



Joint Opening Plenary: Putting Money to Work for Children and Families

Tuesday | 09.13.22

Tag social media posts with
@NCSLorg and use hashtag **#NCSLFellows**

WELCOME

Select a table and seat based on your time zone

- Eastern Time Zone – Northern States and Virgin Islands
- Easter Time Zone – Southern States
- Central Time Zone
- Mountain Time Zone
- Pacific, Alaska and Hawaii-Aleutian time zones





Joint Opening Plenary: Putting Money to Work for Children and Families

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Elizabeth Gaines

Children's Funding Project

Founder and Chief Executive Officer

www.childrensfundingproject.org

Strategic Public Financing from Cradle to Career

Elizabeth Gaines

Children's Funding Project

NCSL Joint Fellows Convening

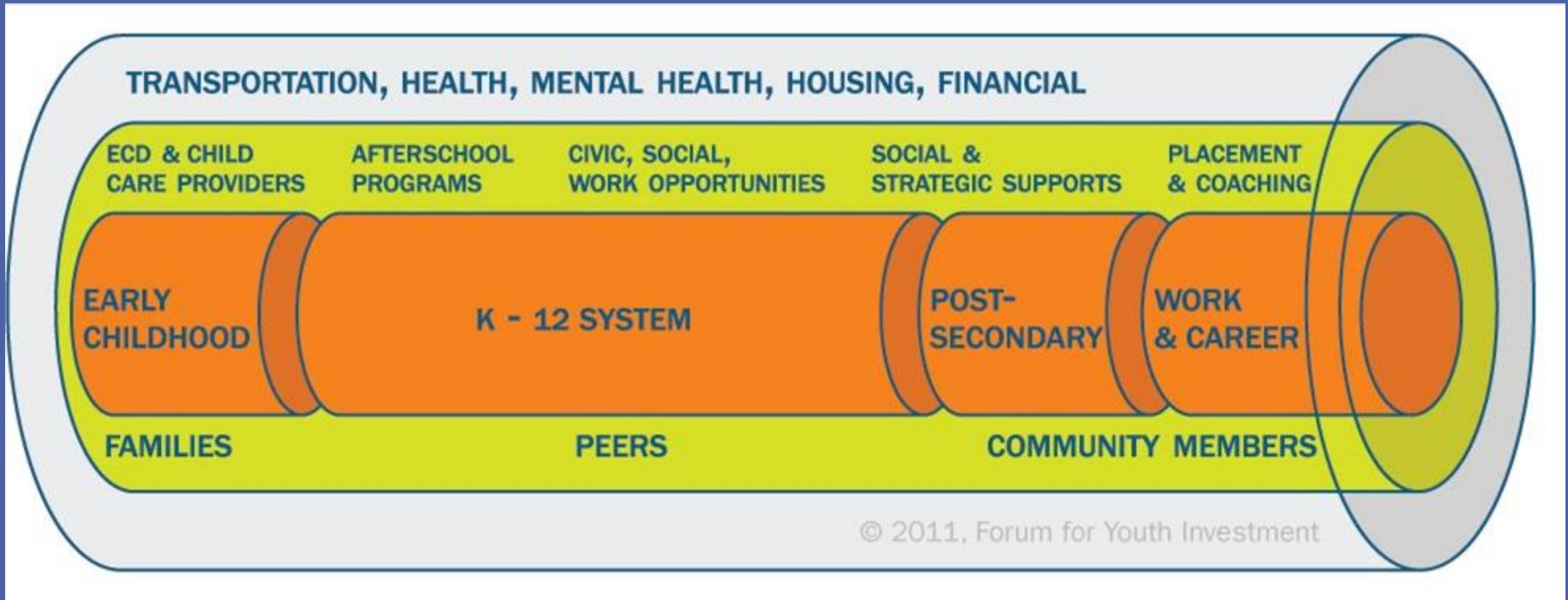
September 13, 2022



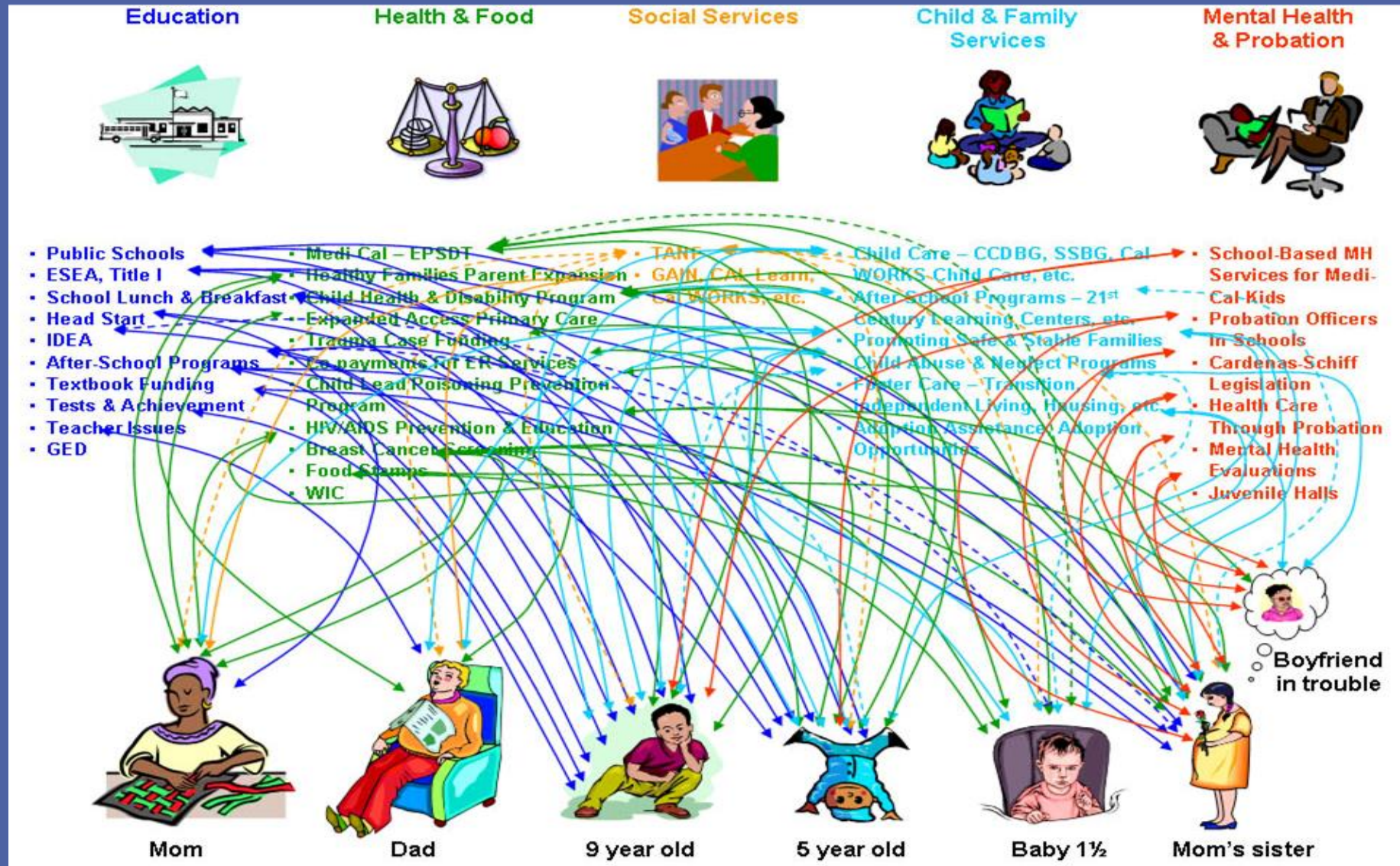
If we know the developmental outcomes we want for *all* children and youth...



And we know it's going to take a seamless set of supports and opportunities...



...do we need to change the way we do business?



LA County Example,
Source:
Margaret Dunkle

What can we do to strengthen and align:

People



Data



Money





VISION

We envision a nation where all children and youth thrive because all communities maintain equitable, coordinated, and sustainable funding for comprehensive programs and services.



MISSION

Children's Funding Project helps communities and states expand equitable opportunities for children and youth through strategic public financing.



Our Core Strategies

A



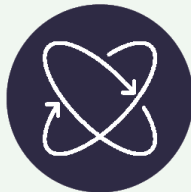
Delivering Services

Deliver services, resources, and tools to states and communities



Strategic Coaching

Coach state and community leaders to develop their own skills



Movement Building

Build a movement among state and community leaders and advocates



Ultimate Impact

All children and youth thrive because all communities maintain equitable, coordinated, and sustainable funding for comprehensive programs and services.



What Is Strategic Public Financing?

Strategic public financing picks up where strategic plans often leave off by...



Putting a price tag on goals and policy priorities



Identifying ways to cover the cost

From Questions...

1. Current Funding

How much funding supports our goals right now?

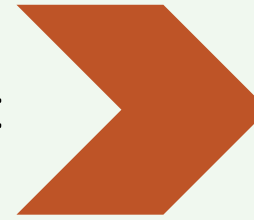
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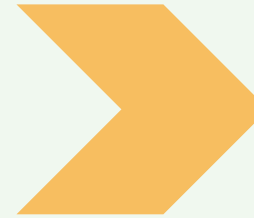
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How do we fill the gap between current funding and fully funding our goals?

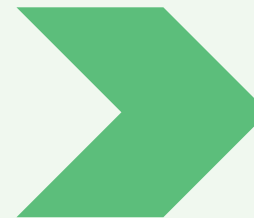
To Opportunities!



Fiscal mapping



**Cost modeling
and estimation**



**Sources of new
money**

Dive deeply into American Rescue Plan Funding in your state and community using CFP's online tool



Flexible Funding for Children and Youth in the American Rescue Plan

Home Page and Menu

This tool offers a comprehensive picture of American Rescue Plan funding for children and youth across states, tribal areas, counties, cities, towns, school districts, and nonprofit institutions.

On the subsequent pages, you will find allocation data and a growing list of examples of ways localities are using their funds creatively to benefit children. **Click the buttons on the right to navigate directly to the information you need.**

Examples of Child-Centered American Rescue Plan Spending and Uses

Funding Overview for States and Territories

Local and Tribal Fiscal Recovery Funds

Elementary and Secondary School Emergency Relief Fund (ESSER III)

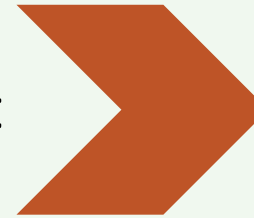
Higher Education Emergency Relief Fund (HEERF III)

From Questions...

To Opportunities!

1. Current Funding

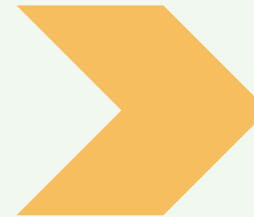
How much funding supports our goals right now?



Fiscal mapping

2. True Cost

How much will it cost to fund our goals in full?



**Cost modeling
and estimation**

3. New Funding

How do we fill the gap between current funding and fully funding our goals?



**Sources of new
money**

Why Create a Fiscal Map?

Understand
current
investments

Align
resources
with goals

Coordinate
supports and
services

Maximize
funding
opportunities

Identify new
areas for
attention,
efficiency, and
innovation

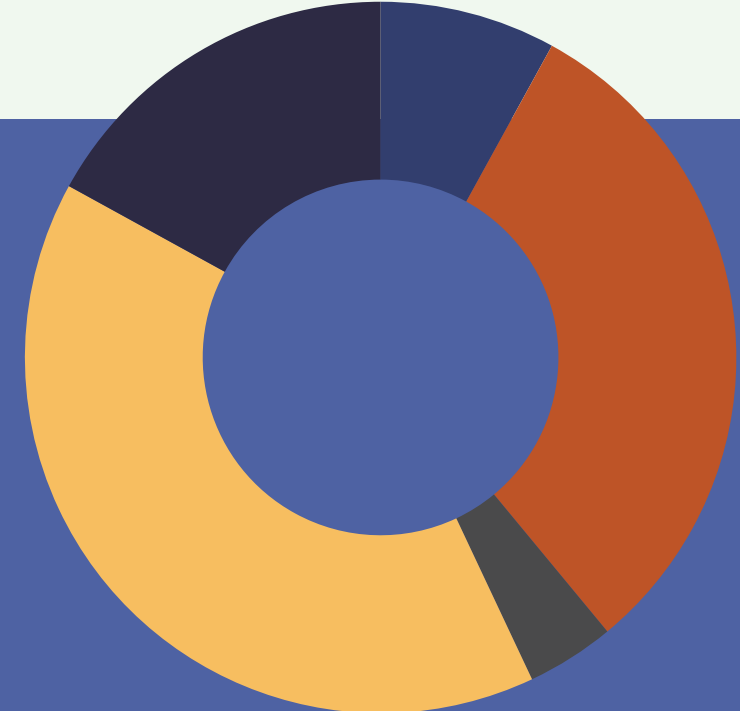
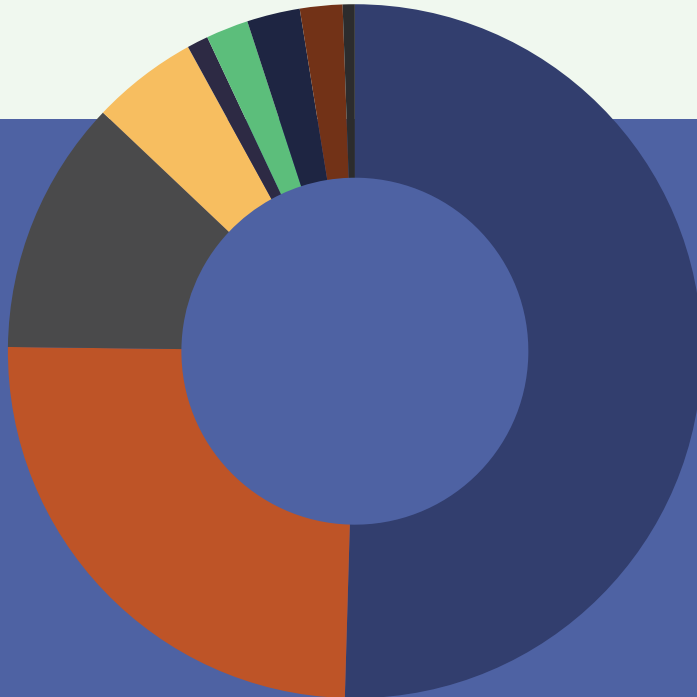
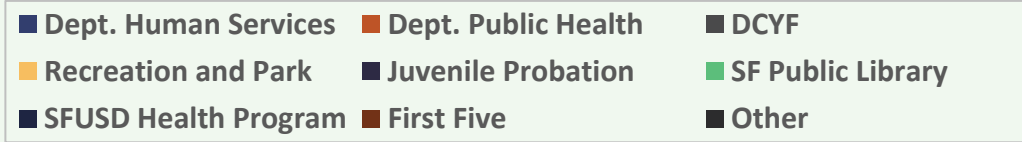
NEW EMERGENT REASONS:

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

Traditional Department-Centered View of the Budget

vs.

Creating a Child-Centered View of the Budget



Differences in Funding by Outcome Category

MINNESOTA CHILDREN'S FISCAL MAP

Overview

Why & How To Use This Tool

Links & Resources

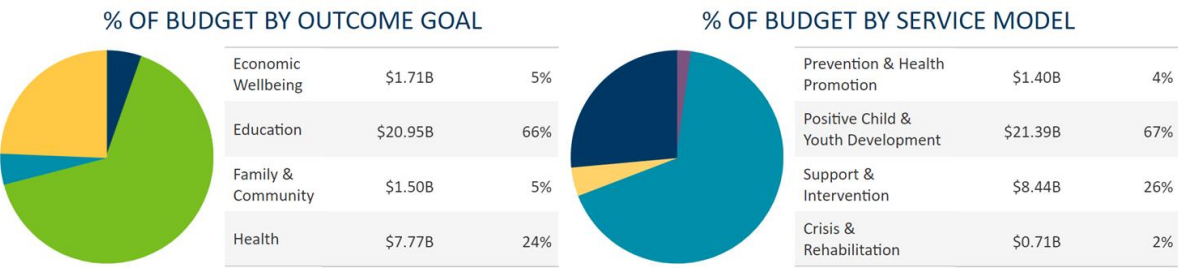
Children's Fiscal Map Tool

Select which fiscal year you'd like to view spending for (For the biennial total, select both 2020 and 2021):
☒ 2020
☒ 2021

General education spending totals around \$14.6 billion; at that size, the readability of some charts is affected. Would you like to include in charts:
☒ All non-General Education Spending
☒ General Education

ENTERPRISE-WIDE

\$31,940,303,831 TOTAL STATE BUDGET TOWARDS CHILDREN



Minnesota

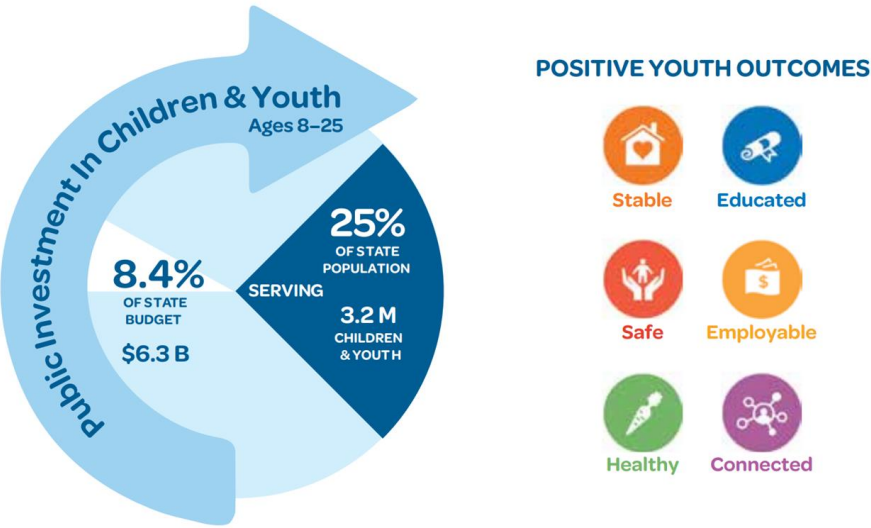
Total program funding disaggregated by primary outcome, FY15-FY19

PRIMARY OUTCOME	2015		2016		2017		2018		2019	
	Total Programs and Total Funding		Total Programs and Total Funding		Total Programs and Total Funding		Total Programs and Total Funding		Total Programs and Total Funding	
Healthy										
Children, Youth and Families Dept.	7	\$ 70,012,020	7	\$ 73,131,306	7	\$ 72,488,561	7	\$ 75,604,600	7	\$ 81,612,150
Indian Affairs Department	1	\$ 249,300	1	\$ 249,300	1	\$ 249,300	1	\$ 249,300	1	\$ 249,300
Department of Health	14	\$ 261,726,037	14	\$ 269,678,464	14	\$ 268,599,810	14	\$ 257,369,752	14	\$ 259,129,419
Human Services Department	2	\$ 880,664,085	2	\$ 925,109,596	2	\$ 903,257,521	2	\$ 857,129,103	2	\$ 852,890,305
Office of African American Affairs									1	\$ 10,000
Public Education Department (State funds)	6	\$ 34,949,700	6	\$ 39,589,700	6	\$ 36,724,600	6	\$ 40,625,000	6	\$ 36,325,000
Healthy Subtotal	30	\$ 1,247,601,142	30	\$ 1,307,758,366	30	\$ 1,281,319,792	30	\$ 1,230,977,755	31	\$ 1,230,216,174
Educated										
Public Education Department (State Funding)	23	\$ 96,682,200	21	\$ 111,837,900	20	\$ 104,196,100	15	\$ 93,250,000	17	\$ 96,386,600
State Equalization Guarantee (SEG)		\$ 2,482,600,454		\$ 2,497,476,907		\$ 2,486,143,507		\$ 2,498,258,700		\$ 2,587,377,551
Public Education Department (Fed. Funds)	15	\$ 260,712,208	15	\$ 260,696,082	17	\$ 299,266,619	14	\$ 282,430,658	15	\$ 287,909,855
Higher Education Department	5	\$ 66,307,300	5	\$ 64,796,100	5	\$ 65,876,300	5	\$ 49,833,336	5	\$ 43,564,300
Children, Youth and Families Dept.	6	\$ 79,856,672	6	\$ 93,901,874	6	\$ 81,815,734	6	\$ 99,469,534	6	\$ 102,580,623
Department of Cultural Affairs	13	\$ 620,000	13	\$ 619,317	13	\$ 743,596	13	\$ 716,316	16	\$ 1,065,998
Department of Finance & Administration	3	\$ 3,136,700	3	\$ 3,203,100	3	\$ 2,976,800	0		0	
Department of Health	1	\$ 1,846,756	1	\$ 1,782,319	1	\$ 1,861,519	1	\$ 1,861,456	2	\$ 3,271,856
Indian Affairs Department							1	\$ 192,761	1	\$ 146,000
Educated Subtotal	66	\$ 2,991,762,290	64	\$ 3,034,313,599	65	\$ 3,042,880,175	55	\$ 3,026,012,761	62	\$ 3,122,302,783
Safe										
Children, Youth and Families Dept.	13	\$ 49,636,965	13	\$ 54,070,056	13	\$ 56,759,448	13	\$ 58,241,512	13	\$ 58,062,110
Safe Subtotal	13	\$ 49,636,965	13	\$ 54,070,056	13	\$ 56,759,448	13	\$ 58,241,512	13	\$ 58,062,110

New Mexico (there are other outcome categories not shown)

Differences in Scope – Age Range

Figure 1. FY20 Investments in Youth



FY20 Fiscal Scan of Illinois Public Investments in Children and Youth, Ages 8–25

Total Investments in KY's Early Childhood System by Source



SOURCE	AMOUNT
Federal	\$843,269,153
General Funds	\$387,608,738
Tobacco MSA	\$28,317,932
TOTAL	\$1,259,195,823

*Does NOT include Medicaid funds

Illinois

Overview of CFP's state fiscal mapping cohort

What

15 state-level fiscal maps of public investments in ages 0-24

Who

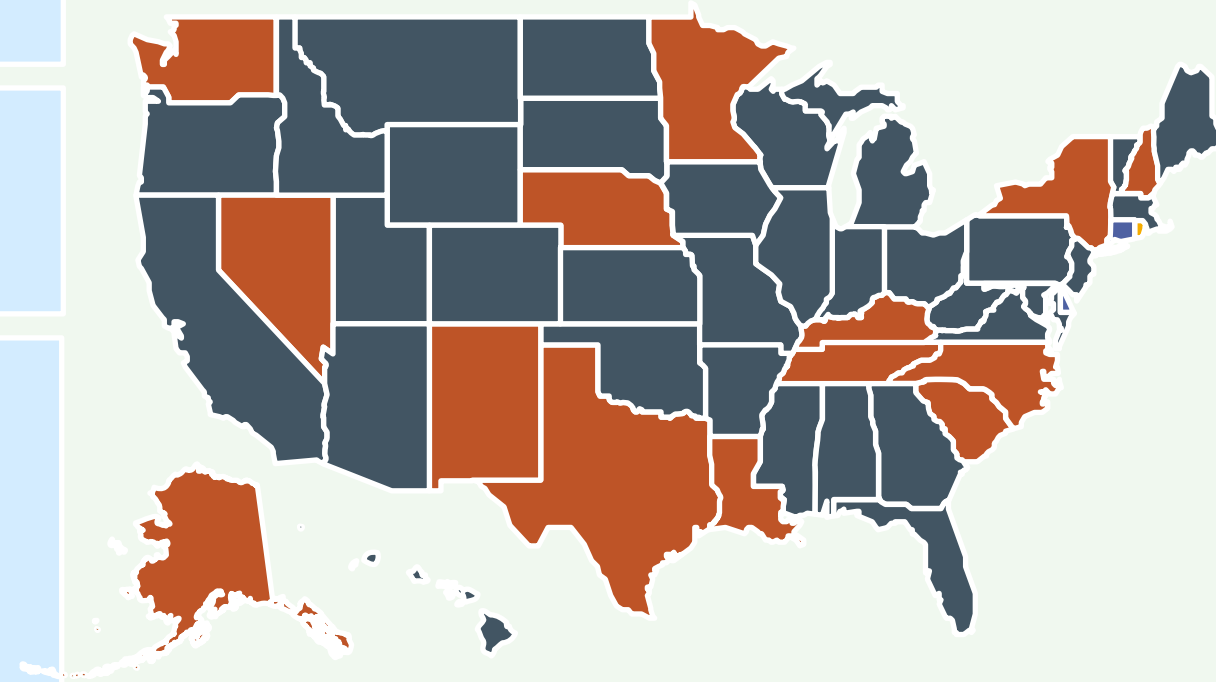
State lead(s) that are invested in continuing the process of fiscal mapping

Why

Build standardized state analyses that feed into a public national database of fiscal maps to support additional state and local strategic financing

When

The next 12-20 months



Federal Fiscal Mapping Tool

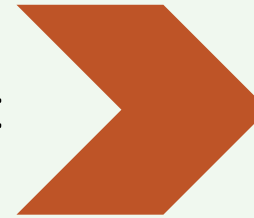
Data Collection Tool – DIRECTIONS: Keep the parameters/columns that you would like to map & delete the others; Also, change the drop-down								
Budget Item Number	Funding Stream Name	Program Description	FFY21 Appropriation	FFY20 Appropriation	FFY19 Appropriation	FFY18 Appropriation	FFY17 Appropriation	Outcome
16.745	Collaboration Program	a collaborative project between criminal justice and mental	\$25,517,075	\$5,384,042	\$27,175,164	\$26,576,756	\$5,380,725	Healthy
14.276	Youth Homelessness	The goal of the YHDP is to support selected communities, including		\$145,000,000	\$80,000,000	\$75,000,000	\$43,000,000	Safe
15.15	Juvenile Detention Education	The Juvenile Detention Education Program was designed to	\$233,588	\$233,588				Educated
93.557	Education and Prevention	The SOP provides street-based services to runaway, homeless, and	\$18,304,841	\$19,214,115	\$15,692,554	\$15,679,240	\$15,984,750	Safe
93.550	Maternity Group Homes for	The MGH Program supports homeless pregnant and/or parenting						Supported
93.550	Transitional Living Program	FYSB's Transitional Living Program provides grants to public and private organizations for community-based, adult-supervised group homes, family homes, and scattered site apartments for youth ages 16 to under 22 years who cannot safely live with their	\$53,287,701	\$60,333,431	\$49,834,584	\$51,468,171	\$44,843,737	Safe
93.623	Basic Center Program	BCP works to establish or strengthen community-based programs	\$57,806,100	\$69,125,947	\$52,408,555	\$52,882,037	\$52,194,801	Safe
93.592	Family Violence Prevention	FVPS grants fund a 24-hour DV hotline, DV survivor services, WANTS grants go to CBOs to increase women's employment in apprenticeship programs and non-traditional occupations. Organizations receiving funds will provide one or more of the following types of technical assistance: Develop pre-apprenticeship or nontraditional skills training programs to prepare women for those careers; Provide ongoing orientations for employers, unions and workers on creating a successful	\$61,739,391	\$35,860,000	\$29,418,310	\$27,888,500	\$24,924,455	Safe
17.701	Women in Apprenticeship and Nontraditional Occupations	These grants will allow educational entities—including traditional, alternative, and non-traditional schools; and programs that serve out-of-school youth, school boards, workforce boards, employers, workforce partners, and other apprenticeship intermediaries—to partner to develop and establish new apprenticeship models for youth or expand existing apprenticeship programs for youth. Grant recipients will seek to	\$3,300,000	\$4,100,000	\$1,500,000			Employable
17.285	Youth Apprenticeship Readiness Grant	The purpose of the SAEI grant program is to support the development of new, or the expansion of existing, RAPs, including	N/A	\$42,300,000	N/A	N/A	N/A	Employable

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To Opportunities!

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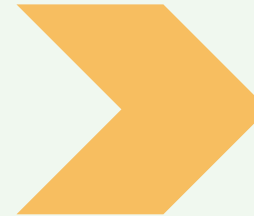
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Fiscal mapping

2. True Cost

How much will it cost to fund our goals in full?



**Cost modeling
and estimation**

3. New Funding

How do we fill the gap between current funding and fully funding our goals?



**Sources of new
money**

What is a Cost Model?



A cost model is an approach to measuring the true cost of implementing and maintaining a service or program

Aims to Understand:



- ✓ Costs of providing program or service (per child, per classroom, or total)
- ✓ How changes in wages or quality impact overall costs
- ✓ How geography or program size impacts overall costs

Structural Cost Drivers



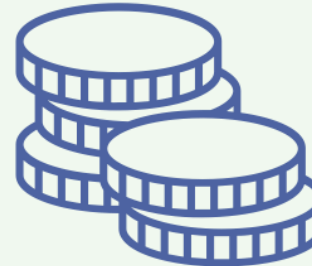
- ✓ Programmatic requirements and standards
- ✓ Ratios & Group Size
- ✓ Geography
- ✓ Minimum wage considerations

Useful for:



- ✓ Determining true cost of program against market cost
- ✓ Improving wages
- ✓ Setting appropriate rates

Operational Cost Drivers



- ✓ Wages & Benefits
- ✓ Rent/Utilities
- ✓ Food, supplies & other non-personnel costs
- ✓ Professional Development

Wisconsin: Infant and Toddler Child Care Investment Gap

\$251 million:

True cost of care with recommended staffing structure and salary levels

\$17.5 million:

Estimated parent copay

\$159 million:

FY20 Infant Toddler Subsidy WI Shares Subsidy Payments

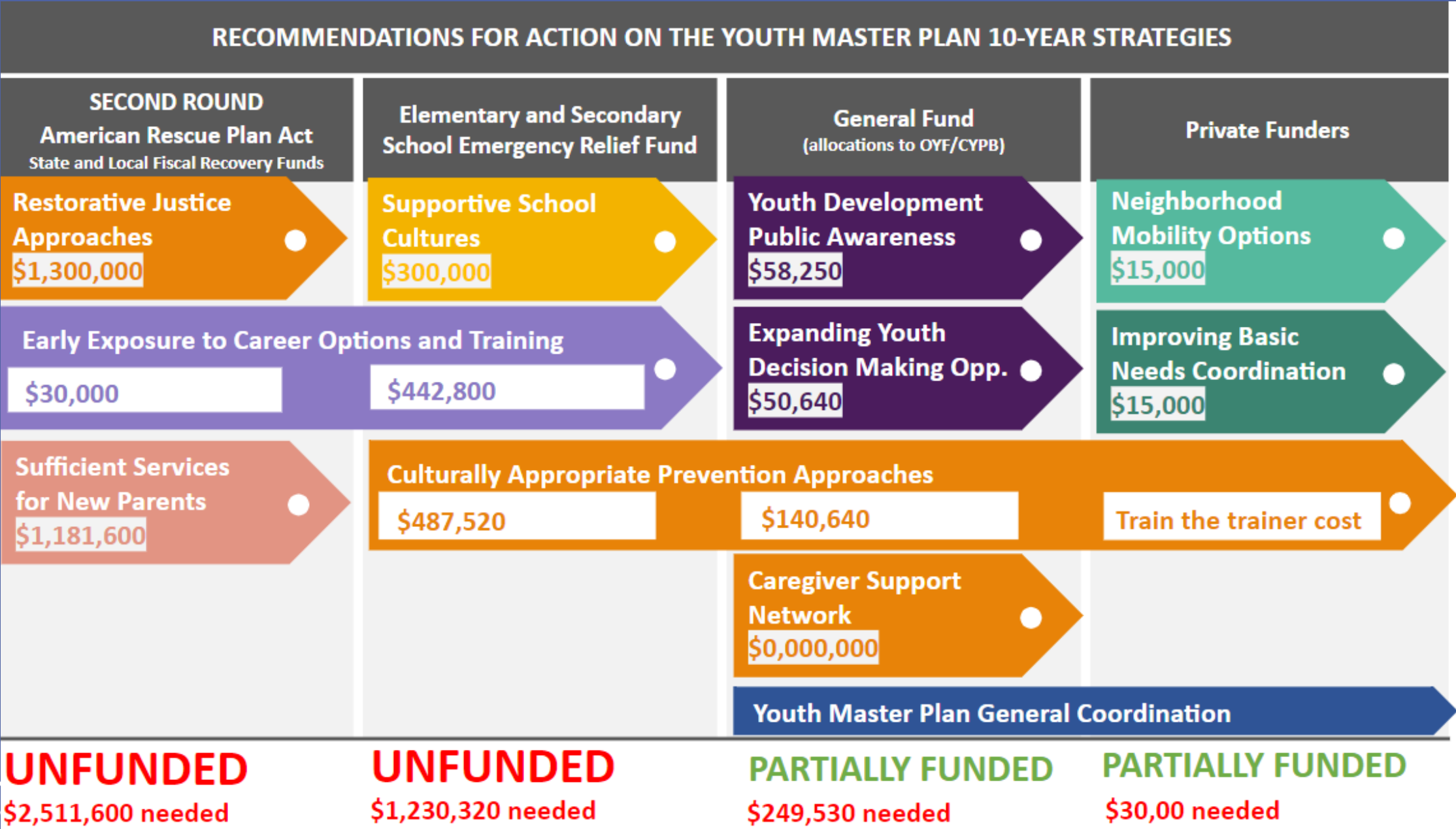
\$74-\$100 million:

Gap between recent subsidy investment levels and true cost of care for infants and toddlers currently participating in WI Shares.

**COST OF INFANT TODDLER CARE VS CURRENT
SUBSIDIZED INVESTMENT**



Estimating Costs of the Youth Master Plan



From Questions...

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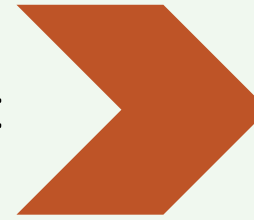
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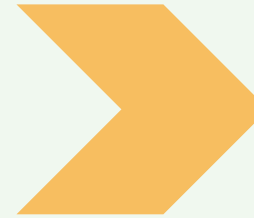
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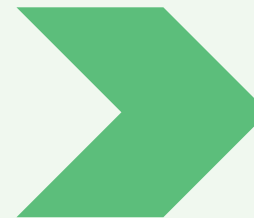
To Opportunities!



Fiscal mapping



**Cost modeling
and estimation**



**Sources of new
money**

Revenue Options and Funding Mechanisms

Where do we find the funding to support children and youth?

Common

City or county general fund

State general fund

Federal grants

Local United Way

Local foundation

National foundation

Individual donors

Corporations

Fee-based services

Emerging

Dedicated public funding (set aside or new tax)

Community benefit agreements

Individual or business tax credits

Pay for success

Medicaid reimbursements

Community reinvestment act agreements

Profits from publicly held assets

Reforming tax exemptions

PILOT recapture

In-kind facilities usage

[READ: Innovative Financing to Expand Services So Children Can Thrive](#)

If considering a revenue-generating mechanism

Common Tax Mechanisms



Personal Income Taxes



Sales Taxes



Estate and Inheritance Taxes



Property Taxes



Corporate and Business Taxes



Sin Taxes



Special District Government Taxes

Other Taxes and Strategies

- Review tax credits and other potential tax reforms and how they could benefit families in need
- Dedicate tobacco and opioid settlement dollars to children
- Close nicotine/tobacco tax vaping loopholes
- Tax tech (ex. digital advertising tax)

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

Guiding Questions for Establishing New Taxes



GUIDING QUESTION 1

What jurisdiction will levy the tax?



GUIDING QUESTION 2

Is the tax legally feasible?



GUIDING QUESTION 3

Can the tax be dedicated to early care and education?



GUIDING QUESTION 4

Is the tax politically feasible?



GUIDING QUESTION 5

Is the tax progressive or regressive?



GUIDING QUESTION 6

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



GUIDING QUESTION 7

Who pays for the tax? Who benefits from the tax?



GUIDING QUESTION 8

Is the tax timely?



GUIDING QUESTION 9

How does the projected generated revenue fit into the near- and long-term strategy for meeting the need for quality early care and education?

FUNDING OUR FUTURE:
Generating State and Local Tax Revenue
for Quality Early Care and Education

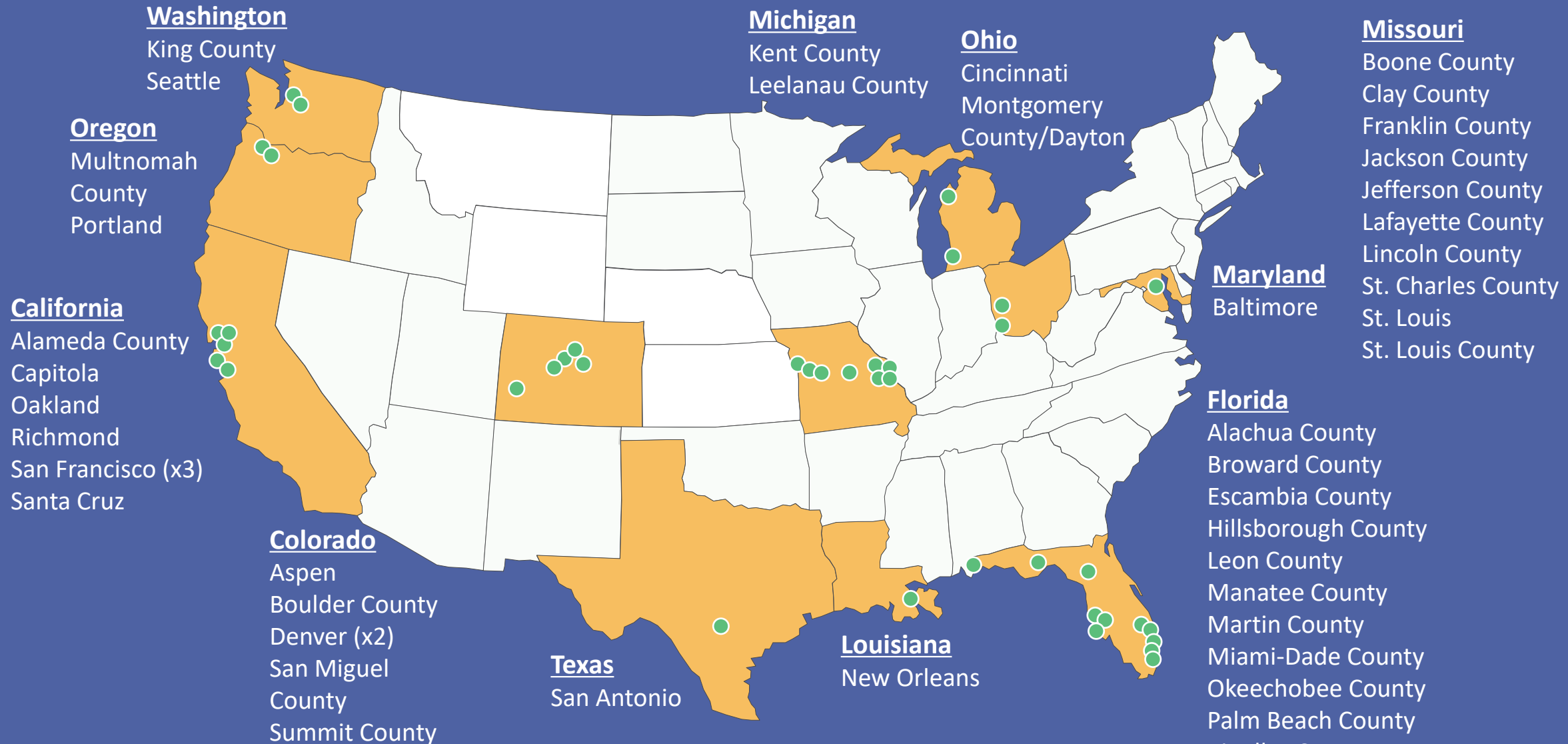


States Dedicating New Revenue to Kids

- MD digital ad tax
- MT, CT, CA marijuana
- LA and MA sports betting
- CO tobacco tax and closing vaping loophole
- KS tobacco settlement fund
- NM Constitutional Amendment
- Washington DC high income earner tax
- Others?



Local Voter-Approved Children's Funds



What is the role of a State Legislator in Strategic Public Financing?

Thanks!

Elizabeth Gaines

Elizabeth@childrensfundingproject.org

CHILDREN' 
FUNDING PROJECT



Thank you

Enjoy the morning sessions with your cohort

Child Welfare Fellows

Stay in this room (Salon III)



www.ncsl.org/cwf2022

Early Childhood Fellows

Move to Salon I



www.ncsl.org/ecf2022

Youth Homelessness Fellows

Move to Salon II



www.ncsl.org/yhf2022