

Funding Mechanisms that Support Services for Children and Youth in Other Jurisdictions

Executive Summary

This paper provides a description and summary analysis of funding mechanisms employed by cities, states and counties to support services for children. The jurisdictions profiled in the report are included as examples and do not represent a comprehensive list of established funding for children and youth across the country. Of these examples, some pertain to early childhood or more general services for youth, but all of these funding mechanisms could be applied equally to out-of-school time programs.

Background

In the spring of 2006, the City of Chicago received a grant from the Wallace Foundation¹ to build a technical and organizational infrastructure for the out-of-school time field. As part of this work, Chicago Metropolis 2020,² a nonprofit civic organization created in 1999 by The Commercial Club of Chicago to promote long-term planning, better regional cooperation, and smart investment in the Chicago region and its people, was charged with exploring the feasibility of creating a dedicated funding stream for out-of-school time programs in Chicago. To inform Chicago Metropolis 2020's work, Metropolis staff examined what types of funding mechanisms are established across the country that support children and youth. As one starting-point, they expanded on an unpublished paper drafted by the staff at the Chapin Hall Center for Children at the University of Chicago that inventoried funding mechanisms.

Chicago Metropolis 2020 was able to amend Chapin Hall's paper to include analysis about which funding mechanisms are relevant examples for Chicago and Illinois as well as expand and verify the information contained in the profiles of other jurisdictions, including adding additional profiles, explaining the strategies used to secure funding, and examining how, if at all, other jurisdictions track outcomes and monitor program quality for out-of-school time programs.

Overview of Funding Mechanisms

Chicago Metropolis 2020 examined different funding mechanisms or processes being employed across the country to support children and youth services (not only for out-of-school time). The matrix, starting on page 3, outlines how other jurisdictions have employed these funding mechanisms to secure funding for children and youth:

- Earmarking existing revenue for children and youth services
- Increasing and dedicating specific taxes
 - Property taxes
 - Sales taxes

¹ The Wallace Foundation of New York is the legacy of DeWitt and Lila Acheson Wallace, creators of The Reader's Digest Association. The Foundation has three primary funding areas: strengthening education leadership to enhance student achievement; improving after-school learning opportunities; and expanding participation in arts and culture.

² For more background information on Chicago Metropolis 2020, see:
<http://www.chicagometropolis2020.org/>

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- Gaming and lottery taxes
- Other special taxes
- Authorizing existing government to levy new taxes
- Creating trust funds
- Enacting education/out-of-school time tax credits
- Enabling individual voluntary contributions

Extensive profiles can be found in Appendix A on jurisdictions employing the first three funding mechanisms listed above (earmarking existing revenue for children and youth services; increasing and dedicating specific taxes [excluding gaming and lotteries]; and authorizing existing government to levy new taxes).

**Funding Mechanisms Used to Fund Children and Youth Programs:
Examples from Other Jurisdictions**

Earmarking Existing Revenue for Children and Youth Services						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>The Oakland Fund for Children and Youth: Measure K</i>	Public referendum	Dedication of existing general revenue. Oakland's city charter was amended to establish 1) a set aside of 2.5 percent of the City's unrestricted General Purpose Fund for the creation of the Oakland Fund for Children and Youth and 2) a budget floor, guaranteeing the amount spent on children and youth is at least level with the (baseline) 1995-96 fiscal year. Funds support services in three areas: career and leadership development; academic and cultural development, and physical and behavioral health.	1996	\$10.9 million	City	Yes
<i>Santa Fe's Children and Youth Fund: City Resolution 1995-23</i>	An act of the Santa Fe City Council	Dedication of existing sales tax revenue. An annual amount equal to a minimum of three percent of Santa Fe's share of New Mexico's gross receipts tax revenue is dedicated to the establishment of the Children and Youth Fund. Funds are allocated to strengthen the community and the services it provides for children birth through age twenty-one	1989	\$1.2 million	City	Yes
<i>San Francisco Children's Fund and Budget Floor: Proposition J</i>	Voter referendum	Dedication of existing property tax revenue. San Francisco's city charter was amended to establish 1) a set aside of 3 percent (originally 2.5 percent) of local property tax revenue for the creation of the San Francisco Children's Fund, which funds child care, family support, health and social services, workforce, violence prevention, out of school time, and educational enrichment for children up to age 18 and 2) a budget floor, guaranteeing the amount spent on children and youth is at least level with the (baseline) 2000-01 fiscal year.	1991	\$37 million	City	Yes
<i>California Proposition 49</i>	Public Referendum	Dedication of existing general revenue. Proposition 49, the After School Education and Safety Program Act of 2002 (ASES), amended state law to establish a trigger based on the overall budget total reaching \$1.5 billion more than 2000 levels, causing there to be increased funding for afterschool programs at \$550 million per year.	2002	\$455 million	State	Yes

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Increasing and Dedicating Property Taxes						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Seattle's Families and Education Levy</i>	Public Referendum	The Families and Education levy raises property taxes in Seattle by approximately .46 millage rate per \$1,000 of assessed property value to create a dedicated revenue stream to support children, youth and families in health, out-of-school time, early childhood, middle school, at-risk youth, and school crossing-guards. The Levy was first passed by voters in 1990 and was renewed in 1997 and again, but with an increase, in 2004.	1990	\$119 million (over seven years)	City	Yes
<i>Portland's Children's Investment Fund</i>	Public Referendum	The Children's Investment Fund is sustained from a new five-year property tax levy which raised property value .40 per \$1,000 of assessed property value. The Fund supports child abuse prevention and intervention, early childhood care, and after school and mentoring programs and services.	2002	\$10 million	City	Yes

Increasing and Dedicating Sales Taxes						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Aspen's Dedicated Sales Tax for Affordable Housing and Child Care</i>	Public Referendum	The city of Aspen enacted a provision to add .45 percent to the local sales tax and dedicate this revenue to support both affordable housing as well as early (pre K) child care. In 1990 Aspen voters approved the tax for a ten year period by a significant majority, and overwhelmingly approved the renewal of the tax in 2000 for another ten years.	1990	\$2.4 million	City	No

Increasing and Dedicating Special Taxes						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>San Francisco's Stadium Operator Admission Tax</i>	An Act of San Francisco's City Council	The City of San Francisco charges a professional sports stadium operator tax on all tickets for Giants games (baseball) and 49ers games (football). Most of the funds are funneled to the school district's athletic department, but funds are also shared with the Park and Recreation Department for upkeep and maintenance of Monster Park.	1985	\$1.7 million	City	Yes

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Authorizing Existing Government to Levy New Taxes						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Palm Beach County Children Services Council</i>	Public Referendum	The Florida legislature passed a law allowing all counties to form an Independent Children’s Special Taxing District. Palm Beach County passed an ordinance shortly thereafter that placed the issue of creating a special taxing district to support services for children and families before the voters in Palm Beach County. The referendum was approved and the voters agreed to tax themselves at a rate of .5mil of their property value. In 2000, a similar percentage of voters approved a doubling of this millage rate. The Children’s Services Council invests in prevention programs, focusing on early education and care, family support networks, maternal and child health and youth development including adolescent life skills, out-of-school programs and beacon centers.	1986	\$98 million	County	Yes

Dedicating Taxes Earned from Gaming and Lotteries						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Missouri’s Early Childhood Development, Education and Care Fund</i>	State legislature	Missouri House Bill 1519 established the Early Childhood Development, Education, and Care Fund from a percentage of riverboat gaming fees. This legislation set aside funding to increase capacity of, and access to, quality early childhood programs for all Missouri families. The funds are distributed through grant programs, certificates for families, and an increase in state child care subsidies for child care programs accredited by a recognized accrediting organization.	1998	\$14.5 million	State	No
<i>Georgia Lottery for Education</i>	State referendum	The Georgia Lottery for Education makes funds available to support the cost of pre-kindergarten and college education for Georgia children and families. The Georgia lottery was established to raise funds for three purposes: 1) pre-kindergarten programs; 2) college scholarships, grants and loans; and 3) capital outlay projects for educational facilities.	1992	\$822 million	State	No

Creating Trust Funds						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>The Children's Trust Fund [of Kansas]</i>	State legislature	The Children's Trust Fund was established to create a dedicated funding stream for child abuse prevention. The Fund receives revenue through a \$4 tax on state marriage licenses as well as through voluntary purchases of a \$50 "child abuse prevention" license plate.	1980	\$35,000	State	No
<i>The Kansas Endowment for Youth Fund (KEY Fund)</i>	State legislature	The Kansas Endowment for Youth Fund (KEY Fund) was established as a repository for the state's Tobacco Settlement dollars. This revenue is designed to support prevention service for children (ages 0-18) in the areas of health, education, social services, juvenile justice, and early-childhood. A Children's Cabinet, composed of members appointed by the Governor and legislative leadership advises the Governor and the legislature regarding the uses of the Funds moneys, evaluates programs which utilize Fund moneys, and assists the Governor in developing and implementing a coordinated, comprehensive delivery system to serve children and families of Kansas.	1990	\$50 million a year (for twenty years)	State	Yes

Enacting Education/After-School Tax Credits						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Minnesota's K12 Education Tax Subtraction and Tax Credit</i>	State legislature	Minnesota has two tax programs—the K–12 education tax subtraction and the K–12 education tax credit—to help families pay expenses related to their child's kindergarten through 12th grade (K–12) education. Both tax programs lower Minnesota tax payers' eligible taxable income and can also provide for a larger tax refund.	1997	NA	State	Yes

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Enabling Individual Voluntary Contributions**						
Program Name	How Established	Description	Enacted	Annual Revenue Generated*	Funding Jurisdiction	Supports OST
<i>Massachusetts "Invest in Children" License Plate</i>	State legislature	An "Invest in Children" specialty license plate was developed and is sold to fund a Child Care Quality Fund. The "Invest in Children" license plate costs \$76 which includes a standard registration fee of \$36. Funds raised support staff training, accreditation, professional development workshops, and the purchase of playgroup equipment and other educational materials. The state Office of Child Care Services administers the fund, which offers competitive grants to nonprofit child care organizations.	1996	\$1 million since inception	State	No

*This number reflects the most recent data available.

**The Kansas City Trust Fund also uses individual voluntary contributions, such as marriage tax fees and specialty license plates as a source of revenue. See Trust Funds, page 5.

Summary of Lessons Learned Across Jurisdictions

Chicago Metropolis 2020 gathered information about the ‘lessons learned’ by jurisdictions in the formation and management of dedicated funding for children and youth. Appendix B contains information on the lessons learned disaggregated by jurisdiction.

Involve the community in outreach and planning. Many jurisdictions attributed community involvement during the planning phases to their success in securing dedicated funding. Suggestions include involving a variety of stakeholders from the onset, including parents, educators, non-profits, and youth. Jurisdictions involved these stakeholders in a variety of ways, including: community meeting, youth summits, administering surveys to high school youth to weigh in on funding priorities, and developing and distributing clear and attractive educational brochures about the issue. (See the following profiles in Appendix B for more information: Oakland, San Francisco, Palm Beach County)

Be armed with good data. Many campaigns were armed with strong data about the needs of the children, youth, and families in their jurisdictions and the benefits of offering preventative services. Jurisdictions said issues involving children and youth naturally play to policy-makers’ and communities’ emotions, but that it is still smart to have data ready to validate voters’ sentiments. In Palm Beach County, information was compiled into a variety of publications and educational materials that were distributed to various stakeholders. (See the following profiles in Appendix B for more information: Palm Beach County)

Build a broad based coalition. In many of the jurisdictions that were successful in securing funding, the campaign team spent time working with each constituency understanding what their interests were in the legislation and receiving endorsements from a range of interest groups, both public and private. This includes neutralizing opposition by creating a proposal that reflects consensus. In particular, many jurisdictions said that it was crucial to hire an experienced political strategist and to have the business community on board, which can be done by articulating an argument about the financial benefits to the city’s vitality, including how the investments will cause families to stay in the city and how this will impact the future economic growth, the school system, etc. (See the following profiles in Appendix B for more information: California Proposition 49, Portland, Palm Beach County, Aspen)

Have a knowledgeable and persuasive champion for the cause. In the majority of the jurisdictions that have been successful in securing dedicated funding for children and youth, a respected champion lead the effort. A well-known and respected champion brings attention and credibility to the issue and can be critical to the passage and inception of a measure. These champions have ranged from advocacy groups, city council members, governors, celebrities, and legislators. (While many of the profiles in Appendix B include information about a champion that helped a cause, California’s Proposition 49, Palm Beach County, Portland, and Seattle are particularly relevant.)

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Team-up issues. Pairing the out-of-school time issue with one or more issues that has more wide-spread support and visibility could be a strategy for securing dedicated funding. In Aspen, child care would have been a difficult issue to sell on its own in the early 1990s, therefore, the levy paired child-care with affordable housing, which had more wide-spread community and political support. (See the Aspen profile in Appendix B for more information)

Engage voters and legislators around a crisis. In many jurisdictions, funding mechanisms were created out of an existing sense amongst the community that services for children and youth were in jeopardy. A champion or advocacy group armed with strong data can address these concerns and deepen public perception of the crisis and galvanize public will to do something about it. (See the following profiles in Appendix B for more information: Seattle, Palm Beach County, San Francisco's Stadium Operator Tax)

Market the benefits. Many jurisdictions felt that once a funding mechanism was in place, it is crucial to market the benefits to ensure continued community and policy-maker support. Jurisdictions have done this by developing branding for their initiatives; making annual reports on funded programs available to the public; maintaining a website; convening town hall meetings hosted by elected officials highlighting benefits of the funding; developing videos and other media-driven promotions; placing ads in the newspaper; and mailing information to the homes of residents about the available programs offered. (See the following profiles in Appendix B for more information: Santa Fe, Seattle, Portland)

Be sensitive to current fiscal climate. In California it was clear (through polling) that voters supported the afterschool issue and were willing to pay for it when the state had recovered from difficult financial times. One of the keys to the Proposition 49 legislation was that funds would not go into effect until the state's general revenue exceeded the 2002 levels by \$1.5 billion. The strategy of appealing to voters and having the caveat that they wouldn't have to pay for it immediately was central to Proposition 49's passage. (See the California Proposition 49 profile in Appendix B for more information)

Ensure that there is no significantly funded opposition. A widely held belief by strategists is that if voters are confused about an initiative (because there are campaigns for and against it), voters most often vote against it. The Proposition 49 supporters in California approached potential resistance groups who had the money to run an opposition campaign and made concessions, when necessary, to ensure their support or neutralize them.

Appendix A: Profiles of Funding Mechanism Employed to Serve Children and Youth

While Chicago Metropolis 2020 worked to verify the accuracy of the information presented in the profiles of each jurisdiction, this paper represents the perspectives of those that they were able to contact and documents that were made available. There were a myriad of players influencing the process that lead to securing funding. Chicago Metropolis 2020 tried to reflect multiple viewpoints where appropriate.

For each example, a description of the funding mechanism is given, including when and how it was established, the annual revenue generated, and the services funded, as well as a description of how funds are distributed and managed, the strategies used to secure funding (How Did This Happen), and how outcomes are tracked and quality is monitored. At the end of each profile a contact(s) is/are listed to answer questions or gather additional information.

Earmarking Existing Revenue for Children and Youth Services

Four examples are provided for jurisdictions *earmarking existing revenue for children and youth services* to support programs for children and youth, including: The Oakland Fund for Children and Youth, Santa Fe's Children and Youth Fund, San Francisco Children's Fund, and California Proposition 49.

The Oakland Fund for Children and Youth: Measure K
Dedicating Existing General Revenue

Description

Through a public referendum (Measure K), Oakland's city charter was amended to establish 1) a set-aside of 2.5 percent of the City's unrestricted General Purpose Fund for the creation of the Oakland Fund for Children and Youth, which funds services for children and youth (less than 21 years of age), and 2) a budget floor, guaranteeing the "base amount" spent on children and youth is not reduced below the amount appropriated in the 1995-96 fiscal year.

When Established

Measure K and the creation of the Oakland Fund for Children and Youth were approved by public referendum in 1996 for twelve years by approximately three-quarters of Oakland voters. In 2008, the Measure can be reauthorized by City Council without going out to the voters. Voters would need to approve either a new measure, or approve the existing Measure if council does not elect to reauthorize it as is. Since the window is closing on the first twelve year entitlement, efforts are underway to consider the possible avenues for reauthorization and reshaping portions of the Measure.

Annual Amount

In 2006, the fund disbursed approximately \$10.9 million. According to law, no more than five percent of the Fund can be spent on administrative expenses, and three percent of the

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Fund must be used to evaluate the impact of the resources that are allocated by the Fund. The Measure also includes language that the Fund cannot be used to supplant existing funding and requires an annual review of the City's total spending on children and youth to ensure compliance with the baseline spending requirements. This annual audit has not been performed, and it is not clear from one year to the next how much is actually spent on children and youth services and whether or not this amount has changed.

Services Funded

As mandated by the measure, money from the Fund must be used exclusively within three areas of service: *career and leadership development*, which includes job training, year round work experience, career internships, and community organizing projects; *academic and cultural development*, which includes pre-school programs, academic enrichment programs, college preparatory services, arts and music programs, outdoor adventure activities, and sports programs; and *physical and behavioral health*, which includes school health centers, neighborhood teen clinics, counseling and mentoring programs, conflict resolution, prenatal care, and parenting classes.

How Funds Are Distributed and Managed

As mandated by the Measure, the Children's Fund Planning and Oversight Committee (POC) was created to oversee the Fund. The Committee includes 19 members: both one adult and one youth representative that are appointed by each City Council member, as well as three committee members appointed by the Mayor. The Measure states that appointees shall demonstrate a strong interest in children and youth issues; and possess sound knowledge of, and expertise in, children and youth policy development and program implementation. The POC is charged with the task of creating and submitting a four-year strategic plan to the City Council that outlines specific outcome goals, objectives, and service priorities.

The Oakland Fund for Children and Youth is a program currently administered within the Oakland Department of Human Services. Based on the prospective revenue that the set-aside will generate for the upcoming year, the Fund staff issue an RFP process through which non-profits and public entities can apply to the Fund for grants. The POC, Fund staff, and external reviewers examine the funding proposals that they receive; deliberate and discuss their recommendations; host a public forum to receive input from citizens on a draft set of recommendations; and the POC then submits its final funding recommendations to the City Council for approval. Grant allocation aligns as closely as possible with the goals, objectives and service priorities outlined in the four-year strategic plan. Per the Measure, the City Council must approve or reject the entire recommended funding package, and cannot single out applicants for individual consideration. The Fund staff are responsible for monitoring and reporting on the grants disbursed. An external evaluator assesses each funded program for its level of service delivery, quality, and impact on children and families and for helping to guide the evaluation of their impact.

How Did This Happen

Sparked by declining children's expenditures in the mid 1990's and a similar measure in San Francisco, two advocacy organizations, the East Bay Asian Center and Oakland Kids

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First, organized a broad coalition of children service providers to develop Measure K, secure the signatures required to get it on the ballot, and rally the public support needed to ensure its approval. This campaign focused primarily on mobilizing community nonprofits to engage and educate parents, teachers, children, and other service providers around the needs of children in the community and the importance of creating a dedicated funding stream to address these challenges. There was a groundswell of support from teenagers and college age youth that were instrumental in passing the Measure.

Outcomes and Quality

There are two levels to the Funds quality monitoring process. First, three percent of the Measure K resources are allocated to evaluation, which finances an external evaluator that primarily monitors program quality (i.e., surveying parents and staff about their level of satisfaction, reviewing administrative data). The external evaluator also works with Grant Recipients to set their own program outcomes and uses evaluation tools to help monitor their achievement..

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The Santa Fe Children and Youth Fund and Commission *Dedicating Existing Sales Tax Revenue*

Description

An act of the Santa Fe City Council resulted in the current dedication of an annual amount equal to a minimum of three percent of Santa Fe's share of New Mexico state gross receipts tax revenue to the establishment of the Children and Youth Fund (this percentage is equal to approximately 1.6 percent of the city of Santa Fe's total general

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revenue). The purpose of the Fund is to improve the lives of local children by supporting non profit and Santa Fe Public School programs for children and youth.

When Established

The Fund was originally created in 1989 by a 5-4 vote of the city council. This first resolution authorized the annual allocation of two percent of Santa Fe's share of the state gross receipts tax for the Fund. In 1995, this was increased by the Santa Fe City Council—again, in a close vote—to three percent. In 1998, by a wider margin, the City Council passed an ordinance that officially and permanently established the annual allocation for the Children and Youth Fund within the city code, affording the Fund greater legal protection and ensuring that a special public hearing and vote by the City Council would be needed to overturn it.

Annual Amount

For the 2007-08 fiscal year, the Fund received approximately \$1.2 million (1.6 % of total revenue). The intention is not to supplant, but to supplement programming in public schools. For fiscal year 2006-2007, \$1,036,500 was awarded to thirty-four grantees.

Services Funded

The first formal Children and Youth Strategic Plan adopted by the City Council in 1999, focused on six community-wide goals, and was revised in 2005 to focus on four areas: : 1) to strengthen community infrastructure and raise community awareness about young children and their needs and resources; 2) to strengthen relationships between schools and the community for school –age children; 3) to foster positive youth development throughout the community; and 4)to build and strengthen community infrastructure and connections for children birth through age twenty-one.

How Are Funds Distributed and Managed

The original City Council resolution called for the creation of a Children and Youth Commission to be the fiscal and guiding body, overseeing the Fund and making funding recommendations to the City Council. The Commission consists of seven community members, appointed by the Mayor with the consent of the City Council, who meet once a month to discuss the challenges facing children and youth in the city and how the Fund should be utilized to address these issues. All Commission members are actively involved with children and youth issues and broadly represent all areas concerned with the healthy development of children and youth from birth through the age of 21.

With help and guidance from the children and youth planner, and an outside consultant, the Commission conducts an annual needs assessment, and from this assessment, develops categories and issue areas for annual grant funding. The Commission and support staff then issue a Request For Proposals (RFP), receive and review grant proposals from community nonprofits and the Santa Fe Public Schools, and make detailed funding recommendations to the Finance Committee, and then the City Council for final approval. Funding was originally provided to grantees for one year but the Commission now operates on a two-year funding cycle. Finally, the Commission and related staff are also responsible for program monitoring, through quarterly reports and

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reimbursement requests (services must be rendered before payment is received), and site visits.

How Did This Happen

The creation and promotion of the Children and Youth Fund can be attributed largely to the efforts of a few key politicians within the Mayor's Office, and the City Council. The initial idea came from a National League of Cities meeting which focused attention on youth issues, attended by City Councilor Bernie Beenhouwer. At the same time, the planning department conducted a community-wide planning effort that led to general plan which included, for the first time, largely due to the efforts of the Community Services Department Director, a section focusing on Youth and Education. An event called "Youthfest" was organized to celebrate the talents of young people and bring together nonprofit and school programs that worked with children. This event gave greater attention and publicity to the importance of youth issues in Santa Fe, and the Fund's proponents built off the momentum this event created to galvanize support for making a more substantial and dedicated investment in children in Santa Fe. However, the eventual City Council approval for the Fund was not the result of a large groundswell of public or even political will nor did it involve any kind of significant marketing or promotional campaign. Instead, the creation of the Commission and the Fund was driven largely by internal politics and coalition building.

In the 17 years since the establishment of the Fund, political support for the Fund has grown relatively steadily. This is due to the dedication of community volunteers who serve on the Children and Youth Commission and their efforts to highlight the impact that the Fund is having on the lives of children in Santa Fe; the non profit and school program staff who work directly with children, professional and consistent staff, and elected officials who recognize the positive effect on the quality of community life that comes from supportive environments and healthy child development. Moreover, there is increasing and widespread evidence reported in the media of the multiple challenges faced by children and their families in today's world.

The Commission's activities in this regard include distribution of the plan and needs assessment to both the public and government agencies, forwarding thank you notes written by children that have participated in programs supported by the Fund to City Council members; and Commissioners and staff working on a more personal level to educate existing and new City Council members and the community about the benefits to children that come from city funding that sustains local programs.

Outcomes and Quality

The Children and Youth Commission monitors program quality and outcomes through a variety of measures. First, a site visit is conducted for each new grant recipient.. The Commission is currently limited in its ability to conduct site visits to all programs due to a lack of staffing resources (the Children and Youth Planner is the only paid staff member). There are currently thirty-four grant recipients with fifty programs at seventy sites. Between 30,000 and 40,000 children participate in these city-funded programs

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annually. Since there are only about 18,000 young people in Santa Fe, this means that some children participate in and benefit from, more than one program.

The Request for Proposals has embedded evaluation criteria which applicants must address, such as income levels of the families of participants (fifty percent must be from low to moderate income families), staff quality, geographic area served, diversity of staff and board, awareness of developmentally appropriate practice, child-staff ratios, etc. Additionally, all funded agencies are required to submit quarterly and final reports. This report includes data on youth program participation, program goals, and student outcomes. Previously, some grantees have elected to work with an outside consultant hired by the Commission to work on program evaluation and setting outcome measures; currently, all grantees have some form of program evaluation. Finally, programs submit reimbursement requests either monthly or quarterly, allowing the Commission to review how grant monies are being spent throughout the program year. There is also a Youth Provider Coalition that meets monthly to share information and resources, which is coordinated by city staff.

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San Francisco Children's Fund and Children Services Budget Floor: Proposition J Dedicating Existing Property Tax Revenue

Description

A voter referendum (Proposition J) amended the city charter to establish both a budget floor and an earmarked revenue stream—the San Francisco Children's Fund—for children's (up to age 18) services in the city. The budget floor establishes a minimum amount (called Children's Baseline) that the city must spend on services for children and youth. The Baseline is adjusted each year in relation to the city's General Fund, so that the minimal amount spent on children increases (or decreases) as the City's revenue changes. (So far, revenues have increased steadily, and funding for children has been required to keep pace.) Funding for children's services from sources other than the Children's Fund cannot be reduced below the amount appropriated for the fiscal year 2000-01 (the "baseline year") as adjusted annually in relation to revenue.

When Established

In 1991, the earmarked revenue stream came from a two and a half percent property tax set aside. However, the Children's Fund was renewed in 2000 for fifteen years and the set aside was increased to three percent.

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Annual Amount

The current budget floor for children's services in San Francisco (which includes only local funding) is approximately \$100 million (6 percent of the city's local General Fund). The Children's fund (3 percent of the property tax assess valuation) will be approximately \$38 Million in 2007-08, and is set aside over and above the Children's Baseline. According to Proposition J, the amount of the budget floor has to be renegotiated every year to account for increases in the city's General Fund. Additionally, while the authorizing ordinance does state in general terms what should and should not be included in the floor or baseline as "children's services," yearly budget negotiations are required to identify exactly what programs and services the city is responsible for funding through this budget floor.

The amendment also mandates a three-year planning and allocation process, where the City is responsible for conducting a "Community Needs Assessment" to determine services eligible to receive monies from the Fund (year one), a Children's Services Allocation Plan (year two) and a Request for Proposals (year three). Significant community and city departmental participation is required in this process. The Needs Assessment and Allocation Plan must be submitted to the County Board of Supervisors.

Services Funded

For the first three years of implementation, the Children's Fund required agencies to apply for funds in one of four categories (child care, health and social services, job readiness, and delinquency prevention, education, recreation, and libraries). However, this funding model deterred agencies from providing innovative programming that cut across several service categories. Therefore, in 1995, the Fund began allocating resources more broadly based on the citywide goals, and in 2000 the following goals were adopted for the Fund: 1) children and youth are healthy, 2) children and youth are ready to learn and are succeeding in school, 3) children and youth live in safe, supported families and safe, successful, supported communities, and 4) children and youth contribute to the growth, development and vitality of San Francisco.

The Fund provides resources for services that align with these goals: affordable child care and early education; recreation, cultural and after-school programs, health services, training, employment and job placement, youth empowerment and leadership development; youth violence prevention; youth tutoring and educational enrichment; and family and parent support services for families of children receiving other services from the Fund. To the extent that it is possible, funds are distributed equitably among services for infants and preschoolers, elementary school age children and adolescents. Over 50 percent of funds in the first nine years were allocated to new programs.

In 2007, the RFP refined DCYF's goals regarding OST by including separate categories of funding for teen programs (allowing DCYF to place a special focus on teen OST), full-time OST (in response to research stating that OST 'dosage' is important), and enrichment programming (broadening what is offered in general OST programs).

How Are Funds Distributed and Managed

Revenue from the property tax set aside is allocated to the Children's Fund, which is managed by the San Francisco Department of Children, Youth, and Their Families (DCYF). Half of DCYF's budget comes from the Children's Fund. The three-year planning cycle outlined in Proposition J (which became Proposition D when it was reauthorized in 2000) guides the disbursement of the Children's Fund. As part of this process, DCYF implements a community needs assessment (involving community summits, forums, advisory groups, focus groups, and surveys), determines a general allocation funding formula in regards to the Fund's service categories, submits an RFP to community providers, reviews grant proposals, and submits funding recommendations that must be approved by the Mayor and City Council.

In addition, the Children's Fund is guided by the Children's Fund Citizens' Advisory Committee, consisting of 15 members, each appointed by the Mayor to a three year term. There are at least three parent and three youth representatives, as well a professional from the early childhood development, childcare, education, health, recreation and youth development fields. The Committee meets at least quarterly and advises DCYF and the Mayor on the administration of the fund.

The existence of the Children's Fund has allowed DCYF to become a hub of children's policymaking and program innovation – particularly in OST, since traditional city and county departments generally do not have responsibility for this function. It has put OST on the map in San Francisco, not just in terms of funding, but in terms of policymaking, technical assistance to community agencies, and monitoring. It has also led to a memorandum of understanding with the local school district to plan collaboratively, and a network of hundreds of providers who are invested in common city-wide goals. In other words, the availability of money has had many ripple effects – which enhance the field and expand and improve the availability of services.

How Did This Happen

The idea for and drive behind the Children's Fund and budget floor for children's services came out of children advocacy group's frustration with fighting for children's services in the annual budget allocation process. In the early 1990s a network of advocacy groups approached the County Board of Supervisors about creating a dedicated funding stream for children's services, but was unsuccessful in moving the Board to promote a referendum that would address this issue.

As a result, in 1991 Coleman Advocates—a children's services advocacy organization—took the lead on developing and implementing a community wide grassroots campaign to collect the signatures necessary to get Proposition J to the ballot. Proposition J was considered so politically controversial that many youth-serving organizations were resistant to backing it. It also had strong opposition from the City's major editorial boards, the business community, and the Mayor.

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Unlike the opposition to the original 1991 amendment, the 2000 renewal had widespread support. Public opinion polls show that 82 percent of voters think that the amendment was a good idea and every local elected official declared their support for the 2000 renewal. Also, Proposition D was placed on the ballot by the Mayor and Board of Supervisors instead of the difficult petition process.

Coleman Advocates did significant research before beginning the campaign to push Proposition J forward in 1991. The organization wanted to understand how much a campaign would cost, the legal restrictions on a nonprofit for mobilizing such an effort, and the principles of success as demonstrated by other public-driven ballot initiatives. The campaign, and the marketing effort once Proposition J was on the ballot, required less than \$100,000, and focused primarily on educating and mobilizing children service agencies, parents, political and advocacy organizations, and youth themselves (as opposed to media-based promotions).

While there has been strong public support for the amendment since its inception, children's advocates have needed to play a continuous and forceful role in monitoring yearly city allocations for both the required budget floor for children's services and for the Children's Fund. First, Coleman has needed to actively work with the Mayor and Board of Supervisors each year to ensure that the yearly city appropriations mandated by the budget floor are actually going to support children's services, and that other, more general services are not being paid for through the budget floor allocation. Second, Coleman has needed to continue to pressure the city government to ensure that the existence of the Children's Fund is not an excuse to cut either the general funding provided to DCYF or funding for other city departments and agencies that provide services and programs that benefit children and youth.

Outcomes and Quality

DCYF monitors outcomes at both the agency and neighborhood/city-wide level. At the agency level, it monitors grantees, provides technical assistance, and evaluates the impact of the funding it provides. Agencies are required to specify in their plans the amount of funding to be allocated towards achieving specified goals, measurable and verifiable objectives and measurable and verifiable outcomes. In the early years of the Fund, grantees did not feel they received enough support and training in developing methods and tools for monitoring and collecting data on participation in outcomes. However, over time, the Fund has increased its training, technical assistance, and financial support for this work.

Second, DCYF is interested in measuring how the Fund impacts the well being of children and youth city-wide. In 2003-04, The DCYF hired an evaluator to conduct a Citywide Analysis. The overall evaluation function is now conducted in-house, and includes a Youth Team which evaluates programs from a youth perspective, a consumer survey, and an extensive Standards Initiative (developed in collaboration with CBO grantees), which sets forth minimum program standards that are monitored by DCYF Program Officers. Individual initiatives created by the Fund (such as Wellness Centers

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in the schools, Beacon Centers, and a recreation partnership with the Recreation and Parks Department called Rec-Connect) have their own independent evaluations.

Currently DCYF funds over 200 agencies through the Fund, including services to neighborhoods and populations which had never been funded before, creative partnerships with other city departments, and new strategies and program models. Out-of-school time programs receive about half of the funding. Because of the Children's Fund, the Mayor has been able to make a policy pledge of "Afterschool for All" by 2010 and in the past year, over 1000 new afterschool slots and 1300 enriched slots have been created by the Fund.

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California Proposition 49

Dedicating Existing General Revenue

Description

Proposition 49, the After School Education and Safety Program Act of 2002 (ASES), amended state law to establish a trigger based on the overall budget total reaching \$1.5 billion more than 2000 levels, causing there to be increased funding for afterschool programs at \$550 million per year. The ASES program was developed from the existing Before and After School Learning and Safe Neighborhoods Partnerships Program in California.

When Established

Proposition 49 was approved by 56.6 percent of voters in 2002. Funding for the state's ASES Program is an entitlement appropriation (that is, appropriated automatically each year without further legislative action). The dedicated afterschool funding provided for by Proposition 49 can only be amended by a public vote and not the state legislature. Some aspects of the law must be amended by voters, but others may be amended by the legislature. In 2006, the legislature adopted some changes to the program that were requested by afterschool advocates and policy experts, including establishing funding priorities in the highest need areas.

Annual Amount

Proposition 49 funding was triggered when the state's general revenue budget reached approximately \$1.5 billion more than it was in 2000. The trigger happened in the 2006-

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07 budget year, and funding thereby increased for afterschool programs in the state by around \$428 million. (prior to the expansion, the program was funded at \$121 million approximately.) This new funding cannot be taken from general education funding, which is guaranteed under California Proposition 98. Proposition 49 funding is subject to the same budget requirements as other educational programs. Should it become necessary to implement funding cuts, the initiative mandates that after school programs share those cuts proportionately.

Services Funded

Local education agencies such as school districts and county offices of education must apply for and act as fiscal agents for the funding. However, they are allowed to partner with or contract out program functions to community-based organizations. All programs must include an educational and literacy component that aligns with what goes on during the school day. Programs must provide tutoring and/or homework assistance and an educational enrichment component, such as recreation and prevention activities. Programs must operate until 6:00 pm and at least 15 hours a week as well as meet enrollment requirements, as outlined in the legislation (i.e., elementary students must enroll five days a week; middle school programs offer flexible attendance requirements, but students must enroll a minimum of 9 hours and 3 days a week).

In 2006 modifications were made to the original (2002) legislation. In the original legislation, every elementary and middle public and charter school in the state was eligible for ASES funds. However, the 2006 legislative reforms raised the grant amounts, making each elementary school eligible for a grant of \$112,500 per year, and each middle and junior high school \$150,000 per year³. This meant that there would not be enough funding for every school, so the legislation also set funding priorities. First priority for the funding goes to schools in which 50 percent or more of the students are eligible for free and reduced price meals. Larger schools are also eligible for additional funds. Pending availability of funds, applicants may request supplementary funding for before school, intersession and summer programs. The 2006 legislation also allowed eligible 21st Century Community Learning Centers grantees to apply for ASES funding instead of federal 21st Century grant funds. This freed up a significant portion of those federal 21st Century grant funds, 50 percent of which are now designated for high school afterschool programs.

How Are Funds Distributed and Managed

Grant funds are managed by the California Department of Education (CDE). CDE reviews applications and disburses funds based on the following criteria: 1) Grantees already receiving funds through the state's Before and After School Learning and Safe Neighborhoods Partnership program (the state-wide afterschool program in place prior to Prop 49) will maintain their funding status. 2) Per the 2006 legislation, grants are awarded up to \$112,500 for elementary schools and \$150,000 for middle schools in the state for afterschool programming, and 3) Schools with predominately low-income

³ In the original legislation, elementary schools were eligible for \$50,000 grants and middle/junior high schools were eligible for \$75,000.

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students (more than 50% participate in the free and reduced price lunch program) have priority for additional funding.

How Did This Happen⁴

A series of actions in the afterschool field in California created political momentum and resulted in the passage of Proposition 49. The thrust began in 1997, when California State Senator Deborah Ortiz sponsored a program dedicating \$3.5 million for afterschool literacy and extended day programs. The funding for this program was largely due to policy makers, advocates, and leaders in the afterschool field heralding the positive outcomes of key afterschool programs across the state (e.g., LA's BEST, Sacramento's START program, and San Diego's Critical Hours/6 to 6 program). These programs had a proven track record of keeping children and youth safe and improving academic achievement.

In 1998, state legislation expanded afterschool funding to \$50 million through the creation of the [Before and] After School Learning and Safe Neighborhoods Partnerships Program (BASLSNPP).⁵ BASLSNPP provided academic and enrichment programming in public schools across the state, targeting the economic neediest communities. BASLSNPP expanded to fund approximately 230 educational enrichment programs with \$118 million annually by the spring of 2002. Despite the program's growth, the demand for funding far outweighed the resources available. However, state legislators were facing tight budget constraints and were not able to fund the program to scale, making it clear to advocates that a ballot initiative was the next step.

Arnold Schwarzenegger was the key force behind the campaign leading to the passage and inception of Proposition 49. Schwarzenegger had a long history of supporting programs for children and youth, particularly afterschool programs (he started Arnold's All-Stars, an afterschool program in Los Angeles). Schwarzenegger used 'afterschool' as the cornerstone of his 2003 gubernatorial campaign during the recall of then-Governor Gray Davis.

Schwarzenegger's team's first step was consulting with afterschool leaders and policy experts as well as the general public through focus groups and polling about the feasibility of building a statewide afterschool program. When determining that an afterschool initiative was probable and a smart political move, they worked with strategists to help define what kind of policy would work best, what policy the public would support and what policy key stakeholders and opinion leaders would support. Next, to inform the creation of the afterschool initiative, his team hired political, afterschool and legal experts to help navigate the process and craft the initiative language.

⁴ As well as being informed by the organizations listed at the end of the profile, this section of the profile is summarized from a paper written for the Afterschool Alliance by Erin C. O'Hara, titled "Winning Combinations: the Passage of Proposition 49". http://www.afterschoolalliance.org/prop_49.cfm

⁵ In 2001 funding was added for before school programs, so the program name was changed from the After School Learning and Safe Neighborhood Partnership Program (ASLSNPP) to the Before and After School Learning and Safe Neighborhoods Partnership Program (BASLSNPP).

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Through focus groups and polling, the team worked through several policy issues, such as funding options and building on existing programs.

A critical component of Schwarzenegger's approach was to create buy-in by involving as many players as possible in the planning and to ensure that there was not any well-funded opposition. This included key meetings with Schwarzenegger and members of his campaign staff with key education groups, unions, and taxpayer organizations. These meetings were critical, as it allowed Schwarzenegger's team to examine and compromise on certain provisions of the initiative to neutralize opposition and gain support.

The final step in building the Proposition 49 initiative was fundraising. The campaign spent more than \$9.2 million and more than \$3.5 million on campaign advertisements alone.

The team collected the proper signatures to place Proposition 49 on the ballot, which due to the careful planning and political will building, passed by a large margin.

Outcomes and Quality

The original Prop 49 legislation measured program effectiveness primarily through gains in academic achievement as demonstrated by standardized test scores. Children and youth advocates felt that afterschool programming, while it can impact academic achievement, affects other areas of youth development as well, e.g., interest in school and self-esteem. Through several years of negotiation and discussion, the Department of Education, legislators, and advocates came to agreement on a plan to offer Proposition 49 grantees a menu of outcome measures to select from.

The revised legislation requires grantees to submit school day and program attendance on a semi-annual basis as well as select an outcome measure(s) from a menu of options annually. In addition, based upon the individual focus of each program, programs must demonstrate positive changes in one or more of the following areas: 1) student behavioral changes, as reported by school day or afterschool teachers 2) student standardized test scores 3) student homework completion rates as reported by school day or afterschool teachers or 4) skill development as reported by school day or afterschool teachers. If a program fails to demonstrate measurable program outcomes for three consecutive years, the department may terminate the program.

One challenge resulting from the 2006 modification to the legislation was that the grantee application process happened quickly after the passage of the revised legislation. There was not enough time to educate people about the new outcome tracking system and grantees picked an outcome(s) without fully understanding the menu of outcome choices. By default, many grantees opted to demonstrate gains in academic achievement because it is the most straightforward outcome measure to report. Program administrators fear that many of the grantees selecting this outcome measure will not be able to demonstrate improvement in standardized test scores and an advisory committee working on the Proposition 49 implementation is discussing how to handle this (e.g., pull funding, provide technical assistance).

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To help grantees improve their programs and meet their outcome goals, approximately \$16 million, or 1.5 percent, of Proposition 49 funds are dedicated for technical assistance and professional development. CDE provides these monies to eleven regional education offices statewide, and also contracts with several other regional and statewide training providers. These offices use the funds to provide resources to grantees, such as trainings and seminars, technical assistance, and consultation on quality improvement.

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Increasing and Dedicating Property Taxes

Two examples are provided for jurisdictions *increasing and dedicating property taxes* to support programs for children and youth, including: Seattle's Families and Education Levy and Portland's Investment Fund.

Seattle's Families and Education Levy Property Tax Increase and Dedication

Description

The Families and Education levy raises property taxes in Seattle by a set millage rate per \$1,000 of assessed property value to create a dedicated revenue stream to support educational, health and support services for children and youth.

When Established

The levy was first passed in 1990 by approximately 65 percent of voters for a period of seven years. The levy was renewed in 1997 by approximately 65 percent of voters, and renewed again but with an increased millage rate in 2004 by another large majority of voters.

Annual Amount

The original 1990 levy assessed a millage rate of .23 per \$1,000 of assessed property value, which translated into an approximately \$35 increase in property taxes per household and resulted in a total of \$69 million for children and youth services over the course of seven years. The 1997 levy retained the same millage rate and resulted in total revenue of approximately \$65 million over seven years. The 2004 levy almost doubled the millage rate per \$1000 of assessed property and thus the cost per household, and is expected to generate approximately \$119 million total over the next seven years.

The language of all three referendums include a stipulation that the levy funds are designed to increase rather than supplant existing funding for children and families in the city. Additionally, no more than 5 percent of levy funds can be used for administrative expenses.

Services Funded

The levy funds are used to support children, youth and families in six areas: health, out-of-school time, early childhood, middle school, at-risk youth, and school crossing-guards. Funds are used to support both existing city and school-based programs as well as to start and support new programs and services. Funds can not be used to fund the school district directly, but the first levy (1990) did allow for cost shifting, freeing up some program funds (i.e., Head Start district matching dollars, or school nurse salaries) so that the school district could lower class size. This practice has been discontinued.

Beginning in 2004, under the leadership of newly elected Mayor Greg Nickels, there was a data-driven approach for investments in children and youth. The city analyzes the state

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of children and youth in Seattle—with respect to family income, educational achievement and health—on an annual basis. The 2004 levy investments are focused on 3 goals: improve school readiness, prevent drop-outs, and increase academic achievement. Most levy funds are focused on students who are the most academically challenged, with the goal of directly improving their achievement in school, as demonstrated by student scores on the Washington Assessment of Student Learning (WASL).

Examples of programs supported by the 2004 Families and Education Levy include family support workers and parent involvement in the schools, school wellness centers, elementary and middle school community learning centers, middle school support, case management for teens and a school readiness initiative.

How Are Funds Distributed and Managed

A Citizens Advisory Committee, composed of 45 individuals from a diverse array of organizations in Seattle who were appointed by the Mayor and City Council, helped to create a strategic plan and policy framework for how the levy funds should be utilized. In support of this process, the public was surveyed and focus groups were conducted to ensure that the Committee's work was guided by voter input. Subsequently, the Mayor submitted these funding recommendations to the City Council for approval. The 2004 Families and Education Levy was passed by the voters in the fall. The Levy Oversight Committee (comprised of the Mayor, a City Council member, a member of the Seattle School Board, the School Superintendent, and 8 citizen representatives), guides and monitors both the allocation of the levy funds as well as the evaluation of the levy's impact.

Beginning in 2004, all levy funds are centrally managed at the Office for Education (OFE). Previously levy funds were allocated to the various city agencies administering youth programs. City agencies, the school district, and community based organizations providing levy eligible programs complete a "memoranda of agreement" with OFE. These agreements outline the expected measurable outcomes required of children and youth participating in levy funded programs. Each levy program is also required to complete a performance based contract with OFE, which requires providers to reach measurable outcomes in order to receive full reimbursement for their services. The early learning and youth programs are eligible for performance payments for each child who reaches the required outcomes.

Funding is allocated to the areas of the city serving children and youth with the greatest need (based on academic need and poverty). State standardized test scores and census data were used to determine the target areas.

How Did This Happen

Seattle Mayor Norman Rice (serving from 1990-1997) was the driving force behind both the idea for and the eventual establishment of the original 1990 levy. Based on pervasive public disgruntlement with the state of public education in Seattle at the time, the Mayor made improving education in Seattle the central issue of his Mayoral campaign and was elected to office as a result of this focus. Soon after his term began, the Mayor organized

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a participatory Education Summit that engaged more than 2,000 citizens in discussing ways to improve education in the city, where the key message that citizens shared was that they wanted their youth safe, healthy, and ready to learn. The Summit was a key factor in focusing public attention on the critical needs—both in and out of school—facing Seattle’s children, and provided a forum for citizens to share their concerns and to express the need for a change in government policy and funding to support increased and improved children services.

Based on the momentum established by the Summit, the Mayor’s Office polled the public about the possibility of creating a dedicated revenue funding stream to address the challenges facing children and families in the city. Voters were polled regarding the best way to raise this revenue, how they would want new funding to be allocated, and their level of support for this type of measure. The polling found strong voter approval for increasing property taxes to support educational and supplemental services for all children and youth in the city. A property tax increase squared with the Mayor’s Office as a fair and equitable way to raise the needed resources because of its progressivity (as opposed to the regressivity of sales tax revenue).

An independent organization, Families First, ran a small public campaign around the Levy in 1990, which included some direct marketing and advertising to the public, speaking engagements, and working with nonprofits to galvanize their supporters at the ground level. The resources spent on this initial campaign were approximately \$200,000. However, the success of the referendum is largely credited to the Mayor’s Office’s lobbying with key city stakeholders to rally support for the levy referendum and make all of the city constituents feel like they had both a say and a stake in the proposed levy. This outreach included discussions with the City Council, city departments, Chamber of Commerce, the business community, and grassroots nonprofits. As a result of these efforts and perhaps the natural inclinations of the Seattle community, the levy had no major opponents and passed without much of a political or public struggle.

Subsequent passages of the levy in 1997 and 2004 occurred with equally little fanfare and contention.

Outcomes and Quality

In 2002, the City began approaching children and youth investments from a data-driven perspective. The City analyzed the state of children and youth in Seattle through a series of annual ‘State of Children and Youth’ reports (2002, 2003, & 2004). These reports documented that overall Seattle children fare better than many other urban communities, but there are great discrepancies in student well-being based on race and socio-economic characteristics. In response, the city developed a 2005-06 biennial budget using a zero-based budgeting approach, requiring justification for program spending every two years. The budget was built based on a “results-based” plan to improve the outcomes for youth not faring as well.

In alignment with a system of increased accountability, the Levy Oversight Committee identified three overarching outcomes for programming: 1) School readiness 2)

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Academic achievement, and 3) Reduced drop-out rate/increased graduation rate. The city set specific numeric targets for each levy program area (i.e., for preschool, 182 of 280 youth served will be ready for kindergarten). Each program area has defined indicators of progress towards its target (i.e., students progressing on time towards next grade level, students improving attendance). The 2005-06 school year was the first year levy programs set specific targets using an outcome funding approach. A baseline report was published in 2004 to identify the starting points from which programs aimed to improve.

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Portland's Children's Investment Fund

Property Tax Increase and Dedication

Description

The Children's Investment Fund is sustained from a property tax levy of .4026 per \$1,000 of assessed property value (about \$60 a year for a home with an assessed value of \$150,000). The Fund annually supports services for 10,000 of the neediest children and families in the city, specifically child abuse prevention and intervention, early childhood care and after school and mentoring programs.

When Established

In November 2002, city of Portland voters approved Measure 26-33 by a 53 to 47 percent margin, which called for a five-year property tax increase. The five-year levy will go back on the ballot for renewal in 2008.

Annual Amount

The five-year tax levy generates approximately \$10 million annually to support 46 organizations through 66 programs around the city for children from birth through high school. In 2004, \$3 million was earmarked for a "Leverage Fund" to raise additional funds, e.g., dollar-for-dollar matching grants from foundation and corporate donors.

Services Funded

Fund resources are targeted at services in three areas: 1) early childhood education, including parenting education and health services that ensure children are healthy and prepared for kindergarten 2) after school and mentoring programs that promote academic achievement and provide opportunities for positive adult-youth relationships and 3) child abuse prevention and intervention services. Within these three areas, priority is given to

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grantees that improve access to services for children living in the areas of the city with the highest level of poverty and ensure access to culturally appropriate services.

The Fund does not support new programs. Programs applying for funding must have a track record of success and demonstrate they are cost effective and achieve positive results for children.

How are Funds Distributed and Managed

By city ordinance, an oversight Allocation Committee was created to govern the Children's Investment Fund, which is structured to have one Portland City Commissioner, one County Commissioner, a representative from the Portland business community, and one member appointed by the city and county each respectively. The Committee created an allocation formula for how the Fund is spent, with roughly 20 percent of the funds dedicated for child abuse prevention, 40 percent for early-childhood care and education, and 40 percent for after-school and mentoring programs. As outlined in the measure, no more than 5 percent of the revenue generated can be spent on administration.

The Children's Investment Fund issues a separate RFI (Request for Investment) for each funding area; works with external experts from the children's service community to review and evaluate funding proposals from Portland nonprofits; and submits two-year funding recommendations to the Allocation Committee for approval. RFIs must ultimately also be approved by both the City Council and County Commission. The Children's Investment Fund staff consists of three part-time employees and one full-time employee who monitor grantee progress and perform site visits and program performance assessments and evaluations.

How did this happen

The formation of the Portland's Children Investment Fund was largely due to the efforts on City Councilman Dan Saltzman, a champion for Portland's most at-risk children and youth and other child advocates. Saltzman's re-election campaign coincided with the formation of the Fund and he used the tax levy and Fund formation as his campaign platform. Since Oregon does not have a sales tax, the two primary opportunities for leveraging additional money are income and property tax. However, the stagnant economy and a crowded ballot made for a difficult battle. Saltzman was discouraged by many stakeholders and strategists and told that the timing was not right for the levy. Despite these warnings, Saltzman worked tirelessly to gain support. He worked alongside children and youth advocacy organizations and brought them on board to serve as foot soldiers for the campaign. Advocates in the child care community were particularly helpful in garnering support and motivating voters. Other key political allies were the Chamber of Commerce and the Portland Public School District.

In order for the levy to be placed on the ballot, it had to win city council and mayoral approval. The fine details of the measure were critical to its passage and inception. Saltzman's team conducted polls which determined voter sensitivity to topics such as the geographic boundaries of the levy (city vs. county) and the age of the youth levy dollars would target. Another key issue in the passage of the levy was the 5-percent cap on administrative expenses and that tax dollars would not be going to experimental

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programs, but “proven” ones. It was important for the campaign to clarify that the levy would not be supporting the creation of another bureaucracy and that dollars raised from the levy would go directly to support programs effectively serving children and youth.

Outcomes and Quality

The Fund supports program evaluation for its grantees. Each grantee selects program outcomes from a framework of common outcomes created by the Fund (i.e. pre and post-testing of children in Fund-supported early childhood programs meeting key milestones in growth and development, or students in Fund-supported afterschool and mentoring programs showing improvements in academics, attendance and behavior. Grantees track client and program data on those outcomes and report annually on their progress. Grantee annual outcomes reports are also used to aggregate grantee data and monitor progress of the Fund.

In addition to grantee annual outcomes reports, grantees also submit quarterly narrative reports that address program implementation and include success stories. Grantees report the demographics of children served by their programs on a biannual basis. All of these data are used by the Fund to monitor and evaluate program progress. The Fund also works with community partners (e.g., local universities, school district) to provide technical assistance to grantees.

The Fund collects outcome data, but getting sound data has been difficult for some grantees. Major improvements have been achieved in the past few years aided by grantee technical assistance from outside sources paid by the Fund and by establishing clearer outcome requirements. To date, one grantee has lost funding because of non-deliverance of the program outcomes that was agreed upon in the Fund contract.

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Increasing and Dedicating Sales Taxes

One example is provided for jurisdictions *increasing and dedicating sales tax revenue* to support programs for children and youth: Aspen's Dedicated Sales Tax for Affordable Housing and Child Care.

Aspen's Dedicated Sales Tax for Affordable Housing and Child Care Sales Tax Increase and Dedication

Description

Through a public referendum, the city of Aspen enacted a provision to add .45 percent to the local sales tax and dedicate this revenue to support both affordable housing as well as early (pre K) child care.

When Established

In 1990, the city council passed a resolution to bring the tax increase and dedication to the public for a referendum. Aspen voters approved the tax for a ten year period, and approved the renewal of the tax in 2000 for another ten years.

Annual Amount

In 2007, the total revenue raised by the tax is budgeted to be \$ 2,362,363, with \$1,277,605 funding child care. Effective in 2007 forty-five percent of the tax is allocated for affordable housing and fifty-five percent goes to support child care. Prior to 2004, the City Council allocated the revenue generated by the tax according to its own discretion and perceived community needs.

In 1992, the City Council mandated that 20 percent of the revenue raised by the tax be placed in a Child Care Reserve Fund, which was designed to support a minimal level of continued funding for child-care providers if the tax did not get renewed in 2000. Since the 2000 renewal, the Reserve Fund, which totals approximately \$3.3 million is being spent down to address the increased need in the community for quality early child-care. However, while the Reserve Fund money is being used, any excess money still goes into the reserve fund for capital or emergency needs.

Services Funded

Three categories of child care services are supported through the sales tax: 1) child care resource and referral services, 2) grants to nonprofit centers for capital improvements and subsidies for infant/toddler programs, and 3) child care tuition assistance for low-income working families. Funds from the tax have also been used to purchase and renovate a government owned building to provide space and subsidized rent for child-care providers, and to support quality improvements in the delivery of child-care services.

How Are Funds Distributed and Managed

The city council created a new city government department—Kids First—to help manage and allocate the resources for child-care generated by the dedicated tax increase. Kids

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First is under the jurisdiction of the Aspen Department of Recreation, and is responsible for both overseeing the child-care funds generated from the tax (97% of Kids First's budget comes from the tax) as well as helping to improve the quality of early child-care for Aspen and the larger Pitkin county. Based on projected yearly revenue, Kids First administers an annual grant application process directed at soliciting funding proposals from community child-care providers. Kids First has an Advisory Board—composed of a diverse array of community members (appointed by the City Council) from the education, health and child-care fields as well as parents and other volunteer citizens—whose members review providers' grant proposals, and eventually submit funding recommendations to the City Council for approval. Finally, Kids First does a limited amount of monitoring and reporting on the activities of the grantees that receive funding from the tax revenue.

How Did This Happen

The dedicated sales tax increase was motivated in 1990 by the lack of affordable housing in the city. Affordable housing was and continues to be one of the most significant community challenges in Aspen, and the City Council was anxious at the time to identify new and creative ways to leverage funding to support this need. The sales tax increase was the idea of a City Council member, who decided to connect child-care with affordable housing because he felt that child-care was becoming an increasingly important issue as the city population expanded. The rest of the City Council largely supported the idea, and was required, by Colorado law, to submit the proposed tax increase to Aspen voters for a referendum. Voters overwhelmingly passed the tax.

Public support for the tax continues to be strong, and the need for and perceived benefit of increased and improved child-care has become just as if not more central to this support than the funding provided for affordable housing. In 2000, Kids First (Advisory Board members and a citizen committee) helped organize a minimal (approximately \$10,000) public relations campaign to promote the renewal of the tax, which consisted mostly of advertisements in the local paper and on public access television. Promotional activities, however, seemed largely unnecessary as only 30 voters in the entire city voted against the tax.

Outcomes and Quality

Kids First uses the state quality rating system. Qualistar is an assessment system that monitors Kids First grantees goals and outcomes in five areas: learning environment, parent partnerships, teacher training and education, teacher to child ratio and group size, and accreditation. The reporting in these five areas ultimately impacts the Advisory Board's recommendation for funding. Grant applications and funding from Kids First is focused in these same areas and addresses specific needs from the program's quality improvement plan. By using this plan and having annual ratings completed, Kids First is able to account for funding to Aspen City Council in a much more quantifiable manner than previously. There has been general improvement, increased points and stars, in all areas in the 3 years of assessments and funding.

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Kids First also works to retain high quality pre-school workers by providing financial incentives, as modeled after the WAGES program in North Carolina. Kids First gives bonuses ranging from \$350 to \$1,500 every six months, based on an employees education e.g., they receive an increase for earning college credits in early education.

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Increasing and Dedicating Special Taxes

One example is provided for jurisdictions *increasing and dedicating special tax revenue* to support programs for children and youth: San Francisco's Stadium Operator Admission Tax.

San Francisco's Stadium Operator Admission Tax *Sales Tax Increase and Dedication*

Description

The city of San Francisco currently charges a professional sports stadium operator tax on all tickets for Giants games (baseball) and 49ers games (football). The admission tax is in the amount of \$.25 on all Giants tickets, and an amount of \$.25 on tickets costing less than \$27.00 (including the base tax) and \$.75 on tickets costing \$27 or more for 49ers games. This tax also applies to season ticket holders and subscription tickets. Originally, this tax was designed to provide funding for public school athletics, but is currently funneled into the city's General Fund. Most of the funds are funneled to the school district's athletic department, but funds are also shared with the Park and Recreation Department for upkeep and maintenance of the 49ers stadium, Monster Park.

When Established

The stadium tax was first approved by the City Council in 1985 and has been amended a number of times since by both voter referendums and City Council legislation. In 1998, as a result of a state-wide proposition affecting all taxes, a voter referendum was needed to continue the imposition of the stadium tax. The 1998 referendum, Proposition F, received approval by approximately 73 percent of voters.

Annual Amount

The stadium tax on home game tickets for the Giants and 49ers generates on average approximately \$1.7 million a year. The school district's athletic department receives approximately a little over a million dollars from this tax revenue.

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Services Funded

Funds from the stadium operator tax are the main source of discretionary funds for the school district's athletic department. The other main revenue source for the department are restricted funds provided through Prop H legislation (2004), providing annual contributions from the General Fund to individual schools to support educational programs, including athletics.

How Are Funds Distributed and Managed

According to California law, the revenue created from the admissions tax could not be dedicated for a specific budgetary purpose (such as supporting children's sports programming) without a referendum approved by voters. As a result, the revenue from the tax is 1) deposited into the city's General Fund and 2) there is no specific formula set forth in the authorizing tax ordinance for how the revenue generated by the tax must be allocated. Since 2002, the Department of Children, Youth and their Families provides oversight for these funds.

How Did This Happen

The idea of the stadium operator tax was motivated by a sense of crisis over the state of public funding in San Francisco for sports and recreational programs for children. In the mid 1980s, the San Francisco public school district significantly de-funded its athletics programming. These funding cuts received a large amount of attention in the local press and stirred public protests from teachers, students, and parents. In response to this pressure, the city government and District Attorney approached the owners of the Giants and the 49ers about imposing a tax on their stadium operations that would help fund the athletics programs cut by the school district. The management of the two teams was interested in responding to the need to support children's sports programs in the city, and worked closely with the District Attorney to help shape the tax.

In the twenty years since the tax was first imposed, support for the tax has been mixed. The city government and school system enjoy the revenue created by the tax to support programs for kids. Additionally, the Giants and 49ers have not made significant efforts to overturn the tax. However, others feel that the new revenue has supplanted rather than enhanced funding for sports and recreational programs. There is also a growing concern over the possibility that the city is going to lose a substantial source of funding for children if the 49ers leave the boundaries of San Francisco.

Program Quality and Outcomes

The school district's athletic department reports on student participation in programs supported by stadium operator tax. They are required to submit participation data (i.e., number of teams, age of youth participating) to the Department of Children, Youth and their Families.

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Authorizing Existing Government to Levy New Taxes

One example is provided for a jurisdiction *authorizing existing government to levy new taxes* for children and youth services: The Children's Services Council of Palm Beach County.

The Children's Service Council of Palm Beach County

Authorizing existing governments to levy new taxes

Description

In 1986, the Florida legislature passed a law allowing all counties to seek local voter approval to create independent special taxing districts in their counties to fund programs for children and families. Palm Beach County passed an ordinance shortly thereafter that placed the issue before the voters in Palm Beach County.⁶ The referendum was approved by 70 percent of Palm Beach County voters who agreed to tax themselves at a rate of 0.5 mill of taxable property value. (It passed in every precinct in the county.) In 2000, a similar percentage of voters approved a doubling of this millage rate to one mill.

Annual Amount

Currently, the property tax levy generates approximately \$98 million a year for children's services in the county.

Services Funded

The Children's Services Council (the Council) invests in primary prevention and early intervention programs, focusing on maternal child health; parent-child bonding; literacy and language development; social and emotional wellness through key strategies, including home visiting, quality early education and care, family support networks, and youth development including adolescent life skills, out-of-school programs, mentoring, parenting education and Beacon Centers. Approximately half of the funds are allocated for programs serving children ages birth to five years), 25 percent for after-school programming, and 25 percent family support programs. The primary goals of the council are for children served by the Council's system to be born healthy, ready for school, on grade level by the end of third grade and free from abuse and neglect. Additionally, the Council advocate and provide oversight for systems not directly funding by the COUNCIL. All strategies and programs must weave into the goals.

How Funds are Distributed and Managed

As set by Florida statute, the funds generated through the property tax levy are managed and allocated through the Children's Services Council of Palm Beach County. The Council's governing body is a 10-member board comprised of five appointed by the governor to four-year terms and five serving by virtue of their positions with child-serving government agencies.

⁶ The Children Services Council of Palm Beach County is one of 12 Children Services Councils in Florida; eight have taxing authority to levy property taxes, and the four others are dependent upon allocations from the general budget of local County governments. There are 67 counties in the State of Florida

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The Council has taken on a significant role for the entire county in planning, coordinating, funding, and evaluating services for children and youth

*How it Happened*⁷

An integral part of creating the special taxing district and the Council in 1986 was identifying a leader for the effort. Members of the Child Advocacy Board in Palm Beach County assumed this role and drew on the support of two state legislators, then Senate President Harry A. Johnston II and Senator Eleanor Weinstock. The Child Advocacy Board created the committees that were critical in the effort to establish the Children's Service Council - a Political Action Committee (PAC) and advertising committee.

Under Florida law, special taxing districts must be authorized by state law. Senators Johnson and Weinstock led the effort in the state legislature to pass enabling legislation that would allow Palm Beach County to seek local voter approval through referendum to create a special taxing district to support funding for programs and services for children and families. The bill passed the legislature by an overwhelming majority. The next step was to convince Palm Beach County voters to create a special taxing district dedicated to supporting children, youth and their families.

To create voter buy-in, the Child Advocacy Board launched a voter education campaign by first forming a PAC. This committee received guidance from the Supervisor of Elections on the state and local regulations required to establish and run a PAC, which included filing financial reports and designating a campaign depository. The PAC established a broad base of support from the start. Before announcing the referendum to the general public, the committee of dedicated child advocates; involved community leaders from business, politics, local government, civic organizations, education, the faith-based community, and the media in the planning. By involving leaders from each of these areas from the onset, the PAC was able to leverage support and endorsement from a range of individuals and organizations.

The PAC received endorsement from many key allies through their efforts, such as the Chamber of Commerce of the Palm Beaches, major businesses (e.g., Southern Bell Telephone Co.), municipal officials, private foundations, local newspapers, K-12 and post-secondary education leaders, nonprofit service and advocacy organizations, faith-based organizations, etc.

After receiving endorsement from key political allies, an advertising committee was created to develop a voter education strategy. The outreach conducted by this committee was critical to the passage of the referendum. The advertising committee was responsible for: reviewing and revising ballot language to make it as clear as possible for the general public; hiring an advertising firm to work pro bono on developing printed materials; polling voters about their awareness and preferences on the issue; developing a 30-second

⁷ This section is summarized from *A Case Study from Palm Beach County: Protect our future; protect our children; protect your investment in Palm Beach County by voting Yes for Children's Services Council Referendum*. Available at: <http://wholechildproject.org/csccestudy.html> (May 2007).

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television spot (the primary advertising medium used) that featured testimony from community members about the community needs that could be addressed from the referendum; preparing question and answer sheets; forming a speaker's bureau to provide targeted interest groups with information regarding the referendum; mailing letters; and working with the Palm Beach County schools superintendent, who publicly supported the referendum by hosting a forum to discuss how the school system could help pass and benefit from the referendum.

The outreach and campaign costs were approximately \$30,000. The Chamber of Commerce of the Palm Beaches led the fund-raising effort.

Only months after the state-authorizing legislation was passed, the 1986 referendum was put on the ballot and approved by every precinct in the county, passing by a 70-30 margin in the general election. As set by state statute, it allowed the Children's Services Council of Palm Beach County to tax its property owners up to one-half mill (50 cents per \$1,000 of taxable property value).

In ,1999 the council realized that it needed to generate more revenue to meet the growing needs of children, youth, and families, and launched a campaign asking voters to increase the tax base from a half mill to a full mill. No change in state law was required for the county to increase the tax base.

The same amount of resources, \$30,000, was spent on the 2000 voter outreach campaign. The Council was able to draw on its 14 years of experience and provide much more information about the needs, services, and outcomes than in the 1986 campaign. The 2000 campaign focused on defining the population in Palm Beach County that was 'at risk', explaining the current key investment areas, and outlining how additional funding would be used. They were very specific:

- 50% on early childhood
- 25% after-school programs
- 25% on family strengthening

A key win for the 2000 campaign was the endorsement from the top newspapers. Council members, along with Senator Johnston, met with the editorial boards of major newspapers seeking their support. These meetings generated positive press and headlines, such as, "Children's Services Council Deserves Funding Increase," "Say YES to Higher Taxing Authority: District Has Had an Impact in County," and "Tax Increases May Help Ease Parents' Child-Care Budget."

The 2000 campaign was endorsed by the same wide base of supporters as the 1986 campaign, with the additional support of the Economic Council of Palm Beach County. To garner public support, one strategy the Council used was holding 'referendum breakfasts' to discuss the importance of increasing support for the Council. Another was having board members address large condominium communities where influential groups of retirees resided.

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The 2000 referendum passed by a 68-32 margin.

Outcomes and Quality

The Council from its inception has been dedicated to data driven funding decisions and strong program and fiscal accountability. The Council requires every program funded to have a logic model and to collect data to support its implementation and operation. The Council has a research and evaluation staff that works one-on-one with each program to develop the logic model and to manage and analyze the program data. Program implementation has three stages:

- Development of the logic model and demonstration of the implementation of the process objectives
- Demonstration of the short-term or intermediate child outcomes
- Demonstration of child impacts.

In addition to the evaluations, all programs are monitored both programmatically and fiscally by Council staff.

Additionally, the Council has engaged in a series of formal independent evaluations to monitor its funded programs. One of these is a longitudinal study being conducted by the Chapin Hall Center for Children and the University of Chicago to determine how the Council's services impact the development of children in Palm Beach County. Chapin Hall is following children from birth to see what interventions they receive, with whom, and how these interventions impact performance by the third grade.

The Council recognized early on that in order to have quality and effective programs, capacity building would be an integral part of the work in the county with the nonprofit community. The Council's Center for Learning and Workforce Effectiveness provides specialized, community-wide training, coordinates conferences and symposiums and integrates training and development with other human resource management processes to enhance overall workforce and supervisory competencies.

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Appendix B: Lessons Learned by Jurisdiction

The Oakland Fund for Children and Youth Lessons Learned

- Be realistic in setting funding caps for administrative and evaluation costs. When drafting the Measure, there was great emphasis on the intent to fund direct services only. However, such a cap on administrative expenses constrains the ability to provide policy and programmatic support
- Budget Floor. One of the largest challenges with the creation of a dedicated revenue stream for children's services is ensuring that this funding stream increases rather than supplants existing funding. Children's advocates in Oakland need to play an aggressive watchdog role and have had ongoing issues assuring the City's auditor is appropriately calculating whether the City is maintaining funding levels for children and youth. In 2006, after an outcry from the Fund, POC, and children's advocates, the City Council agreed to pay the fund \$3.5 million to rectify miscalculations from the auditor's office.
- Coordinate local efforts to take advantage of state-level efforts. The California After School Education and Safety Program Act of 2002 (Proposition 49) provides schools with grants for after school programs; schools must provide a match to obtain these monies. The Fund has been able to leverage local funds by helping schools meet Proposition 49's matching requirement.
- Community Outreach. Measure K is a result of a strong community effort to support children and youth. From the beginning, community organizers worked to create buy-in and interest from parents, educators, non-profits, and youth.

Santa Fe's Children and Youth Fund Lessons Learned

- Market the Benefits. The creation of the Children and Youth Fund and the Commission can be attributed to the commitment and energy of a few city councilors who barely managed to push the authorizing resolution through the City Council. The Commission has become more intentional about informing government officials and the community over time. In particular, the Commission has worked to ensure that the City Council connects the Fund and the programs it supports to the real life struggles and experiences of children. This year the Commission is working with a design professional who has volunteered her time to create a new logo and to redesign the webpage to increase the visibility of the Commission and its work. In addition, following the suggestion of a City Councilor, staff is collecting photographs and program descriptions from each funded program to create a booklet that will show the faces of the children who benefit from these programs as well as highlight the community organizations that provide them. The intention is to increase community and political support for the work of the Commission through this visual and more personal approach.

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- Ensure Administrative Support is Adequate. As grant recipients have doubled over the last 17 years, the Commission has recognized the need for additional staff to ensure adequate oversight of the use of public funds. This was recognized and approved by the city council in the first strategic plan, which added a planner and administrative assistant to the staff. However this was not fully implemented at the department level during previous budget cycles. This year, the City Council instituted a City Council Strategic Planning process, which has been tied to the annual city budget process. The request by the Commission includes upgrading the existing planner position to Commission Director, adding a Planner, and a high level administrative assistant (modeled on the existing staffing structure of the City Arts Commission). Building in additional staff earlier, as the number of grants increases and workload increases, would have been beneficial.
- Be responsive and relationship-based in grant making approach. The Commission has found it very beneficial to sit down with grantees and form strong working relationships with them so grantees feel comfortable talking honestly about their successes and challenges. This happens annually during needs assessment meetings and during provider hearings conducted by the Commission prior to making funding recommendations. Staff is accessible by telephone and email. Furthermore, the Commission has learned not to become so rule-bound that they cannot be flexible to program needs as they change. The Commission's funding philosophy is to sustain successful existing programs as well as to encourage new programs. Both operational costs and direct services are eligible expenses.

San Francisco Children's Fund and Budget Floor (AWAITING DATA VERIFICATION) Lessons Learned

- Budget Floor. One of the largest challenges is ensuring that the Children's Fund increases rather than supplants existing funding. While children's advocates in San Francisco need to play an aggressive watchdog role, the establishment of a yearly budget floor for children's services provides legal protection for ensuring that this kind of supplanting does not take place. Indeed, Coleman Advocates has tracked city budget allocations for children services since before Proposition J was passed, and has found that the pairing of the budget floor with the Children's Fund has significantly increased the funding allocated to children's services in San Francisco.
- Property Tax Dedication. Cities that want to dedicate existing revenue to support children's services (as opposed to creating new funding) can choose to dedicate general revenue, sales tax revenue, property tax revenue, or any other significant funding source from which a city receives revenue. However, San Francisco's dedication of property taxes was a wise strategy because property taxes are one of the city's largest funding sources and they tend to increase from year to year. Thus, even if the city of San Francisco's total general revenue decreases from one year to the next, funding services for children will increase as long as property values in the city increase.
- Community Involvement. One of the keys to the success of the amendment is the involvement of numerous stakeholders in planning, prioritizing, and allocating

- resources. This has included numerous events since the Fund's inception in 1991, such as community meetings in the twelve city neighborhoods to help set funding priorities, Children and Youth Summits, and citywide meetings to report on the Fund's progress. Also, Coleman initiated a YouthVote in the schools, giving approximately 5,000 high school students an opportunity to weigh in on funding priorities. The top priorities determined by this vote are included in the annual funding plans.
- Collaboration and Coordination. In the early years of the Fund, monies were only available to agencies that were part of a collaborative to provide services, intending to bring together city departments and community based organizations (CBOs). Each collaborative had a lead agency that served as a coordinator and fiscal agent. According to Coleman, these collaboratives were forced and 'shotgun' —leaving many CBOs scrambling to find partners to obtain funding. While the intention was to promote partnerships, many of the collaboratives were 'on paper only' and not successful. One of the key challenges was the time and energy required to effectively maintain a partnership. Collaborative members did not have the time to work through crucial issues (e.g., expectations, roles, decision making, program development). However, over time, the Fund's emphasis shifted away from a mandatory collaboration model, allowing CBOs and city departments to collaborate with more genuine and focused intentions. For example, DCYF was able to respond to unforeseen challenges presented by welfare reform in 1998. The Fund, due to their strong strategic planning process involving annual service plans, was able to align services across CBOs and city departments (in particular, assurance of quality child care) to match the needs of the children most affected by the welfare reform.
 - Leverage additional funds. Voters willingness to set aside tax dollars to support children and youth sends a message of credibility to other funders. Agencies receiving monies from the Fund are viewed as "the cream of the crop" from Foundations because this funding implies a certain level of program quality and stability. Monies distributed by the Fund have been instrumental in leveraging state, federal, and private dollars. In fact, according to Coleman, many community based organizations have reported that their budgets have doubled and tripled as a result of core funding from the Fund. This is particularly true of new programs and agencies.
 - Flexibility in Program Funding. Funding guidelines should be flexible enough to support individuals and agencies who fall outside of the eligibility criteria, yet are still in need of services (i.e., youth may be older than 17 but still enrolled in high school because of a developmental or physical disability; capping funding to agencies in particular service categories).
 - Allowing Time for Initial Planning and Oversight. The amendment allowed six months for planning before the initial allocation of funds. However, this did not allow enough time to hire and orientate new staff, conduct thorough need assessments, develop a strategic plan, or properly structure a system for community oversight. It is important to allow proper time for planning prior to the implementation of 'the Fund' to alleviate stress on the funder and service providers.

*California Proposition 49
Lessons Learned*⁸

- Build a broad-based coalition. Afterschool is an attractive issue that appeals to emotions of the electorate. The Schwarzenegger team was deliberate in their efforts to bring liberal and conservative stakeholders to the table. As a Republican, Schwarzenegger appealed to conservative parties, but the afterschool issue also struck a cord with more liberal groups, such as the teacher associations. During the coalition building phase, the Schwarzenegger team and Proposition 49 supporters spent time explaining to each constituency what the benefit of the legislation was to them.
- Have a knowledgeable and persuasive champion for the cause. Arnold Schwarzenegger undoubtedly was the key to the passage and inception of Proposition 49. The significance of his name, as well as his passion and knowledge about the afterschool issue was critical.
- Ensure that there is no significantly funded opposition. The initiative's success was largely due to the organizing done early in the campaign. One of the primary goals of the Schwarzenegger team was to eliminate any opposition with potential to launch an anti-Proposition 49 effort. A widely held belief by political strategists is that if voters are confused about an initiative (because there are campaigns for and against it), voters most often vote against it. The Proposition 49 supporters approached potential opposition who had the money to run an opposition campaign and made concessions, when necessary, to ensure their support or neutralize them.
- Solicit the help of experienced political strategists. The initiative was successful because of the political strategists that were familiar with the initiative process but also the California political landscape. Political strategists, afterschool and policy experts were brought into the process from the very beginning to advise the campaign.
- Be careful about earmarking dollars from general revenue. Dollars for Proposition 49 are outside of the appropriation process, meaning, every year that the state budget is above the baseline level, monies are released for Prop 49 funded programs without a debate or discussion. Many children and youth advocates across California, while in favor of the heart of Prop 49, are opposed to the funding mechanism used. Good-government groups such as the League of Women Voters caution that having a state budget full of earmarks from the ballot box leaves the state with little flexibility.
- Important to make afterschool initiative universal. Since it is so difficult to form a strong campaign and build momentum, supporters of a campaign to secure afterschool funding should go for 'universal' funding to appeal to all voters and try to secure as much funding as possible. Once the funding mechanism is in place, then a formula can be set in place to weight grants based on need. It is

⁸ Portions of this section are summarized from Erin O'Hara's paper, referenced above (see the section-*How Did This Happen*).

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- worth noting that after the reforms to the legislation in 2006, the program is not yet universal at the current funding level.
- Be sensitive to how policy fit with current fiscal climate. One of the keys to a Prop 49 win was setting a trigger clause—funds would not go into effect until the state’s general revenue exceeded 2002 levels by \$1.5 billion. This was a critical element of the legislation because of California’s poor economy in 2002. It was clear (through polling) that voters supported afterschool and were willing to pay for it when the state had recovered from difficult financial times. The strategy of appealing to voters emotions and adding the caveat that they wouldn’t have to pay for it immediately was central to Prop 49s passage.

Seattle’s Families and Education Levy Lessons Learned

- A sense of crisis. The original 1990 Levy sprung out of an existing sense amongst Seattle voters that public education in Seattle was in a state of crisis, and that major policy and funding changes were needed to support outcomes for all children, youth and families in the city. Mayor Rice was elected to office with a mandate to address these concerns, and expanded and deepened public perceptions of this crisis and galvanized public will to do something about it through the citizens-driven Education Summit. Thus, voters did not perceive the Levy to be politically motivated or disconnected from their daily struggles but saw this new funding mechanism as concrete way to address a collective community concern.
- Tangible benefits. Continued strong public support for the Levy, including a dramatic increase in the tax rate in 2004, can be attributed to a wide cross section of Seattle residents seeing and experiencing for themselves the benefits of the resources that the Levy generates. Two factors are key here. First, the programs and services that the Levy supports are not only for disadvantaged or at-risk children, but for a socioeconomically diverse array of families and communities in the city. Second, the Seattle city government makes a concerted effort to share with the public the benefits of the programs that the Levy supports through reports on the Levy’s impact that are made available to the public three time a year; town hall meetings facilitated by the Mayor, which the Mayor often uses as a forum to highlight the benefits of the Levy; and videos and other media-driven promotions that showcase the ways in which the Levy has improved outcomes for children and families.
- Be careful when setting outcomes. Not all of the service providers receiving Levy funds are able to document that they directly impact student achievement, i.e., student health programs. Many providers fund services that are not appropriately tied to student achievement and would be better linked to other outcomes, i.e., self-esteem indicators, school attendance, reduction in teen pregnancy. By linking funding to student performance, providers are tempted to set their targets low to ensure that they reach them. In addition, providers might be tempted to ‘cream’ or recruit higher performing students that are close to passing to the WASL. The focus on academic outcomes, and tying agency reimbursement to

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them, can create a disincentive for providing services to youth that need it the most.

Portland's Children Investment Fund Lessons Learned

- Target Specific Program Areas. Rather than ‘giving a nickel to everyone’, select a target area or areas (e.g., child care). If there are too many focus areas for a particular pot of money it is difficult to make an impact. With a clear funding focus, it is easier to track data and ‘sell’ the big bang of the funding mechanism. However, it is important to be realistic about the realities—in order for legislation to pass, the funding scope may need to widen to appease multiple constituencies.
- Ensure that the business community is on board. It is crucial for the business community to understand from an economic perspective why in the long-term, investments in children and youth are worthwhile (e.g., dollars saved incarcerating youth, etc.). Also, articulate an argument about the financial benefits to the city’s vitality, including how the investments will lure families to stay in the city and how this will impact the future economic growth, the school system, etc.
- Market the benefits and promote awareness for the program. Since the Fund’s inception, there has been a learning curve regarding the role and impact of the Fund. One of the four staff members at the Fund is dedicated to communication and public relations. Part of her role is to educate Portland voters about the services provided so that when the levy is up for renewal in 2008 the public supports it. Public relations efforts have included citywide mailings to every household, ads in the local newspaper, publishing and circulating the annual report and speaking at public events.

Palm Beach County Children Services Council Lessons Learned⁹

- Build Broad-Based Community Support. No strong, organized opposition arose for either referendum (1986 or 2000) because endorsements were received from such a wide range of interest groups, public and private, before introducing the referendum to the general public.
- Have a Respected Champion Lead the Effort. Senator Johnston was critical to the passage of both referendums. He is highly respected and his interests in the passage of the referendum were not viewed as self-serving, but rather out of a genuine concern for the children, youth, and families of Palm Beach County.
- Have Data to Support the Need. Advocates were armed with strong data about the needs of the children, youth, and families in Palm Beach County and the benefits of offering prevention programs.

⁹ This section is summarized from *A Case Study From Palm Beach County: Protect our future; protect our children; protect your investment in Palm Beach County by voting Yes for Children’s Services Council Referendum.* Available at: <http://wholechildproject.org/csccestudy.html>

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- Pay Attention to Timing. Strategically, the voter education effort took place close to election time, but not so close that opposition groups had time to organize and offer a counter campaign.
- Distribute High-Quality Public Informational Materials. A variety of brochures and handouts were prepared for a variety of audiences and venues. Materials were attractive, focused, data-filled and clear.
- Work with the Media. It is important to get the support of print and broadcast media.
- Be Honest with the Voters. Rather than ‘sneak’ the referendum through during a vote with historically low voter turnout such as a primary election, the referendum was placed on the ballot for the general election. It is important to be upfront with voters from the beginning to ensure their continued support.
- Involve All Voters. Special mailings were sent to absentee voters about the referendum to ensure they understood the issue.
- Be Prepared. Despite the short campaign window, a great deal of work was done behind the scenes and ahead of time to ensure success, e.g. voters were polled, materials were field tested, lawyers reviewed documents to ensure that all regulations were followed.

Stadium Operator Tax

Lessons Learned

- A sense of crisis. The stadium operator tax was only possible because the city and District Attorney were able to engage the Giants and 49ers around a fiscal crisis directly related to athletics, which had received significant attention from the public and press. Thus, the teams understood and felt that their help was actually needed—as well as directly relevant to the particular funding challenge at hand—rather than that the city was just looking for ways to raise money. The fact that the District Attorney worked collaboratively with the team owners to get their buy-in for the tax also helped to facilitate their willing participation.

Aspen’s Dedicated Sales Tax for Affordable Housing and Child Care

Lessons Learned

- Know your community. The idea for and the success of the dedicated tax increase for affordable housing and child care does not appear to have resulted from a specific community crisis, galvanizing event, or the efforts of a particular constituency. Instead, initial and continued support for the tax increase can largely be attributed to a few important characteristics of the Aspen community. First, the tax increase was directed initially at addressing a wide and deep community concern—affordable housing—and thus was not viewed as just another attempt by the local government to solicit more funds from city residents. Second, Aspen voters have a record of supporting dedicated tax increases for a variety of community initiatives. Thus, the proposed tax increase was not perceived as an unusual request or burden in any way. Third, Aspen residents—probably similar to most communities—have shown the greatest support for taxing initiatives that

provide benefits to all community residents and that are time limited. The initial referendum made it clear to voters that the revenue generated by the tax would support services for all residents (not just those of low-income or living in particular neighborhoods), and that the tax would continue only for ten years and then renewal would be subject to voter approval. Fourth and finally, Aspen derives much of its sales tax revenue from tourists. As a result, voters understood that, by increasing the sales tax, they could draw upon the pocketbooks of out-of-town visitors to finance services that would benefit local residents.

- Team-up issues. In 1990, child care would have been a difficult issue to sell on its own. In the early nineties the Aspen community did not have a strong sense of the importance of child care and why taxpayers should be responsible for “babysitting other people’s children.” Pairing the child-care issue with one that had more widespread support, like affordable housing, was critical to the passage of the tax increase.