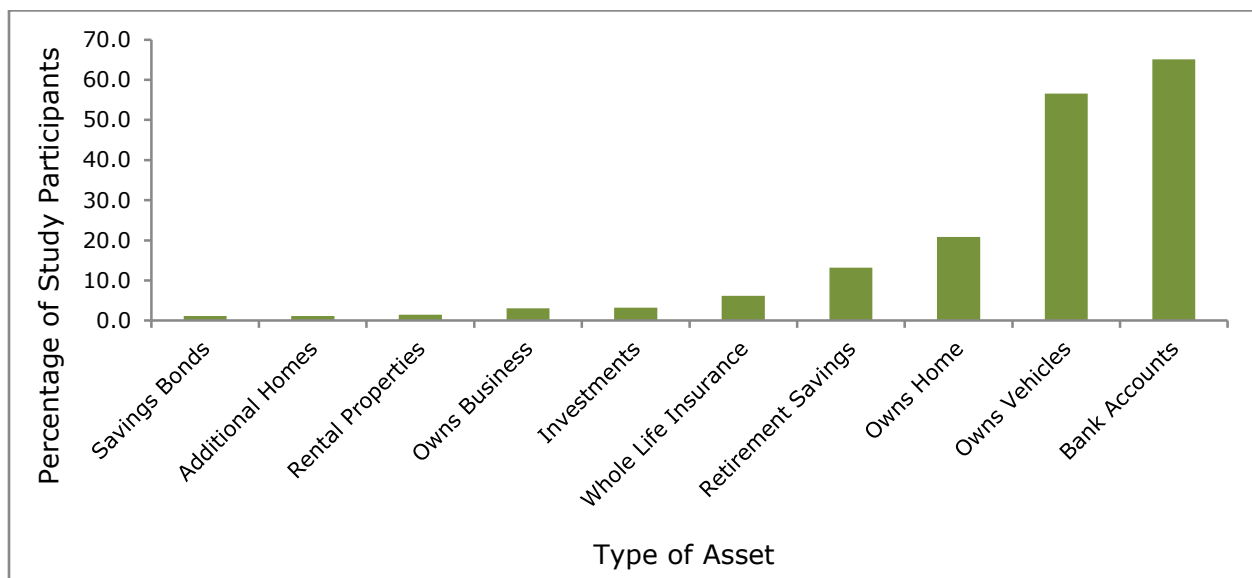


Figure 4. Study Participant Assets (N = 1,730)

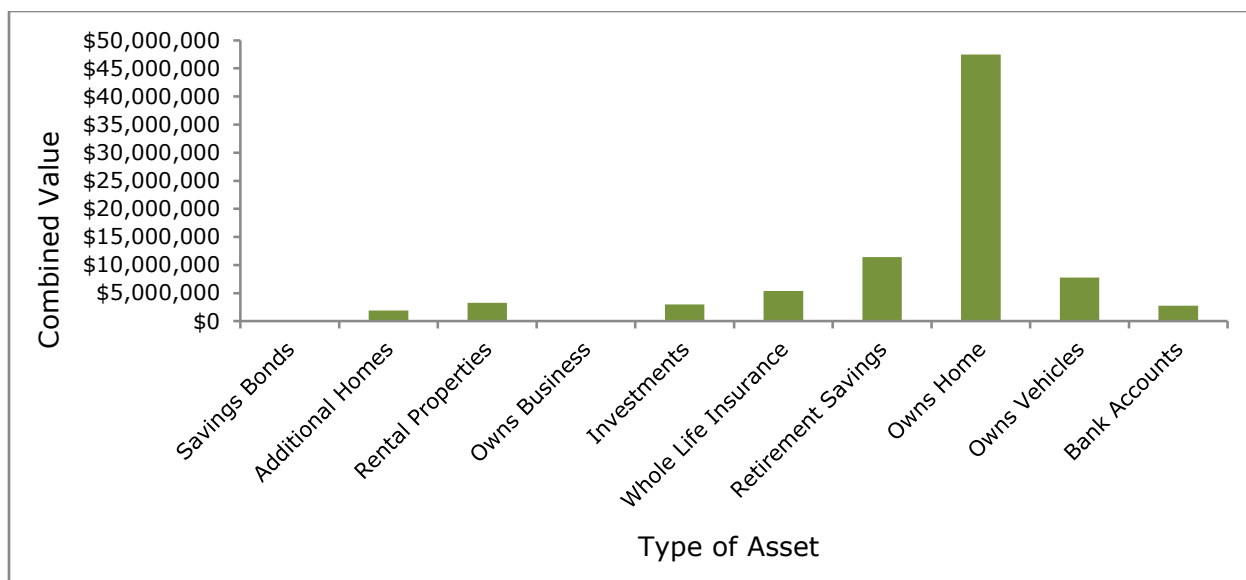


Figure 5. Combined Value of Assets (N = 1,730)

Owning a home contributed the highest dollar value to study participants' assets. While only 20.8% of them reported being homeowners on the baseline survey, the value of those assets represented 57.2% of all asset value. The median value of their homes was reported as \$80,000.

Retirement savings were the second-highest-value asset, held by 13.2% of respondents and representing approximately 6.5% of the total value of assets.

Debts. Nearly 84% of study participants reported having some type of debt when entering the VFSN program. More than two-thirds (68.1%) had between one and three types of debt. The median value of combined debts was \$10,800.

Nearly half of all study participants (49.4%) had some type of medical debt. However, this form of debt contributed only 9.5% to the combined debt value.

Another 38% reported having credit card debt, with a median \$2,000 in credit card debt. Almost 60% of those with credit card debt had debt with more than one credit card.

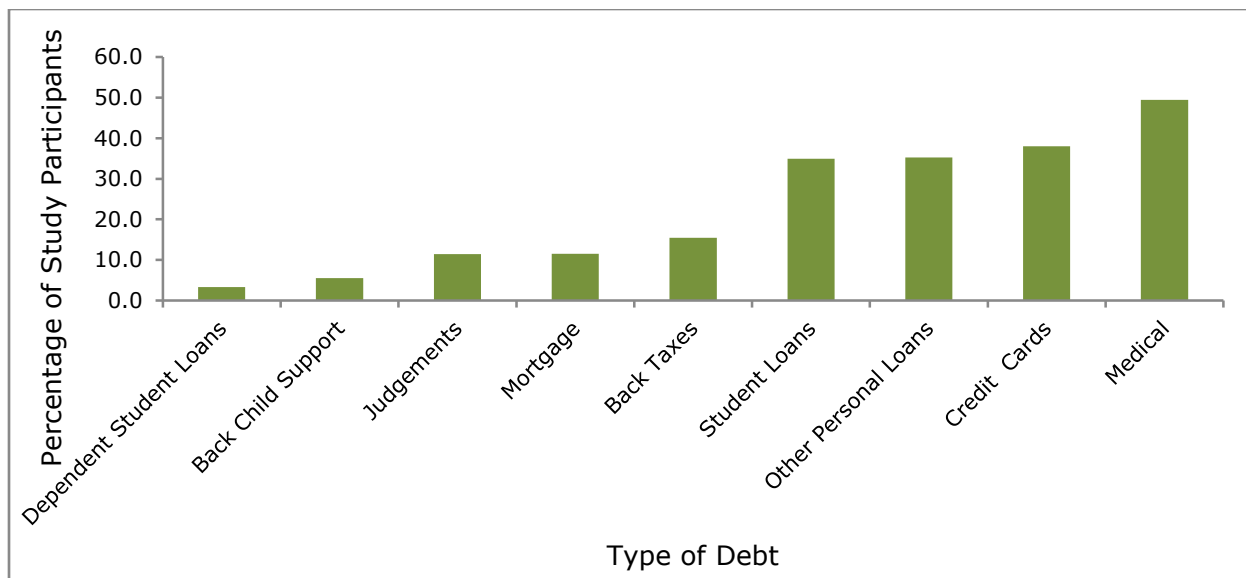


Figure 6. Study Participant Debts (N = 1,730)

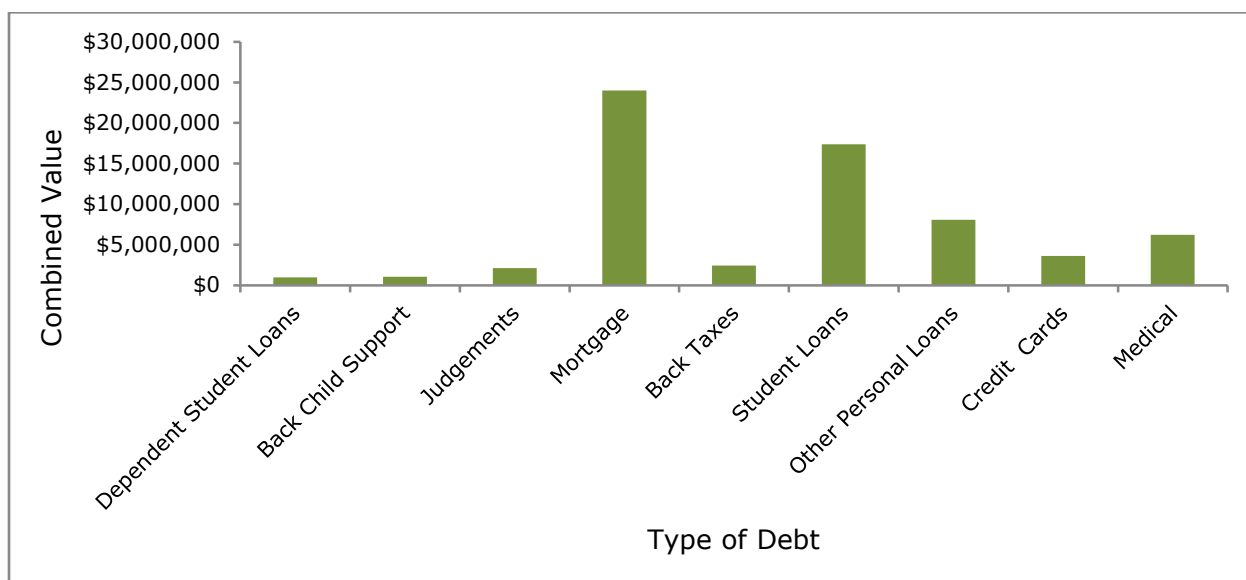


Figure 7. Combined Value of Debts (N = 1,730)

Thirty-five percent of the study participants had at least one student loan outstanding; half of those with student loan debt reported having two or more outstanding loans. Study participants owed a median \$17,104 in student loans.

The largest portion of the combined debt value among study participants was from mortgages, representing 36.5% of the total value. Student loan debt was the next largest contributor, representing 26.4% of the total debt of study participants. Other personal loans were held by 35.3% of study participants and represented 12.3% of the total debt, while credit card debt added 5.5% to the overall total.

Budgeting. At the time of entry into the study, individuals were asked if they have an existing household budget and how frequently they adhered to that budget. Approximately 4 out of 5 (78.9%) study participants did not have a household budget. Out of those that did report having a household budget (363 individuals), 43.3% reported they stuck to that budget always or most of the time.

Credit Scores. Scores at baseline were not captured by site staff for all treatment participants. Of the 122 captured, the mean score was 602 and the median 586, which indicates treatment group members had average to low scores when entering the program.

Service Delivery

Fidelity to the Model

The VFSN was adapted from the model developed by the Annie E. Casey Foundation's Center for Working Families.²⁸ The VFSN was tailored to the needs of clients enrolled in Virginia's WIOA Adult and Dislocated Worker programs and entailed bundling three pillars of services (workforce and education services, income and supports services, and financial services) to improve customer educational attainment, employment rates, as well as net income and net worth outcomes. A WIOA case manager provided education and training services, as well as some income and support services, to VFSN participants while a VFSN financial coach provided financial and asset-building services. Communication and collaboration between the case manager and financial coach was critical for ensuring participants were receiving the suite of services.

The VFSN program intended that participants would receive services from all three pillars with some consistency across all the sites, although the actual uptake and intensity of those services was tailored to each individual participant's needs. The model called for financial coaches to proceed through a syllabus of services with their customers over the course of up to 9 to 12 months, and use program tools such as My Budget Coach® and The Benefits Bank® to support participant progression. Coaches had considerable freedom in determining how they would work with each customer, and the sequencing of coaching services was shaped by the individual's most pressing needs and the extent to which the coach was able to establish trust and rapport with the customer.

²⁸ Annie E. Casey Foundation, Center for Working Families,
<https://www.aecf.org/work/economic-opportunity/center-for-working-families>.

VFSN Syllabus

- Skills inventory documented
- Career and education plans written
- Enrollment in training/education
- VA Wizard assessment
- Net Worth Calculator
- Job market research
- Bank accounts created
- Budgeting Fundamentals
- A Closer Look: Developing the Budget
- Develop savings plan
- Benefits application completed
- Money Habitudes Game
- A Closer Look: Reviewing the Budget & Setting Goals
- Sign up for supportive services
- A Closer Look: A Focus on Financial Organization
- Federal & state tax filing
- Comparison Shopping Worksheet
- A Closer Look: Income Generation
- Identify possible income sources
- Identify possible spending decrease
- A Closer Look: The Importance of Savings
- A Closer Look: Reviewing the Budget & Revising Goals
- A Closer Look: What's in a Credit Report
- Get credit score
- Discuss credit report
- A Closer Look: Pulling the Pieces Together

The degree to which the VFSN was implemented with fidelity to the model was assessed using data gathered from administrative records, case notes, interviews with program staff and leadership, and surveys and focus groups of participants. The evaluation team gave special attention to monitoring adherence to the RCT study requirements including review of each coach's hard-copy files, documentation of customer flow, interviews with program staff and leadership, as well as surveys and focus groups of participants. Further detail on site fidelity to the study requirements is included in Appendix B (Methodology).

The VFSN model was designed within loose parameters, making fidelity a more flexible notion than might be the case with other programs. The bundling of services occurred, but not quite as planned; the financial coaches provided many workforce and education services, which were intended to be the domain of the case managers. This appeared to occur because customers wanted coaches' help with these issues, but also because coaches were not as busy with caseloads due to

low enrollment and so could devote more time to each customer. The staff of most regions implemented the program collaboratively across pillars in many cases, with increasing collaboration among staff occurring as the program continued. The financial coaching that occurred included many of the topics discussed in the syllabus, including budget creation, credit report review, and savings and debt reduction strategies.

The intended time frame for VFSN service, 9-12 months, was almost never the reality for participants. Services were delivered over a much shorter period.

Coach Contact after Enrollment

The initial contact with VFSN enrollees was a critical point of communication and relationship-building between coaches and participants. This contact focused on making introductions, scheduling the first coaching session, or other similar follow-up aimed at connecting the participant with VFSN services. Analysis of case notes logged by coaches in the VaWC, conducted in early 2018 by the evaluation team, found that of the six regions active during the studied period²⁹ financial coaches made at least one attempt to engage the customer within the first month of VFSN enrollment 75% of the time.³⁰ For the remaining cases, no initial outreach was recorded in the case notes. The regional variation that existed among the sites is shown in Table 13.

Table 13. Outreach Made to VFSN Participants Within First Month of Enrollment by Region

Service Area	Frequency
All Six Regions (N = 498)	75%
Region 3 (n = 45)	53%
Region 6 (n = 55)	84%
Region 8 (n = 148)	93%
Region 11 (n = 70)	86%
Region 16 (n = 102)	93%
Region 17 (n = 78)	15%

²⁹ The two VFSN expansion regions had only just begun implementation at the time case notes were analyzed and had not had significant enrollment in the program yet.

³⁰ The overall average is skewed by one region. When that region's low level of recorded contact is removed from the calculation, the average of participants receiving at least one initial contact increases from 75% to 86%.

Although it is not clear why coaches did not conduct outreach with all of the VFSN participants, several possibilities exist. A lack of outreach could indicate a gap in the case note recording, rapid disconnection from the program by some participants after enrollment, or a lack of effort by the VFSN coach or assistant to conduct the outreach in a timely manner. It may also be that, in some cases, coaches preferred to have participants contact them initially, to help ensure that those served were motivated to participate.

Engagement styles and follow-up beyond the first month also varied region by region if the costumer did not respond to the initial contact attempt. Two regions were likely to continue attempts to engage the VFSN participant well into the third or fourth month, while one region often made an initial phone call or e-mail and left responsibility to the participants to contact the coach if they were interested. "VFSN welcome" case notes from that region often stated if the coach did not hear back from the participant within several days to a week, then the coach would assume they were not interested. Participants who did respond to the initial outreach from a coach tended to respond via telephone.

Coaching Events

VFSN participants, on the whole, did not meet very often with their financial coaches. Coaches found it challenging throughout the grant period to engage participants in activities that often competed for participants' time with training and education activities and other demands. Coaches made efforts to meet with their participants outside the AJCs, such as during lunchtime at a place of employment or between classes at the local college, as well as conducting meetings via phone. For those that did meet with a coach, participants received an average of three services per meeting. Nonetheless, most of the participants (37.3%) only met with their coach once or twice. Just over two-fifths of VFSN enrollees never met with their coach at all.

Table 14. Number of Meetings Between Coaches and Participants, n=758

Number of Meetings	Participants
0	42.4%
1	23.9%
2	13.4%
3	6.3%
4	5.2%
5	2.7%
6	1.5%
7	1.8%
More than 7	2.8%

For a variety of reasons, many people enrolled in the program but never attended a coaching session, and many that did attend one session did not continue to meet

with the financial coach. A paper from the University of Chicago examining successful workforce development programs suggested that many organizations conduct assessments of individuals to ensure that the program is a good fit for the prospective participant and to increase their potential for achieving success.³¹ A study looking at LISC's Financial Opportunity Centers (FOCs) also found that only about 59% of job seekers offered the opportunity for financial counseling actually met with a financial counselor.³² Finally, the Urban Institute study of financial coaching programs also found that 63% of people who signed up to receive services never actually attended a coaching session at one site, and at the other site 44% of those that signed up never met with a coach.³³ These figures are all very close to the service uptake witnessed in the VFSN program.

The majority of VFSN participants that received a VFSN service (68.9%) first met with their financial coach within 30 days of enrollment, while an additional 20.7% first met with their coach within the first 90 days.

Table 15. Time Between Enrollment and First Meeting With Financial Coach, n=758

Amount of Time	Participants
7 days or less	35.0%
8 to 30 days	33.8%
31 to 90 days	20.2%
91 to 180 days	9.1%
More than 180 days	2.0%

Provision of VFSN Services

VFSN services were clustered into the three pillars and assigned data entry codes in the state management information system (MIS) to distinguish them from WIOA services. Figure 8 shows the groupings of services that financial coaches might provide to participants. Coaches could assist with any of these services, although

³¹ Elizabeth Weigensberg et al., *Inside the Black Box: What Makes Workforce Development Programs Successful?* (Chicago, IL: Chapin Hall, University of Chicago, 2012), 30.

³² Findings from the Evaluation of LISC's Financial Opportunity Centers, Economic Mobility Corporation, October 2016, PowerPoint Webinar slide deck (9).

³³ Bret Theodos et al., *An Evaluation of the impacts and Implementation Approaches of Financial Coaching Programs* (Washington, DC: Urban Institute, 2015), <https://www.urban.org/sites/default/files/publication/71806/2000448-An-Evaluation-of-the-Impacts-and-Implementation-Approaches-of-Financial-Coaching-Programs.pdf>.

the intention was for case managers to deliver the majority of workforce and education services to VFSN participants, with coaches providing financial services, and both case managers and coaches providing income supports as needed, depending on where the resources came from for those supports.

Workforce & Education Services	Financial Services	Income & Support Services
W01 – Skill inventory documented	W50 – Bank accounts created	W70 – Screened for other non-WIOA benefits
W02 – Career and education plans written	W51 – Budget created that aligns income and expenses	W71 – Sign up for supportive services
W03 – Enrollment in training/education	W52 – Financial literacy training completed	W72 – FASFA completed (source: Virginia Wizard or The Benefits Bank®)
W04 – Job interviews occur	W53 – Credit repair/creation plan developed	W73 – Veterans education and training
W05 – Skill and career assessment	W54 – Debt consolidation plan developed	W74 – Financial aid received
W06 – Credential attainment	W55 – Identify possible income sources	W75 – Benefits received
W07 – Job market research	W56 – Identify possible spending decrease	W76 – EITC received
W08 – Career choices	W57 – Get credit score	W77 – Emergency grant received
W09 – High school equivalency classes	W58 – Get credit report	W78 – Federal tax filing
W10 – High school equivalency testing	W59 – Receive credit counseling	W79 – State tax filing
W12 – Identify eligible training providers	W60 – Research utility discounts	W80 – Develop plan to manage tax refunds
W13 – Meet with academic advisor at CC	W61 – Review insurance policy options	
W14 – Sign up for post-sec courses	W62 – Develop savings plan	
W15 – Work on resume with coach	W63 – Research other services provided by financial institutions	
W16 – Attend career workshops (resume, interviewing, etc.)	W64 – Achieve significant financial event	
W17 – Professional presentation		
W18 – Starting small business		

Figure 8. VFSN Service Codes by Program Pillar

Delivery of the three pillars was not consistent across the sites. The intention was that VFSN participants would receive a bundle of services from all three pillars rather than just one or two pillars. As seen in Table 16, 42.4% of all VFSN participants did not receive VFSN services. The remainder (758 of 1,316) of the

participants enrolled in the VFSN³⁴ received at least one VFSN service, from any pillar. Twenty percent of the VFSN participants received 8 or more of the VFSN services, showing a small but active group were engaged with the program.

Participants in VFSN could, and were expected to receive, education and employment services from their case managers/career developers under WIOA as part of the bundling of services within the AJCs.

Table 16. Percentage of VFSN Participants Receiving VFSN Services, n=758

Number of Services Received	Participants
0	42.4%
1	8.6%
2	5.7%
3	3.0%
4	3.7%
5	3.3%
6	9.0%
7	4.2%
8 or more	20.0%

Services by VFSN Coaches. Unexpectedly, coaches delivered more workforce and education services than financial services; workforce and education services constituted 43.5% of all VFSN services provided during the grant period, with financial services making up 38.4% of all services, and income and support service the remaining 18.1% of VFSN services.

Of the VFSN participants that received any VFSN service, they most commonly received services from their coaches under the workforce and education pillar (38.9% received at least one) or under the financial services pillar (38.9% received at least one). A smaller percentage—28.9%—received at least one income support service from their financial coach.

³⁴ Included here are those in the treatment group and those who enrolled in VFSN post-RCT. Veterans and their eligible spouses received services, but were not in the study.

Education and Employment Services	Financial Services	Income Support Services
513 received services in this pillar from VFSN coaches	507 participants received services in this pillar from VFSN coaches	378 participants received services in this pillar from VFSN coaches
44% of all VFSN services delivered	38% of all VFSN services delivered	18% of all VFSN services delivered
13.1% of participants (the largest group) received six services in this pillar	10.1% of participants (the largest group) received just one service in this pillar	11.9% of participants (the largest group) received just one service in this pillar

Figure 9. Percentage of Participants Receiving Each Type of VFSN Service

"We couldn't do too much at the time [about budgeting] because I was unemployed. Then I got a job and we could do a budget and we talked about improving my credit score." – VFSN participant

The extent to which each of the types of services were delivered varied considerably between the sites, with some areas delivering more workforce and education services and some providing more financial services to participants. The VFSN model included a tremendous amount of flexibility in terms of services provided by the coach. In practice, there was little to no consistency in how much of each type of service any one participant might receive from their coach region to region. In four of the regions, participants received, on average, a greater number of workforce and education services than financial services or income and support services from the coaches. In three regions, participants received more financial services from their coaches than services in other pillars, and one region provided, on average, more income and support services than workforce and education services or financial services.

Table 17. Regional Differences in Delivery of Education and Employment Services and Average Number of Services per VFSN Participant

Service Area	% Receiving a Service From the Coach	% No Service	Average Number of Services per Person³⁵
Region 3	52.5%	47.5%	4.2
Region 6	38.6%	61.4%	2.3
Region 8	54.1%	45.9%	5.7
Region 9	6.0%	94.0%	1.0
Region 11	42.3%	57.7%	1.9
Region 12	45.5%	54.5%	1.7
Region 16	59.6%	40.4%	5.0
Region 17	1.1%	98.9%	1.0

N=1,316

Table 18. Regional Differences in Delivery of Financial Services and Average Number of Services per VFSN Participant

Service Area	% Receiving a Service From the Coach	% No Service	Average Number of Services per Person³⁶
Region 3	41.8%	59.2%	3.2
Region 6	51.5%	49.5%	2.1
Region 8	11.6%	88.4%	3.1
Region 9	32.0%	68.0%	1.3
Region 11	78.0%	22.0%	6.2
Region 12	31.3%	69.7%	3.2
Region 16	53.6%	46.4%	3.0
Region 17	27.6%	72.4%	1.5

N=1,316

³⁵ This average is based on only those participants who received services.

³⁶ As with Table 13, this is conditional on receiving services.

Table 19. Regional Differences in Delivery of Income and Support Services and Average Number of Services per VFSN Participant

Service Area	% Receiving a Service From the Coach	% No Service	Average Number of Services per Person ³⁷
Region 3	47.5%	52.5%	1.2
Region 6	27.7%	72.3%	1.3
Region 8	19.7%	80.3%	1.1
Region 9	6.0%	94.0%	1.0
Region 11	47.3%	52.7%	3.2
Region 12	57.6%	42.4%	3.6
Region 16	27.2%	72.8%	3.2
Region 17	21.1%	78.9%	1.3

N=1,316

Region 9 had a unique approach to coaching, in that their case managers also served as the financial coaches to VFSN participants.³⁸ They appear to have logged nearly all their workforce and education, as well as all of their income and support activities under the WIOA codes rather than the VFSN codes, which reflected their normal course of business.

One other unusual finding in the data was Region 17's low number of VFSN workforce and education services. According to multiple site visit interviews, the coach in this area was working with participants in this capacity but it appears these services did not get recorded in the database.

Services by Case Managers. VFSN study participants worked with a WIOA case manager to address their workforce and education services and their income and support services as well. In total, VFSN participants in the study received 2,420 more WIOA services than VFSN services. However, since all VFSN participants were enrolled in WIOA, but only 57.6% of the participants actually received a VFSN service, those who were engaged with the VFSN program received more services from a VFSN coach, on average, than WIOA services from a case manager.

³⁷ This average is based on only those participants who received services.

³⁸ Regions 9 and 12 came into the project after the randomizer had been closed. For this reason, Region 9's staffing approach for the VFSN was an allowable innovation.

Table 20. Total and Average Number of Services Received by VFSN Participants

VFSN Participants	Total Number of Services	Average Number of Services per Participant³⁹
VFSN services (n=758)	4,834	6.4
WIOA services (n=1,316)	7,254	5.5

To a certain degree, the VFSN coaches added capacity to what the case managers provided under WIOA for the workforce and education pillar. For instance, a participant might turn to a coach for help with a resume, as the coach was more readily available than the case manager, in the customer's perception.

Supportive Services within VFSN. The supportive services under the VFSN were highly valued by customers and staff because they offered more resources than was normally available and addressed needs that might have otherwise gone unmet. VCCS intended that this would allow for innovations in helping customers achieve their education and employment goals. Once regions felt they had adequate clarity about the acceptable uses of the VFSN supportive services, use of these resources increased in most regions. Region 16 is an exception; they declined to accept these funds from the outset. This area relies on partner organizations to provide such supports and did not want the VFSN to conflict with existing workforce board policy.

"VFSN has been filling a gap. . . . We don't replace WIOA funds with VFSN. We couldn't use VFSN first [for supportive services]. We could use it to pay for other things that aren't allowed under WIOA." – Site lead

The regions had to determine how to integrate the additional funds for supportive services from the grant with their existing supportive service funds under WIOA. Most had very limited resources designated for this purpose under WIOA, however. Some regions required a certain number of VFSN coaching sessions before VFSN supportive services were considered. All approvals were made on a case-by-case basis.

³⁹ This average is based on only those participants who received services.

Coaching Tools

As the coaches carried out the VFSN services under the income and support services and financial services pillars, they had access to a variety of tools. Two of these were provided specifically through the VFSN project.

My Budget Coach® Usage

One of the tools available to support the VFSN coaches in their work with participants was My Budget Coach®, a series of 12 online modules designed to help participants work through key financial goals, like creating and managing a budget. The series was designed to be delivered sequentially, but flexibility to move back and forth between modules was possible and was often necessary to better meet participants' needs, according to the coaches. The use of My Budget Coach® was largely determined by whether a coach felt the tool was an appropriate complement to the participants' stage of engagement.

Participants, coaches, and other staff fell into two camps about the timing of work on budgeting. Some saw budgeting as non-productive for those without earnings since there was little to no income to work with and instead focused on other aspects of an individual's financial situation, particularly finding employment, before focusing on budgeting. Others saw the potential of discussing budgets while career paths and job offers were being considered. One region used budgeting discussions to help customers understand how future wages would align with their financial goals and expenses.

Although generally viewed favorably by coaches and its use was highly encouraged within the VFSN, only 15.7% of the 926 participants who signed up for My Budget Coach® completed one session or more. Some coaches and participants may have elected to use other tools, but as shown above, budgeting was but one service under the financial services pillar.

Table 21. Number and Percentage of Participants Receiving My Budget Coach® Sessions

Number of Sessions	Number and Percentage of Participants
1	145 (15.7%)
2	42 (4.5%)
3	34 (3.7%)
4	15 (1.6%)
5	10 (1.1%)
6	7 (< 1%)
7	5 (<1%)
8 or more sessions	7 (< 1%)

The Benefit Bank® Usage

Another tool that coaches had at their disposal was The Benefit Bank®, an online portal to access public benefits and free tax preparation. The VCCS included development of a customized version of The Benefit Bank® in the grant application, which occurred over a period of years and was rolled out to the coaches as modules were available. This tool provided a quick screener to help financial coaches and VFSN participants determine eligibility for benefits. It also offered a path to complete the FAFSA (Free Application for Federal Student Aid) online, register to vote, and file taxes.

Despite substantial effort by the VCCS team to get the necessary approvals at the state level to build out the portal, and providing in-depth trainings for the VFSN coaches, The Benefit Bank® was barely utilized by VFSN participants. (See the Project Administration section for further information about development challenges.) During the period of October 1, 2015 to June 1, 2019, only four of the regions recorded *any* client activity in the system. There were 28 participants that provided the system with household information (essential for use of the system), with 27 of those being assisted by a coach or counselor and one accessing self-serve. Sixteen participants completed a federal tax return through the portal (total refunds \$25,657) and 14 completed a state tax return (total refunds \$2,940), including a total of \$12,557 in Earned Income Tax Credits. Only one client completed a benefits application.

Table 22. The Benefit Bank® Usage Within the VFSN

Feature	Number of Participants
Completed a benefit application	1
Completed a federal tax return	16
Completed a state tax return	14
Registered to vote	0
Submitted the FAFSA	0

The VFSN financial coaches did not see The Benefit Bank® as having added value. The coaches reported that most of their customers had already been screened for benefit needs earlier in the WIOA intake process, already had accessed benefits, or simply were not interested in exploring public benefits. The most popular use of The Benefit Bank®—tax filing—could also be done elsewhere for free, such as at a VITA (Volunteer Income Tax Assistance) site in the community. Benefits could also be applied for directly through the Virginia Department of Social Services' online tool, Common Help. In the end, The Benefit Bank® was utilized much more narrowly than originally planned.

“Most of the time, the people that would qualify for SNAP or TANF, they’d already gone to Social Services before [seeing] me.” – VFSN financial coach

In addition to My Budget Coach® and The Benefit Bank®, the coaches regularly supplemented their coaching with various calculators, informational materials, and other resources they found online that they thought would help customers during the coaching process or provided themselves with greater background. Use of additional tools was not consistent across sites or well documented by the program. Early on, VCCS staff directed coaches to some materials. Many of the additional tools and resources were identified through coach initiative or in-program sharing coach to coach.

Success Stories

Region 3

A dislocated worker joined the VFSN program due to mounting financial concerns about paying for rent, utilities, and food for his family of five. The financial coach helped him identify food pantries in the area and identified other opportunities for supplementary assistance, such as SNAP and energy assistance. Although the client was initially hesitant about accessing these services, with support and encouragement from his coach he agreed to consider them. His financial coach offered to help him complete applications for programs to address his basic needs while he continued his employment search.

Region 6

A VFSN client came into the program without a job and was considering bankruptcy. With the help of her WIOA case manager, the client started a new job and began meeting regularly with her financial coach to budget her income and set financial goals. As she managed her budget, she shared what she learned through VFSN with her new housemate. She felt supported by her coach and was inspired to continue making progress toward her personal and financial goals.

Region 8

A transit driver was relocated by her employer to a new area that she could not afford on her current pay. The VFSN case worker and financial coach were able to meet with her, help her establish a budget, cut costs, and then got her trained in IT, and she secured a job with a major IT company. She got on a path towards improvement and found employment with a strong possibility of advancement.

Region 9

When he came to the VFSN program, a participant considered himself to be poor and stated that he had no useful knowledge on finances. After being in the program, the same participant said he was managing his money better, saving, and chipping away at debt.

Region 11

A recent immigrant joined VFSN while working to attain a college degree in the United States. Her financial coach helped her find ways to save money and identified supportive services to assist her while she was working part time. She also benefitted from tax advising and improved her credit score over the course of her participation in VFSN. Through it all, she reported gaining confidence in herself

and her abilities, and looked forward to furthering her education and improving her employment opportunities.

Region 12

A single parent of four worked per diem in the home health care industry. After beginning her Certified Nursing Assistant (CNA) training course and VFSN financial literacy courses, she needed assistance with her car and rent. While continuing her training program, the VFSN coach provided those supports and helped her to develop an emergency savings plan. With the support of her WIOA case manager and VFSN coach, the client received her CNA certification, experienced a pay increase, and tracked her spending and saving habits.

Region 16

When an ex-offender approached the workforce center for assistance with training for employment, he was introduced to the VFSN program. Through one-on-one meetings with his financial coach and group learning sessions, he learned a great deal about the financial system and how to be “financially fit.” He developed a budget, improved his credit score, and created a plan to ensure continued financial success with the wages from his new, full-time job.

Region 17

A VFSN client entered the program on the verge of eviction with no savings and no job. Her coach described a job in commercial driving, and she was excited about the opportunity to address her transportation, income, and housing needs. Her WIOA case manager moved quickly to approve funding for the necessary training, and the client was ready to begin class in one week. After she completed training, she got a job and was quickly promoted to independent driving. The client continued to work with her VFSN financial coach after employment to budget her new income and save for the future, with the goal of starting her own business.

Participant Perspective

VFSN participants were surveyed by the evaluation team six months after enrolling in the program to assess their level of satisfaction of VFSN services, their interactions with their financial coach and WIOA case manager, and their overall experience with VFSN. In addition to the satisfaction survey, the evaluation team conducted focus groups or interviews with participant in all eight regions, which provided further insight on the participant experience.

Interaction with Financial Coaches and Case Managers

Participants reported that a major positive of their experience was the relationships they formed with their financial coach and case manager. The majority of the participants found the financial coaches and case managers to be helpful and supportive. Participants commonly felt that the VFSN provided them with accountability. Participants liked setting short and long-term goals and then reporting their progress back to their financial coach and/or case manager. They also found great value in simply having the opportunity to converse with someone in a one-on-one setting. An encouraging support system and being counseled at the center in a non-judgmental fashion was also highly valued by participants. It was often the case that participants identified these interpersonal relationships, more than any specific coaching or career service, as the most valued aspect of their VFSN experience.

"Just holding myself more accountable [was valuable] . . . and especially just thinking about the future [VFSN made] me more conscious about how I spend and what I invest in so that when I do retire, I have something to be comfortable with." – VFSN participant

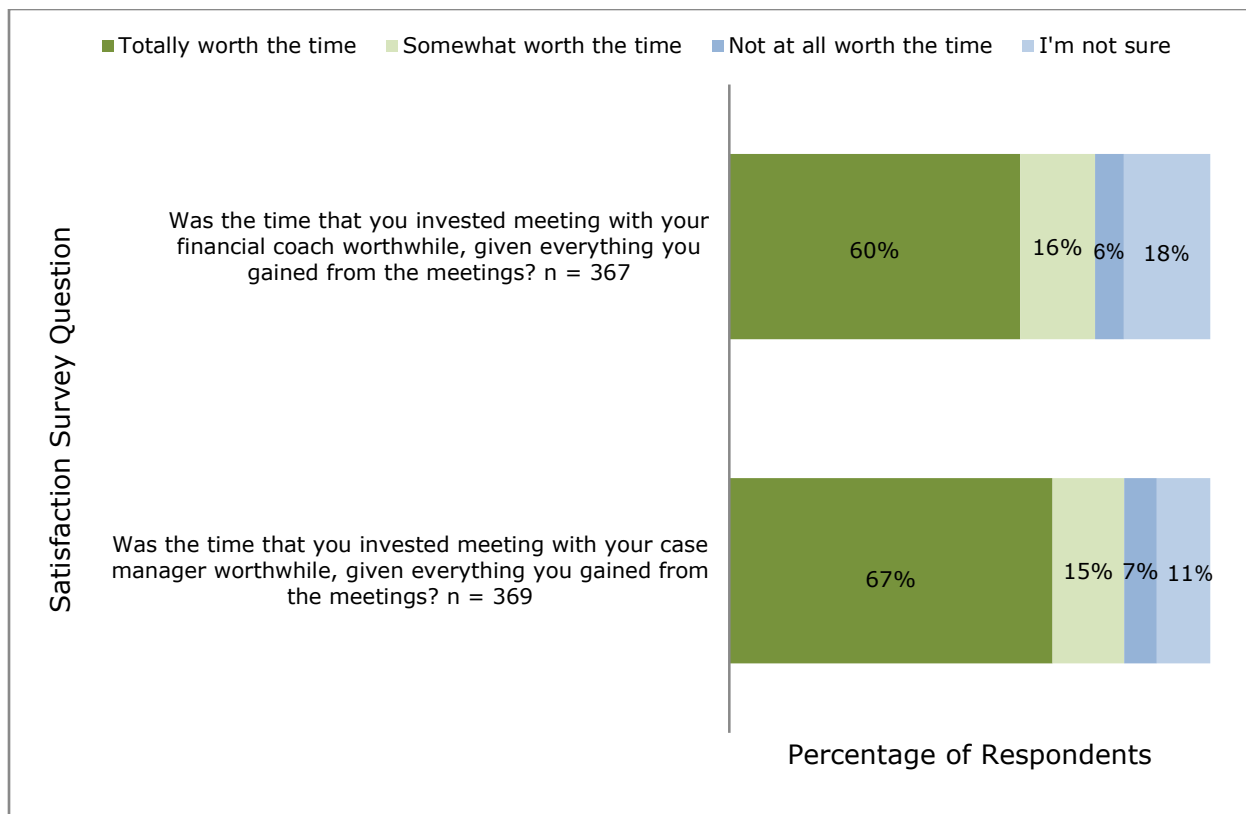


Figure 10. Participant Experience with VFSN Financial Coach and Case Manager, VFSN Participant Satisfaction Survey

When asked about the worthwhileness of the time spent with the coach and case manager, most participants thought meetings were “totally” worthwhile (60% and 67%, respectively). Eighteen percent of respondents were not sure about the value of meetings with their coach.

Self-Reported Behavioral and Psychological Change

When asked about the most important concepts or skills gained from participating in the VFSN, almost a third (32%) of survey respondents described a range of beneficial changes involving spending, saving, and budgeting. These participants believed that the VFSN helped them establish more responsible spending habits, including understanding how to prioritize needs over wants. In addition, they reported that the program taught them the importance of saving for the future and emergency situations, as well as how to create budgets.

“[Before participating in VFSN] I would throw my money in the pile and anything left over [I would say I’m] going out! [The financial coach] has helped me identify where my [spending] habits are and bring it back in.” – VFSN participant

Many of the focus group participants shared that the VFSN program made them more aware of the importance of finances and provided them with greater overall knowledge of financial concepts. Managing debt and how to repair one's credit score were areas where participants felt their knowledge had improved. This new knowledge provided those participants with increased confidence and a sense of empowerment when it came to their personal finances.

"One thing they taught me was to make sure to pay in cash if you can, don't go racking up debt [on credit cards]. Save money, even if you only save \$5, save money. [The financial coach] was telling me it doesn't matter how much you save, just start saving!" – VFSN participant

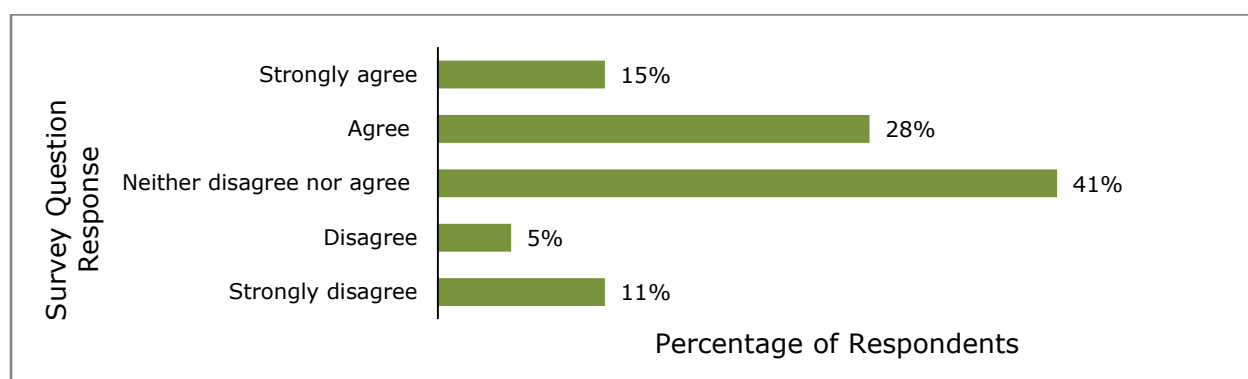


Figure 11. Do you think the VFSN program has changed the way you handle your money?, VFSN Participant Satisfaction Survey (n = 373)

Most Valued Services

In regions that offered supportive services, many of the focus group and interview participants found these funds were extremely helpful. Several participants stressed that income and support service funds, specifically those which were transportation-related, allowed them to achieve their career goals.

88% of Survey respondents would recommend the VFSN to other people.

Receiving "hints and advice" about credit repair from financial coaches, was another commonly cited service that participants found particularly valuable.

"[Financial coach] helped me with improving my credit score. . . . I had such low scores. My score now is 669 and I worked hard on that with the help of [financial coach] and the hints she gave me." – VFSN participant

Budgeting and resume help also was reported as very helpful to many participants. Finally, some participants found value in the fact that the VFSN program assisted them with connecting to other resources and community organizations. Social services, technical and career training opportunities, job fairs, and legal help were some of the commonly referenced resources that participants noted.

"There are many services that I never knew were available to me. . . . This program has helped me utilize resources and gain support." – VFSN participant

VFSN Participant Dissatisfaction

Although the majority of focus group and interview participants, and satisfaction survey respondents, expressed high levels of satisfaction with the VFSN, this experience was not universal. Participants who were generally satisfied with their VFSN experience also expressed frustrations and complaints with certain dimensions of the program.

75% of survey respondents said they did not have any disappointments or frustrations with VFSN.

Unclear Services and Policies. Program staff intentionally talked about the VFSN with participants as one program that included the coaching and the WIOA services, so much so that participants could not always distinguish between what was under the scope of the coach and what was under the case manager. While this was a positive indication of successful service bundling, participants reported not always being clear about the range of services within the VFSN, and some later expressed that they felt they had missed out in some way (e.g., transportation assistance).

"It was frustrating to find out three months after I began the program about all of the things I was missing out on." – VFSN participant

Some staff were especially cautious about discussing available supportive services in early meetings so as not to focus customer attentions on those items before needs and motivations were better understood. Others saw the supports as helpful and necessary to keep participants engaged and assist them in their training and employment goals. Participants, depending on region, sometimes had a very narrow understanding of the VFSN, speaking mainly of the supportive services and training they received or attempted to receive, demonstrating little awareness of the other career and financial coaching services that were available.

Moreover, what was an allowable supportive service generated a lot of concerns, complaints, and a general sense of confusion in focus groups. As staff were not

always clear on allowable supports early in the program, this lack of clarity unfortunately carried over to customers and led to frustration when denials occurred. Other participants were not satisfied with the process for getting supports or were confused by it (e.g., reimbursement rules and timing).

Scheduling and Access. Focus group participants and satisfaction survey respondents found it challenging at times to schedule to meet with their case manager or financial coach due to school or work obligations during regular business hours. Participants also expressed difficulty in attending VFSN appointments simply because the geographic locations of their respective workforce center necessitated a long commute. There were also a few instances when participants attempted to contact the workforce center to set up appointments and they either experienced difficulties reaching the appropriate individual, or when they did get in contact, they did not receive a call or e-mail back confirming an appointment. Staff turnover at the centers also sometimes interfered with participants continuing to receive services or to develop a relationship with staff.

Level of Financial Information. Additionally, for some, the content of the financial coaching sessions was described as introductory and not suitable for individuals with a more advanced level of financial literacy.

“[In my view] the only clients who would benefit are the VERY entry level with no financial skills [Someone would only benefit if] they don’t know how to balance a checkbook or use Excel to put together a household budget.” – VFSN participant

They expressed a sense of frustration that their financial coach would not adapt and customize the program to their specific financial goals.

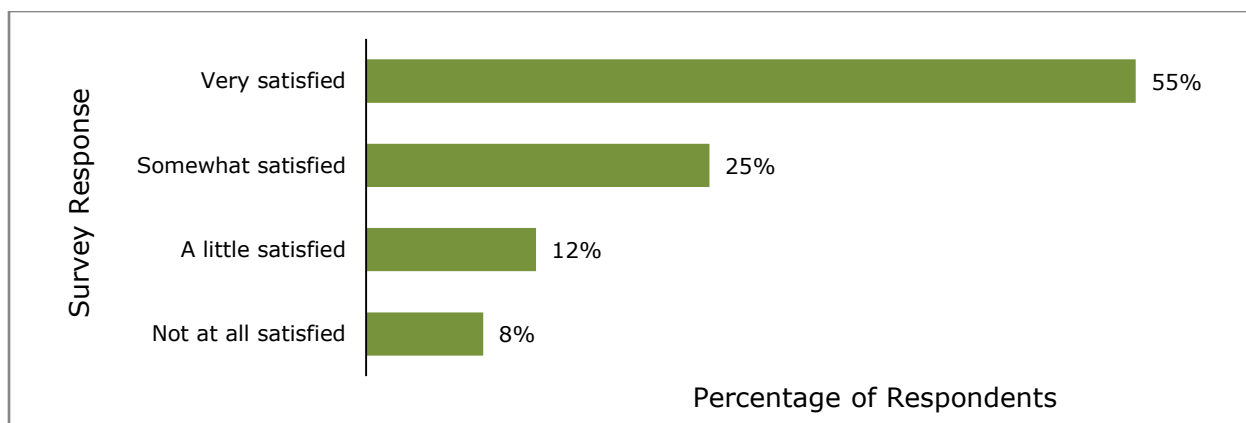


Figure 12. Overall Satisfaction With the VFSN Program, VFSN Participant Satisfaction Survey, n = 371

"I have money saved now. Even it is just \$50 dollars I put it aside every time I get paid. I have a credit card. All of my bills is paid up. I am kind of ahead now." – VFSN participant

Cultural Responsiveness

Delivering a culturally responsive program requires awareness and acknowledgement of the lived experiences of the people that are served and how those experiences influence engagement with the services offered. To better understand the cultural responsiveness of the VFSN, the researchers examined VFSN program materials and processes, observed coaching sessions, and asked participants their perspectives through surveys and focus groups. Each of the eight participating regions recognized that approaches to delivering the VFSN would need to be tailored to meet the needs of their local populations, and were mindful that participants came to the program from different financial situations and with varied understandings and beliefs about financial well-being. Overall, the VFSN was found to have operated with sensitivity to the cultural backgrounds of its participants.

The AJCs within the participating workforce regions were already familiar with the people they serve and prepared for the launch of the VFSN accordingly. Some examples of site preparations included making sure program documentation was available in languages other than English and, in one of the expansion areas, making sure that they had a liaison from a large immigrant community on staff to forge deeper connections to that population. Efforts were made to minimize the amount of jargon used in communication about the VFSN program and the services that participants would receive, and AJCs made sure there was accessibility for those that required interpreters or assistive technology.

As observed during coaching sessions, coaches also worked to understand and clarify customer ideas by asking follow-up questions and supported ongoing engagement by setting clear next steps. When asked whether the financial coach respected their cultural and religious values while discussing services, nearly all of the participants (91.8%) responded that it occurred all of the time or most of the time. When asked the same question about the case manager, the findings was similar, nearly all responded (94.4%) that it occurred all of the time or most of the time. This was confirmed by discussions with participants during focus groups when, overwhelmingly, everyone that participated in focus groups indicated that they felt respected by their coach and case manager. The majority also said they were comfortable working with their financial coaches and, in some regions, found the coach to be compassionate and empathetic to their needs. The ability of the coach to listen without judgement and encourage people to move forward on the path to financial stability appears to be a critical characteristic of a successful coach and crucial for keeping participants engaged in the coaching.

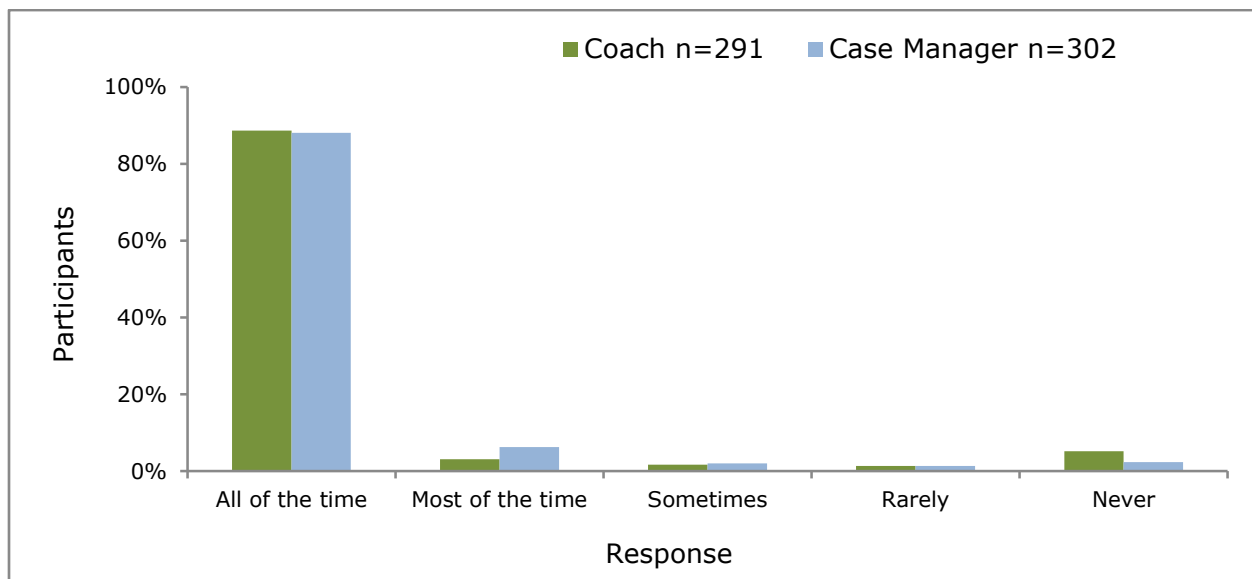


Figure 13. Level of Staff Respect for Cultural and Religious Beliefs, According to Participant Satisfaction Survey Respondents

Project Administration

The VFSN project was funded through a WIF grant to the VCCS. The project's planning and implementation was, however, an effort led by VCCS but implemented at the regional level through agreements with eight workforce investment boards. The financial coaches, except in Region 9, were full-time positions designed especially for the VFSN. The assistants were either designated part-time positions filled by staff working exclusively under VFSN or also working in other capacities. The VCCS staff, with the exception of the grants manager, were permanent, full-

time employees of VCCS reassigned to the VFSN project. Figure 14 provides a summary of the project's organizational structure. The dotted lines represent lines of communication rather than authority.

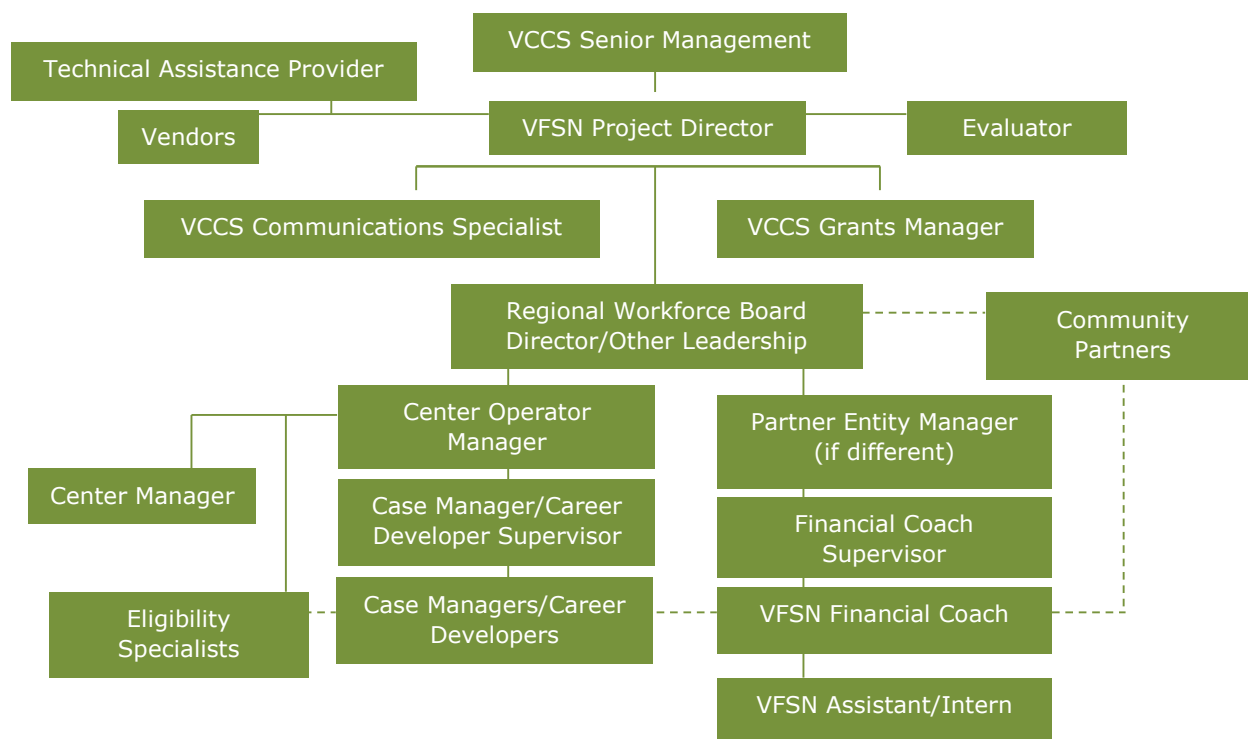


Figure 14. Overall Project Organization

State Administration

The VFSN project was overseen by a small team at the Virginia Community College System office, but implemented with customers of the workforce system locally, within regional workforce areas across the state. The VCCS team began with a project director, an evaluation liaison (providing data access), grants manager, and communications specialist. The original project director retired in fall 2017 and the evaluation liaison stepped into that role, while maintaining the project data role. The additional duties under the project director did not appear to interfere with the functioning of the project; the VCCS team supported the project administration in collaboration with one another and others at VCCS. The original grants manager was hired in late summer 2015, and the position of grants manager turned over three times during the grant period, but without disruption to the project. Leadership at the VCCS was supportive of the VFSN project throughout.

The VCCS responsibilities included overall grants management, ensuring implementation of the technology aspects of the project, project data management, adherence by the workforce areas to the VFSN project agreements, coordination with the evaluation team, communications about the VFSN, general project

procedure and material development, and reporting to the U.S. Department of Labor. VCCS also organized certain trainings for financial coaches and VFSN project events, shared financial literacy resources, and worked with the technical assistance providers under WIF and within the project.

Regional Administration

The delivery of services for the VFSN project was nested in the eight participating workforce regions across the state. Each region had multiple workforce centers participating within their areas. Staff from the area workforce board, the center operator, and partner organizations were involved to varying degrees.

The regions used contracted operators to deliver WIOA services, and by extension, those staff and entities had to be part of the implementation of the VFSN. However, all regions had different configurations. Where the financial coach was housed and who employed that individual varied, as did the operator organizations and lines of authority within regions. The regions' sizes also varied, leading to more or fewer case managers and differing numbers of layers of internal relationships needing to be maintained by the coach.

Table 23. Structural Differences Among the VFSN Sites as of March 31, 2019

Region	Number of Centers	Type of Center Operator/Service Provider	Coach Employer
Region 3	3	For-Profit	Community College
Region 6	4	Nonprofit	Service Provider
Region 8	3	Community College	Workforce Board
Region 9	3	For-Profit	Service Provider
Region 11	8	Nonprofit	Workforce Board
Region 12	2	City Government	Workforce Board
Region 16	4	Consortium of Local Governments	Service Provider
Region 17	4	For-Profit	Workforce Board

Interaction Between State and Regions

Successes

Working Relationships. The working relationship between VCCS and the regions was positive overall, from the perspectives of the VCCS team and the regional leads and coaches. The state established several ways to promote communication within the project, but added to these as gaps were identified. Initial tools included an online message board, news e-mails, plenary gatherings in Richmond and other locations, and monthly conference calls that included the financial coaches and their supervisors and VCCS staff. The calls included discussion of tactics being tried,

successes, new information, and the like. The coaches also had independent conversations with one another. Later, it became clear that it would be beneficial to also have conference calls between the site leads and the VCCS project director and to review data reports at regular intervals. The calls added an opportunity to discuss administrative and strategic concerns. Throughout the project, the VCCS team also periodically visited the regions to discuss progress and any implementation challenges. When there were concerns about progress, VCCS also sent letters and followed up with discussions about locals' planned changes.

Throughout the project, VCCS sought the cooperation of the sites rather than dictate any processes, in alignment with the MOUs and lines of authority that exist between the state and the workforce areas under WIOA. On the one hand, this worked well for the project, with the sites sharing substantially in the hefty task of finding participants, introducing and coordinating new services, and working with local partners. On the other, the dynamic presented a challenge when the specifics of how to carry out VFSN elements was not entirely clear or when progress was not on pace in a given region; at these times, sites looked to VCCS for more direction and VCCS expected more action by regional leadership. Both had a stake in getting satisfactory results, but how issues got resolved without overstepping roles was a delicate, slow process at times. Nonetheless, both levels of leadership felt they succeeded in working collaboratively and took a continuous-improvement mindset to project implementation.

"I'm aware of the challenges out there and the difficulty engaging the right mechanisms and the right people at the local level with activities and programs such as these because several things play a role. In retrospect you learn lessons but at the same time, it just surprised me the difficulty we had to engage local leadership in a meaningful way. It's one thing to say, yeah we're on board and participate to actually engaging in local level beyond just hiring staff and putting the word out." – VCCS staff member

New Understanding of the System. Administratively, the project had an unintended positive outcome for VCCS. Although they had experience in state government, VCCS staff involved gained new perspective on the workforce system as it operated in the state, with a close-up view of the inner workings of WIOA service delivery and working with customers. Specifically, the project highlighted the complexity and variation in the regional environments, which exerted influence on the implementation of policies and programs like the VFSN. The lines of authority and communications involved workforce board staff, center operator contacts, center-level staff, and a variety of co-located partners. This project required cooperation at all levels, which was not understood fully until year two of the grant. The learning gained from implementing the VFSN positioned VCCS to better plan future efforts of this scale, including being more proactive and explicit about expectations for all involved.

Challenges

Staff Turnover. A key challenge from an administrative perspective was the staff turnover that inevitably accompanies a five-year project. Turnover, as noted above, included some for VCCS, but the local turnover had a greater impact on the project's functioning. Financial coaches changed during the project in all but one of the regions. Two regions had three coaches over the course of the grant. The project also saw changes in assistants, center operators, and workforce board staff. One region had three different operators during the project. Workforce centers had changes in management and case managers. New staff had to be oriented to VFSN and new relationships formed with continuing staff. These changes created some slow-downs in terms of program recruitment and service delivery. Where a region had a more bureaucratic hiring process for coaches (i.e., through a community college or city government), the process took longer than in other areas. Getting new staff oriented to the VFSN (and any other duties) and, for coaches, required training, generally took several months.

However, some turnover was productive in that it added staff with new energy and commitment to the project. Of the few regions that had operator changes, leadership reported the changes as positive, as the new entities showed greater enthusiasm for VFSN implementation. In part this was supported by the fact that the regions put the VFSN into contracts for the newest set of operators, ensuring that they would be accountable for performance. Recognizing the operators as levers in center staff responsiveness (most of whom worked for the operator organization) was an important lesson for the VFSN project overall.

State Policy Changes. Another challenge that the sites reported during the course of the project was working through funding shifts and policy changes while implementing the VFSN. In 2015, VCCS introduced a requirement that boards allocate 40% of their WIOA funding to training leading to a credential.⁴⁰ The policy change was seen among workforce boards as removing some flexibility boards had had to allocate funds where most needed. In addition, regions saw cuts to their funding during the project, which then led to shrinking staff and/or reduced training support for customers. Training access was a main draw for customers to the centers, and when that resource was allocated, the center traffic and VFSN recruitment slowed.

Building Collaboration around The Benefit Bank®. The VFSN provided ambassador users of The Benefit Bank® in the form of the VFSN coaches and

⁴⁰ "Virginia Enacts WIOA-Related Legislation," Brooke DeRenzis, National Skills Coalition, May 19, 2015, accessed May 10, 2019, <https://www.nationalskillscoalition.org/news/blog/virginia-enacts-wioa-related-legislation>.

Region 9 coach-case managers. The original plan also included self-service by residents for tax filing and federal benefit access, but the tool was not marketed in that way. It was not the intention in the grant application to limit the tool to narrow the usage to only the coaches in VFSN, but this is how it evolved. Other potential sites raised⁴¹ as possible partners in leveraging the investment in The Benefit Bank® included the Local Investment Support Corporations implementing financial coaching (also based on the Casey model), Virginia community colleges, free clinics in the state, and Goodwill Industries sites. Not making greater use of the tool was called a “missed opportunity” by one state technology committee member. (The technology committee formed after the WIF grant award and approved new state technology investments.)

A major challenge with the portal implementation was that the Virginia Department of Social Services (DSS) already had an online application system for all benefits and health care coverage called CommonHelp.⁴² During the period when the portal was being developed and implemented, DSS was also at work updating CommonHelp. State-level efforts to develop a common intake began about 10 years ago, but VCCS did not have a partnering agreement in place with DSS for The Benefit Bank®. The efficiencies potential of the new tool was recognized by The Benefit Bank® steering committee members, but they noted that the portal was not placed where it could have been most effective (i.e., under social services rather than workforce development and at the front end versus later in the service process), and lead VCCS staff agreed with that assessment.

Clarifying Program Parameters. A fourth challenge found by the sites was a need for greater clarity about certain aspects of the VFSN. For instance, the supportive services funds under the grant were intended to be more flexible so the sites could be innovative about filling needs of customers as they pursued training and employment. It was not until early 2017 that VCCS had worked out a formal list of approvable supportive services with the USDOL for the grant. In addition, the regional workforce boards had to determine if they would allow all or some of the possible supportive services (local policies on WIOA supportive services varied, with Region 16 going through partner relationships rather than provide any supportive services directly). The delays around these clarifications led to reduced use of the VFSN supportive services for much of the first two years of the implementation period. Sites also noted that they would have liked more timely direction from VCCS about training for coaches and some thought greater structure around the VFSN service sequence would have been helpful. VCCS provided the

⁴¹ These were mentioned in stakeholder interviews or in the WIF application.

⁴² Virginia Department of Social Services, accessed August 30, 2018,

<https://commonhelp.virginia.gov>.

service “syllabus” early on, made staff available for questions, and held monthly check-in meetings with the sites. All told, VCCS made clarifications when confusion arose.

“If we need to get a certain number in to meet a threshold, that is important, but make sure we are focused on how we are going to serve those folks. . . . I would rather focus on the quality than the quantity.” – VCCS staff person

Section Summary

The VFSN implementation occurred through efforts at the state level and in the regional workforce areas, eventually securing over 1,500 participants. Despite being a tested model, the setting was new and none involved had previously delivered these services in this manner. Thus, much of the implementation was a case of learning how best to integrate financial coaching with WIOA services. VCCS and the eight sites all had roles in shaping the VFSN. The program eventually became rooted in each area, but farther into the grant period than targeted.

Although staff and partners saw the potential of the coaching and bundling for the WIOA customer, only a fraction of customers were attracted to the program and then participated in coaching with any regularity. The sites and VCCS worked together to address each challenge, but outreach, recruitment, and service retention were less robust than hoped. Fidelity to the model was complicated by the flexibility in the program. Some activities could have been better implemented (e.g., supportive services and service retention), but other aspects of the project were done very well (e.g., outreach and managing staff turnover). Many of the customers who did engage in the VFSN reported seeing value in the program, and many staff continued to support financial coaching as a beneficial service at the centers. The project as a whole was viewed positively within Virginia for what it was able to offer customers and for the lessons it provided to the state and others who were part of the implementation. The project offers many insights about what is involved in planning and carrying out a scaled project of this nature and about how customers respond to coaching in a workforce setting.

Outcome Findings

"I have learned that a lot of things are very much trial and error. You would think that this type of program with these types of benefits, people would sign up for it and would follow through. This is not necessarily a priority [for customers]. With the team that we have, we have been able to identify the strategies that have worked and tweak them to work better." – Case manager

The impacts of the Virginia Financial Success Network (VFSN) were evaluated using a randomized controlled trial (RCT), which is usually considered the "gold standard" of research designs. Because members of the participant and control groups are selected at random, the risks of unobserved characteristics that are related to program outcome are greatly reduced. In a non-randomized study, there could be important differences between those who volunteer for a program (for example, greater motivation) that could influence their chances of success, and hence could result in misleading estimates of program impact. By contrast, the evaluation of VFSN randomly selected volunteers into either the participant or control group. The aim was that the only important differences between the two groups would be enrollment in VFSN, so differences in outcomes would be attributable to the program.

Before reviewing the results of the evaluation, there are number of qualifications that should be kept in mind. First, program impacts are based on *enrollment* in VFSN, not actual use of VFSN services. As noted on page 46, a large proportion of those selected to receive services did not actually take advantage of the special services under the VFSN, which could naturally reduce any potential impact of the program.

Second, there are some limitations to the data sources used to measure impact. Three principal sources were used: service data available in the Virginia Workforce Connect (VaWC) data system, which held the program and WIOA data; wage-record data drawn from the Commonwealth of Virginia; and a follow-up survey of program participants and members of the control group administered 18 months after study enrollment. In each instance there is a risk of missing data that could reduce confidence in the robustness of the results. There is also a small risk in errors or missing coding in the service data. Of greater concern are the low response rates for the follow-up survey (32%), and missing wage-record data (e.g., 39% for the third quarter after exit). Low response rates in the follow-up survey could lead to overly optimistic conclusions if those who chose to take the survey were, for example, more enthusiastic about the program than those who did not take the survey. This could very well be the case, since those who used more VFSN services were more likely to take the follow-up survey. Similarly, missing wage-record data could mean that a particular person was unemployed—but it could also

mean that they were employed by an organization that does not report, such as the federal government. Federal government workers make up a substantial portion of the Virginia workforce but are not included in state wage-record data. This need not bias estimates of program impact if members of the treatment and control groups were equally likely to work in excluded jobs (and in fact the rate of missing data is roughly equal between the two groups), but it remains a potential source of error. With these cautions about interpretation in mind, the evaluation presents the following outcomes from the VFSN.

Program Outcomes

Intermediate Outcomes

Before discussing the program impacts, it is useful to consider the degree to which VFSN reached its intermediate goals – programmatic gains that are integral to the gains in education, personal finances, and employment. These goals are a blend of process goals that measure actions taken by financial coaches, and changes in the behavior and/or circumstances of VFSN participants. The goals were stated in the project logic model (see Appendix A) and were only analyzed for those in the RCT treatment group.⁴³

As presented in Table 24, the project met its target for the percentage of VFSN participants who reported staying within their household budget (60%) and exceeded its target for the proportion of clients that increased their assets (51%). The VFSN project nearly reached its goal of retaining participants in training with 88% retained (of the goal of 90%).

The VFSN did not reach its other intermediate outcome targets. The chief culprit is likely the very low rate of service utilization, with only 58% of VFSN enrollees receiving any VFSN services through their coaches. Of these success measures, three were farthest off the target. Whereas the project intended to screen 100% of participants for public benefits, only 14% were screened. This may be due to several reasons: the low usage rate for The Benefit Bank®, which included a screening element; a lack of protocol consistency in workforce areas for benefits screening; or the lack of need for screening by the time an individual reached the coach, as reported by staff during site visits. There was also a very low share of clients that created a monthly budget (41%) compared with the stated goal (100%). In addition, only 70% of VFSN participants were employed in the first quarter after exit, compared with a goal of 90%, but as discussed above the

⁴³ Region 9 and Region 12 were not part of the RCT.

exclusions in the state wage-record data could have resulted in undercounting employment levels.

Table 24. VFSN Intermediate Outcome Goal Completion, N=387

Outcome Measure	Target	Achieved	Data Source
Retained in training	90%	88%	VaWC records
Achieved employment	90%	70%	Wage-record data
Began building assets	40%	51%	Financial Follow-Up Survey
Decreased liabilities/debts	40%	34%	Financial Follow-Up Survey
Had a monthly budget	100%	41%	Financial Follow-Up Survey
Spent within budget	60%	60%	Financial Follow-Up Survey
Achieved significant financial event	30%	18%	VaWC records
Screened for public benefits	100%	14%	VaWC records
Approved for work/education supports	60%	42%	VaWC records
Approved for benefits & income supports	50%	32%	VaWC records

Final Outcomes

Whereas the previous section focused on intermediate outcomes, this section concentrates on the overall employment, educational, and financial objectives of the project. Despite having difficulty in reaching many of the program's intermediate goals, the VFSN overall had some success with final income, educational, and employment outcomes. The project actually exceeded its stated goals for the percentage of participants that increased their quarterly wages (68% vs. 60%), improved their credit score (65% vs. 40%) and increased their net worth (48% vs. 40%).

A smaller proportion of VFSN participants were retained in employment (86% vs. 95%), maintained a credit score of 630 or better (42% vs. 60%), increased their net income (60% vs. 70%), or completed a credential (63% vs. 80%).

Table 25. VFSN Final Outcome Goal Completion, N=387

Outcome Measure	Goal	Achieved	Data Source
Increased wages	60%	68%	Wage-record data
Retained employment for 3 quarters after exit	95%	86%	Wage-record data
Completed credential	80%	63%	VaWC records
Improved credit score	40%	65%	Financial Follow-Up Survey
Maintained credit score of 630 or better	60%	42%	Financial Follow-Up Survey
Increased net worth	40%	48%	Financial Follow-Up Survey
Increased net income	70%	60%	Financial Follow-Up Survey

Impact Hypotheses

Confirmatory Hypothesis 1: Improved Educational Attainment (Not Confirmed)

To compare the relative gains in educational attainment, service data was analyzed to assess whether a given client received any educational credential during the 12 months after their assignment to the treatment or control group. Educational attainment was defined broadly as any postsecondary educational credential.

During this 12-month window, 63% of the treatment group received an educational credential, compared with 55% of the control group—a statistically significant difference. However, to assess the robustness of this finding, a regression analysis was conducted to determine whether VFSN participants were more likely to obtain a credential after controlling for workforce area and individual characteristics (prior wages, race/ethnicity, gender, unemployment status at assignment, education, and age).⁴⁴ Although this analysis did suggest that the treatment group was somewhat more likely to earn a credential—42% more likely than the control group—this relationship was not statistically significant.

This result could be due to the inclusion of Region in the model, as some regions recruited more program volunteers than others and also had much higher rates of

⁴⁴ Although there was no statistically significant difference in baseline characteristics between the treatment and control group, the statistical models used covariate adjustment of individual characteristics to improve the precision of outcome estimates and reduce estimated variance.

credential attainment. In general clients in Regions 3, 8, and 16 were more likely to earn a credential than those in other regions. VFSN participants in the treatment group in Regions 8 and 16 were statistically significantly more likely to receive a credential than the study population as a whole, while VFSN participants in Regions 11 and 17 were less likely to earn a credential. Region 16 clients had an exceptionally high likelihood of earning a credential compared to treatment and control individuals in other regions. This success warrants further investigation to determine the contributors to this high probability of educational attainment.

Table 26. Confirmatory Hypothesis Results – Credentials

Population	Credential Earned
Treatment	+42%
Region 3	+66%
Region 6	-47%
Region 8	+111%*
Region 11	-60%*
Region 16	+977%*
Region 17	-71%*

Cell units indicate the difference in the likelihood for the treatment group compared to the control group.⁴⁵

*Statistically significant $p < .05$

Confirmatory Hypothesis 2: Improved Employment Rates (Not Confirmed)

The study sought to examine differences in employment rates in the quarters after exit from the program (with the program window defined as 12 months of service), with receipt of any wages serving as a measure of employment in each quarter.

⁴⁵ These percentages are converted from Odds Ratios (ORs). Odds ratios are best understood as the ratio of ratios, with an odds ratio of 1 indicating an equal probability. For example, a treatment group member with a 3 in 5 chance of receiving employment might be compared with a comparison group member that has a 2 in 5 chance of receiving employment, so that

$$OR = \frac{3/5}{2/5} = \frac{.6}{.4} = 1.5$$

In this example, the OR of 1.5 would be interpreted as a 50% greater likelihood of being employed than the comparison group, because the 3/5 odds (.6) was 50% larger than the 2/5 (.4) odds. The cells presented in the table convert the Odds Ratios to relative risk percentage. Following the example, the relative risk would be +50%, in that the treatment group had a 50% higher probability of employment than the control group.

However, as stated in the introduction of this section, a substantial proportion of the wage-record data is missing. The analysis of employment rates assumes that missing data should be interpreted as “not employed.” However, this would suggest that roughly a third of the treatment and control groups would be considered unemployed, an unlikely result given the state’s very low unemployment rate. Because federal employment is not reported in state wage-record data, it is likely that a high proportion of the missing data represents individuals who are working but are in excluded categories. The employment rate analysis should therefore be treated with caution.

If missing wage-record data is coded as “not employed,” it would indicate that only 70% of VFSN participants in the treatment group (59% control) were employed in the first quarter after exiting the program (defined as 12 months after assignment), 71% employed in the second quarter (67% control), and 69% in the third quarter (68% control). These differences in employment rates between the treatment and control groups are very small and not statistically significant.

Regression analysis controlling for client characteristics and workforce area provided similar results, with no statistically significant difference in the likelihood of employment between the treatment and control groups in the first, second, or third quarters after exit. VFSN participants in Region 17 had a statistically significantly lower likelihood of employment, compared to the rest of the study. This area has the highest rate of unemployment of the eight regions.

In light of the proportion of missing wage data, an alternative measure of employment outcomes focused on differences in wages earned between the treatment and control groups. This analysis examined whether the treatment group experienced higher wages in the first, second, and third quarter 12 months after program entry, controlling for other factors (including wages prior to VFSN participation). As with the analysis of employment, there was no statistically significant difference in the post-program wages of VFSN participants. VFSN participants in Region 17 had lower wages in all three outcome quarters, whereas Region 11 had the highest wages.

Table 27. Confirmatory Hypothesis Results – Wages

Population	Wages Qtr 1	Wages Qtr 2	Wages Qtr 3
Treatment	-527.67	-595.52	-401.30
Region 3	-1,000.72	-823.81	300.94
Region 6	-434.90	529.67	-445.40
Region 8	-414.11	-483.47	-475.34
Region 11	839.32	-504.58	926.97
Region 16	254.42	522.05	686.98
Region 17	-1,280.26*	-1,494.18*	-1,561.06*

Cells are regression coefficients with units in dollars.⁴⁶

*Statistically significant $p < .05$

Table 28. Confirmatory Hypothesis Results – Employment

Population	Employed Qtr 1	Employed Qtr 2	Employed Qtr 3
Treatment	-17%	+26%	+19%
Region 3	+79%	+58%	n/a
Region 6	+75%	+77%	+51%
Region 8	+26%	+25%	+68%
Region 11	-36%	+28%	-40%
Region 16	+20%	+54%	+19%
Region 17	-71%*	-46%	-51%

Cell units indicate the difference in the likelihood for the treatment group compared to the control group.

*Statistically significant $p < .05$

Exploratory Hypothesis 1: Improved Credit Scores (Not Confirmed)

Among the research literature, credit score is often used as an indication of successful financial literacy or coaching intervention.⁴⁷ As such, one of the expectations of the VFSN study was that the program would help VFSN participants earn and maintain higher credit ratings. Unfortunately, it proved impossible to gain

⁴⁶ Regression coefficients are estimates of the difference in quarterly wages due to being a member of the treatment group net of other factors. For example, a coefficient of 300 would indicate that participants would earn \$300 more than control group members *independently* of prior wages, race, gender, etc.

⁴⁷ Brett Theodos, et al., *An Evaluation of the Impacts and Implementation of Financial Coaching Programs* (Washington, DC: Urban Institute, October 2015).

access to credit scores directly from a credit rating agency, and so participants were asked to report their credit scores as part of the financial follow-up survey. Despite repeated attempts, complete credit score data (both at baseline and following VFSN participation) was only gathered for 49 cases (13% of the sample). VFSN participants self-reported their follow-up scores. In addition, credit score data was not available for the control group, and so the study cannot say whether VFSN participation was responsible for any change in credit score. Although there was a statistically significant increase in credit scores (+29 points), the sample is too small and unrepresentative to draw reliable conclusions.

Exploratory Hypothesis 2: Increased Net Income and Net Worth (Not Confirmed)

Based on the financial follow-up survey results, there is little evidence that VFSN participants were more likely to increase their net income or net worth than the control group. The change in both of these metrics was measured by taking the difference in self-reported income and net worth between the baseline survey and the follow-up survey. Although a majority (59%) of the treatment group reported higher individual incomes at follow-up, this was a smaller proportion than in the control group (71%). Measuring net income as household income yielded similar results. Roughly the same percentage of treatment (49%) and control (52%) group respondents reported higher net worth. Regression analysis did not identify a statistically significant difference in net worth or net income (when measured as households or individuals). As discussed in the introduction to this section, it should be emphasized that these findings are for only a small sample of total study population, and rely on self-reported data, with attendant risk of bias.

Exploratory Hypothesis 3: More Service Intensity Leads to Better Educational Attainment, Employment Rate, and Net Income and Net Worth Outcomes (Not Confirmed)

In interpreting the weak impact of the program on outcomes, it should be kept in mind that 42% of participants did not use any VFSN services. It might be that clients that made more extensive use of VFSN services would enjoy more robust outcomes—although it should be understood that high-usage participants are by definition exceptional, and the results may be difficult to replicate. This is a question of dosage. A series of analysis explored this possibility, treating the number of VFSN services used, number of unique VFSN sessions, number of financial services used, and number of unique financial coaching sessions as

indicators of dosage in separate statistical models.⁴⁸ With few exceptions, service intensity had no statistically significant relationship to these program outcomes. There was no relationship between dosage and employment in the first or second quarters after exiting the program, and there were weak and inconsistent effects of service intensity for third-quarter employment and credential attainment (depending on how dosage was measured). There was tentative evidence of a link between increased VFSN service usage and third-quarter employment, while increased number of coaching sessions was associated with the likelihood of earning a credential. An increased number of coaching sessions (general VFSN and those with only financial coaching) was associated with a greater likelihood of increasing individual and household income. It should be emphasized that the net worth and income results were based on the financial follow-up survey, which may have self-reporting and sampling bias. In sum, the association between service intensity and outcomes was weak and inconsistent, suggesting that clients who received more services did no better than those who received fewer.

In addition, there are potential risks with including service intensity as a covariate because dosage can be correlated with perceptions of effectiveness. In other words, a client that believes that the program is helping them might be more enthusiastic about seeking out additional services. The reverse could also be true, with a successful program resulting in faster employment—which means that those who remain with the intervention longer tend to have weaker outcomes. In either scenario, instead of the number of services causing the outcomes, outcomes would be “causing” the number of services.

An alternative method is an indirect approach: examining differences in outcomes by subgroups that had higher or lower levels of service intensity.⁴⁹ However, with the VFSN, subgroups had only a weak relationship to VFSN service consumption. Hispanic/Latino participants and those with more education had a statistically significant higher dosage rate (defined as mean number of services or sessions), but these were quite weak, with correlations that never rose above .300. An indirect analysis focusing only on the treatment group did find that in several cases these high-dosage subgroups did have statistically significantly higher incomes than groups with average lower service consumption. Hispanic/Latino participants had statistically significantly higher first and second quarter wages, and higher levels of education were associated with higher first and third quarter wages and increased

⁴⁸ “Number of VFSN sessions” includes those with any VFSN service performed. “Number of financial coaching sessions” indicates only those where one of the VFSN financial coaching codes were entered for that session.

⁴⁹ Ideally an instrumental variable approach would be used to estimate the effects of dosage. This requires a variable that is unrelated to the outcome but is related to usage. Unfortunately no instrument of this type could be identified in the available data.

income. However, there was no statistically significant relationship with respect to credentials or likelihood of employment. These findings are quite tentative, especially given the small sample sizes (in particular for net worth and income analyses).

Section Summary

The results of the randomized controlled trial suggest that the VFSN program had only a limited influence on enrollees' outcomes. Whether examining changes in wages, employment, credential attainment, net worth, or net income; members of the VFSN treatment group had roughly the same outcomes as those in the control group. The challenge of low service uptake may account for the weak program impacts—a large proportion (42%) of those assigned to the treatment group received few if any VFSN services. However, an exploratory analysis of dosage found little evidence that participants who experienced more support from VFSN had better outcomes than those who received little to no assistance.

Other studies have also had difficulty in identifying a strong impact of financial coaching on employment and financial outcomes. A matching study by LISC's Financial Opportunity Centers (FOCs) found no difference in earnings or net worth, but did find that the treatment group had higher employment rates and a reduction in debts.⁵⁰ The Urban Institute's RCT of two financial coaching programs found no consistent effects on debt reduction, adhering to a budget, or credit scores.⁵¹ The present study failed to find robust impacts for wages, employment, credential attainment, income, and net worth. The limited findings of both the Urban Institute and VFSN RCTs are by no means definitive, but along with the low service uptake figures, should make clear the challenge of implementing a financial coaching program with fidelity and achieving the desired outcomes for participants.

These results raise important questions about how financial coaching interventions are implemented and studied. Financial coaching has become a popular means for improving financial literacy and assisting the economically disadvantaged, yet to date rigorous examinations have found only extremely modest results. It may be

⁵⁰ Anne Roder, *First Steps on the Road to Financial Well-Being: Final Report from the Evaluation of LISC's Financial Opportunity Centers* (New York, NY: Local Initiatives Support Corporation, 2016), http://www.lisc.org/media/filer_public/f7/f7/f7f7402d-690d-47f5-a7fa-537ab7b793c4/16024-first-steps_r5-report-web.pdf.

⁵¹ Bret Theodos et al., *An Evaluation of the Impacts and Implementation Approaches of Financial Coaching Programs* (Washington, DC: Urban Institute, 2015), <https://www.urban.org/sites/default/files/publication/71806/2000448-An-Evaluation-of-the-Impacts-and-Implementation-Approaches-of-Financial-Coaching-Programs.pdf>.

that like many educational interventions it is very difficult to replicate successful models or take them to scale with fidelity. It may also be that the outcomes used to assess the efficacy of financial coaching are simply too distal to be realistic. There is a very long chain of causation from a financial coaching session to finding a job, and studies would need detailed behavioral data on clients and sensitive measures of implementation that would make it feasible to identify any effect. Reconsideration of the standard intermediate outcomes as markers of progress for financial coaching programs may also be warranted.

Cost Findings

"I think with this entire project it really was a learning experience, and a good experience." – Site leader

Cost evaluation involves collecting and analyzing the expenditures associated with a program. More specifically, for the VFSN evaluation, this encompassed the costs for staffing and supplies associated with service planning and delivery. This provided another means of understanding what went into the implementation of financial coaching and related services under the VFSN during two years of performance, plus the project-specific costs during the startup phase. In addition, the study captured similar data for the standard WIOA services during the same period for comparison.

All cost analysis involves assumptions about what to include and what to exclude, and thus has some limitations. The unit of analysis for cost was the region since that is the level at which the program was implemented. Six of the eight regions participating in VFSN provided data for the startup year (2014/15) and the first two years of implementation (2015/16 and 2016/17).⁵² The methodology appendix of this report (see Appendix B) details what costs were factored into the analyses and the data collection process used.

Cost Allocation

Startup Costs

The WIF grant period included a planning year for the VFSN (October 1, 2014 – September 30, 2015). The expenses associated with startup at the beginning of the project period generally focused on hiring, negotiating agreements between the sites and the state, and trainings. The six regions participating at that point documented their costs for preparing to run the VFSN program. The average start-up cost to regions was \$5,076 and ranged from \$2,952 to \$7,188.

Activities charged under start-up costs included:

- Time spent to hire financial coach (6 regions)
- Contract negotiations/MOU (5)

⁵² Two regions were added after the cost data period had passed.

- Time spent on Cost Allocation Plans to include VFSN (4)
- Kick-off training (4)
- Career Coach training (4)
- Computer and other equipment for the coach (4)
- The Benefit Bank® training and implementation (2)
- Time for center-based training on VFSN (2)
- Time spent to hire VFSN assistant/intern (1)
- Time spent to research VFSN activities/goals/best practices (1)

Funding sources for start-up costs included the VFSN program grant, as well as the WIOA program and administration resources. Start-up costs by funding source were incurred differently across regions. For example, one region spent no VFSN grant funds on start-up of the program, while other regions used VFSN grant funds to cover between 19% and 63% of start-up costs.

The activities charged under start-up vary by site for a variety of reasons: there were differences among the sites in salaries and fringe benefits, based on their markets; not all sites had hired coaches and assistants prior to the launch of the first implementation year; and some may simply not have considered certain activities as start-up, such as establishing an MOU with VCCS. The sites with higher start-up costs may more accurately reflect the true costs to prepare for the VFSN, as they were able to complete more of those activities, but their local conditions also affected the cost total.

On the whole, the costs to prepare for the launch of the VFSN in the workforce areas were relatively low. Given the performance challenges encountered with early implementation, it could be argued that a greater investment may have been necessary, particularly for the documentation of expectations and staff training for others within the workforce centers (e.g., eligibility and case management staff).

VFSN Per-Participant Costs

In order to calculate the per-participant costs for VFSN, two years of implementation costs were collected from the original six regions participating in the project. The two years of data align with the period of the randomized controlled trial enrollment (October 1, 2015 – September 31, 2017), allowing for a comparison of costs for serving treatment and control group participants. Looking over multiple years also presents the opportunity to smooth out any differences that might have existed between the first year of implementation and the second, when the regions were more practiced with the program.

Not unexpectedly, the VFSN program was more costly to deliver than standard WIOA services (the control group cost). The VFSN model is a “standard services plus other services” approach. On average, it took about \$2,600 more to serve a VFSN customer. This is a 49% increase over the standard WIOA service cost.

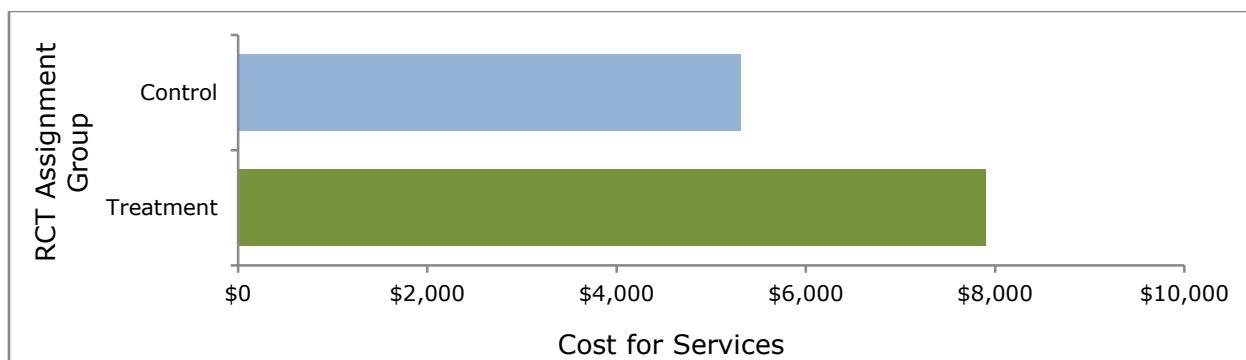


Figure 15. Average Cost for Services Over Two Implementation Years

The implementation approach included new staff—a full-time financial coach and a part-time assistant—in most regions, and regions could charge a small portion of a case manager’s time to the program grant. The VFSN also offered additional supportive service funds above and beyond those provided by the regions under WIOA. Thus, staffing and supportive services make up the majority of the added costs for the VFSN delivery, on top of costs for any WIOA services participants might have received.

By region, the costs to serve customers of the VFSN ranged between an average of \$5,586 and \$13,365. For their control group members through WIOA, regions spent on average between \$2,139 and \$12,354. Differences within regions for the treatment versus the control group members ranged from a low of \$1,281 to a high of \$5,308.

Costs of implementation varied based on local factors, as with startup, and the number served within a given time frame varied by site. A certain amount of fixed costs were present (e.g., key staff were maintained throughout regardless of level of effort expended).

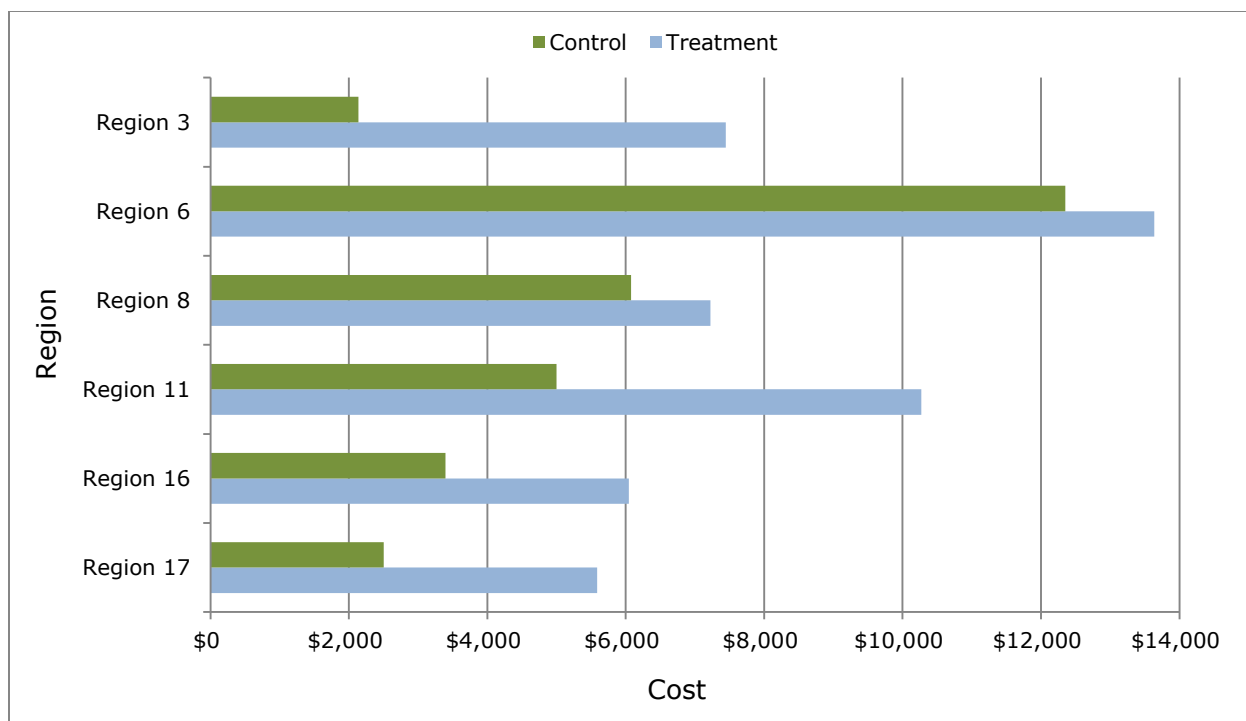


Figure 16. Costs for Services Over Two Implementation Years by Region

VFSN Supportive Services Costs

With a recommendation from VCCS of between \$1,000 and \$2,000 per participant, the VFSN supportive service funds presented the opportunity to assist customers in new and more substantial ways than normally possible under WIOA funding and local policy. VCCS intended that this would allow for innovations in helping customers achieve their education and employment goals. Acceptable uses of the funds included assistance with transportation (e.g., gas, mileage), car repair, emergency housing and utility assistance, training and work-related clothing, and the like.

The total expenditure on VFSN supportive services during the first two years of implementation was quite low across the sites for the reasons discussed in the Implementation Findings section of this report (i.e., they were unclear about what was allowable under the grant). The total for year one was just \$11,390, and in year two, expenditures rose to \$36,608. Region 11 spent the most on supportive services over the two years, but only 8.0% of the total supportive services funding available under its agreement with VCCS.

For the third year of performance, the regions made an effort to provide more supportive services under the VFSN, resulting in much greater use of this resource, increasing spending by over 1,000% over year two to \$171,900. Effectively, this is the cost across five regions. Two regions—Regions 12 and 16—had no spending for this line item in year two or year three and Region 9, as a new site, spent only \$25 by the end of year three. A better indicator of the additional supportive services

level expected for the VFSN is the average for five regions for year three at \$34,375 per site.

The supportive services is a flexible cost factor that could be higher or lower if others were to implement the VFSN; it is highly dependent on policy on allowable uses, the number of customers, and the needs of the customers being served. Some administrative costs are also tied to issuing supportive services; regions typically had at least a two-level approval process for these expenditures.

Cost Effectiveness

Making a judgement about the worthwhileness of added program costs requires looking at the increased cost in the context of the participant outcomes. As presented in the Outcomes Section of this report, participants in the treatment group had employment and educational outcomes that were statistically indistinguishable from the control group. Whether the analysis was on wages and employment (for multiple quarters post-exit), credential attainment, net worth, or net income, there was no statistically significant difference between the treatment and control groups. Although there is some evidence that VFSN participants experienced higher credit scores after being enrolled, the very small sample size and lack of comparison data makes it difficult to reliably attribute these gains to the program.

Given the lack of statistically significant results, the results of a cost-effectiveness analysis (CEA) are necessarily zero. The cost-effectiveness ratio places the individual program impact in the denominator and the per-unit cost of the program on the numerator (\$2,588). Because there were no statistically identifiable impacts for the program, this zero value indicates that (from a CEA perspective), the marginal cost of the VFSN program represents a sunk cost without a commensurate return in value in the form of an outcome benefit. Calculations can be found in the Methodology appendix.

When the results of the impact analysis and the cost-effectiveness analysis were discussed with the VCCS team, they concluded that the VFSN did not generate the results desired and, therefore, the added costs to deliver the program were not worthwhile. Many at the sites continued to value financial literacy and coaching as relevant for the job seekers they serve. However, the effects of the VFSN overall do not present a strong case for continuation of the model in Virginia's workforce system, and neither VCCS nor any workforce region continued the full VFSN, as discussed in the Sustainability section of this report.

Section Summary

Considering the costs of services provided to individuals under the VFSN model as opposed to the standard WIOA services, the VFSN was determined to not be cost effective given its higher cost to implement and lack of effect on key outcome measures. The VCCS staff and site leads concurred with this assessment. However, many still valued the contributions that the additional supportive services funding and financial coaching provided to customers.

Sustainability of the VFSN

As the project came to a close in mid-2019, the regions and VCCS had to determine whether to continue the program model in its entirety, some aspects of it, or none of it. Many staff and leaders continued to see financial literacy and extra supportive services as valuable and complementary to WIOA workforce services, believing that these aided individuals who were seeking employment stability and paths to satisfying careers.

VCCS—the agency responsible for administering state WIOA funding and the state workforce system overall—viewed the VFSN as an innovative system disruption to be tested. Although VCCS looked forward to seeing the results of the evaluation, it could not support ongoing financial coaching activities with state WIOA dollars. Continuation of the VFSN was left to the regions after the evaluation and grant concluded.

A number of factors went into the regions' decisions about the VFSN sustainability, but three were primary: whether there was funding available to continue the program elements (including staffing) within the region, whether other community organizations could provide similar services, and the perceived value of the program's components for customers.

Ultimately, the VFSN model as tested was not maintained in the regions, and the specialized VFSN staff were not retained in their roles. Several areas sought out additional grants to continue some form of financial coaching, seeing value in the services. The additional supportive services provided through the VFSN, while highly valued in all locations, could not be funded through existing resources.

"We need to remove those barriers that prevent people from being employable. The supportive services component is something we should keep up front in our process." – Site lead

Three areas explored establishing a Financial Empowerment Center (FEC) at their comprehensive centers.⁵³ Two regions saw new FECs open in their areas between winter 2018 and summer 2019, one of which was housed in an AJC. The AJC staff

⁵³ A financial empowerment center provides 1:1 coaching on budgeting, credit, debt, affordable banking, and savings. These can be funded through philanthropic grants, local government, or other resources. There was one financial empowerment center in Virginia as of May 2019, located in Roanoke. Source: FEC Public, "The FEC Movement," <https://fecpublic.org/about/>.

refer their clients to the FECs; services are not being coordinated across the organizations.

Within the AJCs, two regions planned to offer financial literacy workshops in the future, primarily through partnerships with credit unions and others. Another region planned to continue budgeting discussions as part of the customer career pathway selection process (e.g., personal financial goals and potential wages), and another was also looking into embedding financial awareness in some form at key WIOA steps, including intake and Individual Employment Plan (IEP) development, with its site lead noting that “We are going to push financial literacy with our clients. Our staff agree that it is needed.” Several regions saw potential in applying the learning from VFSN to their WIOA Youth programs since that program requires a financial-literacy element. For instance, one area shared a resource packet and shared with youth how to check their credit score and start saving. Another area mentioned youth needing to understand the FAFSA and student loan debt.

In addition, the concept and practice of bundling services within the WIOA programs was solidified for three of the regions as a result of the VFSN. One lead explained that the project demonstrated the benefits of staff collaboration and data sharing, and that area’s VFSN coach is now working on another project and is transferring relationships and knowledge to that effort. Another area applied the work approach when it established integrated case conferences for clients with disabilities.

“I think it [VFSN] will have long-term benefits for us organizationally because it has helped us branch out and look at other grants and other programs and opportunities that maybe wouldn’t have come our way before. It seems like financial coaching is built into a lot of different employment programs now.” – Site lead

Conclusions

"I see it [VFSN] as a valuable tool for the clients we serve for both putting out fires and making a better future." – Site lead

The VFSN was an innovation tested in eight regions across the state, each with differing economic and population characteristics, as well as variation in service-delivery structure and policy. Ultimately, the project did not show the desired outcomes for customers in terms of financial and employment outcomes. Although there were some hints that increased dosage (more VFSN services per individual) was related to better outcomes, the evaluators caution that these findings are based on self-reported and/or data sets with a high proportion of missing data.

The project faced implementation challenges in delivering the model as planned, including attracting customers to enroll in the program and having customers consistently engaged in financial coaching—the core unique service within the VFSN. The fact that the VFSN was a new model to all of the participating workforce regions and the VCCS team members meant that the project involved creating many new materials, understandings, and relationships. A piloting of the model in one region before launching it statewide could have helped to smooth out processes and establish benchmarks. Some refinements around program implementation would be inevitable, however, given the variations in operating approaches, populations, and economies among workforce areas.

The project, however, did provide substantial insights into what was required to prepare for and implement a program of this nature within a complex system, how WIOA customers respond to financial coaching and support services, and what type of customers are most interested and active in VFSN services. These lessons have application for the Virginia workforce areas and VCCS, as well as other entities within the workforce system that are considering similar programming.

Implications for the Workforce System

When the VFSN was established, it was the first scaled attempt to implement financial coaching services inside workforce centers. This innovation resonated with many staff inside the system as a natural and appropriate fit for helping customers who struggled with financial stability. While the study of the VFSN did not show impact on customers' outcomes, financial literacy and coaching models are still being conducted within communities in various settings. Therefore, it is worthwhile to consider how the VFSN experience can add to the dialogue about these types of services applied to a workforce system context.

VCCS and the regions that participated demonstrated that introducing an innovation into the system, particularly one that was being studied rigorously, was challenging. The level of detail involved in implementation was substantial. Organizational and process considerations, relationship-building, data quality, guidance materials, and customer motivation all factored into how well the program operated and delivered on its goals. For the workforce system, recognizing the complexity of a model like VFSN, with bundled services, is crucial; they must be well-developed and implemented with support at all levels of the system from the welcome desk to the executive office.

Customers coming to the workforce centers for assistance with gaining employment, or training that could lead to employment, have a definite end goal in mind and are typically experiencing stressors associated with unemployment, poverty, or other life challenges. As seen with VFSN, engaging customers in financial coaching can differ from their participation in WIOA services in that customers oftentimes appeared to see the financial coaching as optional and secondary to their training and employment goals, making it easier to disconnect as barriers came up. Future iterations of financial coaching in the workforce system will need to ensure that customers are motivated to address financial issues from the outset. In addition, further experimentation about whether a model that targets coaching around key workforce service milestones (e.g., career path selection, before training begins, once training ends) is needed. Workforce agencies would need to consider policies and incentives that could potentially support engagement over time. However, it is not realistic to impose long-term coaching expectations on customers because once training is completed or employment is obtained, they have little cause to continue to engage with the workforce centers. Agencies may need to offer coaching and financial literacy on a flexible basis, such as a drop-in or a short sequence of workshop or one-on-one sessions to address debt reduction and budgeting. A narrower approach would need to be tested to determine the right level of service for impacting participant outcomes.

A financial coaching model that is both flexible enough to respond to customer needs in the moment and provides some consistency of expectation for service delivery seems best. The latter resonates with customers as coaches address the customers' interests and goals, promoting their engagement, while the former ensures that the program has overall coherence and measurability.

The approach under VFSN was simply too expensive to support with existing resources, especially given that recent years have brought budget cuts to the workforce boards. Partnerships with community organizations that specialize in financial matters could be a less costly and more efficient means of delivering such services to workforce customers. Workforce centers already co-locate partners with WIOA services, connecting customers to myriad services that WIOA staff do not have the ability or staff capacity to attend to directly. Leveraging community

assets around financial literacy and coaching would similarly offer another service to customers without adding to the workload of case managers or require specialized staffing. Paramount for participants in the VFSN was having a trusted relationship with a coach who was caring, knowledgeable, and conveniently accessed. The employer of the coach is not likely to be a concern for the customer. However, the cross-communication that occurred between VFSN coaches and case managers—which had benefits on both sides—could be much more difficult to foster with a community partner as there would not be any shared data system or shared supervision. Nonetheless, this approach to delivering the financial services may still hold value for the system and its customers.

Recommendations for Further Research

The research on the effects of financial coaching remains limited, although this study and others that have been undertaken around the same time period are helping to provide critical information about how to set up and run these programs and what outcomes can be expected. So, additional research on the effects of financial coaching in various contexts would be a welcome addition to the literature. The VFSN evaluation highlighted several considerations for future research.

Firstly, credit score improvement is often used as a metric within financial literacy or coaching programs. However, these data are very difficult to obtain with any consistency if a bank or credit union is not a partner in the project. The VFSN did not have such a partner and access to credit scores for RCT participants could not be obtained directly from the credit reporting agencies. Thus, a program of this type is best designed to include a financial institution that can provide participant credit scores for evaluation purposes.

Secondly, additional research into what prompts or discourages WIOA customers to engage with financial coaching could inform how the service might be better aligned with the intake, assessment, training, and employment services patterns and timeline for Adult and Dislocated customers. While this evaluation found some indications that varied communication formats like text messaging, regular check-ins by the coaches, and credit repair or budgeting milestones promoted accountability and engagement; the evaluation's scope did not include detailed study of customer motivation and the potential levers of action.

Thirdly, this research found that the program attracted more females and African Americans, in contrast with the portion of their presence in the general WIOA population, which is consistent with the findings of other similar project evaluations.⁵⁴ While this offers promise on one hand—as women and African American heads of households (and their children) make up large portions of those living in poverty—if coaching could be helpful to improving economic outcomes, it also raises two key questions for further investigation: why is financial coaching more attractive to these groups and what can be done to improve its appeal among other racial/ethnic groups and males. One can speculate on a myriad of factors that may be at play here, but designing studies that unpack the reasons would be useful for program funders and implementers.

Fourthly, the intermediate and long-term outcomes measures used for the VFSN study were based in the literature, relevant, and useful, but in examining financial and other coaching, other measures may also be beneficial to ensuring that impact is fully understood. For instance, a program may be well served to collect and assess a mix of short- and medium-term measures of participant behavioral changes that are directly connected to coaching activities.

Finally, additional rigorous study of financial coaching or other financial literacy programs would be beneficial as the workforce system and others in the social service realm seek to understand whether and how to apply this service to their settings and to maximize economic results for their customer populations. Findings—regardless of the outcomes seen—should be shared widely to aid researchers, practitioners, and policymakers.

⁵⁴ Anne Roder, *First Steps on the Road to Financial Well-Being: Final Report from the Evaluation of LISC's Financial Opportunity Centers* (New York, NY: Local Initiatives Support Corporation, 2016), http://www.lisc.org/media/filer_public/f7/f7/f7f7402d-690d-47f5-a7fa-537ab7b793c4/16024-first-steps_r5-report-web.pdf; Bret Theodos et al., *An Evaluation of the Impacts and Implementation Approaches of Financial Coaching Programs* (Washington, DC: Urban Institute, 2015), <https://www.urban.org/sites/default/files/publication/71806/2000448-An-Evaluation-of-the-Impacts-and-Implementation-Approaches-of-Financial-Coaching-Programs.pdf>.

Appendix A: VFSN Logic Model

VCCS Virginia Financial Success Network – Logic Model				
Goal: Bundle workforce, education, financial, and income support services to foster improved outcomes in employment and financial stability for participants.				
<i>Resources to support the activities</i>	<i>Key things done with resources to make changes</i>	<i>Immediate results of activities</i>	<i>Short-term changes expected to occur as a result</i>	<i>Outcomes requiring more time to manifest</i>
INPUTS	ACTIVITIES	OUTPUTS	INTERMEDIATE OUTCOMES	LONGER-TERM IMPACTS
ADMINISTRATIVE/SYSTEMATIC				
Virginia career coaching certification program	Program Implementation Through Partnering Prepare to deliver package of VFSN services	Six workforce areas (at AJCs) participating Coaches trained, certified	Workforce areas, AJCs, and VCCS maintain a positive working relationship Case managers and coaches coordinate effectively Program is applied consistently across all AJCs 100% participants receive services Challenges are overcome	Sustain and replicate VFSN at AJCs Funding attracted/reallocated to support program expansion Willingness among partners to collaborate in the future Participant outcomes improve on key measures (see below)
State data systems	Select sites across Virginia, secure MOUs	Relationships with financial institutions secured		
MDC consulting	Develop coach curriculum	Services are well-defined		
Existing assessments	Define suite of services	Data systems, policies, and procedures in place		
PPA evaluation team	Articulate roles for coaches and case managers	1,800 participants enrolled in treatment (centers meet targets)		
Culturally inclusive recruitment materials	Secure financial institution relationships Modify data systems and policies as needed Recruit participants to study that generally reflect the demographics of the regions' population		All partners report a high level of satisfaction with the program and implementation 90% participants report a high level of satisfaction with program	
	Learning Ongoing learning from others implementing WFSN	Conference attendance, other communication	Apply learning within VCCS and workforce areas	VCCS, AJCs, and others gain insights into how to deliver VFSN to maximize positive outcomes at a reasonable cost

Figure 17. VCCS Virginia Financial Success Network Logic Model – Administrative/Systematic

VCCS Virginia Financial Success Network – Logic Model				
PROGRAMMATIC				
MDC (consulting on the model) Case managers at AJCs VFSN coaches Financial institution partners	Workforce and Education Services (case manager in coordination with coach) Assessments Individual Education Plan, career plan Training and education Job search Job placement	Skill inventory documented Career and education plans written Enrollment in training/education Job interviews occur	80% retained in training 90% achieve employment	60% increased wages and/or hours (career advancement) 95% retain employment three quarters after exit 80% complete credential
Training providers Other partners as needed State data systems	Financial Services (coach) Credit report review Individual financial plan Financial literacy training (possible referral) Budget and balance sheet development Affordable financial products	Bank accounts created Budget created that aligns income and expenses Financial literacy training completed Credit repair/creation plan developed Debt consolidation plan developed	40% begin building assets 40% decrease liabilities/debts 100% have a monthly budget 60% spend within budget 30% achieve significant financial events (e.g., homeownership, car purchase, etc.)	40% improve credit scores 60% maintain credit score of 630 or better
	Income and Support Services (coach) Financial aid Tax preparation services EITC review Emergency financial support Benefits screening	FAFSA completed Financial aid received Benefits application completed Benefits received Tax filing, EITC received Emergency grant received (if needed)	100% screened for public benefits 60% approved for work and/or education supports 50% approved for benefits and income supports	40% increased net worth 70% increased net income

Figure 18. VCCS Virginia Financial Success Network Logic Model – Programmatic

Appendix B: Methodology

Consenting Participants

Only participants enrolled in WIOA-eligible programs in the participating workforce areas were eligible to apply to be part of the VFSN. Veterans, and spouses of certain types of veterans, still received the treatment, as required, but were not part of the sample.

The evaluation design used a randomized controlled trial (RCT) to determine participant outcomes and whether those were due to effects of the project interventions. Those were assigned to either a control group or a treatment group at enrollment. By randomly assigning the participants to treatment, the study was to control for other factors. The groups were populated by those who entered the AJCs as walk-ins or referrals. The treatment group was designed to receive one-on-one coaching while the control group received the standard workforce services for which they qualified.

Participants were informed of the study at the outset (at the point of enrollment) using Institutional Review Board-approved materials. Participants completed a baseline survey on financial circumstances prior to randomization. Survey and consent forms were available at the Centers. After they had completed a consent form and baseline survey, they were eligible for randomization.

Before enrollment into VFSN, participants were required to provide their informed consent. The consent form was made available in English and Spanish, but only one individual completed the Spanish version.

Implementation Methods

This aspect of the evaluation focused on understanding the nature of the program and its implementation within and across the sites from administration, participants, and service-delivery perspectives. Implementation was assessed using both qualitative and quantitative data gathered through administrative records, interviews, surveys, observations, focus groups, and fidelity assessments. These data will provide insight into the perspectives, experiences, and results of the participants, program leaders and staff, and other stakeholders. The unit of analysis is the organization—those entities and their representatives involved in carrying out the grant administration, services, and other related actions, including Virginia Community College System (VCCS) and the American Job Center (AJCs).

Participant and Staff Surveys

Baseline Financial Survey

Survey Description. The initial financial survey was used as the baseline for the RCT financial outcomes and to understand the overall financial characteristics of those interested in the VFSN. The purpose of the survey was to understand participants' overall financial characteristics. All VFSN study participants had to complete this survey before randomization occurred. Those participating in VFSN after the closure of RCT enrollment also completed the survey (except veterans) in order to further understand the financial characteristics of the program population. This survey (and the Follow-Up Financial Survey), in addition to asking about the presence of a household budget and adherence to that budget, asked about the existence and value of these income and assets:

- Annual take-home pay for self and others in the home contributing to household bills
- Annual income from other sources for self and others in the home contributing to household bills
- Home ownership status
- Other property ownership
- Vehicle ownership
- Bank accounts, savings bonds, and investment accounts ownership
- Retirement accounts ownership
- Life insurance policy ownership
- Business ownership

The survey asked about the existence and value of these debts:

- Mortgage
- Student loans for self and dependents
- Other loan types
- Credit cards
- Outstanding medical bills
- Back child support
- Back federal, state, and local taxes
- Outstanding judgments

The survey was completed by a Workforce Innovation Opportunity Act (WIOA) customer as part of his/her enrollment in the study/program, unless they were a veteran or eligible spouse, in which case they were exempt due to U.S. Department of Labor preferencing regulations. The baseline financial information survey was programmed on the NoviSurvey platform and tested by the evaluation team. The survey was made available in English and Spanish, but no individuals completed the Spanish version.

After study participants completed the baseline financial survey, they received an incentive of \$20 by mail. There were 1,731⁵⁵ surveys and consents completed between October 1, 2015 and March 31, 2018 that led to a study participant.

Survey Analysis. Data quality is a concern for this dataset since the information is self-reported. While participants were prompted before they began the survey to have financial statements on hand to help them complete the questions regarding assets and debts, the accuracy of the data could not be separately verified. Participants were advised to determine their home value by accessing their tax assessment statement, use Kelley Blue Book or NADA Guides for vehicle valuation, and consult bank statements and other documentation regarding other assets and debts.

The survey data were analyzed using SPSS and Stata. Missing data were treated as null values based on respondents' "no" answers to whether they had a particular asset or debt type. Assets and debts were analyzed at the household level. Duplicate survey responses were removed from the data set prior to analysis: incomplete surveys were removed in favor of complete surveys; and surveys completed after a person had already received a study assignment were removed.

In the survey, all categories of assets and debts had an "other specify" question to capture additional values if the respondent had more assets or debts than the number of answers allowed. These "other" values were recoded in order to be included in the summed values.

Survey questions about sources of income do not seem to have been readily understood by a portion of the respondents. The analysts cleaned the data to remove duplications, such as when the same figure was entered for both earned income and another source. Income was calculated at the individual level.

It was difficult to calculate a value for the asset of owning a business. Of the 42 people who reported owning one or more businesses, 20 did not give a value for it. Comments indicated that people did not know how to define the value of their business. Possibly this is because many of the businesses reported seemed to be informal work, such as selling cosmetics, shoveling snow, and writing books.

Contact Update Requests

PPA also issued forms via mail and text messages asking for updated contact information to try to avoid participant disconnection and to keep the participants

⁵⁵ Due to a processing error, one enrolled participant's baseline survey data is missing and therefore not included in this analysis.

aware of the ongoing nature of the study. These update requests went out quarterly. PPA also sought contact information corrections from case managers and coaches when envelopes were returned or there were other indications that participants had moved or changed their numbers. Despite this, many phone numbers and addresses became outdated over time.

Satisfaction Survey

Survey Description. Six months after receiving an assignment, VFSN participants enrolled in the study received an invitation from the evaluation team to a survey programmed in SurveyMonkey to gauge their level of satisfaction with the VFSN. Respondents were asked to provide feedback on interactions with their case manager, their financial coach, and their overall VFSN experience. Response rates varied month to month. A total of 396 out of 1,538 possible individuals responded to the survey from June 2016 through the beginning of April 2019 for an overall response rate of 25.7%. The evaluation team made multiple attempts to reach each participant. The survey was redesigned in February 2018 to be more graphical and appealing in an attempt to improve response, along with additional outreach formats and attempts. The earlier survey process yielded a response rate of 12.1% (104 of 856); with the changes to process and design, the response rate increased to 42.8% (292 of 682).

An advance letter was sent out the week before the survey month informing the participants that they would be receiving the satisfaction survey. During the earlier version of the survey three reminders were sent via e-mail and were automatically generated by the SurveyMonkey program, while during the later version two e-mails were sent by PPA researchers directly to the participants. In addition, with the redesigned process, two text message reminders were also sent over the course of three weeks to non-respondents using an automated system. Lists of non-respondents were also sent to all eight regions' financial coaches who also made a reminder attempt through either e-mail or text message. This process was repeated twice within the survey month. Respondents who still did not complete the survey would then receive a phone call from a PPA researcher reminding them to take the survey. Respondents received a \$15 incentive by mail for completing the survey. The low response may be attributable, at least in part, to the low level of program engagement and the distance of the survey from initial program enrollment (six months).

Survey Analysis. Several questions and the response options were modified as part of the effort to improve response rate to the survey in February 2018. The redesign included greater visual elements also. The following table shows the original and modified versions of the changed questions. (Additional questions remained the same.) To account for this change during final analysis, only questions that retained their original meaning were used. Three questions were eliminated during this process.

Table 29. Satisfaction Survey Version Changes

Original Question	Changed Question	Included in Analysis
What were the main reasons you wanted to take part in the Virginia Financial Success Network program? Were you most interested in getting help with . . . (Check all that apply.)	In thinking about why you enrolled in the Virginia Financial Success Network program, what services most interested you at the time? Mark all that apply.	Yes (identical response options)
Were you aware that all of the above services were available? (Please be aware that not all services may have been relevant for you, and you may not have qualified for certain assistance.)	Which VFSN services are you aware of, even if you have not personally used them? Some of these services may not have been offered to you. That's OK! Just mark the services that you are aware of. Mark all that apply.	No (nature of question changed)
Which of the following services have been the most helpful to you? Rank them by number, with 1 being the most helpful service. Rank all the services that you received. You can check the N/A box to the right if you did not receive that service.	Choose 5 services you have used and rank them from 1 – 5, with 1 being the most helpful service. Rank only services that you received. (You may have used fewer than 5 services, that's OK! For any services not in your top five, simply select "N/A").	No (nature of question changed)
Were you referred to another organization for additional services? If you answered "Yes" to the above question, did this referral help you?	Were you referred to one (or more) organizations for additional services? Mark one. Were those referrals helpful? Mark one.	Yes (identical response options)
Were you able to meet with your financial coach often enough?	What do you think about the amount of time you have been able to meet with your financial coach? You've . . .	Yes (nearly identical response options)
Was your financial coach able to give you information and answer your questions in a manner you could understand?	Did your financial coach provide information and answer questions in a manner you could understand? Mark one.	Yes (nearly identical response options)
Did your financial coach respect your cultural or religious values when discussing education, employment, and income support services with you?	Did your financial coach respect your cultural or religious values when discussing services with you? Mark one.	Yes (nearly identical response options)
Were you able to meet with your case manager often enough?	What do you think about the amount of time you have been able to meet with your case manager? You've . . .	Yes (nearly identical response options)

Original Question	Changed Question	Included in Analysis
(No previous question.)	Is there anything about the program that has frustrated you or has not met your expectations? Mark one.	No

Survey data were analyzed in SPSS to determine frequencies and means. All cases where respondents answered one or more question were included. Site-level satisfaction survey findings reports were issued quarterly to VCCS and the sites as each accumulated 10 or more respondents.

Site Visits and Observations

Site Visits

From July 2015 to March 2019, PPA conducted eight rounds of site visits to each participating workforce region in Virginia. The site visits were conducted in July 2015, February 2016, June 2016, February 2017, June 2017, February – March 2018, June – August 2018, and February – March 2019. Teams of two researchers visited each area. Most visits were conducted at the regions' comprehensive centers. Of the newer regions added to the project part way through, PPA visited Region 9 three times (twice in 2018, once in 2019) and Region 12 twice (summer 2018 and late winter 2019). Site visits lasted 1-1.5 days. PPA visited VCCS headquarters in Richmond three times during the grant period for formal interviews with project staff. (PPA also had biweekly to monthly meetings with the VCCS project team during the entirety of the project and met in person with VCCS staff in association with conference presentations in Virginia.)

PPA worked with site leads or the VFSN program manager to develop itineraries for each visit. For initial visits, PPA supplied leads with a site visit guide, telling them what to expect. Thank-you letters were issued following each visit.

Staff Interviews

Interviewees during site visits included financial coaches, assistants, site leads and coach supervisors (i.e., the workforce board directors and/or other executives), center managers, eligibility specialists, and case managers/career developers. A selection of workforce board members and center partner representatives were also interviewed during early rounds of site visits. Each visit round, PPA researchers spoke to between 30 and 51 stakeholders from regional staff and leadership.

During the first year of the grant—the planning year, PPA conducted interviews in July 2015 on site with six regions. The interviews focused on the regions' workforce and economic characteristics, the reasons for a region's participation in the VFSN project, preparation for launching the program in their areas,

communications with VCCS, partners, their WIOA service process, and expectations about the project and what they would like to learn from the evaluation.

As new staff came on board throughout the project, PPA also conducted telephone interviews with new coaches who were hired between the site visits. New coaches were asked questions about their background, understanding and expectations for the VFSN, onboarding process, local working relationships, and communications during these telephone interviews or their first on-site interviews.

During the second year of the grant (the first year of VFSN implementation), two paired research teams visited each of the six VFSN sites twice plus the Virginia Community College System (VCCS) staff in Richmond once. At these visits, each team spent approximately one day in each region. The interviews during this period focused on recruitment challenges and problem-solving, what was being learned as services were delivered within the VFSN, how individuals and organizations involved were communicating, and what implementers were learning from their experiences with the program/study in recent prior months.

During the third grant year, PPA researchers conducted two rounds of site visits to each of the six participating workforce areas, in February and June 2017. Two teams of two researchers each visited the sites. Interviews in this year focused on recruitment and enrollment, with additional discussion regarding service delivery, communication, partner involvement, and local learning. Participant engagement and retention was also a major line of questioning.

During the fourth program year, the research teams again conducted interviews with staff in the regions and with VCCS. Interviews with the six original VFSN sites focused on changes in local context and partnerships, staff training, recruitment and enrollment, VFSN service delivery and participant retention, communications, and learning. Topics for the two new VFSN sites focused on understanding the socioeconomic context of their centers and the population they serve, how sites prepared to launch the VFSN, recruitment and enrollment strategies, communications, and plans for hiring the financial coach and assistant. Interviews with VCCS staff covered the transition of project leadership, communications with the technical assistance provider, on-boarding the new sites, use of My Budget Coach® and The Benefit Bank®, and lessons learned.

During the fifth grant year, researchers visited the eight sites in late winter 2019, with an additional visit to VCCS in June 2019. The interviews at these times focused on local condition changes, service-delivery challenges and successes, sustainability plans, project communications, and lessons from the project.

Notes were taken during all interviews, and all were audio-recorded as a backup to the notes. Following all site visits, data was cleaned, coded, and analyzed. NVivo software was used to conduct content analysis of the interview data. Summaries of

what the teams observed and learned at each site, as well as an overarching summary report, were shared with the regions and VCCS. These summary reports included preliminary findings and recommendations for ongoing program improvements.

Focus Groups

Participant focus group sessions were conducted during summer 2017, winter 2018, and winter 2019. The focus groups were aimed at better understanding participant experiences with program services, staff, and outcomes, and their satisfaction with VFSN overall. The focus groups were held in Regions 3, 6, 8, 11, 16, and 17. Two researchers conducted the groups—one facilitated and the other took notes. Audio recordings were used by the teams to ensure notes accuracy.

Recruits were drawn from those who had received at least one service from the coach within the six to nine months before the focus group date. The evaluation team recruited from pools of approximately 20-40 participants for each group. Regions 9 and 12, being newer to the program, did not have sufficient numbers of participants from which to draw recruits, so focus groups were not held in those areas. In total, 74 individuals participated in the focus groups. Focus group participants received \$50 to thank them for their participation, and refreshments were provided. A double incentive was issued randomly to one participant per focus group.

The team collected demographic information for focus group participants. The focus group participant characteristics were consistent with the overall characteristics of VFSN participants.

Table 30. Focus Group Participant Employment Status (N=73)

Employment Status	Percentage of Participants
Employed full time	27.3%
Employed part time	26%
Unemployed, looking	35.6%
Unemployed, not looking	1.3%
Other	9.5%

Table 31. Focus Group Participants With Children Under 18 (N=74)

Children Under 18	Percentage of Participants
Yes	48.6%
No	51.3%

Table 32. Focus Group Participant Race (N=73)

Race	Percentage of Participants
African American	67.1%
White	26%
Asian	6.8%
Multi-racial	-

Table 33. Focus Group Participant Ethnicity (N=72)

Hispanic/Latino Ethnicity	Percentage of Participants
Yes	2.7%
No	97.2%

Table 34. Focus Group Participant Satisfaction With VFSN (N=73)

Satisfaction With VFSN Overall	Percentage of Participants
Completely satisfied	68.4%
Somewhat satisfied	21.9%
Neither satisfied or dissatisfied	8.2%
Very dissatisfied	1.3%

Phone Interviews with Participants

There were several instances when focus groups were not able to be arranged due to low enrollment at a particular region or to eliminate travel burdens on participants in highly rural areas. In these cases, PPA conducted phone interviews with a small number of participants from those regions. One interview took place during summer 2017 with a participant from Region 17. Following the winter 2019 site visit, 25 phone interviews were conducted with participants from Regions 3, 6, 9, 12, and 17. These participants received \$50 each in appreciation for their time.

Observations

During the site visit planning phase, coaches were asked to schedule meetings with clients while the research team was on site. Participation in the observations was voluntary, and participants were aware when scheduling their meetings that an observation would take place. These observations of the coach and client interactions took place during summer 2016 in Regions 8 and 11; in winter 2017 in Region 11; and during summer 2018 in Regions 6 and 11. Following observations, clients were offered the opportunity to provide additional feedback on the session including whether the meeting met expectations and their perspectives on their experience overall.

Evaluators also conducted observations of coach and partner organizations during winter 2016 in Regions 3 and 11 and during winter 2017 in Region 16. Moreover, in Region 16, the evaluators observed a participant orientation and a group certification meeting during winter 2016 and summer 2016, respectively. One coach training related to The Benefit Bank® held in Richmond was observed.

These observations were guided by a research tool created by the PPA team that documented the activities undertaken, topics of conversation, tone of the conversation, use of time, and resources used. The observations were intended to provide greater insight into the nature of the interactions between financial coaches and clients (or others present) as well as the nature of the content of meetings.

In addition, a researcher observed monthly coach-VCCS calls periodically during the course of the evaluation. These occurred in February, April, and May 2016; in January, April, October, November, and December 2017; in March, April, May, July, November, and December 2018; and in February and April 2019. In March 2017, a researcher observed a monthly telephone call that was open to all VFSN stakeholders, including coaches, workforce center staff, and workforce board staff.

Participants were aware of the researcher presence. The researchers kept written notes that captured who was present, the topics of discussion, and any observations about the conversations.

Intercept Survey

In an effort to determine how aware AJC customers were of the VFSN opportunity, based on concerns about recruitment and outreach volume within the program, PPA researchers conducted intercept surveys in Regions 3, 6, 11, and 16 during 2017 and 2018 site visits as individuals were leaving the workforce center to ascertain whether they had been exposed to VFSN during their visit. A total of 39 individuals were surveyed by the team during these one-hour blocks. The intercept survey descriptive results were compiled by region and reported in site visit summaries.

File Check

Researchers also reviewed VFSN files for required study documentation in the workforce areas, in order to assess whether the site staff were properly documenting the group assignment and maintaining records separately from regular WIOA files, so as not to introduce contamination issues between coaches and case managers. Except Region 17, where files were kept at different locations (the coach was not housed with case managers) and not accessible to the researchers, they examined a selection of up to 10 treatment and up to 10 control files in all regions operating during the RCT period using a file check rubric. The file-checking included verification that the study participants completed the consent and baseline survey. (The coaches kept other documents in their files for VFSN treatment individuals, such as copies of correspondence, credit report, My Budget

Coach® printouts, and other informational materials.) The file check results were shared with coaches and case manager supervisors on site to support ongoing improvement of the implementation, and were reported in site visit summaries to site leads and VCCS. Where documents were missing, PPA worked with the coaches to ensure that completed verifications were in site files (a missing document did *not* mean that a participant had not been enrolled properly). PPA maintained the electronic records of consent and baseline survey response; as the administrator of the consent and baseline surveys, PPA provided signature pages from the consent and survey to sites upon request. Sites could also ask participants to print those pages for their files as the study enrollment steps were completed.

VFSN Case Notes

The evaluation team collected case notes from the Virginia Workforce Connect (VaWC) database through VCCS for 498 VFSN participants across six regions between October 2015 and December 2017. These case notes were entered by the VFSN coach, WIOA case manager, or other workforce center staff. The purpose of this data collection was to better understand the service-delivery approaches within the VFSN program, beyond what was visible through the VaWC fields. Two analysts from the evaluation team examined the notes in the set and completed a data collection form (in Cognito Forms) for each participant case. Of interest, over a six-month period, were the number of engagement attempts, contact volume and type, job training and education details, and reasons for program disengagement. Credit scores, where present, were also extracted from case notes and added to the master baseline credit score file where that was not logged in the VaWC under the proper code.

These data had two main limitations: (a) the VFSN coaches had flexibility in how they managed their cases, so outreach and communication approaches with clients varied; and (b) staff did not follow a standard protocol for what should be entered as case notes, leading to great variation in level of detail and consistency across cases; this was a matter of local policy.

Document Review

PPA reviewed planning, management, and reporting documents from VCCS and from the AJCs during the course of the evaluation, where that review was most relevant in time. Generally, these materials helped the PPA team create interview questions/prompts during the site visits and to contextualize evaluation findings. These documents include:

- Standard American Job Center service flow chart
- Changes in the Virginia system as a result of WIOA that affect adult and dislocated worker service delivery and data (regulations, notices, etc.) and One-Stop certification process

- Virginia workforce area map
- Workforce area facts, including service volume, vets volume, and other key metrics
- VCCS's VFSN site selection RFP
- Memoranda of Understanding between VCCS and the workforce boards participating in VFSN
- List of participating centers (comprehensive and satellite) by workforce area
- Technical-assistance provider scope of work, presentation slides, and written summaries
- Coach training schedule and attendance, where available from VCCS
- VFSN coach training materials
- Coach job postings
- VFSN communications plan
- "VFSN Passport" document
- VFSN orientation video script, storyboard, and media files
- Reports of VFSN enrollment provided by VCCS to the sites
- Posted content for the project teams on online platforms
- VFSN Handbook draft and final versions
- Site-based flyers, posters, videos, and letters for VFSN recruitment

Analysis of Qualitative Data

The evaluation team analyzed most qualitative data, unless specified otherwise above, by transferring notes into Nvivo software and coding the data to interview or focus group question and research question. In some cases, subnodes were established to look more closely at patterns across sites and stakeholder types. Wherever feasible, the evaluation team sought to link data thematically or by topic for reporting purposes. In some cases, qualitative data were quantified (e.g., totaling instances by categories). Multiple staff completed the qualitative analysis, which took place throughout the evaluation period. All analysts were briefed on the coding structure and protocol before undertaking the work.

Impact Methods

Randomization Procedure

For October 1, 2015 to September 30, 2017, after the consent and baseline financial survey, study participants were randomized in the VaWC system managed by VCCS and its vendor. (Veterans are given a different code in the VaWC so they bypassed the randomization process and received the VFSN program.) Using an automated routine, the assignments were posted to a secured file transfer protocol site for the evaluation team, from which staff generated letters and incentive checks.

Blocked randomization was used in each region. This means that randomization in each region occurred in a way to maintain an even ratio of assignments per region. For instance, if a region enrolled one person in a day, then randomization was like a coin flip where there is a 50% chance of treatment and a 50% chance of control assignment. When a region enrolled two people, the randomization gave a one-to-one ratio, so one person would be guaranteed treatment and the other would be guaranteed control—it was random who got which assignment. When a region enrolled three people in one day, then one was assigned treatment, one was assigned control, and the third got a virtual coin flip. A region's randomization was not affected by enrollment numbers in other participating regions.

There was a modification to the randomization protocol in the early weeks of the program due to a higher proportion of volunteers being assigned to the control group. This occurred when there was only one person randomized at a particular center on a given day, along with a randomly greater assignment to control rather than treatment. The protocol was adjusted so that at least two persons would have to be randomized at a given time to secure numerical equality. Baseline equivalence was not affected by this small difference in size between the treatment and control groups (see below).

At the end of the second year of implementation—September 30, 2017—the randomized controlled trial (RCT) enrollment closed. As of September 30, 2017, the RCT had enrollment of 387 individuals in the treatment group and 416 in the control group (total of 803).

Baseline Equivalence

Analysis of treatment and control group characteristics was conducted to determine how similar the two groups are as a precursor to comparing outcomes. The following graphs show the balance between the groups in the RCT.

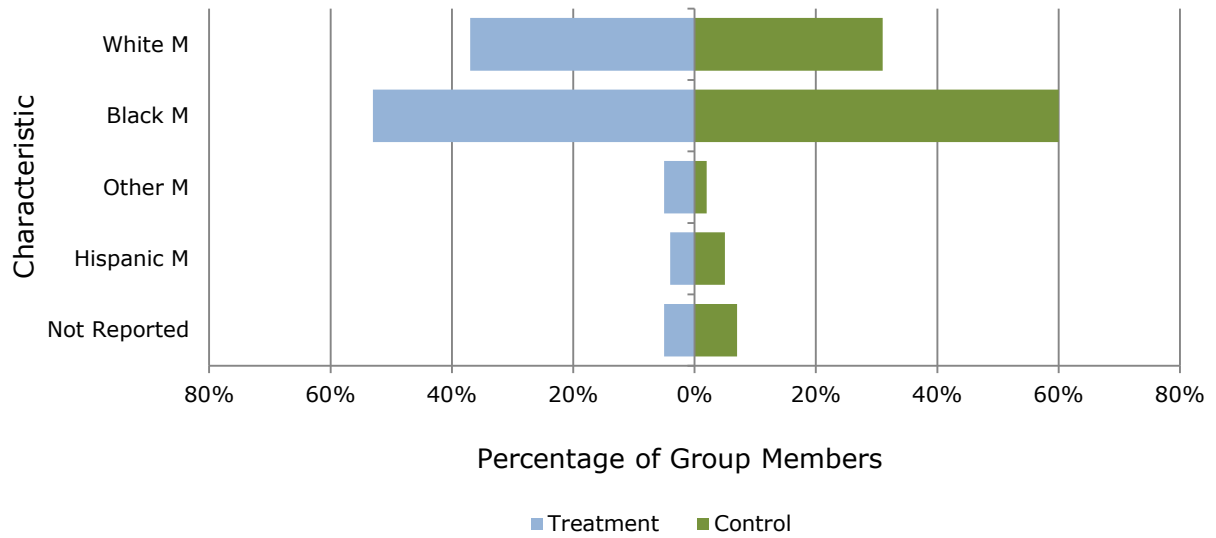


Figure 19. Balance Between Groups by Race, Ethnicity, and Gender (Male)

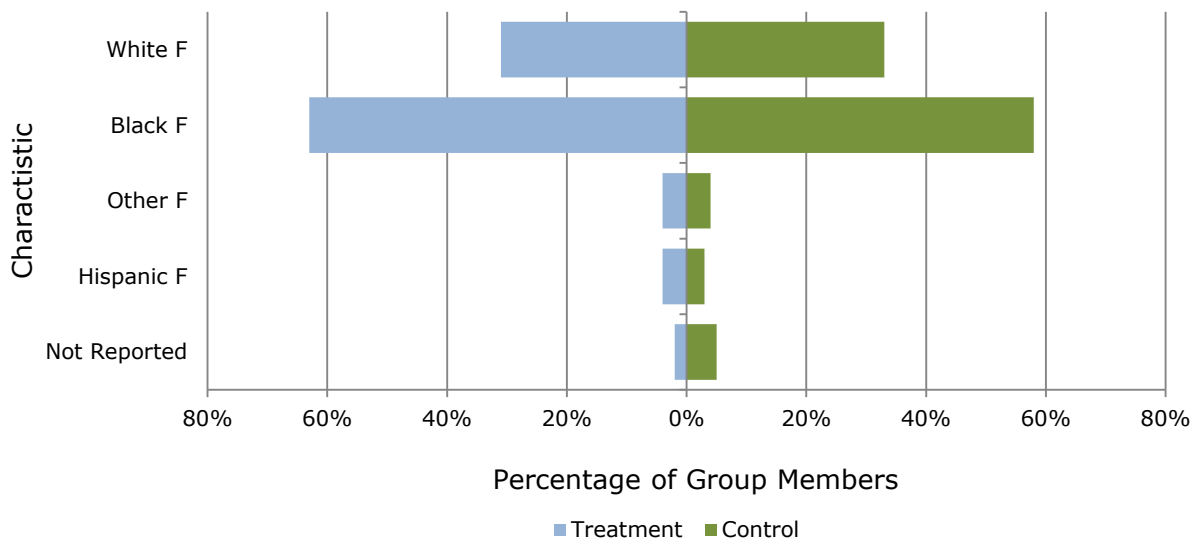


Figure 20. Balance Between Groups by Race, Ethnicity, and Gender (Female)

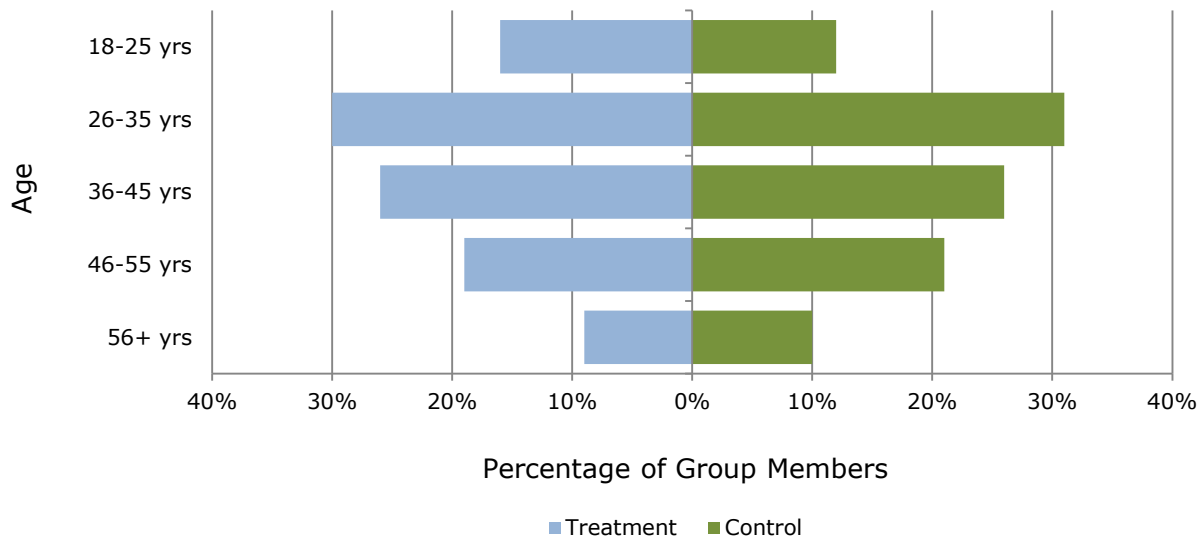


Figure 21. Balance Between Groups by Age

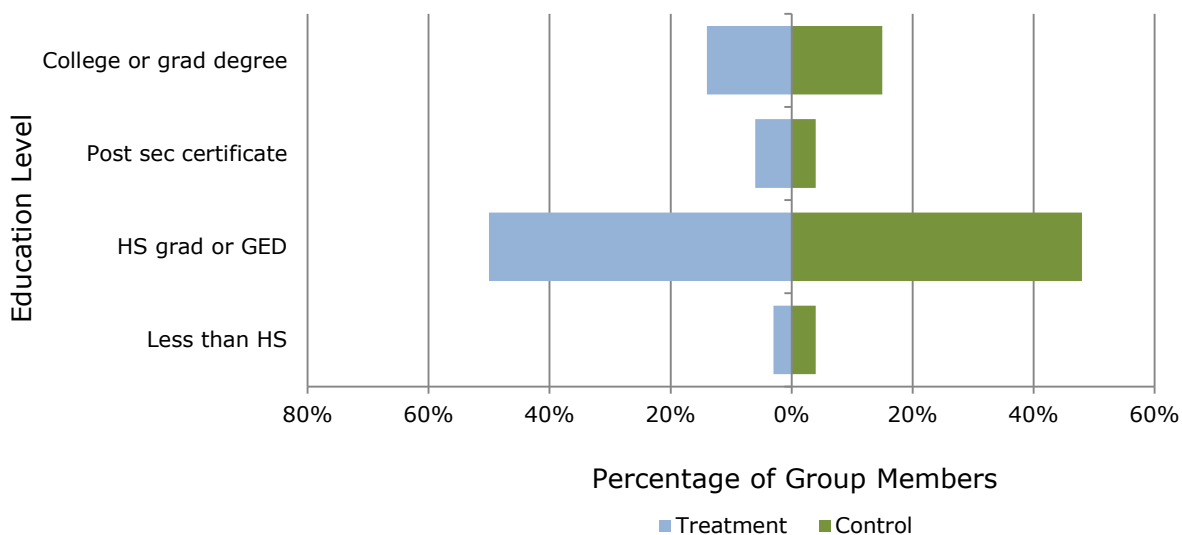


Figure 22. Balance Between Groups by Educational Attainment

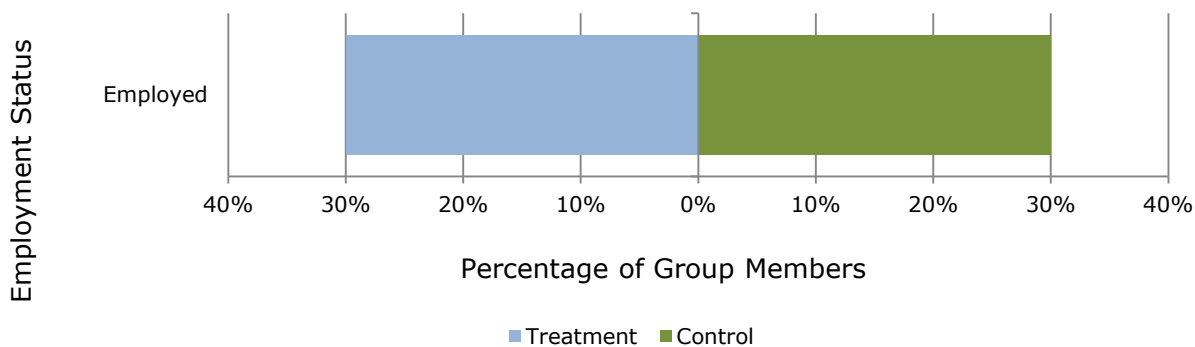


Figure 23. Balance Between Groups by Employment Status at Enrollment

Given the main demographic characteristics that were stated for tracking balance in the Evaluation Design Report (gender, race, age, education, and employment status at enrollment), the treatment and control groups appear reasonably balanced. Additional testing for equivalence was conducted on wages prior to enrollment and WIOA services during the program period for the entire RCT study population, as well as for the restricted sample of those for whom prior wage data are available. There were no statistically significant differences between the treatment and control groups for any of the covariates used in the statistical models.

Administrative Data

Data for the outcomes analysis were drawn from state administrative databases and original data collected as part of the evaluation. The VaWC system housed information on WIOA and VFSN service provision (entered by caseworkers and financial coaches, respectively), as well as a wealth of client-level information on demographics, barriers, and credentials earned. Data from the VFSN service files (also called WIF codes within the system), WIOA service files, WIOA credentials files, and WIOA demographics files were merged for study participants. In addition, the analysis was able to make use of Virginia Department of Labor and Industry wage-record data for all study subjects. Data was linked across systems using WIOA client identifiers. Presented below are tables describing the variables used in the analyses and how they were operationalized, organized by the source of the data.

VFSN and WIOA Service Data

VFSN services received were restricted to those services that began during the 92 days prior to assignment up through 365 days after assignment. Voided services were deleted, but uncompleted services were preserved in the analytical file. VFSN administrative codes that did not fall within the three pillars of service were excluded from total VFSN service counts.

Table 35. Variables Using WIF and WIOA Service Data

Outcome	Specific Source
Achieved a Significant Financial Event	Received WIF service code W64 (coded 1 or 0)
Any Training	Exposure to either WIF training or WIOA Training, coded 1 "Any Training" or 0 "No Training"
Approved for Work/Education Supports	Received any Workforce Services (coded 1 or 0)
N Finance Sessions	The number of unique dates that a client received a WIF Finance Service (see Total Finance Services)
N WIF Sessions	The number of unique dates that a client received any WIF Service, defined by "Actual Begin Dates"
Region ID	The state-designated number code for each local workforce area
Retained in Training	Of those who were coded as beginning any training (Any Training=1), clients that completed training (Any Credential=1) were coded as "1", and those that did not complete (Any Credential=0) were coded as "0"
Screened for Benefits	Received WIF service code W70 "Screened for non-WIOA benefits" (coded 1 or 0)
Total Finance Services	Exposure to WIF service codes W50 through W64
Total Income Support Services	Exposure to WIF service codes W70 through W80
Total WIF Services	Sum of Workforce Services, Income Support Services, and Finance Services
Total Workforce Services	Exposure to WIF service codes W01 through W18
WIF Training	Receipt of any WIF training using WIF code W03, Coded 1 (received training) or 0 (did not receive training)
WIOA Training	Receipt of any WIOA training using WIOA training codes (300, 301, 302, 304, 314, 320, 323, 324, 325, 326, 328), coded "1" as received training and "0" as no training

Wage-Record Data

Wage-record data was available from the first quarter of 2015 through the first quarter of 2019, the last quarter available in time for impact analysis. For 84 cases (40 treatment, 44 control), post-exit third quarter wage data were unavailable. Wages from all sources were summed from all employers to create a total wages reported for each case. An Entry Quarter was coded for each case based on the quarter of the year in which that case was assigned to the treatment or control group, and 365 days were added to the assignment date for each case. This date was used to identify an Exit Quarter. The quarterly wages prior to the Entry Quarter were used to calculate Prior Wages, while full calendar quarters in the first,

second, and third quarters after the exit quarter were used to calculate the Wages Qtr 1, Wages Qtr 2, and Wages Qtr 3 variables.

Table 36. Variables Using Wage-Record Data

Outcome	Specific source
Increased Wages	Prior Wages were subtracted from the total wages in the first quarter after the exit quarter (Wage Qtr 1). If the total was greater than 0, the client was coded "1" (increased wages); if zero or less they were coded "0" (did not increase wages).
Prior Wages	Summed wages for the quarter prior to assignment.
Retained Employment	For all those who reported wages in the first quarter after exit, client was coded as "1" if they also reported wages in the Wage Qtr 2 and Wage Qtr 3, and "0" if they did not report wages in either Wage Qtr 2 or Wage Qtr 3. Those who did not report wages in Wage Qtr 1 were coded as missing.
Wages Qtr 1	Summed wages for the first quarter after the exit quarter.
Wages Qtr 2	Summed wages for the second quarter after the exit quarter.
Wages Qtr 3	Summed wages for the third quarter after the exit quarter.

WIOA Demographic and Credentials Data

There were 43 cases that were missing in the main WIOA demographic file that had to be imported from an older state database. These variables had date of birth rather than age, had a larger number of categories for highest education received, and did not include unemployment status at enrollment. Before merging the two datasets, age was calculated by subtracting date of birth from date of assignment and highest education was re-coded to be consistent with the 6-category scale in the main WIOA data. Unemployment was left as missing data.

Table 37. Variables Using WIOA Demographic & Credentials Data

Outcome	Specific Source
Age	Age in years upon assignment to the treatment or control group.
Any Credential/ Completed Credential	Coded as completing at least one credential during the 365 days between the day of assignment and the end of the program period, coded 1 or 0.
Black	Coded as "1" for African American/Black racial identity, "0" for others.
Gender	Coded as "1" for female, "0" for male.
Highest Education	Highest educational attainment upon assignment. A 6-point scale: 1. No diploma, 2. High school graduate or GED, 3. Some college without a terminal degree, 4. Associate's degree or postsecondary certification, 5. Bachelor's degree, 6. Advanced degree.
Hispanic	Coded as "1" for Hispanic ethnicity (any race), 0 for all others.
Unemployed	Coded as "1" for unemployed upon assignment, "0" for employed.

Participant Survey

As discussed above, a baseline survey was administered to all volunteers prior to assignment and a follow-up survey of treatment and control group members was sent 18 months after assignment (i.e., six months after the end of the maximum VFSN service period).

Follow-Up Financial Survey

Survey Description. The follow-up financial survey began in April 2017, as the first study enrollee reached 18 months post-assignment. The questions in the online follow-up financial survey are the same as the baseline financial survey in order to calculate change in net income and net worth. One difference exists in the follow-up financial survey for the treatment group, where respondents are also asked to enter their recent credit score from Credit Karma into the online survey. Participants were sent a sheet with their advance letter advising them of the information needed to complete the survey efficiently. This included information such as their current bank balances and vehicle values. This document included suggested sources for values, including Kelley Blue Book, NADA Guides, and their tax assessment statement for a home's value. Treatment group participants were asked to report their credit score, including providing a printout verification, from Credit Karma—the source they were to use within the VFSN for credit reports and scores. This information was repeated in the introduction to the survey.

A total of 800 people were sent the survey.⁵⁶ Reaching the study participants for the follow-up survey, long after many had left the workforce center, proved to be extremely difficult. The original incentives were \$50 for a completed survey, plus \$10 for the return of the score from Credit Karma, the source of credit scores within the VFSN program. At the beginning of 2018 in an attempt to increase response, incentives for completing the survey were raised to \$75 for the control group, and \$60 for the treatment group with an additional \$15 if they provide verification of their credit score from Credit Karma. To maximize response rates, participants received several notifications and reminders to complete the survey. First, PPA sent an advance letter, e-mail, and a text message informing them of the upcoming survey invitation. An automated survey system then issued individualized invitations, with e-mail reminders three days later. One week after the invitation, a PPA staff member made phone calls and sent text reminders to participants. Participants in the control group also received a text message or e-mail reminder

⁵⁶ Three individuals did not receive a survey due to processing error. The respondent pool included 415 control members and 385 treatment members.

from a case manager or other workforce professional, while participants in the treatment group received a similar reminder from their financial coach to complete the survey. The survey system sent a final reminder and participants received another text message two weeks after the invitation was issued. At any point, reminders were discontinued when a participant completed the survey.

Despite multiple efforts by the evaluators to reach study participants for follow-up, only 253 members of either the participant or control group completed the Financial Follow-Up Survey (119 treatment and 134 control). The response rate to this survey fluctuated monthly, but overall was 31.7% for the control group and 31.8% for the treatment group as of April 2019. Smaller numbers reported their spending within their household budget (93) and credit scores (baseline 110, follow-up 64, both 49).

Survey Analysis. The low survey response rates raise serious questions about validity and generalizability, and so the results of analysis should be treated as suggestive at best. The following table provides the variables assessed in connection with the analysis of financial outcomes for the RCT.

Table 38. Variables Using Baseline and Follow-Up Survey Data

Outcome	Specific Source
Baseline Assets*	The sum of Owned Homes + Owned Rentals + Owned Vehicles + Savings Bonds + Retirement Accounts + Investment Accounts + Insurance + Owned Businesses.
Baseline Debts*	The sum of Mortgages + Student Loans + Other Loans + Credit Cards + Medical Bills + Child Support + Back Taxes + Judgments Owed.
Decreased Liabilities/ Debts	Baseline debts were subtracted from Follow-up debts. Totals greater than zero were coded as "1" and totals less than or equal to zero were coded "0".
Follow-Up Assets*	The sum of Owned Homes + Owned Rentals + Owned Vehicles + Savings Bonds + Retirement Accounts + Investment Accounts + Insurance + Owned Businesses.
Follow-Up Debts*	The sum of Mortgages + Student Loans + Other Loans + Credit Cards + Medical Bills + Child Support + Back Taxes + Judgments Owed.
Had a Monthly Budget	Those who indicated having a household budget were coded "1" and those that did not were coded "0".
Improved Credit Score	Baseline credit scores were subtracted from Follow-up credit scores. Totals greater than zero were coded "1" and those zero or less were coded "0".
Increased Net Income (Household)	The sum of individual and household pay and other individual and household income reported was calculated separately for the Baseline and Follow-Up Survey to determine Baseline and Follow-up Net Household Income. Baseline Net Household Income was then subtracted from Follow-up Net Household Income. Totals greater than 0 were coded "1" and totals lower than zero were coded "0".

Outcome	Specific Source
Increased Net Income (Individual)	The sum of individual pay and other individual income reported was calculated separately for the Baseline and Follow-Up Survey to determine Baseline and Follow-up Net Individual Income. Baseline Net Individual Income was then subtracted from Follow-up Net Individual Income. Totals greater than 0 were coded "1" and totals lower than zero were coded "0".
Increased Net Worth	This measure was for reported household net worth. Total liabilities were subtracted from total assets separately in the Baseline and Follow-Up Survey to calculate Baseline and Follow-up Net Worth. Baseline Net Worth was then subtracted from Follow-up Net Worth. Totals greater than zero were coded "1" (increased net worth) and totals zero or less were coded "0" (did not increase net worth).
Maintained credit score of 630 or better	Credit scores in the follow-up survey that were 630 or greater were coded as "1" and those less than 630 coded as "0".
Spent within budget	Those who reported "always" or "most of the time" spending within their budgets were coded as "1." Those who responded "Some of the time, rarely, never, or do not keep track/not sure were coded as "0".

*Not included as a covariate or outcome variable.

Other variables used in the analyses include Region ID (the state's indicator for the local workforce area), assignment dates, and designation as treatment or control. These variables were maintained in an assignment file by the evaluation team based on information provided regularly throughout the project by VFSN administrators.

Statistical Methods

The principal statistical models used ordinary least squares with robust standard errors for wage outcomes (quarters one, two, and three), and logistic regression for all other outcomes (employment in quarters one, two, and three, credential attainment, increase in individual income, increase in household income, and increase in net worth). All analysis used the Stata statistical package. Because there was one missing data point for Higher Education and 43 missing data entries for unemployment status, multiple imputation techniques with 10 iterations were used to estimate treatment effects using Stata's "mi" package. The sample was restricted to those cases that had data on prior wages (N=517). For linear regression analysis the "mibeta" package was used to estimate coefficients, adjusted r-squares, and standardized coefficients. The "mi estimate" procedure was used to estimate logistic regression outcomes. Nonparametric receiving operating characteristic (ROC) curves were employed to evaluate model fit for logistic regressions.

The basic regression model used for the analyses was as follows:

$$\text{Outcome} = \beta_0 + \beta_1 * \text{Treatment} + \beta_2 * \text{Age} + \beta_3 * \text{Gender} + \beta_4 * \text{Black} + \beta_5 * \text{Hispanic} + \beta_6 * \text{Unemployed} + \beta_7 * \text{Region} + \beta_8 * \text{Prior Wages} + \beta_9 * \text{Highest Education} + \varepsilon.$$

Figure 24. Summary Regression Model

Region was a categorical variable, with Region 11 serving as the reference category. Collinearity diagnostics indicated low rates of multicollinearity among the covariates.

An Intent to Treat (ITT) approach was employed for estimation of main effects.

Secondary analysis was conducted in which Region IDs were interacted with treatment status, with the main treatment variable additional Region dummies excluded. This analysis was used to explore the degree to which treatment effects in a specific region were statistically significantly distinct from the general study population (including all controls and treatment in other regions).

Exploratory hypothesis one (the dosage analysis) was analyzed by two methods. The first restricted the sample to participants, excluded the treatment variable and Region dummies, and included indicators for WIOA service exposure and VFSN service intensity using four dosage indicators tested sequentially (Total WIF Services, Total Finance Services, Number of WIF Sessions, Number of Finance Sessions). The model is presented in Figure 25.

$$\text{Outcome} = \beta_0 + \beta_1 * \text{Dosage} + \beta_2 * \text{Age} + \beta_3 * \text{Gender} + \beta_4 * \text{Black} + \beta_5 * \text{Hispanic} + \beta_6 * \text{Unemployed} + \beta_7 * \text{Prior Wages} + \beta_8 * \text{Highest Education} + \beta_9 \text{ Total WIOA Services} + \varepsilon.$$

Figure 25. Dosage Regression Model Version 1

The second approach to examining dosage was to focus on subgroup differentiation. The only change to the first approach was to exclude any WIF dosage variables.

$$\text{Outcome} = \beta_0 + \beta_1 * \text{Age} + \beta_2 * \text{Gender} + \beta_3 * \text{Black} + \beta_4 * \text{Hispanic} + \beta_5 * \text{Unemployed} + \beta_6 * \text{Prior Wages} + \beta_7 * \text{Highest Education} + \beta_8 \text{ Total WIOA Services} + \varepsilon.$$

Figure 26. Dosage Regression Model Version 2

Dosage analysis was conducted on all of the outcome variables, with linear regression employed for wage outcomes and logistic regression for other outcomes.

The analysis of change in credit scores was conducted using a dependent samples t-test.

For reasons of space the full regression results, as well as descriptives, have been excluded from this report and are available in an online appendix found here: <https://publicpolicy.com/vfsn-final-report-online-appendix/>.

Threats to Validity

As a randomized controlled trial with good baseline equivalence, there were moderate threats to internal validity for credential attainment (which had fairly complete data). Attrition due to missing wage data was a significant risk, particularly due to missing information about prior wages (supplementary analysis indicated similar outcomes when the prior wages variable was excluded). For wage outcomes there is a potential measurement error due to missing wage-record data in roughly a third of the cases, and for employment outcomes potential misspecification due to the imputing of “not employed” for all missing data. However, with respect to the latter the proportion of missing data was very similar in the treatment and control groups, which means any bias would likely have to be due to differential employment in excluded sectors by the treatment or control groups. There are more serious concerns about validity with regards to change in net worth and net income. Response rates to the follow-up survey were quite low, raising the potential for selection bias.

Cost Methods

The approach for the cost study calculated the “over and above costs” incurred by the VFSN program services model. In this case, the control group served as the status quo for services over the same time period as the VFSN services delivered to the RCT treatment group.

The regional workforce boards’ costs were the focus of the cost analyses, as the service delivery occurred at the regional level. Costs to the individuals receiving services and costs incurred outside the regions, such as to VCCS, were not included.

Start-Up Costs

PPA asked the six original regions to report the start-up costs centers and workforce boards incurred to increase capacity to provide the VFSN program. These costs could include, but were not limited to:

- Time spent on contract preparations/negotiations with VCCS
- Time spent on preparing Cost Allocation Plans to include VFSN
- Time spent to hire a financial coach

- Registration fees for training and/or certification
- Travel costs for training
- Office equipment for the financial coach
- Implementation of The Benefit Bank® (training)

Regions were told by PPA that start-up costs should not include costs associated with the day-to-day operations of the VFSN program, such as coach and case manager salaries, supplies and printing costs for VFSN materials, and supportive services for clients. Regions were also asked to identify the funding stream that paid for these activities. Costs were totaled by region.

Cost Allocation

Cost per participant was calculated separately for the treatment and control groups. The treatment group included VFSN expenditures reported annually for two program years (October 1, 2015 to September 30, 2017) and the estimated cost to provide WIOA services to the treatment group during that period. The control group calculation only included the estimated cost to provide WIOA services during that same time period.

Regions were asked to estimate the average expenditure to provide one unit of each WIOA service code to a single customer. The regions were instructed to include staff time and other indirect costs (such as materials) in their per unit cost estimates. Many regions were able to provide exact customer expenditures for supportive services. The cost estimates by region were then applied to the services data file where the WIOA services received by each individual in the study were recorded, resulting in a unique cost profile for each individual. The WIOA service expenditures were then summed for each region by treatment and control group.

VFSN expenditures were reported monthly to VCCS by regions. These expenditure reports, obtained by PPA directly from VCCS, were used to calculate the annual VFSN cost by region, which was added to the regional cost totals for providing WIOA services for the treatment group.

Table 39: Control Expenditures, Project Years 2015/16 and 2016/17

Region	VFSN	WIOA	Total	Number Enrolled	Cost per Client
3	\$0	\$53,466.48	\$53,466.48	25	\$2,138.66
6	\$0	\$605,331.69	\$605,331.69	49	\$12,353.71
8	\$0	\$814,595.03	\$814,595.03	134	\$6,079.07
11	\$0	\$295,006.06	\$295,006.06	59	\$5,000.10
16	\$0	\$261,302.81	\$261,302.81	77	\$3,393.54
17	\$0	\$180,136.07	\$180,136.07	72	\$2,501.89
Total	-	-	\$2,209,838.14	416	\$5,312.11

Table 40: Treatment Expenditures, Project Years 2015/16 and 2016/17

Region	VFSN	WIOA	Total	Number Enrolled	Cost per Client
3	\$118,450.20	\$52,838.22	\$171,288.42	23	\$7,447.32
6	\$151,483.88	\$407,568.40	\$559,052.28	41	\$13,635.42
8	\$203,766.48	\$742,458.78	\$946,225.26	131	\$7,223.09
11	\$264,830.05	\$341,044.03	\$605,874.08	59	\$10,269.05
16	\$186,913.47	\$236,170.75	\$423,084.22	70	\$6,044.06
17	\$202,529.04	\$149,378.06	\$351,907.10	63	\$5,585.83
Total	-	-	\$3,057,431.36	387	\$7,900.34

Supportive services amounts, either per customer or in aggregate, were reported to PPA by the regions (for the control) or VCCS (for the treatment). Supportive services paid under the grant were included in the costs for the program. To account for the changes in spending on this important line item across the first three years that service delivery occurred, PPA examined the average spending by region and the change in spending year to year.

Calculations for Cost Allocation:

Average cost per VFSN participant (treatment): Total service costs divided by number of people served

Average cost per WIOA participant (control): Total service costs divided by number of people served

Cost Effectiveness

Using the randomized controlled trial data set, PPA determined the impacts for the VFSN. These findings provided the basis for the cost effectiveness analysis, with the control representing the status quo and the treatment representing the new program's effects. An incremental cost for the groups was calculated. An incremental cost-effectiveness ratio was then calculated from the incremental cost and the incremental effectiveness. The calculation was repeated for each outcome of focus in the analysis (i.e., employment, retention, net income, and net worth). These were performed for both the start-up costs and the program maintenance costs.

Calculations for Cost Effectiveness:

0 – status quo (control group)

1 – new program (VFSN treatment group)

Incremental change of intervention:

Effectiveness = $\text{Effect}_1 - \text{Effect}_0 = \text{Average Treatment Effect} = 0$

Cost-effectiveness ratio = $\text{Costs/Effectiveness} = \$ \text{ per successful employment attributable to VFSN program} = \$2,588/0 = \$2,588^{57}$

Interpreting cost effectiveness requires context and subjective judgment about the relative value of the effect for the cost incurred. Thus, the evaluation team sought the perspectives of the VCCS team and site leads via conversations during summer 2019.

⁵⁷ Although technically division by zero has no mathematical meaning, for the purposes of CEA it indicates pure costs without any accompanying benefits.

Appendix C: Supplemental Report

Implementing Financial Coaching in Workforce Centers: Lessons for State and Local Practitioners

Implementation Insight Report, July 2019

Colleen E. Graber, Daniel Quinn, and Michael J. Polzin

The Virginia Financial Success Network (VFSN), a project adapted from the Working Families Success Network concept developed by the Annie E. Casey Foundation, was implemented in eight Local Workforce Investment Areas (LWIAs) in Virginia, each with multiple job centers serving customers. The VFSN expanded income supports and added financial coaching to the usual employment and training services provided to Workforce Innovation and Opportunity Act (WIOA) participants. The VFSN served participants between October 2015 and June 2019 under a grant from the U.S. Department of Labor Workforce Innovation Fund. Public Policy Associates, Inc. conducted the evaluation of the program.

Introduction

Financial coaching is an increasingly popular approach to support the progress of people from financial insecurity toward stability. In response, several initiatives have been carried out across the country to help low-income individuals and families strengthen their personal finances and credit, get jobs and employable skills, and improve their overall economic situation through a variety of workforce training and coaching approaches.ⁱ A 2016 survey by the University of Wisconsin reached 453 organizations that were serving over 18,000 clients a month—a demonstration of how popular financial coaching has become.ⁱⁱ

Despite this, there is still not a lot known about the impact of financial coaching within workforce settings. The Virginia Financial Success Network (VFSN) was the first attempt to implement a financial coaching model to scale in workforce centers. Through a rigorous study of the VFSN over its duration, much was learned about how this can be done. Other efforts in recent years have also added to the understanding of what it takes to deliver financial coaching.

Program Design

Financial coaching focuses on understanding a client's current financial circumstances and mindset around money and spending, setting short- and long-term goals, and teaching skills based on client needs for behavioral change. Issues with debt, lack of emergency reserves, and limited experience with budgeting are

common among low-income customers of the workforce system, community colleges, and community-based programs. Design considerations for programs in workforce development settings include:

- **Research.** The available research about existing approaches and talking to others who have implemented the programs can help in selecting the best model for a given situation. Before applying a model, overlay its elements and processes with the new context and determine what adaptations might be required. For instance, the average service timeline and points of interaction at workforce centers differ from that of community colleges.
- **Demand.** Using available data about the local economy, job center traffic volume, and customer demographics helps in estimating how many clients may access services. Participation has led to some positive results,ⁱⁱⁱ though many potential program participants decline to enroll in and/or use available coaching services.^{iv} A rough guideline is that 40%-50% of clients will voluntarily enroll in financial coaching, and about the same portion will actually engage.^v
- **Participant Perspective.** Identifying those resources, incentives, messaging, and other program approaches that will resonate best with participants can be done through client focus groups and program pilots prior to final decisions about these details.
- **Staff Perspective.** As with participants, involving staff in the process of design can contribute to identifying potential challenges, surface concerns about increased workloads, and pinpoint other information that could guide the program implementation approach.
- **Partner Perspective.** Financial coaching with workforce customers often includes discussions about public benefits and services offered through partner organizations. Talking early with partners about how the model will connect with existing programs and community resources could help avoid issues later with referrals and other needed support. Many potential partners for financial coaching programs are mandated partners under the Workforce Innovation and Opportunity Act (WIOA), but financial institutions are also important assets.
- **Policy.** Policy at the local, state, or federal levels may intersect with the financial coaching model. With the VFSN, a training spending requirement and local differences in policies around supportive services had influences on staffing capacity, decision-making, and customer experience. Agencies should identify where existing policies may influence the program's design and operation. In addition, new policies could be necessary to promote cohesion and clarity.
- **Tools and Resources.** Online and print materials from national, state, and local organizations, such as worksheet-type handouts and prompts, are prevalent. Gaps in resources or a need to make materials more culturally relevant could require partnerships or in-house development.
- **Protocols.** The initial introduction to the service and basic data collection might be done through a form, a group presentation, or a one-on-one conversation, or more likely, some combination of all of these. Exits might occur at several

points. Determining the details of how and when program steps occur will avoid confusion later.

- **Data Tracking.** Financial coaching and its outcomes are not WIOA Adult and Dislocated Worker performance measures, so program implementers will need to establish their own indicators of success and process for gathering supporting data. Additional modules or other alterations to existing data systems are likely necessary for a financial coaching program. This involves investment in creating new fields and queries, testing functionality, and documenting data entry requirements for field staff and supervisors.

Staff Preparation

As the implementers of programming, staff enthusiasm for and support of any financial coaching is critical to a strong program start. The coach is central to delivery, of course, but front-desk personnel, eligibility specialists, case managers, and supervisors all potentially have important roles to play connecting customers to services and supporting success, if like the VFSN program, financial coaching is bundled with standard education and employment services.

- **Coach Qualifications and Training.** Financial coaching requires both knowledge of financial issues and strong human interaction skills. Coaches will most likely require training to ensure they are prepared to discuss with clients a diverse set of financial issues, such as bankruptcy, entrepreneurship, public benefits, and medical bills, in addition to having an understanding the effects of poverty, privacy protections, and holding discussions with clients about sensitive topics.
- **Other Staff Training.** All staff who work directly with customers or will otherwise have some connection to the program can benefit from training about the program. Showing how the program will operate for customers and its potential benefits to clients can help to build buy-in. Training on documentation requirements and processes, what each staff role will contribute, where to direct questions, and how staff will be recognized for supporting the program are important preparatory steps. A plan should also be made early for orienting new staff when turnover occurs.

Recruitment and Enrollment

For the Virginia LWIAs participating in the VFSN, recruitment and enrollment was a challenging process. The demand was much lower than they had expected and it took trial and error to work out how to best reach potential participants and establish a smooth enrollment process involving multiple staff. From a staff point of view, the opportunity offered by the program was obvious, but over a one-year period, just 38% of eligible customers opted in. This is consistent with other similar financial coaching programs. Key lessons on financial coaching recruitment and enrollment include:

- **Outreach.** Multiple, repeated steps to reach customers and offer the program may be necessary. Tables at job fairs, personalized letters, flyers, videos, and so on, in addition to in-person presentations and discussions, were used in the VFSN to try to bring people into the program. Word of mouth among customers and the sharing of success stories by staff was also effective.
- **Expectations.** Being clear about what is expected of participants and the scope of services ensures clients are well-informed before deciding to participate and positioned to follow-through after enrollment. Sharing of confidential financial information is often also a major consideration for customers, so data security and use should be discussed and explained in program-overview materials.
- **Participant Motivation.** The reasons for non-enrollment (and later non-participation) have a lot to do with individual motivation to change one's financial circumstances. Stage-based change models and other motivational research may provide guidance in workforce customers' readiness to change financial behaviors while pursuing employment.^{vi} For instance, measuring an individual's motivational stage could be a valuable step prior to enrollment in financial coaching.
- The reluctance to enroll in financial coaching may also be grounded in scarcity^{vii} and poverty mindsets,^{viii} which theorize that people tend to focus on filling their most pressing needs first. Financial coaching and budgeting services may not be seen as priorities for those who are out of work. Urgent needs can also cloud decision-making.^{ix} Customers in the VFSN showed the most appreciation for the supportive services that the program provided and many did not see the relevance of a budget when they had little to no wage income.
- **Integration.** Inserting additional questions on intake forms and discussing the program when reviewing what brought customers to the workforce center embed the program opportunity as part of the regular flow of the center's operations, helping to establish it more firmly as a regular service for customers and staff. Connecting topics across services could also help, such as marrying discussions about career paths, earning potential, and individual financial goals.
- **Follow-Up.** Customers may not opt into financial coaching immediately, necessitating follow-up contacts by staff. Rarely are customers likely to revisit the service without prompting by staff. In addition, tracking the number of

WIOA participants who were offered the opportunity to participate provides a means of monitoring activity and determining uptake.

Program Engagement and Delivery

Adult and Dislocated Workers can face numerous challenges as they seek to upgrade their skills and secure employment. As with engagement in WIOA services, transportation, family demands, time, and other factors were realities for VFSN participants. The VFSN offered these insights into what was required to promote strong engagement:

- The importance of hiring and training (both for financial services and people skills) for the coaching positions cannot be underestimated. Successful enrollment in and higher levels of satisfaction with the VFSN were associated, in part, with personable, knowledgeable coaches.
- Given the sensitive nature of financial discussions, coaching programs should intentionally plan to establish trust between participant and coach early. In the VFSN, this occurred best through in-person introductions; using the initial meeting to get to know the individual and identify personal goals; calls, e-mails, and text communication between meetings; and providing quality information and resources to help the individual make progress.
- Customizing the coaching to the participant's goals and current financial situation resonated with customers' desire to make progress on issues of concern to them.
- Flexible and variable meeting options (e.g., telephone, after-hours appointments, off-site locations) increase accessibility to the coaching services.
- Supports like gas cards and bus passes to get to coaching appointments address a common issue for low-income participants: transportation.
- Set short- and medium-term milestones with customers and celebrate when these are reached. Such milestones should reflect customer action and progress toward larger goals: creating a budget, clearing an error on a credit report, opening a bank account and making deposits, paying down a credit card, etc.
- Collaboration among coaches and other staff around shared customers leverages communication and integrated case management opportunities. Ideally, staff are co-located to promote regular contact and the opportunity to schedule back-to-back meetings with customers.
- Agencies should build in regular monitoring and troubleshooting of program engagement with staff. Customers may also have ideas for how to remove barriers to participation.
- Experiencing financial distress can be an isolating experience. Program planners and staff should consider program designs that offer prospective participants a choice of individual or group sessions conducted in community or organizational settings,^x acknowledging that not everyone will be induced to participate in the same ways. The potential for peer-to-peer support can be very powerful, and

many of the behaviorally informed practices for effective financial capability interventions work well when delivered in group as well as individual sessions.^{xi}

Conclusion

Workforce professionals should consider a range of strategies when designing financial coaching programs and developing implementation plans. Doing so can contribute to improved program designs and implementation efforts that are more reflective of the needs of the targeted populations and sensitive to the issues that challenge local communities. Financial coaching has the potential to complement other workforce services, but must be brought into existing processes thoughtfully.

The goal of financial coaching in workforce settings is not just to increase participants' financial well-being but also to improve their long-term self-efficacy—that is, the ability to bring more stability to their lives. Focusing on what prospective participants need and when, and tailoring how services are delivered, position future coaching programs in workforce settings be as successful as possible.

End Notes

ⁱ The Annie E. Casey Foundation, "Center for Working Families," <https://www.aecf.org/work/economic-opportunity/center-for-working-families/>.

ⁱⁱ Hallie Lienhart, "Financial Coaching Census 2016: A Progressing Field of Practice (Year 2 Survey)," Asset Funders Network, University of Wisconsin – Madison, 2016.

ⁱⁱⁱ Ibid.

^{iv} Brett Theodos, Margaret Simms, Mark Treskon, Christina Plerhoples Stacy, Rachel Brash, Dina Emam, Rebecca Daniels, and Juan Collazos, *An Evaluation of the Impacts and Implementation of Financial Coaching Programs* (Washington, DC: Urban Institute, October 2015), 93.

^v Colleen Graber, David McConnell, Nathan Burroughs, Daniel Quinn, and Zachary Shapiro, *The Virginia Financial Success Network: Final Evaluation Report* (Lansing, MI: Public Policy Associates, Inc., September 2019) and Brett Theodos et al, *An Evaluation of the Impacts and Implementation of Financial Coaching Programs* (Washington, D.C.: Urban Institute, October 2015), 93 and 148.

^{vi} J.O. Prochaska and C.C. DiClemente, *The Transtheoretical Approach: Crossing Traditional Boundaries of Therapy* (Homewood, IL: Dow Jones Irwin, 1984).

^{vii} Brenda Smith, "The Emotional Intelligence of Money: A Case for Financial Coaching," *The International Journal of Coaching in Organizations (IJCO)* 7, no. 4 (2009): 78-94.

^{viii} Eldar Shafir, "Decisions in Poverty Contexts," *Current Opinion in Psychology* 18 (2017): 131-136.

^{ix} Anandi Mani, Sendhil Mullainathan, Eldar Shafir, and Jiaying Zhao, "Poverty Impedes Cognitive Function," *Science*, 341(2013): 976-980.

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^{xi} Julia Arnold and Elisabeth Rhyne, A Change in Behavior: Innovations in Financial Capability (Washington, DC: Center for Financial Inclusion/ACCION, 2016), <http://www.centerforfinancialinclusion.org/publications-a-resources/browse-publications/723-innovations-in-financial-capabilitytyns-in-financial-capability>.

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