Strategic Financing Toolkit for Tested, Effective Programs

Evidence2Success

THE ANNIE E. CASEY FOUNDATION

Contents

I. Introduction

This toolkit presents a strategic finance planning process that will help public system and community collaboratives to clarify what it is you want to finance, to understand the alignment of your current investments with your financing goals, and to identify financing strategies that will achieve your goals. The strategic financing process is a key step in a partnership effort and begins with careful review of data and research to identify the programs and services that will most effectively achieve shared outcomes. This process and toolkit have been developed by Mainspring Consulting to support Evidence2Success, an initiative created by the Annie E. Casey Foundation and partners, and meant to help public and community leaders identify the resources they need to start up, scale and sustain tested, effective programs that lead to positive outcomes for children and families.

What is a tested, effective program?

A tested, effective program, also known as an "evidence-based program," has undergone rigorous testing and its effectiveness has been demonstrated by a convincing set of persuasive evidence. A tested, effective program can answer the following questions:

- Impact: How much positive change in developmental outcomes comes from the program?
- Intervention specificity: What is the target population, the outcome and risk and protective factors that are addressed by the program? What is the theory of change or logic model that explains how the change comes about?
- Evaluation quality: Is there confidence in the program's evaluation?
- System readiness: Is the program ready for implementation at scale?

This strategic financing approach is drawn from the Annie E. Casey Foundation's experience and long-standing commitment to improving the lives of children and families. Most recently, with the Evidence2Success model, the Foundation is partnering with communities to thoughtfully shift their investments to tested, effective programs. Evidence2Success implementation has demonstrated how critically important it is for community and public agency leaders to take a strategic approach to financing to improve outcomes for children in their community.

II. Toolkit Overview

ABOUT THIS TOOLKIT

This toolkit describes five critical questions you should answer in developing a strategic financing plan:

1. What are your financing goals?
2. What financial resources do you need?
3. How are you currently investing resources?
4. What financing strategies will support your goals?
5. How will you work together to secure needed resources?

Each question includes a brief overview, steps for answering the question, notes on processes for completing the step and a list of helpful worksheets and resources. These steps will help you take a comprehensive look at how your community can make smart investments in effective programs and services that will improve the well-being of your children. The worksheets for each step, once completed, can serve as your strategic financing plan.

The strategic financing process presented in this toolkit was developed as one component of a comprehensive partnership engagement process within Evidence2Success that includes:

- developing partnerships between public agency and community leaders;
- using data to establish shared priorities;
- identifying tested, effective programs that are well targeted to the populations you are serving; and
- implementing those programs effectively.

The finance tools will be most effective if used alongside other Evidence2Success tools and resources, which are linked throughout the toolkit.

WHO SHOULD USE THIS TOOLKIT?

This toolkit will be most helpful to cross-sector collaborative efforts that are working to improve community-wide child outcomes. This strategic approach to financing is best suited for public and community leaders committed to the following:

- Conducting a collaborative decision-making process that includes public and private partners

- Ensuring that desired child well-being outcomes determine program priorities and drive financing decisions
- Incrementally shifting investments from deep-end treatment to early intervention and prevention
- Developing a diverse and coordinated portfolio of financing strategies that will support tested, effective programs over time
- Making and reporting transparent decisions to demonstrate how funds are spent and what results they yield
- Sharing accountability among public and community leaders for improved outcomes

Within such collaborations, a finance workgroup or committee should be established with representatives from each partner agency. A lead staff person should be designated to facilitate the workgroup's planning and implementation. To be effective, the finance workgroup should include leaders who are responsible for allocating key funding streams and/or who make programmatic, policy and budget decisions about key services in the community. This team will work together to develop, monitor and adjust a strategic financing plan.

Why Strategic Finance Planning Is Critical to Collaborative Efforts

1. **It ensures current funding is being used effectively**. A strategic finance planning process doesn't focus solely on finding new funding. It looks at current expenditures and ensures that what resources you already have are being used for programs and services that get results.
2. **It reinforces commitment to shared outcomes**. Strategic finance planning shifts the focus of funding from buying or purchasing units of service to providing quality, well targeted support that improves the lives of children. Within the context of a collaborative, strategic finance planning can help ensure multiple partners agree on the outcomes they are working toward and the strategies or their individual contributions that will achieve those outcomes.
3. **It builds trust among partners**. Throughout a strategic finance planning process, partners discuss and question how their resources are invested and whether those investments are getting the outcomes intended. These open, frank conversations build trust and lay the foundation for success.
4. **It clarifies roles and responsibilities for finding funding**. Working together on a financing plan helps to ensure that all of the partners are contributing to the identification and development of resources to support the work.

WHEN SHOULD STRATEGIC FINANCING PLANNING OCCUR?

Strategic finance planning is an ongoing task. After the plan is formulated, implementation requires consistent oversight and adaptations. It is helpful, however, to take a step back and engage in comprehensive financing planning about every three years or at key points in the life cycle of an initiative or program.

Here are three important times to engage in strategic financing planning:

- Partnerships change and there is a need to review roles of partners in financing work.
- Significant short-term grant funding creates a need to plan for sustainability beyond grant funds.
- Partners are seeking to significantly change programming or add new programming.

III. Five Steps to Developing a Strategic Finance Plan

STEP 1. WHAT ARE YOUR FINANCING GOALS?

Overview

Strategic finance planning begins with a commitment to improved outcomes for children. In this first step, you and your partners will come together to identify your priority outcomes and identify tested, effective programs or services that will achieve these shared outcomes. You will also determine the scale at which you will implement the programs or services to achieve intended goals.

Data play a critical role in this step. Data from your community should help identify what outcomes are most important to achieve and what scale you will need to reach to improve those outcomes. Data on existing programs should help determine if these programs have demonstrated their effectiveness or if new programs or services need to be identified. Clearinghouses on evidence-based programs can help ensure that you have the right programs or services aligned with the outcomes you want to achieve and the target population you want to serve.

Once you've selected your tested, effective programs or services, your financing goals can be set. The goals may include starting a new program or service or sustaining and scaling existing programs and services. In addition to identifying direct program costs, you will need to identify the infrastructure and funding needed to support collaborative work and quality implementation of a tested, effective program, such as supports for data collection, coordination and planning, technical assistance, program monitoring and implementation.

Steps for Defining Your Finance Goals

- **Identify priority population-level outcomes and related indicators.** Before determining your priority outcomes, you should review data from across a variety of outcome areas to help determine greatest need and target outcomes. (*See the Evidence2Success Youth Experience Survey in the Resources section for a data collection tool that provides information on risk and protective factors and key developmental outcomes*.) Once you determine the priority outcomes, you will need to identify the indicators, or measures, that you will use to demonstrate progress toward improving those outcomes. Ensure the indicator data that you select are currently available or can be readily collected.

- **Define your target population.** You will need to clearly define for whom you will achieve the improved outcomes. Do you want to see changes within a whole population, such as all children in a school or all children in a particular neighborhood? Or will you target a subset of the population with particular risk factors, such as children with a history of chronic absenteeism?

- **Identify the programs and services you will implement.** It is critical to provide the right program to the right people. The programs and services you identify should have evidence demonstrating that they will achieve your intended outcomes for your target population. The right program may be something you are already implementing. Review data to determine if existing programs and services are achieving the outcomes you desire. If not, a variety of clearinghouses can help you find tested, effective programs based on outcomes and target populations. Evidence2Success uses the Blueprints for Healthy Youth Development database.

Levels of Intervention

As you identify the programs you want to finance, consider whether you are including programs that will prevent problems and avoid costly remediation later. The Evidence2Success tools integrate the following prevention science framework to help leaders consider whether finance goals include a balanced portfolio of prevention programs.

1. **Universal Prevention:** Includes interventions that focus on an entire population (national, local community, school district) and aim to prevent or delay social, emotional, health and mental health problems. Example: a substance-use prevention program provided to all middle school children in a school district.

2. **Selective Prevention:** Includes interventions that focus on groups with above-average risk of social, emotional, health or mental health problems. Interventions might be targeted to subgroups or the general population because of characteristics such as age, gender, family history or economic status. Example: a prenatal and parenting program targeted to low-income parents.

3. **Indicated Prevention:** Includes interventions that involve screening used to identify individuals who exhibit early signs of problem behaviors. Example: a violence prevention program targeted to juveniles who have committed a first-time, minor offense.

The Blueprints for Healthy Youth Development website classifies programs according to these levels of intervention.

- **Estimate eligible population.** You need to know the number of youth or families that make up your eligible population to estimate desired reach and determine your finance goals. The eligible population is the total number of children and families within the community you are serving that meet the eligibility criteria for your selected programs. If you plan to finance a universal program, you will need to get data on the total number of children in the community or geographic area in which you are focused. For selective or indicated programs, you will need to estimate the sub-population that meet the eligibility criteria for the program. For programs that target a population based on demographic characteristics (for example, Nurse Family Partnership serves first-time, low income mothers), resources such as U.S. Census data or the KIDS COUNT Data Center (see Resources) can help estimate your target population. For programs targeted to populations that exhibit particular risk factors, the Youth Experience Survey is ideal for estimating target population because it measures risk factors.

- **Determine the scale you want to achieve.** You will need to determine how many children you need to reach within your target population to make the difference you desire. For universal programs, you should aim to serve as much of the target population as you can reach. A reasonable benchmark for your scale goals is 90 percent of your target population, knowing that 100-percent reach is not typically feasible. For selective or indicated programs aimed at addressing or preventing problems in a specific subpopulation, it is likely helpful to talk to the developer of the program regarding what level of reach within the target population could achieve change in outcomes.

- **Agree on infrastructure required to support and sustain quality implementation over time.** In addition to defining your program goals, you should define the infrastructure functions that are necessary to ensure ongoing collaboration and quality implementation of programs. Defining the key activities and staffing required to coordinate with partners, review data and adjust priorities, communicate effectively and support quality implementation of programs will help to ensure that you budget for and raise the resources to support these functions.

Process Tips for Defining Financing Goals

Because this step sets the strategic direction for all subsequent finance planning, it is critical that you engage a broad group of stakeholders. In the Toolkit Overview we noted that you should create a finance workgroup within your larger collaborative structure to focus on developing a financing plan. Depending on the makeup of your finance workgroup, you may want to expand and include others such as your board and/or leadership from across community and public agencies. Representatives from the communities you seek to help should also be included in these decisions. Young people who are part of or were part of the targeted population, as well as members of their families, can provide invaluable perspectives that will help you identify needs, clarify your target population and select programs or services that fit the local culture and context.

Worksheets to Help You Define Financing Goals

- Strategic Finance Goal-Setting Worksheets — This set of worksheets provides a format and basic instruction for defining outcomes and programs as well as infrastructure goals.

Resources

- **Evidence2Success Youth Experience Survey —** The Youth Experience Survey (YES) is a self-report survey that Evidence2Success communities administer in middle and high schools. YES data, interpreted by community and public system representatives, can help drive key decisions about priorities and programming choices and can be used to gauge progress in improving community-wide outcomes over time.
http://www.aecf.org/m/blogdoc/aecf-yesoutsidee2s-2016.pdf

- **Blueprints for Healthy Youth Development —** There are a variety of clearinghouses and databases that identify evidence-based programs and practices. Evidence2Success uses Blueprints because this database identifies evidence-based programs across a variety of child and youth well-being outcomes, and provides information on program implementation, target population and funding. It can be searched by the risk and protective factors and outcomes utilized in the Evidence2Success Youth Experience Survey. http://www.blueprintsprograms.com/

- **Target population resources —** In addition to the YES, which can be used to estimate target population based on risk factors, the following resources can help determine or estimate the target population based on demographic factors.
    - **The United States Census Bureau** provides population data at the state, county and metropolitan level. https://www.census.gov/
    - **The KIDS COUNT Data Center** is a source for data on child and family well-being in the United States. You can access hundreds of indicators, download data and create reports and graphics. http://datacenter.kidscount.org/

STEP 2. WHAT FINANCIAL RESOURCES DO YOU NEED?

Overview

Once you have defined what you will finance, you need to determine what resources are necessary to achieve your goals. In this step, you will break down broad scale targets into three-year goals and develop detailed yearly budget projections for program and infrastructure costs. Then you will calculate your budget gaps — the dollars you need to raise to support your scale goals — by subtracting the resources you have already secured from your total budget projections.

Steps for Identifying Needed Resources

- **Develop three-year scale goals.** To have the reach you desire, you will likely need to scale up programs incrementally. Take your overall scale target and set realistic yearly goals for how many children you can serve with the program or service. Factors to consider include the time needed to train or hire staff, rework contracts or generate funding.
- **Develop detailed budgets for implementation by year.** Based on the program and infrastructure needs you identified in Step One and your yearly scale goals, you can now estimate what it will cost to implement the programs or services. Consider the cost to implement each task, including the number of FTEs associated with completing the task. (*See Evidence2Success Scale and Budget Worksheets below.*) Keep in mind that projecting costs for years 2 and 3 may be more difficult, but that the goal is to have general budget estimates.

- **Consider costs for moving from current practice to new practice.** Implementing new practice incurs costs such as training staff, relocating staff, or new data collection systems. Be sure to take these costs into account as you estimate your yearly budget for implementation. These costs are often highest in the first year or two of implementation.
- **Learn what is — and is not — included in purveyor fees.** National programs vary significantly in what they include in their purveyor fees. Some programs may include fidelity monitoring, implementation support and use of national data systems in their fees for the first couple of years. These costs should not be duplicated in your infrastructure costs if they are covered by the direct program costs.
- **Record funds already secured and identify gaps.** Once you have identified the budget, you can record what funds are already available to support implementation, such as funds for training staff, data analysis or cross-system collaboration. You can then calculate your funding gaps and have a bottom-line number for resources needed.
- **Convene the finance workgroup to review estimates.** The finance workgroup will need to convene to review and agree on the scale and budget projections, and to understand what funds are already secured and what are the remaining gaps.

Process Tips for Identifying Needed Resources

While it is important to consult with a variety of stakeholders to develop budget projections, it is very difficult to put together budgets as a group process. Ideally, whoever is acting as the lead for the finance workgroup can work directly with partners to obtain the information needed and put together the three-year scale and budget projections. These initial estimates can then be taken to the finance workgroup for review and gaps analysis.

Worksheets to Help You Identify Needed Resources

- **Scale and Budget Worksheets —** This series of worksheets can help to generate:
  - Three-year program scale estimates
  - Program-specific budget projections
  - Infrastructure scale and cost estimates
  - Total three-year costs and funding gaps

Download instructions for the Step 2 worksheets and then access all five worksheets.

Resources

- Blueprints for Healthy Youth Development **—** The Blueprints database includes information on program and infrastructure costs, including what is included in purveyor fees.

STEP 3. HOW ARE YOU CURRENTLY INVESTING RESOURCES?

Overview

With a clear understanding of the resources needed and already secured, it is important to look critically at how dollars supporting services for families and children are currently invested in your community. In this step, you will bring together information from across public and private funding agencies and departments to shed light on what funds are invested in programs and services related to your outcomes and how effective those investments are. Collecting this information will help each of your partners to consider whether there are opportunities in either the short or long term to direct dollars from their budget toward your shared financing goals.

Looking critically at how resources are currently spent and advocating for shifts in funding is, of course, a politically charged process. This process is most successful when taken on by a strong partnership jointly committed to funding shared program goals together. The review of current resources should focus on helping all of the partners understand the current landscape of funding supporting programs and services in your community, identifying opportunities for better coordination and alignment and for each partner to identify where there are opportunities to support the financing goals in the short or longer term.

Steps for Reviewing Current Investments

- **Hold an initial meeting to agree on data collection approach.** A critical starting point is to get buy-in and agreement from key leaders on the approach to collecting and analyzing fiscal data. At an initial meeting with leadership, reach agreement on:
    - the organizations and agencies that will collect fiscal data for which programs or services;
    - the level of data to be collected (state, region, county, city);
    - the population for which data will be collected;
    - the fiscal years for which data will be collected;
    - the analyses to be run; and

    - a timeline for data collection.

    (*For more information on these issues, see the Fund-Mapping Data and Analyses Worksheet below.***)**

- **Identify fiscal and program leads for each funding agency or organization.** A lead contact should be identified within each agency or organization that is collecting data. These leads will coordinate data collection and also help interpret the data once collected and analyzed.
- **Vet analyses with each agency before sharing.** Once initial analyses are run, the reports should be shared with each organization or agency that provided data. They need the opportunity to review analyses containing their data to ensure it is accurate and approve sharing with others.
- **Engage finance workgroup in final analysis.** After the analyses have been vetted, the finance workgroup can come together to discuss the findings about current investments and use those data to begin to determine what financing strategies to use.

Process Tips for Reviewing Current Investments

This step requires bringing leadership together to reach agreement on which agencies and departments will share data and on what programs and services. Ideally, you should collect data from public and private funders making investments in your community, rather than from individual service providers. Funders can share information on the range of contracts and investments they are making. This will generally be more efficient and less likely to result in double counting than collecting information from individual nonprofit agencies. A lead staff person from each funding agency or organization will need to be identified and tasked with collecting the necessary information on existing investments. The finance workgroup lead can coordinate and follow up on data collection, and can compile and analyze the data to share back with the full finance workgroup for review and discussion. Because collecting information on existing resources can take significant time, you should begin work to collect data on current investments at the same time that you begin work to define your finance goals. This will help to ensure that you have information on current investments ready to review at the point in finance planning when you have estimated your resource needs.

Worksheet to Help You Review Current Investments

- Fund-Mapping Data and Analyses Worksheet **—** This document contains a template with basic data fields included in the Evidence2Success fund-mapping process, instructions and useful analyses to review.

Resources

- Introduction to the Evidence2Success Fund-Mapping Tool **—** This brief document provides an overview of the goals, processes and key analyses included in fund mapping in Evidence2Success.

- **Evidence2Success Fund-Mapping Tool** — Fund mapping is a process that helps public agencies collect data on how their funding is invested and helps to align those investments with priority outcomes. It is particularly useful when collecting data across multiple agencies. The Casey Foundation's Evidence2Success initiative is piloting a web-based fund-mapping tool that enables multiple agencies to enter information into a single database and quickly run cross-agency analyses once data is entered. The next round of Evidence2Success communities will be selected in 2017. More information about Evidence2Success can be found at www.aecf.org.

STEP 4. WHAT FINANCING STRATEGIES WILL SUPPORT YOUR GOALS?

Overview

In Step Four, you are ready to identify the financing strategies that will generate dollars to support your work. To begin, the finance workgroup will review a full range of financing strategies and, given the information collected in prior steps, identify those strategies that offer the greatest opportunity in your local context. Which financing strategies are most appropriate will depend on your outcomes, populations and the tested, effective programs or services that you have selected. Keep in mind that financing strategies that support the initial implementation may look very different from the more ambitious, systemic, long-term strategies that will take a program or service to scale.

Financing Strategies to Support Tested, Effective Programs

The following framework of financing strategies was developed to guide finance planning with Evidence2Success partnerships, which typically include public agency leaders. These financing strategies are best suited for collaborations with significant engagement from public sector leaders.

- **Improving use of existing funding** — There are significant funds already invested in programs for children and families. If current investments are not aligned with your goals and/or are not producing good results, opportunities exist to make better use of current funding. Leaders can consider redirection, which shifts funding from lower priority services to higher priority services, and reinvestment, which shifts funding from higher-cost services to lower-cost services and reinvests the savings.

- **Allocating state or local funds** — States and localities have significant discretion in how they set funding priorities, with budget decisions typically made at the legislative level with input from public agencies. Leaders can prioritize or "earmark" certain funds to support programs with an evidence base. They can also incentivize the use of tested, effective programs in contracts and grant awards.

- **Maximizing federal funds —** Federal funding is a sizable portion of total resources available to support children and families. There are multiple approaches to consider:
  - <u>Maximizing entitlement programs that provide support for specified services for everyone who meets eligibility requirements.</u> Important entitlement programs include Medicaid and Title IV-E, which funds child welfare. Public agency leaders can maximize funding by ensuring all recipients are enrolled, by expediting enrollment processes, by effectively capturing and billing for services, by expanding categories for services under state plans and by identifying all state and local spending that qualifies for federal reimbursement.
  - <u>Directing formula and block funds, which are allocated to states and/or localities based on set formulas.</u> State and/or local leaders have flexibility in allocating the funding within broad federal guidelines, and generally develop a plan for how they intend to use the funds.
  - <u>Applying for discretionary grants from federal agencies.</u> Funding through competitive grants goes to eligible applicants, such as state or county agencies, local education agencies, community-based or faith-based organizations, as well as community partnerships and collaboratives. These grants are highly competitive, but can provide direct and sizable funding often for periods of three to five years.
- **Public-private partnerships** — Public-private partnerships are collaborations between public agencies, private investors, businesses and private organizations in support of agreed-upon goals. Successful public-private partnerships establish clear goals for collaborative action and tend to be supported by skilled conveners. Such partnerships can leverage private contributions that fill in gaps where no public funds are available.
- **Debt financing** — Debt financing entails accessing low- or no-cost loans to support implementation or administrative functions. These loans require repayment, but most are structured with favorable term lengths and below-market interest rates. Debt financing is best aligned with financing large one-time capital costs, or can be used as operating capital for a program that has a reliable revenue stream.
- **Social impact bonds** — A social impact bond is a relatively new financing model that forms a contract between a private investor and a public agency in which the investor agrees to pay for improve social outcomes. Social impact bonds can attract new private investment for prevention and early intervention services and can incentivize service delivery focused on outcomes. To succeed, the intervention supported by the bond must have sufficiently high net benefits to allow investors an opportunity to earn a return as well as have clear and measurable outcomes.
- **Generating new revenue** — State and local leaders can create mechanisms to generate new revenue and to set it aside for specific populations or services. Generating new revenue streams

can take a variety of forms, including creating special taxing districts, special tax levies or prevention-focused taxes or fees.

(See Evidence2Success Financing Strategies and Structures white paper for more detailed descriptions of each strategy and related case studies.)

Steps to Identify Financing Strategies to Support Your Goals

- **Start by considering the full variety of possible financing strategies**. Your long-term success will depend on a diverse set of financing strategies. Some strategies may suit your effort than others, but it is important to consider many options before determining what will work best in your situation.

- **Learn from other communities.** Clearinghouses, such as Blueprints for Healthy Youth Development, share information on how others are currently funding the programs or services. Contact other communities to find out more about how they achieved their financing goals.

- **Prioritize among the financing strategies you have considered.** As you review possible finance strategies, gather information that will help your partners to prioritize, including which of your programs and activities the strategy can support, the projected revenue the strategy will generate, the time frame to realize revenue, whether revenue would be a short-term or ongoing source of support and the political implications of pursuing a particular financing strategy. (*See Evidence2Success Finance Strategies Worksheet below.*)

- **Develop short-, medium- and long-term strategies.** It is important to identify strategies that meet different needs, such as the start-up of a program versus taking a program to scale. Keep in mind that strategies that take programs to scale often involve public systems and require legislative, regulatory or practice change, which take longer to implement. These types of shifts in funding may be incremental in nature.

- **Keep all partners engaged**. Most funding for programs and services for children comes from public sources, which makes public partners critical to the strategic financing process. However, community members also play a vital role in the selection and design of financing strategies. Their perspective, influence and role as partner allow for more financing options to be considered and utilized.

Process Tips for Identifying Finance Strategies to Support Your Goals

Identifying the finance strategies you will implement will likely take several meetings. At a first meeting focused on financing strategies, your finance workgroup can review a full range of financing strategies and identify strategies of interest, additional information needs and responsibilities for gathering needed information. Subsequent meetings can focus on reviewing detailed information for each strategy and prioritizing those that represent the best opportunities for your work. For this step it may be helpful to enlist outside expertise at the state or national level to help you consider various options. Federal, state and local funding streams are increasingly focused on supporting evidence-based programs and services. New opportunities regularly arise. It may also be helpful to connect with leaders from other communities who are funding similar efforts to hear their insights.

Worksheets for Identifying Finance Strategies to Support Your Goals

- Finance Strategies Worksheets — These worksheets walk through the process of gathering key information on a range of finance strategies and prioritizing those strategies based on what is most feasible and promising in your state and local context.

Resources

- Evidence2Success Financing Strategies and Structures — This brief provides an overview of strategic financing for Evidence2Success communities, including descriptions and case studies of financing strategies and structures that public system, school and community leaders can consider.

STEP 5. HOW WILL YOU WORK TOGETHER TO SECURE NEEDED RESOURCES?

Overview

Once your financing strategies have been identified, it is important to create a plan for how you will pursue financing strategies and secure needed resources. The financing strategies you selected should include short-term approaches such as applying for a particular grant, and longer-term strategies such as working with the state legislature to allocate dollars. You will develop a work plan that sets clear goals for each strategy, including timelines and responsibilities among the various partners. You will also need to put in place processes to support ongoing decision making, data collection and reporting to ensure your strategic financing plan is used and is regularly updated to reflect a dynamic funding environment.

Steps to Working Together to Secure Needed Resources

- **Develop a work plan.** Your work plan should outline how you will implement each of your financing strategies. Identify each step necessary to achieve your goals, list who will be responsible for the step and set target completion dates. Be sure to list any questions that come up as you develop the work plan.

- **Support ongoing fiscal data collection and reporting.** The finance workgroup should determine an ongoing process and timeline for fiscal data collection. Consider developing a memorandum of understanding outlining the commitment of each partner to share data on a regular basis. And while tracking of outcome data is another topic that deserves its own attention, keep in mind that strategic financing requires analysis of both outcome data and fiscal data. Fiscal data should be reviewed alongside outcome data to ensure that the resources result in intended outcomes.
- **Establish processes for ongoing communication and coordination on funding opportunities.** The funding environment is dynamic and new funding opportunities will continually arise. Establish mechanisms within the finance workgroup for regular sharing of information about funding opportunities and decision making about whether and how to pursue those opportunities.
- **Monitor and update your work plan.** Once you have developed a work plan, you should regularly track the efforts of those responsible for tasks on the work plan and add new responsibilities and activities in response to new funding opportunities that arise.

Process Tips for Working Together to Secure Needed Resources

The finance workgroup will oversee implementation of the strategic finance plan, with regular reporting to overall leadership. It is important to engage the members of your workgroup in setting goals for pursing financing strategies and taking responsibility for moving strategies forward. Developing this work plan can occur at a meeting of your finance workgroup once finance strategies have been selected. This will help to ensure shared accountability for developing funding and that you take advantage of the various networks and expertise of members of your workgroup. Development of the work plan will mark the transition from your more intensive strategic financing planning process to less frequent meetings to track progress toward your financing goals and make adjustments as needed.

Worksheet for a Strategic Financing Work Plan

- Strategic Financing Work Plan Worksheet

IV. Conclusion

Developing a collaborative strategic financing plan will help partners to make the most of limited resources by avoiding duplication and aligning resources toward shared outcome and program goals. Once developed, a strategic financing plan must be a living document. The plan should inform the work of leaders on an ongoing basis and be updated regularly to reflect changing priorities, funding opportunities and policy context. Most importantly, a strategic financing plan should reinforce and support partnerships among public and community leaders and help leaders to use resources most effectively to improve well-being for children and their families.