





Playing Our Part: The Role of **Business Leaders** in Financing Children's Services

Part of our four part series: Policymakers | Intermediaries | Funders | **Business Leaders**

Over the past decade, the amount and focus of federal and state funding for children have become increasingly uncertain. Well-financed and high quality early childhood, after school and youth employment programs and supports are essential to business leaders concerned with the development of competitive workforce and the ability of their communities to attract and retain employees. The instability of funding for these systems has caused local business leaders to examine their role in ensuring sustained financial support of critical children's programs and services in their communities; while they cannot sustainably finance comprehensive child and youth development system singlehandedly, business leaders can play a critical role in making the up-front investments that make support sustainable *public* funding streams.

Children's Funding Project was established to track, document and provide technical assistance to communities employing strategies to more effectively leverage existing local funding sources or to generate new revenues. Through this work, the organization has identified four key tasks related to the most successful and sustained local children's funding efforts:

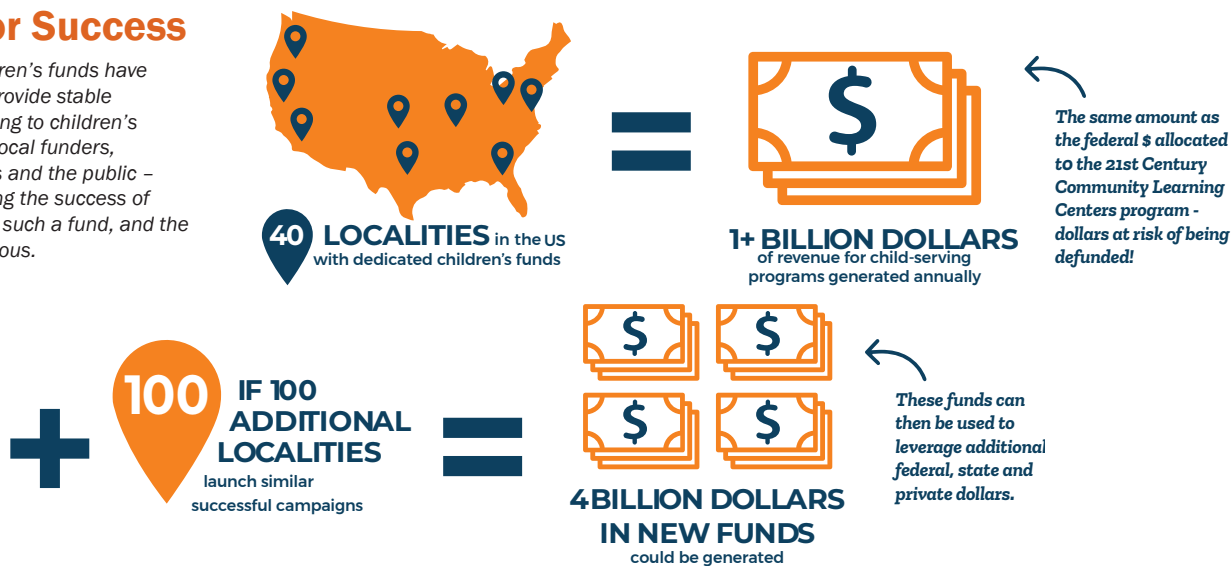
How can business leaders most effectively support comprehensive financing of children's services?

Lever	How business leaders can help
 <p>FIND</p> <p>Develop the capacity to rigorously identify, track, analyze and forecast funding sources and funding needs for services that support children and youth.</p>	<p>Business leaders often have an arsenal of innovative tools that local government can utilize to improve data tracking systems and data presentation. Donate time, expertise or access to these tools to support communities.</p> <p>Finance the start-up phase of implementing new data collection and analysis tools and infrastructure.</p>
 <p>ALIGN</p> <p>Address gaps and overlaps in the existing funding landscape; Local government and private funders must be prepared to make adjustments in how funding is allocated, managed and accounted for within agencies.</p>	<p>Support and participate in a youth master planning effort.</p> <p>Align business donations or financial support with the results of the fiscal mapping effort by using shared language around outcomes across public and private stakeholders.</p> <p>Use private investments to enhance rather than replace public investments by providing targeted support to 'gap' areas revealed by the fiscal map.</p>
 <p>GENERATE</p> <p>Assess need, explore feasibility, facilitate community engagement, launch a campaign and plan the administration of new locally-generated funds to address gaps in meeting the needs of all children and youth.</p>	<p>Build public support for local dedicated fund campaigns and serve as a champion and ambassador to the private sector.</p> <p>Supplement foundation dollars with contributions to the campaign budget.</p> <p>Donate time and expertise where applicable (marketing, communications, polling, media, etc.)</p>
 <p>ACTIVATE</p> <p>Adopt measures to ensure maximum impact of funds.</p>	<p>Co-invest in pay for success initiatives to incentivize outcomes-based payment approaches with public dollars.</p> <p>Lend expertise and technology and expertise to the development of evaluation and continuous quality improvement systems.</p> <p>Provide the flexibility necessary for innovation by funding pilots of new programs and services backed by solid evaluation.</p>

GENERATE: At the forefront of localities effectively leveraging local children’s funding are jurisdictions that are making the case directly to the voters for generating new funds. Cities and counties across the nation are asking voters to pass ballot initiatives that levy taxes to create dedicated local children’s funds. A dedicated fund is a pool of funds obtained by the government that is intentionally set up to provide funding for a specific purpose; our focus is on funds set up to benefit youth services and programs. These funds provide stable, long-term investments in building strong infrastructure to support children and youth.

Potential for Success

Locally-generated children’s funds have immense potential to provide stable and sustainable financing to children’s programs. Everyone – local funders, policymakers, providers and the public – plays a role in incubating the success of campaigns to establish such a fund, and the payout can be tremendous.



Local Business Leader Spotlight: The Brainpower Task Force

Philanthropy and corporate donors cannot finance stable, effective early childhood systems for an entire community’s children on their own. Pre-K education must be sustained by public funding. However, business leaders can play a critical role in making the upfront investments of time, expertise and funding that make sustainable public funding streams possible. The return on these initial investments is astronomical; a one-time one million dollar investment in a campaign for public funding can generate \$36 million annually for a decade, and make a significant impact on community-wide outcomes.

Business leaders can play a role beyond simply financing a campaign for public funding, as demonstrated by the creation of San Antonio’s successful Pre-K for SA program. In 2011, then Mayor Julian Castro of San Antonio appointed local business leaders and education experts to “The Brainpower Task Force.” The task force was instructed to explore thousands of community responses to the mayor’s question – what do you want to see in San Antonio by 2020? – and determine the best investments San Antonio could make to be a better city by 2020.

The task force was co-chaired by CEOs Charles Butt of HEB and General Joe Robles of USAA, who worked with college presidents, school superintendents and other members of the business and education communities. Of significant importance to both groups was improving the number of students exiting the education system and entering the workforce successfully. While businesses are drawn to San Antonio for a variety of economic and community reasons, the city was not meeting the workforce needs of employers. The task force therefore examined the high school dropout rate, college graduation rate and early childhood opportunities as three possible areas in which an investment would dramatically improve the pool of workers available to businesses.

In 2012, the task force returned to the mayor with the recommendation that the highest impact on San Antonio could be made by investing in a quality, full-day Pre-K program to prepare all children for kindergarten. After successfully passing a ballot measure to levy a one-eighth of a cent sales tax to fund this investment, Pre-K for SA was established. Pre-K for SA now serves 4,000 4-year-olds per year in quality, full-day programs whose alumni exceed the national average in kindergarten readiness, despite often beginning the year well below average.

Children's Funding Project is a social impact organization that uses strategic financing to close equity and opportunity gaps for children. We provide research, coaching, and facilitation to state and local leaders on leveraging existing funding, generating new revenue, and administering funds. We believe that all children deserve a stake in the budget: what gets budgeted, gets done. Founded in 2018 by Elizabeth Gaines, one of the country's leading experts on child and youth financing, Children's Funding Project is a non-profit based in Washington, DC.

Interested in championing the development of a dedicated local children’s fund in your community? Contact Elizabeth Gaines at Elizabeth@childrensfundingproject.org