

# FAMILY RESILIENCE (FARE) PROJECT COSTING REPORT

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## Introduction

Family Reintegration (FARE) was a pilot project implemented by AVSI and funded by FHI 360's Accelerating Strategies for Practical Innovation and Research in Economic Strengthening (ASPIRES) project. The aim was to learn about the role economic strengthening (ES) interventions might play in preventing unnecessary family-child separation and in fostering reintegration of formerly separated children in the Kampala and Wakiso districts of Uganda. FARE was implemented from November 2015 to June 2018 and reached 605 participating households. Of these, 255 households were targeted to reunify and reintegrate 281 separated children, and 350 at-risk households were targeted to prevent child separation. FARE offered participating families household-level case management support, social services such as counseling, parenting, and life skills training, and ES activities including savings groups, cash transfers, business skills training and, near the end of the project, short training on producing household goods for sale.

Implementation of interventions began in January 2016 with support to project-connected residential child care centers to identify children who might participate in the project and initiate work to prepare them and their families for reunification. These center-based processes continued through August 2017 to enable the project to reach its enrollment target. In February and March 2016, FARE identified sub-counties and parishes to be targeted in the prevention component of the project; it identified households at risk of separation for project inclusion between June and October 2016. FARE began to roll out activities for reintegrating households between October and December 2016, following baseline data collection. In early 2017, it began to collect baseline data on reintegrating households that had been reunified and continued to collect baseline data on a rolling basis as more families were reunified; FARE started support to post-reunification support to reintegrating families on a rolling basis. At endline, 84% of at-risk and 74% of reintegrating households had remained engaged with the project.

In addition to collecting data on key project results indicators, FARE generated detailed costing data disaggregated for all major project activities. The objective of gathering this data is to inform budgeting for replication and scale-up of similar programs. This report provides an analysis of FARE's recorded

project costs by intervention category and attempts to determine incremental costs of the interventions themselves.

## Methods

FARE compiled costing information disaggregated by project activity as outlined in its project workplan using a template provided by FHI 360. Costing data were collected from project start through March 2018 and the information was compiled approximately twice a year. Total costs were based on quarterly financial reports, then disaggregated by activity based on program staff estimates. All costs were recorded in Ugandan Shillings (UGX).

Data were collected on all project costs related to implementation, including direct overhead costs, such as office expenses. Indirect costs, such as the standard indirect rate charged by AVSI, were not included. Because indirect rates vary by organization and cannot be disaggregated by individual components or services offered, they are not considered to be a useful budgetary reference for the replication of an activity like FARE. However, organizations with standard indirect rates should factor these costs in when budgeting.

## ANALYSIS

Costs were categorized as start-up costs, implementation costs, or cross-cutting costs.

**Start-up costs**, mostly incurred by the end of September 2016, included the costs of staff recruitment and training, development of procedures, entering targeted communities and preparing them for the project entry, development of project implementation tools and systems, development of M&E tools and systems, and costs related to baseline research. These were divided into Project Start-up and M&E Start-up subcategories. For budgeting purposes, start-up costs are relevant to programs wishing to replicate interventions similar to FARE's.

**Implementation costs** include all costs related to implementing specific project activities with beneficiaries, such as participant mobilization, training, cash transfers, and case management. These were further divided into sets of interventions corresponding with the Intermediate Results articulated in FARE's workplan. The three Intermediate Results were:

- IR 1. Quality, appropriate case management helps reintegrating children and families at high risk of separation identify needs and access support services.
- IR 2. Targeted families/households have increased economic resources and capacities.
- IR 3. Children are nurtured and protected in targeted families and communities.

These results correspond roughly with three categories of interventions, respectively: case management, ES, and social support interventions, such as parenting training, life skills training, and counseling, known as "family strengthening". For program scale-up, or expansion or replication, it is useful to know the cost of each activity implemented with beneficiaries and the cost of activities relative to each other.

**Table 1. FARE’s Interventions by Intermediate Result**

<b>IR1. Quality appropriate case management</b>  <b>(Case management)</b>	<b>IR2. Targeted families have increased economic resources and capacities</b>  <b>(Economic strengthening)</b>	<b>IR3. Children are nurtured and protected in targeted families and communities</b>  <b>(Family strengthening)</b>
<p><i>Pre-reunification</i></p> <ul style="list-style-type: none"> <li>• Street outreach</li> <li>• Support for children at centers:               <ul style="list-style-type: none"> <li>○ child care plans</li> <li>○ basic needs support</li> <li>○ catch-up education</li> <li>○ life skills education</li> <li>○ psychosocial support</li> </ul> </li> <li>• Family tracing and assessments</li> </ul> <p><i>Pre- or post-reunification</i></p> <ul style="list-style-type: none"> <li>• Reconciliation dialogues</li> </ul> <p><i>Post-reunification</i></p> <ul style="list-style-type: none"> <li>• Follow up visits</li> <li>• Household development plans</li> </ul>	<ul style="list-style-type: none"> <li>• Cash transfers</li> <li>• Village saving and loan associations (VSLA)</li> <li>• Selection, planning and management of enterprises (SPM) training</li> <li>• Apprenticeships for youth</li> <li>• Community group business skills training</li> </ul>	<ul style="list-style-type: none"> <li>• Parenting skills training</li> <li>• Life skills training</li> <li>• Community dialogues and outreach activities</li> <li>• Referrals</li> <li>• Interactive learning sessions for children and youth</li> <li>• Psychosocial support</li> <li>• Family and individual counselling</li> <li>• Home visits</li> </ul>

**Cross-cutting costs** include all overhead and management costs that are not specific to project activities, including office expenses, backstopping support, technical advisory committee meetings, and travel related to project monitoring and support. These are categorized as 1) oversight and support costs and 2) goods and infrastructure costs. Together with implementation costs, they give a sense of the financial resources needed to implement and manage program activities with beneficiaries. For budgeting purposes, they are relevant to planning for the scale-up of an existing program like FARE.

Following the categorization of costs, incremental costs and costs per household were calculated.

**Incremental costs** are the costs of project implementation after the start-up stage. To calculate the incremental costs of implementation disaggregated by intervention category, cross-cutting costs were divided evenly across the three intervention categories and start-up costs (since cross-cutting costs were also incurred during the lengthy project start-up period). Costs were converted into USD using an exchange rate of 3500UGX/USD, in accordance with the average exchange rate used by FHI 360 to make payments to AVSI during FARE’s period of performance. This type of incremental cost analysis can inform potential scale-up or replication of a program.

**Costs per household** were calculated by dividing the incremental costs of each intervention category by the total number of households that participated in any FARE activity (N = 605). To calculate the cost of each intervention category by child, we divided the intervention costs by the total number of children reported to be living in FARE households at baseline, the point at which the

highest number of children were recorded (2,153 children total, or 3.56 children per household). This figure includes all children in each household rather than the individually targeted children under the assumption that all children benefitted from the project interventions.

## FINDINGS

### Costs by Category

Table 2 below demonstrates project expenses disaggregated by cross-cutting expenses (oversight and support and goods and infrastructure), project start-up, M&E start-up and each of the project intervention categories (case management, economic strengthening and family strengthening). Direct implementation of activities under the three intervention categories accounted for approximately half of all FARE costs, with the rest consisting of cross-cutting and start-up costs. Oversight and support comprised about 30% of all costs.

**Table 2. FARE Costs by Category**

Activity	Cost (UGX)	Cost (USD)	Percentage Total
Oversight and Support	1,326,758,354	\$379,074	30%
Goods and Infrastructure	342,569,118	\$97,877	8%
Project Start-Up	159,796,984	\$45,656	4%
M&E Start-Up	272,659,642	\$77,903	6%
Case Management Activities (IR 1)	844,932,049	\$241,409	20%
Economic Strengthening Activities (IR 2)	709,852,974	\$202,815	16%
Family Strengthening Activities (IR 3)	694,187,922	\$198,339	16%
<b>Total cost</b>	<b>4,350,757,043</b>	<b>\$1,243,073</b>	

To provide a clearer picture of intervention costs and the cross-cutting (oversight/support and goods/services) costs required to implement them, Table 3 below shows all costs aggregated into the start-up and implementation phases of the interventions. Cross-cutting costs (for Oversight and Support, Goods and Infrastructure, and Project Start-Up) are divided evenly across start-up and the three intervention categories. Incremental costs were similar across FARE's three intervention categories, with case management costs totaling to about 10% more than the ES or family strengthening activities.

**Table 3. FARE Costs by Intervention Category**

Total Costs by Package	Cost (UGX)	Cost (USD)	Percentage Total
Start-Up	849,788,494	\$242,797	19%
Case Management Activities (IR 1)	1,262,263,917	\$360,647	29%
Economic Strengthening Activities (IR 2)	1,127,184,842	\$322,053	26%
Family Strengthening Activities (IR 3)	1,111,519,790	\$317,577	26%
<b>Total cost</b>	<b>4,350,757,043</b>	<b>\$1,243,073</b>	

### Start-up Costs

Including cross-cutting expenses, start-up comprised about 19% of all project costs. The largest type of start-up costs, \$37,307, were related to M&E, including the salaries, printing and materials and training costs associated with developing the monitoring and evaluation plan and tool development. It is likely that M&E costs were unusually high for FARE because of its strong emphasis on learning and data collection, which may not be as great of an expense for future programs. The largest non-M&E expenses during start-up were staff recruitment (\$7,222) and the development of guidelines for cash transfer disbursement (\$7,321).

### Case Management Costs (IR 1)

Case management was central to FARE’s intensive approach to supporting families to retain children in their care and is essential for good practice in this type of programming. In addition to case management activities, such as enrollment and assessment of households, AVSI included the costs of delivering services to children in residential facilities prior to family reunification under this IR, since pre-reunification support to children was not a focus of ASPIRES’ research agenda.<sup>1</sup> Most case management costs, \$213,789 or about 88%, were related to the process of working with children in residential care facilities and reunifying separated children with their families. About one-third of these costs went to contributing to the basic needs of children in shelters between January 2016 and September 2017, which cost about \$90,461; 134 of these became “direct beneficiaries” who were reunified with families in the target districts. Other cost-intensive activities included providing education, life skills, and psychological social support at centers (\$26,175) and following up reunified children with

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<sup>1</sup> It should be noted that ASPIRES-funded projects aimed to support evidence and learning about HES support to families post-reunification. FARE partners had multiple funding sources and many of the children they served came from areas outside FARE’s geographic scope. ASPIRES supported some center costs, since targeted children were identified by the centers and reunified with center support and social workers supporting the project were attached to the centers. Each FARE partner pooled its resources contributing to children’s basic needs so that children resident in centers had a common standard of care, regardless of the project that supported them.

home visits at (\$28,132), which required travel to the scattered locations of the children’s homes.

Individual activity-level costs, as available, are summarized in Table 4.

**Table 4. Individual case management activity costs**

Activity	Cost	Unit type	Units	Cost per unit
Street outreach and enrollment in institutional care	\$17,591	Outreach event	106	\$166
Assessing children and development of individual care plans while at the centers	\$17,227	Child	200	\$86
Conducting family tracing/pre-visit to the families of separated children	\$18,744	Household	281	\$67
Assessment of families of separated children to determine their levels of vulnerability	\$1,310	Household	327	\$4
Develop and follow up use of tailored household development plans with reintegrating HHs	\$11,660	Household	200	\$58
Develop and follow up use of tailored household development plans with HHs at risk of separation	\$10,888	Household	350	\$31

### **Economic Strengthening Costs (IR 2)**

The central aim of the FARE project was to learn how to best incorporate ES into programs to prevent family-child separation and support reintegration of previously separated/unaccompanied children. The ES intervention component comprised several types of activities: savings group formation and support, financial literacy and business training (selection, planning and management of enterprises or SPM), apprenticeships and vocational training for youth, and cash transfers.

FARE provided 80 of its most destitute households with \$120 in cash, disbursed over six installments of about \$20 over six months via mobile money payment. The total cost of the transfers as well as the disbursement process was \$26,370, or \$330/household. This total includes staff salary costs as well as mobile airtime and transport costs related to FARE’s follow-up procedures to ensure that the transfers were received.

VSLA mobilization, training, and support cost about \$85,260. VSLA membership totaled 869 members, of which just under 37% were FARE direct beneficiaries. When divided by all beneficiaries, including community members, this comes to an average cost of about \$98/participant. Limited to FARE targeted beneficiaries only, the per-person costs increase to \$266.

In addition to disbursing cash and facilitating savings and lending, FARE provided a number of capacity-building interventions to participants. FARE provided financial literacy and business training to a total of 387 direct and indirect beneficiaries at a cost of \$21,854, or \$56/person. FARE’s apprenticeship and vocational training was provided for 95 young people at a cost of \$48,607, or \$512/person. These costs included staff salaries and per diems for field visits, trainer fees, and transport costs for apprentices. Finally, group-based training in locally-appropriate income-generation activities, known as community skills training, was initiated to provide an ES activity for reintegrating households unable to participate in VSLAs due to their scattered locations. By project end, 227 people had participated (118 from reintegrating households, 85 from at-risk households, and 24 other community members) at a total cost of \$20,723, or \$91/person.

**ES Intervention Costs  
(direct and indirect beneficiaries)**

- **VSLA:** \$98/person
- **CTs:** \$330/household
- **SPM:** \$56/household
- **Apprenticeship and vocational training:** \$512/youth
- **Community skills:** \$91/person

### **Family Strengthening Costs (IR 3)**

Family strengthening interventions consisted of community- and household-level activities to support improved relationships within households and reduce violence and mistreatment of children. Some of the biggest investments were in life skills training, parenting training, and community-level interventions. FARE formed and trained community-based life skills groups for young people from targeted and non-targeted households at a cost of \$35,463, including participants from 236 targeted at-risk households. Since more than one household member may have attended the training, the total number of participants reached with community-based life skills training is not known. The cost to reach a targeted at-risk household with this training was \$150.<sup>2</sup> Parenting skills training was provided for target and indirect beneficiary (non-enrolled community member) households at a cost of \$48,477, including 301 participants from at-risk and reunified households. Again, since more than one household member may have attended the training, the total number of participants reached is unknown. The cost to reach a targeted household with this training was \$161.<sup>3</sup> At the community level, the project hosted community dialogues and outreach activities at a cost of \$32,360, or 16% of costs in this category of activities.

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<sup>2</sup> FARE’s final report indicates that 328 young people from targeted at-risk families participated in life skills training. Quarterly reporting provided quarterly figures totaling 709 participants (325 from targeted households and 384 from other households in the communities) in community-based life skills training, but the reports note that cumulative reporting may include overlap between quarters if groups were active during two quarters. If we assume a 25% overlap in quarterly report figures, the total participants reached would be 531 (243 from targeted households and 269 from other households), the cost per participant would be \$67 per participant, or \$146 per participant from a targeted household.

<sup>3</sup> FARE’s final report indicates that 1,105 individuals participated in parenting skills training, of whom 650 were from targeted families. Quarterly reporting provided similar, but slightly different figures, but the reports note that there is likely overlap between quarterly figures and ASPIRES found discrepancies in the numbers reported. The household figure based on ASPIRES endline data does not include households whose members were reached with training, but for whom no endline data were collected.

## Cost-output Measures

Table 5 shows the overall cost of each of FARE’s three activity types per household, excluding start-up costs. Only 362 households were reported to receive ES interventions, but all households are assumed to have received family strengthening and case management interventions, so the total costs per household is estimated between \$1,121 (family strengthening and case management only) and \$2,011 (family strengthening, case management, and economic strengthening). Assuming that all of the children in each household benefit from these interventions, the cost per child household member at an average of 3.56 children per household is calculated at \$565 for all three intervention sets. The cost per household for all program costs, including start-up, is between \$1,388 (case management and family strengthening only) and \$2,502 (case management, family strengthening, and economic strengthening).

**Table 5. Cost-output measures (cost per household by activity type) for direct beneficiaries only**

Cost-output measures						
	Number of FARE households	Cost per household (UGX)	Cost per household (USD)	Number of children benefiting	Cost per child (UGX)	Cost per child (USD)
Case Management Activities (IR 1)	605	2,086,387	\$596	2153	586,281	\$168
Economic Strengthening Activities (IR 2)	362	3,113,770	\$890	1288	874,980	\$250
Family Strengthening Activities (IR 3)	605	1,837,223	\$525	2153	516,266	\$148

## Discussion

AVSI’s costing analyses provide new data to help future programs estimate the costs of interventions to support reintegration of separated families and help prevent family separation using case management, ES, and family strengthening approaches. They also provide a basis for estimating the costs of implementing a project like FARE on a pre-existing platform where start-up investment has already taken place.

### COMPARISONS TO OTHER PROGRAMS

While costing data for analogous projects is unavailable, a possible comparator is BRAC’s Ultra-Poor Graduation model, an intensive two-year program that provides a productive asset grant, training and support, life skills coaching, temporary cash consumption support, and typically access to savings accounts and health information or services. This Graduation Approach has demonstrated cost-



effective, sustained positive outcomes two years after implementation.<sup>4</sup> In a 2015 publication, overall project costs for this program were reported for two African countries, including startup and indirect costs: in Ethiopia, the cost per household was \$4,157, and in Ghana, it was \$5,408. If these costs are adjusted for 15 months of implementation, they amount to \$2,598 and \$3,380 per household. AVSI's overall costs per household, including indirect costs (\$166/HH), is \$2,668 for all intervention types. Additionally, a substantial portion of these costs are associated with case management activities in support of reintegration, which was not part of BRAC's model. This suggests that AVSI's investments in ES were much lower. For example, FARE's overall cost per VSLA participant of \$98 is lower than commonly reported costs associated with savings group interventions operating at a small scale. For instance, CRS reports cost per member estimates of \$150 for programs serving 1,000-2,000 beneficiaries, and CARE estimates \$100-125 for savings group programs at 18 months of operation, with costs going down to \$15-40 after 5 years.<sup>5</sup> Note, however, that FARE's VSLA costs increase to \$266 when calculated against members of targeted households only.

Activities under IR1 (case management), primarily focused on pre-reunification and household development planning activities, were costly compared to other activities. This was likely due to FARE having contributed resources for center-based care and support services for a wide range of children (prior to determining their eligibility for program participation) before focusing on those ready for reunification within the target districts. The necessity of offering intensive services in those districts to geographically dispersed beneficiaries likely also contributed to the higher costs.

To enable a full cost-benefit analysis of programs like FARE, future research would be required to determine whether the intervention outcomes were attained – and sustained – and at what cost. This would also require rigorous tracking of which participants engaged in which interventions. Ideally, future programs would also need to find a way to standardize the length of interventions received to make fair comparisons across interventions and draw more accurate conclusions about costs.

## LIMITATIONS

This assessment should be treated as a rough estimate of FARE's project costs, and care should be taken when applying it to the budgeting process for similar programs. First, activity-level costs are based on program staff recall and estimates of average time allocation made months after the reported implementation periods, so they are likely to be imprecise. Second, overall program costs per household are based on averages across all interventions in all activity packages. However, some households benefited from some interventions more than others, and the distribution of interventions is likely different across prevention and reintegration households. Furthermore, several interventions, including those related to VSLA and care and support of children in centers prior to selection, reached

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<sup>4</sup> Banerjee, J.; Duflo, E.; Goldberg, N.; Karlan, D.; Osei, R.; Pariente, W.; Shapiro, J.; Thuysbaert, B.; Udry, C. (2015). "A multifaceted program causes lasting progress for the very poor: Evidence from six countries." *Science* 348(3236): 1260799-1-16.

<sup>5</sup> Zollman, Julie. (2009). Apples to Apples: Standardizing cost per client calculations to measure and promote efficiency in the expansion of savings-led microfinance. Retrieved October 9, 2018 from: [https://www.mangotree.org/files/galleries/643\\_zollmann\\_Apples\\_to\\_Apples\\_Final\\_02-10-09jz.pdf](https://www.mangotree.org/files/galleries/643_zollmann_Apples_to_Apples_Final_02-10-09jz.pdf).

many (uncounted) indirect beneficiaries, which is not reflected in the cost per FARE beneficiary. Additionally, programs in other countries or regions will encounter context-specific variations in the cost of staff salaries and other program elements.

Costing analysis is a challenging activity. It requires a relatively high level of effort and frequent coordination of program and financial staff on tasks that are not normally part of their standard workload. AVSI staff initially found the task confusing and it took some time and discussion to clarify information needed and develop processes to collect it. The process was also challenged by staff turnover and the need to orient new staff members on the task. Future programs attempting detailed activity-level cost accounting may need to plan for more up-front face-to-face costing process development during start-up activities. Program and financial staff should coordinate to develop clear systems for tracking and compiling activity-level participation by individual beneficiaries or households and for documenting how staff members spend their time against different activities. Program and financial staff should coordinate frequently to make sure that costing data are updated and reviewed regularly for accuracy and completeness, and that the structure for classifying information is consistent. Staff need adequate time to do this.

Despite the challenges FHI 360 and AVSI faced in this exercise, these data provide some of the first estimates of activity costs in programs aiming to support reintegration of separated families and prevent family separation using case management, ES, and family strengthening approaches. As other projects attempt similar exercises, the FARE costing exercise can inform those processes and provide data others can use for comparison purposes to plan and assess programming in this area.