

Afterschool Policy Whitepaper



Introduction

Minnesota's afterschool and summer learning opportunities have a huge positive impact on our state's youth, communities, and economic prosperity. From narrowing the opportunity gap, to inspiring learning, to keeping young people safe – afterschool is essential for Minnesota's youth and families.

Despite the ample research demonstrating these benefits, Minnesota faces serious barriers to providing quality afterschool learning opportunities for all youth^{1,2}. These barriers include:

- Inadequate funding for afterschool programs, that has significantly declined in recent years
- A lack of accessible professional development and program quality supports
- Race, income, and geography-based gaps in young people's access to afterschool learning opportunities

As with other large societal challenges, we know that thoughtfully designed and implemented public policy can be an effective tool in addressing these barriers. This *Afterschool Policy Whitepaper* examines various public policy approaches to statewide afterschool funding, with the goal of informing Minnesota's youth development and afterschool leaders as they help policymakers develop afterschool policies to address these barriers in meaningful and equitable ways.

About This Paper

This paper is the result of several facilitated discussions among an Afterschool Policy Taskforce that was commissioned by Ignite Afterschool, Minnesota's Afterschool Network. Ignite Afterschool is a statewide network of funders, program providers, researchers and others dedicated to ensuring all young people can ignite their passion through high-quality afterschool, before-school, and summer learning programs. We leverage the connections and resources of our network partners to advance afterschool in three key areas: Partnerships, Policy, and Quality.

¹ *The Power of Afterschool: Making the Case for Afterschool Investments in Minnesota*. (2015.) Ignite Afterschool. Accessed via: <http://igniteafterschool.org/wp-content/uploads/2016/03/Making-the-Case-Slides-Notes.pdf>

² *Ignite Afterschool Survey Report: Professional Development in Afterschool*. (2014). Ignite Afterschool. Accessed via: <http://igniteafterschool.org/wp-content/uploads/2016/06/Ignite-Afterschool-Professional-Development-Issue-Brief-FINAL.pdf>

This idea for this paper arose out of discussions in Ignite’s Policy Committee. The Committee agreed on a Policy Platform that called for at least a \$25 million/ year investment in a state competitive grant program, but also called for a Policy Design Taskforce to be convened to explore different approaches to afterschool policy in Minnesota. This paper synthesizes the learnings of that Taskforce, which came out of four facilitated conversations amongst eight members who represented the diverse stakeholders in Minnesota’s afterschool and youth work field.³

These facilitated conversations focused on achieving the following tasks:

1. Define a problem statement and effective policy design criteria, with which to evaluate various afterschool funding policy proposals
2. Review the context and existing models relevant to afterschool policy design in Minnesota
3. Assess the strengths and weaknesses of the two dominant afterschool policy design options: the Competitive Grants model and the Formula Funding model
4. Identify alternative policy options and other areas for further discussion on afterschool policy in Minnesota

Problem Statement & Effective Policy Design Criteria

Inspired by “The Eightfold Path” of policy analysis, taken from “A Practical Guide for Policy Analysis” by Eugene Bardach, and building off the previous work of Ignite Afterschool, the Taskforce first worked to create a problem statement and effective policy design criteria that would guide our evaluation of various potential public policy solutions to afterschool funding.

Problem Statement

Young people do not have enough opportunities to participate in high-quality afterschool programs across Minnesota, and there are especially few opportunities for the youth and families who would most benefit from participating in quality afterschool programs: youth of color and low-income families.

Effective Policy Design Criteria

Through a process of brainstorming, winnowing, and prioritizing the taskforce came to consensus on a set of criteria that would define an ideal policy solution for ensuring the accessibility and quality of afterschool programs in Minnesota. In alphabetical order, they are:

³ See Appendix for full list of taskforce members

1. Addresses racial and income disparities

Policy is explicitly designed and implemented to counter implicit bias and promote equity regardless of race or income level.

2. Allows flexibility to local context

Policy allows flexibility in how funds are used to meet local needs. Funds can be directed to various types of programs or system infrastructure efforts, so long as they meet local needs.

3. Based in Evidence

Policy design has been proven to work elsewhere, and – when applicable – uses research and data to inform where funding is targeted.

4. Political Feasibility

Policy proposal is capable of attracting enough bipartisan support from grassroots stakeholders and political leaders to pass into law and activate a dedicated constituency in support of it.

5. Encourages Accountability

Policy has mechanisms that enable programs to measure progress, document success stories, and be held accountable to reasonable, mutually agreed-upon indicators of progress.

6. Sustainability

Policy is structured to provide stable, long-term investments that help programs and the afterschool field build capacity over time.

7. Maximizes Existing Resources

Policy promotes partnerships and leverages existing infrastructure, systems, or resources already in place to maximize impact.

8. Shares Power

Policy proposal ensures that afterschool and community stakeholders have meaningful input into how the policy is implemented and developed over time.

9. Supports Strong Programs

Policy acknowledges the importance of fostering high-quality programs, and is structured to strengthen intentional supports for program quality and continuous improvement.

About the Afterschool Policy Alternatives

These effective policy design criteria provided the framework by which the taskforce analyzed the two most prominent afterschool policy alternatives: a competitive grant program and a formula funding approach. A survey of national afterschool policy, as well as current and historical policies here in Minnesota, affirmed that these policy alternatives were the most common approaches to funding afterschool programs. While the taskforce also explored different policy design approaches (See 'Other Policy Design Approaches' section), we spent the majority of our time applying the criteria to these two major alternatives.

About Competitive Grants

A Competitive Grant policy design establishes a pool of funds to be granted out to applicants based on a competitive process. It involves an organization or government entity putting out a call for applications, evaluating proposals based on overall strength and specific criteria, and then deciding how to distribute funding to eligible applicant organizations based on this review process.

To ground our analysis of Competitive Grants, the taskforce analyzed 8 competitive grant programs for afterschool that either exist in other states or that have historically existed in MN. Based on these existing competitive grant programs, the taskforce made the following conclusions:

- All programs were hosted by the state's department of education (or their equivalent)
- Many of them aligned with or used similar administration infrastructure as the federal 21st Century Community Learning Centers (21st CCLC) grant (e.g., shared guidelines or reporting requirements)
- Some states slightly altered their grant competitions to address state-specific gaps or incentivize certain programs that their 21st CCLC grant program was not covering.

About Formula Funding

A Formula Funding policy design approach specifies a precise formula in the legislation, and distributes funds to all eligible recipients - most often government entities – according to that formula. The formula is based on quantifiable elements such as population, proportion of population below poverty level, density of housing, or other indicators.

To inform our evaluation of Formula Funding, the taskforce looked at the Youth Service Revenue and the Youth Afterschool Enrichment Revenue that all Minnesota school districts receive to fund Community Education programs for youth. We also reviewed the Local Government Aid formula funding, which most Minnesota cities receive. These programs served as examples to ground the taskforce’s conversations, but our findings on the Formula Funding design option are general to all formula funded programs, and are not specific to these models.

Evaluating the Afterschool Policy Alternatives

The section below presents the Taskforce’s findings on the strengths, weaknesses, and overall takeaways that emerged as each policy design option was evaluated in terms of the effective policy design criteria. We evaluated the policy alternatives by going through the full list of criteria and asking, “To what extent does this policy alternative fulfill or align with this criteria?”

Based on these discussions, the key points made about each policy alternative were then labelled to indicate positive or negative alignment with the criteria. In many cases though, it was clear that whether or not the policy fulfilled the criteria would depend heavily on the specifics of how it was designed and implemented. In these cases, we indicated “More information needed” with “N”.

Evaluation Key:

+ Positive. This aspect of the policy alternative contributes to fulfilling the criteria.

(N) Neutral. This aspect of the policy alternative has potential to fulfill the criteria, but it depends largely on how the policy is designed and implemented. This score is followed by recommendations for aligning the policy design with the criteria for that row.

- Negative. This aspect of the policy alternative does not contribute to fulfilling the criteria.

CRITERIA	COMPETITIVE GRANTS	FORMULA FUNDING
Addresses racial disparities	(N) To fulfill this criteria, consider: <ul style="list-style-type: none"> Does the application assign higher priority to programs serving youth more likely to experience an opportunity gap? Do the grant application and reporting requirements create unnecessary barriers to smaller nonprofits, which often serve more marginalized youth and communities? 	(N) To fulfill this criteria, consider: <ul style="list-style-type: none"> Does the policy contain any requirements or incentives for funded organizations to adopt racial equity policies? Is the formula based on demographic indicators that will direct funds to youth of color?

CRITERIA	COMPETITIVE GRANTS	FORMULA FUNDING
Allows flexibility to local context	<p>(N) To fulfill this criteria, consider:</p> <ul style="list-style-type: none"> • Are there unnecessary restrictions on grantees’ use of funds? • Are various types of projects eligible for grant funds? (e.g., serving more youth in a programs, coordinating afterschool providers, etc.) 	<p>(N) To fulfill this criteria, consider:</p> <ul style="list-style-type: none"> • Are there mechanisms to encourage formula funding recipients to identify community needs or work with community partners?
Based in Evidence	<p>+ Because competitive grant applications can be updated with each new round of funding, this allows grant administrators to revise scoring criteria based on the latest research and data, thus targeting more funds to evidence-based programs or practices.</p>	<p>+ Because formula funds can be distributed based on economic and demographic indicators, this provides an opportunity to design a formula that targets funds towards areas where previous evidence shows there is likely to be a greater need for afterschool funds and opportunities.</p>
Political Feasibility	<p>+ Because a wide variety of organizations are eligible to receive funds, it expands the number and diversity of organizations that are potential supporters for sustaining funding.</p> <p>- Because large and diverse group of organizations are eligible and aren’t guaranteed renewal of funds, they may see funds as unreliable and be less invested in supporting grant program; particularly if program is underfunded or unequally distributed.</p>	<p>+ By directing funds to the same eligible organizations each year, Formula Funding builds a sustainable and dedicated coalition among the organizations specified to receive the funds, as well as any organizations with which they partner.</p> <p>- Because government entities are the only eligible recipients of formula funds, this excludes various stakeholders that could otherwise have been policy supporters.</p> <p>- Because formula funds are distributed across many eligible organizations (e.g., all school districts), they require a larger funding stream in order to provide significant funds to each recipient. This larger cost makes it more difficult to secure political support for funds.</p>

CRITERIA	COMPETITIVE GRANTS	FORMULA FUNDING
Encourages Accountability	+ Grant programs tend to encourage more accountability, because organizations must compete for each new round of grant funds and report regularly on progress towards outcomes.	- Without the need to reapply or regularly report on impact, formula funding models has weaker mechanisms for encouraging accountability.
Sustainability	- As Minnesota’s history of afterschool funding shows, competitive grant programs can be more susceptible to budget cuts or un-allotment.	+ Formula funds are distributed based on a preset formula, and are appropriated each year to the same set of eligible organizations. This makes them a more stable and predictable funding stream.
Maximizes Existing Resources	(N) To fulfill this criteria, consider: <ul style="list-style-type: none"> • Does the application assign higher priority to programs working in partnerships? 	+ Because formula funds go to well-established government entities such as school districts, cities, or counties, they have the advantage of building on the existing resources of these organizations. - Because these organizations often have larger budgets, directly allocating funds risks them being absorbed into the overall budget and diluting their use for new programming.
Shares Power	+ Because competitive grants have to be renewed every few years, and operate based on a Request for Proposal (RFP) that is developed by the administering agency with each new round of funding, this model provides more opportunities for stakeholders to engage with the agency to shape how the policy is implemented.	- While there is opportunity for stakeholders to provide input that shapes the initial formula criteria and the eligible entities, there are few opportunities to guide how the funds are administered once the policy is in place.
Supports Strong Programs	(N) To fulfill this criteria, consider: <ul style="list-style-type: none"> • Are any of the funds dedicated to technical assistance or professional development supports for grantees? • Does the application prioritize programs that are using evidence-based effective practices and/or engaging in continuous program improvement? 	(N) To fulfill this criteria, consider: <ul style="list-style-type: none"> • Are there any requirements for formula fund recipients to use evidence-based effective practices and/or engage in continuous program improvement?

Summary of Major Policy Alternative Evaluation

Note that these findings are not intended to be the final word in this policy discussion; they're meant to inform ongoing discussions on the best afterschool policy design approach for Minnesota. To guide these discussions, the taskforce would like to emphasize the following takeaways of our evaluation:

- This whitepaper's evaluation was applied to generalized Competitive Grant and Formula Funding policy alternatives to illustrate some of the unique aspects and trade-offs of each option. It doesn't apply universally to all policies that are based on these models.
- The policy design criteria are most useful when applied to specific afterschool policy proposals that arise, and the taskforce recommends they be used this way.
- The policy design criteria are intended to guide evaluations of afterschool policy, to identify effective policies grounded in the values of Minnesota's afterschool stakeholders. These criteria will be better evaluation guides after they are prioritized or weighted.
- Sustainability and Political Feasibility are especially important criteria, given the history of afterschool funding cuts in Minnesota, and the urgent need for increased state funding.

Other Policy Design Options

Besides evaluating the major afterschool policy alternatives, the taskforce also proposed a few other policy design approaches that merit consideration. Some of these are entirely new options, and some are "hybrid" combinations of both the competitive grant and formula funding models.

1. Combine an increase in Community Education's youth-related formula funding with the creation of grant program available to all afterschool programs. Include provisions in both the CE formula and grant program that encourages partnerships between them.
2. Explore providing formula funding to statewide or regional grant-making entities that would regrant funds to afterschool programs in their region.
3. Support reform of existing funds streams, to allow greater flexibility to be used for afterschool programs (e.g., Targeted Services or County-level intervention/juvenile justice funds).

Areas for Further Exploration

Beyond the findings we've presented here, the taskforce identified the following questions to guide further explorations of afterschool policy design in Minnesota:

- How do we balance the need for stable funding that can serve as an “anchor” for youth programming in communities across the state, while also sparking innovative new programs?
- What is the role of private funders in supplementing public funding programs?
- Afterschool looks different across Minnesota. How do we account for these differences when crafting policy?
- Beyond Minnesota's General Fund, what are other sources of revenue that could provide funding for afterschool programs in Minnesota?
- How much funding should be dedicated to quality system building, and what is the vision for how those funds will be used to support quality and continuous program improvement efforts?
- How can we map out the funding streams across Minnesota that go to Out-of-School-Time or youth programming in a broad sense?

Conclusion

This whitepaper isn't meant to end the discussion on effective afterschool policy for Minnesota; it's meant to inform and frame ongoing discussions about how policy alternatives align with the values and goals of Minnesota's afterschool community. Ultimately, Minnesota's afterschool leaders will have to decide how to weigh these criteria as they shape the design and implementation of an afterschool policy proposal that will work for all of Minnesota's youth and communities.

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