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Institute for Youth, Education, and Families

Money Matters: Financing Municipal Children's Initiatives
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Speakers:

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KYLE: Good afternoon and good morning, depending on where you are in the country. My name is John Kyle with the Institute for Youth, Education, and Families at the National League of Cities. This is our 20th audioconference over the past couple of years, and we're delighted to bring them to you.

Our topic today is "Money Matters: Financing Municipal Children's Initiatives." We have a talented group of folks to talk with us today about this topic, and I'll get to that in just a moment.

I want to invite you all to participate not only in the audioconference over the phone as we have scheduled, but also in a webcast of this particular audioconference. This is a special test that we're trying today. We sent you instructions ahead of time so that you can go to your computer to see a few visuals as well as hear the same audioconference. We advise you to not try to listen to both your computer speakers and your phone at exactly the same time because there is about a six or seven second delay on the computer webcast sound. But we hope that at least some of you will try during the course of the hour to see what it looks like on a computer and use that speaker briefly, at least. Or, maybe you will prefer it that way. And, please give us some feedback. This is an additional option that we hope to use into the future. Admittedly, the particular visuals today are more limited because this was an experiment, but we'd like input about what might be appropriate to be onscreen during such a call. The link to the webcast is <http://www.viavid.com/viavision/playentry.asp?sid=2064>.

Let's get on with the audioconference. We've got, as I said, an exciting group of folks, and hopefully this will be an interesting conversation, as these have been in the past.

First, we have Anne Mitchell, who is the president of Early Childhood Policy Research based in upper New York State. And Jerry DeGriek, who is the city/schools liaison and coordinator for Project Lift-Off in the city of Seattle Department of Neighborhood's Office for Education. And my colleague down the hall, Mark Ouellette, who is responsible for afterschool programs here at the Institute for Youth, Education, and Families.

We appreciate the efforts that you all have been making and appreciate the opportunity of having you here. I'd like to have you, Anne, start off with just giving us a little

bit of what you've been doing with financing.

MITCHELL: Sure. Along with my colleague, Louise Stoney, we've been collecting information about how states and communities finance early childhood care and education, and more broadly, children's initiatives. We've written two catalogues that describe 100 or so different ways to do it. There is a link to *Financing Child Care in the United States, 2001*, which you can get to from our website at <http://www.earlychildhoodfinance.org/>.

Financing Child Care in the United States, 2001 can also be downloaded directly from the Ewing Marion Kauffman Foundation website as a 195-page PDF file. Go to <http://www.emkf.org/pdf/childcare2001.pdf>, e-mail fplus@swbell.net to order a copy, or fax your order request to (816) 221-0221.

I've also been a sideline supporter in a couple of communities as they've been working on reforming the financing of early care and education, principally with people in Seattle, Greater Kansas City, and Minneapolis.

KYLE: That gives us some good base for your expertise here in the room. What are some of the experiences that you've been seeing, Mark, with the programs that you've been working with in afterschool programs? What is this looking like?

OUELLETTE: Just as background, I've been working with eight cities across the country around developing an infrastructure or support system for afterschool programs, of which financing is the largest. In terms of afterschool programs, we've been seeing a large cut federally in the 21st Century Program, which is the biggest support mechanism. And, because of fiscal problems we've been seeing state budgets, which have been supporting afterschool programs, cut. So it's been up to the city, as well as the county, to identify other partners and to figure out strategies to make up for these cuts, as well as to meet the needs for afterschool programs in their communities.

KYLE: And Jerry, you've got some particular examples going on within a particular location. Can you give us a start for what you'd like to talk about in that regard?

DEGRIECK: One of the initiatives that I work on is called Project Lift-Off, which is a community-based and county-wide initiative started by the city of Seattle. What Project Lift-off is all about is to increase quality, affordability, and accessibility of early learning programs as well as afterschool and before school summer programs for school-age youth and youth development programs. In the course of working on that initiative, we brought together a very high level, diverse group of leaders, stakeholders, and funders to help govern and guide the initiative. We've been engaged in some interesting financing for some of our projects through Project Lift-Off.

KYLE: If you were getting ready to finance a children's initiative, Anne – you've looked into what a lot of different localities have been doing – where should a city or town official or local program or community official start? What should they start putting into place in order to have appropriate financing for children's initiatives?

MITCHELL: Well, I think it's clear that the financing is really important, and as Mark said, it's one of the biggest issues. Money matters, obviously, but what really matters is leadership. Knowing first of all what you want to finance – what kind of initiative it is, how broad, for whom, including what. You can't really talk about how to finance it until you know what it is. I think particularly, in looking across cities and states at successful initiatives that are well financed, it's really about leadership. It's about somebody saying, "We are going to do this, and we will figure it out." There are many different funding streams. As my colleague, Louise, is fond of saying, "Give me any funding stream, and I can figure out how to finance something with it."

DEGRIECK: I would really agree that leadership is absolutely key. And equally key is you really need to look at what you're trying to accomplish and bring together all of the key players and key leaders in your community to figure out what it is you want to do. That does require political will, political leadership, and consistency on the part of municipal leaders in being able to forge those kinds of partnerships.

It also requires that the cities have to be willing to bring something to the table. That could be in the form of sharing data, resources, and funding if you expect to bring others to the table and join with you. You have to show the commitment as well.

OUELLETTE: To build upon what Jerry said, about bringing things to the table. There are also in-kind contributions. For example, once you've got this leadership and you start to introduce something and you've defined, as Anne suggested, what you're going to do, you need to figure out what the need is out there. To help figure out what that need is, the city has got a lot of resources. If you want to use mapping or some other tools, you've got some expertise within the city, which your other partners – community-based organizations or faith-based organizations or schools – may not have. You should provide in-kind as part of your providing some resources. Once you figure out the need, you also need to talk with your various providers about how much you think this is going to cost, what current investments are being made, and then what's left. Then, work collaboratively to figure out how to address the "what's left" issue.

DEGRIECK: I can give you a concrete example of that. For Project Lift-Off, one of the things we have done is create the Project Lift-Off Opportunity Fund, which is a collaboration of 25 grantmakers, mainly private grantmakers, including large foundations, corporations, and small family foundations, as well as United Way, the city of Seattle and King County.

For more information about the Project Lift-Off Opportunity Fund, go to: http://www.projectlift-off.org/factsheets/ploof.htm or http://www.philanthropyNW.org/opportunityfund/ , or call (206) 526-5671.

What Project Lift-Off did when the city first launched it was to conduct a very thorough community assessment process, which included talking to over 2,000 children, youth, parents, teachers, and providers, to figure out what the needs were. We brought that data to a group of grantmakers and foundations, and they were extremely interested in it. Because of the data that we brought to the table, they were interested in working with us.

But that really wasn't enough. They wanted to make sure that the city truly was committed to Project Lift-Off, which again is all about early learning, out-of-school time, and youth development programs. They were very wary of working with the city. Their experience

of working with the city and with the public sector had been that we come in and tell them what to do. So, we were very careful to make this a genuine partnership and realize that we were going to be a lot stronger if that group of grantmakers seized the issue and created something that worked for them. So, they really have been the ones to shape what the Project Lift-Off Opportunity Fund is all about. That's now bringing in about \$2 million annually to our programs in Seattle and King County.

MITCHELL: That's really excellent to hear, because I know that early on, one of the issues in Seattle with Lift-Off was how they had brilliant plans for what could be. But the realization of that in terms of resources seemed difficult. So, the idea that the city can induce the private sector to contribute at that level, is phenomenal.

DEGRIECK: One of the ways that we've been able to do that is that the city has set aside a relatively small amount of its Project Lift-Off funding -- about \$125,000 a year -- to match grants made by the private grantmakers. Many of the smaller foundations as well as the corporations love this part of the Opportunity Fund. They will make a grant in the area of early learning, out-of-school time, or youth development. And, then out of all the grants that the private grantmakers make, their grantees can then compete for an additional what we call a matching grant from either the city of Seattle or King County. And those grantees then get more funds to advance a Project Lift-Off goal or aim.

We were quite surprised at how many of the grantmakers really love that feature and were willing to come to the table. But what's been really thrilling about that is what the grantmakers are truly interested in. What we're truly interested in is to increase the strategic value of their investment so that we're working together to try to accomplish something. Learning is a key part of what we do in the Opportunity Fund, and the data is part of that -- bringing in speakers, working with providers, working with experts around the country.

OUELLETTE: I think Jerry touched upon a key point, which is the idea of leveraging. Talking about money matters -- it should be money matters, but no one entity can do it by themselves, whether it's federal, state, local, community-based, faith-based. It's going to take someone to be able to combine all these different streams. The importance of the municipality being at the table is that they're usually considered to be non-threatening and can broker some of these relationships. By stepping up, as Seattle has done, as Jerry pointed out, by saying, "we're going to do this matching," it's increasing investment. It's leveraging the little dollars that the city has to increase -- \$2 million, he was saying, in investment, which is exactly what you should be doing. You're not thinking you're doing this by yourself. There are always partners out there.

KYLE: I want to look at some of the ways that cities are actually coming up with dollars. Jerry, where is that \$125,000 coming from that is then used as the lever that Mark is talking about?

DEGRIECK: That's in the city's general fund. And our economy in the Northwest is horrible right now, and in Seattle, budgets are in terrible straits. So, in the last budget cycle, when we were putting together the city's budget and the general fund budget, there was going to be a cut in the Opportunity Fund. But because of the success of that program and the fact that we were leveraging so many private dollars, that cut did not happen. Now, we did suffer some other cuts

in the city's Project Lift-Off allocation, unfortunately, but overall, we fared very, very well, and I think we did because of the leveraging.

One thing, if I might say, too – probably one of the best sources of funding for programs for children, youth, and families in Seattle comes from a dedicated levy – a levy called the Families and Education Levy – that was first passed by the voters in 1990, and again in 1997. Next year, 2004, this levy will be up for a third time. That levy provides about \$10 million a year to programs that support children, youth, and families, including early learning programs, out of school time programs, family support programs, and things like professional development programs and support for middle schools.

It should be noted that Seattle's Office of Education was founded following the first successful vote for this Levy. To view a draft policy framework for the city of Seattle's 2004 Families and Education Levy, go to <http://www.cityofseattle.net/neighborhoods/education>. For more information, contact the Office of Education at EducationOffice@seattle.gov or call (206) 684-0464.

MITCHELL: Jerry, that's a property tax levy, right?

DEGRIECK: That is correct. And in our state, school levies require 60% to pass. But a city levy, such as this levy, only requires 50% to pass. We've been most fortunate in 1990 and 1997 that we have had supermajorities for those. So they passed well over 50%.

We're a little bit more nervous, quite frankly, about next year because we've got a couple of school levies on the ballot next year, and then later in the year we've got the Families and Education Levy up, and these are very difficult economic times.

KYLE: Anne, what are you seeing as mechanisms that cities are using? We talked about the property tax levy. We've talked about some dollars allocated from the general fund. What other mechanisms are you seeing communities use?

MITCHELL: Well, let me just make my leadership point again, because the reason that the levy was passed the first time was because the mayor, Norman Rice, just went all out and really made that an important part of his agenda. I think that it's leadership that gets it passed, even in hard times. The city of Portland, which is probably in the same economic condition as any of the rest of us, passed a property tax levy for children just this past November. And also in Miami-Dade County, with both a local foundation leader (Dave Lawrence, who used to be the editor of the big Miami paper) and the mayor (Alex Penelas) basically hand-in-hand exerted the leadership to get a property tax levy passed in Miami-Dade County that's for children's services.

I would say there are various ways to do it. What it has to do with is what revenue generating mechanisms are legally available to a municipality. Can the municipality levy sales taxes? Property taxes? What kind? In some states, a municipality needs state permission to do a sales tax. In others, they don't.

Aspen, Colo., has a sales tax that funds affordable housing and child care, and it's made an enormous difference in a place that has maybe 15,000 permanent residents. But obviously lots of people go there to ski. The sales tax has made the city's child care system much more accessible, much better quality. They have set aside money in a trust fund so that even if the tax should go away – and they've passed it twice – they will have money in a trust fund that they can draw on to continue the activities. So I would say the trust fund idea is a very

important one.

And general revenue is one of your better sources. That's the commitment of the municipality to keep doing something, regardless of the revenue source.

KYLE: I also agree with the leadership notion. On the other hand, I also see that there are folks in our communities around the country who want to be leaders, but don't know what to lead. They need a repertoire of ideas that they can put forward. Although it will be dependent upon what a state constitution or a city charter might permit, they're still scrambling for what are the ideas that might work, what has worked elsewhere that we might adapt or take into account. So hopefully in this call, we'll continue to come up with an expanding list of ideas.

Mark, in working with the eight cities and thinking through this topic of financing, are there additional mechanisms that you want to put out here on our list?

OUELLETTE: One example, with the sales tax, which Anne mentioned, is in Fort Worth. They have a half-cent sales tax, which is replicable every five years. It's a crime tax – the money is used for prevention of crime. As a result of that crime tax, there is a portion that goes to afterschool programs.

But beyond taxing, something else is the reallocation or redirection of city resources. An example is in Chicago, where they have a program called Afterschool Matters (ASM). In identifying resources to fund the program, the city assessed its current investment in youth programs operated by the parks and recreation, library, and museum and reallocated dollars to ASM that were not being used efficiently (i.e. offering programs while youth were in school). As a result of that, they've got an afterschool program that is growing. They're meeting the needs of their constituency better than they were. So, looking at the efficient use of current resources is something that we're seeing cities doing.

DEGRIECK: One of the things that Seattle is doing right now in line with what Mark was talking about is under the leadership of our new mayor, Greg Nickels. The city is looking at all of its programs for children and youth to look at which programs really are effective in meeting the kinds of outcomes that we need to truly advance what we're trying to do for children and youth. So, every program is going through a very rigorous process right now that will result in some re-aligning of how funds are spent. Another key point for sustainable funding and for getting funding is to look at outcomes and look at outcomes from the beginning. But always look at appropriate outcomes.

I think all funders want outcomes. We know that. But it's very important that the right kinds of outcomes are chosen. If you have an afterschool program, what should that be judged on? Should that be judged on standardized test scores? Should that be judged on better engagement and attendance in school? So I think one has to be very careful about that.

MITCHELL: Yes, I think that's true, because one of the sad parts about the federal government cutting back on the 21st Century Learning funding was that they argued that the funding wasn't working, that the programs weren't in fact advancing kids in school. And in fact, their research was done at a point in time when the programs were very new, and that wasn't one of the goals they had. When it was one of the goals, they were able to do it. So you've got to be careful about what outcomes are achievable in the kinds of programs we're funding.

DEGRIECK: Absolutely. And that was used, I think, as an excuse to try to cut that very important, valuable program.

MITCHELL: Yes, absolutely.

DEGRIECK: One of the examples I want to give is probably unique to Seattle. As most of our listeners probably know, we're known as the Coffee Capital, or the Espresso Capital, of the world, at this point. A citizen's group has promulgated an initiative that's going to be on the ballot this coming fall called the Latte Tax, in which every espresso drink is going to be taxed, if this initiative passes. The money will go towards early learning programs to improve the access to, and the number of children who can participate in, preschool programs as well as quality improvement efforts and better compensation for people who work in early learning programs. That initiative, as one might guess, has drawn quite a bit of opposition by the business community, and it's not clear what the ultimate result will be. But that's kind of an interesting, unique way that Seattle is going about a possible increase in resources for early learning programs.

To view the *proposed* "latte tax" (Initiative 77 for quality childcare programs for Seattle's children), go to: <http://clerk.ci.seattle.wa.us/~public/init77.htm>.

Have you heard of anything like that elsewhere in the country, Anne?

MITCHELL: Well, not a latte tax. But I think the point is people may figure out a surcharge on parking (like at the Mall of America) or something that is a very small amount. It's like a dedicated tax – figure out one that makes some sense. Or, one that doesn't – I mean, parking has nothing to do with children.

I think people have thought about sports teams and the connection between sports and school age care. If we had everyone who went to a baseball game pay 50 cents more for their ticket, we could put that money into children's programs. The trick with any of these is that the size of the revenue that can be generated has to be equivalent in size or in some relationship to what you're trying to do with it. I think in a lot of cases, it feels like the size of the problem we're trying to deal with is quite large and that these taxes on individual things are pretty small. They have to really match the revenue source with the size of the problem.

DEGRIECK: In Seattle there is some controversy around even how much this proposed latte tax would bring in.

One other example that I wanted to give – it's a smaller example, but I think it's another way to engage the employers and the people in the business community. One of the efforts through Project Lift-Off that this city has been working on is to help child care centers go through the accreditation process to increase quality. So Boeing, one of our largest employers, of course, was very interested in quality child care. They stepped to the plate along with the Greater Seattle Chamber of Commerce to push an initiative – not a voter initiative – but a plan to bring in more resources to help child care centers become accredited. So, we have some funding from corporations and a little bit from foundations, as well as from the city and the county. We have the resources to work with quite a few child care centers, particularly those serving many low-income children, to help them go through the accreditation process. And we've been

working with Child Care Resources [<http://www.childcare.org/> or 206/329-1011], which has been in the lead on that in Seattle.

MITCHELL: Yes, I think that comes back to the point that it's the substance of what one is trying to do that is the subject of the leadership. It's not about this tax or that tax. The specific funding source could vary widely. It's about what you're trying to do. You're trying to improve the quality of experiences the kids have, to help families. When municipal leaders get involved in the topic of children and families and making this the best place to raise families, and those kinds of campaigns.

And, then putting resources at a level sufficient to solving the problems. Helping programs become accredited – that's a well-defined task. It has costs that you can figure out. There are lots of examples. In fact, those accreditation facilitation projects are usually best done at the local level.

DEGRIECK: Absolutely.

MITCHELL: There are lots of examples of them – Chicago – New York City just in the last couple of years has gotten very involved in helping programs become accredited. And it's a United Way and other philanthropic approach. I can't say for certain, but I think there is city or public money in it.

DEGRIECK: We keep coming back to it, but I think that it is a critically important issue, that there be leadership, and a certain kind of leadership. You need the kind of leadership that is going to be able to bring other key leaders to the table.

We talked about the Families and Education Levy in Seattle. We had a wonderful community process around that levy the first time that it was on the ballot, so that many people from the community came together to talk about what children and families needed for children to be able to succeed in school. So it's bringing other leaders to the table. And it's also finding ways to bring the broader community into this in terms of forging what it is you're trying to accomplish.

And I think in terms of leadership, there are many rationales that city leaders can use to support afterschool, early learning, and youth development programs. It really ties in with the city's livability, its economic competitiveness, the fact that it's a good place to raise families, the fact that juvenile crime goes down, and so on and so forth. There are many wonderful rationales that municipal leaders can use to help form the kinds of collaborations and coalitions to move these funding initiatives forward.

MITCHELL: Yes, absolutely. I think the most simple-minded way I can think of it is: In the short term, investing in programs for young children and school age programs is an economic investment in your community because it helps families to work. It provides jobs in the early education and school age programs, and it's a net gain. Every dollar you invest is going to return a dollar and a half or two at least.

DEGRIECK: And employers want that. So if they're thinking of where they're going to relocate, that is a selling point to them obviously.

OUELLETTE: Equally important to the youth development issue and saving money is the safety issue. It's been shown in polling data, particularly for afterschool programs, that older Americans are concerned about their own safety. And bringing up the idea that juvenile crime triples in the first hour after school gets out is a key argument in getting their support for those programs.

DEGRIECK: Yes, absolutely. We have found that in Seattle as well. There is more and more of a push for these programs to be seen as ways to advance academic success. I think that there is certainly a role that afterschool programs have in that, as well as early learning programs, for that matter. But they have other purposes, too. And keeping kids safe and healthy and engaged is a laudable goal that we can't lose sight of, even as we try to use the time better to advance learning.

MITCHELL: I think the cost efficiency arguments are true, both in the short term and the long term, because there is clearly tons of evidence that high quality early education programs return five or six or seven dollars to every dollar you spend – in terms of reduced crime, better school performance, kids not repeating grades, more kids graduating from high school than otherwise would, and all those kinds of things. So, there are both short term and long terms cost-benefit arguments that can be made.

But I think it's the connection – that there is a role for municipalities in saying what should be here, what should be in place so that kids and families can function well so that it is a great place to live. **And what's our role in seeing to that, as well as leading the charge in making it happen?** I think it's real clear that there is also a state and federal role, and that the private sector (e.g., the business community) and families themselves have a role to play in financing it, too. I don't think anyone is proposing a 100% publicly funded system of services for children and families. I think we're pretty far from that.

DEGRIECK: Absolutely. Cities can also start something that you can then sell, so to speak, to the state. The city of Seattle was able to do that in another one of its Project Lift-Off initiatives around the TEACH program. It is a program that provides scholarship money to early learning and school age care professionals to go back to school to get their AA degrees, and therefore boost the quality of the care that they provide. It provides not only the funds for tuition, but also some back-fill time (i.e., child care providers are reimbursed for some of the time that their employees are in classes). And in exchange, they get either a bonus or a wage increase at the completion of their training.

<p>The TEACH (Teacher Education and Compensation Helps) program provides scholarships to child care center providers and family child care providers who want to study early childhood education. For more information, go to: http://www.childcarenet.org/TEACHpage.htm, email childcarenet@childcarenet.org, or call (253) 383-1735.</p>

This program was so well received that the state actually took it on and made it a statewide program with some of the funding coming back to Seattle, though the city has continued to fund what it calls its TEACH Scholarships. That program, by the way, has wonderful results in that it has dramatically decreased turnover rates in those child care sites where the teachers have taken advantage of it.

MITCHELL: Yes, that's absolutely right. Municipalities can be the bold testing ground for good programs that then the states can take over. That's happened in the Greater Kansas City area where they've developed some very interesting wage initiatives to help increase the compensation. They also do a TEACH program, but they're actually trying out some ways to improve the quality of child care that the state of Missouri is then taking up. I think that often happens. Cities can be the leaders in initiatives, but then the city doesn't end up completely footing the bill for it because the state takes it over.

DEGRIECK: Right now in Washington State, though, to be full disclosure, we are in a horrible financial situation, and programs are being cut. For example, many of the state-funded programs that help to increase quality and to improve quality in childcare have just been completely decimated in the recent budgets. We also have a situation where voter-approved initiatives around education to increase teacher salaries and to reduce class size, as well as some other funds that can be used for early learning and afterschool programs, that were passed overwhelmingly by the citizens have been overturned by the legislature in this session because of the lack of funds and because the state has also experienced many anti-tax initiatives that have passed overwhelmingly statewide. So, we should probably spend a little bit of time talking about the situation in which so many of us find ourselves in states and municipalities where the tax base is going down and the economic conditions are so bad that it's not a matter of the standing programs. It's a matter of holding on and keeping the infrastructure that you have in place.

KYLE: I think that's right. What we're seeing is not just a resistance to expansion, but also a resistance to even maintaining these programs. I think it's difficult for those of us who are directly involved with programs for children and families to kind of switch hats, so to speak. Instead of only being strong advocates for running really good programs, we're having to become experts in public engagement, experts in advocacy, experts in how to make debate arguments with those in communities who are leading anti-tax, anti-government support of programs for children. And not so much because they dislike children, but because they believe that the streets need to be cleaned and the police need to be paid, and that's the be-all, end-all kind of municipal responsibility.

The arguments that you were making earlier about that are ones that are common and useful. I think those people on the call probably can give some ideas about how to make best use of such arguments – not to know what the arguments are, but how to use them best and where they go. What do you think about strategies that have been used to get funding? What are you contemplating, for instance, Jerry, next year in terms of getting the levy passed again? What kinds of strategies have worked in the past? In difficult times, what do you think will be the more effective strategies to use next year?

DEGRIECK: Excellent question. I have two main thoughts on that. One of the things we are doing is making sure that we have a system in place for the levy that assures the voters that we have accountability. We need to bring the broader community together around what we want for our children. The Families and Education Levy has a particular role to play, but we need to have very clear, community-wide goals – that we want to close the achievement gap, that we want all of our children to succeed in school. The school district, then, has a certain set of responsibilities that it needs to carry out with its own funding to make sure that what happens in the classroom will help to achieve those goals, and they need to be accountable for their activities, actions, and

commitments.

Likewise, for the city-sponsored levy, we need to be accountable to the voters and to the school district, and the school district needs to be accountable to us around how those dollars are spent to get very clear outcomes for kids. But they have to be appropriate outcomes, since we're looking at trying to improve the conditions for learning and to remove barriers and not to do classroom interventions.

The second thing we need to do – and we just started this process – is to use our leadership in making sure we have a very inclusive community process around formulating what goes into this levy. It can't be something the school district and the city decide on their own. It has to be something that the community – that true leadership – says is a great investment, a great opportunity to continue in the best for kids and families. We need to bring folks to the table.

Just last night, for example, on the policy framework, we held a community meeting – and we're having another one on Saturday – inviting citizens to come forward and help us say what the policy framework for the levy ought to be.

OUELLETTE: There are a couple of things I want to point out. The accountability is crucial in showing to the voters that you're using the money efficiently. For example, in the city of Portland – or actually the county around Portland – they are having a budget deficit, which most people have read about, and schools have been closing. So, they're putting forth to the taxpayers a tax increase for schools. But it's earmarked towards low-performing schools, and it's got definite accountability measures that if the schools don't meet these accountability measures, then this tax increase will be discontinued.

The other thing that you need to think about – beyond the fact that right now we're in a bad tax time and everyone is facing this – is to not be in crisis mode all the time. We need to increase and maintain. What can you be doing now? Do you keep people informed of what you're doing? Do you have newsletters? How are you keeping the press informed? How are you keeping your constituency informed of the good things that you're doing? Are you trying to get photo ops? Are you trying to increase time in front of reporters, news? Just keeping people aware of the issue, of the challenges that you're facing, of why your program is important, and the good things that are happening as a result of your program, means that later on down the line, when money becomes available, people are thinking of you.

MITCHELL: One of the examples that I know about is in several counties in Florida that have children's services taxing districts. They basically do an annual report that's very readable and sort of graphically interesting. They make it a supplement to the Sunday paper at one point during the year. So, it's widely distributed, not just to some mailing list of people that they know, but to everyone in the community who is reading the local paper, which is probably going to be everyone. And I think that's a really good way to do it.

KYLE: I think that newspapers are great tools. One of the organizations in Baltimore pays for the space on the op-ed page of the paper about once a week or once a month to state their opinion about what's going on in some particular facet or issue concerning children and families. So, not only is it for sure covered, but also it's for sure covered on the op-ed page so that opinion leaders – people who are looking for opinion information – are having the opportunity to see it. It's not buried in the back. It's not some little blurb filtered through a

reporter. But it is something that is there regularly. I think that's a tool as well that can be used to help keep it out there.

Just going back to the leadership point, leaders aren't just automatically created. I think that programs that exist foster leadership by inviting key people into their programs, allowing them to claim credit and involvement with particular programs so they become identified with them. Even if they haven't been real leaders about them in the past, grooming them to be leaders by including them in the process of what's going on now and making them feel important and involved with it so that they can know about it. Perhaps they will then use that as part of their platform in the future, or include that program or those kinds of initiatives in budget decisions they make in the future. You don't find a leader automatically springing from the earth to want to lead on these issues. I think that those of us working in these programs can foster that.

DEGRIECK: John, I think that's an excellent point, that these programs and these issues can provide an excellent leadership opportunity for municipal officials. So I want to applaud that.

I also think that one of the things about leadership that is critical, particularly during times of budget shortfalls and economic downturns, is that it's important to keep sight on the long-term vision and goals of what you're trying to accomplish. Sure, you might have to suffer and take short-term cuts because of budget problems. But that should not be the basis for long-term public policy. If municipal leaders have a clear vision and a goal for their community, and they have built the kind of collaboration and partnerships to sustain that during these economic times, then I think we're going to be far better off, rather than using the economic times as an excuse to permanently cut and gut programs.

MITCHELL: Actually, maybe economic hard times are good times to get people together and talk about what we'd like to do when there is money.

DEGRIECK: That's absolutely right, because when communities have a plan, when they know what they want to accomplish, they are the ones who are most likely to be able to get the resources.

MITCHELL: I think that's absolutely true.

I just want to make one point about leaders – you never know who is going to become a leader. Everybody who is running a program that has a board of directors, any one of those people could turn out to be an elected official later on in their life. And what you help them to know and understand about the importance of your program, the cost effectiveness, etc. can make a policy impact later.

KYLE: I think that's true. One of the things you talked about is collaborating – getting together. One of the questions that we received was about how you avoid breaking up the constituencies that want to work on behalf of children and families, so that the city government, for instance, isn't competing against the school district for particular funds. So that non-profit organizations in the community aren't going after some particular funding source that a city agency might also like to go for, and they end up being in a head-to-head situation, as opposed to a collaborative one.

Especially when resources are scarcer or when people are scrambling more to find

resources, how do you bridge what might often be a gap between local non-profits or private agencies and school systems and city governments?

DEGRIECK: I've got a couple of examples around that. I think that what's key is that municipal leaders need to take the stand of what's in the best interest for kids in their communities – for children, youth, and families. So that it's not about whether the city government gets the resources or the school district gets the resources or the non-profit, but what makes the most sense in this community for kids. We at Project Lift-Off – and the city was a partner in this – applied for funds through the Early Learning Opportunities Act and brought in a million dollars of resources to help to do a variety of strategies to improve school readiness in Seattle and King County.

Early Learning Opportunities Act (ELOA) Discretionary Grants are offered by the U.S. Department of Health and Human Services, Administration for Children and Families. For more information about the FY2003 grant, go to: <http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/2003/03-16099.htm>, or a copy of this June 25, 2003 *Federal Register* program announcement and the necessary forms can be obtained by calling 1-800-351-2293. For the FY2002 ELOA grantees, go to: <http://www.acf.hhs.gov/programs/ccb/policy1/funding/ELOAFY02.pdf>.

One of the requirements of that grant is that if they received more than one proposal from any given community or county, they would automatically not consider either one. So there was no question but that our community was going to come together. This was one of the first times that the communities outside the city of Seattle partnered with Seattle on a common end. I think the only way we were able to accomplish that is that the city of Seattle recognized the needs in the other parts of the county, were able to forge a proposal that both had county-wide strategies as well as strategies that would benefit the different communities in the county, including Seattle.

OUELLETTE: One other thing is that in talking with some funders, I have heard that want to make sure that if they support anything, that they're not paying into them indefinitely – that the community can come up and realize the importance of this and take it over. To that end, they want to see more and more collaboration. I've been seeing the calls for people working together. I've seen some funders say, "If I get two applicants in the same area, I just send them back and say, 'Here, you two guys have both submitted an intent to submit. Why don't the two of you talk it out? I only want one proposal.'" So, funders are even requiring it as well. It's important that we all talk to each other.

MITCHELL: We all know that in fact we can do better work – and it is more efficient – if we do it together. But, I don't think we should minimize that it's difficult. Collaboration is difficult. And it takes work. Leadership takes several people saying, "Yeah, it is worth coming together." And I think we work against our sort of individualistic human nature when we're doing it. But it is really the best way. It is more efficient. It is what's going to make this work. I think it takes putting, as Jerry said, the best interest of children and families ahead of the turf battles of whoever needs to be involved.

DEGRIECK: But it also can bring together different funding sources, funding the same program

or project. For example, for our community learning centers in Seattle, in addition to the federal grant we have, the city puts in funding that is matched by Seattle Public Schools to fund five additional community learning centers and to sustain them. So, even in these tight budget times that the school district is going through, as well as the city, we can't lose our money, we cannot reduce our funding of the community learning centers because that will automatically mean the school district will pull out, and vice versa. It's a way to keep the city's commitment and the school district's commitment to the community learning center program. Otherwise, they jeopardize more than they dare.

KYLE: We're close to the end of our call. I want to say that to you all so that you can think about whether there is a closing comment that you want to make, a thought that didn't quite get finished. And secondly, whether there is any particular website or resource that you want to make sure people take away from the call where they can get additional information.

I also want to see if there is any commonly available state or federal funding source that you think is underused. A couple of years ago, for instance, I discovered that most municipal governments and most programs affecting children and families were not aware that community development block grant funds could be used for social services, for human services. They saw them as bricks-and-mortar types of programs, but there was a particular set-aside in CDBG [Community Development Block Grant] funds for human services. I don't know if that's a commonly available and underutilized resource any longer. Are there any other kinds of things like that?

I'd like to circle back and ask you each if you've got a closing thought, if you've got a response to that particular question, if you've got a resource that you want to refer some folks to and be able to close out our call. I appreciate very much all that you've offered so far. Jerry, can I come to you first?

DEGRIECK: Sure, John. I don't have a good answer to your question about underutilized resources. Although one of the issues we didn't have a chance to talk about that I had wanted to mention is the whole issue of the increasing tendency of the federal government to block grant programs. And I think that is something that states and municipalities need to continually keep an eye on and whether that truly serves the interests of children and families, particularly around Head Start.

A website that I will refer you all to is the Project Lift-Off website, and that is www.projectlift-off.org. [Contact projectlift-off@cedriv.com or call (206) 223-7660, ext. 103.]

In closing, I think that the most important point that has been reinforced today is about leadership and the importance of bringing the entire community together around these initiatives in order to be able to obtain the funding, and then to sustain the funding.

KYLE: Anne, can I come to you now?

MITCHELL: Sure. I would echo that. I think that the issue of sources of funds and financing mechanisms is in a way the technical issue. And there are lots of good resources on that. I most recently saw one from Voices for America's Children [formerly known as the National Association of Child Advocates] – *A Child Advocate's Guide to Federal Early Care and Education Funding Sources*. It's on their website. There are lots of those. The National Association for the Education of Young Children [NAEYC] has some really excellent resources

in the Public Policy section of the website, under Finance.

For more information about Voices for America's Children, go to <http://www.childadvocacy.org/>, email voices@voicesforamericaschildren.org, or call (202) 289-0777. For more information about NAEYC, go to <http://www.naeyc.org/>, email naeyc@naeyc.org, or call 1-800-424-2460.

But the issue really is about leadership. And I think municipal leaders are in a unique position to bring people together in a community to focus on what we need to do to have the best place for kids and families. That's something that is much more easily done in a community than it is at the federal level. I mean, kids are pretty far away from Washington, D.C.

OUELLETTE: In terms of federal and state underutilized resources for afterschool programs, there is an organization called The Finance Project. Their website is <http://www.financeproject.org/>. [Contact: (202) 587-1000.] They've got some good resources about where to go for federal funding, a lot of different examples of how communities are funding these programs. But one caveat is that federal funding – block grants – is usually for a limited period of time. So municipalities thinking of applying also need to think of how you are going to sustain it beyond the three, four years that you receive federal financing.

In terms of last thoughts, I guess – echoing the other speakers – leadership is important. Having the municipality be up front, trying to use the bully pulpit to raise awareness as well as leadership amongst their staff. Once you have them convening together, it's going to be at the staff level that things are going to get done. And making sure that you have quality staff, such as Jerry, that can keep people focused on the vision.

The other part is leverage. Remember, municipalities don't need to do this all alone. There are other partners out there, whether it is business, county, state, or federal. And leverage your investment as Seattle has done to get increased investments from those partners.

KYLE: I thank you all for being great presenters and conversationalists today. I think we've learned a lot.

I think my closing comment is that, from my conversations with municipal officials – especially elected local officials, they are open to representatives from their communities who are running these kinds of programs to come and talk to them. I think that there are lots of folks listening today who run programs or advocate for programs and are not quite sure whether approaching a city councilmember or the mayor is a good idea or how to go about it. My experience from mayors and councilmembers all over the country is that they would like you to come and knock on their door. Please do so. Don't think that this is something you can't do. And you can help foster and cultivate that leadership with local elected officials.

My name again is John Kyle at the National League of Cities' Institute for Youth, Education, and Families. Our specific website is <http://www.nlc.org/iyef>. Today's audioconference was the last in the currently planned series. But in September, we will start another series and continue to offer this kind of resource. I appreciate your participation today. Thanks a lot, and we're signing off for today. Thanks, Anne. Thanks, Mark. Thanks, Jerry.