

Discovery 2007 Community Planning Framework:

Fiscal Scans and Analysis

May 18, 2007

Presented By:
Holt, Wexler & Farnam, LLP



Holt, Wexler & Farnam, LLP

Context for Fiscal Scan

Discovery Community Planning Framework

- **An effective community plan is:**
 - Grounded in an understanding of community assets and finance
 - Institutionally owned by a wide variety of entities and stakeholders
 - Financed through existing and new public and private resources
 - A mechanism for ongoing community-wide results based accountability

Holt, Wexler & Farnam, LLP

What is a Fiscal Scan?

- A Fiscal Scan is a snapshot of funding provided to each Discovery Community related to early childhood services (ages 0-8).
- Fiscal Scans include funding at the following levels:
 - Federal
 - State
 - Local (Municipal)

Holt, Wexler & Farnam, LLP

Building a System: Imagine

- A \$100 million "business" without any means of coordinated planning, budgeting, and decision-making
- Disconnected investment decisions, all hoping for an outcome that *relies* on the success of all of them combined.

Holt, Wexler & Farnam, LLP

What do Fiscal Scans tell you?

- How and where funds are currently allocated
- How much funds are allocated
- Who controls the funds
- How to measure the financial investment in community programs

Holt, Wexler & Farnam, LLP

Why are Fiscal Scans important?

- Fiscal Scans provide basic information to inform planning for the future
 - Decisions are more likely to gain traction if they are made with an understanding of the fiscal context
- To understand the amount and purpose of current spending on young children over time*
- To identify gaps and unnecessary/duplicative spending
- To build partnerships among state entities pursuing similar goals/program objectives

*Flynn, M. & Hayes, C.D (2005). *Blending and Braiding funds to support early care and education initiatives*. Washington, DC: The Finance Project.

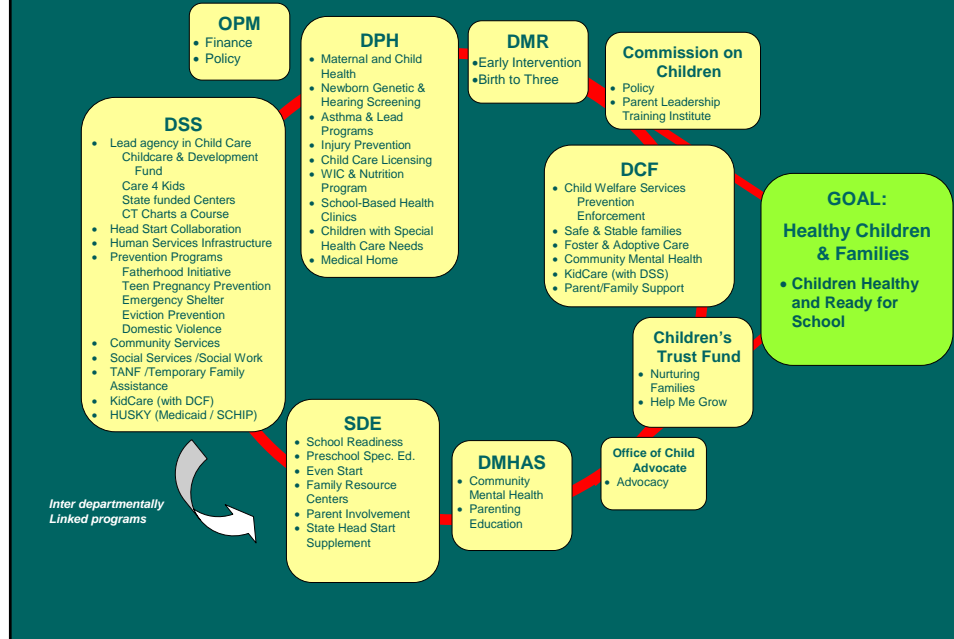
Holt, Wexler & Farnam, LLP

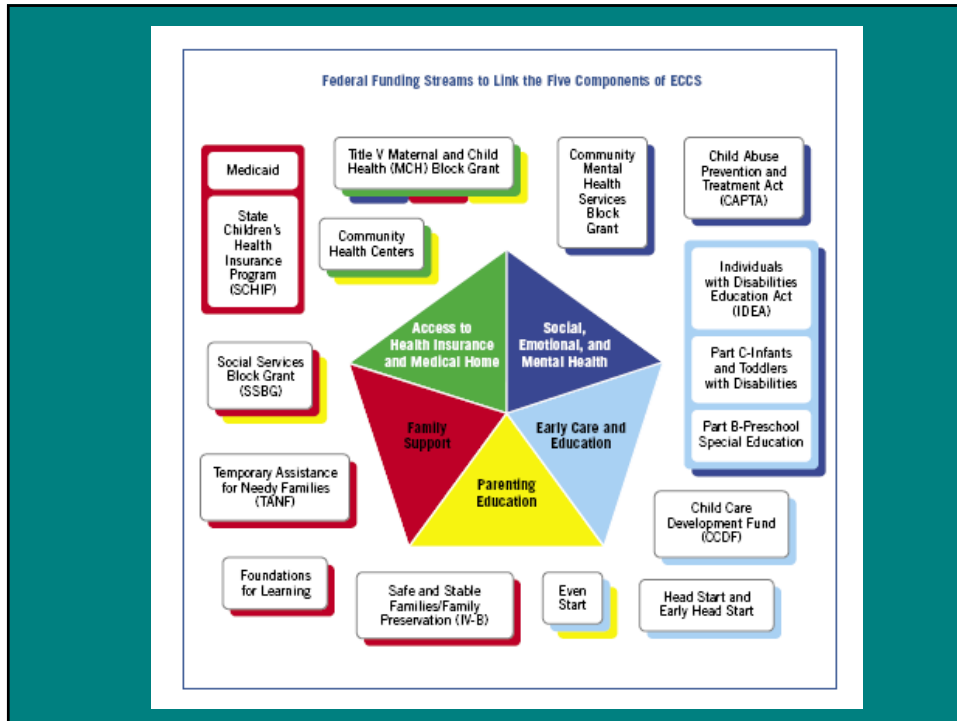
What Organizations/Agencies will provide Fiscal data?

- Children's Trust Fund
- Connecticut Commission on Children
- Office of Policy and Management
- Department of Children and Families
- Department of Mental Health and Addiction Services
- Department of Public Health
- Department of Social Services
- State Department of Education
- Major Philanthropic Organizations

Holt, Wexler & Farnam, LLP

Connecticut State Agencies Align To Achieve Common Outcomes for Families and Children





SDE Grants Web Site: Model for Fiscal Transparency

- CT State Department of Education provides electronic access to
 - Every payment made to local education agencies
 - Data and formulas used to calculate payments

Holt, Wexler & Farnam, LLP

Using Fiscal Data for Impact

- *Aligning Resources to Results*
- Measuring return on investment
- Results Based Accountability
- Building Support for Increased Funding

Holt, Wexler & Farnam, LLP

Aligning Resources, Outcomes and Strategies

- Fiscal Scans can help match current funding to results
- Fiscal scans can help look for ways to maximize existing funds
 - Sharing resources across funds
 - Leverage increased Federal Dollars (e.g. Medicaid)
- Focus on specific populations at risk and decide how to fund services for that portion of the system
- Identify funding gaps in the system

Holt, Wexler & Farnam, LLP

Results Based Accountability

- Fiscal scans support a Results-Based Accountability (RBA) system
 - The concept of using data to drive results based decision-making and budgeting while maintaining a level of accountability on the part of key stakeholders
 - RBA is a methodology to organize the work of agencies and communities to measure and monitor results

Holt, Wexler & Farnam, LLP

Building Support for Increased Investment

- Combination of fiscal scan and RBA can build support for increased investment
- Use "return on investment" frame
 - Logic of Prevention - demonstrate where community investments reduce costs
 - Children's Stock Portfolio Concept

Holt, Wexler & Farnam, LLP

Case Examples: How they used the Fiscal Scans

- Bridgeport - Helped identify where the money is allocated and where the overlaps are.
- Hartford - Opened many eyes to scale of current investment and need to better coordinate and track it.
- Norwalk - Helped raise awareness, view early childhood services as a system

Holt, Wexler & Farnam, LLP

Bridgeport Funding

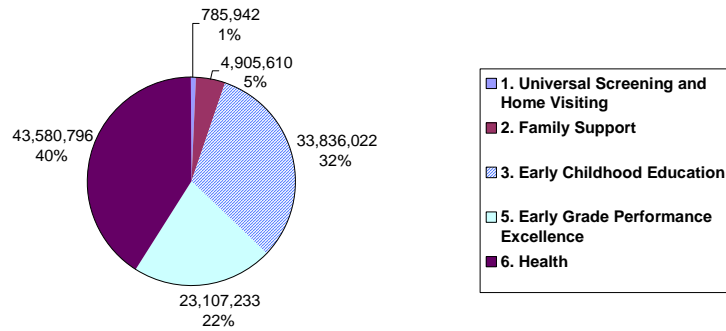
Program Area	Amount	% of Total
Education	\$61,844,206	48%
Health	\$25,750,556	20%
Early Care / Education	\$19,472,856	15%
Safe Children	\$7,799,166	6%
Economic Security	\$5,351,262	4%
Family Supports	\$4,071,469	3%
After school / Recreation	\$1,785,425	1%
Mental Health	\$1,778,483	1%
Grand Total	\$127,853,424	100%

Source	Amount	% of Total
State	\$88,290,133	69%
Federal	\$35,051,731	27%
Municipal	\$2,979,231	2%
Philanthropic	\$1,532,329	1%
Grand Total	\$127,853,424	100%

Holt, Wexler & Farnam, LLP

Hartford Funding

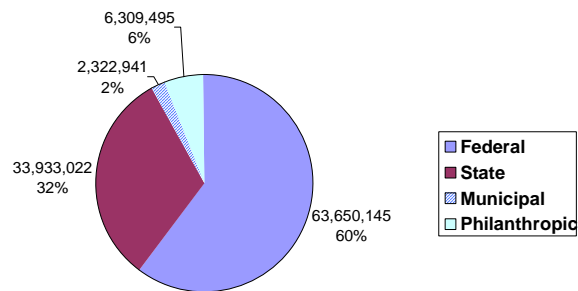
Figure B1.1. Total Funding Invested in Services to Children 0-8 by the Six Major Building Blocks



Holt, Wexler & Farnam, LLP

Hartford Funding (continued)

Figure B1.2. Total Funding Invested in Services to Children 0-8, by Source Level



Holt, Wexler & Farnam, LLP

What will HWF produce?

- HWF will conduct a fiscal scans of state, federal, and major philanthropic funds invested in each of the 49 Discovery Communities
- HWF will provide guidance on how local planning bodies can obtain and analyze data on local funding
- HWF will produce a fiscal analysis guide for Discovery Communities to utilize during their planning processes

Holt, Wexler & Farnam, LLP

Resources related to Fiscal Scans

- Publications
 - Johnson, Kay. *Developing Fiscal Analyses and Children's Budgets to Support ECCS*. National Center for Children in Poverty. 2006.
 - Johnson, Kay & Knitzer, J. *Early Childhood Systems that Spend Smarter: Maximizing Resources to Serve Vulnerable Children*. National Center for Children in Poverty. 2006.
 - Flynn, M. & Hayes, C.D (2005). *Blending and Braiding funds to support early care and education initiatives*. Washington, DC: The Finance Project.
- Web Sites
 - Connecticut Early Childhood Research and Policy Council www.ecpolicycouncil.org
 - SDE Grants Website <http://www.sde.ct.gov/sde/cwp/view.asp?a=2680&q=320640&sdePNavCtr=#45476>.
 - Project THRIVE, National Center for Children in Poverty <http://www.nccp.org/projects/publications.php?id=3>.
 - The Finance Project <http://www.financeproject.org/>
 - National site with many resources related to State Early Childhood Comprehensive Systems Initiatives <http://www.state-eccs.org/index.htm>
 - Results Based Accountability Resources www.raguide.org
- Summaries of Community Level Fiscal Scans (Hartford, Bridgeport, Norwalk)
- Early Childhood Partners 2004 Fiscal Scan

Holt, Wexler & Farnam, LLP

Go Forth and Plan!

Questions?



Contact Information

Jim Farnam / Kate Iovieno
Holt, Wexler & Farnam, LLP
900 Chapel Street, #620
New Haven, CT 06510
202-772-2050 x18
farnam@hwfco.com
iovieno@hwfco.com

Holt, Wexler & Farnam, LLP