

**Portland Children's Levy
Allocation Committee Meeting Minutes
February 10, 2015 2:00 p.m.
Location: Portland City Council Chambers**

*The full record of the meeting may be viewed on the Portland Children's Investment Fund website:
www.portlandchildrenslevy.org.*

Attending: Mitch Hornecker, Dan Saltzman (Chair), Serena Stoudamire-Wesley, Julie S. Young; absent: Deborah Kafoury

Welcome/introduction of Allocation Committee and Children's Levy staff

Approval of minutes from September 8 meeting

Young: So moved

Stoudamire-Wesley: Second

Vote: All in favor.

Public Comment – none

Revenue Forecast

Pellegrino: The City Economist has informed us that we are likely to have an additional \$8.1 million available for grants over the current fiscal year and the next two fiscal years. We will discuss how to allocate those funds at a future meeting. There is agreement among the Allocation Committee members that we they prefer not to run another RFI (request for investment) process.

Saltzman: I agree that we should not do another request for investment. I would like staff to propose some ways to use the grant funds for this committee to consider.

Young: I concur. I understand that providers would have some input into what we fund.

Pellegrino: Providers will have the opportunity for input at the meetings. We have granted "extra" funds in the past without a new RFI.

Hornecker: I would like us to revisit some of the decisions made at the end of the last funding round where a shortage of funds influenced our choices.

Stoudamire-Wesley: I agree with the previous comments.

Saltzman: We will have staff provide some options for how to invest the funds at a future meeting.

Pellegrino: We could take a couple of meetings to make those decisions. We will bring a suite of options for your consideration.

Hornecker: When we say we are not going to go out for a new RFP, does it mean we might fund some new programs?

Pellegrino: I am thinking of a childcare initiative that we funded in the past as an example. We will provide you a variety of options.

Goals, Strategies and Accountability Framework

McElroy: I am going to help us reflect on the goals we set in our funding process and how we are going to deliver on those goals.

In our funding process, you adopted goals for the levy and strategies in each program area to achieve those goals. Goals and strategies were informed by extensive public input; review of local data and national research; and best practices.

1. Grant Service Goals: grant agreements specify the number of children to be served; specific service activities and amounts. We will monitor these figures to assure grantees are fulfilling their obligations.
2. Demographics of Clients Served: research and local data indicate significant correlation between children's demographics and their outcomes. Demographic data helps us gauge how well Levy programs are reaching children with greatest barriers to positive outcomes, including children of color and children living in poverty.
3. Client Participation in Services: agreements specify participation expectations based on what activities are likely to produce program outcomes; we monitor these to assure clients are participating at levels that can lead to positive outcomes.
4. Client/Program Outcomes: agreements specify the outcomes the programs intend to have with clients as a result of services. Most contracts have multiple outcomes. We will monitor whether programs achieve their intended outcomes.
5. Program Staff Turnover: Staff turnover can have a negative impact on programs; they can be hard on families in relationship-based services and costly for programs to hire/retrain. We will look at turnover trends and minimum impact on services.

Data collected from grantees will be used in three ways:

1. individual grantee contract monitoring
2. performance of all grantees in program area
3. performance of the levy

Use of this data is how we will seek to provide continuous quality improvement.

Pellegrino: We do not have particular metrics oriented toward cultural responsiveness. That is something we are seeking to add.

Investment Expectations, Results and Implications: 2009-2014

Pellegrino: We have typically reviewed data on a variety of metrics annually and presented this data to the committee at a public meeting. Last year, because of the demands of the funding process, we created the data report, but did not present it. This year, we thought it would be helpful to create a 5 year report for the 2nd Levy as a whole so that we could assess performance over time.

The annual report will be available on the Children's Levy website when it is complete.

Here are the highlights of the report:

Service Provision

- Goals were met and grantees served more children/caregivers than obligated to serve

Investment Goals

- Increasing investment in CS programs: successful – moved from 24% at end of first levy period to 31% for totality of 2nd Levy
- Increasing investment in services available in East Portland; don't know if we increased because we didn't track zip codes in first Levy period; but we know that 38% of those served lived or went to school E of 82nd while only 25% of Portland population lives in East Portland

Demographics: lots of detail here. Headlines are as follows:

- Young children (0-8) comprise more than 50% of the service population
- 64% of children served were of color; compared to 50% of the school population in the city are children of color
- Served greater proportions of all races/ethnicities other than white and Asian than these groups compose in the population of school children in Portland.
- Gaps in some program areas with some communities of color, most of which we hope will be addressed with investments made in the most recent funding round

Program Participation

- Headline is that over time early exits decreased and the percentage meeting the minimum participation threshold increased. The trend is good.
- Some variation in early exit rates between program areas – see report for more detail.

Outcomes

- Grantees are meeting a high percentage of the outcomes set in contracts: 5 year average is 88% of outcomes met and annual percentages have been fairly stable.

Staff Turnover

- Tracking this data has shown that we can expect a turnover rate across all levy programs that's between 15-20% annually.
- High turnover rates in Foster Care and Child Abuse Prevention and Intervention is a focus for improvement in the current levy period

Hornecker: Regarding staff turnover, I would like to see a more careful look at the data. Have you drilled down enough to know whether this is a fair estimate of where top performers are?

Pellegrino: We do look at each grantee individually and compare it to the program area and the levy-wide averages. Having seen this rate stay steady, we expect that getting much below 15% in this area.

Hornecker: Assuming a bell curve, I would like to see what our top 20% look like as an example to the other 80% of something to strive for, rather than holding up the average as the target.

McElroy: We might need to compare within program areas, rather than levy wide.

Hornecker: You all know best which groups to compare. I think we should be driving toward the best, not the average.

Pellegrino: In this case, we are not comparing all human service providers. So, average performance levels in this group might not be in a bell curve. We are concerned, as you are, about how to support organizations in lowering staff turnover.

McElroy: We are already doing something that feels fairly demanding on the grantees. The idea of moving to a more technical set of requirements is a concern. That does not mean that we should not do it.

Pellegrino: You will see the data by organization when we publish the report. In the most recent group of grantees, we do not have organizations with multiple areas of concern. Some grantees have one or two areas at most.

McElroy: During this levy period, we are paying close attention to what outcomes we are tracking. We are working with grantees to improve our outcome monitoring.

Stoudamire-Wesley: I would like to hear stories from folks who are impacted by levy programs.

Broderick: We do have many of those stories on our website, our newsletters and social media.

Pellegrino:

Equity Lens

- We are planning to use the organizational equity assessment tool developed by All Hands Raised collaborative. For example, disaggregating demographic data. We need to decide what level of burden to place on grantees in exchange for better information. We are planning to require disaggregated data.
- Going through this analysis on 3 of the 9 areas in which organizations assess themselves brings up many issues for consideration:
 - what goals we set and how we set them,
 - which data we track and ask grantees to track,
 - how we evaluate the impact of our investments on communities of color, and
 - the type and frequency of communication with communities of color
- Staff intends to convene grantees and involve the committee in discussions on practice changes in these areas as we monitor our current investments

Stoudamire-Wesley: I would like to be able to attend some of those meetings.

Pellegrino: We will invite you when they occur.

Data and Analysis from 2014 Funding Round

McElroy: When we last met in September, we had not yet compiled all the data about the recent funding round. We now have that information.

There were 122 total applications submitted from 62 applicant organizations. Among all applications submitted, 48.4% were funded. Only 39.4% of total dollars requested were awarded (\$83 million requested; \$32 million awarded).

Applications for culturally specific programs received a higher portion of the total dollars they requested than applications for mainstream programs received for the total they requested. Of the \$27 million requested for culturally specific programs, 43.9% of that amount was awarded. Of the over \$55 million requested for mainstream programs, 37.2% of that amount was awarded.

High scoring applications (those scoring 86 or higher) comprised 80% of applications funded

Hornecker: Has that been true historically. I would also like to see the performance of organizations we funded compared to their application scores. Given that there are challenges in evaluating programs. However, we can shake it out, it would be valuable to see how they performed. If scoring does not equate to performance, what is the point.

McElroy: We can get you some data that compares performance and scores on applications.

Hornecker: I will ask for data and am open to the possibility that it may not be valuable. Of the programs we picked that scored low, a high percentage had been funded previously. I would like to know whether we are funding programs for reasons other than their scores.

McElroy: Where we had a track record on a program, staff may have recommended that program. We will do our best to get that kind of data.

Lastly, applications from programs funded by PCL in FY13-14 were funded at higher rates than new programs (i.e. applications for services not funded by PCL in FY13-14).

There was an error in statistics we gave you in September. We reported then on portion of funds invested in program areas and strategies compared to allocation goals. We looked at the goal of investing in Culturally Specific services. We reported then that 33% of funds went to Culturally Specific programs. That was an error; we mistakenly left a CS grant out of the calculations (large one) and changes the total to 37% of dollars awarded were to CS services.

Hornecker: I recall that we struggled to find programs that met the definition of therapeutic programs in the child abuse prevention and intervention area. What might we do to improve that area?

Hansell: As you know that was a new strategy area. The Committee debated the level of that goal. We heard in input that there was a great need. There is complexity about who should pay for these types of services. Especially with health care reform.

Stakeholder Feedback on the 2014 Funding Process

Hansell:

As part of PCL's commitment to continuous quality improvement, we've requested feedback on the 2014 funding process from 4 stakeholder groups: Allocation Committee Members, Reviewers, Community (including Applicants), & PCL Staff

September Allocation Committee Meeting

- Staff presented some reflections on what worked and what could be improved about the funding process.
- A summary of some of the reviewer comments was included at that time as well.

Additional Feedback Requested

- Survey to community members and applicants (about 1,000 people)
- Individual interviews with Allocation Committee members

Report

- Staff analyzed the feedback received from these 4 stakeholder groups and summarized the information by theme in the Stakeholder Feedback report.

Before sharing themes, there are some things I'd like you to keep in mind regarding the surveys:

- Surveys – good response rate from reviewers (89%); poor response rate on the electronic survey from community (7%)
- Limitations of surveys: there is no opportunity for follow-up questions (e.g. clarify narrative comments, understand why a particular rating was selected)
- Community/Applicant survey data should be interpreted with caution because of the small number of respondents and potential bias
 - o Almost all (97%) responses to the community survey were from Applicants
 - o Many unknowns:
 - # of different organizations represented
 - whether multiple people from the same organization or program responded
 - whether respondent's applications were funded or not

To obtain richer feedback in the future, PCL may want to consider hiring a 3rd party to conduct a qualitative review and to interview specific groups of stakeholders.

Key findings (areas that may warrant modification):

Since not all stakeholder groups were asked the same set of questions and different methods were used to gather feedback, there weren't many common themes.

However, the feedback identifies 3 key areas of the funding process that may warrant modification.

- **Longer process** – allow for more community input, application review, public testimony, decision making. All stakeholders agreed on this topic.
- **Public testimony** – not enough time for meaningful discussion and testimony did not seem to influence funding decisions (Allocation Committee and applicants)
- **Decision Making Process** – Applicants and Allocation Committee members expressed frustration with process
 - o Applicants felt AC inconsistently used criteria, scores and staff recommendations.
 - o AC members would like to discuss their preferences with each other, ask applicants questions, and confer with each other outside of a public forum

Findings from each stakeholder group

- **Reviewers (70 responses):** written survey; asked to provide suggestions for improving the *review* process
 - o **Scoring** –
 - incorporate quality of response into scoring;
 - value program outcomes and viability more highly in the point distribution
 - o **PCL Expectations of Reviewers** –
 - process takes a lot of time;
 - allow more time for group discussion
 - o **Reviewer Orientation & Training** –
 - want more guidance regarding scoring
 - would like opportunity to practice scoring
 - o **31 positive comments about process**
 - Appreciation for opportunity to be involved
 - Excellent process
 - Instructions and training for reviewers was well-organized and clear
 - Opportunity to discuss applications as a group was helpful
- **Applicants/Community:** electronic survey; we asked questions using a Likert scale, level of agreement with statements; narrative

Likert scale questions – 2 key findings

- o **Communication** – great job keeping folks informed of the funding process
- o **Grant awards** – highest level of dissatisfaction (38% disagreed or strongly disagreed with the statement “I am satisfied with the grants made in this PCL funding process).

This isn’t necessarily surprising given the fact that fewer than half of the applications submitted were funded and only 39% of the dollars requested were awarded. There will likely always be some level of dissatisfaction when the demand for funding exceeds available resources.

Narrative – about half of the survey respondents provided narrative feedback

- o **Decision Making** –
 - Inconsistent use of criteria, scores, & staff recommendations; this was the most common issue raised in narrative feedback; this was mentioned in almost half of the narrative response.
 - appeared that decisions made in advance of AC meetings
- o **Policy, Criteria & Priorities** – some felt they were overly specific and prescribed
- o **Public Testimony & Advocacy** –
 - public testimony did not seem to influence decision-making;
 - time allotted for testimony is too short to allow for meaningful discussion;
 - need to develop public testimony and advocacy guidelines that allow opportunity for equal access to AC members
 -
- **Allocation Committee Members:** individual interviews
 - o **Public Testimony** –
 - Members liked separating testimony from decision meetings;
 - public testimony format doesn’t work well, too much info to process in too little time
 - Suggest hearing testimony in multiple settings, in locations other than downtown
 - Find ways to get more input from parents
 - o **Decision Making** –
 - Need more time for interaction between AC and applicants; Some suggestions:
 - 2-step process with fewer finalists that AC members could interview
 - Assign each member to a program area to develop expertise and knowledge of organizations
 - Change format of public testimony so it is more interactive
 - Need for more discussion and exchange of information between AC members. One idea:
 - AC members meet with each other in groups of 2 prior to decision making to better understand each member’s individual priorities and rationale
- **Staff:** input shared at Sept AC meeting; just highlighting today the staff input that relates to the 3 overall themes being discussed today
 - o **Adopting Goals and Strategies**
 - Need to better screen applicants for fit with goals and strategies
 - consider developing a two-stage process with a brief first stage in which potential applicants submit a summary of the program they want funded, and staff provides feedback solely on whether the proposal fits the strategy or strategies for which the program intends to apply

○ **Funding Process Timeline**

- Extend timeline for the funding process (from public input to funding decisions) be conducted over 1.5 - 2 years instead of the 1 year

Stoudamire-Wesley: What are you suggesting about extending the timeline?

Pellegrino: We heard comments that suggest lengthening all parts of the process.

Young: As volunteers, we take this process very seriously. There are a range of needs and issues as well as programs. It is a lot of information. I would benefit from having more time to review the information. Staff is very helpful, but the volume of information is considerable.

I have more familiarity with some program areas, for example early childhood, and less with others, like foster care. Having more time would benefit us all.

Saltzman: Our process has gotten better every time. There are limits to how much time folks on the Allocation Committee can invest. It is easy to call for more time now. I was intrigued by the idea of each committee member focusing on a particular program area. We might each gain expertise in a program area.

Stoudamire-Wesley: I think becoming subject matter experts would be great. Having more time to review applications and digest testimony would be helpful.

Hornecker: Frustration from the applicants is understandable. It is unique how much detailed information we get on each application. We are extremely educated about these applications. It works against us that we give the same amount of time for testimony for all applicants – those who are going to be funded, those who are not going to be funded and those on the fence. Their advocacy could tip the scales. I support the subject matter expert approach.

I would like to think about a way we could commit more time to the bubble group and less time to the obvious in's and the obvious out's. I am not sure we can do that.

Stoudamire-Wesley: I like that idea very much.

Pellegrino: One idea is the use of a two-step process – a shorter initial application which is reviewed to reduce the pool. I can imagine a way to rank folks prior to final decisions.

Young: I think there is great opportunity there. We see national level foundations who use a similar process. They identify the candidates who are most likely to be funded early in the process. Then they focus on other applicants.

Saltzman: I like the idea of a two-step process as well.

Pellegrino: It is daunting to think about talking to someone about every grant program, as we have 59 grants currently.

Hornecker: Is there an entitlement to appear and speak, or could we invite certain programs to testify? That way, we can focus on the programs where we need focus.

Pellegrino: I do not know for sure what the rules are on that. What I have heard is that the meeting testimony was unsatisfying as the only way to clarify a program's suitability.

Young: I saw feedback about how we handle advocacy outside of meeting times. I have felt that every applicant had the opportunity to contact me by phone or email. I have heard from grantees and applicants. We need to continue to remind everyone in the community that it is okay to contact us.

Stoudamire-Wesley: I think folks can also contact us outside of the funding cycle. That way, we can get to know programs ongoing.

Broderick: We do remind grantees and others that they are welcome to contact members of the Allocation Committee.

Pellegrino: If we move to subject matter experts, then Committee members could start getting to know programs now. The staff will visit all program sites. You all might meet with representatives from various programs, even if you cannot visit all the sites.

Stoudamire-Wesley: During funding, the response was too great. But, I invite programs to invite me to visit.

Saltzman: I will poll the Committee about the subject matter expert idea.

Pellegrino: It would also be helpful for renewal decisions.

Young: I want to revisit what our goals would be by allowing more time. What is the outcome we want? I cannot articulate that goal.

McElroy: I agree with your question. The limitation of resources and the high demand makes it a difficult situation. It would be great to structure the process to minimize the likelihood of disappointment. Reducing the applicant pool would limit the disappointment. I would like to see our time used to get to the best product. Filtering things to reduce the demand.

Hornecker: It is not just a quantity issue. It is a quality issue. We need to filter for quality and decide how much time is needed.

Pellegrino: We thought that the use of goals and strategies would limit the applications. It did not work. We are still looking for a two-step process that will limit the pool. A two-step process takes more time. We are learning that it is difficult to come up with a process design that will not take more time.

Hornecker: The fiscal year end of June 30 is an important consideration in our planning as well.

Stoudamire-Wesley: Thank you to the staff for the great information you provided. It was a lot to learn in a short time.

Young: These were difficult decisions. It was more than a data driven process. There is a human element and so there is not perfect system. There is room for improvement and creativity. We need time to work with staff to figure out what it looks like.

Saltzman: I wanted to ask Liz Smith-Curry, of Commissioner Deborah Kafoury's office, if she has any comments.

Smith-Curry: I am sure Chair Kafoury would echo many of the comments made here. I am sure she appreciates the work of the staff.

Pellegrino: It is a good idea to formalize and record this information to help with the future process.

Saltzman: We do not have a meeting scheduled currently. We will be meeting soon to discuss what to do with the \$8.3 million in funds that we anticipate having available.

Adjourned 3:30 pm