Financing for Youth in the Age of COVID and Beyond

Out-of-School Time Impact Group Call Series

September 18, 2020, 12:00 p.m. ET

The program will be starting shortly
VISION
A nation without financial barriers to equitable access to child and youth development opportunities.

MISSION
The Children’s Funding Project (CFP) is a social impact organization that helps communities close equity and opportunity gaps for children and youth through strategic financing.
STRATEGY

- Strengthen local capacity by providing training, tools, and coaching on four key strategic financing policy levers.
- Showcase communities that map their resources, coordinate funding, create new dedicated revenue, and administer funding for impact.
- Empower the child and youth field to use the tools of democracy to harness public support for a more proactive approach to children’s funding.
FIND: Why create a fiscal map?

- Understand current investments
- Align resources with goals
- Coordinate supports and services
- Maximize funding opportunities
- Identify new areas for attention, efficiency and innovation

NEW EMERGENT REASONS:
- Determine the baseline funding pre COVID-19 budget deficits
- Plan for equitable recovery of funds to enhanced programs and services
<table>
<thead>
<tr>
<th>Primary Outcome Area</th>
<th>Pre K (0-5) Total: $4.2 M</th>
<th>School Age (6-10) Total: $6.9 M</th>
<th>Middle (11-14) Total: $13.8 M</th>
<th>High (15-18) Total: $13 M</th>
<th>Young Adult (19-24) Total: $5.3 M</th>
<th>Families Total: $2.4 M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academically Successful Total: $1.5 M</td>
<td>$0.1 M</td>
<td>$0 M</td>
<td>$0.2 M</td>
<td>$0.7 M</td>
<td>$0.4 M</td>
<td>$0.1 M</td>
</tr>
<tr>
<td>Vocationally Successful Total: $0.5 M</td>
<td>$0 M</td>
<td>$0 M</td>
<td>$0.1 M</td>
<td>$0.3 M</td>
<td>$0.2 M</td>
<td>$0 M</td>
</tr>
<tr>
<td>Healthy Total: $18.8 M</td>
<td>$2.1 M</td>
<td>$1.9 M</td>
<td>$6.2 M</td>
<td>$4.9 M</td>
<td>$2.8 M</td>
<td>$0.9 M</td>
</tr>
<tr>
<td>Safe Total: $17.5 M</td>
<td>$1.2 M</td>
<td>$4.1 M</td>
<td>$5.4 M</td>
<td>$5.2 M</td>
<td>$1.1 M</td>
<td>$0.5 M</td>
</tr>
<tr>
<td>Socially Engaged Total: $7.1 M</td>
<td>$0.9 M</td>
<td>$0.9 M</td>
<td>$1.9 M</td>
<td>$1.9 M</td>
<td>$0.7 M</td>
<td>$0.9 M</td>
</tr>
<tr>
<td>Civically Engaged Total: $0 M</td>
<td>$0 M</td>
<td>$0 M</td>
<td>$0 M</td>
<td>$0 M</td>
<td>$0 M</td>
<td>$0 M</td>
</tr>
</tbody>
</table>
King County, WA
Best Starts for Kids

DATE ESTABLISHED
2015

DEMOGRAPHY
Urban/Suburban

WHAT IT FUNDS
Comprehensive

ANNUAL REVENUE
$65,000,000 ~

POPULATION
2,149,970 (2016)

PERCENT OF CHILDREN IN POVERTY
13.6% (2014)

$ PER CHILD IN POVERTY
$1,162

RACIAL MAKE UP

- White: 66.7%
- Asian: 14.6%
- Black or African American: 6.2%
- American Indian or Alaska Native: 0.8%
- Native Hawaiian and Other Pacific Islander: 0.8%
- Hispanic or Latino: 8.9%
- Two or More Races: 5%

BALLOT QUESTION
The King County Council passed Ordinance No. 18088 concerning funding to improve well-being of children, youth, families and communities. If approved, this proposition would provide funding for prevention and early intervention to achieve positive outcomes related to: healthy pregnancy; parental and newborn support; healthy child and youth development; the health and well-being of communities; and crisis prevention and early intervention for children and youth, including for domestic violence and homelessness. The measure would authorize an additional regular property tax of $0.14 per $1,000 of assessed valuation for collection beginning in 2016 and authorize maximum annual increases of 3% in the succeeding 5 years. Should this proposition be:

- Approved
- Rejected
New Orleans Inventory of Public Investments in Children & Youth - 2020

Total Investments in Children and Youth Ages 0-24

$40M

This fiscal map is a comprehensive analysis of public investments in youth and children in New Orleans. This resource will assist city leaders to identify and align spending with priorities. In addition, non-profits, residents, and community groups are encouraged to use the resource to better understand the City’s public investments in youth and children.

Through a data-driven process, the Mayor’s Office of Youth and Families, in partnership with the Children’s Funding Project, worked with City agencies and departments to obtain fiscal data related to youth and children services. Fiscal data was categorized into outcome categories, levels of intervention, and eligible services to provide a more detailed analysis.

The data in this map includes general fund expenditures, state and federal grants, and some miscellaneous sources of funding. It is important to note that this fiscal map does not include school funding, which is administered by New Orleans Public Schools, a public entity independent from the New Orleans City Government.

### Source of Investments

- **$9.8M (2%)**
- **$9.9M (25%)**
- **$3.5M (9%)**
- **$0.8M (2%)**
- **$24.5M (61%)**

### Funding Level

- City
- Federal
- Harrah’s Funds
- Private NORDC Funds
- State
- Wisner Funds

### Investments by Outcome

- **Economic Stability $2.4M (6%)**
- **Education $7.0M (17%)**
- **Health and Wellbeing $8.5M (21%)**
- **Safety and Justice $9.0M (22%)**
- **Enrichment $11.2M (28%)**

### Investments by Level of Intervention

- **Positive Youth Development $17.5M**
- **Intervention $10.1M**
- **Basic Services $8.3M**
- **Prevention $4.4M**

City of New Orleans

[Image of the 2021 New Orleans Master Plan]
Denver Children’s Cabinet

Early Childhood Programs

<table>
<thead>
<tr>
<th>Description</th>
<th>Youth Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth One Book, One Denver is a summer program that brings a book to life for children ages 8-12. Primary goals include literacy and engaging kids in the Denver community through literary arts.</td>
<td>5,000</td>
</tr>
<tr>
<td>Welfare Reform Board sets payment policy, generally</td>
<td>2,700</td>
</tr>
</tbody>
</table>

Investments in Early Childhood

$54M

Intramural

Intervention 64%

Prevention 36%

Funding Source

- County/Municipal: 56%
- Federal: 25%
- Non-City Appropriations: 17%
- Private/Other: 0%
- State: 0%

Investments in Early Childhood by Primary Service

- Child Welfare and Safety: $1M (1.16%)
- Early Childhood: $35M (64.51%)
- Family Support: $16M (30.02%)
- Education: $111,611 (0.20%)
- Office of Economic Development: $136,500 (0.25%)
- Denver Public Library: $911,466 (1.67%)
- Environmental Health: $640,64 (0.14%)
- Parks and Recreation: $111,611 (0.20%)
- Denver County Court: $110,907 (0.20%)
- Total: $54,172,731
## Denver Children’s Cabinet: Out of School Time Investments

### Investments by Primary Service

- **Primary Service**
  - Child Welfare and Safety
  - Community
  - Early Childhood
  - Education
  - Employment
  - Family Support and Services
  - Juvenile Justice and Violence
  - Nutrition and Food Programs
  - Out of School Time
  - Physical Health

### Agency | Program | Total Funding
--- | --- | ---
Denver Public Library | After School is Cool | $164,675
Denver Public Library | IdeaLabs | $454,448
Denver Public Library | Out of School Learning | $186,743
Denver Public Library | STEM Camps | $39,112
Denver Public Library | STEM in a Box Program Kits | $35,770
Denver Public Library | Summer of Adventure | $236,548
Office of Children’s Affairs | Denver Afterschool Alliance | $750,000
Office of Children’s Affairs | OST Programs | $4,334,773
Parks and Recreation | Community Recreation | $1,655,500
Parks and Recreation | My Denver | $1,139,509
Parks and Recreation | Social Enrichment | $388,067
Parks and Recreation | Youth Sports | $1,256,376

**Total** |  | **$10,641,521**

### Intervention and Prevention

- Intervention $1M (5%)
- Prevention $10M (95%)
Local Children’s Cabinet Network
Local leaders must be prepared to make adjustments in how funding is allocated, managed and accounted for within agencies to address gaps and overlaps in the existing funding landscape.

What can you do?

• Use local dollars as flexibly as possible
• Reconcile different processes between departments (i.e. sign MOUs, align RFPs, change program requirements)
• Engage non-traditional departments
• Blend or braid multiple funding sources and/or apply for waivers
• Align any new funds with existing funding
• Invest in public/private partnerships that help maximize and leverage dollars
Align: New and Flexible Federal Funding

Read now!
“Navigating New and Flexible Funding Streams for Kids During COVID-19”

A guide from Children’s Funding Project
Published April 2020
Overview of the guide

• Part I: New Federal Funding for Kids During COVID-19
  • Coronavirus Preparedness and Response Supplemental Appropriations Act (HR-6074)
  • Families First Coronavirus Response Act (HR 6201)
  • Coronavirus Aid, Relief and Economic Security Act (CARES Act HR-748)
  • Paycheck Protection Program and Health Care Enhancement Act (HR – 266)
  • How can states, localities and providers access these funds?

• Part 2: Federal Funding Flexibility During Emergencies
  • OMB COVID-19 Guidance
  • Early Childhood Funding
  • Middle Childhood Funding
  • Older Youth Funding
  • General Funding for Children and Youth
Part 1: New Federal COVID-19 Funding for Children

- Coronavirus Preparedness and Response Supplemental Appropriations Act
  - $8.3 billion for healthcare response

- Families First Coronavirus Response Act
  - $500 million for WIC
  - $400 million for the Emergency Food Assistance Program

- Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
  - $150 billion to the Coronavirus Relief Fund
  - $30.75 billion to the Education Stabilization Fund
  - $3.5 billion for CCDF/CCDBG
  - $5 billion for CDBG
  - $15.8 billion for SNAP
  - $1 billion for CSBG
  - $750 million to Head Start
  - $450 million for the Commodity Assistance Program
  - $45 million for programs funded under Title IV-B, Subpart 1 of the Social Security Act
  - $25 million in supplemental funding for programs funded under the Runaway and Homeless Youth Act

- Paycheck Protection Program and Health Care Enhancement Act
  - Supplements the Paycheck Protection Program for a total investment of $660 billion and the EIDL for a total of $130 billion
Part 2: Early Childhood highlights

CCDF Options available to State, Territory, and Tribal Lead Agencies include:

- Lead Agencies have the flexibility to change eligibility or priority criteria to permit uninterrupted child care.
- Lead Agencies have the flexibility to define income and set the income threshold for purposes of CCDF eligibility.
- Lead Agencies have the option to waive family co-payment requirements for families that meet criteria established by the Lead Agency—which may include, for example, families impacted by federal or state declared emergency situations.
- Lead Agencies may use quality dollars to provide immediate assistance to impacted families, including families that do not participate in CCDF.

PDG B-5 grants don’t explicitly state new flexibilities but the Dept. is very open to waiver requests.

Flexibility in action

- Vermont is using CCDBG dollars to pay tuition for all providers, regardless of closures!
Part 2: Middle Childhood highlights

Notable funding stream and program flexibilities:

- 21st Century Community Learning Centers are encouraged to continue paying staff with grant funds and providing services to youth virtually
- The Food and Nutrition Service has issued a wealth of waivers for the Child Nutrition Programs
- Project AWARE grantees are authorized by SAMHSA to purchase electronics for staff working remotely

Flexibility in action

- Washington is leveraging the Non-Congregate Feeding Waiver as well as a waiver that allows Summer Food Service Program operation in non-Area eligible schools and locations.
Part 2: Older Youth highlights

Notable funding stream and program flexibilities:

• States can leverage a number of existing waivers for WIOA Youth Programs
• Perkins flexibilities with unexpended funds, period of availability of funds, professional development

CT’s Governor blended $2 million from Coronavirus Relief funds with the state’s $5 million in the Youth Employment Program to create community health work opportunities for marginalized youth.

Flexibility in action

• The City of Orlando, FL’s Families, Parks and Recreation Department is utilizing AmeriCorps volunteers to provide school day tutoring and perform wellness check-in calls with students and families.
General Funding for Children and Youth- Highlights

Notable funding stream and program flexibilities:

- States are authorized to extend SNAP eligibility to families not previously eligible who have children whose schools are closed because of COVID-19 (Pandemic EBT).
- States have wide latitude in the way they can use existing TANF funds to respond to COVID-19.
- States have the authority to raise the CSBG eligibility threshold to 200% from 125% through FY 2021.

Flexibility in action:

- Ohio is making it safer for SNAP recipients to shop for groceries with its “Click and Collect” option that enables recipients to order groceries online and pay with an EBT card either from their car or with a quick trip into the store.

California is putting $42 million toward child welfare, including direct cash assistance to at-risk families, providing technology for foster youth, and offering cash supplements to childcare providers. The state is also temporarily extending emancipation timelines for youth who are aging out during the crisis.
**Generate:** Revenue Options & Funding Mechanisms

<table>
<thead>
<tr>
<th>Common</th>
<th>Innovative</th>
</tr>
</thead>
<tbody>
<tr>
<td>City or County dollars</td>
<td>Local dedicated public funds (set aside or new tax)</td>
</tr>
<tr>
<td>State dollars</td>
<td>Community Benefit Agreements</td>
</tr>
<tr>
<td>Federal dollars</td>
<td>Individual or Business Tax credits</td>
</tr>
<tr>
<td>Local United Way</td>
<td>Pay for Success</td>
</tr>
<tr>
<td>Local Foundation</td>
<td>Medicaid reimbursements</td>
</tr>
<tr>
<td>National Foundation</td>
<td>Community Reinvestment Act agreements</td>
</tr>
<tr>
<td>Individual Donors</td>
<td>Profits from publicly held assets</td>
</tr>
<tr>
<td>Corporations</td>
<td>Reforming tax exemptions</td>
</tr>
<tr>
<td>Fee Based Services</td>
<td>PILOT recapture</td>
</tr>
<tr>
<td></td>
<td>In kind facilities usage</td>
</tr>
</tbody>
</table>

**Read:** Innovative Financing to Expand Services So Children Can Thrive
A SOLUTION

Local funding
- Nimble & flexible
- Responsive to local context
- Missing piece of the public funding landscape
- Enables innovation

Public funding
- Significant investment
- Accountable infrastructure
- Community-driven
- Drives provider equity

Dedicated funding
- Sustainable
- Builds & addresses a stable system
- Coordinated, consistent, long-term data
- Reduces siloes

Additional benefits
- Builds a grassroots children’s constituency
- Provides models that build trust

Local, public, dedicated funding for children.
Local Dedicated Funds (LDFs) – the history

- **1946**: The first LDF in the country is created in Pinellas County, FL.
- **1986**: The first LDFs outside of Florida are created in Seattle, WA and Aspen, CO.
- **1990**: California creates its first LDF in San Francisco.
- **1991**: Missouri passes the Community Children's Services Tax, allowing counties to pass a voter-approved property tax for kids.
- **2000–2015**: Cities and counties across the country create 19 new LDFs.
- **2015–2020**: Cities and counties across the country create 18 new LDFs.

- Florida’s Juvenile Welfare Services Act gives every county in the state the ability to create their own LDF for children.
- Cities and counties across the country create 19 new LDFs.
Local Dedicated Funds – the reach

Total amount raised annually: $1.1 billion
Wayne County, MI the process in action
$30,849,715

Federal funding streams accounted for 81% of dollars invested in after school & expanded learning in Wayne County (including the City of Detroit) between June 2017 – June 2018.
STATE INVESTMENT IN AFTER SCHOOL

38,000 CHILDREN IN WAYNE COUNTY LIVE BELOW THE FEDERAL POVERTY LINE

THE TRUE COST OF AFTER SCHOOL IN WAYNE COUNTY IS $3,053 PER CHILD ANNUALLY.

THE STATE OF MICHIGAN PROVIDES <$5 PER CHILD BELOW FPL FOR AFTERSCHOOL
Projected funding needed to expand opportunity

Number of children and youth who need services:

\[ 21,035 + 9,336 \]

Estimated per child/youth cost of a year-round program:

\[ $3,053.40 \]

- 121,032 children are enrolled in grades 1-8 in Wayne County’s 33 school districts. 31.6% of these children are below the federal poverty level. We assume 55% likely total enrollment.
  - \[ 121,032 \times 0.316 \times 0.55 = 21,035 \]
- 69,056 youth are enrolled in grades 9-12. 33.8% of these youth are in poverty. We assume 40% likely total enrollment.
  - \[ 69,056 \times 0.338 \times 0.40 = 9,336 \]

Using the Wallace Out-of-School time cost calculator we estimated that an after school and expanded learning program for grades 1-12 in the Detroit area would cost:
- $2,467.80 for a 15 slot, 36 week, 15 hour per week school-year program
- $585.60 for a 20 slot, 8 week, 20 hour per week summer program

30,371 kids
\[ \times \ $3,053.40 \ \text{per kid} \] = \[ $92,734,811.40 \]
How do we fill the gap?

$54.6 million

dollars required to fill the gap between the current investment and projected need for after school and expanded learning funding.

PROJECTED FY19 INVESTMENT

$38.15 million

ESTIMATED FY19 NEED

$92.73 million
How do we evaluate revenue generation options?

GUIDING QUESTION 1
What jurisdiction will levy the tax?

GUIDING QUESTION 2
Is the tax legally feasible?

GUIDING QUESTION 3
Can the tax be dedicated to early care and education?

GUIDING QUESTION 4
Is the tax politically feasible?

GUIDING QUESTION 5
Is the tax progressive or regressive?

GUIDING QUESTION 6
Does the tax have communication power related to early care and education?

GUIDING QUESTION 7
Who pays for the tax? Who benefits from the tax?

GUIDING QUESTION 8
Is the tax timely?

GUIDING QUESTION 9
How does the projected generated revenue fit into the near- and long-term strategy for meeting the need for quality early care and education?
<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax (Wayne County)</td>
<td>Does not require state-enabling legislation, has a short timeline</td>
<td>May not levy enough revenue to support a complete fund, already relatively high</td>
</tr>
<tr>
<td>Property tax (via special taxing district)</td>
<td>Establishes and protects a sustained fund administered by a collaborative body outside of the general fund</td>
<td>Requires state-enabling legislation &amp; extended timeline</td>
</tr>
<tr>
<td>Ticket/entertainment tax or fee</td>
<td>Places tax burden on visitors who use Detroit services without paying local taxes, marketable</td>
<td>Requires cooperation from business leaders OR state-enabling legislation, may not levy sufficient funding</td>
</tr>
<tr>
<td>Marijuana sales or excise tax</td>
<td>Taxes a product related to child and youth well-being</td>
<td>Unpredictable revenue generation, requires long-term strategy and enabling legislation</td>
</tr>
</tbody>
</table>
### How much revenue would each mechanism generate?

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>What would it take to generate $54.5 million?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax (Wayne County)</td>
<td>1.39 mills county-wide</td>
</tr>
<tr>
<td>Property tax (via special taxing district)</td>
<td>Would depend on the portion of the county included, but would be higher than 1.39 mills if any municipalities were excluded.</td>
</tr>
<tr>
<td>Ticket/entertainment tax or fee</td>
<td>$7.69 per ticket fee on venues over 1,000 seats</td>
</tr>
<tr>
<td>Marijuana sales or excise tax</td>
<td>136% excise tax (in addition to the proposed 10% state excise tax and likely sales tax)</td>
</tr>
</tbody>
</table>
Youth Development Partners

Independent School District Partners

48

9

CAPACITY-BUILDING

ACCESS

ADVOCACY

80,000+

Youth Served
Network Accomplishments

• **2016-2020**: 4 consecutive years with an Educational Success Dashboard comparing OST participant outcomes compared to their peers. (20,000+ OST participants / 250,000 students total).

• **2015-2017**: Shared quality standards adopted (TXPOST) and embedded into community of practice.

• **2017**: Cost benefit analysis conducted and promoted, showing a net public gain of $3.66 for every dollar spent on quality OST programs.

• **2019+**: Pivot to shared commitment to the Developmental Relationships framework (Search Institute). Professional academy built to bring Developmental Relationships to scale across programs.

• **2019+**: Capacity building for youth voice and leadership and leadership.

• **2020**: Fiscal Map completed and Fiscal Alignment Taskforce launched.
What is a fiscal map?

- Collecting data to inform financial decision-making
- Answers the question “how much are we spending on kids in San Antonio/Bexar County?”
- A list of WHO is spending HOW MUCH and on WHAT
### SCOPE & PARAMETERS

<table>
<thead>
<tr>
<th>Time period:</th>
<th>Budgeted data for the upcoming fiscal year (interpreted as either FY 19 or FY 20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geography:</td>
<td>All funding landing in the City of San Antonio &amp; Bexar County</td>
</tr>
<tr>
<td>Funding levels included:</td>
<td>Public dollars (federal, state of Texas, city of San Antonio, Bexar County), private dollars (local philanthropy) – Over $330 million included in map</td>
</tr>
<tr>
<td>Age range:</td>
<td>0 – 18 years of age (but inclusive of programs for ages 16-24)</td>
</tr>
<tr>
<td>Outcome areas:</td>
<td>Safe &amp; Stable; Healthy; Connected; Academically Prepared; Career-Minded; Successful in College</td>
</tr>
</tbody>
</table>
Task Force Objectives

- To review data on all funding for child and youth programs and services in the City of San Antonio/Bexar County (Fiscal Map link)

- To identify and quantify existing gaps in funding and the impact of these gaps on inequities/disparities

- To identify funding streams/areas likely to be impacted by COVID-19, quantify likely impact, and strategize about mitigation/recovery

- To identify opportunities for flexible use of funding

- To make recommendations regarding priorities for recovery, filling existing gaps, and leveraging flexibilities
Successful in College
Connected
Academically Prepared

Young people enter college and complete a postsecondary credential.
Young people are leaders in their communities and connected to positive relationships.
Young people have the academic skills necessary to be prepared for life beyond high school.

Safe and Stable
Healthy

Young people are fed, sheltered, and free from violence.
Young people are physically, emotionally, sexually, and behaviorally healthy.

Working Groups by Outcome Categories

Work Group 1

Safe and Stable

Healthy

Work Group 2

Connected

Academically Prepared

Work Group 3

Successful in College

Career-Focused

Young people enter college and complete a postsecondary credential.
Young people are forward-thinking and developing career aspirations.
Accelerating Children’s Funding in 2020 & Beyond

Children’s Funding Accelerator
How CFA picks up where CFP leaves off

THE PROBLEM
- Field is missing the expertise and capacity to establish an early childhood fund
- Inequitable access to the resources needed to campaign for an early childhood fund successfully

THE SOLUTION
- Gather expertise from fields that have dedicated local funding & build a consortium of experts
- Work with communities to build their capacity
- Remove community resource barriers

THE ACTION
((this project))
- **Children’s Funding Project (501c3):** Provide TA, access to experts, & research to communities as needed on initial action steps. Identify communities that have reached readiness threshold to receive 501c4 funding
- **Children’s Funding Accelerator (501c4):** Political action funding (i.e. funding for paid media, advanced voter analytics, digital advertising, signature gathering, etc.)
Looking forward – 2020 Impact
Potential new funds in communities home to 213,334 children in poverty, ages 0-5

**MULTNOMAH, OR**
**UP Now! 2020**
Free, full-year, high-quality, culturally responsive and inclusive preschool for all 3- and 4-year-olds, and living wages for teachers.

**SAN ANTONIO, TX**
**PRE-K 4 SA**
Reauthorize and sustain outcome gains while expanding access to quality pre-K in multiple settings.

**ESCAMBIA COUNTY, FL**
**CHILDREN’S SERVICES COUNCIL**
Increase number of Gold Seal childcare programs, reduce percentage of low-birth-weight babies, and reduce infant mortality rate.

**ST LOUIS, MO**
Establish a regional coordinating entity for early childhood and fund quality improvement, workforce development and pay, and access to early childhood programs.