

## Funding and Policy

### The State of Cities

Conversations about the challenges facing out-of-school programming nearly always end up focusing on the resources question. Even in the context of growing public and private investments throughout the second half of the 1990s, in no city are funds sufficient to reach all young people with quality out-of-school opportunities. With an economic slowdown putting the brakes on private and public investments, and world events shifting funders' attention in truly new directions, cities are struggling against retrenchment and struggling to make ends meet. Planning and analysis are only starting to catch up with the new realities — but it is clear that they will have to do so soon.

Working within the context of scarce resources, each GRASP city has cobbled together a diverse set of investments and policies in order to provide programming and build the infrastructure to support that programming. This local entrepreneurship has resulted in significant innovations: a dedicated resource stream in Little Rock (a half-cent sales tax coming out of a citywide goal-setting process); novel use of Temporary

Assistance to Needy Families (TANF) dollars to fund programs for thousands of elementary school students in Kansas City and Sacramento; an investment in after-school programs in the Chicago Public Schools that cobbles together desegregation dollars, 21st Century funds, private investments and local public funds into a coherent whole. Isolated local efforts have also resulted in uneven investments, missed opportunities and idiosyncratic programming. Many cities simply do not know what resources they could tap into, and few have a sense of how the multiple investments add up or align. Further, some pieces

*As funders, at one level we have huge expectations, on another level we have none. We fund based on history, tradition and power. 'Standards' is a difficult word, but I believe there are incredible agencies doing great work and they don't get funded because they don't have the financial capacity historically.*

— A major funder of youth programs

of the out-of-school funding picture are almost never put on the table — Workforce Investment Act funding and other vocationally-focused funding streams, dollars directed toward prevention, and the like — even though they represent large-scale public investments. Similarly, parks and recreation dollars, while present in every city, are often not thought of as part of the out-

### CRITICAL QUESTIONS

What blend of funding streams — public and private; state, local and national — is necessary to ensure that out-of-school opportunities have sufficient and stable resources?

What sort of policy context will support the development of effective, sustainable out-of-school opportunities, available at scale?

The GRASP project is a time-limited, focused effort to help four cities — Chicago, Little Rock, Kansas City and Sacramento — document the opportunities and infrastructures that support young people in the out-of-school hours, and to develop “big picture” plans for better supporting children and youth. GRASP was initiated by the Forum for Youth Investment with the support of the Charles Stewart Mott Foundation.



Helping organizations that invest in youth, invest in change

7014 Westmoreland Avenue  
Takoma Park, Maryland 20912  
T: 301.270.6250; F: 301.270.7144  
www.forumforyouthinvestment.org

Tolman, J., Pittman, K., Yohalem, N., Thomas, J., & Trammel, M. (2002). *Moving an Out-of-School Agenda: Lessons and Challenges Across Cities*. Takoma Park, MD: Forum for Youth Investment.

### USING PREVENTION FUNDS IN THE OUT-OF-SCHOOL HOURS

The Friday Night Live program was founded in 1984 by two California agencies — the Department of Alcohol and Drug Programs and the California Office of Traffic Safety — with the aim of reducing fatalities and injuries caused by teenagers driving under the influence. Because of its successes, the program grew quickly — in four years, Friday Night Live expanded from one to 54 of California's counties.

Though starting with a narrow mandate related to drug and alcohol abuse, Friday Night Live has recognized the out-of-school hours, and a focus on helping youth become fully prepared and fully engaged, as its best route to its prevention goals. Now the state-wide, state-funded program engages young people in community action projects, youth mapping efforts and youth-to-youth mentoring, in environments rich with positive adult relationships and high expectations. Friday Night Live roots its programs, aimed at young people ages 10 to 18, in chapters located in community-based organizations, schools and “anywhere youth gather.”

of-school mix, unless they are focused on creating daily after-school care services, as they have through Chicago’s PARK Kids after-school program.

Though similar in their diversity, the confluence of funding streams differs in velocity, volume and direction across cities. Some cities have almost no history of private philanthropy in out-of-school supports, either from foundations or from the business community, but have built substantial local public investments programming for young people. In Little Rock, for instance, every daily out-of-school program identified in a citywide survey is funded

substantially or operated by the city or the school district. Municipal dollars are relatively scarce in Kansas City, but state and federal resources on one hand, and national foundations with local interests on the other, have helped to make up the difference. In Sacramento, federal 21st Century investments, state funds from the Before and After-School Learning and Safe Neighborhoods Partnership Program, municipal funds and foundation funding all focus concerted support on elementary-age after-school programs. In general, the cities who are leaders in providing out-of-school opportunities are those that have managed to get all the funding streams flowing with enough force in similar directions — a difficult feat, and one requiring significant political will and leadership. Such alignment is particularly difficult if certain funding streams — like the workforce, prevention and parks dollars mentioned above — are not included in the conversation.

### CITY SNAPSHOT: CHICAGO

A wide variety of players help to fund Chicago’s out-of-school programming. Major public funding comes from the Chicago Department of Human Services and, increasingly, through the office of the Chief of Human Infrastructure for the city. Major national funders — e.g., the Wallace-Reader’s Digest Funds and the Robert Wood Johnson Foundation — have historically committed significant resources to youth in the city, though the stability and certainty of these resources is the cause of a great deal of concern. A number of local foundations — among them, the Chicago Community Trust and the Polk Bros. Foundation — have taken on out-of-school time as a major focus. The activities of these foundations, as well as a number of family foundations and other private funders, have played an important role in incubating innovative youth programming; the Trust’s Children, Youth and Families Initiative and the Polk Bros. Full-service Schools are notable examples of this. Importantly, Donors Forum of Chicago has demonstrated an understanding of the youth development principles that support effective out-of-school programming, and has created publications and convenings designed to help funders be more intentional about funding work based on these principles.

Despite this relatively robust range of supporters, every conversation about challenges in the out-of-school hours begins with the reality of inadequate funding. In a one-on-one interview, for instance, a key stakeholder indicated that discussions about mapping and planning were meaningless until funders brought additional resources to bear. Yet, the funding concerns raised by Chicago’s stakeholders were more pointed and pragmatic than a broad call for more money. GRASP meeting participants raised concerns about the challenges of categorical funding, the fundraising challenges of community-based organizations, and inability to access vital non-financial resources such as safe and adequate facilities. Both funders and their grantees cited some common tasks ahead:

- create an intermediary structure through which categorical money flows, gets re-combined and gets disseminated to community groups in clearer ways;
- build leadership/collaboration on the part of the philanthropic community; and
- create a mechanism to balance the allocation of resources to ensure a good mix of school and community-based programs.

## Critical Issues, Lessons Learned

**Categorical and fragmented funding continues to be a primary obstacle to alignment and innovation.** Stakeholders in every city spoke of being pulled in multiple directions by the incompatible priorities that come along with different funding streams. They spoke, as well, of the fatigue that comes of never having time to get good at something before a new “flavor of the month” is taken up by public and private funders. These issues are often voiced by nonprofit community-based providers whose budgets tend to consist of small grants from many sources, each accompanied by significant reporting requirements and unique programmatic implications. But even school district officials with relatively stable funding streams raised these concerns. Cities are discussing novel solutions to this dilemma: new forums that bring together public and private investors to align priorities and reporting requirements; participatory standards development processes that yield a shared picture of quality; and new types of intermediaries designed to merge funding streams and dole out dollars with fewer strings attached.

**Public investments are a necessity in order to meet the demand for programming.** In places that have gone to scale with out-of-school opportunities, there is significant commitment from local officials to either raise public funds locally or direct state and federal funding streams toward out-of-school. Nothing can substitute for a public commitment to out-of-school programming, and such investments are the only way to support out-of-school opportunities for a large number of young people over time.

**Public funding brings with it political and bureaucratic realities.** In one GRASP city, city dollars are required to be allocated through a request for proposal process that rewards the lowest bidder; ensuring quality is a constant challenge within this context. In every GRASP city, public funding streams have become a form of political patronage, with both positive and negative implications. On the one hand, this means that the overall size of the funding stream is likely to be secure over time, as each dollar invested is protected by the political interests of a particular elected official. On the other hand, it is hard — if not impossible — to disinvest in particular organizations or programs that are the favored focus of elected officials, even if the quality of these programs is consistently low.

**Private foundation dollars are critical in supporting innovation, infrastructure and young people who fall through the cracks.** Foundations, particularly large national foundations, face understandable pressure to focus their dollars on creating “more slots for kids.” But foundations cannot win at this numbers game. Even large foundation budgets are dwarfed by both potential public investments and the need for opportunities in mid-sized and large cities. The role of foundations is not, then, to provide an “after-school opportunity for every child.”

This in no way implies that private philanthropy does not play a central role in helping cities go to scale with out-of-school opportunities. Private foundations are critical in *incubating innovation and improving quality*. For instance, the Polk Bros. Foundation in Chicago has partnered with the city’s public schools to develop and evaluate several full-service elementary schools — an effort yielding convincing data and political support for a broadened public role in providing out-of-school opportunities and primary supports. The Polk Bros. example points to another powerful direction for private foundations — using their

### INITIATIVE PROFILE: LINC AND KANSAS CITY

By 1996, Kansas City’s decade-long commitment to free school-based extended-day programs — funded largely through desegregation dollars — was suffering from diminishing funding and resulting declines in quality. Eager to sustain and improve the program, a group of community representatives came together with funding from the Ewing Marion Kaffuman Foundation and support from the National Institute on Out-of-School Time to find a new financing mechanism.

Motivated by these efforts, the Local Investment Commission — a collaboration of seven state agencies that recognized the importance of school-aged care in advancing their welfare-to-work agenda — stepped forward as the fiscal intermediary for the program. The Missouri Department of Social Services offered a start-up investment of \$2 million of federal child care reimbursement, and granted an additional \$4.6 million in the second year of operation. The school district agreed to provide in-kind support through free use of its facilities. Additional federal funds were accessed through Title I and the U.S. Department of Agriculture school lunch program. The Ewing Marion Kauffman Foundation continues to support technical assistance and assessment of the effort, provided by the the Francis Child Development Institute and Kansas City YouthNet. The Greater Kansas City Community Foundation has stepped forward to meet an annual program shortfall. Finally, parent fees (based on a sliding scale, where the majority of families pay no cost) help defray program expenses.

The more important result of these efforts, however, is the creation of sustainable, free and low-cost out-of-school opportunities, rooted in accepted quality standards, for thousands of elementary school students.

resources to *leverage and complement public investments*, learning from the Charles Stewart Mott Foundation’s effective partnership with the U.S. Department of Education. Foundations have also played vital roles in *building community infrastructure and outside-in change strategies*. For example, Chicago’s Making the Most of Out-of-School Time (MOST) initiative, supported by the Wallace-Reader’s Digest Funds, and the Chicago Community Trust’s Children, Youth and Families Initiative, were responsible for significant increases in staff development capacity, enhanced neighborhood-level coordination and networking, and increased alignment among previously scattered efforts. When foundations do invest in programming, their investments are most effective when they *support programming that fills the gaps in public systems* — focusing on populations, times and outcomes that seem to be consistently falling through the cracks.

**Federal investments are playing out in diverse ways.** The Finance Project, in 1998, identified 120 federal funding streams that could be used to support programming in the out-of-school hours — a rich assortment including subsidies for snacks, TANF funds, safe schools dollars and the best-known of the after-school programs, the 21st Century Community Learning Centers program.<sup>1</sup> The degree to which various federal funding streams have been brought to the out-of-school table varies significantly on a city-by-city basis — and involves a complex interplay of the individuals and agencies responsible for their administration in each location. For instance, in Kansas City, TANF dollars have been transformed into the primary resource for after-school programming; in the other GRASP cities, policy realities and lack of information have meant that this stream is a far less significant part of the mix. In every city, 21st Century dollars are a critical source of funding, though certainly not sufficient to meet local needs on their own. The 21st Century funds play another role, as well. They are a catalyst for increased school district involvement; previously disen-

gaged districts suddenly moved into the after-school mix as a result of the new investment. As already mentioned, one consistently under-utilized federal funding stream are the funds provided through the Workforce Investment Act. While workforce dollars represent a significant source of out-of-school funding, few cities are fully utilizing the large number of dollars available through the Act — to the extent that many cities are returning these dollars unspent.

**Fee for service programs provide options and quality — for those who can afford them.** Alongside the delivery systems discussed throughout this publication — providing opportunities at no or little costs to participants — are a variety of activity-based, fee-for-service opportunities available to families that can afford them. These fee-for-service opportunities are the bread and butter of relatively wealthy families and suburban communities, providing a much more diverse selection of generally high-quality programs. Such programs are difficult to count and generally disconnected from existing networks and systems.

<sup>1</sup> Reder, N. (2000). *Finding Funding: A Guide to Federal Sources for Out-of-School Time and Community Initiatives*. Washington, DC: The Finance Project.

## Contact Information for Local Efforts

### California Friday Night Live Partnership

Myel Jenkins, Administrator  
2637 W. Burrel  
PO Box 5091  
Visalia, CA 93278-5091  
Tel: 559.733.6496; Fax: 559.737.4231  
Web: [www.fridaynightlive.org](http://www.fridaynightlive.org)

### Youth Services Division, Chicago Department of Human Services

*(for information on Chicago's public support for youth programs)*  
Renaë Ogletree, Director  
1615 West Chicago Avenue  
Chicago, IL 60602  
Tel: 312.746.8439; Fax: 312.746.6284

### New Futures for Youth

*(for information on Little Rock's public investments in out-of-school programming)*  
Mike Vogler, Program Specialist  
400 W. Markham, Suite 702  
Little Rock, AR 72201  
Tel: 501.374.1011; Fax: 501.374.9736

### Local Investment Commission

3100 Broadway  
Kansas City, MO 64111-2406  
Tel: 816.889.5050  
Email: [info@kclinc.org](mailto:info@kclinc.org)  
Web: [www.kclinc.org](http://www.kclinc.org)

## Contact Information for National Resources

**The Afterschool Alliance** offers a number of online resources and links to publications and materials (many produced by The Finance Project) related to funding issues. For more information, contact:

Afterschool Alliance  
PO Box 65166  
Washington, DC 20035  
Tel: 202.296.8405  
Web: [www.afterschoolalliance.org](http://www.afterschoolalliance.org)

**The Finance Project** has dedicated much of its organizational capacity to understanding how cities are financing out-of-school opportunities. Many of their numerous publications on this topic are available at the organization's Web site. For more information, contact:

The Finance Project  
1401 New York Avenue, Suite 800  
Washington, DC 20005  
Tel: 202.628.4200; Fax: 202.628.4205  
Web: [www.financeproject.org](http://www.financeproject.org)