

Special Fund for Poverty Alleviation and U.S. Programs Alignment Strategy

The Special Fund for Poverty Alleviation (SFPA) was launched in April 2009 as a response to the global economic crisis. The Fund's initial focus was on providing humanitarian relief in the United States. As the economic crisis evolved, SFPA began to focus less on humanitarian relief and more on direct service interventions that could be implemented quickly, taken to scale, and replicated to build long-term sustainability.

From the start, SFPA sought to align its investments with U.S. Programs' target populations and advocacy goals. To build on this synergy, last December the U.S. Programs Board was asked to assume oversight of SFPA. Since then, a team of staff from SFPA and U.S. Programs have been working together to develop an integrated vision for grantmaking that proposes complementary funding of direct service and advocacy opportunities in three areas – benefits access, employment and education. In each area, investments would be targeted to communities of concern to OSI, including disconnected youth ages 12 – 24, people involved in the criminal justice system, impoverished families and individuals, immigrants, and communities of color. Aligning SFPA's support for direct service interventions with U.S. Programs' support for public engagement and advocacy for systemic change will improve the lives of OSI's target populations while working to remove structural barriers and biases that perpetuate poverty.

During this session, USP and SFPA staff will present the integrated framework to the Board for discussion and approval. Jonathan Soros will moderate a conversation with the Board and outside advisors to seek feedback about the framework, the priorities and criteria for investments, and the current policy environment for poverty alleviation.

Moderator: Jonathan Soros

Staff: Ann Beeson, Executive Director, U.S. Programs
Mimi Corcoran, Director, SFPA

Panelists: Geoffrey Canada
Herb Sturz
Bob Greenstein, Center on Budget and Policy Priorities
Maya Wiley, Center for Social Inclusion

Questions for discussion

SFPA and USP have prioritized a number of target populations for poverty alleviation, including vulnerable youth, people involved in the criminal justice system, and immigrants. What factors should we consider in deciding whether to invest more resources to assist particular vulnerable populations? Within the youth population ages 12-24, should we focus more resources on younger or older youth?

The unemployment rate is expected to remain high for at least two more years. What particular role should OSI play in supporting workforce development models and advocating for job creation?

What is the current policy environment for direct service and advocacy to alleviate poverty through benefits access, education and workforce development? What are the challenges and opportunities in these areas?

Panelist Biographies



Mimi Corcoran is the Director of the Special Fund for Poverty Alleviation at Open Society Institute, which was established by George Soros to provide poverty relief during the current economic crisis. Prior to joining OSI, Mimi was an independent management consultant advising clients on strategy, policy, compliance and operational structures domestically and internally. Ms. Corcoran was the Executive Director of the Beginning with Children Foundation, Inc.

(BwCF) where she led the strategic growth of the foundation- a pioneer in the field of education reform and advocacy. During her tenure at BwCF, Ms. Corcoran's advocacy efforts secured access to federal funding, NYC DOE shared facilities, support for special needs children, and stimulated general acceptance of the charter structure on the city, state and national levels. Ms. Corcoran redefined the concept of a central school support structure for charters, which resulted in the launch of the New York City Charter Center, a \$40 million public/private venture. Prior to BwCF, Ms. Corcoran served as the Director of Special Projects at Open Society Institute with a broad range of responsibilities from overseeing the foundation's operating budget to supporting the concept development and launch of The After-School Corporation. Ms. Corcoran was an executive in International Trading and Treasury Operations and Systems for the Chase Manhattan Bank. Mimi has been a speaker for the American Bankers Association, a panelist at the Harvard Business School and at National Charter conferences. Ms. Corcoran serves on the boards of a variety of educational and youth related institutions. Ms. Corcoran lives in Brooklyn, New York with her husband Michael and their four sons.

Ms. Corcoran received her B.A. in English from Yale University where she captained Yale Gymnastics and her M.P.A. in Public Policy and Finance from New York University's Robert F. Wagner School of Public Service.



Maya Wiley is the founder and Executive Director of the Center for Social Inclusion. A civil rights attorney and policy advocate, Ms. Wiley graduated from Columbia University School of Law in 1989. She received her Bachelor of Arts degree from Dartmouth College in 1986. She has litigated, lobbied the US Congress and developed programs to transform structural racism in the US and in South Africa.

Prior to founding the Center for Social Inclusion, Ms. Wiley was a senior advisor on race and poverty to the Director of U.S. Programs of the Open Society Institute, and helped develop and implement the Open Society Foundation — South Africa's Criminal Justice Initiative. She has worked for the American Civil Liberties Union National Legal Department, the NAACP Legal Defense and Educational Fund, Inc. in the Poverty and Justice Program and the Civil Division of the United States Attorney's Office for the Southern District of New York. She currently serves on the Tides Network Board and has previously served on the Boards of the Institute on Race and Poverty at the University of Minnesota School of Law, Human Rights Watch and the Council on Foreign Relations.

She was a contributing author to the National Urban League's 2006 State of Black America, and authored a chapter on Race, Equity and Land Use Planning in Columbia, South Carolina recently published in Growing Smarter: Achieving Livable Communities, Environmental Justice and Regional Equity, R. Bullard, ed. The MIT Press: Cambridge, MA (2007). She was named a NY Moves magazine 2009 Power Woman.



Herbert Sturz is a Senior Adviser of the Open Society Institute and is the Founding Chairman of The After-School Corporation. He serves as the Chairman of the Center for New York City Neighborhoods, a not-for-profit organization that assists homeowners at risk of mortgage foreclosure throughout the five boroughs.

Mr. Sturz has served as Founding Director of The Vera Institute of Justice; New York City Deputy Mayor for Criminal Justice; Chairman of the New York City Planning Commission; and was also a member of the editorial board of The New York Times. He currently serves on the boards of Single Stop USA and ReServe Elder Service, Inc.

Mr. Sturz received a BA from the University of Wisconsin and an MA from Columbia University. He has received various honorary degrees and is the recipient of the Rockefeller Public Service Award; The Roscoe Pound Award, National Council on Crime and Delinquency; The August Vollmer Award, American Society of Criminology; and others.



Robert Greenstein is the founder and Executive Director of the Center on Budget and Policy Priorities. He is considered an expert on the federal budget and a range of domestic policy issues, from anti-poverty programs and various aspects of tax policy to Social Security. He has written numerous reports, analyses, book chapters, op-ed pieces, and magazine articles, on these issues. In 1996, he was awarded a MacArthur Fellowship for making “the Center a model for a non-partisan research and policy organization.” In 2008, he received both the Heinz Award for Public Policy for his work to “improve the economic outlook of many of America’s poorer citizens” and the 2008 John W. Gardner Leadership Award, given annually by Independent Sector, which said “Mr. Greenstein has played a defining role in how people think about

critical budget and tax policies.... [and] help[ed] the nation address fiscal responsibility, reduce poverty, and expand opportunity.” He also has been selected by the American Academy of Political and Social Science to receive the 2010 Daniel Patrick Moynihan Prize, “which is intended to honor the legacy of Senator Moynihan by recognizing the use of sound analysis for the betterment of the human condition.” The Academy cited him as “a champion of evidence-based policy whose work at the Center on Budget and Policy Priorities is respected on both sides of the aisle.” He also has been elected to the American Academy of Arts and Sciences.

Prior to founding the Center, Greenstein was Administrator of the Food and Nutrition Service at the U.S. Department of Agriculture under President Carter, where he directed the agency that operates the federal food assistance programs, such as the food stamp and school lunch programs, with a staff of 2,500 and a budget of \$15 billion and helped design the landmark Food Stamp Act of 1977, generally regarded as the Carter Administration’s principal anti-poverty achievement. He was appointed by President Clinton in 1994 to serve on the Bipartisan Commission on Entitlement and Tax Reform. He is a graduate of Harvard College and has received honorary doctorates from Tufts University and Occidental College.

“Special Fund for Poverty Alleviation and U.S. Programs Alignment Strategy”
Vision Team Members

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Mimi Corcoran, Director – Special Fund for Poverty Alleviation

Diana Morris, Director – OSI Baltimore

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Shawn Dove, Campaign Manager – Campaign for Black Male Achievement

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Elise Dellinger, Administrative Assistant – Special Fund for Poverty Alleviation

Special Fund for Poverty Alleviation and U.S. Programs alignment strategy

Board Meeting

Pre-reading document

February 24, 2010



OPEN SOCIETY INSTITUTE

Objectives

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- The goal of our February 24th meeting is to gain board guidance and agreement on the integration strategy for USP and SFPA
- To date, a USP and SFPA joint vision team has:
 - Developed a vision for SFPA aligned to USP advocacy goals
 - Identified the current USP and SFPA overlaps: people, programs, places
 - Developed strategic priorities and opportunities for integration
 - Identified a set of emerging opportunities for integration that more clearly link justice and poverty alleviation goals
 - Set a framework and criteria for future coordination
 - Developed draft budget guidelines
- **Decisions for today:**
 - Three priority investment areas for direct services: Benefits Access, Education and Employment
 - Priorities for integrating USP and SFPA investments
 - Criteria for evaluating new opportunities
 - SFPA budget guidelines and governance
 - Definition of success for SFPA / USP integration effort

SFPA: History and strategic approach (1/2)

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- The Special Fund for Poverty Alleviation was created to provide humanitarian relief and direct services to people severely affected by the Great Recession
- The SFPA's first strategy had a two-pronged approach:
 - Leverage the Temporary Assistance to Needy Families (TANF) Emergency Contingency Fund
 - Provide direct services to those in poverty, not well served by the social safety net, through community based organizations
- As the economic downturn evolved, a longer recovery period was anticipated, and the Special Fund's goals were refined to focus more on direct services rather than immediate relief
 - Ten (10) potential program areas were distilled into three (3) key levers for alleviating poverty and removing structural barriers. The Special Fund's strategic approach to this work continues to:
 - Invest in efforts that link OSI target populations to the public economy through Benefits Access
 - Invest in key drivers to aid target populations in moving to the private economy through Education and Employment programs

SFPA: History and strategic approach (2/2)

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- Short-term nature of the Fund necessitated high degree of leverage
 - Leveraged capacity of other institutions as grantees and partners
 - Leveraged existing leadership and infrastructure in states/cities
 - Co-invested with the federal government to influence national demonstration efforts that had the potential to be “hardwired” into lasting policy change
 - Leveraged staffing and expertise of other foundations as well as issue experts
- Efforts were to be “shovel-ready,” and preference was given to programs that demonstrated scalability, sustainability, and minimized the fact that the Fund had a limited life (the “cliff” effect)
 - Leveraged investments in strategies with demonstrated results and momentum for scale, but also considered seeding capacity in high poverty areas
- Pages 5-7 describe investments to date and anticipated results

SFPA investments to date (1/3)

Commitments	Amount	Results / Anticipated Results
Robin Hood	\$50m	<ul style="list-style-type: none"> Support Robin Hood through the economic downturn and assist them in meeting their grantees' needs OSI funds to leverage new philanthropy 3:1
New York State	\$35m	<ul style="list-style-type: none"> More than 875,000 children whose families receive food stamps or public assistance received a one-time payment of \$200 to help pay for back-to-school costs OSI dollars leveraged federal matching funds 4:1
Michigan	\$15m	<ul style="list-style-type: none"> Create immediate, subsidized job opportunities structured to incentivize participant involvement in education and training (a.k.a. the Earn & Learn model), and serve 3,500 individuals, including formerly incarcerated young men Support a partnership between the Michigan Association of United Ways and the State of Michigan's Department of Social Services to implement a statewide benefits access initiative Replicate the Mo' Bucks food stamp matching program in all 50 farmers' markets and food stands across Michigan, and reach a total of 22,500 families Challenge grant to Michigan for \$15m will leverage at least 1:1 in new private philanthropy and, potentially, additional public funding for at least three different efforts

SFPA investments to date (2/3)

Commitments	Amount	Results / Anticipated Results
Social Innovation Fund	\$10m	<ul style="list-style-type: none"> • Improve measurable outcomes in the following priority areas: Increased economic opportunity; Preparing America’s youth for success in school, active citizenship, productive work, and healthy and safe lives; and Promoting healthy lifestyles and reducing the risk factors that can lead to illness • Anticipated investment in benefits access demonstration will leverage 1:1 to 1:3 from public and private sources
OSI-Baltimore	\$6m	<ul style="list-style-type: none"> • Create employment opportunities for low-income adults – particularly pre-sentencing, incarcerated and formerly incarcerated individuals, immigrants, and recovering individuals, develop education and training programs for disconnected youth, and improve access to health care, public benefits and legal services for low-income, homeless, and recovering individuals
Conditional Cash Transfers	\$2.5m	<ul style="list-style-type: none"> • Provide up to 2,400 families with high levels of inter-generational poverty who are living in six New York City community districts with monetary rewards for completing activities related to human capital development in the areas of education, preventive health, workforce training and employment

SFPA investments to date (3/3)

Commitments	Amount	Results / Anticipated Results
Gateway to College	\$3.82m*	<ul style="list-style-type: none"> At the end of 3 years, Network will serve 10,000 students per year and will include 41 colleges and 150 school districts OSI dollars leverage more than 1:1 in private funds Opportunity to re-purpose of K-12 to K-16 dollars through partnerships between community colleges and school districts resulting in a self-sustaining model
Performance Based Scholarships	\$2.4m	<ul style="list-style-type: none"> At the end of 3 years, national demonstration will serve approximately 6,000 students through a select group of 6 college campuses plus a cohort of students through UNCF OSI dollars leverage more than 2:1 in private funds Inform how financial aid can be restructured through the Higher Education Act, American Graduation Initiative's \$2.5-billion Access and Completion Incentive Fund and enhance or change existing state and federal financial aid and billions awarded in scholarships from private philanthropy and public institutions annually
Radio Reading Project New York	\$0.25m	<ul style="list-style-type: none"> Addressed one-time immediate need. Provide current and timely information to the blind and physically handicapped.
Health People	\$0.15m	<ul style="list-style-type: none"> Addressed one-time immediate need. Train low-income, high need and isolated populations affected by HIV and chronic disease to educate their peers in prevention and self-care.

*Investment is ~\$1.27m in 2010, 2011, and 2012

USP: History and strategic approach

- U.S. Programs supports grantmaking, programming, and policy initiatives that:
 - Build a more just and inclusive society that increases opportunity for all
 - Promote civic participation and develop new leaders, especially among communities that have been historically underrepresented
 - Ensure fair criminal justice, immigration, and national security policies, and reduce the over-reliance on incarceration and harsh punishment
 - Increase the transparency, integrity and accountability of institutions vital to open society
- U.S. Programs supports a multitude of strategies to advance systemic change, including advocacy, organizing, field building, public education, research and litigation
- While U.S. Programs primarily funds advocacy for systemic change, USP has always supported some direct services and has historically increased its direct service funding to respond to urgent needs
- U.S. Programs currently supports a range of research, advocacy and grassroots organizations working to alleviate poverty

Examples of USP grantees working on poverty alleviation

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U.S. Programs currently funds over fifty organizations nationally, and over fifteen in Baltimore, that engage in research, advocacy, and grassroots organizing to alleviate poverty.

Organizations engaged in **research and advocacy** to alleviate poverty

Some representative examples include:

- Baltimore Substance Abuse Systems
- Center on Budget and Policy Priorities
- Center on Law and Social Policy
- Center for Social Inclusion
- Children's Defense Fund
- Economic Policy Institute
- Leadership Conference on Civil Rights
- National Employment Law Project
- National Summer Learning Association
- Poverty and Race Research Action Council

Grassroots organizations and networks working with impacted communities to alleviate poverty

Some representative examples include:

- Center for Community Change
- Partnership for Working Families
- National People's Action
- PICO Network
- National Domestic Workers Alliance
- Industrial Areas Foundation

In 2009, through the Seize the Day Initiative, U.S. Programs also funded eight state coalitions of policy and grassroots groups who are working to alleviate poverty by ensuring that federal stimulus dollars reach communities most in need.

Current USP advocacy that also advances poverty alleviation goals

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Employment

- Reform immigration system and put undocumented workers on path to citizenship
- Eliminate barriers to employment for formerly incarcerated people, those with a history of drug addiction, youth, and dislocated workers
- Strengthen policies that require housing and infrastructure development funds to also create jobs
- Expand access by black men to labor markets from which they have traditionally been excluded
- Advance community benefits agreement policies that condition publicly funded 'corporate welfare' projects with living wage jobs

Education

- Expand Pell Grant low-income college student loan funding
- End federal student loan prohibitions for students that have drug convictions
- Support higher education programs in prisons
- Support innovative models for educating black boys
- Support after school and out-of-school programs
- Reform school disciplinary policies, and push out tactics to dismantle the school-to-prison pipeline

Benefits Access

- Reform child support policies that disproportionately disadvantage black men
- Expand availability of Earned Income Tax Credit to non-custodial fathers
- Expand public benefits eligibility for immigrants
- Eliminate ban on public assistance for people convicted of drug felonies
- Expand access to drug addiction treatment

USP and SFPA have aligned target populations and identified program overlaps

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U.S. Programs Goals

- Expand public participation and leadership from historically marginalized communities
- Support youth leadership, development and organizing
- Reform criminal justice policies
- Reform drug policies and promote access to drug treatment
- Reform school disciplinary policies and dismantle the school-to-prison pipeline
- Dismantle structural racism
- Stem erosion of immigrants' rights
- Advance opportunities for African American boys and men
- Stabilize neighborhoods hard hit by the sub-prime mortgage and economic crisis

OSI Vulnerable Populations

- Disconnected youth ages 12 – 24
- People involved in the criminal justice system
- Impoverished families and individuals
- Immigrants
- Communities of color

Special Fund for Poverty Alleviation Goals

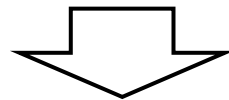
- Benefits Access
 - Maximize participation among eligible populations by:
 - Simplifying program rules
 - Streamlining applications processes
 - Increasing access points
- Employment
 - Reduce barriers
 - Connect people to work through subsidized jobs
 - Create pathways for career advancement
- Education
 - Ensure youth who have dropped out or are at risk for dropping out and adults with limited education gain diplomas or other credentials with labor-market value

Proposed priorities for integrating USP and SFPA investments going forward

FOR DISCUSSION

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1. Meld the framework of justice and poverty alleviation to strengthen the impact of our investments, remove structural barriers and biases, and improve the lives of OSI's target populations
2. Seize and shape federal, state and/or local government opportunities and scale existing organizational efforts to alleviate poverty and advance our advocacy goals in justice and poverty
3. Given the extended 2012 time limit of SFPA, support initiatives that create a clear base of evidence to secure long term policy changes and public support
4. Be sure that all grants using SFPA funds achieve leverage and matching support from public or private funders



Are these the right priorities?
What is missing?

Complementary funding approaches produce benefits and synergies

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U.S. Programs

**Public engagement and advocacy
for sustainable policy change**

- Justice framework brings focus on respecting the dignity of the populations served
- Focus on public involvement driving policy change leading to equal participation in open society
- Direct service grants to support and demonstrate policy change benefits
- Long term commitment to creating equal and open society
- Broad network of grants to build and support the field

Special Fund for Poverty Alleviation

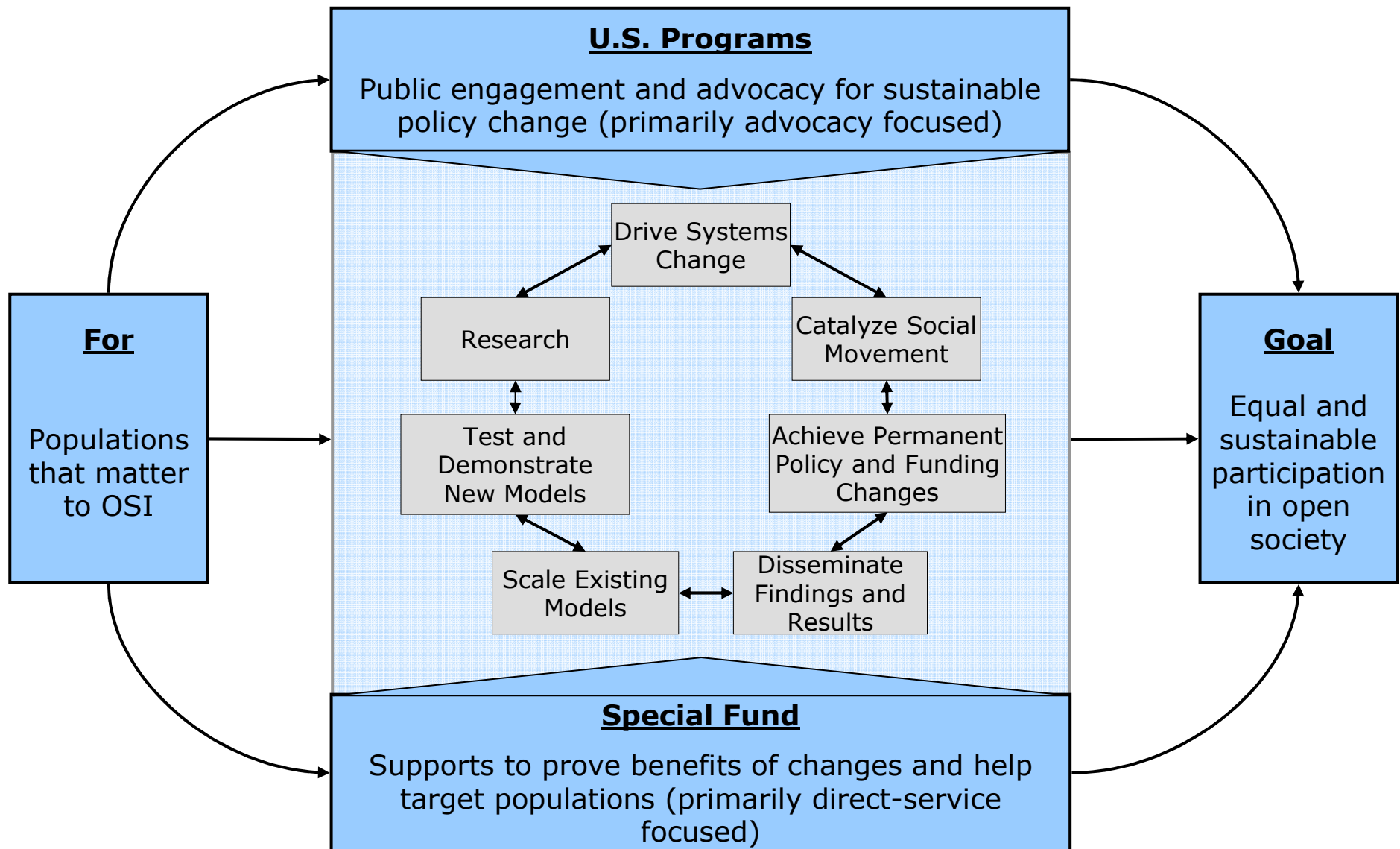
**Immediate supports, leverage, and
evidence of what works**

- Poverty alleviation frame provides immediate support on path to long term change
- Enhances systematic change primarily through direct service models at scale
- Direct service grants linked to programs or places where long term sustainable policy change is possible
- Limited time horizon drives emphasis on exit leverage by uptake of public support
- Limited number of larger target grants to drive immediate impact

**Long term
change in
policies,
actions and
attitudes**

Integrated USP/SFPA funding ensures a more strategic framework

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Initial scan has identified high potential opportunities to leverage federal funding

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Funding opportunities

- Pathways out of Poverty
- Transitional Jobs and Green Jobs Funds
- Temporary Assistance to Needy Families (TANF) ECF
- Partnership Fund for Program Integrity Innovation
- Neighborhood Stabilization Funds
- Summer food and healthy food pilots
- Supplemental Nutrition Assistance Program (SNAP) expansions
- Social Innovation Fund (SIF)
- Promise Neighborhoods
- I3 and Race to the Top Funds
- Choice Neighborhoods
- Green and Healthy Homes
- Second Chance Funds

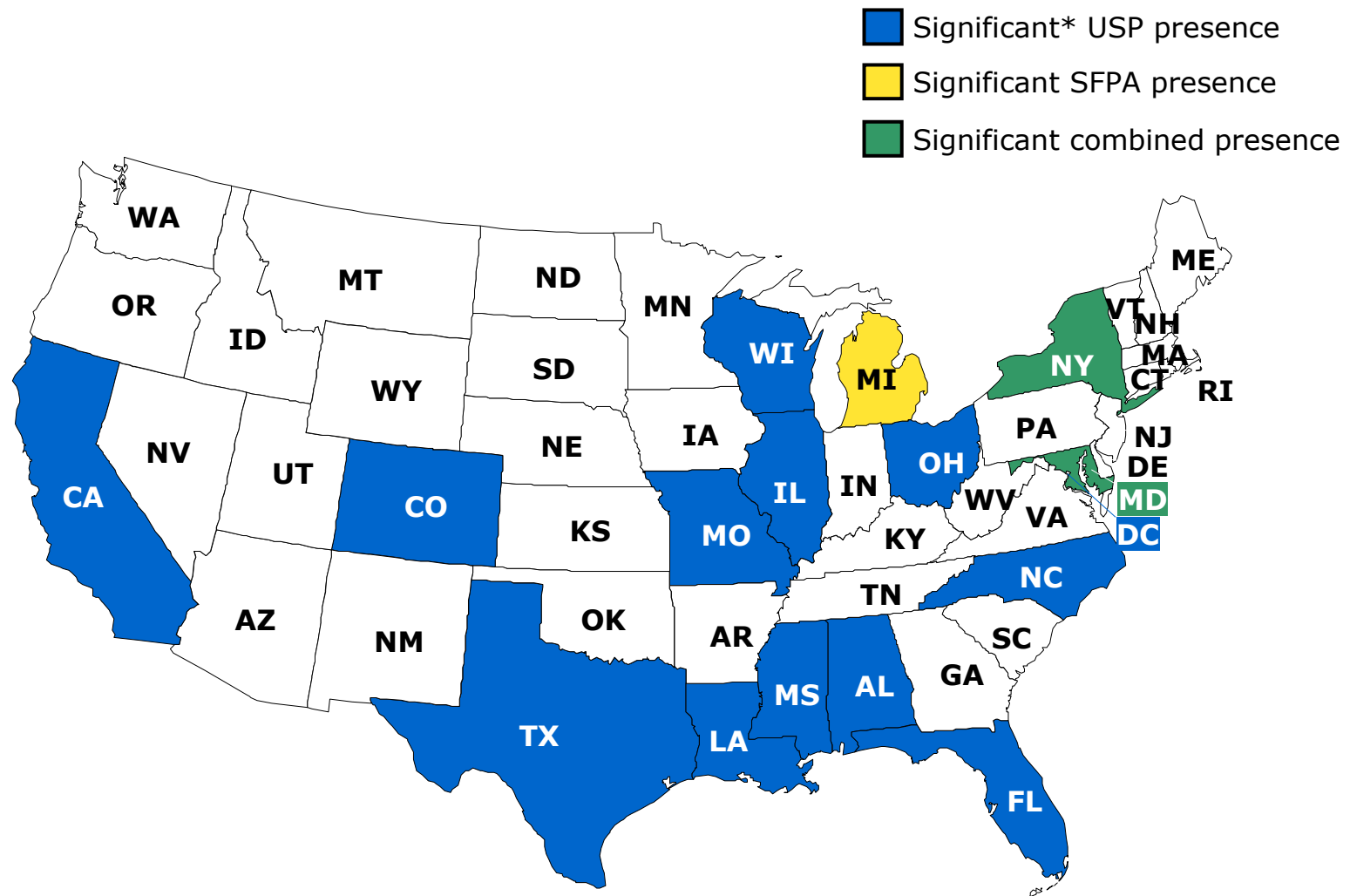
Policy opportunities*

- Workforce Investment Act (WIA)
- Jobs bill
- Temporary Assistance to Needy Families (TANF)
- Childhood nutrition reauthorization
- No Child Left Behind (NCLB)
- Perkins
- American Graduation Initiative
- Second Chance Act
- Tax reform, budget and appropriations bills

*OSI work in these policy areas will not involve lobbying on any legislation

Initial scan has identified shared state- and city-based work

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*Presence in a state is considered "significant" if an explicit decision has been made to invest in that state or area. Other criteria include: strong partners and/or grants to date (or planned grants) are greater than \$250K per year or \$1M over time.

Initial scan has identified potential national intermediaries

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- Opportunity to scale national intermediaries to demonstrate evidence that advance USP/SFPA poverty alleviation advocacy goals for OSI target populations
- For example, SFPA has invested in the Gateway to College National Network to scale the Gateway model and in MDRC to scale the Performance-Based Scholarship model
- Continue to explore national intermediaries such as:
 - National Fund for Workforce Solutions
 - Center for Economic Opportunity
 - National Transitional Jobs Network
 - Green and Healthy Housing Initiative
 - Civic Justice Corps
 - Youth Build
 - LISC

Proposed criteria for evaluating opportunities

FOR DISCUSSION

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Criteria	Description
Meets poverty alleviation goal	How does this investment help alleviate poverty and in what area(s): Benefits Access, Education, Employment?
Targets OSI population	Which population(s)?
Aligns with USP advocacy goals to advance justice and equality	Will this investment help to advance USP advocacy goals on justice and equality?
Identifies and aligns with specific advocacy funding to alleviate poverty	<ul style="list-style-type: none">• How can this investment complement USP advocacy related to poverty alleviation?• Is additional USP or SFPA advocacy investment needed?
Direct service investment has pathway to long-term sustainability	<ul style="list-style-type: none">• How does this investment manage the cliff effect for individuals and programs (“do no harm”)?• How does this investment contribute to a body of evidence for policy change? What is the likelihood of policy change and what is needed?
Creates leverage	<ul style="list-style-type: none">• Financial leverage: 1:1 to 1:3 private and public investments• Other leverage (see leverage definitions, next page)
Creates clearly defined success	How does this investment create direct impact by 2012? What are interim advocacy benchmarks? What is the long-term anticipated reform and future impact?
Fits geographic framework	How does this investment target areas of high economic need, leverage or build capacity, or align with deep OSI presence?

Types of leverage

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Type of Financial Leverage for Direct Services	Description
Match	OSI funds are matched directly by other new private and public dollars
Pooled	OSI funds are pooled with other investments to help bring a program to scale
Challenge	OSI funds are the first movers and are a catalyst for new private or public investments
Sequential	OSI funds are spent in the near term and leverage private or public funding commitments for out years

Other Leverage	Description
Capacity	OSI funds are primarily invested in intermediaries, cities or states with expertise, demonstrated leadership and history of results, and established capacity; in select cases OSI will invest to build capacity in areas where there is none
Advocacy	SFPA's investments in direct services are advanced by existing USP investments in advocacy groups or will be advanced by new advocacy investments

Direct service funding to improve benefits access

Criteria	Description
Meets poverty alleviation goal	Stabilize individuals in need by reducing barriers to enrollment in social safety net programs. Models will demonstrate how to create more responsive, efficient and integrated benefits delivery systems, and simplify and streamline eligibility determination process at the federal, state and local levels.
Targets OSI population	All OSI target populations
Aligns with USP advocacy goals to advance justice and equality	Reduces structural barriers that limit justice and equality
Identifies and aligns with specific advocacy funding to alleviate poverty	Extend and increase benefits provided through federal policies such as TANF; WIA; child nutrition reauthorization; health care reform. Reform rules and processes to simplify and expand access to benefits.
Direct service investment has pathway to long-term sustainability	<ul style="list-style-type: none"> • Demonstrations will 1) provide a model for states to streamline and simplify application processes to remove barriers to enrollment, 2) redefine successful re-entry supports, financial aid for low-income community college students, and access and outreach strategies to immigrants, etc. and 3) illustrate how federal policy and funding formulas could be better integrated to support local delivery of social safety net programs (cross-benefit demonstrations). • Potential public /private dollar investment in these efforts will demonstrate cost-savings to states (more complete applications, lower error rates, less staff burden, etc) thereby creating lasting community-based distribution networks that are responsive to clients. • Additional advocacy needed to advance integration and coordination of social safety net programs and the federal and state levels.
Creates leverage	Will leverage 1:1 to 1:3 from public and private sources. Leverages USP campaigns/funds: CBMA, CJF, D&P, STDF; LGBTQ Fund; immigration rights fund.
Creates clearly defined success	Demonstrated effective strategies for reaching OSI target populations. Increased use of public benefits among eligible populations. Policy/practice/system changes that reduce barriers for OSI target pops. Increased adoption, by federal and state governments, of effective models.
Fits geographic framework	TBD

Advocacy funding to improve access to benefits

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In addition to supporting direct service programs that increase access to benefits, USP and SFPA will explore advocacy opportunities to build public will, such as:

- Extend and increase benefits provided through federal **Unemployment Insurance, Temporary Assistance for Needy Families, and Supplemental Nutrition Assistance Program**
- Expand funding for child care through the **Child Care Development Block Grant** (CCDBG) and other quality federal and state child care initiatives
- Expand use of **Earned Income Tax Credit** (EITC) to benefit non-custodial fathers
- Reform state rules and processes to simplify and expand access to benefits
- Reform child support policies to account equally for the rights of non-custodial fathers, custodial mothers, and children, and to reduce arrears faced by formerly incarcerated fathers
- Eliminate racial inequality in access to benefits, language barriers, and other barriers to access by immigrants
- Ensure use of expanded state Medicaid programs to cover addiction, and ensure successful implementation of parity legislation

Direct service state/city funding: Workforce & OSI Baltimore

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Criteria	Description
Meets poverty alleviation goal	<ul style="list-style-type: none"> Establishes a year-round youth employment program for kids involved in the juvenile justice and child welfare systems; and Establishes a subsidized employment program with case management and support services for low income adults including the formerly incarcerated (many of whom are in recovery and are non-custodial fathers).
Targets OSI population	<ul style="list-style-type: none"> Vulnerable youth Low income adults including formerly incarcerated
Aligns with USP advocacy goals to advance justice and equality	Supports youth leadership development; Advances opportunities for African American youth and men and other communities of color; Addresses school to prison pipeline; Reforms criminal justice policies.
Identifies and aligns with specific advocacy funding to alleviate poverty	Support job creation and workforce development programs that address OSI target populations. Demonstrates year-long employment opportunities for older youth that complement schooling. Provides subsidized jobs and training opportunities for individuals with high needs.
Direct service investment has pathway to long-term sustainability	<ul style="list-style-type: none"> Year-round youth subsidized employment model will be sustained through COMPACT with state of Maryland. Demonstration will build capacity and public will for future investments in subsidized employment programs for adults in Maryland. Through evaluation, communication and advocacy, model for both youth and adults has the potential to be sustained through federal policy and funding within TANF and WIA or other federal funding for employment strategies.
Creates leverage	4:1 leverage from federal matching funds (TANF ECF and Food Stamp Employment and Training dollars). Plus additional philanthropic investments. Leverages USP campaigns/funds: OSI-Baltimore; Campaign for Black Male Achievement; Criminal Justice Fund. Leverages the capacity of OSI-Baltimore and their relationships with the city/state.
Creates clearly defined success	Increased attendance and engagement in school. Increased family income resulting from participation in paid employment. New immediate, entry-level work opportunities that simultaneously help adult workers manage barriers employment. Reduced recidivism and sustained recovery from addiction among re-entry population. Demonstrated success of COMPACT financing model that leads other states to replicate effort and lead to impact for significant number of youth in the next 5 years.
Fits geographic framework	Baltimore

Employment advocacy funding

In addition to supporting direct service programs on workforce development and job training, USP and SFPA will explore advocacy opportunities to build public will, such as:

- Support policies that would provide fiscal relief to state and local governments, including extension of state and local budget relief in ARRA through state fiscal year 2011
- Support job creation and workforce development programs that address the disproportionately high un- and underemployment within African-American, Latina/o, Native American, low-income, and immigrant communities
- Expand support for Civic Justice Corps and other service learning and job training opportunities for formerly incarcerated and disconnected youth.
- Support job creation and workforce development programs targeted to areas in which at least 50 percent of the population has an unemployment rate that is higher than the state average
- Support financial reforms to generate revenue to finance job creation and economic recovery
- Advance efforts to ensure adequate funding for year-long employment opportunities for older youth that complement schooling and provide additional subsidized jobs and training opportunities for individuals with high needs

Direct service national intermediary example: Gateway to College

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Criteria	Description
Meets poverty alleviation goal	An education model that targets and supports youth who have dropped out of school or who are at risk of dropping out of school to complete high school and obtain a post-secondary degree.
Targets OSI population	Vulnerable youth ages 16-21 (1 in10 homeless, 1 in 5 involved in the juvenile justice system)
Aligns with USP advocacy goals to advance justice and equality	Dismantles structural racism; Supports youth leadership development; Advances opportunities for African American youth; Addresses school to prison pipeline.
Identifies and aligns with specific advocacy funding to alleviate poverty	Advocate to repurpose K-12 to K-16 funding in support of alternative education models for disconnected youth. Targets ESEA , Race to the Top, I3
Direct service investment has pathway to long-term sustainability	<ul style="list-style-type: none"> • Demonstrates re-purposing of K-12 to K-16 dollars through partnerships between community colleges and school districts resulting in a self-sustaining model. • Follow on communications and advocacy investments of the model targeted to local, state and federal policymakers. • Communications and advocacy about the repurposed funding model targeted to local, state and federal policymakers.
Creates leverage	Over 1:2 funding leverage with other private funders. Type is pooled financing. Secures significant public dollars. Leverages USP campaigns/funds: CBMA.
Creates clearly defined success	At the end of 3 years, Network will serve 10,000 students per year and will include 41 colleges and 150 school districts. Proven model for delivering developmental education that works for disconnected youth.
Fits geographic framework	Geography selected based on project sites ready for scale as determined by the national program. Priority target states: OH, NC, WA, TX, AZ, FL, GA, NY, CA.

Education advocacy funding

In addition to supporting direct service programs that expand access to quality education, USP and SFPA will explore advocacy opportunities to build public will, such as:

- Increase of public service work opportunities for disconnected youth (in and out of school) via the National Service/AmeriCorps framework, which also provides young people with a scholarship allocation for college
- Advocate for stipended out-of-school opportunities for Middle School students and for wage earning opportunities for High School students
- Support the requirement that data on attendance, disciplinary practices and arrests are available to schools and that schools are held accountable for it
- Reinvest funds used for school-based law enforcement to expand education support programs and restorative justice models
- Repurpose K-12 to K-16 funding in support of alternative education models for disconnected youth
- Advance programs for low-income or low-skilled adults to gain access to sector-based educational opportunities leading to living wage jobs

SFPA budget guidelines

FOR DISCUSSION

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- **Overall budget:** \$250m for 2009-2012
 - \$125.76m committed and \$124.24m remaining
 - Of the \$124.24m remaining: \$25m authorized, but not committed, for 2010; \$99.24m uncommitted for 2011-2012
- **Investment areas:** All new commitments will continue to be within Benefits Access, Education, and Employment. Within in those three areas, priority will be given to the most high-potential investments that meet SFPA's criteria
- **Note on priorities:** we will not, at the outset, define pre-determined allocations to Benefits Access, Education, and Employment. Given the nature of our work, we want to remain flexible to pursue the best emerging opportunities for impact – within our agreed criteria and within our three investment areas



Are these the right guidelines?

Investment Vehicles	Grant-making Approach
\$35 – 60m States and/or cities	\$90 – 100m Expanding what works
\$25 – 35m Federal	\$20 – 30m Building new capacity
\$30 – 40m National intermediaries	\$5m Evaluation
	\$6 – 10m Advocacy
	\$3m Admin

SFPA: 2009 & 2010 budget summary and potential funds for authorization

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Investment Area	2009 Investments (\$ M)	2010 Investments (\$ M)	Total 2009/2010 to date	Remaining funds to be committed in 2010-2012
Michigan		15.00		2010 Funds remaining: \$25 m
Social Innovation Fund		10.00		
Gateway to College		1.27		
Performance Based Scholarships		2.40		2011-2012 Funds remaining: \$99.24m
Robin Hood	25.00	25.00		
Baltimore (includes \$2.5 from 2009 Grant)	5.00	1.00		
Evaluation		1.50		
New York State	35.00			
Radio Reading Project New York	0.25			Total remaining funds: \$124.24 m
Health People	0.15			
Conditional Cash Transfers	2.50			
2010 authorized not committed		25.00		
Total Program budget authorized to date:	\$ 67.90	\$ 81.17	\$ 149.07	
Total Administration*:	\$ 0.19	\$ 1.49	\$ 1.69	
Total Program and Administration:	\$ 68.09	\$ 82.66	\$ 150.76	

*Suggested allocation for Administration is \$3M for 2011/2012 combined

Note: Gateway to College is a 3 year grant for a total amount of \$3.82M with annual distributions of ~\$1.27M; OSI Baltimore rolled over \$2.5M from '09 to '10 with an additional commitment of \$1M; Estimated Administrative costs for 2011 and 2012: \$2.6M; Overhead: \$.36M for 2011 and 2012

SFPA: Governance structure

- U.S. Programs Board assumes full oversight for SPFA investments
- Each fund within U.S. Programs has special advisors. Jonathan Soros, Deepak Bhargava, and Geoffrey Canada will serve as special advisors to SFPA to:
 - Provide strategic support and guidance to SPFA on an on-going basis
 - Participate and support the annual budget process
- The SPFA outside advisors are invited to join all future U.S. Programs Board meetings when the SPFA is on the agenda, and the advisors will be consulted as needed to lend their expertise on the three issue areas of SPFA and U.S. poverty advocacy goals

Deeper integration will bring benefits...

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- New level of investment in demonstration projects will provide advocacy work with new information and evidence
- The power of the OSI voice will increase through joining efforts
- Broader knowledge sharing and outreach
 - Connection to experts that look at open society from poverty vs. justice and that together may lead to a new theoretical framework
- New philanthropic partnerships may emerge
- All of these should lead to galvanizing greater public ownership and will to own the changes OSI is trying to create

...and challenges

- A blended poverty and justice orientation approach is not always embraced by the organizations within the poverty alleviation and justice fields
- Blending advocacy to change government policies while working with government agencies can be tricky
- Short-term SFPA fund focused on long-term issues
- Alignment between USP and SFPA will not be 1:1 in all areas

Proposed definition of success for SFPA/USP integration effort

FOR DISCUSSION

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Benefits Access

- (individual) Help OSI target populations get connected and stay connected to safety net benefits to alleviate their poverty
- (system) Reform the public safety net delivery system so that it is accessible and responsive to people in need
- (policy) Advocate for expanded eligibility and higher benefit levels for those in need – specifically, immigrant families, families in non-traditional households, homeless youth and adults, formerly incarcerated

Education

- (individual) Help vulnerable youth and low-skilled and/or disconnected workers gain access to education models that positions them to get good jobs
- (system) Demonstrate new program models that effectively serve OSI target populations
- (policy) Advocate for the expansion of successful program models and guaranteed financing for OSI target populations to access education

Employment

- (individual) Help OSI target populations enter jobs and also gain access to training that leads to better jobs to advance in the private economy
- (system) Demonstrate pathways to employment that are effective for OSI target populations. Demonstrate successful program models that deliver better services, using blended funding to meet the particular needs of low-skilled, low-wage workers
- (policy) Advocate for a more seamless workforce and training system for OSI target populations (policy and funding)

Next steps

- Create specific indicators and outcomes for direct service and poverty alleviation advocacy for each investment area: Benefits Access, Education and Employment
- Identify immediate opportunities for investment
 - Seize opportunities for impact created by federal and state policy changes
 - Identify the top-priority set of opportunities for alignment between SFPA's and USP's agendas/investments (e.g., employment for people with records)
 - Identify potential states/geographies for targeted investment(s)
 - Collaborate on workforce and education surveys
- Develop a more detailed budget that supports aligned investments
- Adapt organizational staffing structures to support new integrated approach and longer SFPA timeframe