



Not all dollars are created equal: *Building resilient systems with local funds*

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Olivia Allen, Children's Funding Project



CHILDREN'S FUNDING PROJECT

We help communities and states expand equitable opportunities for children and youth through strategic public financing.

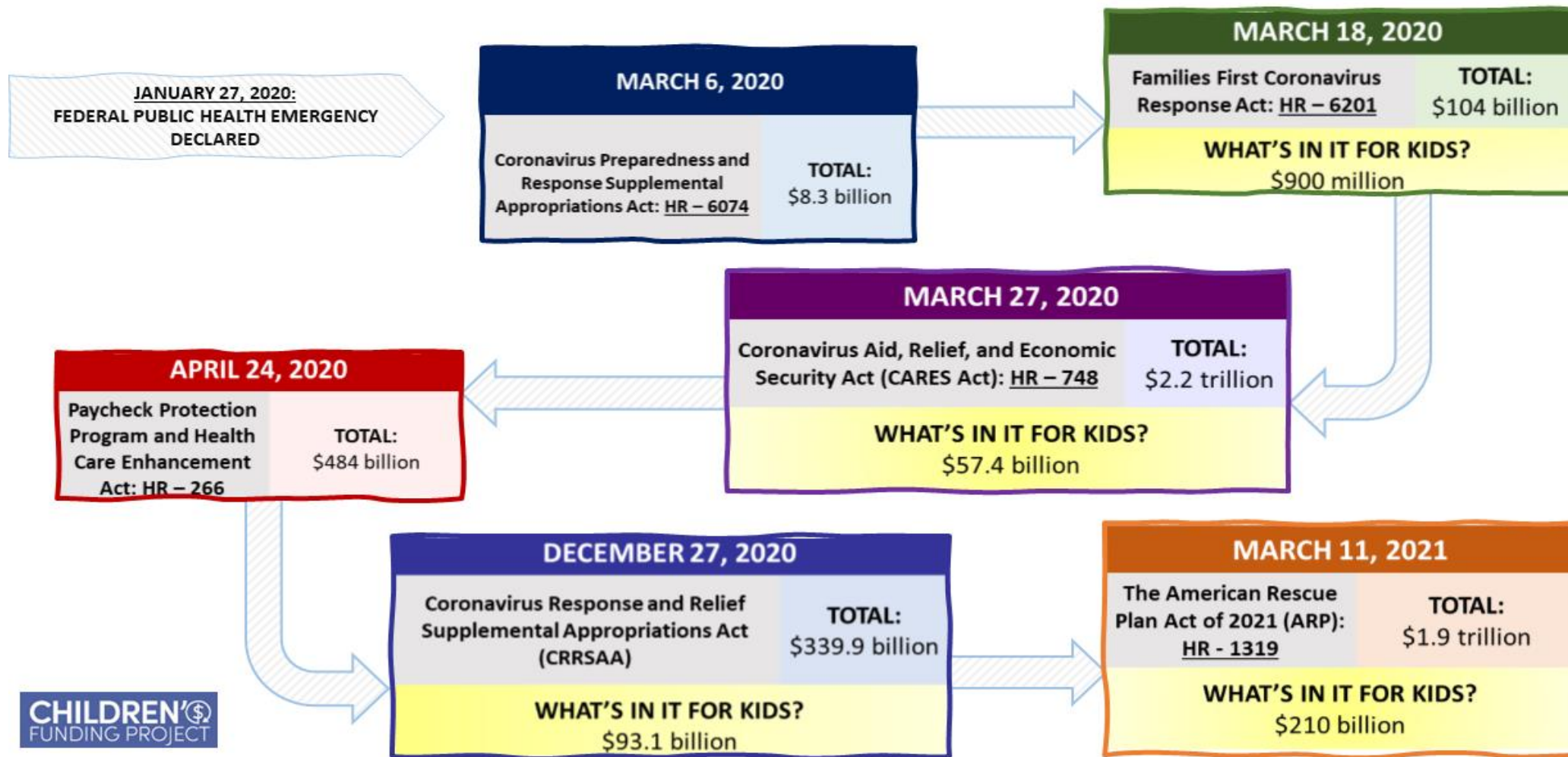
Children's Funding Project is structured to:

- Increase understanding of the policy tools available for strategic financing.
- Strengthen local capacity by providing training, tools, and coaching.
- Showcase and elevate the successes and lessons learned from communities.
- Build momentum for a more pro-active approach to children's funding.



FEDERAL COVID-19 RELIEF FUNDING FOR KIDS:

A year in review



	Funding Stream/Program	FFCRA	CARES	CRRSAA	ARP
GENERAL	CORP. FOR NATIONAL AND COMMUNITY SERVICE (CNCS)				\$852 million
	COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)		\$5 billion		
	COMMUNITY SERVICES BLOCK GRANTS (CSBG)		\$1 billion		
EDUCATION	PUBLIC K-12 AND HIGHER EDUCATION		\$30.75 billion	\$81.9 billion	\$165.2 billion
	IDEA PARTS B AND C				\$3 billion
EARLY CARE AND EDUCATION	CHILD CARE FUNDING (CCDBG OR CHILD CARE STABILIZATION)		\$3.5 billion	\$10 billion	\$39 billion
	HEAD START		\$750 million	\$250 million	\$1 billion
	HOME VISITING (MIECHV)				\$150 million
	CHILD ABUSE PREVENTION AND TREATMENT				\$250 million
CHILD WELFARE	TITLE IV-B AND E PROGRAMS		\$45 million	\$485 million	
	FAMILY UNIFICATION PROGRAM VOUCHERS			\$20 million	
	FAMILY VIOLENCE PREVENTION AND SERVICES		\$45 million		
	RUNAWAY AND HOMELESS YOUTH ACT		\$25 million		
	PROJECT AWARE			\$50 million	\$30 million
BEHAVIORAL HEALTH	YOUTH SUICIDE PREVENTION				\$20 million
	NATIONAL CHILD TRAUMATIC STRESS NETWORK			\$10 million	\$10 million
NUTRITION	WIC	\$500 million			\$490 million
	THE EMERGENCY FOOD ASSISTANCE PROGRAM	\$400 million	\$450 million	\$400 million	
	SNAP		\$15.8 billion		

EXAMPLES OF COMPREHENSIVE SUPPORTS FOR CHILDREN & FAMILIES IN THE AMERICAN RESCUE PLAN

EARLY CARE AND EDUCATION

\$39 billion – Child Care Development Flexible Funding/Child Care Stabilization Fund

\$1 billion – Head Start

\$150 million – Home Visiting

EDUCATION

\$122.8 billion – Elementary and Secondary School Emergency Relief Fund (ESSER III)

\$39.6 billion – Higher Education Emergency Relief Fund (HEERF III)

\$3 billion – IDEA Parts B & C

\$2.75 billion – Emergency Assistance to Non-Public Schools

\$852 million -- Corporation for National and Community Service

NUTRITION

\$490 million – Increase funding level for WIC

BEHAVIORAL HEALTH

\$80 million – Pediatric Mental Health Care Access

\$20 million – Youth Suicide Prevention

\$10 million – National Child Traumatic Stress Network

OTHER IMPORTANT SUPPORTS

\$350 billion– Coronavirus State and Local Fiscal Recovery Funds

\$21.6 billion – Emergency Rental Assistance

\$250 million – Child Abuse Prevention and Treatment

QUESTIONS FOR THE CHAT BOX:

What does your community need in order to implement the American Rescue Plan Act Dollars impactfully?



BENEFITS

Can move a lot of chocolate
money quickly

Can redistribute wealth where it's
most needed

Consolidates administrative
burden

CHALLENGES

Imprecise

Difficult to ensure it gets to those
who need it most

Rigid/inflexible

How can you leverage local resources to **MAXIMIZE** and **SUSTAIN** federal relief funding?

What steps can we take to maximize and sustain the impact of federal relief dollars?

- ➔ Create a strategic financing plan for your community
- ➔ Use ARPA funds as a down-payment on a long-term local investment
- ➔ Invest in administering infrastructure that can coordinate/collaborate across systems
- ➔ Create a strong narrative



Create a strategic financing plan

- A strategic financing plan identifies what we're currently spending, models the cost to fill the gap between current need/spending and our goals, and identifies revenue sources to fill that gap

Current Investment
How much money, if any, is currently being invested in key parts of the strategic plan?

Fiscal mapping

Cost to Fill the Gap
What will it cost to scale currently funded activities? What will it cost to fund activities that do not currently exist or are not yet funded?

Cost modeling

New Revenue Sources to Fill the Gap
What revenue streams can we use to pay for identified costs? (& what revenue streams can we use to continue investments we make now with ARPA \$?)

Revenue & innovative financing options

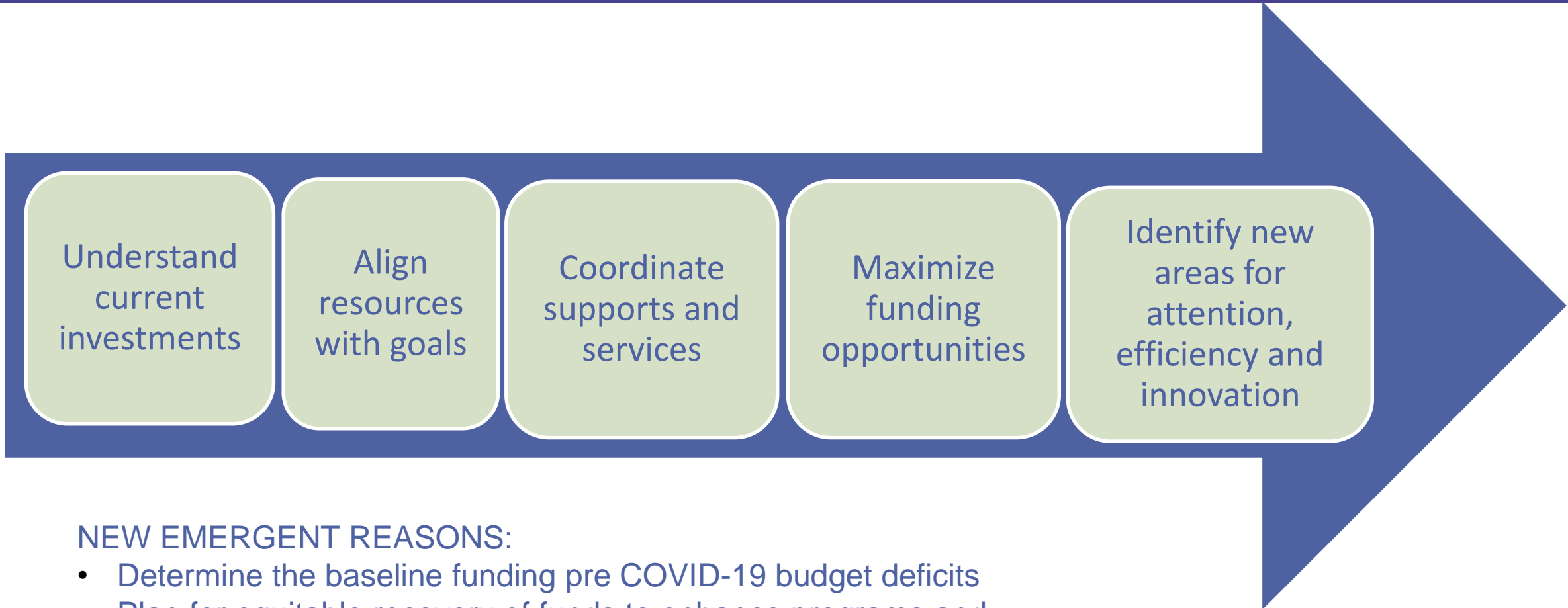
A fiscal map answers the questions WHO spends HOW MUCH and on WHAT?



What data is included?

CHARACTERISTIC	DEFINITION	EXAMPLE
Funding Level	Where is funding coming from? (federal, state, city, county, philanthropy)	<i>City</i>
Budget Holder	What is the department or agency in charge of the funding stream?	<i>Human Services</i>
Funding source	Different funding levels/budget holders get their funding from different sources.	<i>General Fund</i>
Funding recipient	Who gets and uses the funding to administer a program or service?	<i>San Antonio School District</i>
Dollar amount	How much funding are we talking about?	<i>\$1,412,780.00</i>
Funding stream name	Usually the name of the actual program or service	<i>After School Challenge Program</i>
Program outcome area	Connected, Safe & Stable, Healthy, Educated, Employable	<i>Educated</i>
Service type	Remember the program and service types we listed earlier?	<i>Academic Supports</i>

Why create a fiscal map?



NEW EMERGENT REASONS:

- Determine the baseline funding pre COVID-19 budget deficits
- Plan for equitable recovery of funds to enhance programs and services

Make a plan

Sustain the investment










Invest in infrastructure

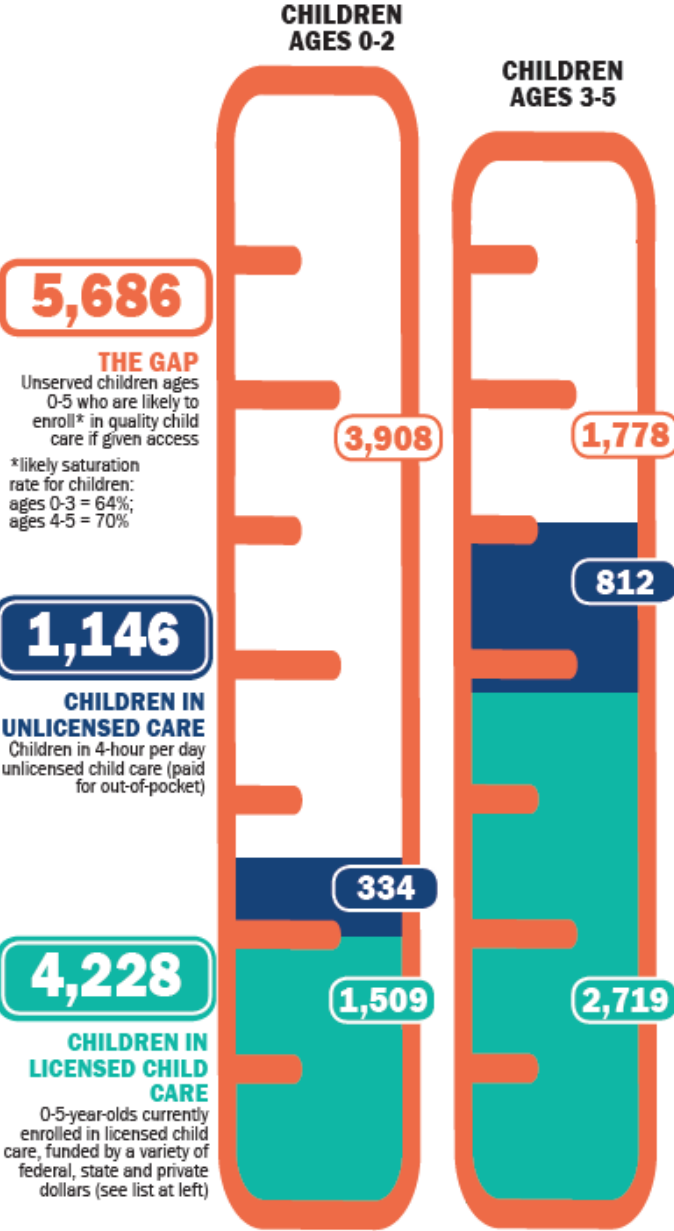
Create a strong narrative

Buncombe County Early Childhood Financing

What's the cost?

FUNDING SOURCES CURRENTLY SUPPORTING THE EARLY CHILDHOOD EDUCATION SYSTEM

-  **Early Head Start**
Child care for very low-income families
-  **Head Start**
Child care for very low-income families
-  **NC Pre-K**
Child care for low-income families
-  **Child Care Dev. Fund Block Grant**
Supports quality improvements, TEACH scholarships, Infant Toddler salary supplements
-  **Local public schools (Title I funds)**
Supports kindergarten readiness strategies in public schools for low-income families
-  **Child and Adult Care Food Program (CACFP)**
Provides facility reimbursement for food costs
-  **State child care subsidies**
Partially subsidizes child care for working families (vouchers)
-  **Developmental day licensed programs**
Provides child care for children with special needs
-  **Smart Start**
Child care subsidies, wage supplements, and grants to child care programs
-  **County funds**
Grants for system and child care operational supports
-  **Gifts & grants**
from private foundations, corporations, & other donors
-  **Out-of-pocket tuition**



Filling the Gap

What it would take for the Asheville-Buncombe Preschool Planning Collaborative to fill the high quality early care and education gap with local funds.

What would it cost to fill the gap?
(i.e. to put 5,686 0-5-year-olds in licensed, quality child care)

#	NUMBER OF CHILDREN	x	\$	COST PER CHILD
5,686	unserved, eligible, likely to enroll 0-5-year-olds		\$12,000	for 0-2
			\$10,774	for 3-5

\$46.9 MILLION total slot cost for ages 0-2

+ \$19.2 MILLION total slot cost for ages 3-5

= \$66,052,172 total slot funding needed

+ \$25,000/NEW CLASSROOM estimated per classroom start-up cost

★ But where do we find the money to fill the gap?



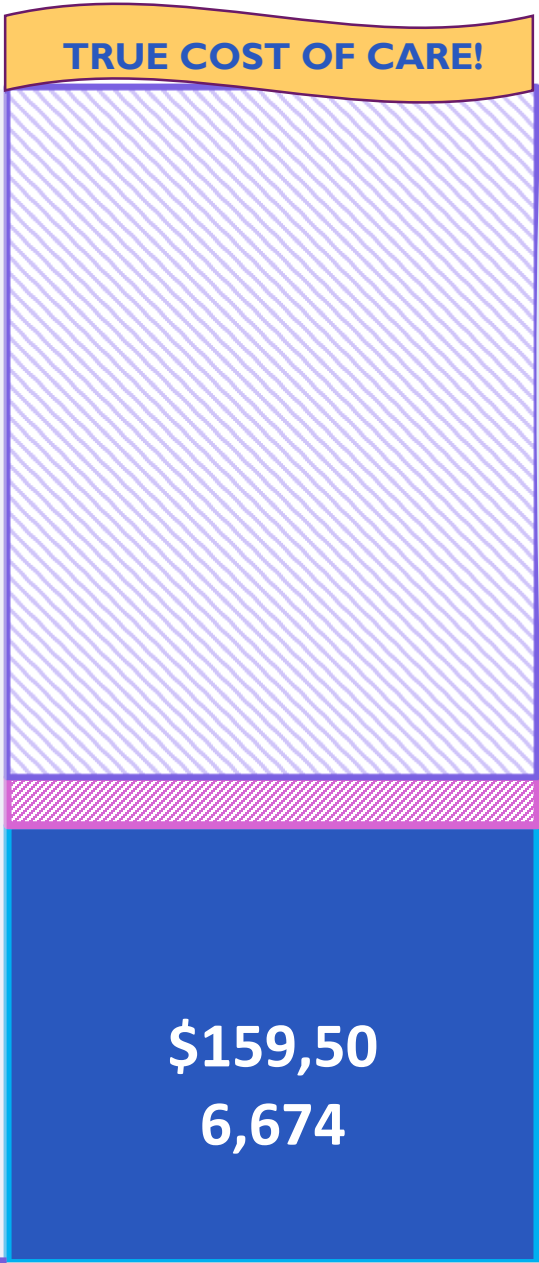
created for the Asheville-Buncombe Preschool Planning Collaborative in February, 2019 www.abppc.org

What's the cost?

\$251 million:
True cost of care with recommended staffing structure and salary levels

\$17.5 million:
Estimated parent copay

FY20 Infant Toddler Subsidy WI Shares Subsidy Payments



\$74-\$100 million: Gap between recent subsidy investment levels and true cost of care for infants and toddlers currently participating in WI Shares.

KEY FINDINGS FROM WISCONSIN: INFANT TODDLER CHILD CARE INVESTMENT GAP

★ But where do we find the money to fill the gap?

COST OF INFANT TODDLER CARE VS CURRENT SUBSIDIZED INVESTMENT

REVENUE OPTIONS & FUNDING MECHANISMS

Common

City or County dollars

State dollars

Federal dollars

Local United Way

Local Foundation

National Foundation

Individual Donors

Corporations

Fee Based Services

Innovative

★ Dedicated public funds (set aside or new tax) ★

Community Benefit Agreements

Individual or Business Tax credits

Opioid Settlement dollars

Medicaid reimbursements

Community Reinvestment Act agreements

Profits from publicly held assets

Reforming tax exemptions

PILOT recapture

In kind facilities usage



Use ARPA funds as a down-payment on a long-term local investment

Who is responsible for sustaining the investment made with ARPA funds?

- Embed ARPA investments and policy changes into your local budget to cement this as a core value of your community.

Make a plan

Sustain the investment

Invest in infrastructure

Create a strong narrative

Why pursue **LOCAL,** **PUBLIC,** **DEDICATED** funding for children & youth?

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

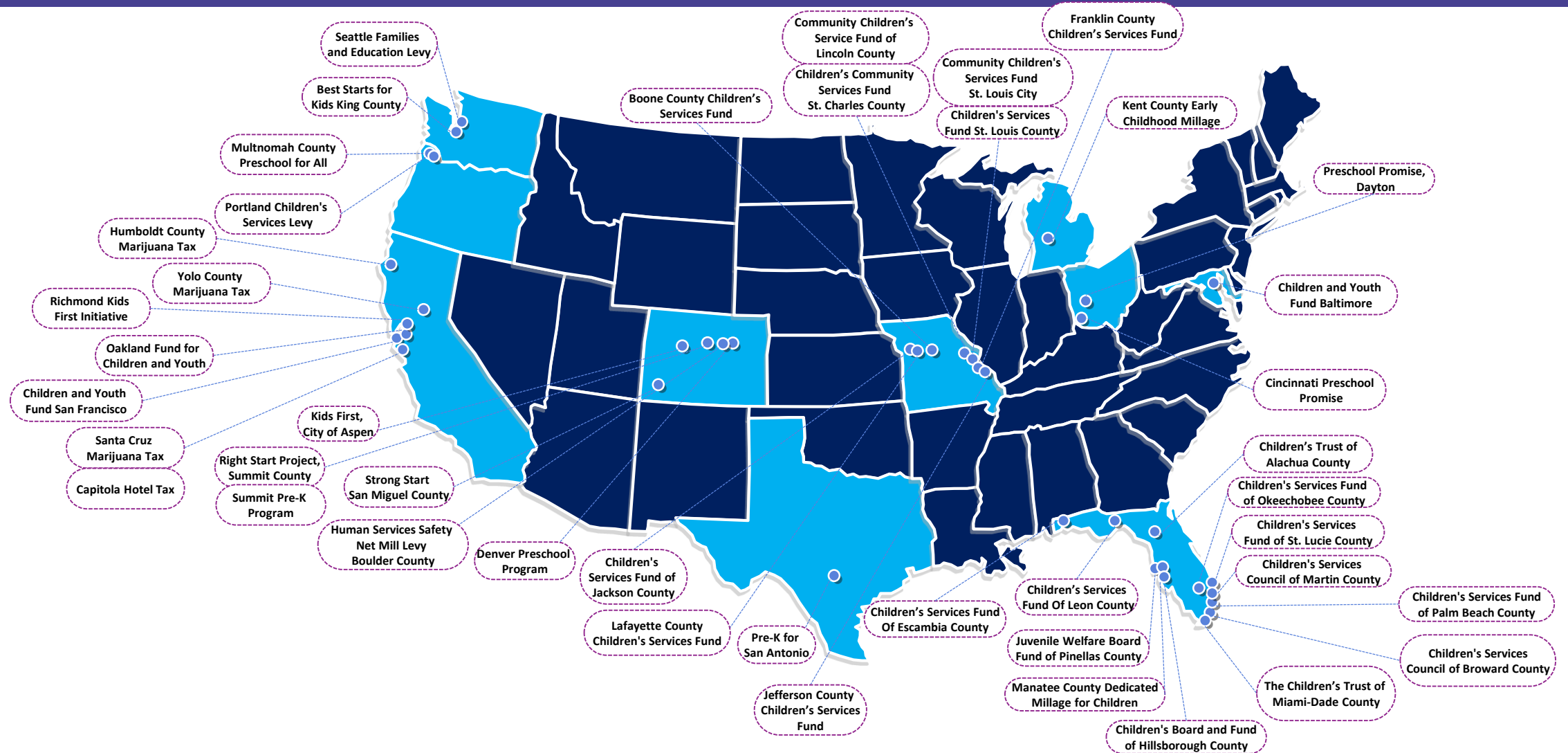
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LOCAL DEDICATED CHILDREN'S FUNDS



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LOCAL DEDICATED CHILDREN'S FUNDS – common revenue mechanisms

SALES

- Aspen, CO
- Missouri Children's Services Funds
- San Antonio, TX
- Denver, CO

PROPERTY

- Baltimore, MD
- Kent County, MI
- St. Louis City, MO
- King County, WA
- Seattle, WA
- Boulder County, CO
- San Miguel County, CO
- Cincinnati, OH
- Portland, OR

SPECIAL TAX DISTRICT

- Florida's Children's Services Councils

INCOME TAX

- Multnomah County, OR
- Dayton, OH

MARIJUANA TAX

- Yolo County, CA
- Humboldt County, CA
- Santa Cruz, CA

GROSS RECEIPTS TAX

- San Francisco, CA

HOTEL TAX

- Capitola, CA

SET-ASIDE

- Oakland, CA
- San Francisco, CA
- Richmond, CA

For greater detail on these mechanisms, read: [Funding Our Future: Generating State and Local Tax Revenue for Quality Early Care and Education](#)

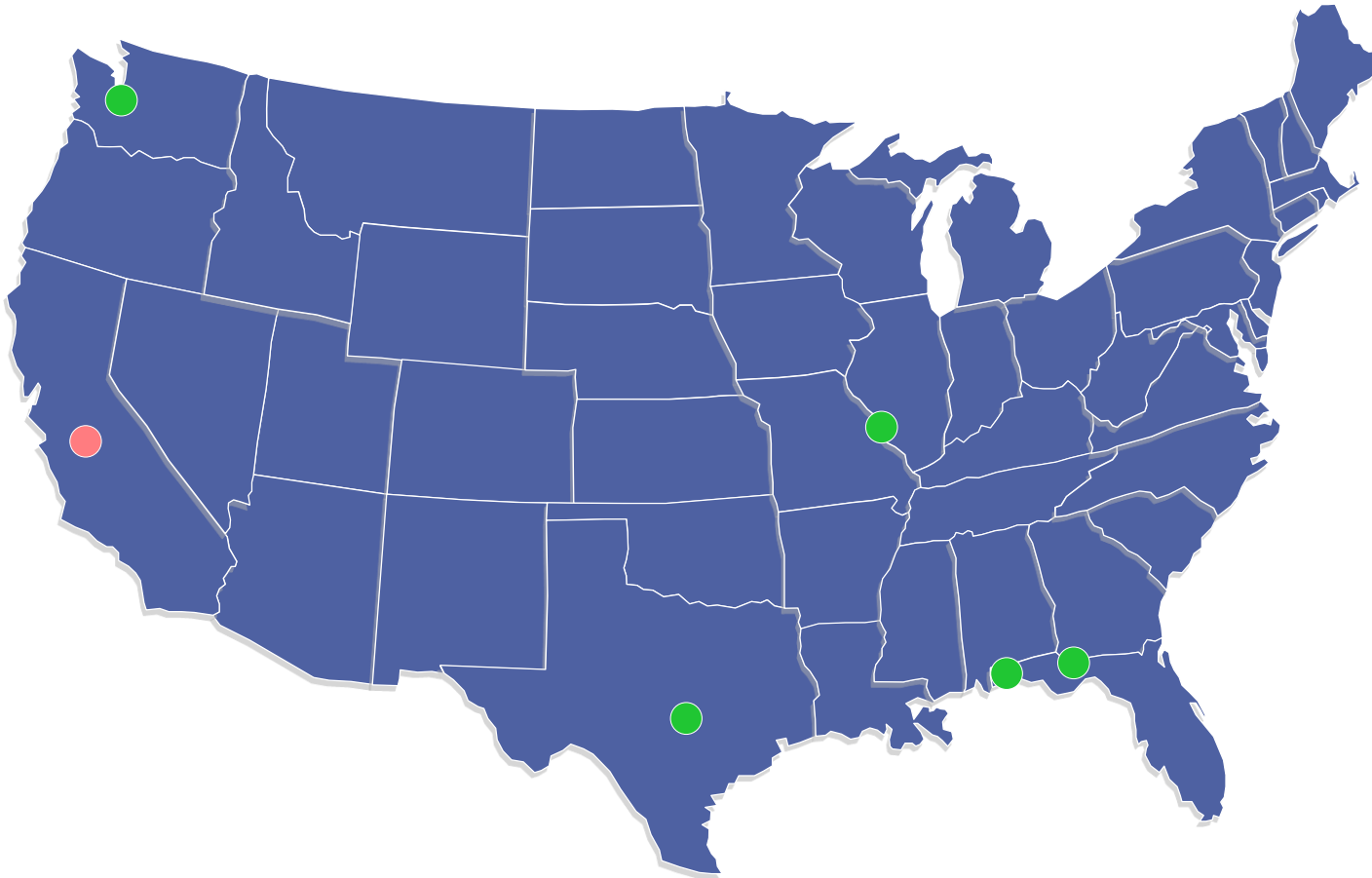
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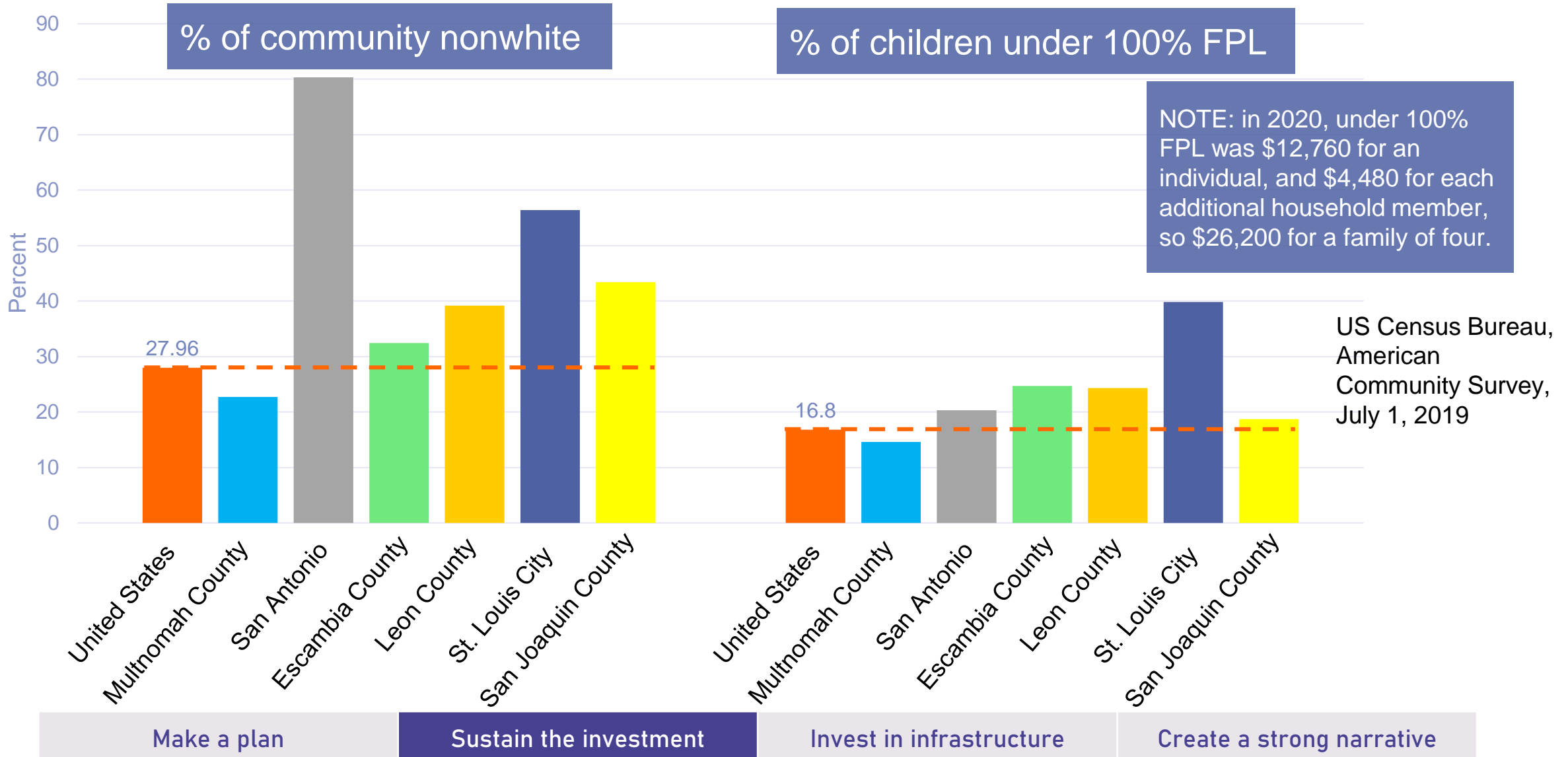
Create a strong narrative

Early childhood funding on local ballots in November 2020

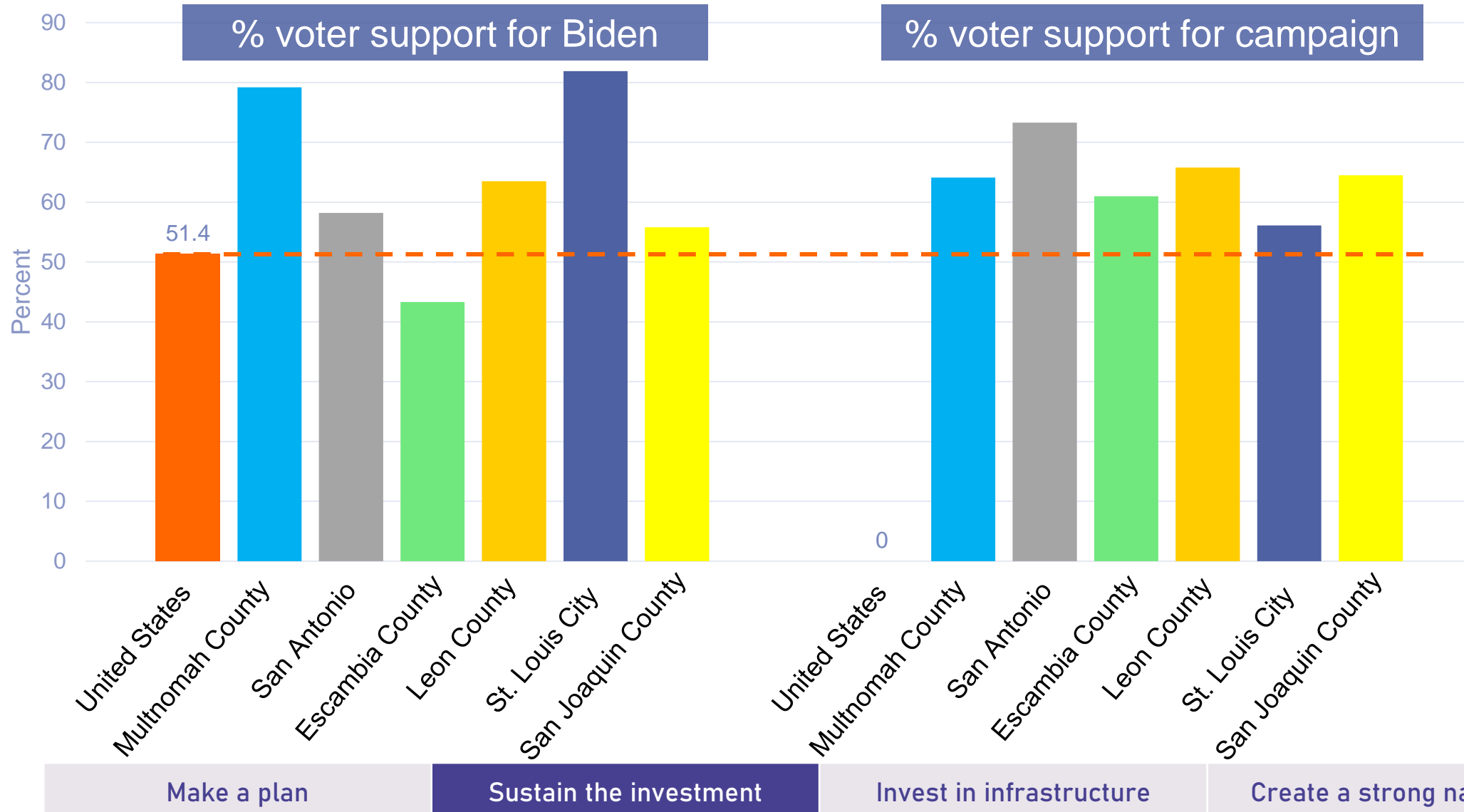


Name	Annual Rev.	% support
Preschool for All Multnomah County, OR	\$202 million by 2026	64.1%
Prop R City of St. Louis, MO	\$2.3 million	56.1%
Escambia Children's Trust Escambia County, FL	\$7.5 million	61%
Children's Services Fund of Leon County Leon County, FL	\$7.5 million	65.8%
Pre-K 4 SA Reauthorization San Antonio, TX	\$36.4 million	73.3%
Measure X San Joaquin, CA	\$750,000 – 1.25 million	64.5%

Demographics of 2020 local dedicated fund efforts



Politics of 2020 local dedicated fund efforts



First Steps Kent Millage

Kent County, Michigan

Annual Revenue: \$5.7 million

Year established: 2018

Type of Revenue: Property tax

Levy amount: \$0.25 per \$1,000

What it funds: Early childhood

Administrating infrastructure: First Steps Kent

Ongoing goals of the Ready by Five Early Childhood Millage:

<p><i>INCREASE EARLY LEARNING OPPORTUNITIES AND CHILD HEALTH</i></p> <p>by increasing access to quality programming for expecting mothers and children ages 0-5 in Kent County</p>	<p><i>INCREASE CROSS- SECTOR COLLABORATION</i></p> <p>between providers to ensure families are being connected with needed services in the form of a warm handoff through referrals and data sharing</p>	<p><i>REDUCE OUTCOME DISPARITIES</i></p> <p>across specific target populations by ensuring culturally relevant and inclusive services and supporting programs that serve traditionally underserved community members</p>
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HOW?

By investing in programs that contribute to four indicators of kindergarten success:

- Parents will have increased access to resources and information
- Mother's health and wellbeing
- Children are developmentally on track
- Children are healthy

Community-based organizations apply for funding to provide services such as home visiting, play and learn groups, developmental screening, and navigation support to help families access the help they need and want.

Best Starts for Kids

King County, Washington

Annual Revenue: \$65 million

Year established: 2015

Type of Revenue: Property tax

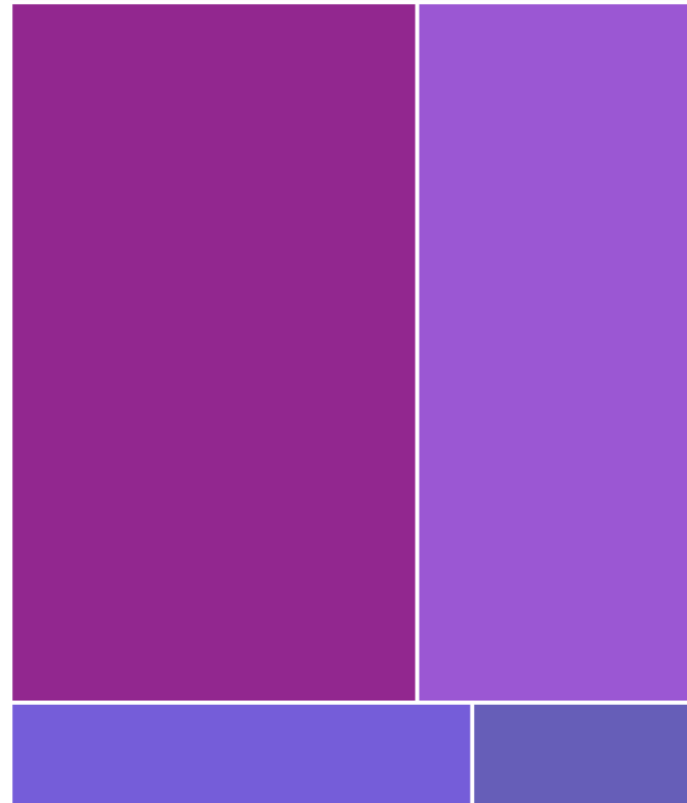
Levy amount: \$0.14 per \$1,000

What it funds: cradle-to-career programs and services

Administrating infrastructure:
Dept. of Community and Human Services

Best Starts for Kids invests in 4 key areas:

Investments in millions (2019)



- Investing Early
- Sustaining the Gain
- Communities Matter
- Preventing Homelessness

INVESTING EARLY (prenatal to 5):

- Post-partum breastfeeding support
- Home visiting
- Early Supports for Infants and Toddlers (developmental)

SUSTAINING THE GAIN (5 – 24):

- Before-, after-, and summer school programs
- Trauma-informed schools
- Work Training Education programs

COMMUNITIES MATTER:

- Supporting Communities of Opportunity to create community partnerships and build capacity

PREVENTING HOMELESSNESS:

- Best Starts for Kids' Youth and Family Homelessness Prevention Initiative

WHAT ARE THE STEPS TO RAISING PUBLIC REVENUE VIA BALLOT MEASURE?

1. System-building

Identify shared goals & desired outcomes for children and families, and strengthen a convening entity (advocacy group or intermediary)

2. Quantify the gap

Conduct fiscal mapping, cost-modeling, and needs analysis to determine the gap between current funding and funding needed

3. Select a revenue mechanism

Research the legally feasible revenue-generating mechanisms and use the 8 other guiding questions to select one

4. Build a coalition

5. Secure ballot placement

6. Run a winning campaign

Make a plan

Sustain the investment

Invest in infrastructure

Create a strong narrative



Invest in administering infrastructure

Who is responsible for identifying and meeting the needs of children, families, and providers in your community?

- A children's cabinet?
- A collective impact backbone organization?
- A local dedicated fund?
- A United Way?

Role of administering infrastructure in ARPA funding:

- Advocate for allocation of funding to *equitable recovery*
- Identify and direct funding to areas of high need/disparate impact
- Engage providers who have not previously been engaged, identify access barriers to receiving funding
- Create streamlined application processes
- Monitor and collect data
- Monitor and audit funding to ensure it is getting to those with least access & highest need



Invest in administering infrastructure



Collaborate and coordinate across systems

Local, dedicated children's funds provide a unique layer of infrastructure for MAXIMIZING and SUSTAINING progress made by ARPA funds.

Ex: Ready by Five in Kent County, MI, administered by First Steps Kent

- Formed the Kent Child Care Crisis Response Team (March 20, 2020) and the Kent County Shared Services Alliance to identify and meet the needs of child care providers, and identify available slots for emergency/essential workers
- This positioned First Steps Kent to administer \$450,000 of CARES Act Funding for Kent County, and provide the Kent County CARES Act Program for Licensed Child Care Business (TA including Human Resources, Tax prep, tech support, loan/grant application support)



Invest in administering infrastructure



Collaborate and coordinate across systems

*Local, dedicated children's funds provide a unique layer of infrastructure for **MAXIMIZING and SUSTAINING** progress made by ARPA funds.*

Ex: Children's Services Council of Martin County, FL

- Expanded a "Community Funding Collaborative" of funders and developed a one-stop, multi-funder application for COVID-19 related needs to reduce administrative burden and foster coordination of funders to meet need.
- Tracked and met needs of providers, particularly those of OST/summer providers faced with new PPE and facilities requirements.
- Participated in grant application review for local dollars from CARES Act Funding and will do so with ARPA Funding.

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Create a strong narrative

When advocating for the allocation of ARPA dollars or creation of a local dedicated fund, it's important to present a **BOLD, OPTIMISTIC** vision for the future.

- Emphasize the **positive impact** your community can have with ARPA or local dollars.
- Draw **connections** between spending and positive well-being.
- Communicate **clear roles** that the federal, state, and local governments can play on the same team
- Present the opportunity we have now to **make choices** that impact our community and our future.

NOTE: It is no secret that there are going to be those who are looking for ARPA resources to fail. Be sure to **document** how dollars are spent, data on the impact, and cost to sustain the impact.

Make a plan

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Create a strong narrative

But what if people argue that the federal funding from ARPA should be enough?

- First – remind them about that I Love Lucy episode. Administering these dollars well takes investments in infrastructure at the local level.
- Frame ARPA dollars as a down-payment on a long-term investment in our child- and youth-serving systems, so they will be more resilient in the future.
- Remind them that any gains made now will need to be sustained.







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NOW WHAT?

-  Create a strategic financing plan for your community
-  Use ARPA funds as a down-payment on a long-term local investment
-  Invest in administering infrastructure that can coordinate/collaborate across systems
-  Create a strong narrative

QUESTIONS?



**THANK
YOU!**



***Please contact Olivia at
olivia@childrensfundingproject.org
with any questions!***