

MEMORANDUM

To: U.S. Programs Staff
From: Ann Beeson, Eric Ferrero, Erlin Ibreck, Bill Vandenberg, Terri Bailey
Date: October 8, 2010
Re: State Strategies Initiative

Over the last few months, staff members from a range of programs have been involved in discussions about enhancing our state-based grantmaking. In the weeks and months ahead, we'll be engaging everyone in deeper discussions about this work. In the meantime, the attached memo to the U.S. Programs Board articulates the background and vision for the State Strategies Initiative, and we're writing now to share more with you about the structure and process for developing this area of work going forward.

In a nutshell: State and local work is critical for advancing USP's priorities, and we're expanding our funding in this area while bringing a much more strategic framework to it. This won't replace state and local grantmaking that's happening or that's being planned; it will elevate, integrate, complement, and help focus it. To do this, we need to shift our collective approach to this work – and create new structures or simplify existing ones. We are beginning a research and development phase to develop a master plan for state strategies generally and plans for the initial states we'll focus on; the planning over the next several months will involve a wide cross-section of staff and will bring greater clarity to all of this.

Structure and process

The accompanying DARCI chart outlines the proposed structure through which we can begin implementing the State Strategies Initiative. To conduct this effort – and build a clear, high-functioning, unobtrusive, and nimble structure to do so – will require both in-house and external state-based expertise along with extensive communication, coordination, and collaboration. This will be a complex endeavor, involving multiple programs and their respective goals, strategies, staff, Board advisors, grantees, funding partners, funding strands, and behind the scenes administrative support. It will also require a high level of internal communication, staff alignment, and programmatic collaboration. Following is a brief description of the proposed structure that is reflected in the attached chart:

- A new, streamlined State Strategies Working Group will advise the USP master plan on state strategies and the state-specific plans. (This consultative process will be a less formal version of the current state-specific working groups, and will seek input from specific people as needed based on their issue and state expertise.) The working group will include Ann Beeson, lead consultant Terri Bailey, Shawn Dove, Eric Ferrero, Tom Hilbink, Erlin Ibreck, Diana Morris, Luisa Taveras, and Bill Vandenberg. The Working Group will solicit and provide input on the state strategies master plan and individual state plans, and it will take responsibility for

- certain areas of work associated with the State Strategies Initiative (such as pulling together research, convening meetings of USP colleagues, etc).
- A Project Management Team of the State Strategies Working Group – Bill, Erlin, Eric and Terri – will manage the overall project, developing the master plan for review and input, sharing strategies with a range of staff working in states, identifying research and capacity needs, facilitating communication internally, externally, laterally, and vertically, and making decisions about strategic direction and grantmaking. Ann will participate as a member of the Project Management Team during the initial phase and then be consulted as needed. Jeronimo Saldana will provide administrative and grantmaking support to the effort, and Cristina Parnetti will provide important operational input.
 - Terri, who brings unique expertise in this area, will do the day-to-day work of developing and implementing the master plan on state strategies and the state-specific plans, in collaboration and consultation with the Working Group. Given the seniority of her experience and the needs of the State Strategies Initiative, the scope of her consultancy is to lead this work with a degree of autonomy and authority. That said, she is a consultant and staff are ultimately accountable for her work and vested with decision-making authority. The Project Management Team will oversee her work, and Bill will directly supervise her consultancy and serve as the key contact person between staff and Terri.
 - Just as we've done with specific Funds and Campaigns, we have asked the U.S. Programs Board to appoint two Board advisors to the State Strategies Initiative. Andy Stern and Sherrilyn Ifill have agreed to serve as Board advisors and will be consulted on the overall strategy as it is developed, serve as thought partners to the SSI Project Management Team, and periodically assist in updating the full Board about the progress of the Initiative.

In short, the Working Group advises and guides this work, Terri does the day-to-day work, the Project Management Team makes critical decisions, the Board advisors provide counsel and support, and other staff offer issue and state expertise as needed.

Over the long term, we aim to establish a more solid local presence for OSI in states that are part of this initiative. This may include engaging consultants within the states or identifying funding intermediaries who can operate on our behalf.

Questions about this work and structure

We recognize that expanding this work raises questions. Many of these questions will need to be answered as part of the process of developing our work in this area, but below is some preliminary information on questions that may come up:

What states will be involved in this work, and how were they chosen?

In 2011, we will be focusing on Louisiana and Texas. These are the initial priority states because USP is already doing so much grantmaking there across multiple issues and already has strong roots and relationships. In short, these states are already priorities for a variety of reasons (such as shifting demographics, the prominence of key USP priorities

in the states, scarcity of other funders, opportunities to leverage additional resources, unique opportunities for reform, the role of the states in influencing national policy, etc). The attached memo to the Board (with charts on Texas and Louisiana) explains this in more depth and also shows how the states are distinct from each other. Over the next few months, we'll be gathering input on additional priority states (for expanded work in 2012), which might include Mississippi, Wisconsin, North Carolina, or other states.

What impact will the State Strategies Initiative have on state-level grantmaking in states that are not on the current target list (or the list of potential additional states), but in which different funds and campaigns in U.S. Programs are currently investing?

The focus of the State Strategies Initiative will be to develop an expanded and honed grantmaking strategy for the two priority states, and to identify a few additional priority states and eventually develop plans in those states as well. State-level grantmaking in other states will not be affected, though we hope that the best practices developed through the Initiative will ultimately inform and benefit other state grantmaking in USP as well.

Other funders have tried state-based strategies and failed/made limited progress; how do we know our approach will work?

We don't know that it will work – but we know it's worth trying, and we'll be using an approach that's different than failed attempts. We're aiming to support and build local capacity, rather than trying to manage everything from New York over the long term. (This is why, for example, part of our work is to explore establishing local intermediaries or on-the-ground consultants.) We're basing our work on data, relationships, and best practices, and we're going to assess our work as we go and change course when we need to.

Will Program Officers have to get another level of approval for grants in priority states, or coordinate with the State Strategies Initiative Working Group when handling current grants?

There will not be a new layer of approval for existing grants, but Program Officers will need to keep Terri informed of grants they're making in the states that are part of this initiative. This isn't about constricting grantmaking that's already taking place – it's about connecting the existing work, identifying the gaps, and working strategically to fill those gaps.

Once local intermediaries or consultants are identified in these states, will USP Program Officers continue handling their grants in the states?

We will be exploring new ways to manage grants in the priority states as part of our research and development work throughout 2011. Any proposed changes to Program Officers' work in priority states will be fully discussed with Program Officers and other staff as part of the exploration and planning process.

How much new money will be spent in these states, and who will make decisions about how to spend that money? Is there a process for recommending grants for that pipeline?

In 2011, we plan to have \$3 million in new money for state strategies, with another \$7 million in 2012. The State Strategies Initiative Project Management Team, in consultation with the Working Group, will make decisions about grants from this line. Those decisions will be based on comprehensive plans that are developed for each state, with budgets and funding priorities. A wide range of staff will have input into those plans and can always make suggestions about priorities and potential grantees. The new State Strategies Initiative grantmaking budget is not intended to take the place of existing program-specific grantmaking for state-based work in Louisiana, Texas, or states that might be added to the initiative in the future; program-specific funding to advance fund or campaign goals in the states should continue as planned (with some additional communication, explained below). In terms of exactly what kinds of work this new grantmaking line will support, it's safe to assume that the grantmaking will support sustainable infrastructures in the state to advance multiple issues, as well as leadership development and some campaigns; beyond that, it's difficult to predict the grantmaking before the plans for the states are developed.

What is the role of the current state working groups?

The State Strategies Initiative Working Group will replace the separate state working groups. The new working group will include people who have been part of the separate state working groups, and they will act as liaisons to other staff who work heavily in specific states (so they will be able to gather the same input the state working groups used to provide). The State Strategies Initiative Working Group will collaborate with staff who work in the priority states.

What exactly will be different about individual programs' work in priority states, with this new focus and structure?

The research and development phase throughout 2011 will consider any changes to how programs work in priority states. During this planning phase, Terri will help us better coordinate and integrate existing grants and develop ideas for new grants. To do that well, she needs to be in the loop about what's happening in the priority states. For example: she won't be engaged in the details of current grantmaking but will need to know about grants in the priority states; she may coordinate some site visits and will do some site visits independently, and she needs to be in the loop on any site visits and planned convenings in the priority states. The Project Management Team will work with Terri to develop a process for Terri's independent work in the priority states so that communication with grantees and existing partners is coordinated.

How will staff who are not part of the State Strategies Initiative Working Group provide input into the process?

If staff has ideas about particular states or the broader initiative, they can talk to anyone on the Working Group or the Project Management Team. Both of these groups will regularly seek input from staff with expertise in particular states or on specific issues, and

will hold informal brown-bags every few months (starting this fall) to solicit ideas and share information.

How were the State Strategies Initiative Working Group and Project Management Team members chosen? What were the criteria?

Ann selected the Project Management Team using the following criteria: a small enough group to make decisions quickly; a diversity of experience and perspectives on state-based grantmaking; a range of connections to USP staff to enable a reliable flow of communication; a collaborative approach that will lead to it functioning as a strong team; and existing job responsibilities that dovetail with the duties and decision-making responsibilities of the Project Management Team.

The Project Management Team selected the other Working Group members using the following criteria: Representation across funds; a small enough group to operate in a streamlined fashion (ie: not multiple people from the same fund); diversity in the level of seniority among members and in the depth of their experience at OSI; a mix of expertise in specific states (and membership on prior state working groups); expertise in working at the state level generally; ability to build consensus and move processes forward; access and working relationships with a range of colleagues to be able to communicate about the initiative with staff who are not part of the Working Group; and diversity of views and experience about effective state-based strategies and collaborative work models.

How will individual funds and campaigns interact with Terri?

Terri is a part-time consultant for the State Strategies Initiative, not a consultant to help every fund or campaign think through its state-based work. The State Strategies Initiative is a distinct program area -- but since part of its purpose is to integrate existing work, Terri will interact with funds and campaigns. She will seek input from every fund and campaign at the outset (see below) and the Project Management Team will bring people from different programs together for discussions on occasion. This will include meetings where funds and campaigns have an opportunity to tap into Terri's expertise, as well as to share their thoughts about the State Strategies Initiative. Terri will also need to gather information from funds and campaigns as she helps to develop the master plan and individual state plans, and she or Working Group members will reach out to people across programs with requests from time to time. The best way for people to reach out to Terri is through Project Management Team members (Bill, Erlin, and Eric).

How will the existing state and local grantmaking expertise and experience within U.S. Programs be incorporated into the State Strategies Initiative?

Every fund or campaign will be consulted at the outset and at regular points throughout the planning phase. The Working Group includes a range of staff with diverse experience in this area. Key leaders with expertise in this area (such as Erlin and Diana) have been involved in discussions about the State Strategies Initiative from the outset and will continue to be. The Project Management Team will also structure regular opportunities to get input from a larger number of staff members with experience and interest in state-based work.

What are the next steps for this work?

In early September, Terri and Eric met with the OSI-Baltimore staff – as well as with partners who have been pivotal in the Baltimore success – for some intensive learning about what’s worked well and what’s been challenging. In the next few weeks, Terri and Eric will meet with each fund and campaign for a deep discussion of this work (including goals, concerns, ideas, etc). At the September 22-23 USP Board meeting, there was discussion about this work in the context of the proposed budget for 2011 and 2012, and the Board approved the State Strategies Initiative’s budget.

Why don’t we know more about all of the aspects of this work right now?

We are just starting the research and development phase of this effort. There’s a great deal to learn from OSI’s own history and experience, as well as external models and lessons. We don’t want to define any aspect of this work too narrowly before we’ve done the research and learned the lessons. This will be a work in progress for some time to come, and we won’t have all the answers. Rather than waiting until the entire initiative is fully fleshed out, we wanted to update the whole staff now on the current thinking structure, and opportunities for input.

This is an exciting area of work that will impact all aspects of USP’s work to some degree – and, most importantly, will position us to deliver even more fully on our mission. We’re looking forward to moving forward together and developing our state-based strategies. Please don’t hesitate to let us know if you have questions at this stage.